

# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor's Report & Audited Financial Statements As at and for the year ended 31 December 2024

### Independent Auditor's Report To the Management of Bank Alfalah Limited, Bangladesh Operations

*Report on the Audit of the Financial Statements*

**Opinion**

We have audited the Financial Statements of **Bank Alfalah Limited, Bangladesh Operations (the "Bank")** which comprise the Balance Sheet as at 31 December 2024 and the Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements of the Bank give a true and fair view of the Balance Sheet of the Bank as at 31 December 2024, and of its Profit and Loss Accounts, and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note #2.1.

**Basis for opinion**

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

**Emphasis of Matter**

- We draw attention to note #39 of the annual financial statements, which describes that the Board of Directors of Bank Alfalah Limited (the parent company) has granted in-principle approval to a non-binding offer received from Bank Asia PLC of Bangladesh and Hutton National Bank PLC (HNB) of Sri Lanka to acquire the Bank's Bangladesh operations, including its assets and liabilities. The offer is subject to compliance with all applicable laws and regulations and obtaining necessary regulatory approvals. As disclosed, Bangladesh Bank and the State Bank of Pakistan have granted approval to the prospective acquirers to conduct an in-depth due diligence, which is currently in process. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the Financial Statements of the Bank in accordance with IFRSs as explained in note #2.1, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended up to date) 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 forgery.

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Bank or business activities within the Bank to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

**Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, the Bank Company Act, 1991 (as amended up to date) and the rules and regulations issued by Bangladesh Bank, we also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- 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 forgery as stated under the Management's Responsibility for the Financial Statements and internal control:
- internal audit, internal control and risk management arrangements of the Bank as disclosed in the Financial Statements appeared to be materially adequate;
- 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;
- in our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- the Balance Sheet and Profit and Loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- the records and statements submitted by the branches have been properly maintained and consolidated in the Financial Statements; the Financial Statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- the information and explanations required by us have been received and found satisfactory;
- adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- we have reviewed over 80% of the risk weighted assets of the Bank and spent over 1,816 person hours, and
- Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

**Balance Sheet  
As at 31 December 2024**

| Particulars                                                                     | Notes      | Amount in Taka        |                       |
|---------------------------------------------------------------------------------|------------|-----------------------|-----------------------|
|                                                                                 |            | 2024                  | 2023                  |
| <b>Property and assets</b>                                                      |            |                       |                       |
| <b>Cash</b>                                                                     | <b>4</b>   | <b>2,606,539,181</b>  | <b>1,838,433,213</b>  |
| Cash in hand (including foreign currency)                                       |            | 211,790,914           | 202,889,743           |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currency) |            | 2,394,748,267         | 1,635,543,470         |
| <b>Balance with other banks and financial institutions</b>                      | <b>5</b>   | <b>2,672,242,231</b>  | <b>2,400,466,772</b>  |
| In Bangladesh                                                                   |            | 27,640,735            | 424,461,445           |
| Outside Bangladesh                                                              |            | 2,644,601,496         | 1,976,005,327         |
| <b>Money at call on short notice</b>                                            | <b>5.6</b> | <b>11,566,673,895</b> | <b>7,943,302,318</b>  |
| Investments                                                                     | <b>6</b>   | <b>11,566,673,895</b> | <b>7,943,302,318</b>  |
| Government                                                                      |            | -                     | -                     |
| Others                                                                          |            | -                     | -                     |
| <b>Loans and advances</b>                                                       | <b>7</b>   | <b>16,187,018,123</b> | <b>16,168,629,022</b> |
| Loans, cash credit, overdrafts and etc.                                         |            | 16,172,975,517        | 16,168,629,022        |
| Bills purchased and discounted                                                  |            | 14,142,606            | -                     |
| <b>Fixed assets including premises, furniture and fixtures</b>                  | <b>8</b>   | <b>165,170,026</b>    | <b>225,929,500</b>    |
| <b>Other assets</b>                                                             | <b>9</b>   | <b>2,208,981,339</b>  | <b>1,819,457,725</b>  |
| <b>Non-banking assets</b>                                                       |            | <b>-</b>              | <b>-</b>              |
| <b>Total property and assets</b>                                                |            | <b>35,406,624,795</b> | <b>31,426,218,550</b> |
| <b>Liabilities and capital</b>                                                  |            |                       |                       |
| <b>Borrowings from other banks, financial institutions and agents</b>           | <b>10</b>  | <b>1,513,441,714</b>  | <b>15,737,601</b>     |
| <b>Deposits and other accounts</b>                                              | <b>11</b>  | <b>23,768,981,345</b> | <b>22,189,447,813</b> |
| Current accounts and other accounts                                             |            | 2,333,219,714         | 2,816,117,278         |
| Bills payable                                                                   |            | 127,542,442           | 482,702,210           |
| Savings bank deposits                                                           |            | 7,027,236,888         | 7,604,131,148         |
| Fixed deposits                                                                  |            | 14,280,982,301        | 11,286,497,177        |
| Other deposits                                                                  |            | -                     | -                     |
| <b>Other liabilities</b>                                                        | <b>12</b>  | <b>3,610,008,120</b>  | <b>3,034,425,774</b>  |
| <b>Total liabilities</b>                                                        |            | <b>28,892,431,179</b> | <b>25,239,611,188</b> |
| <b>Capital and shareholders' equity</b>                                         |            |                       |                       |
| Paid up capital (Paid from head office)                                         | <b>13</b>  | <b>5,097,454,821</b>  | <b>5,055,961,038</b>  |
| Revaluation reserve                                                             | <b>14</b>  | <b>2,909,680</b>      | <b>2,047,968</b>      |
| Surplus in Profit and Loss Account                                              | <b>15</b>  | <b>1,413,829,115</b>  | <b>1,128,598,336</b>  |
| <b>Total shareholders' equity</b>                                               |            | <b>6,514,193,616</b>  | <b>6,186,607,362</b>  |
| <b>Total liabilities and shareholders' equity</b>                               |            | <b>35,406,624,795</b> | <b>31,426,218,550</b> |

The annexed notes 1 to 39 form an integral part of these financial statements.

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

**Profit and Loss Account  
For the year ended 31 December 2024**

| Particulars                                                 | Notes     | Amount in Taka         |                      |
|-------------------------------------------------------------|-----------|------------------------|----------------------|
|                                                             |           | 2024                   | 2023                 |
| Interest income                                             | <b>19</b> | <b>1,844,531,292</b>   | <b>1,589,615,315</b> |
| Interest paid/profit shared on deposits and borrowings etc. | <b>20</b> | <b>(1,416,561,263)</b> | <b>(920,354,921)</b> |
| <b>Net interest income</b>                                  |           | <b>427,970,029</b>     | <b>669,260,394</b>   |
| Investment income                                           | <b>21</b> | <b>1,135,478,897</b>   | <b>450,882,303</b>   |
| Commission, exchange and brokerage                          | <b>22</b> | <b>298,449,593</b>     | <b>218,037,475</b>   |
| Other operating income                                      | <b>23</b> | <b>17,984,830</b>      | <b>39,761,151</b>    |
| <b>Total operating income</b>                               |           | <b>1,879,883,349</b>   | <b>1,377,941,323</b> |
| Salaries and allowances                                     | <b>24</b> | <b>432,765,932</b>     | <b>402,085,288</b>   |
| Rent, taxes, insurance, electricity etc.                    | <b>25</b> | <b>78,894,351</b>      | <b>63,788,908</b>    |
| Legal expenses                                              | <b>26</b> | <b>3,198,265</b>       | <b>2,427,075</b>     |
| Postage, stamps, telecommunication etc.                     | <b>27</b> | <b>20,885,779</b>      | <b>20,053,010</b>    |
| Stationery, printing, advertisement etc.                    | <b>28</b> | <b>6,479,885</b>       | <b>7,139,333</b>     |
| Country Head's salary and fees                              | <b>29</b> | <b>30,325,292</b>      | <b>27,361,319</b>    |
| Auditors' fees                                              |           | <b>889,526</b>         | <b>887,563</b>       |
| Depreciation and repair of the Bank's assets                | <b>30</b> | <b>119,802,667</b>     | <b>118,917,807</b>   |
| Other expenses                                              | <b>31</b> | <b>61,735,576</b>      | <b>54,715,603</b>    |
| <b>Total operating expenses</b>                             |           | <b>754,977,273</b>     | <b>696,775,906</b>   |
| <b>Profit before provisions</b>                             |           | <b>1,124,906,076</b>   | <b>681,165,417</b>   |
| Provision for loans and advances/investments                | <b>32</b> | <b>60,160,257</b>      | <b>(47,543,798)</b>  |
| General provision                                           |           | (1,040,500)            | (13,100,000)         |
| Specific provision                                          |           | 61,200,757             | (34,443,798)         |
| Provision for diminution in value of investments            |           | (8,000,000)            | 4,100,000            |
| Other provisions                                            |           | (47,700,000)           | -                    |
| <b>Total provision</b>                                      |           | <b>4,460,257</b>       | <b>(43,443,798)</b>  |
| <b>Total profit/(loss) before taxes</b>                     |           | <b>1,120,445,819</b>   | <b>724,609,215</b>   |
| Provision for taxation                                      |           | -                      | -                    |
| Current tax expense                                         |           | 482,971,873            | 277,000,000          |
| Deferred tax expense/(income)                               |           | (15,771,061)           | 13,724,140           |
| <b>Total provision for taxation</b>                         | <b>33</b> | <b>467,200,812</b>     | <b>290,724,140</b>   |
| <b>Net profit after taxation</b>                            |           | <b>653,245,007</b>     | <b>433,885,075</b>   |
| <b>Appropriations:</b>                                      |           |                        |                      |
| Transferred to Start-Up Fund                                |           | (6,532,450)            | (4,388,851)          |
| Retained Surplus Carried Forward                            |           | <b>646,712,557</b>     | <b>429,546,224</b>   |

The annexed notes 1 to 39 form an integral part of these financial statements.

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

**Statement of Changes in Equity  
For the year ended 31 December 2024**

| Particulars                                              | Fund deposited with Bangladesh Bank | Revaluation reserve on Govt. securities | Amount in Taka                     |                      |
|----------------------------------------------------------|-------------------------------------|-----------------------------------------|------------------------------------|----------------------|
|                                                          |                                     |                                         | Surplus in profit and loss account | Total equity         |
| <b>Balance as at 1 January 2024</b>                      | <b>5,055,961,038</b>                | <b>2,047,968</b>                        | <b>1,128,598,356</b>               | <b>6,186,607,362</b> |
| Surplus/deficit on account of revaluation of investments | -                                   | 861,712                                 | -                                  | 861,712              |
| Currency translation difference                          | 41,493,783                          | -                                       | -                                  | 41,493,783           |
| Net profit for the period                                | -                                   | -                                       | 653,245,007                        | 653,245,007          |
| Transferred to Start-Up Fund                             | -                                   | -                                       | (6,532,450)                        | (6,532,450)          |
| Retained Earnings transferred to Capital                 | -                                   | -                                       | -                                  | -                    |
| Profit transferred to Head Office                        | -                                   | -                                       | (361,481,798)                      | (361,481,798)        |
| <b>Balance as at 31 December 2024</b>                    | <b>5,097,454,821</b>                | <b>2,909,680</b>                        | <b>1,413,829,115</b>               | <b>6,514,193,616</b> |

**For the year ended 31 December 2023**

| Particulars                                              | Fund deposited with Bangladesh Bank | Revaluation gain/(loss) on investment | Amount in Taka                     |                      |
|----------------------------------------------------------|-------------------------------------|---------------------------------------|------------------------------------|----------------------|
|                                                          |                                     |                                       | Surplus in profit and loss account | Total equity         |
| <b>Balance as at 1 January 2023</b>                      | <b>4,528,498,538</b>                | <b>1,953,030</b>                      | <b>1,332,802,132</b>               | <b>5,863,253,700</b> |
| Surplus/deficit on account of revaluation of investments | -                                   | 94,938                                | -                                  | 94,938               |
| Currency translation difference                          | 27,462,500                          | -                                     | -                                  | 27,462,500           |
| Net profit for the period                                | -                                   | -                                     | 433,885,075                        | 433,885,075          |
| Transferred to Start-Up Fund                             | -                                   | -                                     | (4,388,851)                        | (4,388,851)          |
| Retained Earnings transferred to Capital                 | 500,000,000                         | -                                     | (500,000,000)                      | -                    |
| Profit transferred to Head Office                        | -                                   | -                                     | (133,750,000)                      | (133,750,000)        |
| <b>Balance as at 31 December 2023</b>                    | <b>5,055,961,038</b>                | <b>2,047,968</b>                      | <b>1,128,598,356</b>               | <b>6,186,607,362</b> |

The annexed notes 1 to 39 form an integral part of these financial statements.

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

**Off-balance Sheet  
As at 31 December 2024**

| Particulars                                                           | Notes     | Amount in Taka       |                      |
|-----------------------------------------------------------------------|-----------|----------------------|----------------------|
|                                                                       |           | 2024                 | 2023                 |
| <b>Contingent liabilities</b>                                         |           |                      |                      |
| Acceptances & endorsements                                            |           | 36,601,367           | 35,743,884           |
| Letters of guarantees                                                 | <b>16</b> | <b>403,692,172</b>   | <b>421,910,934</b>   |
| Irrevocable letters of credit                                         | <b>17</b> | <b>462,851,617</b>   | <b>277,491,077</b>   |
| Bills for collection                                                  |           | 89,629,864           | 333,688,110          |
| Other contingent liabilities (Bangladesh Sanchayapatra)               |           | -                    | 316,450,000          |
| <b>Total</b>                                                          |           | <b>992,775,020</b>   | <b>1,385,284,005</b> |
| <b>Other commitments</b>                                              |           |                      |                      |
| Documentary credits and short term trade-related transactions         |           | -                    | -                    |
| Forward assets purchased and forward deposits placed                  |           | 231,293,185          | 1,149,874,469        |
| Undrawn note issuance and revolving underwriting facilities           |           | -                    | -                    |
| Undrawn formal standby facilities, credit lines and other commitments |           | -                    | -                    |
| <b>Total</b>                                                          |           | <b>231,293,185</b>   | <b>1,149,874,469</b> |
| <b>Total Off-balance sheet items including contingent liabilities</b> |           | <b>1,224,068,205</b> | <b>2,535,158,474</b> |

The annexed notes 1 to 39 form an integral part of these financial statements.

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

**Notes to the financial statements  
as at and for the year ended 31 December 2024**

**1 Reporting entity**

Bank Alfalah Limited, Bangladesh Operations (the Bank) are branches of Bank Alfalah Limited (the parent company) incorporated in Pakistan. The Bank is domiciled in Bangladesh. The address of the Bank's country office is 168 Gulshan Avenue, Dhaka-1212.

The Bank started its operation in Bangladesh on 16 May 2005 by acquiring Shamal Bank of Bahrain's Dhaka Branch Operations as a branch of the parent company. The Bank has 7 branches as on 31 December 2024. Except 1 Islamic Banking Branch, the rest of the branches run on conventional commercial Banking business basis.

**1.1 Principal activities and nature of operations of the Bank**

The Bank primarily is involved in providing all kinds of commercial banking services to the customers. The Bank offers services for all commercial Banking needs of the customers, which includes deposit Banking, loans and advances, export import financing, etc.

**1.2 Islamic Banking**

The Bank has one Islamic banking branch (Motiheel branch) that operates under Shar'ah Principles. The financial position and the financial performance are disclosed in Annexure VI. The conventional banking financial and the financial performance includes the Islamic banking operations.

**2 Basis of preparation of financial statements**

The financial statements of the Bank are prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Bank Company Act, 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank. In case any requirement of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank shall prevail.

**2.1 Statement of compliance and basis of preparation**

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

The financial statements of the Bank have been prepared in accordance with the IFRSs adopted by FRC and in addition to this, the Bank also complied with the requirements of the following laws and regulations from various Government bodies:

- The Bank Company Act, 1991, and amendment thereon;
- Circulars, Rules and Regulations Issued by Bangladesh Bank (BB) time to time;
- The Income Tax Ordinance 1984, Income Tax Act, 2023 and amendments thereon;
- The Value Added Tax Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon;
- Financial Reporting Act, 2015.

In case any requirement of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act, 1991, and provisions and circulars issued by BB shall prevail. Material departures from the requirements of IFRS are as follows:

**i) Investment in equity instruments**

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

**i) Investment in equity instruments (Continued)**

**Bangladesh Bank:** As per Banking Regulation and Policy Department (BRPD) circular no. 14, dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the year-end at market price and as per the book value of the last audited balance sheet, respectively. Provisions should be made for any loss arising from diminution in value of investments; otherwise investments are recognised at cost.

**ii) Subsequent measurement of government securities**

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

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

**Bangladesh Bank:** As per DOS circular no. 05, dated 26 May 2008, and subsequent clarification in DOS circular no. 05, dated 28 January 2009, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark-to-market and at year-end, any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity. Any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities, including amortisation of discount, are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at year-end, and gains or losses on amortisation are recognised in other reserves as part of equity.

**iii) Provision on loans and advances**

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

**Bangladesh Bank:** As per BRPD circular no. 7, dated 21 June 2018, BRPD circular no 13, dated 18 October 2018, BRPD circular no. 15, dated 27 September 2017, BRPD circular no. 16, dated 18 November 2014, BRPD circular no. 14, dated 23 September 2012, BRPD circular no. 5, dated 29 May 2013, BRPD circular no. 1, dated 20 February 2018 and BRPD circular no. 3, dated 21 April 2019, a general provision at 0.25% to 5% under different categories of unclassified loans (Standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also, provision for different categories of classified loans (sub-standard, doubtful and bad and loss loans) has to be provided at 20%, 50% and 100%, respectively, for loans and advances depending on time past due. Again, as per BRPD circular no. 14, dated 23 September 2012 and BRPD circular no. 7, dated 21 June 2018, a general provision at 1% is required to be provided for all off-balance sheet exposures except on 'bills for collection' and 'guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/international bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks, in line with Base-III). Such provision policies are not specifically in line with those prescribed by IFRS 9.

IFRS: As per IAS 1 Presentation of Financial Statements, other comprehensive income is a component of financial statements or the elements of other comprehensive income are to be included in single comprehensive income statements.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) statement. As such, the Bank does not prepare Other Comprehensive Income statement. However, elements of OCI, if any, are shown in the Statement of Changes in Equity.

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

In several cases, Bangladesh Bank guideline categories recognise, measure and present financial instruments different from those prescribed in IFRS 9 Financial Instruments. Hence, some disclosure and presentation requirements of IFRS 7 Financial Instruments Disclosures and IAS 32 Financial Instruments Presentation cannot be made in the financial statements.

**vi) Repo and reverse repo transactions**

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

**Bangladesh Bank:** As per DOS circular no. 6, dated 15 July 2010, and subsequent clarification in DOS circular no. 3, dated 30 January 2012 and DOS circular no. 2, dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction, and the financial assets are de-recognised in the seller's book and recognised in the buyer's book.

However, as per DMD circular letter no. 7, dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) programme, whereby such banks may enter collateralised repo arrangements with Bangladesh Bank. Here, the selling bank accounts for the arrangement as a loan, thereby continuing to recognise the asset.

**vii) Financial guarantees**

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

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003, financial guarantees, such as Letter of Credit and Letter of Guarantee should be treated as off balance sheet items. No liability is recognised for the guarantee, except the cash margin.

**viii) Cash and cash equivalents**

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

**Bangladesh Bank:** Some cash and cash equivalent items, such as Money at call on short notice, treasury bills, Bangladesh Bank bills and prize bonds are not shown as cash and cash equivalents. Money at call on short notice is shown separately in the balance sheet. Treasury bills, Bangladesh Bank bills and prize bonds are shown under investment in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash-in-hand, balance with Bangladesh Bank and other banks.

**ix) Non-banking assets**

IFRS: There is no particular/specific guideline about non-banking assets in IFRS.

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003 and BRPD Circular no. 22 dated 20 September 2021 there is a separate balance sheet item titled as non-banking asset that exists in the standard format.

**x) Cash flow statement**

IFRS: As per IAS 7 Statement of Cash Flows, cash flow statement can be prepared either in direct method or indirect method. The indirect method is used to present cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003, the cash flow statement is a mix of both the direct and indirect methods.

**xi) Balance with Bangladesh Bank**

IFRS: Balance with Bangladesh Bank should be treated as other asset, as it is not available for use in day to day operations, as per IAS 7 Statement of Cash Flows.

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

**xii) Presentation of intangible asset**

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

**Bangladesh Bank:** Intangible assets are shown in Other assets as there is no specific regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003.

**xiii) Off balance sheet items**

IFRS: As per IFRS, there is no requirement for disclosure of off balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, off balance sheet items, e.g. Letter of Credit, Letter of Guarantee and Acceptance must be disclosed separately on the face of the balance sheet.

**xiv) Disclosure of appropriation of profit**

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

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

**xv) Loans and advances/investments net of provision**

IFRS: As per IFRS 9, loans and advances/investments should be presented net of provision.

**Bangladesh Bank:** As per BRPD circular no. 14, dated 25 June 2003, provision on loans and advances/investments are presented separately as liability and cannot be netted-off against loans and advances.

**xvi) Recognition of interest in suspense**

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

**Bangladesh Bank:** As per BRPD circular no. 14, dated 23 September 2012, once a loan is classified as impaired, interest on such loans are not allowed





Bank Alfalah

## Audited Financial Statement 2024

## Independent Auditor's Report &amp; Audited Financial Statements As at and for the year ended 31 December 2024

## Notes to the financial statements

## as at and for the year ended 31 December 2024

## 2 Basis of preparation of financial statements (Continued)

## Other items

Other key items where estimates or judgements were involved include:

- a) Useful life of fixed assets and right of use of assets Note 3.2.5  
b) Lease liabilities Note 3.2.6 and 12  
c) Provisions Note 3.3  
d) Deferred tax Note 12.7  
e) Provision for taxation Note 12.4

## 2.5 Materiality and aggregation

Each material item considered by the management as significant has been displayed separately in the financial statements. No amount has been set off, unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

## 2.6 Comparative information

Accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is rearranged wherever necessary to conform with the current presentation.

## 2.7 Reporting period

These financial statements of the Bank presents financial information cover one calendar year from 1 January to 31 December 2024.

## 2.8 Date of authorization

These financial statements have been prepared in accordance with international Financial Reporting Standards (IFRSs) and the requirements of the Bank Company Act, 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank. They were authorised for issue by the Bank's management at 24 February 2025.

## 2.9 Cash flow statement

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

## 2.10 Statement of changes in equity

The Statement of changes in equity reflects information about the increase or decrease in net assets or wealth. The Statement of changes in equity is prepared principally in accordance with IAS 1 Presentation of Financial Statements and under the guidelines of Bangladesh Bank's BRPD circular no. 14 dated 25 June 2003.

## 2.11 Basis of preparation of liquidity statement

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

- a) Balances with other bank and financial institutions, money at call on short notice etc. are on the basis of their maturity term.  
b) Investments are on the basis of their residual maturity term.  
c) Loans and advances are on the basis of their repayment/ maturity schedule.  
d) Fixed assets are on the basis of their useful life.  
e) Other assets are on the basis of their assumption.  
f) Borrowing from other banks, financial institutions and agents as per their maturity/ repayment term.  
g) Deposits and other accounts are on the basis of their maturity term and behavioral past trend of last one year.  
h) Other long term liability on the basis of their maturity term.  
i) Provisions and other liabilities are on the basis of their settlement.

## 2 Basis of preparation of financial statements (Continued)

## 2.12 Core risk management

According to BRPD circular no. 17 dated 7 October 2003, BRPD circular no. 4 dated 5 March 2007 and DOS circular no. 4 dated 8 October 2018, banks are required to put in place an effective risk management system. Bangladesh Bank monitors the progress of implementation of these guidelines through its on-site inspection teams through routine inspection. The risk management systems of the Bank are discussed below:

## Risk management

The Bank has in place an approved integrated Risk Management framework and Operational Risk Framework for managing Credit Risk, Market Risk, Liquidity Risk, and Operational Risk as evidenced by its Board approved "Risk Management Policy", "Market & Liquidity Risk Policy", "Interest Risk Rate Policy", "ICT Security Policy" and "Operational Risk Policy". As per policy, reporting line of the risk management function has been kept completely independent of the business divisions. Following is the governance structure and important policies on Risk Management of the Bank:

- The Board of Directors through its sub-committee called 'Board Risk Management Committee (BRMC)' oversees overall risk of the Bank.

- RMD is the organizational arm performing the functions of identifying, measuring, monitoring and controlling the various risks and assists the Apex level committee and the various sub-committees in conversion of policies into action.

- Executive Risk Management Committee (ERMC) has been set up for Bangladesh operations to oversee the overall Risk Management of Bangladesh operations. ERMC meets regularly on monthly basis.

- The Bank has an established Risk Management Division (RMD) for Bangladesh Operations in line with the similar set up of RMD in Head Office. Country Chief Risk Officer for Bangladesh Operations functionally reports to Chief Risk Officer in Head Office. Under the supervision of Country CRO, RMD-Bangladesh looks after all risk functions except credit Risk. As part of RMD, Treasury Middle Office (TMO) monitors day-to-day trading activities of the dealing room. TMO focuses on Market Risk in the portfolio where RMD at Head Office has been actively engaged in off-site review of the TMO for Bangladesh Operations and has been extending full support in addressing Risk related issues. MIS has been developed for addressing Market/Liquidity/Credit while as per requirement stipulated in guidelines, all sorts of Treasury dealing i.e., Dealer/Counterparty/MM & FX Gaps/Foreign Exchange Exposure Limit etc. are provided to RMD on a daily basis.

- Furthermore, RMD is in process of setting up Operational Risk and Information Technology Risk functions within RMD in coordination with Head Office Operational Risk Division and Information Security Division to strengthen its oversight of operations and Information technology.

- RMD prepares "Monthly Risk Management Report (MRMR)" on a monthly basis and "Comprehensive Risk Management Report (CRMRR)" on a half-yearly basis as part of regulatory requirement, which is also discussed in the "Executive Risk Management Committee (ERMC)" meetings on monthly basis. These risk reports are prepared after receiving data/information from various departments/units, which are then compiled/refined while taking care of its validation & accuracy through cross matching of data with the statement of affairs, where applicable.

- Stress Test exercise is being conducted by RMD covering credit liquidity/foreign capital Adequacy areas in order to gauge shock absorbing capacity of the Bank. Shocks are applied at minor, moderate and major levels as to ascertain whether the Bank would be able to sustain under these three stress situations.

## Operational risk

Impact: Financial/ Non-Financial

Capital effected: Financial, Social, Human and Intellectual Capitals.

Mitigation Strategy: Embedding a sustainable risk culture remains the Bank's core objective which includes effective management of operational issues and emerging risks across the Bank and in its overseas operations via deployment of required resources, tools and continuous surveillance. The new Operational Risk Framework, Policy and Standards, duly approved by the Board, have been rolled out along with new system platforms (Operational Risk System) for recording and tracking of risk events including non-financial risks. The Bank aim to implement a new process based Risk and Control Self-Assessment method across the group in order to effectively manage operational risks and continuously monitor effectiveness of defined controls through first line self-assessment reviews especially for the processes and activities which may significantly impact the Bank's risk appetite. Further, new and amended products, systems, activities and processes are subject to comprehensive operational risk assessments before implementation or launch.

## 2 Basis of preparation of financial statements (Continued)

## 2.12 Core risk management (Continued)

## 2.12.1 Credit risk management

An integrated credit risk management system is already in place to ensure risk minimization and maintain asset quality. The Bank maintains separate business teams for marketing of new loans and risk units for risk assessment in order to ensure that proper due diligence is conducted in the approval process. A comprehensive risk assessment is mandatory before recommendation/approval of each credit proposals.

All credit requests are initiated through the business team in conjunction with Credit Analysis Unit (CAU) after detail analysis, which are subsequently elevated to the Credit Risk Management (CRM) department. Upon receipt of the proposal, due diligence and risk assessment is conducted by CRM and Chief Risk Officer - Bangladesh and subsequently same is placed to appropriate approval authority. Discretionary authority for credit approval is delegated into different levels based on risk rating, size of credit, type of request, compliance requirements, etc. While conducting the due diligence, CRM ensures compliance of all legal regulations as well as the bank's internal policies and procedures.

Once credit facility(s) of a customer is approved, a formal sanction advice is communicated to the business team and Credit Administration Department (CAD) for further processing. In case of approval, upon completion of security/charge documentation and compliance of other terms & conditions as per the sanction, a Disbursement Authorization Certificate (DAC) is issued by CAD for allowing credit facilities to the customers. The function of CAD is centralized and also kept separate and independent to ensure better control and due diligence on documentation. Credit Operations Department (COD) is also centralized to ensure transparency in the credit transaction and due compliance. CAD also regularly monitors overrides, limit expiries, deferrals, sanction condition compliances, etc. and generate necessary credit related MIS both for Head Office and local regulators. A legal team is placed in CAD to look after the credit related cases, manage liaison with lawyers, law enforcers and courts, etc. A recovery team also plays pivotal role to recover from overdues, non-performing loans and written off loans.

## 2.12.2 Foreign exchange risk management

Foreign exchange risk arises from fluctuations in currency prices, influenced by various macro and micro economic factors. Contemporary financial institutions engage in activities starting from basic currency buy, sell, imports, exports and remittances to complex structured products. Within the Bank, the Treasury department is vested with the responsibility to measure and minimise risk associated with the Bank's foreign currency position.

The currency risk is regulated and monitored against the regulatory/statutory limits enforced by Bangladesh Bank. The foreign exchange exposure, i.e., net open position limits in respective currencies are managed against the prescribed limits allowed by Bangladesh Bank and also through internal limits imposed by the group office.

## 2.12.3 Asset liability management

Asset and Liability Management (ALM) is a practice used by the Bank to mitigate financial risks resulting from a mismatch of assets and liabilities. ALM strategies employ a combination of Risk Management encompasses the identification, analysis, and response to risk factors that form part of the life of a business. It is usually done with and financial planning and are often used by the Bank to manage long-term risks that can arise due to changing circumstances.

Asset Liability Management function primarily focuses on strategic positioning of the balance sheet of the Bank and is also considered as Balanced Liquidity Management. Liquidity Management has its two wings- Asset Management and Liability Management. Rising of excess assets like Investment and Advances in order to maximize profit may sometimes encounter liquidity crisis, which may lead to run on the Bank and ultimate collapse. On the other hand keeping or excess liquidity may hamper the Bank's growth by reducing its return/profit. So in both Asset Management and Liability Management is the main factor.

Asset Liability Management Policy of Bank Alfalah Limited, Bangladesh Operations aims to balance various important issues like profitability, risk, growth in asset & liability and stability as well as sustainability of earnings in a coherent manner by laying down a transparent framework for governance of the ALM function. Broadly, this policy aims to achieve the following objectives:

- Provide guidelines for appropriate diversification and selection of desirable investments to take advantage of arising opportunities in approved investment avenues;
- Provide parameters and criteria for investment in domestic market for the purpose of efficient utilization of resources, optimization of profit and regulatory compliance;
- Ensure that liquidity risk is effectively and proactively managed by the Bank by maintaining desirable level of liquidity;
- Re-pricing of assets and liabilities with a view to profit maximization depending on market situation;
- Propel bank's strategic planning process for the benefit of the organization;

- Maintain different ratios and positions of balance sheet within regulatory and controllable limits;
- Control Liquidity Management by ensuring that the demand for funds is supported by cash and liquid assets in various alternative scenarios;
- Maximize net interest margins and manage interest Rate risk.

The ALCO's primary function/responsibility is to ensure the ALM management in line with ALM guidelines provided by Bangladesh Bank as well as the Bank's own ALM guidelines for the strategic management of asset and liabilities. ALCO regularly reviews the Bank's asset-liability position, overall economic condition, capital adequacy, balance sheet risk and take necessary steps to Maximize return. Besides these all regulatory requirements like CRR, SLR, RWA, LCR, NFSR are reviewed by asset liability committee.

## 2.12.4 Money laundering risk

The Bank Management has sincere commitment and efforts that have been displayed in the year 2023 for prevention of Money Laundering (ML), Countering the Financing of Terrorism (CFT) and Proliferation of Weapons of Mass Destruction. The Bank's efforts were reflected on adherence of KYC/CDD completion and simultaneously, accruing the business along with ensuring transaction monitoring and sanction screening. In this aspect Bank established AML Unit in 2017 and the right resources and system are allotted to the unit to monitor transactions, customer onboarding, sanction screening, etc.

Keeping the enhanced monitoring and focus on Trade Based Money Laundering, the Bank has rolled out technology-based solutions for vessel tracing, Price verification, Sanction screening, Multi-level approval Matrix for high-risk transactions, etc. to strengthen control environment while ensuring robust regulatory reporting such as CTR, STR/SAR, Self-assessment reporting etc.

Especially, the Bank has adopted a stringent policy to monitor and mitigate the risks of suspicious accounts that are suspected of being used for money laundering. Furthermore, the Bank has centralized Account opening, BATCH, Remittance services, Trade operation to mitigate the risks of Money Laundering and Terrorist Financing, as under with the holistic approach.

The Bank arranged AML and CFT training sessions in 2023 for employees comprises of existing and new employees. A schedule of inspection for branches and different functions is in place to ensure that all functions are adhering the related AML and CTF regulations and the Bank laid down policy and procedure on a continuous basis and do not offer services or provide assistance in transactions, which possibly be associated with money being derived from suspected illegal/ criminal activities or customer are under proscribed name by UN, OFAC, Bangladesh sanction list, etc.

## 2.12.5 Internal Control and Compliance (ICC)

Management have their defined roles and responsibility to maintain an adequate and effective system of Internal Control and every endeavor is made to implement sound control procedures and control environment. It was evident that the Bank's management meticulously observed and ensured implementation of regulatory directives, compliance of the findings and recommendations of internal audit and central bank inspections and banking activities as per set policies and procedures.

Internal Control and Compliance policies of the Bank outlines the overall Control Objectives and Controls Framework. Bank Alfalah Control Framework is built on 'Three Line of Defense Model' in line with the Bangladesh Bank Prudential Regulations on "Internal Control & Compliance" and Group policy. The Control Framework focuses on devising policies and procedures that outline control activities so that process owners perform their functions without any risk exposure. This aspect is further evaluated and monitored through various organizational functions as part of Risk Management, Compliance, Internal Controls and Internal Audit departments with different reporting structures to ensure independence and transparency.

The Bank's established Compliance and Controls Committee (CCC) which comprises of CEO and Senior Executives of the Bank is entrusted with enhanced governance and monitoring as part of the overall Control Environment. Internal control and Compliance analyzes the major control gaps, escalates the issues, devises corrective action plan and develops training plans for the staff. Comprehensive reviews of KYC, AML, and other critical regulatory areas were triggered based on the alerts and exceptions generated from the dashboard. Anomalies identified as a result of different periodic and ongoing reviews are conveyed to the concerned stakeholders for taking necessary remedial measures, which significantly improved the controls environment of the Bank. The Bank has also established full-fledged AML UNIT to ensure detail control and governance for Anti money laundering and Combating terrorist financing directives issued by Bangladesh Financial Intelligence Unit (BFIU).

Moreover, the Bank is using a comprehensive Management Testing and Incident Reporting Framework under Risk Management Department for ensuring ongoing operation effectiveness of majority of key controls and has significantly addressed the design improvement opportunities identified during the year. While concerted efforts have always been made to comply with the Bangladesh Bank Guidelines, i.e., the identification, evaluation and management of risks within each key activities of bank and continued evaluation and changes to procedures remains an ongoing process. In accordance with the BB directives, the Bank's External Auditors were engaged for annual review for yearly review.

## 2.12.5 Internal Control and Compliance (ICC) (Continued)

Additionally Planning, Organizing and Supervising business performance metrics and the Audit and Inspection of Branches, including the monitoring of risk-based business transactions have all been duly performed by the different divisions of the Bank in Bangladesh. Notable that, Audit and Inspection Division of the Bank conducts the Audit in two aspects, international Audit team conduct comprehensive audit for the Bangladesh operation while Country Audit team carries out Internal Audits to ensure compliance of regulatory directives as well as the synchronization and adherence to laid-out Policies and Procedures. This internal Audit team reports directly to AIG and is independent from Country Management.

## 2.12.5. Internal audit

The Internal Audit (IA) setup at Bank Alfalah Limited, Bangladesh Operations is an independent and comprehensive function which not only provides objective assurance regarding state of Governance, Risk management, Compliance and Controls; but also a consulting activity designed to add value by highlighting areas for improvement and thus helping the Bank achieve its objectives effectively and efficiently.

Dynamic risk assessment and continuous evaluation of the overall control and risk environment, provision of reasonable assurance and placement of significant matters for oversight of the Board and its subcommittees, has remained the hallmark of our Internal Audit Function.

The independent reporting of Chief Internal Auditor (CIA)/Head of Internal Audit to the Board Audit Committee (BAC) ensures independent decision making and further ensuring compliance to the regulatory guidelines and requirements of the international standards for professional practices issued by Institute of Internal Auditors (IIA). As a step forward, Group follows the globally recognized Risk Based Audit Methodology along with compliance of International standards remained on top priority for our IA function. The same enables formulation of policies and strategy in line with Board Audit Committee (BAC) and Regulatory advisors, correlating with the industry's best practices. The Bank's Internal Audit Unit plays an important role by assisting the Board Audit committee (BAC) in executing its role by collecting & sharing the desired/relevant information and being instrumental in carrying out and follow up of the action points/instructions issued by Board Audit Committee (BAC).

The Internal Audit Unit is suitably equipped with professionally qualified and competent resources from auditing, accountancy, management professions; the unit is operational under a diversified scope of work which encompasses audits of Retail-Conventional and Islamic Banking branches, Information System, Management audits, Shariah Audits and virtual monitoring through offsite surveillance system alongside special and regulatory assignments entrusted by regulator on need basis. In addition, effective follow-up and support to management in timely rectification of audit observation is provided through a dedicated Enforcement Function. Under Quality Assurance setup, Quality Assurance and Improvement program and independent audit rating mechanism is also established.

The vision, i.e. "To be the best Audit set up as per Global Standards and help shaping the future of the Bank", motivates and drives the leadership of Audit & Inspection Group (AIG) to keep on excelling in every aspect while keeping in mind the strategic directions set by the Bank. Core values of learning, openness, empathy and trust have been pursued to align the activities of AIG with its vision and expectations of its stakeholders. These values play an integral part in helping the Audit and Inspection Group moving in the right direction.

With continuous support from the BAC, Internal Audit Unit is all geared up by putting on continuous and dedicated efforts to strengthen the Internal Audit function and Internal Control System of the Bank and undertaken numerous strategic initiatives including:

- Utilization of technology to bolster operational efficiencies and to use audit analytics software for continuous auditing.
- Conducting internal audit quality reviews as an integral component of our quality assurance and improvement program.
- Conducting periodic assessments for continuous improvement.
- Utilizing the Risk-Based Audit (RBA) methodology to strategically allocate audit resources.

## 2.12.5.2 Fraud and forgery

The Bank has an effective mechanism in place to deal with any fraud and forgery. It has Fraud and Investigation Unit under Audit and Inspection Group at Head Office that reports to the Board through the Board's Audit Committee. The Unit performs fraud investigations to identify fraudulent acts and conducts post investigation/ fraud audits to identify control breakdowns and establish financial loss. Further, the stakeholders' interest has been secured by the establishment of robust Whistle Blow policy where every whistle blown has been invariably reported to the Chair of the Audit Committee along with Group Head – Audit and Inspection.

During the period no fraud was identified by the Bank. Details are shown in Note 37.

## 2.12.6 Information and Communication Technology (ICT) security cyber risks

The banking sector has witnessed a profound transformation in recent years, fueled by the integration of advanced technologies. Banks have eagerly embraced digital innovation to meet the changing needs and expectations of their customers. Our unwavering commitment to excellence in technology, infrastructure, and human resources has consistently established us as a leader in the industry.

Information Technology (IT) has revolutionized banking operations by automating a wide range of manual processes, including account management and transactions. This automation has not only reduced errors but also significantly increased transaction speed. IT has also enabled banks to offer 24/7 services through online banking platforms, enhancing accessibility and convenience for customers. Additionally, by deploying advanced security measures such as encryption and multi-factor authentication, IT has strengthened the security of financial transactions, fostering trust and confidence among our customers.

Our bank takes pride in offering real-time account opening services through our Rapid Digital Account system. This innovative platform empowers customers to open accounts anytime, anywhere, leveraging cutting-edge technology. Customers can also enjoy seamless fund transfers to any account within the country and conveniently pay mobile, gas, and electricity bills through our Internet Banking platform.

We are delighted to announce that our bank has achieved PCI DSS compliance, as mandated by the Central Bank. This comprehensive standardization ensures robust data security and adherence to essential regulatory requirements. Upholding compliance is of utmost importance to us, and we remain dedicated to maintaining PCI DSS certification through the collaborative efforts of our IT teams.

At the core of our strategic vision lies a steadfast focus on technology-driven innovation. This commitment ensures that we remain agile and responsive to the evolving needs and aspirations of our customers. By prioritizing technological advancements, we are well-positioned to achieve sustainable growth and continued success in the years ahead.

## 2 Basis of preparation of financial statements (Continued)

## 2.13 Corporate Social Responsibility (CSR)

In Bangladesh, corporate social responsibility (CSR) is not merely a voluntary action; it is a regulatory expectation that underscores an organization's commitment to societal progress.

Since its inception, Bank Alfalah Bangladesh has consistently embraced CSR as a core principle, actively engaging in a wide range of social initiatives. These initiatives reflect the bank's identity as a forward-thinking and socially responsible institution.

Bank Alfalah Bangladesh's CSR endeavors encompass a diverse spectrum of activities in sectors such as health, education, environment & climate change mitigation and adaptation, disaster management etc. Through these initiatives, Bank Alfalah Bangladesh not only enhances its brand image but more importantly, demonstrates its commitment to making a meaningful and lasting contribution to the well-being of the Bangladeshi community.

A summary of CSR programs undertaken in 2024 is provided below:

| CORPORATE SOCIAL RESPONSIBILITY PROJECTS 2024 |                                             |                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SL                                            | Projects                                    | Description                                                                                                                                                                                                                                                                                                                                        |
| 1                                             | Bangladesh Cancer Aid Trust (BANCAT)        | Donated to sponsor a bed at Alk Nibash for one year, an initiative by BANCAT. Alk Nibash is a pioneering holistic cancer care facility in Bangladesh. BANCAT, a non-profit organization, is committed to addressing cancer as a major health issue in Bangladesh through proactive efforts including prevention, education, advocacy, and service. |
| 2                                             | Tarango Handicrafts Program                 | Donated to TARANGO to support primary education in Azimnagar Union. This contribution will directly benefit around 60 students, enabling them to receive essential primary education. TARANGO, established in 1989, is a non-profit organization dedicated to empowering women in Bangladesh.                                                      |
| 3                                             | Mohammad Alamgir (Support Staff)            | Provided as financial assistance to Mohammad Alamgir, a support staff of Agrabad Branch, to help cover his medical expenses. He is suffering from life-threatening cervical lymph nodes cancer.                                                                                                                                                    |
| 4                                             | Prime Minister's Education Assistance Trust | Donated to Prime Minister's Education Assistance Trust Funds per central bank circular.                                                                                                                                                                                                                                                            |
| 5                                             | Society for Social Service (SSS)            | Donated to Society for Social Service (SSS) project on Technical and Vocational Education and Training (TVET). SSS, a prestigious client of Bank Alfalah Bangladesh, is a national-level non-governmental development organization.                                                                                                                |
| 6                                             | City Dal Mills Ltd                          | Contributed for the distribution of emergency relief packs in the southeastern region, in collaboration with City Group, a valued corporate client in the food processing industry.                                                                                                                                                                |
| 7                                             | Bangladesh Coast Guard                      | Donated to the Bangladesh Coast Guard to aid their crucial rehabilitation efforts in flood-affected areas, ensuring essential services and support reach those in need.                                                                                                                                                                            |
| 8                                             | Society for Social Service (SSS)            | Provided financial assistance to the Society for Social Service (SSS) for the implementation of a project titled "Nursery Development for Flood and Drought Resilient Tree, Fruit, and Vegetable Seedlings Production", aimed at addressing the growing challenges of climate change in Bangladesh.                                                |
| 9                                             | Winter Blanket Distribution                 | Distributed winter blankets to underprivileged communities through TMSS a valued corporate client, bringing warmth and relief to those in need.                                                                                                                                                                                                    |

We remain committed to championing positive transformations through our efforts in education, healthcare, environmental conservation, climate change, to help cover his medical expenses, and more. Additionally, we are committed to offering essential aid to the best of our abilities during any national emergencies. Furthermore, we aim to strengthen our involvement with marginalized community members to foster community development.

## 2 Basis of preparation of financial statements (Continued)

## 2.14 Green banking

Bank Alfalah recognizes its environmental responsibility and strives to minimize its ecological footprint. We are committed to sustainable business practices that benefit all stakeholders, including the environment. In alignment with global green banking standards, Bank Alfalah actively engages in various environmental initiatives:

- We have incorporated Environmental Risk Grading into our credit approval process, prioritizing environmentally sustainable projects.

- We have transitioned to energy-efficient lighting and equipment throughout our operations.

- We have implemented "Green Office Guidelines" to minimize our in-house carbon footprint.

- One of our ATM booths is now powered by solar energy, with plans to expand this to all ATMs.

- We promote digital banking services like online banking, mobile banking, and e-statements to reduce paper consumption.

- We encourage customers to set their PINs via phone banking and utilize paperless transaction options.

- We utilize video conferencing to minimize travel and reduce our carbon emissions.

- We are gradually transitioning our fleet to fuel-efficient vehicles.

These initiatives demonstrate Bank Alfalah's commitment to environmental sustainability and its dedication to building a greener future.

## 2.15 Credit rating of the Bank

As per the BRPD instruction circular No.6 dated 5 July 2006, the Bank has done its credit rating by Alpha Credit Rating Limited based on the financial statements dated 31 December 2023.

| Particulars   | Date of Rating | Long Term | Short Term | Valid Till |
|---------------|----------------|-----------|------------|------------|
| Entity Rating | 30-May-24      | AA+       | ST - 1     | 27-Apr-25  |

Alpha Credit Rating Limited has affirmed the long-term rating to AA+ (pronounced as 'double A plus) from AA (pronounced as 'double A) and affirmed Short-term rating of ST-1 of Bank Alfalah Limited (Bangladesh Operations) based on Audited Financials for the year ended 31 December 2023 and other relevant quantitative as well as qualitative information.

The rating reflects the stability of financial performance along with quite satisfactory liquidity position, quality of management team and efficient fund management of the bank. Alpha Rating observed that bank Alfalah (Bangladesh Operation's) contribution to develop HR division is strengthening over the years. In addition, good corporate governance practice, satisfactory CSR activities in last few years and sound environmental risk management policy and low systematic risk have supported the above rating positively

The rating has considered surplus provision, sufficient CRR & SLR compared to the requirement, improved average earning assets, sufficient Capital adequacy, increased net interest income, increased net profit and ADR within the regulatory requirement.

Commercial Banks rated AA+ have very strong credit quality and are subject to very low credit risk. Short term rating of ST-1 represents Bank's Superior capacity for timely repayment of its obligations.

## 2.16 Accounting for changes in policy, accounting estimates and errors

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, states that the effect of a change in accounting policy and correction of errors, if material, is to be applied retrospectively, and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The Bank followed the same accordingly.

## 2 Basis of preparation of financial statements (Continued)

## 2.17 Board Audit Committee (BAC)

| Name                              | Designation |
|-----------------------------------|-------------|
| Mr. Khalid Qurashi                | Chairman    |
| Mr. Abdullah Khalil Al Mutawa     | Member      |
| Mr. Khalid Mans Saeed Al Otaibi   | Member      |
| Ms. Dr. Ayesha Khan               | Member      |
| Mr. Efstratios Georgios Arapoglou | Member      |
| Mr. Tahir Khurshid                | Secretary   |

## 2.18 Workers Profit Participation Fund (WPPF)

As per Bangladesh Labour Act, 2006 and amendments thereof, an employer is required to pay 5% of its net profit to the 1) Workers Participatory Fund (80%), 2) Workers Welfare Fund (10%) and 3) Workers Welfare Foundation Fund (10%) for further appropriate disbursement of the funds to all members (i.e. Beneficiaries, as defined under the Act) as prescribed under the Act. However, on 14 February 2017, Ministry of Finance (Bank and Financial Institution Division) issued a letter to the Secretary, Ministry of Labour and copied to the Governor, Bangladesh Bank and Chairman of the Association of Banks' Bangladesh Limited (ABB) and instructs the Ministry of Labour and manpower to take necessary action not to apply Section 55 of the Bangladesh Labour Act, 2006 on Banks and financial institutions. Hence, no provision is required for WPPF payments is being kept.

## 2.19 Formulation of Bangladesh Bank Agricultural Development Common Fund

(Ref Bangladesh Bank ACD Circular No 08 dated 19 Dec 2022)  
Bangladesh Bank has advised all commercial Banks to create fund with the shortfall amount of the target. Our target was Tk. 38.00 Crore for the FY 2023-2024 and we have disbursed Tk. 60.717 Crore i.e. 159.782% achievement.

## 2.20 Financial literacy

Financial literacy is paramount for achieving financial inclusion, empowering individuals, and fostering economic self-reliance. Recognizing this critical role, Bank Alfalah Bangladesh implemented several initiatives in 2024 to enhance financial awareness and education.

To commemorate Financial Literacy Day on 4th March 2024, the bank organized training sessions and interactive workshops for students and female entrepreneurs across various branches. Furthermore, Bank Alfalah collaborated with TMSS, a key corporate partner, to conduct financial literacy workshops for farmers and suppliers in the Bogura and Rajshahi Divisions. Additionally, workshops were held in Sylhet to educate low-income and marginalized groups, and in Chattogram to support cottage and micro-entrepreneurs.

Bank Alfalah remains committed to advancing financial literacy through diverse initiatives. By prioritizing financial education, the bank aims to enhance the financial well-being of its customers and contribute significantly to societal progress.

## 2.21 General

- a) Figures of previous year have been rearranged, wherever considered necessary, to conform with the current year's presentation.
- b) The expenses, irrespective of capital or revenue in nature, accrued/due but not paid have been provided for in the books of accounts.

## 3 Significant accounting policies

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

## 3.1 Foreign currency transactions

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

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

## 3.2 Assets and basis of their valuation

## 3.2.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, ATM, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call on short notice, investments in treasury bills, Bangladesh Bank bill and prize bonds.

## 3.2.2 Investments

All investments are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accrued using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 5 dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 5 dated 28 January 2009.

## Held to Maturity (HTM)

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

## Held for Trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are marked to market weekly and any decrease in the present value is recognised in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account as per DOS Circular no. 5 dated 28 January 2009.





# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor’s Report & Audited Financial Statements As at and for the year ended 31 December 2024

### Notes to the financial statements as at and for the year ended 31 December 2024

**3.2.4 Staff loan**

House Loan, Car Loan, Conveyance Finance Loan and Personal Loan are provided to the permanent staff at a subsidised rate. Criteria and detail of type wise staff loan are given below:

House loan: Permanent Local officers from Range III completing 3 years of uninterrupted service with the Bank or an experienced staff serving not less than 5 years of his service life including 1 year with the Bank can avail house building loan subject to getting approval from Human Resource Department, Head Office Karachi with the recommendations of Country Head - Bangladesh and Group Head of International Business & CIB. This type of loan is also taken over at the time recruitment.

Car Loan: Permanent Local officers from Range-VA and above are eligible to avail SLCL facilities. The loan is approved by CRO - Bangladesh. This type of loan is also taken over at the time recruitment.

**3 Significant accounting policies (Continued)**

**3.2 Assets and basis of their valuation (Continued)**

**3.2.4 Staff loan (Continued)**

Personal Loan: Permanent Local Officers are eligible for such loan to avail such loan facility at a subsidized rate. This loan is approved by CRO - Bangladesh.

Conveyance Finance Loan: Permanent Local Officers serving at Range IV & V are eligible for such loan to avail car facility at a subsidized rate. This loan is approved by CRO - Bangladesh.

**3.2.5 Fixed assets including premises, furniture and fixtures**

**Recognition and measurement**

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

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

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

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

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

**Subsequent costs**

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

**Depreciation**

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

| Category of assets              | Rate of depreciation | Useful life |
|---------------------------------|----------------------|-------------|
| Furniture, fixture and fittings | 10%                  | 10          |
| Leaschold improvement           | 20%                  | 5           |
| Office equipments               | 20%                  | 5           |
| Staff equipments                | 20%                  | 5           |
| Computer and related equipments | 25%                  | 4           |
| Motor vehicles                  | 25%                  | 4           |

**3.2.6 Leases**

**Right-of-use assets**

The Bank recognises right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under "Fixed assets including premises, furniture and fixtures"

**Short-term leases and leases of low value assets**

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognises lease payments associated with these leases as an expense. However, the bank has considered one lease agreement as short term lease considering practical expedient.

**3 Significant accounting policies (Continued)**

**3.2 Assets and basis of their valuation (Continued)**

**3.2.6 Leases (Continued)**

The contracts for all leased premises including branches, head office, regional offices, data centres, ATM booths and disaster recovery centres are considered for implementation of IFRS 16.

**3.2.7 Provisions for other assets**

BRPD circular no.04 dated 12 April 2022 requires a provision of 100% on other assets which are outstanding for one year and above. The Bank maintains provisions in line with this circular unless it assesses there is no doubt of recovery on items of other assets in which case no provision is kept.

**3.2.8 Intangible assets and its amortisation**

Software acquired by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. In case of acquisition of software, amortization is charged from the month of acquisition, whereas amortization on disposed off software is charged up to the month prior to the disposal. The estimated useful life of software is five years as such amortization is charged at the rate of 20% per annum.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**3.2.9 Reconciliation of inter-bank and inter-branch account**

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

**3.3 Liabilities and basis of their valuation**

**3.3.1 Borrowings from other banks, financial institutions and agents**

Borrowings from other banks, financial institutions and agents includes refinance from Bangladesh Bank against agro-based credit, SME and EDF Loan etc., interest-bearing borrowings against securities from Bangladesh Bank, call borrowing from other banks and borrowing from other multilateral organisations. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in note 10.

**3.3.2 Deposits and other accounts**

Deposits and other accounts include non interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposits, savings deposit and fixed deposit. These items are brought into financial statements are at the gross value of outstanding balance. Details are shown in note 11.

**3.3.3 Lease liabilities**

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments, and re-measuring the carrying amount to reflect any reassessment or lease modifications.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

**3.3.4 Provision for liabilities**

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

**3 Significant accounting policies (Continued)**

**3.3.5 Provision for Off-balance sheet exposure**

As per BRPD circular no.14 dated 23 September 2012, the Bank has recognised 1% General Provision on the following off-balance sheet exposures as defined in BRPD circular no.10 dated 24 November 2002 considering the exemption as provided through BRPD circular no. 1 dated 3 January 2018, BRPD circular no. 7 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018, BRPD circular no. 2 dated 25 February 2019, BRPD circular no. 9 dated 27 May 2019 and BRPD circular letter no. BPRD(P-1)/661/13/2019-354 dated 13 January 2020.

- Acceptance and endorsements
- Letters of guarantee
- Irrevocable letters of credit
- Foreign exchange contracts

**3.3.6 Provisions on balances with other banks and financial institutions (Nostro accounts)**

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

**3.3.7 Provision for rebate to good borrower**

As per BRPD circular no. 6 dated 19 March 2015, BRPD circular no. 3 dated 16 February 2016 and BRPD circular no. 14 dated 18 June 2020 of the Banking Regulation and Policy Department (BRPD) of Bangladesh Bank, commercial banks are required to provide 10% rebate on the interest charged from "good borrowers" up to 30th September 2019 subject to some qualifying criteria.

**3.3.8 Other liabilities**

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

**3.4 Capital/Shareholders' equity**

**3.4.1 Head office fund**

This represents amounts deposited with Bangladesh Bank in foreign currency as a part of minimum capital requirements. According to subsection 3 of Section 13 of the Bank Company Act, 1991 as amended by BRPD circular no. 11 dated 14 August 2008 and BRPD circular letter no. 18 dated 15 June 2023 all Banks are required to deposit with Bangladesh Bank the higher of Tk. 5,000 million and minimum capital requirement calculated as 10% of risk weighted assets. Details are shown in Note 13.

**3.4.2 Other reserve**

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

**3.5 Revenue recognition**

**3.5.1 Interest income**

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

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

**3 Significant accounting policies (Continued)**

**3.5 Revenue recognition**

**3.5.2 Profit on investment (Islamic Banking)**

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

**3.5.3 Investment income**

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

**3.5.4 Fees and commission income**

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

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

**3.6 Interest paid on borrowing and other deposits (Conventional Banking)**

Interest paid and other expenses are recognised on accrual basis.

**3.7 Profit shared on deposits (Islamic Banking)**

Profit shared to madaraba deposits are recognised on accrual basis.

**3.8 Dividend Income**

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

**3.9 Others**

**Foreign exchange gain/ loss**

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

**3.10 Employee benefits**

**3.10.1 Provident fund**

Provident Fund benefits are given to the permanent staff of the Bank in accordance with the registered Provident Fund rules. The Commissioner of Income Tax, Taxes Zone - 6, Dhaka, has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance, 1984. The reorganization took effect on 1 June 2005. The Provident Fund is operated by a Board of Trustees consisting of 5 members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Provident Fund. The Bank also contributes equal amount to the Provident Fund. Contributions made by the Bank are charged as expense and the Bank bears no further liability. Interest earned from the investments is credited to the members' account on yearly basis. Members are eligible to get both the contribution after 5 years of continuous service from the date of their membership. By Law the Provident fund is duly audited by MABS & J Partners, Chartered Accountants.

**3.10.2 Gratuity fund**

The Bank operates an approved funded gratuity scheme covering eligible employees whose period of employment with the Bank is five years or more. Gratuity is payable to staff on completion of the prescribed qualifying period of service under the scheme. The Banks liability on this account stands as on 31 December 2024 was fully provided in accounts considering the staffs accumulated gratuity entitlements for their service with the Bank. The Gratuity Fund had been approved by the National Board of Revenue in February 2011.

**3 Significant accounting policies (Continued)**

**3.10 Employee benefits (Continued)**

**3.10.2 Gratuity fund (Continued)**

Eligibility to gratuity payments

| Actual Year of Services                                    | Eligibility  | Calculation                                       |
|------------------------------------------------------------|--------------|---------------------------------------------------|
| Less than 2 Years                                          | Not eligible | Nil                                               |
| 2 Years or more but less than 10 Years for Range VII to IX | Eligible     | (Last basic drawn)* (No. of years service)        |
| 3 Years or more but less than 10 Years for Range IV to VIA | Eligible     | (Last basic drawn)* (No. of years service)        |
| 5 Years or more but less than 10 Years for Range I to IIIA | Eligible     | (Last basic drawn)* (No. of years service)        |
| 10 Years or more                                           | Eligible     | (Last basic drawn)* (No. of years service)* (1.5) |

**3.10.3 Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**3.11 Tax expense**

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

**3.11.1 Current tax**

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates as prescribed in the Income Tax Ordinance, 1984 and relevant Statutory Regulatory Orders (SRO) and any adjustment to tax payable in respect of previous years. Currently the income tax rate applicable for publicly non-traded banks is 40%.

**3.11.2 Deferred tax**

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

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

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

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

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

**3.11.3 Tax exposures**

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

**3 Significant accounting policies (Continued)**

**3.12 Impairment of non-financial assets**

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

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

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**3.13 Contingent liability**

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

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

**3.14 Contingent asset**

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

The most significant areas where estimates and judgments have been applied are to calculate provision for loans, advances and investments as per Bangladesh Bank guideline.

**3 Significant accounting policies (Continued)**

**3.15 Compliance of International Financial Reporting Standard (IFRSs)**

While preparing the financial statements, the Bank applied most of IASs and IFRSs. Details are given below:

| Name of the standards                                              | IFRS    | Implementation status by the           |
|--------------------------------------------------------------------|---------|----------------------------------------|
| First-time Adoption of Bangladesh Financial Reporting Standards    | IFRS-1  | Not applicable                         |
| Share-based Payment                                                | IFRS-2  | Not applicable                         |
| Business Combinations                                              | IFRS-3  | Not applicable                         |
| Insurance Contracts                                                | IFRS-4  | Not applicable                         |
| Non-current Assets Held for Sale and Discontinued Operations       | IFRS-5  | Not applicable                         |
| Exploration for and Evaluation of Mineral Resources                | IFRS-6  | Not applicable                         |
| Financial Instruments: Disclosures                                 | IFRS-7  | Applied with some departure (note 2.1) |
| Operating Segments                                                 | IFRS-8  | Not Applicable                         |
| Financial Instruments                                              | IFRS-9  | Applied with some departure (note 2.1) |
| Consolidated Financial Statements                                  | IFRS-10 | Not Applicable                         |
| Joint Arrangements                                                 | IFRS-11 | Not applicable                         |
| Disclosure of Interest in Other Entities                           | IFRS-12 | Not Applicable                         |
| Fair Value Measurement                                             | IFRS-13 | Applied with some departure (note 2.1) |
| Regulatory Deferral Accounts                                       | IFRS-14 | Not applicable                         |
| Revenue from contractors with customers                            | IFRS-15 | Applied                                |
| Leases                                                             | IFRS-16 | Applied                                |
| Insurance Contracts                                                | IFRS-17 | Not applicable                         |
| Presentation of Financial Statements                               | IAS-1   | Applied with some departure (note 2.1) |
| Inventories                                                        | IAS-2   | Not Applicable                         |
| Statement of Cash Flows                                            | IAS-7   | Applied with some departure (note 2.1) |
| Accounting Policies, Changes in Accounting Estimates and Errors    | IAS-8   | Applied                                |
| Events after the Reporting Period                                  | IAS-10  | Applied                                |
| Construction Contracts                                             | IAS-11  | Not Applicable                         |
| Income Taxes                                                       | IAS-12  | Applied                                |
| Property, Plant and Equipment                                      | IAS-16  | Applied                                |
| Employee Benefits                                                  | IAS-19  | Applied                                |
| Accounting for Government Grants and Disclosure of Govt Assistance | IAS-20  | Not Applicable                         |
| The Effects of Changes in Foreign Exchange Rates                   | IAS-21  | Applied                                |
| Borrowing Costs                                                    | IAS-23  | Not Applicable                         |
| Related Party Disclosures                                          | IAS-24  | Applied                                |
| Accounting and Reporting by Retirement Benefit Plans               | IAS-26  | Not Applicable                         |
| Separate Financial Statements                                      | IAS-27  | Applied                                |
| Investments in Associates and Joint Venture                        | IAS-28  | Not Applicable                         |
| Interests in Joint Ventures                                        | IAS-31  | Not Applicable                         |
| Financial Instruments: Presentation                                | IAS-32  | Applied with some departure (note 2.1) |
| Earnings per Share                                                 | IAS-33  | Not Applicable                         |
| Interim Financial Reporting                                        | IAS-34  | Not Applicable                         |
| Impairment of Assets                                               | IAS-36  | Applied                                |
| Provisions, Contingent Liabilities and Contingent Assets           | IAS-37  | Applied                                |
| Intangible Assets                                                  | IAS-38  | Applied                                |
| Investment property                                                | IAS-40  | Not Applicable                         |
| Agriculture                                                        | IAS-41  | Not Applicable                         |

In order to comply with certain specific rules and regulations of Bangladesh Bank which are different to IASs/IFRSs, some of the requirements specified in these IASs/IFRSs are not applied. Refer to note 2.1 for such recognition and measurement differences that are most relevant and material to the Bank.

**Reason for departure from IFRS**

The Central Bank of Bangladesh ("Bangladesh Bank"), as regulator of the banking industry, has issued a number of circulars/directives which are not consistent with the requirements specified in IAS/IFRS, as referred above. In such cases, the Bank has followed regulatory requirements specified by Bangladesh Bank. Details are shown in Note 2.1.

**3 Significant accounting policies (Continued)**

**3.16 Standards issued but not yet effective**

Financial Reporting Council (FRC) has adopted following new standards and amendments to standards during the year 2017. All previously adopted reporting standards are consistently applied by the Bank as explained in Note 3.15.

A number of new standards and amendments to standards are issued but not yet effective for annual periods beginning after 1 January 2021 and earlier application is permitted. However, the Bank has not adopted early the following new or amended standards in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Bank when they become be applicable.

- i) Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- ii) Reference to Conceptual Framework (Amendments to IFRS 3).

**3.17 Offsetting**

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the group has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.

**3.18 Segment reporting**

The Bank has no identified operating segment and as such presentation of segmental reporting is not made in the financial statements as per IFRS 8.

**3.19 Related party disclosures**

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Details of the related party disclosures presented in note 34.

**3.20 Events after reporting period**

As per IAS 10 Events after Reporting Period events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) adjusting events after the reporting period (those that provide evidence of conditions that existed at the end of the reporting period); and
- (b) non adjusting events after the reporting period (those that are indicative of conditions that arose after the reporting period).

Details of the Events after reporting period presented in note 38.





Bank Alfalah

## Audited Financial Statement 2024

## Independent Auditor's Report &amp; Audited Financial Statements As at and for the year ended 31 December 2024

| Notes to the financial statements<br>as at and for the year ended 31 December 2024 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       |                       |                      |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------|----------------------|
| 4                                                                                  | Cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |       |                       |                      |
|                                                                                    | Cash in hand (Including foreign currency)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 4.1   | 211,790,914           | 202,889,743          |
|                                                                                    | Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 4.2   | 2,394,748,267         | 1,635,543,470        |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>2,606,539,181</u>  | <u>1,838,433,213</u> |
| 4.1                                                                                | Cash in hand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |       |                       |                      |
|                                                                                    | Local currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | 205,741,226           | 192,779,354          |
|                                                                                    | Foreign currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | <u>6,049,688</u>      | <u>10,110,389</u>    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>211,790,914</u>    | <u>202,889,743</u>   |
| 4.2                                                                                | Balance with Bangladesh Bank and its agent bank(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       |                       |                      |
|                                                                                    | Local currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | 1,613,919,331         | 975,281,938          |
|                                                                                    | Foreign currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 4.2.1 | <u>780,828,936</u>    | <u>660,261,532</u>   |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>2,394,748,267</u>  | <u>1,635,543,470</u> |
| 4.2.1                                                                              | Foreign currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       |                       |                      |
|                                                                                    | Lien portion (statutory deposit with Bangladesh Bank against capital)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |       | 508,564,821           | 467,071,038          |
|                                                                                    | Non Lien portion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | <u>272,264,115</u>    | <u>193,190,494</u>   |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>780,828,936</u>    | <u>660,261,532</u>   |
| 4.a                                                                                | As per section 33 of Bank Company Act, 1991 (amended up to 2013) & MPD circular No. 03 dated 9 April 2020 issued by Bangladesh Bank, the Bank has been maintaining 3.5% CRR on daily basis and 4% on bi-weekly basis. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2022 is maintained on the basis of weekly ATDTL of October 2022), according to DOS Circular No. 01 and 26 issued on 19 January 2014 and 19 August 2019 respectively. |       |                       |                      |
|                                                                                    | i) Cash Reserve Requirement (CRR) for Conventional Banking                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |       |                       |                      |
|                                                                                    | 4% of average Demand and Time Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       |                       |                      |
|                                                                                    | Required reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | 673,958,599           | 672,853,810          |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>1,400,475,701</u>  | <u>766,033,522</u>   |
|                                                                                    | Surplus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>726,517,102</u>    | <u>93,179,712</u>    |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>8.31%</u>          | <u>4.55%</u>         |
|                                                                                    | ii) Cash Reserve Requirement (CRR) for Islamic Banking                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |       |                       |                      |
|                                                                                    | 4% of average Demand and Time Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       |                       |                      |
|                                                                                    | Required reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | 198,048,581           | 183,117,588          |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>213,366,460</u>    | <u>210,869,079</u>   |
|                                                                                    | Surplus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>15,317,879</u>     | <u>27,751,491</u>    |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>4.31%</u>          | <u>4.61%</u>         |
| 4                                                                                  | Cash (Continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       |                       |                      |
| 4.b                                                                                | As per section 33 of the Bank Company Act, 1991 (amended up to 2013) and MPD circular no. 02 dated 10 December 2013 issued by Bangladesh Bank (effective from 1 February 2014), the Bank has been maintaining 13% SLR on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2021 is based on weekly ATDTL of October 2021), according to DOS Circular No. 01 & 26 issued on 19 January 2014 & 19 August 2019 respectively.                                                                  |       |                       |                      |
|                                                                                    | i) Statutory Liquidity Requirement (SLR) for Conventional Banking                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                       |                      |
|                                                                                    | 13% of required Average Demand and Time Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       |                       |                      |
|                                                                                    | Required reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | 2,190,365,445         | 2,186,774,883        |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>12,433,862,080</u> | <u>8,093,865,497</u> |
|                                                                                    | Surplus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>10,243,496,635</u> | <u>5,907,090,614</u> |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>73.80%</u>         | <u>48.12%</u>        |
|                                                                                    | Held for Statutory Liquidity Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |       |                       |                      |
|                                                                                    | Cash in hand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |       | 170,799,530           | 155,762,386          |
|                                                                                    | Excess of daily reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>726,517,102</u>    | <u>93,179,712</u>    |
|                                                                                    | Un-encumbered securities(HTM)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       | <u>5,939,932,293</u>  | <u>7,824,734,643</u> |
|                                                                                    | Un-encumbered securities(HFT)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       | <u>5,596,613,155</u>  | <u>20,188,757</u>    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>12,433,862,080</u> | <u>8,093,865,497</u> |
|                                                                                    | ii) Statutory Liquidity Requirement (SLR) for Islamic Banking                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       |                       |                      |
|                                                                                    | 5.5% of required Average Demand and Time Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |       |                       |                      |
|                                                                                    | Required reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | 272,316,799           | 251,786,684          |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>272,328,800</u>    | <u>251,797,680</u>   |
|                                                                                    | Surplus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>12,001</u>         | <u>10,996</u>        |
|                                                                                    | Actual reserve held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>5.50%</u>          | <u>5.50%</u>         |
|                                                                                    | Held for Statutory Liquidity Requirement:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       |                       |                      |
|                                                                                    | Cash in hand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |       | 40,991,384            | 47,127,358           |
|                                                                                    | Excess of daily reserve                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>15,317,879</u>     | <u>27,751,491</u>    |
|                                                                                    | Other eligible securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       | <u>157,070,000</u>    | <u>157,070,000</u>   |
|                                                                                    | Foreign currency used in BDT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |       | <u>58,949,536</u>     | <u>19,848,835</u>    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>272,328,800</u>    | <u>251,797,684</u>   |
| 5                                                                                  | Balance with other banks and financial institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       |                       |                      |
|                                                                                    | In Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 5.1   | 27,640,735            | 424,461,445          |
|                                                                                    | Outside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 5.2   | <u>2,644,601,496</u>  | <u>1,976,005,327</u> |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>2,672,242,231</u>  | <u>2,400,466,772</u> |
| 5.1                                                                                | In Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       |                       |                      |
|                                                                                    | Current accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 5.1.1 | 13,920,311            | 11,026,807           |
|                                                                                    | Savings accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 5.1.2 | 13,720,424            | 13,434,638           |
|                                                                                    | Mudaraba term deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 5.1.3 | -                     | -                    |
|                                                                                    | Term deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 5.1.4 | -                     | 400,000,000          |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>27,640,735</u>     | <u>424,461,445</u>   |
| 5.1.1                                                                              | Current accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       |                       |                      |
|                                                                                    | Islami Bank Bangladesh Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | 21,151                | 21,151               |
|                                                                                    | Trust Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | <u>8,597,660</u>      | <u>7,825,373</u>     |
|                                                                                    | Standard Chartered Bank                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | <u>5,301,500</u>      | <u>3,180,283</u>     |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>13,920,311</u>     | <u>11,026,807</u>    |
| 5                                                                                  | Balance with other banks and financial institutions (Continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       |                       |                      |
| 5.1                                                                                | In Bangladesh (Continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       |                       |                      |
| 5.1.2                                                                              | Savings accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       |                       |                      |
|                                                                                    | Trust Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | 31,657                | 32,750               |
|                                                                                    | Dhaka Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | <u>35,775</u>         | <u>36,152</u>        |
|                                                                                    | Prime Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | <u>13,652,992</u>     | <u>13,365,736</u>    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>13,720,424</u>     | <u>13,434,638</u>    |
| 5.1.3                                                                              | Mudaraba term deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |       |                       |                      |
|                                                                                    | Export Import Bank of Bangladesh Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |       | -                     | -                    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | -                     | -                    |
| 5.1.4                                                                              | Term deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |       |                       |                      |
|                                                                                    | National Bank of Pakistan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       | -                     | 400,000,000          |
|                                                                                    | Modhumoti Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |       | -                     | -                    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | -                     | <u>400,000,000</u>   |
| 5.2                                                                                | Outside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       |                       |                      |
| 5.2.1                                                                              | Current account                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       |                       |                      |
|                                                                                    | Standard Chartered Bank, New York                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       | 158,899,455           | 92,780,138           |
|                                                                                    | Standard Chartered Bank, Mumbai                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>33,284,106</u>     | <u>4,041,132</u>     |
|                                                                                    | Bank Alfalah Limited, Karachi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       | <u>1,083,551</u>      | <u>995,144</u>       |
|                                                                                    | Standard Chartered Bank, London                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>640,905</u>        | <u>1,445,797</u>     |
|                                                                                    | Standard Chartered Bank, Frankfurt                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | <u>933,721</u>        | <u>10,960,775</u>    |
|                                                                                    | Standard Chartered Bank, Tokyo                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | <u>9,758</u>          | <u>32,341</u>        |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>194,851,496</u>    | <u>110,255,327</u>   |
| 5.2.2                                                                              | Term Placement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |                       |                      |
|                                                                                    | Bank Alfalah Limited, Bahrain                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       | <u>2,449,750,000</u>  | <u>1,865,750,000</u> |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>2,449,750,000</u>  | <u>1,865,750,000</u> |
|                                                                                    | Total Outside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |       | <u>2,644,601,496</u>  | <u>1,976,005,327</u> |
|                                                                                    | Details are shown in Annexure III                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                       |                      |
| 5.a                                                                                | Maturity-wise groupings of balance with other banks and financial institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |                       |                      |
|                                                                                    | On demand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |       | 222,492,231           | 134,716,772          |
|                                                                                    | Not more than 3 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |       | <u>2,449,750,000</u>  | <u>2,265,750,000</u> |
|                                                                                    | More than 3 months but less than 1 year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |       | -                     | -                    |
|                                                                                    | More than 1 year but less than 5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |       | -                     | -                    |
|                                                                                    | More than 5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       | -                     | -                    |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>2,672,242,231</u>  | <u>2,400,466,772</u> |
| 5.b                                                                                | Money at call on short notice                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |       |                       |                      |
|                                                                                    | Jamuna Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | -                     | -                    |
|                                                                                    | Dhaka Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | -                     | 100,000,000          |
|                                                                                    | Midland Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |       | -                     | 450,000,000          |
|                                                                                    | The City Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |       | -                     | -                    |
|                                                                                    | IFIC Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       | -                     | -                    |
|                                                                                    | Prime Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | -                     | -                    |
|                                                                                    | Modhumoti Bank Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | -                     | 350,000,000          |
|                                                                                    | NRB Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |       | -                     | <u>130,000,000</u>   |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | -                     | <u>1,030,000,000</u> |
| 6                                                                                  | Investments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |       |                       |                      |
|                                                                                    | Government securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 6.1   | <u>11,566,673,895</u> | <u>7,943,302,318</u> |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>11,566,673,895</u> | <u>7,943,302,318</u> |
| 6.1                                                                                | Government securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |       |                       |                      |
|                                                                                    | Treasury bills HFT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | 5,533,470,545         | 18,605,167           |
|                                                                                    | Treasury bills HTM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | <u>2,250,488,542</u>  | <u>4,122,338,680</u> |
|                                                                                    | Treasury bonds HFT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       | <u>1,490,087</u>      | <u>1,606,236</u>     |
|                                                                                    | Treasury bonds HTM*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | <u>3,779,648,221</u>  | <u>3,800,595,835</u> |
|                                                                                    | Prize bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |       | <u>1,576,500</u>      | <u>156,400</u>       |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>11,566,673,895</u> | <u>7,943,302,318</u> |
|                                                                                    | *Includes sukuk bond amounting Taka 157,070,000 (2023: 157,070,000).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |       |                       |                      |
| 6.a                                                                                | Investments classified as per Bangladesh Bank circular                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |       |                       |                      |
|                                                                                    | Held-for-trading (HFT) securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 6.a.1 | 5,536,537,132         | 20,367,803           |
|                                                                                    | Held-to-maturity (HTM) securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 6.a.2 | <u>6,030,136,763</u>  | <u>7,922,934,515</u> |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>11,566,673,895</u> | <u>7,943,302,318</u> |
| 6.a.1                                                                              | Held-for-trading (HFT) securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                       |                      |
|                                                                                    | Treasury bills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | 5,533,470,545         | 18,605,167           |
|                                                                                    | Treasury bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | <u>1,490,087</u>      | <u>1,606,236</u>     |
|                                                                                    | Prize bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |       | <u>1,576,500</u>      | <u>156,400</u>       |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>5,536,537,132</u>  | <u>20,367,803</u>    |
| 6.a.2                                                                              | Held-to-maturity (HTM) securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                       |                      |
|                                                                                    | Treasury bills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | 2,250,488,542         | 4,122,338,680        |
|                                                                                    | Treasury bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       | <u>3,779,648,221</u>  | <u>3,800,595,835</u> |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>6,030,136,763</u>  | <u>7,922,934,515</u> |
|                                                                                    | Except One treasury bond amounting Taka 50,611,300 and Two treasury bond amounting Taka 1,145,073,204 the above HTM securities are lien with Bangladesh Bank for capital purpose.                                                                                                                                                                                                                                                                                                                                                                                                       |       |                       |                      |
| 6.b                                                                                | Maturity wise groupings of investment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |       |                       |                      |
|                                                                                    | Repayable On demand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |       | 1,576,500             | 156,400              |
|                                                                                    | Not more than 3 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |       | <u>7,983,978,520</u>  | <u>3,651,386,442</u> |
|                                                                                    | More than 3 months but not more than 1 year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |       | <u>2,800,099,476</u>  | <u>489,534,760</u>   |
|                                                                                    | More than 1 year but not more than 5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |       | <u>58,522,709</u>     | <u>3,075,571,670</u> |
|                                                                                    | More than 5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       | <u>722,496,690</u>    | <u>726,653,046</u>   |
|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       | <u>11,566,673,895</u> | <u>7,943,302,318</u> |
| Notes to the financial                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |       |                       |                      |





# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor’s Report & Audited Financial Statements As at and for the year ended 31 December 2024

| Notes to the financial statements<br>as at and for the year ended 31 December 2024 |                                                                                                                                                                  |                          |                  |                 |                         |                       |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------|-----------------|-------------------------|-----------------------|
| 8                                                                                  | Fixed assets including premises, furniture and fixtures                                                                                                          |                          |                  |                 |                         |                       |
|                                                                                    | Fixed assets including premises, furniture and fixtures                                                                                                          | 8.1                      | 37,545,507       | 21,046,389      |                         |                       |
|                                                                                    | Right of use assets                                                                                                                                              | 8.2                      | 127,624,519      | 204,883,111     |                         |                       |
|                                                                                    |                                                                                                                                                                  |                          | 165,170,026      | 225,929,500     |                         |                       |
| 8.1                                                                                | Fixed assets including premises, furniture and fixtures                                                                                                          |                          |                  |                 |                         |                       |
|                                                                                    | Motor vehicles                                                                                                                                                   | Computer and accessories | Office equipment | Staff equipment | Furnitures and fixtures | Leasehold improvement |
|                                                                                    | Cost                                                                                                                                                             |                          |                  |                 |                         |                       |
|                                                                                    | Balance as at 1 January 2023                                                                                                                                     | 31,032,855               | 155,982,302      | 66,200,987      | 13,500                  | 47,358,148            |
|                                                                                    | Additions                                                                                                                                                        | -                        | 7,468,172        | 580,675         | -                       | 1,464,951             |
|                                                                                    | Disposals                                                                                                                                                        | -                        | (76,530)         | -               | -                       | -                     |
|                                                                                    | Balance as at 31 December 2023                                                                                                                                   | 31,032,855               | 163,373,944      | 66,781,662      | 13,500                  | 47,358,148            |
|                                                                                    | Balance as at 1 January 2024                                                                                                                                     | 31,032,855               | 163,373,944      | 66,781,662      | 13,500                  | 47,358,148            |
|                                                                                    | Additions                                                                                                                                                        | -                        | 27,625,470       | 731,345         | -                       | 279,090               |
|                                                                                    | Disposals                                                                                                                                                        | -                        | -                | -               | -                       | -                     |
|                                                                                    | Balance as at 31 December 2024                                                                                                                                   | 31,032,855               | 190,999,414      | 67,513,007      | 13,500                  | 47,358,148            |
|                                                                                    | Accumulated depreciation                                                                                                                                         |                          |                  |                 |                         |                       |
|                                                                                    | Balance as at 1 January 2023                                                                                                                                     | 26,658,194               | 145,895,907      | 61,801,838      | 13,500                  | 45,918,285            |
|                                                                                    | Depreciation                                                                                                                                                     | 3,625,031                | 6,443,681        | 2,271,534       | -                       | 663,389               |
|                                                                                    | Disposals                                                                                                                                                        | -                        | (76,529)         | -               | -                       | -                     |
|                                                                                    | Balance as at 31 December 2023                                                                                                                                   | 30,283,225               | 152,263,059      | 64,073,372      | 13,500                  | 46,581,674            |
|                                                                                    | Balance as at 1 January 2024                                                                                                                                     | 30,283,225               | 152,263,059      | 64,073,372      | 13,500                  | 46,581,674            |
|                                                                                    | Depreciation                                                                                                                                                     | 749,625                  | 6,132,718        | 1,899,644       | -                       | 226,931               |
|                                                                                    | Disposals                                                                                                                                                        | -                        | -                | -               | -                       | -                     |
|                                                                                    | Balance as at 31 December 2024                                                                                                                                   | 31,032,850               | 158,395,777      | 65,973,016      | 13,500                  | 46,808,605            |
|                                                                                    | Carrying amounts                                                                                                                                                 |                          |                  |                 |                         |                       |
|                                                                                    | At 1 January 2023                                                                                                                                                | 4,374,661                | 10,086,395       | 4,399,149       | -                       | 1,439,863             |
|                                                                                    | At 31 December 2023                                                                                                                                              | 749,630                  | 11,110,885       | 2,708,290       | -                       | 776,474               |
|                                                                                    | At 31 December 2024                                                                                                                                              | 5                        | 32,603,637       | 1,539,991       | -                       | 549,543               |
| 8.2                                                                                | Right of use assets                                                                                                                                              |                          |                  |                 |                         |                       |
|                                                                                    | Cost                                                                                                                                                             |                          |                  |                 |                         |                       |
|                                                                                    | Balance at 1 January                                                                                                                                             |                          |                  |                 | 440,974,103             | 249,210,512           |
|                                                                                    | Additions                                                                                                                                                        |                          |                  |                 | 21,547,580              | 191,763,591           |
|                                                                                    | Adjustments                                                                                                                                                      |                          |                  |                 | (178,153,028)           | -                     |
|                                                                                    |                                                                                                                                                                  |                          |                  |                 | 284,368,655             | 440,974,103           |
|                                                                                    | Accumulated depreciation                                                                                                                                         |                          |                  |                 |                         |                       |
|                                                                                    | Balance at 1 January                                                                                                                                             |                          |                  |                 | 236,090,992             | 150,992,716           |
|                                                                                    | Depreciation                                                                                                                                                     |                          |                  |                 | 86,126,836              | 85,098,276            |
|                                                                                    | Adjustments                                                                                                                                                      |                          |                  |                 | (165,473,692)           | -                     |
|                                                                                    |                                                                                                                                                                  |                          |                  |                 | 156,744,136             | 236,090,992           |
|                                                                                    | Carrying amounts                                                                                                                                                 |                          |                  |                 | 127,624,519             | 204,883,111           |
| 8.3                                                                                | The cost of fully depreciated assets that are still in use by the Bank                                                                                           |                          |                  |                 |                         |                       |
|                                                                                    | Motor vehicles                                                                                                                                                   | 31,032,855               | 21,037,855       |                 |                         |                       |
|                                                                                    | Office equipment                                                                                                                                                 | 190,999,414              | 141,951,504      |                 |                         |                       |
|                                                                                    | Furnitures and fixtures                                                                                                                                          | 67,513,007               | 56,789,246       |                 |                         |                       |
|                                                                                    | Leasehold improvement                                                                                                                                            | 47,358,148               | 44,993,998       |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | 94,314,184               | 74,737,699       |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | 431,217,608              | 339,510,302      |                 |                         |                       |
| 9                                                                                  | Other assets                                                                                                                                                     |                          |                  |                 |                         |                       |
|                                                                                    | Income generating other assets                                                                                                                                   | -                        | -                |                 |                         |                       |
|                                                                                    | Non-income generating other assets                                                                                                                               |                          |                  |                 |                         |                       |
|                                                                                    | Stationery, stamps, printing materials in stock etc.                                                                                                             | 4,906,968                | 4,657,953        |                 |                         |                       |
|                                                                                    | Advance rent and advertisement                                                                                                                                   | -                        | -                |                 |                         |                       |
|                                                                                    | Income/profit receivables                                                                                                                                        | 9.1                      | 183,643,419      | 117,421,785     |                         |                       |
|                                                                                    | Branch adjustment account                                                                                                                                        | 9.2                      | -                | -               |                         |                       |
|                                                                                    | Security deposits                                                                                                                                                |                          | 2,246,115        | 2,569,115       |                         |                       |
|                                                                                    | Renovation, development and prepaid expenses                                                                                                                     |                          | 21,322,566       | 29,432,517      |                         |                       |
|                                                                                    | Deferred tax assets                                                                                                                                              | 12.7                     | 102,168,094      | 86,397,033      |                         |                       |
|                                                                                    | Capital Work in Progress                                                                                                                                         |                          | -                | -               |                         |                       |
|                                                                                    | Others                                                                                                                                                           | 9.3                      | 1,889,399,299    | 1,574,074,382   |                         |                       |
|                                                                                    | Intangible asset (Software)                                                                                                                                      | 9.4                      | 5,294,878        | 4,904,940       |                         |                       |
|                                                                                    |                                                                                                                                                                  |                          | 2,208,981,339    | 1,819,457,725   |                         |                       |
| 9.1                                                                                | Income/profit receivables                                                                                                                                        |                          |                  |                 |                         |                       |
|                                                                                    | On Treasury bill, bonds, preference shares, etc.                                                                                                                 | 182,154,484              | 114,031,327      |                 |                         |                       |
|                                                                                    | Deposit with financial institution                                                                                                                               | 1,488,935                | 3,390,458        |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | 183,643,419              | 117,421,785      |                 |                         |                       |
| 9.2                                                                                | Branch adjustment account                                                                                                                                        |                          |                  |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | -                        | -                |                 |                         |                       |
|                                                                                    | All inter branch reconciliation have been made up to 30 September 2024. There is no significant item outstanding, that is not responded, for more than 3 months. |                          |                  |                 |                         |                       |
| 9.3                                                                                | Others                                                                                                                                                           |                          |                  |                 |                         |                       |
|                                                                                    | Advance income tax                                                                                                                                               | 9.3.1                    | 1,876,538,060    | 1,560,761,802   |                         |                       |
|                                                                                    | Receivable from Bangladesh Bank                                                                                                                                  |                          | 10,646,276       | 1,729,147       |                         |                       |
|                                                                                    | Miscellaneous                                                                                                                                                    |                          | 2,214,963        | 11,583,433      |                         |                       |
|                                                                                    |                                                                                                                                                                  |                          | 1,889,399,299    | 1,574,074,382   |                         |                       |
| 9                                                                                  | Other assets (Continued)                                                                                                                                         |                          |                  |                 |                         |                       |
| 9.3.1                                                                              | Advance income tax                                                                                                                                               |                          |                  |                 |                         |                       |
|                                                                                    | Balance as at 1 January                                                                                                                                          | 1,560,761,802            | 1,484,629,027    |                 |                         |                       |
|                                                                                    | Paid during the year                                                                                                                                             | 315,776,258              | 243,725,924      |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | 1,876,538,060            | 1,728,354,951    |                 |                         |                       |
|                                                                                    | Adjustments made during the year                                                                                                                                 | -                        | 167,593,149      |                 |                         |                       |
|                                                                                    | Balance as at 30 September                                                                                                                                       | 1,876,538,060            | 1,560,761,802    |                 |                         |                       |
| 9.4                                                                                | Intangible asset (Software)                                                                                                                                      |                          |                  |                 |                         |                       |
|                                                                                    | Cost                                                                                                                                                             |                          |                  |                 |                         |                       |
|                                                                                    | Balance at 1 January                                                                                                                                             | 39,287,734               | 34,337,198       |                 |                         |                       |
|                                                                                    | Additions                                                                                                                                                        | 1,672,125                | 4,950,536        |                 |                         |                       |
|                                                                                    | Disposals                                                                                                                                                        | -                        | -                |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | 40,959,859               | 39,287,734       |                 |                         |                       |
|                                                                                    | Accumulated depreciation                                                                                                                                         |                          |                  |                 |                         |                       |
|                                                                                    | Balance at 1 January                                                                                                                                             | 34,382,794               | 34,054,280       |                 |                         |                       |
|                                                                                    | Depreciation                                                                                                                                                     | 1,282,187                | 328,514          |                 |                         |                       |
|                                                                                    | Disposals                                                                                                                                                        | -                        | -                |                 |                         |                       |
|                                                                                    |                                                                                                                                                                  | 35,664,981               | 34,382,794       |                 |                         |                       |
|                                                                                    | Carrying amounts                                                                                                                                                 | 5,294,878                | 4,904,940        |                 |                         |                       |

|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        |                |                |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------------|----------------|
| 10     | Borrowings from other banks, financial institutions and agents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |                |                |
|        | In Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 10.1   | 1,513,441,714  | 15,737,601     |
|        | Outside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        | -              | -              |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 1,513,441,714  | 15,737,601     |
| 10.1   | In Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        |                |                |
|        | Call borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10.1.1 | 600,000,000    | -              |
|        | Term borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10.1.2 | 913,441,714    | 15,737,601     |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 1,513,441,714  | 15,737,601     |
| 10.1.1 | Call borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |                |                |
|        | The City Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        | 400,000,000    | -              |
|        | Midland Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 200,000,000    | -              |
|        | Agrani Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | -              | -              |
|        | Eastern Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | -              | -              |
|        | Sonali Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | -              | -              |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 600,000,000    | -              |
| 10.1.2 | Term borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |                |                |
|        | Modhumoti Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        | -              | -              |
|        | Midland Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | -              | -              |
|        | IDLC Finance PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | -              | -              |
|        | The Premier Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |        | -              | -              |
|        | Eastern Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | -              | -              |
|        | Jamuna Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 836,500,000    | -              |
|        | United Commercial Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |        | -              | -              |
|        | Trust Bank PLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        | -              | -              |
|        | Bangladesh Bank - EDF Financing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 69,091,027     | 15,737,601     |
|        | Bangladesh Bank - Green Financing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        | 7,850,687      | -              |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 913,441,714    | 15,737,601     |
| 10     | Borrowings from other banks, financial institutions and agents (Continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |        |                |                |
| 10.2   | Secured and unsecured borrowings from other banks, financial institutions and agents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |        |                |                |
|        | Secured Borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        | -              | -              |
|        | Unsecured Borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | 1,513,441,714  | 15,737,601     |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 1,513,441,714  | 15,737,601     |
| 10.3   | Maturity grouping of borrowings from other banks, financial institutions and agents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |                |                |
|        | Repayable on demand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | 600,000,000    | -              |
|        | Repayable within 1 month                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |        | 905,591,027    | -              |
|        | Over 1 month but within 6 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 7,850,687      | 15,737,601     |
|        | Over 6 months but within 1 year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | -              | -              |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 1,513,441,714  | 15,737,601     |
| 11     | Deposits and other accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |                |                |
|        | Current accounts and other accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 11.1   | 2,333,219,714  | 2,816,117,278  |
|        | Bills payable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 11.2   | 127,542,442    | 482,702,210    |
|        | Savings bank/Mudaraba savings bank deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 11.3   | 7,027,236,888  | 7,604,131,148  |
|        | Fixed deposits/Mudaraba fixed deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 11.4   | 14,280,982,301 | 11,286,497,177 |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 23,768,981,345 | 22,189,447,813 |
| 11.1   | Current accounts and other accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |                |                |
|        | Current deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 1,550,856,138  | 1,914,385,201  |
|        | Alfalah Uduog Current Account                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        | 295,426,798    | 450,082,225    |
|        | Foreign currency deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |        | 240,750,497    | 223,071,484    |
|        | Sundry deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 11.1.1 | 246,186,281    | 228,578,368    |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 2,333,219,714  | 2,816,117,278  |
| 11.1.1 | Sundry deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        |                |                |
|        | Margin Accounts - Local Currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 76,163,384     | 162,959,514    |
|        | Margin Accounts - Foreign Currency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        | 160,022,897    | 40,618,854     |
|        | Others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        | 10,000,000     | 25,000,000     |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 246,186,281    | 228,578,368    |
| 11.2   | Bills payable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        |                |                |
|        | Payment order - Inside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        | 127,199,042    | 482,140,191    |
|        | Demand draft payable - Inside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |        | 338,400        | 314,316        |
|        | Unclaimed PO - Inside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 5,000          | 218,337        |
|        | Unclaimed DD/TT - Inside Bangladesh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | -              | 29,366         |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 127,542,442    | 482,702,210    |
| 11.3   | Savings bank/Mudaraba savings bank deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |                |                |
|        | Savings deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 1,713,419,543  | 2,101,241,576  |
|        | Alfalah Savings Plan (ASP)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |        | 79,706,048     | 89,374,979     |
|        | Special Notice Deposits (SND)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        | 3,031,159,524  | 2,505,441,010  |
|        | Alfalah Salary Account (ASA)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |        | 65,729,533     | 76,717,493     |
|        | Alfalah Rising Star (ARS)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |        | 25,206,921     | 26,263,376     |
|        | Alfalah Premium Plus (APP)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |        | 869,851,559    | 1,052,175,445  |
|        | Monthly Premium Deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |        | 1,240,237,836  | 1,752,917,269  |
|        | FCY Savings Deposit (RFCD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |        | 1,925,924      | -              |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 7,027,236,888  | 7,604,131,148  |
| 11     | Deposits and other accounts (Continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |        |                |                |
| 11.4   | Fixed deposits/Mudaraba fixed deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                |                |
|        | Fixed Deposit (FDR)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | 10,133,060,981 | 8,693,943,322  |
|        | Mudaraba Term Deposit (MTDR)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |        | 4,147,921,320  | 2,592,553,855  |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 14,280,982,301 | 11,286,497,177 |
| 11.5   | Deposits from banks and others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |                |                |
|        | Inter-bank deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 11.5.1 | 227,627,559    | 477,582,593    |
|        | Vostro Deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 11.5.2 | 203,338,426    | 147,248,369    |
|        | Customer and other deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        | 23,338,015,360 | 21,564,616,851 |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 23,768,981,345 | 22,189,447,813 |
| 11.5.1 | Inter-bank deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        |                |                |
|        | Jamuna Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | 22,701         | 23,080         |
|        | Mutual Trust Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |        | 200,431,639    | 249,999,080    |
|        | AB Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 12,224         | 13,555         |
|        | Prime Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        | 14,726,429     | 14,742,894     |
|        | Islami Bank Bangladesh Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        | 34,632         | 35,782         |
|        | Shahjalal Islami Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        | 2,765,926      | 2,760,250      |
|        | Al-Arafah Islami Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        | 886,191        | 849,589        |
|        | The City Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |        | -              | 255            |
|        | Trust Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        | 7,026,320      | 207,438,352    |
|        | Bank Asia Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        | 1,721,497      | 1,719,756      |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 227,627,559    | 477,582,593    |
| 11.5.2 | Vostro deposit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        |                |                |
|        | BankIslami Pakistan Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        | 201,202        | 26,299,306     |
|        | Bank Alfalah Limited, Karachi (Conventional)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |        | 11,565,376     | 15,546,025     |
|        | Bank Alfalah Limited, Karachi (Islamic)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |        | 191,571,848    | 105,403,038    |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 203,338,426    | 147,248,369    |
| 11.6   | Maturity grouping of deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |        |                |                |
|        | Repayable On demand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | 1,206,527,255  | 1,142,483,975  |
|        | Repayable within 1 month                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |        | 2,082,296,163  | 1,307,852,987  |
|        | Over 1 month but within 6 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | 7,660,918,396  | 7,660,254,089  |
|        | Over 6 months but within 1 year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 2,874,756,472  | 2,308,677,944  |
|        | Over 1 year but within 5 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        | 9,944,483,058  | 9,770,178,818  |
|        | Over 5 years but within 10 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | -              | -              |
|        | 10 years or more                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | -              | -              |
|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |        | 23,768,981,345 | 22,189,447,813 |
|        | As per Bank Company Act 1991, Section 35 and BRPD circular letter no. 10 dated 12 September 2018, if any money or valuable asset (except deposits from Government, minor or litigation) is unclaimed for ten years or above as of 31 December every year, a three months' notice will be given to depositors concerned. Based on the response from the concerned depositors by following three months, amount will be paid to them otherwise unclaimed deposit will be deposited to Bangladesh Bank by 30 April 2025. The bank does not have any such deposit to be reported as 10 years and above unclaimed deposit amount as on 31 December 2024 (cut off basis) to Bangladesh Bank. |        |                |                |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     |                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|----------------------|-------------------------------|---------------------------------------------|---------------------|---------------------------------|
| 12                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Other liabilities                                                                                    |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for loans and advances/investments                                                         | 12.1                 | 405,965,489                   | 345,764,732                                 |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for off-balance sheet exposures                                                            | 12.2                 | 9,111,771                     | 17,111,771                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Interest suspense account                                                                            | 12.3                 | 40,380,584                    | 43,225,364                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Special General Provision - Covid 19                                                                 |                      | 199,969                       | 240,469                                     |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for taxation                                                                               | 12.4                 | 2,385,531,623                 | 1,902,559,750                               |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Accrued expenses                                                                                     |                      | 18,557,995                    | 17,996,546                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Interest payable on deposit and borrowings                                                           | 12.5                 | 349,835,222                   | 201,234,604                                 |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Unearned profit on Murabaha                                                                          |                      | 79,281,843                    | 30,120,721                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Accounts payable - (Locker Security Deposit)                                                         |                      | 662,000                       | 692,000                                     |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Withholding tax on interest on deposits                                                              |                      | 30,620,125                    | 11,280,572                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Withholding tax payable                                                                              |                      | 11,606,740                    | 14,873,652                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | VAT payable                                                                                          |                      | 5,686,346                     | 8,458,106                                   |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for audit and consultancy fees                                                             |                      | 4,363,713                     | 2,992,562                                   |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for Salaries & Allowance                                                                   |                      | 38,729,757                    | 23,148,191                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Payable to Shamil bank's head office*                                                                |                      | 79,052,645                    | 79,052,645                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Excise duty payable                                                                                  |                      | 2,788,450                     | 2,088,752                                   |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | NPSB, Qcash & BACH Settlement Account                                                                |                      | 443,162                       | 713,196                                     |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Advance commission on Letter of Guarantee (L/G)                                                      |                      | 78,200                        | 271,000                                     |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Charity fund account                                                                                 |                      | 19,064,078                    | 11,584,768                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for Rebate on Good Borrowers                                                               |                      | -                             | 47,700,000                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Miscellaneous Provision                                                                              |                      | -                             | 73,545,648                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Branch adjustment Account                                                                            | 9.2                  | -                             | -                                           |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision for special CSR                                                                            |                      | -                             | -                                           |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Start-Up Fund                                                                                        |                      | 18,249,007                    | 11,716,557                                  |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Lease liabilities                                                                                    | 12.6                 | 108,284,680                   | 187,210,890                                 |                     |                                 |
| Miscellaneous                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                      | 1,514,721            | 843,278                       |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>3,610,008,120</b> | <b>3,034,425,774</b>          |                                             |                     |                                 |
| *Payable to Shamil Bank Ltd. is related to an obligation to pay by Bank Alfalah, Bangladesh Operations to Shamil Bank. The reason is when Shamil Bank was acquired by Bank Alfalah in 2005, Bank Alfalah paid an amount less than the required acquisition cost because there was tax claims by NBR against Shamil Bank. If the claim goes in favor of Shamil Bank then the amount will be paid to shamil Bank in opposite case the amount will be paid to NBR. |                                                                                                      |                      |                               |                                             |                     |                                 |
| 12.1                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Provision for loans and advances/investments                                                         |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | A. General                                                                                           |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provisions held at the beginning of the year                                                         | 154,846,332          | 167,946,332                   |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision made during the year                                                                       | -                    | -                             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Reversal of provision                                                                                | (1,000,000)          | (13,100,000)                  |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provisions held at the end of the year                                                               | <b>153,846,332</b>   | <b>154,846,332</b>            |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | B. Specific                                                                                          |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provisions held at the beginning of the year                                                         | 190,918,400          | 225,362,198                   |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Write off during the year                                                                            | -                    | -                             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Recovery of written off bad debts                                                                    | 4,607,780            | -                             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Specific provision for the year                                                                      | 63,292,333           | 60,698,956                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Reversal of provision                                                                                | (2,091,576)          | (95,142,754)                  |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net Charge to Profit and Loss Account                                                                | 61,200,757           | (34,443,798)                  |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provisions held at the end of the year                                                               | <b>252,119,157</b>   | <b>190,918,400</b>            |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Total provision on loans and advances/investments                                                    | <b>405,965,489</b>   | <b>345,764,732</b>            |                                             |                     |                                 |
| 12.2                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Provision for off-balance sheet exposures                                                            |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provisions held at the beginning of the year                                                         | 17,111,771           | 13,011,771                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision made during the year                                                                       | -                    | 4,100,000                     |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Reversal of provision                                                                                | (8,000,000)          | -                             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provisions held at the end of the year                                                               | <b>9,111,771</b>     | <b>17,111,771</b>             |                                             |                     |                                 |
| 12                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Other liabilities (Continued)                                                                        |                      |                               |                                             |                     |                                 |
| 12.3                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Interest suspense account                                                                            |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance at the beginning of the year                                                                 | 43,225,364           | 48,767,491                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Amount recovered in Interest Suspense Account during the year                                        | <b>3,568,937</b>     | 4,464,336                     |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>(6,413,717)</b>   | (10,006,463)                  |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Amount written off during the year                                                                   | -                    | -                             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance at the end of the year                                                                       | <b>40,380,584</b>    | <b>43,225,364</b>             |                                             |                     |                                 |
| 12.3.1                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Interest/profit suspense and compensation suspense                                                   |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Interest/profit suspense                                                                             | 40,380,584           | 43,225,364                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Compensation suspense                                                                                | -                    | -                             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>40,380,584</b>    | <b>43,225,364</b>             |                                             |                     |                                 |
| 12.4                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Provision for taxation                                                                               |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance at the beginning of the year                                                                 | 1,902,559,750        | 1,793,152,899                 |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Provision made during the year                                                                       | <b>482,971,873</b>   | 277,000,000                   |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>2,385,531,623</b> | 2,070,152,899                 |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Adjustments made during the year                                                                     | -                    | 167,593,149                   |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance at the end of the year                                                                       | <b>2,385,531,623</b> | <b>1,902,559,750</b>          |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Corporate tax position of the Bank has been shown in Annexure V.                                     |                      |                               |                                             |                     |                                 |
| 12.5                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Interest payable on deposit and borrowings                                                           |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Profit/interest payable on                                                                           |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Savings Deposit                                                                                      | 10,398,892           | 18,065,310                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Borrowings from financial institution                                                                | 1,214,544            | 89,180                        |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>11,613,436</b>    | <b>18,154,490</b>             |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Interest payable on                                                                                  |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 30 days term deposit                                                                                 | 620,160              | 609,931                       |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 90 days term deposit                                                                                 | 39,797,008           | 22,167,942                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 180 days term deposit                                                                                | 57,448,620           | 19,902,168                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 360 days term deposit                                                                                | 153,845,274          | 64,231,524                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Broken Period term deposit                                                                           | 85,306,371           | 74,078,644                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2 years term deposit                                                                                 | 388,768              | 866,995                       |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 3 years term deposit                                                                                 | 815,585              | 1,222,910                     |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>338,221,786</b>   | <b>183,080,114</b>            |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>349,835,222</b>   | <b>201,234,604</b>            |                                             |                     |                                 |
| 12.6                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Lease liabilities                                                                                    |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance at the beginning of the year                                                                 | 187,210,892          | 85,754,120                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Additions/Renewals/Amendments/(Terminations) - Net                                                   | 8,868,245            | 191,763,592                   |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Borrowing Cost                                                                                       | 7,724,749            | 10,217,637                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Payments                                                                                             | (95,519,206)         | (100,524,457)                 |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | As at December 31                                                                                    | <b>108,284,680</b>   | <b>187,210,892</b>            |                                             |                     |                                 |
| 12.6.1                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Maturity grouping of lease liabilities                                                               |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Current Lease Liabilities                                                                            | 56,347,851           | 73,319,380                    |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Non Current Lease Liabilities                                                                        | 51,936,829           | 113,891,512                   |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>108,284,680</b>   | <b>187,210,892</b>            |                                             |                     |                                 |
| 12.7                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Deferred tax assets and liabilities                                                                  |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Deferred tax assets and liabilities are attributable to the following:                               |                      |                               | Amount in Tk                                |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Particulars                                                                                          | Accounting base      | Tax base                      | (Deductible/ (Taxable) temporary difference | Applicable tax rate | Deferred Tax Asset/ (Liability) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance as at 31 December 2024                                                                       |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Fixed assets and furniture                                                                           | 42,840,381           | 79,762,956                    | 36,922,575                                  | 40%                 | 14,769,030                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Right of use assets (ROU) as per IFRS 16                                                             | 127,624,533          | (14,281,668)                  | (141,906,187)                               | 40%                 | (56,762,475)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Leased Liability as per IFRS 16                                                                      | 108,284,680          | -                             | 108,284,680                                 | 40%                 | 43,313,872                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Loan loss provision (Specific Provision)                                                             | 252,119,157          | -                             | 252,119,157                                 | 40%                 | 100,847,667                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net deferred tax asset at 31 December 2024                                                           |                      |                               |                                             |                     | <b>102,168,094</b>              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Increase of deferred tax recognised in profit and loss account as income                             |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | <b>15,771,061</b>               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Increase of deferred tax liability recognised in profit and loss account as expense                  |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | -                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net Deferred tax income recognised in profit and loss account during the year ended 31 December 2024 |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | <b>15,771,061</b>               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net Deferred tax liability recognised in equity during the year ended 30 December 2024               |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | -                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Balance as at 31 December 2023                                                                       |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Fixed assets and furniture                                                                           | 25,951,326           | 65,870,087                    | 39,918,761                                  | 40%                 | 15,967,504                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Right of use assets (ROU) as per IFRS 16                                                             | 204,883,111          | 2,827,637                     | (202,055,474)                               | 40%                 | (80,822,190)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Leased Liability as per IFRS 16                                                                      | 187,210,898          | -                             | 187,210,898                                 | 40%                 | 74,884,359                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Loan loss provision (Specific Provision)                                                             | 190,518,400          | -                             | 190,518,400                                 | 40%                 | 76,367,360                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net deferred tax asset at 31 December 2023                                                           |                      |                               |                                             |                     | <b>86,397,033</b>               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Increase of deferred tax asset recognised in profit and loss account as income                       |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | (13,724,140)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Increase of deferred tax liability recognised in profit and loss account as expense                  |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | -                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net Deferred tax income recognised in profit and loss account during the year ended 31 December 2023 |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | <b>(13,724,140)</b>             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Net Deferred tax liability recognised in equity during the year ended 31 December 2023               |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      |                      |                               |                                             |                     | -                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Movement in deferred tax balances during the year                                                    |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | Balance at January 1 | Recognized in Profit and Loss | Recognized in OCI                           |                     | Balance at December 31          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2024                                                                                                 |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Fixed assets and furniture                                                                           | (15,967,504)         | 1,198,474                     | -                                           |                     | (14,769,030)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Right of use assets (ROU) as per IFRS 16                                                             | 80,822,190           | (24,059,715)                  | -                                           |                     | 56,762,475                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Leased Liability as per IFRS 16                                                                      | (74,884,359)         | 31,570,487                    | -                                           |                     | (43,313,872)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Loan loss provision (Specific Provision)                                                             | (76,367,360)         | (24,480,307)                  | -                                           |                     | (100,847,667)                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>(86,397,033)</b>  | <b>(15,771,061)</b>           | -                                           |                     | <b>(102,168,094)</b>            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 2023                                                                                                 |                      |                               |                                             |                     |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Fixed assets and furniture                                                                           | (14,961,764)         | (1,005,740)                   | -                                           |                     | (15,967,504)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Right of use assets (ROU) as per IFRS 16                                                             | 39,287,118           | 41,535,072                    | -                                           |                     | 80,822,190                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Leased Liability as per IFRS 16                                                                      | (34,301,648)         | (40,582,711)                  | -                                           |                     | (74,884,359)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Loan loss provision (Specific Provision)                                                             | (90,144,879)         | 13,777,519                    | -                                           |                     | (76,367,360)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                      | <b>(100,121,173)</b> | <b>13,724,140</b>             | -                                           |                     | <b>(86,397,033)</b>             |





## Bank Alfalah

## Audited Financial Statement 2024

## Independent Auditor's Report &amp; Audited Financial Statements As at and for the year ended 31 December 2024

| Notes to the financial statements<br>as at and for the year ended 31 December 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                             |               |               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| 13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Paid up capital (Fund from head office)                                                                                                                                                                                                                     |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Balance at the beginning of the year                                                                                                                                                                                                                        | 5,055,961,038 | 4,528,498,538 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Transferred from Unappropriated Profit                                                                                                                                                                                                                      | -             | 500,000,000   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Currency translation difference                                                                                                                                                                                                                             | 41,493,783    | 27,462,500    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Balance at the end of the year                                                                                                                                                                                                                              | 5,097,454,821 | 5,055,961,038 |
| 13.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Capital Adequacy Ratio - As per BASEL-III                                                                                                                                                                                                                   |               |               |
| To cope up with the international best practices and to make the Bank's capital shock absorbent 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with BASEL-II) was introduced from 1 January 2009 as a parallel run with BRPD Circular No. 10, dated 25 November 2002 (BASEL-I). At the end of parallel run, BASEL-II regime started from 1 January 2010 and the guidelines on RBCA came fully into force with its subsequent supplements/revisions. After that Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with BASEL-III) vide its BRPD Circular 18 dated 21 December 2014 that BASEL-III reporting start from January 2015 and full implementation started from January 2019. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital and Disclosure requirement as stated in the guidelines had to be followed by all scheduled banks for the purpose of statutory compliance. BASEL-III framework has three main components referred to as pillars: |                                                                                                                                                                                                                                                             |               |               |
| i. Pillar I addresses minimum capital requirement;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                             |               |               |
| ii. Pillar II elaborates the process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan; and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                             |               |               |
| iii. Finally, Pillar III gives a framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                             |               |               |
| Basel-III reforms are the response of Basel Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy. "Basel-III: A global regulatory framework for more resilient banks and banking systems" (known as Basel III capital regulations) in December 2010. Basel-III reforms strengthen the bank-level i.e., micro prudential regulation, with the intention to raise the resilience of individual banking institutions in periods of stress. Besides, the reforms have a macro prudential focus also, addressing system wide risks, which can build up across the banking sector, as well as the pro-cyclical amplification of these risks over time. These new global regulatory and supervisory standards mainly addressed the following areas:                                                                                                                                                                                 |                                                                                                                                                                                                                                                             |               |               |
| a) Raise the quality and level of capital to ensure banks are better able to absorb losses on both a going concern and a gone concern basis;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                             |               |               |
| b) Increase the risk coverage of the capital framework;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                             |               |               |
| c) Introduce leverage ratio to serve as a backstop to the risk-based capital measure;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                             |               |               |
| d) Raise the standards for the supervisory review process (Pillar 2); and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                             |               |               |
| e) Public disclosures (Pillar 3) etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                             |               |               |
| To ensure smooth transition to Basel-III, appropriate transitional arrangements have been provided for meeting the minimum Basel III capital ratios, full regulatory adjustments to the components of capital etc. In 2020, banking industry has embark on the full-fledged implementation of Basel III.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                             |               |               |
| We have fully complied with all the directives provided by the Central bank from time to time, starting from Pillar I, II and III reporting requirements to periodic Stress Testing activity etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                             |               |               |
| 13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Paid up capital (Fund from head office) (Continued)                                                                                                                                                                                                         |               |               |
| 13.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Capital Adequacy Ratio - As per BASEL-III (Continued)                                                                                                                                                                                                       |               |               |
| Common Equity Tier-1 (Going Concern Capital)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Head Office Fund                                                                                                                                                                                                                                            | 5,097,454,821 | 5,055,961,038 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Non-repayable Share Premium Account                                                                                                                                                                                                                         | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Statutory Reserve                                                                                                                                                                                                                                           | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | General Reserve                                                                                                                                                                                                                                             | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Retained Earnings                                                                                                                                                                                                                                           | 1,413,829,115 | 1,128,598,358 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Dividend equalization fund                                                                                                                                                                                                                                  | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Minority Interest in Subsidiaries                                                                                                                                                                                                                           | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Actuarial gain/loss (Actuarial gain/loss kept in books in Bangladesh for Foreign Banks)                                                                                                                                                                     | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Non-repatriable interest-free funds from Head Office for the purpose of acquisition of property and held in a separate account and have the ability to absorb losses regardless of their source (Applicable for Foreign Banks)                              | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others (if any item approved by Bangladesh Bank)                                                                                                                                                                                                            | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total                                                                                                                                                                                                                                                   | 6,511,283,936 | 6,184,559,396 |
| Regulatory Adjustments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Shortfall in provisions required against Non Performing Loans (NPLs)                                                                                                                                                                                        | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Shortfall in provisions required against investment in shares                                                                                                                                                                                               | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities                                                                                                                         | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Goodwill and all other Intangible Assets                                                                                                                                                                                                                    | 5,294,878     | 4,904,940     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Deferred Tax Assets (DTA)                                                                                                                                                                                                                                   | 102,168,094   | 86,397,033    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Defined benefit pension fund assets                                                                                                                                                                                                                         | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Gain on sale related to securitization transactions                                                                                                                                                                                                         | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Investment in own CET-1 Instruments/Shares (as per Para 3.4.7 of Basel III Guidelines)                                                                                                                                                                      | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities                                                                                                                                                                  | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Any investment exceeding the approved limit under section 26 ka(1) of the Banking Companies Act, 1991 (50% of Investment)                                                                                                                                   | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Investments in subsidiaries which are not consolidated (50% of Investment)                                                                                                                                                                                  | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others if any                                                                                                                                                                                                                                               | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total                                                                                                                                                                                                                                                   | 107,462,972   | 91,301,973    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total common equity Tier-1 capital                                                                                                                                                                                                                          | 6,403,820,964 | 6,093,257,423 |
| Additional Tier-1 Capital                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Non-cumulative irredeemable preference shares                                                                                                                                                                                                               | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Instruments issued by the banks that meet the qualifying criteria for AT1 (as specified in Annex-4 of Basel III Guidelines)                                                                                                                                 | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (for consolidated reporting)                                                                                                | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Head Office borrowings in foreign currency by foreign banks operating in Bangladesh for inclusion in Additional Tier 1 capital which comply with the regulatory requirements as specified in Annex-4 of Basel III Guidelines (Applicable for Foreign Banks) | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Any other item specifically allowed by BB from time to time for inclusion in Additional Tier 1 Capital (Applicable for Foreign Banks)                                                                                                                       | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others (if any item approved by Bangladesh Bank)                                                                                                                                                                                                            | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Subtotal                                                                                                                                                                                                                                                    | -             | -             |
| 13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Paid up capital (Fund from head office) (Continued)                                                                                                                                                                                                         |               |               |
| 13.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Capital Adequacy Ratio - As per BASEL-III (Continued)                                                                                                                                                                                                       |               |               |
| Regulatory Adjustments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Investment in own AT-1 Instrument/Share (as per Para 3.4.7 of Basel III Guidelines)                                                                                                                                                                         | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities                                                                                                                                                                   | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others if any                                                                                                                                                                                                                                               | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Additional Tier-1 Capital Available                                                                                                                                                                                                                   | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Maximum Limit of Additional Tier-1 Capital (AT-1 capital can be maximum up to 1.5% of the total RWA or 33.33% of CET1, whichever is higher)                                                                                                                 | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Excess Amount over Maximum Limit of AT-1                                                                                                                                                                                                                    | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Subtotal                                                                                                                                                                                                                                                    | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Admissible Additional Tier-1 Capital                                                                                                                                                                                                                  | 6,403,820,964 | 6,093,257,423 |
| Tier-2 Capital (Going Concern Capital)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | General Provision                                                                                                                                                                                                                                           | 163,158,072   | 172,198,572   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | All Other preference shares                                                                                                                                                                                                                                 | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Subordinated debt/Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital (as per Annex 4 of Basel III Guidelines)                                                                                                             | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties (for consolidated reporting only)                                                                                                                                        | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Head Office (HO) borrowings in foreign currency received that meet the criteria of Tier 2 debt capital (Applicable for Foreign Banks)                                                                                                                       | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities & 10% of Equities)                                                                                                                                                         | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others (if any item approved by Bangladesh Bank)                                                                                                                                                                                                            | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sub-total                                                                                                                                                                                                                                                   | 163,158,072   | 172,198,572   |
| Regulatory Adjustments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Revaluation Reserves for Fixed Assets, Securities & Equity Securities (follow Phase-in deductions as per Basel III Guidelines)                                                                                                                              | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Investment in own T-2 Instruments/Shares (as per Para 3.4.7 of Basel III Guidelines)                                                                                                                                                                        | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities                                                                                                                                                                    | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Any investment exceeding the approved limit under section 26 ka(1) of the Bank Company Act, 1991 (50% of Investment)                                                                                                                                        | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Investments in subsidiaries which are not consolidated (50% of Investment)                                                                                                                                                                                  | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others if any                                                                                                                                                                                                                                               | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Tier-2 Capital Available                                                                                                                                                                                                                              | 163,158,072   | 172,198,572   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Maximum Limit of Tier-2 Capital (Tier 2 capital can be maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher)                                                                                                                          | 5,692,356,455 | 5,242,775,257 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Excess Amount over Maximum Limit of T-2                                                                                                                                                                                                                     | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Admissible Tier-2 capital                                                                                                                                                                                                                             | 163,158,072   | 172,198,572   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Capital                                                                                                                                                                                                                                               | 6,566,979,036 | 6,265,455,995 |
| Risk Weighted Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Credit Risk:                                                                                                                                                                                                                                                |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | On-Balance Sheet                                                                                                                                                                                                                                            | 5,457,732,567 | 5,603,461,324 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Off-Balance Sheet                                                                                                                                                                                                                                           | 178,054,029   | 129,485,051   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Subtotal                                                                                                                                                                                                                                                    | 5,635,786,596 | 5,732,946,375 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Market Risk                                                                                                                                                                                                                                                 | 831,405,216   | 467,745,739   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Operational Risk                                                                                                                                                                                                                                            | 1,762,453,947 | 1,762,453,947 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Risk Weighted Assets                                                                                                                                                                                                                                  | 8,229,645,759 | 7,963,146,061 |
| 13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Paid up capital (Fund from head office) (Continued)                                                                                                                                                                                                         |               |               |
| 13.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Capital Adequacy Ratio - As per BASEL-III (Continued)                                                                                                                                                                                                       |               |               |
| Required Minimum Common Equity Tier-1 Capital Ratio (4.5% of the total RWA)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 370,334,059   | 358,341,573   |
| Required Capital Conservation Buffer (2.5% of the total RWA)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 205,741,144   | 199,078,652   |
| Required Minimum Common Equity Tier-1 Capital Ratio plus Capital Conservation Buffer (7.0% of total RWA)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 576,075,203   | 557,420,224   |
| Required Tier 1 Capital (6.0% of RWA)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 493,778,746   | 477,788,764   |
| Required total capital (10% of RWA)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 822,964,576   | 796,314,606   |
| Required total capital plus Capital Conservation Buffer (12.5% of RWA) (A)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 1,028,705,720 | 995,393,258   |
| Minimum capital requirement (B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 5,000,000,000 | 5,000,000,000 |
| Required capital (higher of A & B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 5,000,000,000 | 5,000,000,000 |
| Surplus (Total capital - required capital)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 1,566,979,036 | 1,265,455,995 |
| Capital Adequacy Ratio:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Common Equity Tier-1 (Against standard of minimum 6%)                                                                                                                                                                                                       | 77.81%        | 76.52%        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Total Capital to Risk-weighted Asset Ratio                                                                                                                                                                                                                  | 79.80%        | 78.68%        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Minimum CRAR %                                                                                                                                                                                                                                              | 12.50%        | 12.50%        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Surplus/ (Deficiency) %                                                                                                                                                                                                                                     | 67.30%        | 66.18%        |
| 14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Revaluation reserve                                                                                                                                                                                                                                         |               |               |
| Revaluation reserve arises from the revaluation of Treasury bills and bonds (HFT and HTM) in accordance with the DOS circular no. 5 dated 26 May 2008 and DOS(SR) 1153/120/2010 dated 8 December 2010.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Balance at the beginning of the year                                                                                                                                                                                                                        | 2,047,968     | 1,953,030     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Add: Addition during the year                                                                                                                                                                                                                               | 861,712       | 94,938        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Less: Adjustment during the year                                                                                                                                                                                                                            | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 2,909,680     | 2,047,968     |
| 15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Surplus in profit and loss account                                                                                                                                                                                                                          |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Balance at the beginning of the year                                                                                                                                                                                                                        | 1,128,598,356 | 1,332,802,132 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit Transfer to Head Office                                                                                                                                                                                                                              | (361,481,798) | (133,750,000) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Net (loss)/profit for the year                                                                                                                                                                                                                              | 653,245,007   | 433,885,075   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Transferred to Capital                                                                                                                                                                                                                                      | -             | (500,000,000) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Transferred to Start-Up Fund                                                                                                                                                                                                                                | (6,532,450)   | (4,338,851)   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Balance at the end of the year                                                                                                                                                                                                                              | 1,413,829,115 | 1,128,598,356 |
| 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Letters of guarantees                                                                                                                                                                                                                                       |               |               |
| Balance for which the Bank is contingently liable in respect of guarantee issued favoring:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Directors                                                                                                                                                                                                                                                   | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Government                                                                                                                                                                                                                                                  | 337,258,960   | 311,737,054   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Banks and other financial institutions                                                                                                                                                                                                                      | 19,608,086    | 38,490,196    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others                                                                                                                                                                                                                                                      | 46,825,126    | 71,683,684    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 403,692,172   | 421,910,934   |
| 17                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Irrevocable letters of credit                                                                                                                                                                                                                               |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Usance                                                                                                                                                                                                                                                      | 25,072,486    | 13,730,198    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sight                                                                                                                                                                                                                                                       | 437,779,131   | 263,760,879   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 462,851,617   | 277,491,077   |
| 18                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Income statement                                                                                                                                                                                                                                            |               |               |
| Income                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest, discount and similar income                                                                                                                                                                                                                       | 2,980,010,189 | 2,040,497,618 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Fee, commission and brokerage                                                                                                                                                                                                                               | 15,718,696    | 17,893,858    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Gains less losses arising from dealing securities                                                                                                                                                                                                           | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Gains less losses arising from investment securities                                                                                                                                                                                                        | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Gains less losses arising from dealing in foreign currencies                                                                                                                                                                                                | 282,730,897   | 200,143,617   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Income from non-banking assets                                                                                                                                                                                                                              | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Other operating income                                                                                                                                                                                                                                      | 17,984,830    | 39,761,151    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 3,296,444,612 | 2,298,296,244 |
| Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                             |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest, fee and commission                                                                                                                                                                                                                                | 1,416,561,263 | 920,354,921   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Losses on loans and advances                                                                                                                                                                                                                                | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Administrative expenses                                                                                                                                                                                                                                     | 593,695,887   | 539,817,214   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Other operating expenses                                                                                                                                                                                                                                    | 61,735,576    | 54,715,603    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Depreciation on banking assets                                                                                                                                                                                                                              | 99,545,810    | 102,243,089   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 2,171,538,536 | 1,617,130,827 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Operating profit                                                                                                                                                                                                                                            | 1,124,906,076 | 681,165,417   |
| 19                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Interest income/profit on investments                                                                                                                                                                                                                       |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest on loans and advances                                                                                                                                                                                                                              | 19.1          | 1,313,067,772 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Share of profit from financing and discounting                                                                                                                                                                                                              | 19.2          | 355,809,959   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest/profit on placements with banks                                                                                                                                                                                                                    | 19.3          | 175,653,561   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             |               | 1,844,531,292 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             |               | 1,589,615,315 |
| 19.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Interest on loans and advances                                                                                                                                                                                                                              |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Current finance                                                                                                                                                                                                                                             | 397,299,680   | 298,755,076   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Term finance                                                                                                                                                                                                                                                | 869,550,576   | 682,040,833   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Trust receipt                                                                                                                                                                                                                                               | 4,597,984     | 3,549,844     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Staff financing                                                                                                                                                                                                                                             | 2,658,783     | 2,746,808     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Finance against EDF                                                                                                                                                                                                                                         | 2,382,643     | 1,616,415     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Agriculture finance                                                                                                                                                                                                                                         | 36,019,100    | 36,531,751    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Foreign bill discount                                                                                                                                                                                                                                       | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Local bill discounted                                                                                                                                                                                                                                       | 559,006       | 500,575       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 1,313,067,772 | 1,025,741,302 |
| 19.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Share of profit from financing and discounting                                                                                                                                                                                                              |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit on diminishing musharkah                                                                                                                                                                                                                             | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Murabaha financing - LPO                                                                                                                                                                                                                                    | 352,544,262   | 292,038,515   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit on bill discounted                                                                                                                                                                                                                                   | 56,628        | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit against EDF                                                                                                                                                                                                                                          | 339,901       | 1,272,059     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Murabaha income trust receipt                                                                                                                                                                                                                               | 2,869,168     | 5,573,760     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 355,809,959   | 298,884,334   |
| 19.3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Interest/profit on placements with banks                                                                                                                                                                                                                    |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest from placement                                                                                                                                                                                                                                     | 159,852,755   | 221,497,900   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest/profit from deposits with banks                                                                                                                                                                                                                    | 15,800,806    | 24,614,594    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest from reverse repo                                                                                                                                                                                                                                  | -             | 18,877,185    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 175,653,561   | 264,989,679   |
| 20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Interest paid/profit shared on deposits and borrowings etc.                                                                                                                                                                                                 |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest on deposits                                                                                                                                                                                                                                        | 20.1          | 992,022,481   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit shared on Mudaraba Deposit                                                                                                                                                                                                                           | 20.2          | 253,472,204   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest on borrowings                                                                                                                                                                                                                                      | 20.3          | 163,341,829   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest on lease liabilities                                                                                                                                                                                                                               | 20.4          | 7,724,749     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             |               | 1,416,561,263 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             |               | 920,354,921   |
| 20.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Interest on deposits                                                                                                                                                                                                                                        |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Savings account                                                                                                                                                                                                                                             | 128,222,908   | 108,917,432   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Royal profit deposit                                                                                                                                                                                                                                        | 54,133,140    | 53,812,961    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Term deposit                                                                                                                                                                                                                                                | 809,666,433   | 494,989,320   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 992,022,481   | 657,719,113   |
| 20.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Profit shared on mudaraba deposit                                                                                                                                                                                                                           |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Mudaraba Savings Deposit                                                                                                                                                                                                                                    | 26,803,197    | 34,623,268    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Mudaraba royal profit deposit                                                                                                                                                                                                                               | 4,206,359     | 8,786,226     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Mudaraba term deposit                                                                                                                                                                                                                                       | 222,462,648   | 129,228,779   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 253,472,204   | 172,638,273   |
| 20.3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Interest on borrowings                                                                                                                                                                                                                                      |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest paid on borrowings                                                                                                                                                                                                                                 | 50,893,141    | 73,841,892    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest paid on Repo                                                                                                                                                                                                                                       | 112,448,688   | 5,938,006     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 163,341,829   | 79,779,898    |
| 20.4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Interest on lease liabilities                                                                                                                                                                                                                               |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest on lease liabilities                                                                                                                                                                                                                               | 7,724,749     | 10,217,637    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 7,724,749     | 10,217,637    |
| 21                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Investment income                                                                                                                                                                                                                                           |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discount on treasury bill                                                                                                                                                                                                                                   | 859,828,614   | 142,924,661   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Mark-up on treasury bonds                                                                                                                                                                                                                                   | 196,947,379   | 213,782,161   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Trading gain on treasury bills                                                                                                                                                                                                                              | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Trading gain on Bangladesh Govt. Treasury Bonds                                                                                                                                                                                                             | (217,917)     | 263,206       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit/(Loss) on revaluation of T. Bond HFT                                                                                                                                                                                                                 | (782,590)     | 42,604        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Capital gain on treasury bills and Bangladesh Govt. Treasury Bonds                                                                                                                                                                                          | 80,895,441    | 100,201,861   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Capital loss on treasury bills and Bangladesh Govt. Treasury Bonds                                                                                                                                                                                          | (1,292,030)   | (6,332,190)   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Interest and amortization on securities                                                                                                                                                                                                                     | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 1,135,478,897 | 450,882,303   |
| 22                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Commission, exchange and brokerage                                                                                                                                                                                                                          |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Fees, commission etc.                                                                                                                                                                                                                                       | 15,718,696    | 17,893,858    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Exchange gains                                                                                                                                                                                                                                              | 282,730,897   | 200,143,617   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 298,449,593   | 218,037,475   |
| 23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Other operating income                                                                                                                                                                                                                                      |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Service charges recovered                                                                                                                                                                                                                                   | 3,645,705     | 1,056,439     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | L/C amendment                                                                                                                                                                                                                                               | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Locker rent                                                                                                                                                                                                                                                 | 2,513,100     | 2,307,817     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Charges                                                                                                                                                                                                                                                     | 801,592       | 2,024,621     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Courier charges                                                                                                                                                                                                                                             | 456,952       | 560,152       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Cheque book charges                                                                                                                                                                                                                                         | 597,500       | 784,000       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Profit on sale of fixed assets                                                                                                                                                                                                                              | -             | 7,652         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | UPAS LC Interest income                                                                                                                                                                                                                                     | -             | -             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Income from PF Fund Forfeiture A/C                                                                                                                                                                                                                          | -             | 18,116,165    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Bad Debts Recovered                                                                                                                                                                                                                                         | 4,607,780     | 5,000,000     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Others                                                                                                                                                                                                                                                      | 5,362,201     | 9,904,305     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 17,984,830    | 39,761,151    |
| 24                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Salaries and allowances                                                                                                                                                                                                                                     |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Salaries & Allowances                                                                                                                                                                                                                                       | 212,204,191   | 211,377,757   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Housing allowance                                                                                                                                                                                                                                           | 64,736,081    | 58,587,987    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Conveyance allowance                                                                                                                                                                                                                                        | 15,312,136    | 13,739,958    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Car allowance                                                                                                                                                                                                                                               | 15,120,645    | 14,721,022    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Other allowances                                                                                                                                                                                                                                            | 642,511       | 676,500       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Festival bonus                                                                                                                                                                                                                                              | 42,032,399    | 38,437,643    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Performance bonus                                                                                                                                                                                                                                           | 48,529,085    | 31,440,701    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Provident fund                                                                                                                                                                                                                                              | 15,937,100    | 14,155,712    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Provision for gratuity                                                                                                                                                                                                                                      | 18,251,784    | 18,948,008    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 432,765,932   | 402,085,288   |
| 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Rent, taxes, insurance, electricity etc.                                                                                                                                                                                                                    |               |               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Taxes & VAT*                                                                                                                                                                                                                                                | 25.1          | 15,090,107    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Insurance                                                                                                                                                                                                                                                   | 26,990,762    | 15,299,831    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Cleaning and maintenance                                                                                                                                                                                                                                    | 24,304,077    | 28,275,399    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Electricity and utilities                                                                                                                                                                                                                                   | 11,909,405    | 8,004,040     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             | 78,894,351    | 11,709,638    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                             |               | 63,288,908    |
| *Actual Rent Expense including VAT during the Year 2024: Tk. 108,797,184 (2023: Tk. 106,175,573)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                             |               |               |
| 25.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Taxes & VAT                                                                                                                                                                                                                                                 |               |               |





# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor’s Report & Audited Financial Statements As at and for the year ended 31 December 2024

|      |                                             |             |             |  |
|------|---------------------------------------------|-------------|-------------|--|
| 33.1 | Current tax expenses                        |             |             |  |
|      | Current year                                | 482,971,873 | 277,000,000 |  |
|      | Changes in estimates related to prior years | -           | -           |  |
|      |                                             | 482,971,873 | 277,000,000 |  |

33.2

| Reconciliation of effective tax rate:                      |            |                    |            |                    |
|------------------------------------------------------------|------------|--------------------|------------|--------------------|
|                                                            | 2024       |                    | 2023       |                    |
|                                                            | %          | Taka               | %          | Taka               |
| Profit before income tax as per profit and loss account    |            | 1,120,445,819      |            | 724,609,215        |
| Income tax as per applicable tax rate                      | 40%        | 448,178,328        | 40%        | 289,843,686        |
| <b>Factors affecting the tax charge for current period</b> |            |                    |            |                    |
| Inadmissible expenses                                      | 8%         | 91,633,606         | 9%         | 62,044,422         |
| Admissible expenses in the current year                    | -7%        | (78,118,249)       | -10%       | (74,888,108)       |
| Tax exempted income                                        | 0%         | -                  | 0%         | -                  |
| Tax savings from reduced tax rates for dividend            | 0%         | -                  | 0%         | -                  |
| Tax loss/(savings) from reduced tax rates for capital gain | 0%         | -                  | 0%         | -                  |
| Changes in estimates related to prior years                | 2%         | 21,278,188         | 0%         | -                  |
| Effect of deferred tax                                     | -1%        | (15,771,061)       | 2%         | 13,724,140         |
| <b>Total tax expenses (credit)</b>                         | <b>42%</b> | <b>467,200,812</b> | <b>40%</b> | <b>290,724,140</b> |

33.3      **Uncertainty over income tax treatment**

Though it appears that the Bank has tax file open since 2009 for various grounds mainly interpretation of laws and the treatment. The appeal filed at different level from Commissioner of Taxes Appeal to Honorable High Court Division. Where, we did not receive proper judgement through appeal from tax department, we preferred appeal before Appellate Tribunal. Under the Appeals filed so far, we have both refund claim from Tax office and tax claim from tax department as well. However, we are reviewing all pending tax claim every year and kept provision BDT 2,385,531,624 against tax liabilities of BDT 2,287,029,902 based on Tax consultant's assessment. The bank believes that its provision for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. Please refer to Annexure V for details.

|    |                                                               |                |             |  |
|----|---------------------------------------------------------------|----------------|-------------|--|
| 34 | Related party disclosures                                     |                |             |  |
|    |                                                               | Amount in Taka |             |  |
|    |                                                               | 2024           | 2023        |  |
|    | i. Transactions with key management personnel                 |                |             |  |
|    | Key management personnel compensation for the year comprised: |                |             |  |
|    | Short-term employee benefits                                  | 120,610,983    | 115,786,692 |  |
|    | Provident fund                                                | 5,114,781      | 4,692,648   |  |
|    | Gratuity                                                      | 3,470,671      | 3,159,437   |  |
|    |                                                               | 129,196,435    | 123,638,777 |  |
|    | ii. Related party transactions                                |                |             |  |

| Name of organization               | Balance Type   | Opening balance on 01 January 2024 | Deposit made/Loan disbursed | Deposit withdrawn/ Loan recovery | Interest paid on Deposit/ Interest charged on loan | Interest payable as at 31 December 2023 | VAT/Excise Duty paid during the year | Fees/ Commission charged | Closing balance on 31 December 2024 |
|------------------------------------|----------------|------------------------------------|-----------------------------|----------------------------------|----------------------------------------------------|-----------------------------------------|--------------------------------------|--------------------------|-------------------------------------|
| Bank Alfalah Bahrain               | Term Placement | 1,865,750,000                      | 584,000,000                 | -                                | -                                                  | -                                       | -                                    | -                        | 2,449,750,000                       |
| Bank Alfalah Karachi               | Nostro Account | 995,144                            | 88,407                      |                                  |                                                    |                                         |                                      |                          | 1,083,551                           |
| Bank Alfalah Karachi, Conventional | Vostro Deposit | 15,546,025                         | 783,623,053                 | (787,548,439)                    | -                                                  |                                         | (54,657)                             | (605)                    | 11,565,376                          |
| Bank Alfalah Karachi, Islamic      | Vostro Deposit | 105,403,038                        | 1,188,360,708               | (1,102,136,636)                  | -                                                  |                                         | (54,657)                             | (605)                    | 191,571,848                         |

35      **Number of employees**

The number of employees engaged for the whole year or part thereof who received a total yearly remuneration of Taka 36,000 or above were 183 (2023:193).

36      **Highlights on the overall activities**

Highlights on the overall activities of the Bank have been furnished in Annexure I.

37      **Employee related fraud**

There was no fraud occurred/reported to Bangladesh Bank during the year 2024 which may indicate the involvement of the Bank's employees. The Bank monitors its employees' performance and established controls to mitigate such risk if exist.

38      **Events after the reporting period**

There is no significant events after balance sheet date that may affect financial statements of the Company for the year ended 31 December 2024.

39      **Others**

Bank Alfalah Limited (the parant company) has received a non-binding offer from Bank Asia Plc of Bangladesh and Hatton National Bank (HNB) of Sri Lanka to acquire the Bank Alfalah’s Bangladesh

The Bank's Board of Directors has accorded its in-principle approval/acceptance of the non-binding offer received from Bank Asia Plc Bangladesh and HNB of Sri Lanka to acquire the Bank’s Bangladesh operations, assets, and liabilities, subject to compliance with all applicable laws/regulations and obtaining necessary regulatory approval.

The Bank has received approval of Bangladesh Bank and State Bank of Pakistan for HNB (Acquirer) and Bank Asia (Acquirer) for conducting in-depth due diligence which is now in process.

|                                               |  |  |  |            |
|-----------------------------------------------|--|--|--|------------|
| Bank Alfalah Limited                          |  |  |  | Annexure I |
| Bangladesh Operations                         |  |  |  |            |
| Highlights on the overall activities          |  |  |  |            |
| As at and for the year ended 31 December 2024 |  |  |  |            |

| Amount in Tk |                                                                                         |       |                |                |
|--------------|-----------------------------------------------------------------------------------------|-------|----------------|----------------|
| Sl. No.      | Particulars                                                                             | Notes | 2024           | 2023           |
| 1            | Paid-up capital (Fund from head office)                                                 | 13    | 5,097,454,821  | 5,055,961,038  |
| 2            | Total capital                                                                           | 13.1  | 6,566,979,036  | 6,265,455,995  |
| 3            | Capital surplus                                                                         | 13.1  | 1,566,979,036  | 1,265,455,995  |
| 4            | Total assets                                                                            |       | 35,406,624,795 | 31,426,218,550 |
| 5            | Total deposits                                                                          | 11    | 23,768,981,345 | 22,189,447,813 |
| 6            | Total loans and advances/investments                                                    | 7     | 16,187,018,123 | 16,168,629,022 |
| 7            | Total contingent liabilities and commitments                                            |       | 1,224,068,205  | 2,535,158,474  |
| 8            | Credit/investment deposit ratio                                                         |       | 68.10%         | 72.87%         |
| 9            | Percentage of classified loans/investments against total loans and advances/investments |       | 1.98%          | 1.86%          |
| 10           | Operating Profit/Profit before provision                                                |       | 1,124,906,076  | 681,165,417    |
| 11           | (Loss)/profit after tax and provision                                                   |       | 653,245,007    | 433,885,075    |
| 12           | Amount of classified loans/investments                                                  | 7.8   | 321,231,716    | 301,066,428    |
| 13           | Provisions kept against classified loans/investments                                    | 12.1  | 252,119,157    | 190,918,400    |
| 14           | Provision surplus/(deficit) against classified loans/investments                        | 12.1  | 0              | 54,019,173     |
| 15           | Cost of fund                                                                            |       | 5.91%          | 4.36%          |
| 16           | Interest earning assets                                                                 |       | 30,883,954,969 | 27,901,436,816 |
| 17           | Non-interest earning assets                                                             |       | 4,522,669,826  | 3,524,781,734  |
| 18           | Return on investment (ROI)                                                              |       | 9.44%          | 6.14%          |
| 19           | Return on assets (ROA) [PAT/ Average assets]                                            |       | 2.02%          | 1.47%          |
| 20           | Income from investment                                                                  | 21    | 1,135,478,897  | 450,882,303    |

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|  |  |  |  |  |  |  |  |  |  | Annexure II |
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| Particulars                                                                     | Amount in Tk    |                |                 |                 |               |                |
|---------------------------------------------------------------------------------|-----------------|----------------|-----------------|-----------------|---------------|----------------|
|                                                                                 | Up to 1 month   | 1-3 months     | 3-12 months     | 1-5 years       | Above 5 years | Total          |
| Assets                                                                          |                 |                |                 |                 |               |                |
| Cash                                                                            | 1,618,539,997   | -              | -               | -               | 987,999,184   | 2,606,539,181  |
| Balance with other banks and financial institutions                             | 222,492,231     | 2,449,750,000  | -               | -               | -             | 2,672,242,231  |
| Money at call on short notice                                                   | -               | -              | -               | -               | -             | -              |
| Investments                                                                     | 1,576,500       | 7,983,978,520  | 2,800,099,476   | 58,522,709      | 722,496,690   | 11,566,673,895 |
| Loans and advances / investments                                                | 1,971,921,426   | 12,459,488,104 | 1,392,140,416   | 333,926,081     | 29,542,096    | 16,187,018,123 |
| Fixed assets including premises, furniture and fixtures                         | -               | -              | -               | 164,620,483     | 549,543       | 165,170,026    |
| Other assets                                                                    | 1,488,935       | 21,322,566     | 309,631,778     | 1,876,538,060   | -             | 2,208,981,339  |
| Non banking assets                                                              | -               | -              | -               | -               | -             | -              |
| Total assets                                                                    | 3,816,019,088   | 22,914,539,190 | 4,501,871,670   | 2,433,607,333   | 1,740,587,513 | 35,406,624,795 |
| Liabilities                                                                     |                 |                |                 |                 |               |                |
| Borrowings from Bangladesh Bank, other banks, financial institutions and agents | 1,505,591,027   | 7,850,687      | -               | -               | -             | 1,513,441,714  |
| Deposits                                                                        | 3,288,823,418   | 3,390,574,719  | 7,145,100,150   | 9,944,483,058   | -             | 23,768,981,345 |
| Provision and other liabilities                                                 | 47,913,211      | 433,860,577    | -               | 534,510,489     | 2,593,723,843 | 3,610,008,120  |
| Total liabilities                                                               | 4,842,327,656   | 3,832,285,983  | 7,145,100,150   | 10,478,993,547  | 2,593,723,843 | 28,892,431,179 |
| Net liquidity gap                                                               | (1,026,308,568) | 19,082,253,208 | (2,643,228,480) | (8,045,386,214) | (853,136,330) | 6,514,193,616  |

|                                                                 |  |  |  |  |  |  |  |  |  |              |
|-----------------------------------------------------------------|--|--|--|--|--|--|--|--|--|--------------|
|                                                                 |  |  |  |  |  |  |  |  |  | Annexure III |
| Bank Alfalah Limited                                            |  |  |  |  |  |  |  |  |  |              |
| Bangladesh Operations                                           |  |  |  |  |  |  |  |  |  |              |
| Balance with other banks - Outside Bangladesh (Nostro Accounts) |  |  |  |  |  |  |  |  |  |              |
| As at 31 December 2024                                          |  |  |  |  |  |  |  |  |  |              |

| Name of the Bank                    | Currency type | 2024      |               |                | 2023      |               |                |
|-------------------------------------|---------------|-----------|---------------|----------------|-----------|---------------|----------------|
|                                     |               | FC amount | Exchange Rate | Equivalent BDT | FC amount | Exchange Rate | Equivalent BDT |
| Standard Chartered Bank, New York   | USD           | 1,329,703 | 119.5000      | 158,899,455    | 845,377   | 109.7500      | 92,780,138     |
| Standard Chartered Bank, Mumbai     | ACUD          | 278,528   | 119.5000      | 33,284,106     | 36,821    | 109.7500      | 4,041,132      |
| Bank Alfalah Limited, Karachi       | ACUD          | 9,067     | 119.5000      | 1,083,551      | 9,067     | 109.7500      | 995,144        |
| National Bank of Pakistan, New York | USD           | -         | 119.5000      | -              | -         | 109.7500      | -              |
| Standard Chartered Bank, London     | GBP           | 4,141     | 154.7605      | 640,905        | 9,990     | 144.7302      | 1,445,797      |
| Standard Chartered Bank, Frankfurt  | EURO          | 7,282     | 128.2293      | 933,721        | 83,624    | 131.0717      | 10,960,775     |
| Standard Chartered Bank, Tokyo      | JPY           | 12,521    | 0.7793        | 9,758          | 41,618    | 0.7771        | 32,341         |
|                                     |               |           |               | 194,851,496    |           |               | 110,255,327    |

|                                                                |  |  |  |  |  |  |
|----------------------------------------------------------------|--|--|--|--|--|--|
| Balance with other banks - Outside Bangladesh (Term Placement) |  |  |  |  |  |  |
| As at 31 December 2024                                         |  |  |  |  |  |  |

| Name of the Bank              | Currency type | 2024       |               |                | 2023       |               |                |
|-------------------------------|---------------|------------|---------------|----------------|------------|---------------|----------------|
|                               |               | FC amount  | Exchange Rate | Equivalent BDT | FC amount  | Exchange Rate | Equivalent BDT |
| Bank Alfalah Limited, Bahrain | USD           | 20,500,000 | 119.5000      | 2,449,750,000  | 17,000,000 | 109.7500      | 1,865,750,000  |
|                               |               |            |               | 2,449,750,000  |            |               | 1,865,750,000  |
| Total Outside Bangladesh      |               |            |               | 2,644,601,496  |            |               | 1,976,005,327  |

|                        |  |  |  |  |  |  |             |  |
|------------------------|--|--|--|--|--|--|-------------|--|
| Bank Alfalah Limited   |  |  |  |  |  |  | Annexure IV |  |
| Bangladesh Operations  |  |  |  |  |  |  |             |  |
| Currency Analysis      |  |  |  |  |  |  |             |  |
| As at 31 December 2024 |  |  |  |  |  |  |             |  |

The table below summarizes the currency-wise analysis of assets and liabilities as at 31 December 2024. The Bank's assets and liabilities are included in their carrying amounts in Bangladesh Taka(BDT), broken down by currency.

| Particulars                                                    | Balance as at 31 December 2024 |                       |                       |                        |                       | Total in Tk    |
|----------------------------------------------------------------|--------------------------------|-----------------------|-----------------------|------------------------|-----------------------|----------------|
|                                                                | Taka                           | Equivalent BDT of USD | Equivalent BDT of GBP | Equivalent BDT of EURO | Equivalent BDT of JPY |                |
| Asset                                                          |                                |                       |                       |                        |                       |                |
| Cash in hand                                                   | 205,741,227                    | 6,049,688             | -                     | -                      | -                     | 211,790,914    |
| Balance with Bangladesh Bank and its agent bank                | 2,122,484,152                  | 272,257,665           | 5,921                 | -                      | 529                   | 2,394,748,267  |
| Balance with other banks and financial institutions            | 27,640,736                     | 2,643,017,111         | 640,905               | 933,721                | 9,758                 | 2,672,242,231  |
| Money at call on short notice                                  | -                              | -                     | -                     | -                      | -                     | -              |
| Investments                                                    | 11,566,673,895                 | -                     | -                     | -                      | -                     | 11,566,673,895 |
| Loans and advances                                             | 16,109,963,201                 | 77,054,922            | -                     | -                      | -                     | 16,187,018,123 |
| Fixed assets                                                   | 165,170,026                    | -                     | -                     | -                      | -                     | 165,170,026    |
| Other assets                                                   | 2,206,332,904                  | 2,648,435             | -                     | -                      | -                     | 2,208,981,339  |
| Non-banking assets                                             | -                              | -                     | -                     | -                      | -                     | -              |
| Total assets                                                   | 32,404,006,141                 | 3,001,027,821         | 646,826               | 933,721                | 10,287                | 35,406,624,795 |
| Liabilities                                                    |                                |                       |                       |                        |                       |                |
| Borrowings from other banks, financial Institutions and agents | 1,444,222,452                  | 69,219,262            | -                     | -                      | -                     | 1,513,441,714  |
| Deposit                                                        | 22,440,868,246                 | 1,327,861,564         | 210,165               | 41,371                 | -                     | 23,768,981,345 |
| Other liabilities                                              | 3,605,230,578                  | 4,777,542             | -                     | -                      | -                     | 3,610,008,120  |
| Total liabilities                                              | 27,490,321,275                 | 1,401,858,368         | 210,165               | 41,371                 | -                     | 28,892,431,179 |
| Net position                                                   | 4,913,684,865                  | 1,599,169,452         | 436,661               | 892,350                | 10,287                | 6,514,193,616  |

|                           |  |  |  |  |  |  |            |  |
|---------------------------|--|--|--|--|--|--|------------|--|
| Bank Alfalah Limited      |  |  |  |  |  |  | Annexure V |  |
| Bangladesh Operations     |  |  |  |  |  |  |            |  |
| Statement of Tax Position |  |  |  |  |  |  |            |  |
| As at 31 December 2024    |  |  |  |  |  |  |            |  |

Tax files up to Income Year 2008, 2014 and 2017 have been settled. Status of rest of the years are as follows:

| Income year | Assessment year | Tax Liability as per return | Tax paid with return and during appeal / deducted at source / minimum tax | Additional tax liability after assessment | Total Tax liability | Provision held as per Financial Statements | Status                                 |
|-------------|-----------------|-----------------------------|---------------------------------------------------------------------------|-------------------------------------------|---------------------|--------------------------------------------|----------------------------------------|
| 2009        | 2010-2011       | 5,325,000                   | 9,002,702                                                                 | 14,685,257                                | (30,197,659)        | 5,325,000                                  | Under appeal                           |
| 2010        | 2011-2012       | 4,516,323                   | 16,825,346                                                                | 49,236,095                                | (2,976,796)         | 31,123,312                                 | Under appeal                           |
| 2011        | 2012-2013       | 4,718,678                   | 18,303,607                                                                | 51,149,129                                | 55,867,807          | 49,182,085                                 | Under appeal                           |
| 2012        | 2013-2014       | 6,216,162                   | 12,370,679                                                                | 43,994,519                                | 50,210,681          | 50,210,681                                 | Under appeal                           |
| 2013        | 2014-2015       | 71,561,461                  | 83,927,345                                                                | 49,463,535                                | 110,900,652         | 121,024,996                                | Under appeal                           |
| 2015        | 2016-2017       | 159,037,342                 | 167,355,008                                                               | 33,270,665                                | 186,521,428         | 192,308,206                                | Under appeal                           |
| 2016        | 2017-2018       | 123,875,855                 | 138,694,270                                                               | 59,273,662                                | 142,130,513         | 183,149,596                                | Under appeal                           |
| 2018        | 2019-2020       | 201,123,624                 | 210,921,748                                                               | 39,192,495                                | 221,102,693         | 201,123,624                                | Under appeal                           |
| 2019        | 2020-2021       | 214,687,991                 | 216,223,830                                                               | 54,719,175                                | 222,337,123         | 214,687,991                                | Under appeal                           |
| 2020        | 2021-2022       | 211,424,260                 | 211,424,260                                                               | 61,861,074                                | 226,748,932         | 211,424,260                                | Under appeal                           |
| 2021        | 2022-2023       | 134,590,079                 | 134,590,080                                                               | -                                         | 134,590,079         | 134,590,080                                | Tax file opened for Audit              |
| 2022        | 2023-2024       | 227,128,891                 | 227,128,891                                                               | -                                         | 227,128,891         | 231,409,920                                | Tax Return submitted on time           |
| 2023        | 2024-2025       | 280,971,873                 | 280,971,873                                                               | -                                         | 280,971,873         | 280,971,873                                | Tax Return submitted on time           |
| 2024        | 2025-2026       | 461,693,685                 | 148,798,421                                                               | -                                         | 461,693,685         | 479,000,000                                | Return to be submitted within due date |
| Total       | -               | 2,106,871,224               | 1,876,529,060                                                             | 456,845,606                               | 2,287,029,902       | 2,385,531,624                              |                                        |





# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor's Report & Audited Financial Statements As at and for the year ended 31 December 2024

| Bank Alfalah Limited, Bangladesh Operations<br>Motijheel Islamic Banking Branch<br>Balance Sheet<br>As at 31 December 2024 |          |                      |                      | Annexure VI |  |
|----------------------------------------------------------------------------------------------------------------------------|----------|----------------------|----------------------|-------------|--|
| Particulars                                                                                                                | Notes    | Amount in Taka       |                      |             |  |
|                                                                                                                            |          | 2024                 | 2023                 |             |  |
| <b>Property and assets</b>                                                                                                 |          |                      |                      |             |  |
| <b>Cash</b>                                                                                                                | <b>1</b> | <b>254,197,474</b>   | <b>257,975,314</b>   |             |  |
| Cash in hand (including foreign currencies)                                                                                |          | 40,991,384           | 47,127,358           |             |  |
| Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)                                         |          | 213,206,090          | 210,847,956          |             |  |
| <b>Balance with other banks and financial institutions</b>                                                                 | <b>2</b> | <b>-</b>             | <b>-</b>             |             |  |
| In Bangladesh                                                                                                              |          | -                    | -                    |             |  |
| Outside Bangladesh                                                                                                         |          | -                    | -                    |             |  |
| <b>Placement with banks and other financial institutions</b>                                                               |          | <b>-</b>             | <b>-</b>             |             |  |
| <b>Investments in shares and securities</b>                                                                                |          | <b>-</b>             | <b>-</b>             |             |  |
| Government (Prize Bond)                                                                                                    |          | -                    | -                    |             |  |
| Others                                                                                                                     |          | -                    | -                    |             |  |
| <b>Investments</b>                                                                                                         | <b>3</b> | <b>4,137,838,898</b> | <b>3,781,093,558</b> |             |  |
| General investments etc.                                                                                                   |          | 4,137,838,898        | 3,781,093,558        |             |  |
| Bills purchased and discounted                                                                                             |          | -                    | -                    |             |  |
| <b>Fixed assets including premises, furniture and fixtures</b>                                                             | <b>4</b> | <b>459,817</b>       | <b>16,574,836</b>    |             |  |
| <b>Other assets</b>                                                                                                        | <b>5</b> | <b>1,789,969,603</b> | <b>815,089,831</b>   |             |  |
| <b>Non-banking assets</b>                                                                                                  |          | <b>-</b>             | <b>-</b>             |             |  |
| <b>Total property and assets</b>                                                                                           |          | <b>6,182,465,792</b> | <b>4,870,733,539</b> |             |  |
| <b>Liabilities and capital</b>                                                                                             |          | <b>-</b>             | <b>-</b>             |             |  |
| <b>Liabilities</b>                                                                                                         |          | <b>-</b>             | <b>-</b>             |             |  |
| <b>Placement from banks and other financial institutions</b>                                                               |          | <b>-</b>             | <b>15,737,601</b>    |             |  |
| <b>Deposits and other accounts</b>                                                                                         | <b>6</b> | <b>5,984,385,953</b> | <b>4,700,764,732</b> |             |  |
| Al-wadeah current and other deposit accounts                                                                               |          | 654,163,201          | 496,970,326          |             |  |
| Bills payable                                                                                                              |          | 1,354,724            | 258,085,618          |             |  |
| Mudaraba saving deposits                                                                                                   |          | 1,180,946,708        | 1,353,154,933        |             |  |
| Mudaraba term deposits                                                                                                     |          | 4,147,921,320        | 2,592,553,855        |             |  |
| <b>Other liabilities</b>                                                                                                   | <b>7</b> | <b>198,079,839</b>   | <b>154,231,206</b>   |             |  |
| Differed tax liabilities/(assets)                                                                                          |          | -                    | -                    |             |  |
| <b>Total liabilities</b>                                                                                                   |          | <b>6,182,465,792</b> | <b>4,870,733,539</b> |             |  |
| <b>Capital/(shareholders' equity)</b>                                                                                      |          | <b>-</b>             | <b>-</b>             |             |  |
| Retained earnings                                                                                                          | <b>8</b> | -                    | -                    |             |  |
| <b>Total shareholders' equity</b>                                                                                          |          | <b>-</b>             | <b>-</b>             |             |  |
| <b>Total liabilities and shareholders' equity</b>                                                                          |          | <b>6,182,465,792</b> | <b>4,870,733,539</b> |             |  |

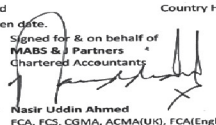
The annexed notes 1 to 26 form an integral part of these financial statements.

  
Abu Noyem Md. Khasru  
Head of Finance

  
Deep Sarfaraz  
Country Operations Head

  
Adil Islam  
Country Head

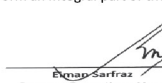
Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

  
Nasir Uddin Ahmed  
FCA, FCS, CGMA, ACMA(UK), FCA(England & Wales)  
Additional Managing Partner  
ICAB Enrollment No: 535

| Bank Alfalah Limited, Bangladesh Operations<br>Motijheel Islamic Banking Branch<br>Off-balance Sheet<br>As at 31 December 2024 |           |                    |                    |  |  |
|--------------------------------------------------------------------------------------------------------------------------------|-----------|--------------------|--------------------|--|--|
| Particulars                                                                                                                    | Notes     | Amount in Taka     |                    |  |  |
|                                                                                                                                |           | 2024               | 2023               |  |  |
| <b>Off-balance sheet items</b>                                                                                                 |           |                    |                    |  |  |
| <b>Contingent liabilities</b>                                                                                                  |           |                    |                    |  |  |
| Acceptances and endorsements                                                                                                   |           | 32,986,970         | 19,965,784         |  |  |
| Letters of guarantee                                                                                                           | <b>9</b>  | 301,378,100        | 302,085,104        |  |  |
| Irrevocable letters of credit (including back to back bills)                                                                   | <b>10</b> | 103,499,566        | 65,440,568         |  |  |
| Bills for collection                                                                                                           |           | 69,323,891         | 40,454,097         |  |  |
| Value of Bangladesh Sanchaypatra                                                                                               |           | -                  | 270,800,000        |  |  |
| <b>Total</b>                                                                                                                   |           | <b>507,188,527</b> | <b>698,745,553</b> |  |  |
| <b>Other commitments</b>                                                                                                       |           | <b>-</b>           | <b>-</b>           |  |  |
| Documentary credits and short term trade-related transactions                                                                  |           | -                  | -                  |  |  |
| Forward assets purchased and forward deposits placed                                                                           |           | -                  | -                  |  |  |
| Undrawn note issuance and revolving underwriting facilities                                                                    |           | -                  | -                  |  |  |
| Undrawn formal standby facilities, credit lines and other commitments                                                          |           | -                  | -                  |  |  |
| <b>Total</b>                                                                                                                   |           | <b>-</b>           | <b>-</b>           |  |  |
| <b>Total off-balance sheet items including contingent liabilities</b>                                                          |           | <b>507,188,527</b> | <b>698,745,553</b> |  |  |

The annexed notes 1 to 26 form an integral part of these financial statements.

  
Abu Noyem Md. Khasru  
Head of Finance

  
Deep Sarfaraz  
Country Operations Head

  
Adil Islam  
Country Head

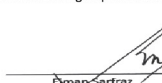
Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

  
Nasir Uddin Ahmed  
FCA, FCS, CGMA, ACMA(UK), FCA(England & Wales)  
Additional Managing Partner  
ICAB Enrollment No: 535

| Bank Alfalah Limited, Bangladesh Operations<br>Motijheel Islamic Banking Branch<br>Profit and Loss Account<br>For the year ended 31 December 2024 |            |                    |                    |  |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------------|--------------------|--|--|
| Particulars                                                                                                                                       | Notes      | Amount in Taka     |                    |  |  |
|                                                                                                                                                   |            | 2024               | 2023               |  |  |
| <b>Investment income</b>                                                                                                                          | <b>12</b>  | <b>355,916,022</b> | <b>313,179,012</b> |  |  |
| Profit paid on deposits                                                                                                                           | <b>13</b>  | (253,990,375)      | (174,206,892)      |  |  |
| <b>Net investment income</b>                                                                                                                      |            | <b>101,925,647</b> | <b>138,972,120</b> |  |  |
| <b>Income from investment in shares/securities</b>                                                                                                | <b>14</b>  | <b>-</b>           | <b>-</b>           |  |  |
| Commission, exchange and brokerage                                                                                                                | <b>15</b>  | 116,009,522        | (16,947,544)       |  |  |
| Other operating income                                                                                                                            | <b>16</b>  | 2,733,613          | 3,496,632          |  |  |
| <b>Total operating income (a)</b>                                                                                                                 |            | <b>220,668,782</b> | <b>125,521,208</b> |  |  |
| <b>Salaries and allowances</b>                                                                                                                    | <b>17</b>  | <b>18,993,294</b>  | <b>19,778,140</b>  |  |  |
| Rent, taxes, insurance, electricity etc.                                                                                                          | <b>18</b>  | 7,174,303          | 4,654,472          |  |  |
| Legal & Professional expenses                                                                                                                     | <b>19</b>  | 1,922,253          | 1,298,612          |  |  |
| Postage, stamps, telecommunication etc.                                                                                                           | <b>20</b>  | 906,025            | 890,458            |  |  |
| Stationery, printing, advertisement etc.                                                                                                          |            | -                  | -                  |  |  |
| Shariah supervisory committee's fees and expenses                                                                                                 |            | -                  | -                  |  |  |
| Auditors' fees                                                                                                                                    | <b>21</b>  | 11,261,051         | 11,471,830         |  |  |
| Depreciation and repair to bank's assets                                                                                                          |            | -                  | -                  |  |  |
| Zakat expenses                                                                                                                                    | <b>22</b>  | 4,964,839          | 4,547,714          |  |  |
| Other expenses                                                                                                                                    |            | 45,221,765         | 42,641,226         |  |  |
| <b>Total operating expenses (b)</b>                                                                                                               |            | <b>45,221,765</b>  | <b>42,641,226</b>  |  |  |
| <b>Profit before provision (c = a-b)</b>                                                                                                          |            | <b>175,447,017</b> | <b>82,879,982</b>  |  |  |
| <b>Provision for investments</b>                                                                                                                  |            | <b>3,158,980</b>   | <b>(1,571,021)</b> |  |  |
| General provision                                                                                                                                 | <b>7.1</b> | 3,158,980          | (1,571,021)        |  |  |
| Specific provision                                                                                                                                | <b>7.2</b> | (3,587,373)        | (1,289,738)        |  |  |
| Provision for off-balance sheet items                                                                                                             |            | -                  | -                  |  |  |
| Provision for diminution in value of investments in shares                                                                                        |            | -                  | -                  |  |  |
| Other provisions                                                                                                                                  |            | -                  | -                  |  |  |
| <b>Total provision (d)</b>                                                                                                                        |            | <b>(428,393)</b>   | <b>(2,860,759)</b> |  |  |
| <b>Total profit before tax (e = c-d)</b>                                                                                                          |            | <b>175,875,410</b> | <b>85,740,741</b>  |  |  |
| Provision for taxation:                                                                                                                           |            | -                  | -                  |  |  |
| Current tax expense                                                                                                                               |            | -                  | -                  |  |  |
| Deferred tax expense / (income)                                                                                                                   |            | -                  | -                  |  |  |
| <b>Total provision for taxation</b>                                                                                                               |            | <b>-</b>           | <b>-</b>           |  |  |
| <b>Net profit/(loss) after tax</b>                                                                                                                |            | <b>175,875,410</b> | <b>85,740,741</b>  |  |  |

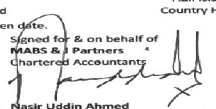
The annexed notes 1 to 26 form an integral part of these financial statements.

  
Abu Noyem Md. Khasru  
Head of Finance

  
Deep Sarfaraz  
Country Operations Head

  
Adil Islam  
Country Head

Place: Dhaka, Bangladesh  
Dated: 27 February, 2025

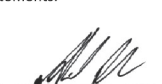
  
Nasir Uddin Ahmed  
FCA, FCS, CGMA, ACMA(UK), FCA(England & Wales)  
Additional Managing Partner  
ICAB Enrollment No: 535

| Bank Alfalah Limited, Bangladesh Operations<br>Motijheel Islamic Banking Branch<br>Statement of Changes in Equity<br>For the year ended 31 December 2024 |                                     |                                    |               |              |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------|---------------|--------------|--|
| Amount in Tk                                                                                                                                             |                                     |                                    |               |              |  |
| Particulars                                                                                                                                              | Fund deposited with Bangladesh Bank | Surplus in profit and loss account | Total equity  |              |  |
| <b>Balance as at 1 January 2024</b>                                                                                                                      | -                                   | -                                  | -             |              |  |
| Net profit/(loss) for the period                                                                                                                         | -                                   | 175,875,410                        | 175,875,410   |              |  |
| Transferred to Bangladesh country office                                                                                                                 | -                                   | (175,875,410)                      | (175,875,410) |              |  |
| <b>Balance as at 31 December 2024</b>                                                                                                                    | -                                   | -                                  | -             |              |  |
| For the year ended 31 December 2023                                                                                                                      |                                     |                                    |               | Amount in Tk |  |
| Particulars                                                                                                                                              | Fund deposited with Bangladesh Bank | Surplus in profit and loss account | Total equity  |              |  |
| <b>Balance as at 1 January 2023</b>                                                                                                                      | -                                   | -                                  | -             |              |  |
| Net profit/(loss) for the period                                                                                                                         | -                                   | 85,740,741                         | 85,740,741    |              |  |
| Transferred to Bangladesh country office                                                                                                                 | -                                   | (85,740,741)                       | (85,740,741)  |              |  |
| <b>Balance as at 31 December 2023</b>                                                                                                                    | -                                   | -                                  | -             |              |  |

The annexed notes 1 to 26 form an integral part of these financial statements.

  
Abu Noyem Md. Khasru  
Head of Finance

  
Deep Sarfaraz  
Country Operations Head

  
Adil Islam  
Country Head

| Bank Alfalah Limited, Bangladesh Operations<br>Motijheel Islamic Banking Branch<br>Cash Flow Statement<br>For the year ended 31 December 2024 |  |                    |                      |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------|----------------------|--|--|
| Particulars                                                                                                                                   |  | Amount in Taka     |                      |  |  |
|                                                                                                                                               |  | 2024               | 2023                 |  |  |
| <b>Cash flows from operating activities</b>                                                                                                   |  |                    |                      |  |  |
| Investment income receipts in cash                                                                                                            |  | 355,916,022        | 313,179,012          |  |  |
| Profit paid on deposits                                                                                                                       |  | (250,920,607)      | (198,610,108)        |  |  |
| Fees and commission receipts in cash                                                                                                          |  | 7,284,319          | 10,278,497           |  |  |
| Recoveries on loans previously written-off                                                                                                    |  | (18,993,294)       | (19,778,140)         |  |  |
| Cash payments to employees                                                                                                                    |  | (9,933,923)        | (7,115,373)          |  |  |
| Cash payments to suppliers                                                                                                                    |  | -                  | -                    |  |  |
| Income taxes paid                                                                                                                             |  | 111,458,816        | (23,729,409)         |  |  |
| Receipts from other operating activities                                                                                                      |  | (5,554,509)        | (5,325,055)          |  |  |
| Payments for other operating activities                                                                                                       |  | 189,256,764        | 68,899,414           |  |  |
| <b>Operating profit/(loss) before changes in operating assets and liabilities</b>                                                             |  | <b>-</b>           | <b>-</b>             |  |  |
| <b>Increase/(decrease) in operating assets and liabilities</b>                                                                                |  | <b>-</b>           | <b>-</b>             |  |  |
| Statutory deposits                                                                                                                            |  | -                  | -                    |  |  |
| Purchase/sale of trading securities                                                                                                           |  | (356,785,340)      | 174,735,986          |  |  |
| Investments to customers                                                                                                                      |  | (1,150,755,182)    | 46,296,253           |  |  |
| Other assets                                                                                                                                  |  | (193,864,977)      | (560,304,345)        |  |  |
| Deposits and other accounts from other banks                                                                                                  |  | 1,477,486,198      | (231,153,134)        |  |  |
| Deposits and other accounts from customers                                                                                                    |  | 46,775,873         | (32,988,982)         |  |  |
| Other liabilities                                                                                                                             |  | (177,102,428)      | (603,414,222)        |  |  |
| <b>Net cash inflow/(outflow) from operating activities</b>                                                                                    |  | <b>12,154,336</b>  | <b>(534,514,808)</b> |  |  |
| <b>Cash flows from investing activities</b>                                                                                                   |  | <b>-</b>           | <b>-</b>             |  |  |
| Proceeds from sale/redemption of securities                                                                                                   |  | -                  | -                    |  |  |
| Payment for purchase of securities                                                                                                            |  | (194,575)          | (263,000)            |  |  |
| Purchase of fixed assets                                                                                                                      |  | -                  | -                    |  |  |
| Sale of fixed assets                                                                                                                          |  | (194,575)          | (263,000)            |  |  |
| <b>Net cash (used in)/from investing activities</b>                                                                                           |  | <b>(194,575)</b>   | <b>(263,000)</b>     |  |  |
| <b>Cash flows from financing activities</b>                                                                                                   |  | <b>-</b>           | <b>-</b>             |  |  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                                                                                   |  | <b>11,959,761</b>  | <b>(534,777,808)</b> |  |  |
| <b>Cash and cash equivalents at beginning of the year</b>                                                                                     |  | <b>242,237,713</b> | <b>777,015,521</b>   |  |  |
| <b>Cash and cash equivalents at end of the year</b>                                                                                           |  | <b>254,197,474</b> | <b>242,237,713</b>   |  |  |
| Cash in hand (including foreign currencies)                                                                                                   |  | 40,991,384         | 47,127,358           |  |  |
| Balance with other banks and financial institutions                                                                                           |  | 213,206,090        | 210,847,956          |  |  |
| Balance with Bangladesh Bank and its agent bank (including foreign currencies)                                                                |  | -                  | (15,737,601)         |  |  |
| Placement from banks and other financial institutions                                                                                         |  | 254,197,474        | 242,237,713          |  |  |

The annexed notes 1 to 26 form an integral part of these financial statements.

|  |                                                                                   |                |                      |  |  |  |  |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------------|-------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------|--|
| Notes                                                                              | Particulars                                                                       | Amount in Taka |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    |                                                                                   | 2024           |                      | 2023                                                                                |  |                                                                                      |  |
| 1                                                                                  | Cash                                                                              |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Cash in hand (Including foreign currency)                                         | 1.1            | 40,991,384           | 47,127,358                                                                          |  |                                                                                      |  |
|                                                                                    | Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies) | 1.2            | 213,206,090          | 210,847,956                                                                         |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | <b>254,197,474</b>   | <b>257,975,314</b>                                                                  |  |                                                                                      |  |
| 1.1                                                                                | Cash in hand                                                                      |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Local currency                                                                    |                | 37,463,505           | 44,600,693                                                                          |  |                                                                                      |  |
|                                                                                    | Foreign currencies                                                                |                | 3,527,879            | 2,526,665                                                                           |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | <b>40,991,384</b>    | <b>47,127,358</b>                                                                   |  |                                                                                      |  |
| 1.2                                                                                | Balance with Bangladesh Bank and its agent bank(s)                                |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Local currency                                                                    |                | 213,206,090          | 210,847,956                                                                         |  |                                                                                      |  |
|                                                                                    | Foreign currencies                                                                |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | <b>213,206,090</b>   | <b>210,847,956</b>                                                                  |  |                                                                                      |  |
| 1.a                                                                                | Cash Reserve Requirement (CRR) for Islamic Banking                                |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | 4% of average Demand and Time Liabilities                                         |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Required reserve                                                                  |                | 198,048,581          | 183,117,588                                                                         |  |                                                                                      |  |
|                                                                                    | Actual reserve held                                                               |                | 213,366,460          | 210,869,079                                                                         |  |                                                                                      |  |
|                                                                                    | Surplus                                                                           |                | <b>15,317,879</b>    | <b>27,751,491</b>                                                                   |  |                                                                                      |  |
|                                                                                    | Actual reserve held                                                               |                | <b>4.66%</b>         | <b>4.61%</b>                                                                        |  |                                                                                      |  |
| 1.b                                                                                | Statutory Liquidity Requirement (SLR) for Islamic Banking                         |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | 5.5% of required Average Demand and Time Liabilities:                             |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Required reserve                                                                  |                | 272,316,799          | 251,786,684                                                                         |  |                                                                                      |  |
|                                                                                    | Actual reserve held                                                               |                | 272,328,800          | 251,797,684                                                                         |  |                                                                                      |  |
|                                                                                    | Surplus                                                                           |                | <b>12,001</b>        | <b>11,000</b>                                                                       |  |                                                                                      |  |
|                                                                                    | Actual reserve held                                                               |                | <b>5.95%</b>         | <b>5.50%</b>                                                                        |  |                                                                                      |  |
|                                                                                    | Held for Statutory Liquidity Requirement:                                         |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Cash in hand                                                                      |                | 40,991,384           | 47,127,358                                                                          |  |                                                                                      |  |
|                                                                                    | Excess of daily reserve                                                           |                | 15,317,879           | 27,751,491                                                                          |  |                                                                                      |  |
|                                                                                    | Other Eligible Securities                                                         |                | 157,070,000          | 157,070,000                                                                         |  |                                                                                      |  |
|                                                                                    | Foreign currency used in BDT                                                      |                | 58,949,536           | 19,848,835                                                                          |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | <b>272,328,800</b>   | <b>251,797,684</b>                                                                  |  |                                                                                      |  |
| 2                                                                                  | Balance with other banks and financial institutions                               |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | In Bangladesh                                                                     | 2.1            | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    | Outside Bangladesh                                                                |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | -                    | -                                                                                   |  |                                                                                      |  |
| 2.1                                                                                | In Bangladesh                                                                     |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Mudaraba term deposit:                                                            |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | Export Import Bank of Bangladesh Ltd.                                             |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | -                    | -                                                                                   |  |                                                                                      |  |
| 2.2                                                                                | Maturity-wise groupings of balance with other banks and financial institutions    |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | On demand                                                                         |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    | Not more than 3 months                                                            |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    | More than 3 months but less than 1 year                                           |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    | More than 1 year but less than 5 years                                            |                | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    | More than 5 years                                                                 |                | -                    | -                                                                                   |  |                                                                                      |  |
| 3                                                                                  | Investments                                                                       |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | General investments etc.                                                          | 3.1            | 4,137,838,898        | 3,781,093,558                                                                       |  |                                                                                      |  |
|                                                                                    | Bills purchased and discounted                                                    | 3.9            | -                    | -                                                                                   |  |                                                                                      |  |
|                                                                                    |                                                                                   |                | <b>4,137,838,898</b> | <b>3,781,093,558</b>                                                                |  |                                                                                      |  |
| 3.1                                                                                | General investments etc.                                                          |                |                      |                                                                                     |  |                                                                                      |  |
|                                                                                    | In                                                                                |                |                      |                                                                                     |  |                                                                                      |  |





# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor's Report & Audited Financial Statements As at and for the year ended 31 December 2024

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Particulars                                                                                 | Notes         | Amount in Taka       |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------|----------------------|----------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | 2024                 | 2023                 |
| 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Deposits and other accounts (Continued)                                                     |               |                      |                      |
| 6.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Deposits concentration (Continued)                                                          |               |                      |                      |
| 6.5.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Inter-bank deposits                                                                         |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Jamuna Bank Limited                                                                         |               | 22,701               | 23,080               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Mutual Trust Bank Limited                                                                   | 200,431,639   | 249,999,080          |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | AB Bank Limited                                                                             |               | 12,224               | 13,555               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Prime Bank Limited                                                                          | 14,726,429    | 14,742,894           |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Islamic Bank Bangladesh Limited                                                             | 34,632        | 35,782               |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Shahjalal Islamic Bank Limited                                                              | 2,765,926     | 2,760,250            |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Al-Arafah Islamic Bank Limited                                                              | 886,191       | 849,589              |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | The City Bank Limited                                                                       |               | -                    | 255                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Trust Bank Limited                                                                          | 7,026,320     | 207,438,352          |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Bank Asia Limited                                                                           | 1,721,497     | 1,719,756            |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>227,627,559</b>   | <b>477,582,593</b>   |
| 6.5.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Vostro Deposit                                                                              |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Bankislami Pakistan Limited                                                                 | 201,202       | 26,299,306           |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Bank Alfalah Ltd, Karachi (Conventional)                                                    | 11,565,376    | 15,546,025           |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Bank Alfalah Ltd, Karachi (Islamic)                                                         | 191,571,848   | 105,403,038          |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>203,338,426</b>   | <b>147,248,369</b>   |
| 6.6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Maturity grouping of deposits                                                               |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Repayable On demand                                                                         | 303,767,431   | 261,300,295          |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Repayable within 1 month                                                                    | 524,262,131   | 249,808,734          |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Over 1 month but within 6 months                                                            | 1,928,809,483 | 1,634,076,844        |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Over 6 months but within 1 year                                                             | 723,781,559   | 475,781,623          |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Over 1 year but within 5 years                                                              | 2,503,765,348 | 2,079,797,236        |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Over 5 years but within 10 years                                                            | -             | -                    |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 10 years or more                                                                            | -             | -                    |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>5,984,385,953</b> | <b>4,700,764,732</b> |
| As per Bank Company Act 1991, Section 35 and 88 circular letter no. BRPD 10 dated 12 September 2018, if any money or valuable asset (except deposits from Government, minor or litigation) is unclaimed for ten years or above as of 31 December every year, a three months' notice will be given to depositors concerned. Based on the response from the concerned depositors by following three months, amount will be paid to them otherwise unclaimed deposit will be deposited to Bangladesh Bank by 30 April 2021. The bank does not have any such deposit to be reported as 10 years and above unclaimed deposit amount as on 31 December 2024 (cut off basis) to Bangladesh Bank. |                                                                                             |               |                      |                      |
| 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Other liabilities                                                                           |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provision for Investments                                                                   | 7.1           | 40,173,522           | 37,014,542           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provision for off-balance sheet exposures                                                   | 7.2           | 4,378,646            | 7,966,019            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit suspense and compensation suspense                                                   | 7.3           | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Unearned Income on Islamic Finance                                                          |               | 79,281,843           | 30,120,721           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Accrued expenses                                                                            |               | 422,751              | 354,093              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Salaries & Allowances Payable                                                               |               | 938,000              | 864,000              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit payable on deposit & borrowings                                                      | 7.4           | 60,483,256           | 57,413,548           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Withholding tax on profit on deposits                                                       |               | 6,558,366            | 1,244,060            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Withholding tax payable                                                                     |               | 4,835,794            | 1,553,403            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Withholding VAT payable                                                                     |               | 229,701              | 198,130              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Excise duty payable                                                                         |               | 292,300              | 255,349              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Advance commission on Letter of Guarantee (L/G)                                             |               | 55,200               | 12,000               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Unclaimed ATM/POS                                                                           |               | 4,351                | 4,351                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Lease liabilities                                                                           |               | -                    | 16,510,998           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Miscellaneous                                                                               |               | 426,109              | 719,992              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>198,079,839</b>   | <b>154,231,206</b>   |
| 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Other liabilities (Continued)                                                               |               |                      |                      |
| 7.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Provision for investments                                                                   |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | A. General Provision                                                                        |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provisions held at the beginning of the year                                                |               | 37,014,542           | 38,585,563           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provision made during the year                                                              |               | 3,158,980            | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provision no longer required                                                                |               | -                    | 1,571,021            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Net of provision (reversed)/made during the year                                            |               | 3,158,980            | (1,571,021)          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provisions held at the end of the year                                                      |               | 40,173,522           | 37,014,542           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | B. Specific Provision                                                                       |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provisions held at the beginning of the year                                                |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on investment waiver during the year                                                 |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Adjustment with prior year                                                                  |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provision no longer required                                                                |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Written off during the year                                                                 |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Recoveries of amounts previously written off                                                |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Specific provision made during the year                                                     |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Net Charge to Profit and Loss Account                                                       |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provisions held at the end of the year                                                      |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Total provision on investments                                                              |               | <b>40,173,522</b>    | <b>37,014,542</b>    |
| 7.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Provision for off-balance sheet exposures                                                   |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Balance as at 1 January                                                                     |               | 7,966,019            | 9,255,757            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Provision made during the year                                                              |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | 7,966,019            | 9,255,757            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Adjustments made during the year                                                            |               | (3,587,373)          | (1,289,738)          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Balance as at 31 December                                                                   |               | <b>4,378,646</b>     | <b>7,966,019</b>     |
| 7.3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Profit suspense and compensation suspense                                                   |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit suspense account                                                                     | 7.3.1         | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Compensation suspense                                                                       |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | -                    | -                    |
| 7.3.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Profit suspense account                                                                     |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Balance at the beginning of the year                                                        |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Amount transferred to profit Suspense Account during the year                               |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Amount recovered in Interest Suspense Account during the year                               |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Amount written off during the year                                                          |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on investment waiver during the year                                                 |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Balance at the end of the year                                                              |               | -                    | -                    |
| 7.4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Profit payable on deposit                                                                   |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit Payable on Borrowings                                                                |               | -                    | 89,180               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Savings Deposit                                                                             |               | 7,851,013            | 17,650,389           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30 days mudaraba term deposit                                                               |               | 236,453              | 240,393              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 90 days mudaraba term deposit                                                               |               | 2,190,620            | 4,568,316            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 180 days mudaraba term deposit                                                              |               | 4,858,581            | 1,750,291            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 365 days mudaraba term deposit                                                              |               | 10,055,760           | 19,961,428           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Broken days mudaraba term deposit                                                           |               | 22,635,348           | 8,413,183            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 15 months mudaraba term deposit                                                             |               | 814,295              | 1,149,732            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 7 months mudaraba term deposit                                                              |               | 10,525,813           | 507,499              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 13 months mudaraba term deposit                                                             |               | 320,231              | 2,180,473            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2 years mudaraba term deposit                                                               |               | 322,754              | 362,038              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 3 years mudaraba term deposit                                                               |               | 462,388              | 540,626              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>60,483,256</b>    | <b>57,413,548</b>    |
| 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Retained earnings                                                                           |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Balance as at 1 January                                                                     |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Adjustment for loan provision                                                               |               | 175,875,410          | 85,740,741           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Net profit/(loss) for the year                                                              |               | (175,875,410)        | (85,740,741)         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Transferred to Bangladesh country office                                                    |               | 175,875,410          | 85,740,741           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Balance as at 31 December                                                                   |               | -                    | -                    |
| 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Letters of guarantees                                                                       |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | a) Claims lodged with the Bank company not recognized as loan                               |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | b) Money for which the Bank is contingently liable in respect of guarantees given favoring: |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Directors or officers                                                                       |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Government                                                                                  |               | 301,378,100          | 284,063,254          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Banks and other financial institutions                                                      |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Others                                                                                      |               | -                    | 18,021,850           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>301,378,100</b>   | <b>302,085,104</b>   |
| 10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Irrevocable letters of credit                                                               |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Usage                                                                                       |               | 25,072,486           | 6,478,510            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Sight                                                                                       |               | 78,427,080           | 58,962,058           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>103,499,566</b>   | <b>65,440,568</b>    |
| 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Income statement                                                                            |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Income:                                                                                     |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit, discount and similar income                                                         |               | 355,916,022          | 313,179,012          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Dividend income                                                                             |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Commission, exchange and brokerage                                                          |               | 7,284,319            | 10,278,497           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Gains less losses arising from dealing in foreign currencies                                |               | 108,725,203          | (27,226,041)         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Other operating income                                                                      |               | 2,733,613            | 3,496,632            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>474,659,157</b>   | <b>299,728,100</b>   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Expenses:                                                                                   |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit paid on deposits                                                                     |               | 253,990,375          | 174,206,892          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Administrative expenses                                                                     |               | 29,585,545           | 27,399,033           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Other operating expenses                                                                    |               | 4,964,839            | 4,547,714            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Depreciation on banking assets                                                              |               | 200,400              | 223,507              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>288,741,159</b>   | <b>206,377,146</b>   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Income over expenditure                                                                     |               | <b>185,917,998</b>   | <b>93,350,954</b>    |
| 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Investment income                                                                           |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Share of profit from financing and discounting                                              |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Murabaha Financing                                                                          |               | 352,544,262          | 292,038,515          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on Diminishing Musharakah                                                            |               | -                    | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on bill discounted                                                                   |               | 56,628               | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit against EDF                                                                          |               | 339,901              | 1,272,059            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Murabaha income trust receipt                                                               |               | 2,869,168            | 5,573,760            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>355,809,959</b>   | <b>298,884,334</b>   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on placement with banks                                                              |               |                      |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on term placements                                                                   |               | -                    | 14,294,678           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Profit on Savings Deposit with Banks                                                        |               | 106,063              | -                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>106,063</b>       | <b>14,294,678</b>    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |               | <b>355,916,022</b>   | <b>313,179,012</b>   |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Particulars                                                                                                                                                                                                                                    | Notes | Amount in Taka |                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------------|-----------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 2024           | 2023            |
| 13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Profit paid on deposits                                                                                                                                                                                                                        |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Profit shared on deposits & borrowings                                                                                                                                                                                                         |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mudaraba Royal Profit Deposit                                                                                                                                                                                                                  |       | 4,206,359      | 8,786,226       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mudaraba Savings Deposit                                                                                                                                                                                                                       |       | 26,693,612     | 34,521,361      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Alfalah Salary Account (ASA)                                                                                                                                                                                                                   |       | 109,586        | 101,907         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mudaraba term deposit                                                                                                                                                                                                                          |       | 222,462,649    | 129,228,779     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Interest on lease liabilities                                                                                                                                                                                                                  |       | 292,879        | 815,230         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Profit paid on Borrowings                                                                                                                                                                                                                      |       | 225,290        | 753,389         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 253,990,375    | 174,206,892     |
| 14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Income from investment in shares/securities                                                                                                                                                                                                    |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mark-up on zero coupon bonds                                                                                                                                                                                                                   |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Dividend income on preference share                                                                                                                                                                                                            |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | -              | -               |
| 15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Commission, exchange and brokerage                                                                                                                                                                                                             |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Fees, commission etc.                                                                                                                                                                                                                          |       | 7,284,319      | 10,278,497      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Exchange earnings                                                                                                                                                                                                                              |       | 108,725,203    | (27,226,041)    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 116,009,522    | (16,947,544)    |
| 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Other operating income                                                                                                                                                                                                                         |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Service charges recovered                                                                                                                                                                                                                      |       | 805,509        | 431,780         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Charges recovered                                                                                                                                                                                                                              |       | 165,440        | 288,563         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Cheque Book charges recovered                                                                                                                                                                                                                  |       | 129,200        | 152,550         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Charges on documentary credit                                                                                                                                                                                                                  |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Courier charges recovered                                                                                                                                                                                                                      |       | 228,564        | 246,888         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Other Income                                                                                                                                                                                                                                   |       | 1,404,900      | 2,376,851       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | UPAS LC Profit Spread                                                                                                                                                                                                                          |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Gain on disposal of fixed asset                                                                                                                                                                                                                |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 2,733,613      | 3,496,632       |
| 17                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Salaries and allowances                                                                                                                                                                                                                        |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Salaries & Allowances                                                                                                                                                                                                                          |       | 9,599,282      | 11,266,592      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Housing allowance                                                                                                                                                                                                                              |       | 3,150,412      | 3,092,021       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Conveyance allowance                                                                                                                                                                                                                           |       | 787,597        | 773,011         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Other allowances                                                                                                                                                                                                                               |       | 132,000        | 140,571         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Festival bonus                                                                                                                                                                                                                                 |       | 2,019,352      | 2,255,677       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Performance bonus                                                                                                                                                                                                                              |       | 1,770,843      | 680,336         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | The Bank's contribution to provident fund                                                                                                                                                                                                      |       | 786,808        | 732,932         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Car allowance                                                                                                                                                                                                                                  |       | 747,000        | 837,000         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 18,993,294     | 19,778,140      |
| 18                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Rent, taxes, insurance, electricity etc.                                                                                                                                                                                                       |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Taxes & VAT*                                                                                                                                                                                                                                   |       | 1,682,396      | 1,683,556       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Cleaning and maintenance                                                                                                                                                                                                                       |       | 3,652,304      | 964,435         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Electricity and Utilities                                                                                                                                                                                                                      |       | 1,839,603      | 2,006,481       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 7,174,303      | 4,654,472       |
| *Actual Rent Expense including VAT during the Year 2024: Tk. 19,505,820 (2023:Tk. 19,505,820)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                |       |                |                 |
| 19                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Postage, stamps, telecommunication etc.                                                                                                                                                                                                        |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Postage and couriers                                                                                                                                                                                                                           |       | 282,810        | 303,973         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Electronic mail and on-line connectivity                                                                                                                                                                                                       |       | 451,100        | 443,400         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Telegram, fax, telex, SWIFT and internet charge                                                                                                                                                                                                |       | 1,133,876      | 510,356         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Telephone charges                                                                                                                                                                                                                              |       | 54,467         | 40,883          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 1,922,253      | 1,298,612       |
| 20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Stationery, printing, advertisement etc.                                                                                                                                                                                                       |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Table stationery                                                                                                                                                                                                                               |       | 520,203        | 383,705         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Books and periodicals                                                                                                                                                                                                                          |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Printing stationery                                                                                                                                                                                                                            |       | 366,720        | 476,213         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Computer stationery                                                                                                                                                                                                                            |       | 19,102         | 30,540          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Publicity                                                                                                                                                                                                                                      |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 906,025        | 890,458         |
| 21                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Depreciation and repair to bank's assets                                                                                                                                                                                                       |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Depreciation of bank's assets                                                                                                                                                                                                                  |       | 10,671,381     | 10,694,479      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Repair & Maintenance of bank's assets                                                                                                                                                                                                          | 21.1  | 589,670        | 777,351         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 11,261,051     | 11,471,830      |
| 21.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Repair & maintenance of bank's assets                                                                                                                                                                                                          |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Furniture, fixture and fittings                                                                                                                                                                                                                |       | -              | 83,300          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Rented premises                                                                                                                                                                                                                                |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Office equipment                                                                                                                                                                                                                               |       | 462,620        | 567,001         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Computer maintenance                                                                                                                                                                                                                           |       | 127,050        | 127,050         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Motor vehicles                                                                                                                                                                                                                                 |       | -              | -               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 589,670        | 777,351         |
| 22                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Other expenses                                                                                                                                                                                                                                 |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Bank charges, brokerage and commission                                                                                                                                                                                                         |       | 2,540          | 102,400         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Entertainment                                                                                                                                                                                                                                  |       | 976,005        | 761,340         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Security charges                                                                                                                                                                                                                               |       | 2,003,995      | 1,988,250       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Traveling and conveyance                                                                                                                                                                                                                       |       | 164,660        | 130,759         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Car fuel                                                                                                                                                                                                                                       |       | 493,200        | 429,130         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Other                                                                                                                                                                                                                                          |       | 1,324,439      | 1,135,835       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 4,964,839      | 4,547,714       |
| 23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Related parties                                                                                                                                                                                                                                |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Current deposit account                                                                                                                                                                                                                        |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Bank Alfalah, Karachi                                                                                                                                                                                                                          |       | 203,137,224    | 120,949,063     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 203,137,224    | 120,949,063     |
| 24                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Other related party transactions                                                                                                                                                                                                               |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | The bank had no related party transactions which were required to be disclosed.                                                                                                                                                                |       |                |                 |
| 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Number of employees                                                                                                                                                                                                                            |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | The number of employees engaged for the whole year or part thereof who received a total yearly remuneration of BDT 36,000 or above were 12 (2023: 12).                                                                                         |       |                |                 |
| 26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Employee related fraud                                                                                                                                                                                                                         |       |                |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | There was no fraud occurred/reported to Bangladesh Bank during the year 2024 which may indicate the involvement of the Bank's employees. The Bank monitors its employees' performance and established controls to mitigate such risk if exist. |       |                |                 |
| <div>Bank Alfalah Limited, Bangladesh Operations</div> <div>Motihel Islamic Banking Branch</div> <div>Liquidity Statement</div> <div>(Analysis of maturity of assets and liabilities)</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                |       |                | Appendix A      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | Amounts in BDT |                 |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                |       | Up to 1 month  | 1-3 months      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 3-12 months    | 1-5 years       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | Above 5 years  | Total           |
| Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                |       |                |                 |
| Cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                |       | 40,991,384     | 213,206,090     |
| Balance with other banks and financial institutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                |       | -              | -               |
| Investments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                |       | 36,575,616     | 4,075,542,782   |
| Fixed assets including premises, furniture and fixtures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                |       | -              | 459,817         |
| Other assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                |       | 11,215,527     | 1,778,754,076   |
| Non banking assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                |       | -              | 1,789,969,603   |
| Total assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                |       | 88,782,527     | 4,075,542,782   |
| Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                |       |                |                 |
| Borrowings from Bangladesh Bank, other banks, financial institutions and agents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       | 828,029,562    | 546,146,536     |
| Deposits and other accounts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                |       | 1,382,662,947  | 3,227,546,907   |
| Other liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |       | 11,916,161     | 60,483,256      |
| Total liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |       | 829,608,723    | 3,227,546,907   |
| Net liquidity gap                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                |       | (75,826,196)   | (1,204,223,613) |
| <div>Bangladesh Operations</div> <div>Disclosures on Risk Based Capital (Basel III)</div> <div>for the year ended December 2024</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                |       |                |                 |
| These qualitative and quantitative Disclosures have been made in accordance with Bangladesh Bank regulations for Implementation of Basel III vide BRPD Circular No. 18 dated December 21, 2014. The purpose is to comply with the requirement for having adequate capital and ensuring Supervisory Review Process under Pillar II of Basel III. These disclosures are intended to assess information about Bank's exposure to various risks and the purpose of these disclosures is to establish a transparent and disciplined financial market so that stakeholders can assess bank's capital adequacy as well as strength.                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                |       |                |                 |
| Market Discipline Disclosures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                |       |                |                 |
| Bank Alfalah Bangladesh Operations (BAFL) has migrated to Basel III framework from January 2015 as per Bangladesh Bank guidelines where "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel II)" issued by Bangladesh Bank in line with Basel III" issued vide BRPD Circular No. 18/2014 with subsequent supplements/revisions. As banks in Bangladesh are now in a stage of developing risk management models, Bangladesh Bank suggested the banks for using Standardized Approach for assessing capital requirements for credit risk for banking book and Standardized Approach for assessing capital requirement for market risk in trading book. Bank Alfalah used the Basic Indicator Approach (BIA), as prescribed by Bangladesh Bank in determining capital charge against operational risk. Under the Basic Indicator Approach (BIA), the capital charge for operational risk is a fixed percentage of average annual gross income of the bank over the past three years. |                                                                                                                                                                                                                                                |       |                |                 |
| Capital Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                |       |                |                 |
| The objective of managing capital is to safeguard the Bank's ability to run its business as a going concern so that it could continue to provide adequate returns to shareholders by pricing products and services commensurately with the level of risk. It is the policy of the Bank to maintain a strong capital base as to ensure investor, creditor and market confidence and to sustain future development of the business. The impact of level of capital on shareholder's return is also recognized where Bank distinguishes the need to maintain a balance between the higher returns, which should be possible with greater gearing, advantages and security afforded by a sound capital position.                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                |       |                |                 |
| Goals of managing capital                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                |       |                |                 |
| The banks aims its capital to attain the following objectives & goals:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                |       |                |                 |
| <ul style="list-style-type: none"><li>An appropriately capitalized status, as defined by Banking regulations by the central bank;</li><li>Acquire strong credit ratings that enable an optimized funding mix and liquidity sources at lesser costs.</li><li>Cover all risks underlying business activities; and</li><li>To retain flexibility to harness future investment opportunities, build and expand even in stressed times.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                |       |                |                 |
| Risk Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                |       |                |                 |
| The variety of business activities undertaken by the Bank requires effective identification, measurement, monitoring, integration and management of different financial and non-financial risks that are constantly evolving as business activities change in response to concurrent internal and external developments. The Board Risk Management Committee (BRMC) is appointed and authorized by the Board of Directors (BoD) to assist in designing, regular evaluation and timely updating the risk management framework of the Bank. BAFL Bangladesh Operations has further authorized committees such as Management Committee (MANCOM), Assets & Liabilities Committee (ALCO), Executive Risk Management Committee (ERMC), Information Technology Steering Committee (ITSC), Information Technology Security Committee, and Central Compliance Committee (CCC) to supervise risk management activities within their respective scope.                                                                                                 |                                                                                                                                                                                                                                                |       |                |                 |
| The risk management framework endeavors to be comprehensive and evolving guidelines to cater to changing business dynamics. The framework includes:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                |       |                |                 |
| <ul style="list-style-type: none"><li>Clearly defined risk management policies and procedures</li><li>Well constituted organizational structure in the form of a separate risk management department, which ensures that individuals responsible for risk approval are independent from risk taking units i.e. Business Units</li><li>Mechanism for ongoing review of credit policies, procedures and risk exposures</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                |       |                |                 |



# Bank Alfalah

# Audited Financial Statement 2024

## Independent Auditor's Report & Audited Financial Statements As at and for the year ended 31 December 2024

### Types of Eligible Financial Collateral

For credit risk mitigation purposes (capital adequacy purposes), the Bank considers all types of financial collaterals that are eligible under BB Base III accord. This includes Cash / TDRs, securities issued by Government of Bangladesh such as T-Bills and T-Bonds, certain debt securities rated by recognized credit rating agencies, and guarantees from certain specified entities (Government of Bangladesh, Banks etc.).

In addition to collaterals, transactions are also secured against guarantees thus reducing credit risk. Where guarantees are direct, explicit, irrevocable and unconditional, banks may consider such credit protections in calculating capital requirements through a substitution approach e.g., lower rating/risk weight of guarantor than the counterparty will lead to reduced capital charges.

### Credit Concentration Risk

Credit concentration risk arises mainly due to concentration of exposures under various categories viz. industry, geography, and single/group borrower exposures. Within credit portfolio, as a prudential measure aimed at better risk management and avoidance of concentration of risks, BB has prescribed regulatory limits on banks' maximum exposure to single borrower, group borrowers and related parties. Moreover, in order to restrict the industry concentration risk, BAFL's annual credit plan spells out the maximum allowable exposure it can take on specific industry. Additionally, the Internal Rating System allows the Bank to monitor risk rating concentration of borrowers against different grades / scores ranging from 1–12 (1 being the best and 12 being loss category).

### Quantitative Disclosures

| Total Exposures of Credit Risk                                | 2024                  | 2023                  |
|---------------------------------------------------------------|-----------------------|-----------------------|
|                                                               | Figures in BDT        |                       |
| <b>1. Funded</b>                                              | <b>35,165,151,914</b> | <b>31,237,029,298</b> |
| a) Domestic                                                   | 35,165,151,914        | 31,237,029,298        |
| b) Overseas                                                   | -                     | -                     |
| <b>2. Non-Funded</b>                                          | <b>324,060,493</b>    | <b>147,630,901</b>    |
| a) Domestic                                                   | 324,060,493           | 147,630,901           |
| b) Overseas                                                   | -                     | -                     |
| <b>3. Distribution of Risk Exposure by Claims</b>             |                       |                       |
| Cash & Cash Equivalents                                       | 211,790,913           | 202,899,743           |
| Claims on Bangladesh Government & Bangladesh bank             | 14,089,940,216        | 9,437,693,269         |
| Claims on Banks and Securities Firms                          | 2,686,275,245         | 3,430,466,773         |
| Claims on Corporate (excl Medium Enterprise loan)             | 14,028,634,498        | 13,512,434,160        |
| Claims on the Retail & Small Enterprises (excl consumer loan) | 509,614,414           | 725,227,276           |
| Investments in premises, plant, equipment & fixed assets      | 170,464,901           | 230,834,435           |
| All other assets                                              | 2,134,887,041         | 1,806,620,927         |
| Other Categories:                                             | 393,173,052           | 257,778,928           |
| Past due Loans/ NPL                                           | 69,112,559            | 110,148,027           |
| Off-Balance Sheet Items                                       | 324,060,493           | 147,630,901           |

### 4. Credit Risk Mitigation

|                                                |                |                |
|------------------------------------------------|----------------|----------------|
| Claims Secured by Financial Collateral         | 1,264,432,125  | 1,580,714,688  |
| Net Exposure after the Application of Haircuts | 15,079,612,958 | 14,004,826,657 |
| Claims Secured by Eligible Guarantee           | -              | -              |

### Maturity-wise grouping of Loans & advances:

|                                        |                       |                       |
|----------------------------------------|-----------------------|-----------------------|
| Repayable on Demand                    | 1,947,779,819         | 494,775,131           |
| Not more than 3 months                 | 12,459,488,104        | 11,629,946,129        |
| Over 3 months but not more than 1 year | 1,392,140,416         | 3,618,478,290         |
| Over 1 year but not more than 5 years  | 333,926,081           | 382,659,291           |
| Over 5 years                           | 29,542,096            | 42,770,181            |
|                                        | <b>16,172,875,517</b> | <b>16,168,629,022</b> |

### Country-wise Classification of Loans and advances:

|                              |                       |                       |
|------------------------------|-----------------------|-----------------------|
| <b>Inside Bangladesh</b>     |                       |                       |
| <b>Conventional Banking</b>  |                       |                       |
| Current Finance              | 4,732,285,392         | 3,335,075,891         |
| Term Finance                 | 6,575,870,793         | 8,589,739,042         |
| Agriculture Finance          | 353,801,215           | 380,143,833           |
| Staff Loan                   | 49,072,353            | 49,336,898            |
| Finance against EDF          | 70,824,076            | 33,239,800            |
| Loan against trust receipts  | 253,182,790           | -                     |
|                              | <b>12,035,036,619</b> | <b>12,387,535,464</b> |
| <b>Islamic Banking</b>       |                       |                       |
| Murabaha (LPO)               | 3,381,573,641         | 3,217,263,514         |
| Trust Receipts               | 33,640,257            | 115,615,695           |
| Finance Against Foreign Bill | -                     | -                     |
| Advance against Murabaha     | -                     | -                     |
| Diminishing Musharakah       | -                     | -                     |
| Finance Against EDF          | -                     | 15,912,682            |
| Spot Murabaha                | 722,625,000           | 432,301,667           |
|                              | <b>4,137,838,898</b>  | <b>3,781,093,558</b>  |
| <b>Outside Bangladesh</b>    | <b>16,172,875,517</b> | <b>16,168,629,022</b> |

### Bills purchased and discounted (Murabaha export bills):

|                            |                       |                       |
|----------------------------|-----------------------|-----------------------|
| Payable in Bangladesh      | 14,142,606            | -                     |
| Payable outside Bangladesh | -                     | -                     |
|                            | <b>16,187,018,123</b> | <b>16,168,629,022</b> |

### Geographical location-wise distribution of Loans & advances:

|                     |                       |                       |
|---------------------|-----------------------|-----------------------|
| Dhaka Division      | 13,125,338,848        | 12,837,890,255        |
| Chittagong Division | 3,012,594,358         | 3,266,116,556         |
| Khulna Division     | -                     | -                     |
| Rajshahi Division   | -                     | -                     |
| Barisal Division    | -                     | -                     |
| Sylhet Division     | 49,084,917            | 64,622,211            |
| Rangpur Division    | -                     | -                     |
|                     | <b>16,187,018,123</b> | <b>16,168,629,022</b> |

### Maturity-wise grouping of Bills Purchased and discounted:

|                                      |                   |          |
|--------------------------------------|-------------------|----------|
| Payable within 1 month               | 7,390,346         | -        |
| Over 1 month but less than 3 months  | 6,752,260         | -        |
| Over 3 months but less than 6 months | -                 | -        |
| 6 months or more                     | -                 | -        |
|                                      | <b>14,142,606</b> | <b>-</b> |

### Industry-wise classification of Loans & Advances:

|                                             |                       |                       |
|---------------------------------------------|-----------------------|-----------------------|
| Agriculture                                 | 552,728,292           | 1,617,734,932         |
| Automobile dealers                          | 100,672,003           | 100,672,003           |
| Chemical                                    | 520,194,362           | 598,461,464           |
| Chemicals                                   | 1,521,432,423         | 799,992,232           |
| Financial Institutions & MFIs               | 384,732,582           | 951,943,485           |
| Food & Personal Care Products               | 2,371,363,220         | 1,720,036,705         |
| Glass & Ceramics                            | 31,395,736            | 20,551,442            |
| Leather & Tanneries                         | 206,113,333           | 203,854,167           |
| Manufacturing & sale of Domestic Appliances | 9,112,754,846         | 11,121,754,846        |
| Metal & Allied                              | 2,712,730,879         | 2,569,228,184         |
| Oil & Gas Marketing Companies               | 468,233,646           | 460,825,694           |
| Others/Miscellaneous                        | 127,424,894           | 533,884,236           |
| Paper & Board                               | -                     | -                     |
| Pharmaceuticals                             | 1,564,592,997         | 1,483,490,058         |
| Power Generation & Distribution- Non GoP    | -                     | -                     |
| Printing & Publishing                       | 56,680,149            | 51,889,062            |
| Real Estate/Construction                    | 75,313                | 48,151,235            |
| Refinery                                    | -                     | -                     |
| Services                                    | 317,938,997           | 456,480,375           |
| Textile Composite / Garments Manufacturing  | 141,676,367           | 117,686,570           |
| Textile Spinning                            | 722,625,000           | 636,697,000           |
| Textile Weaving                             | 322,943,178           | 15,912,682            |
| Tobacco                                     | -                     | -                     |
| Trading                                     | 626,261,459           | 641,140,355           |
| Transport                                   | 62,115,687            | 93,972,631            |
| Jute Mills                                  | 1,742,783,310         | 1,376,446,690         |
| Vanaspoti & Allied Industries               | 719,875,650           | 787,822,974           |
|                                             | <b>16,187,018,123</b> | <b>16,168,629,022</b> |

### Grouping of Loans and advances as per Classification Rules of Bangladesh Bank

|                               |                       |                       |
|-------------------------------|-----------------------|-----------------------|
| Unclassified:                 |                       |                       |
| Standard including staff loan | 15,865,786,407        | 15,867,562,594        |
| Special Mention Account (SMA) | -                     | -                     |
|                               | <b>15,865,786,407</b> | <b>15,867,562,594</b> |
| Classified:                   |                       |                       |
| Substandard                   | -                     | 18,402,066            |
| Doubtful                      | 20,519,089            | -                     |
| Bad or loss                   | 300,712,627           | 282,664,362           |
|                               | <b>321,231,716</b>    | <b>301,066,428</b>    |
|                               | <b>16,187,018,123</b> | <b>16,168,629,022</b> |

### Maintenance of Specific Provision

BAFL follows BB guidelines regarding loan classifications, provisioning and any other issues related to Non-Performing Loan (NPL). Bank's internal credit guidelines also directs on managing of NPL, loan provisioning review procedure, debt write-off, facility grading, reporting requirements, interest recognitions etc. While dealing with NPLs, bank's decision is always compelled by local rules and regulations as well as group guidelines, which are more conservative than the local regulations.

Specific provision for all classified loan i.e. Sub-standard, Doubtful, and Bad/Loss are maintained by the bank as per Bangladesh Bank guideline. As of December 31, 2024, Bank has provided BDT 25.21 crore for specific provisions.

### Policies and processes for maintaining specific provision

Bank mainly maintains specific provision against classified loan according to Bangladesh Bank BRPD Circular No. 08 "Loan Classification and Provisioning" dated August 02, 2015 and BRPD Circular No. 14 "Master Circular: Loan Classification and Provisioning" dated September 23, 2012 and other guidelines issued from time to time by Bangladesh Bank.

The Bank maintains specific provision at the following rates in respect of classified Continuous, Demand and Fixed Term Loans:

|                 | 2024 | 2023 |
|-----------------|------|------|
| 1. Sub-standard | 20%  | 20%  |
| 2. Doubtful     | 50%  | 50%  |
| 3. Bad/Loss     | 100% | 100% |

At the time of determining Gross Income for calculating operational risk, specific provision and other items are grossed up with Net Profit.

|                                                              |                    |                    |
|--------------------------------------------------------------|--------------------|--------------------|
| <b>A. Gross Non Performing Assets (NPAs)</b>                 |                    |                    |
| Non Performing Assets (NPAs) to Outstanding Loans & Advances | 1.98%              | 1.86%              |
| <b>B. Movement of Non-Performing Assets (NPAs)</b>           |                    |                    |
| Opening Balance                                              | 301,066,428        | 355,250,035        |
| Additions                                                    | 20,165,288         | 68,886,842         |
| Reductions                                                   | -                  | 3,512,294          |
| Write-off                                                    | -                  | 80,246,386         |
| Closing Balance                                              | <b>321,231,716</b> | <b>340,358,196</b> |
| <b>C. Movement of Specific Provisions for NPAs</b>           |                    |                    |
| Opening Balance                                              | 190,918,400        | 231,141,808        |
| Provisions made during the period                            | 63,292,333         | 73,453,869         |
| Write-off                                                    | -                  | 67,056,797         |
| Write-back of Excess Provisions/Reversal of Provision        | (2,091,576)        | 12,176,682         |
| Closing Balance                                              | <b>252,119,157</b> | <b>225,362,198</b> |

### e) Equities: Disclosures for Banking Book Positions

#### Qualitative Disclosures

BAFL does not hold any trading position in equities (neither quoted nor unquoted).

#### f) Interest Rate Risk in the Banking Book (IRRBB)

### Qualitative Disclosures

Interest rate risk in the banking book ultimately arises from the differential in the proportion and tenor of fixed rate contracts between the asset and liability side. Banking book interest rate risk measurements thus should start with a look at the mismatches or gaps between interest bearing assets and liabilities. These are expressed in terms of re-pricing and maturity intervals or as "duration", i.e. a refined measure of effective average maturity which captures the interest rate sensitivity of fixed rate contracts. Hence, interest rate risk is the possibility that changes in the prevailing market interest rate levels produce an adverse impact on net income and on the value of assets and liabilities and consequently on the economic value of equity.

Interest rate risk in the banking book refers to the earnings and asset value exposures as they relate to assets and liabilities from traditional lending and deposit taking, as opposed to debt securities and other loan claims held for trading purposes.

BAFL BD is exposed to interest rate risk primarily as a result of mismatches in the amounts of assets, liabilities and off-balance sheet interest sensitive instruments within a certain range of maturity or repricing (whichever is earlier). It has approved category-wise G. See portfolio level PV01 (price value per basis point) limits to manage interest risk within the approved risk appetite. Treasury is primarily responsible for management of market risk on a daily basis, and the Asset and Liability Committee (ALCO) oversees the interest rate risk. Market Risk Unit of Risk Management Division independently monitors, analyses and reports various limits including management action point limits and re-pricing of the assets and liabilities on a regular basis.

For estimating the IRRBB both changes in Net Interest Income(NII) assuming a constant balance sheet and changes in Economic Value of Equity (EVE) assuming a run-off balance sheet. For this purpose cash flow are slotted among 19 time buckets for the common products with behavioral optional ties and interest rate shocks are applied based on six standardized shock scenarios i.e. Parallel shock up; Parallel shock down; Steepened shock (short rates down and long rates up); Flattener shock (short rates up and long rates down); Short rates shock up; and Short rates shock down.

Under the sensitivity analysis the impact on change in interest rate on the economic value of equity and net interest income is applied through six shock scenarios. The average reprising maturity of Non-Maturity Deposits (NMDs) has been assigned at 1.59 years and longest reprising maturity of NMDs has been assigned at 2.33 years.

| Shock Scenarios | Δ EVE  | Δ NII  |
|-----------------|--------|--------|
| Parallel up     | 0.13   | (9.70) |
| Parallel Down   | (0.13) | 9.70   |
| Steepener       | (0.43) | -      |
| Flattener       | (0.43) | -      |
| Short rate up   | 0.12   | -      |
| Short rate down | (0.12) | -      |
| Maximum         | 0.43   | 9.70   |
| Tier 1 capital  |        | 640.38 |

The above result implies that bank may lose more value in its interest rate sensitive assets than its liabilities and thus an increase in interest rate may cause a decline in the economic value of bank's capital.

### g) Market Risk

#### Qualitative Disclosures

Market risk exposes the Bank to the risk of financial losses resulting from movements in market prices. This risk is associated with changes in the interest rates, foreign exchange rates, equity prices and commodity prices.

#### Views of BOB on trading/investment activities

To manage and control market risk, a comprehensive BoD approved Market & Liquidity Risk Policy is in place. The policy outlines a well-defined risk control structure, responsibilities of relevant stakeholders with respect to market risk management and methods to measure and control market risk carried out at a portfolio level. Moreover, it also includes controls which are applied, where necessary, to individual risk types, to particular books and to specific exposures. These controls include limits and measures to individual market risk variables as well as limits on concentrations of tenors and issuers. This structure is reviewed, adjusted and approved periodically.

Trading book consists of positions in financial instruments held with trading intent. A capital charge is applicable for financial instruments which are free from any restrictive covenants on tradability in line with Basel-III guidelines issued by Bangladesh Bank. Generally, investments in 'Held for Trading' portfolio are focal parts of the Trading Book.

The Bank's Asset and Liability Committee (ALCO) is primarily responsible for the oversight of the market risk, supported by the Risk Management Division (RMD). BAFL has a comprehensive Treasury and Investment Policy, which inter alia covers assessment, monitoring and management of all the above market risks.

#### Methods used to measure Market risk

BAFL BD defines market risk as the risk of loss in on-balance sheet and off-balance sheet positions arising from movements in market prices. Under market risk management, interest rate risk, equity price risk and foreign exchange risk are monitored. BAFL uses the Standardized Approach to calculate capital charge for market risk as per the current regulatory framework under Basel III. Furthermore, the Bank carries out risk assessment via diversified tools including Value at Risk (VaR), PV01 (price value per basis point) and Duration on a regular basis. The Bank also ascertains the impact of market risk on relevant factors through stress testing and Internal Capital Adequacy Assessment processes.

#### Interest Rate Risk

The possibility of reduction in the value of a security (especially T-Bills & T-Bonds) resulting from a rise in interest rates. This risk can be reduced by diversifying the durations of the fixed-income investments, which are held at a given time.

#### Foreign Exchange Risk

Foreign exchange (FX) risk arises from the fluctuation in the value of financial instruments due to the changes in foreign exchange rates. FX risk is mainly managed through matched positions.

BAFL BD also manages FX risk by setting and monitoring dealer and currency-wise limits. Foreign Exchange Gap limits are also in place for evaluating the bank's long or short position in currencies applicable for forward transactions. The currency risk is regulated and monitored against the regulatory/statutory limits enforced by the Bangladesh Bank. The foreign exchange exposure limits in respective currencies are managed against the prescribed limits. Risk Assessment with respect to FX risk is also conducted on a regular basis through VaR analysis.

#### Market Risk Management system

BAFL BD has well defined Market & Liquidity Risk Policy which covers important areas of market risk management. The Bank has set risk appetites for market risk factors keeping its balance sheet size, profitability under consideration. The management also has set market risk management action triggers which is monitored by the Market Risk Management Unit and presented to the ERM on a regular basis.

#### Policies and processes for mitigating market risk

The Bank's Asset and Liability Committee (ALCO) is primarily responsible for the oversight of the market risk, supported by Market Risk Unit. The Bank has developed various tools for market risk measurement and its mitigation thereof i.e. Value at Risk (VaR), Duration, Price Value of a Basis Point (PVPB), Re-pricing Gaps, etc. It carries out stress tests, using both internal and regulatory scenarios. Moreover, it has a comprehensive risk control limit framework, which defines exposure limits (on a portfolio/tenor), PVPB limits, money market gap limits, FX gap limits, currency-wise NOP limits, stop loss limits, tolerance limits, counterparty limits, dealer limits, etc.

Detailed policies are operational manuals for Investment Management, Asset Liability Management and Market Risk Management, which deal in the various strategies and processes for monitoring Market Risk. In order to evaluate market risk issues, Bank has in place a "Treasury and Funds Management Policy" and "Market & Liquidity Risk Policy" and various tools and policies provide the Bank with the IT Division conducts awareness programs on IT security risks which may emanate from unauthorized use, loss, damage, password leakage, cyber threats through phishing etc. that may expose the bank into operational risk.

Besides, following tools are also used for market risk management / mitigation:

- Delegation of Powers - Bank has well-defined discretionary powers for different level of authorities for taking investment decisions.
- Prudential Limits - Various limits e.g., exposure limit, stop loss limits, duration, etc. have been fixed.
- Asset Liability Management Committee (ALCO) - Under Risk Management architecture of Bank, ALCO committee of executives is constituted, which monitors liquidity management and interest rate risk on regular basis. Support group of executives / officers has also been constituted to help ALCO.

### Quantitative Disclosure

|                            | 2024              | 2023              |
|----------------------------|-------------------|-------------------|
|                            | Figures in BDT    |                   |
| Capital Requirements for - |                   |                   |
| Interest Rate Risk         | 25,344,805        | 19,558,930        |
| Equity Position Risk       | -                 | -                 |
| Foreign Exchange Risk      | 57,795,717        | 27,215,644        |
| Commodity Risk             | -                 | -                 |
|                            | <b>83,140,522</b> | <b>46,774,574</b> |

### h) Operational Risk

#### Qualitative Disclosures

Operational Risk is the risk of loss resulting from inadequate internal processes, people and systems, or from external events, including legal risk.

#### Views of BOB on system to reduce Operational Risk

The Operational risk management policy of the Bank is duly approved by the Board. Operational Risk Management Manual covers the processes, structure and functions of operational risk management and provides guidelines to identify, assess, monitor, control and report operational risk in a consistent and transparent manner across the Bank. The Operational Risk Unit of RMD engages with bank's business / support units and regularly collaborates in determining and reviewing the risks, and suggests controls on need basis. Additionally, all the policies, procedures and systems of the Bank are reviewed from the operational risk perspective, and the recommendations are taken into consideration before their approval. The Operational Loss Database and KRIs systems are in place and the reports are submitted to the Operational Risk Management Unit - Head Office and Executive Risk Management Committee on a regular basis.

#### Performance gap of executives and staffs

The bank's management has set policies in providing a competitive packages vis-a-vis strong corporate culture couples with suitable working environment so that quality people can be retained. Excellent working environment has been playing a very important role in motivating the employees. Hence, no considerable performance gap was evident.

#### Potential external events

BAFL has not exposed to any kind of significant operational risk which is attributable to potential external events. The bank has in place a proper "Business Continuity Plan (BCP) / Disaster Recovery Plan (DRP)" to address any sort of Business continuity risk which may incur losses resulting from the interruption of normal business activities, i.e., interruptions to the infrastructure as well as to the infrastructure that supports its business. Besides, the bank also has set out Information Security Risk Management Framework under which the IT Division conducts awareness programs on IT security risks which may emanate from unauthorized use, loss, damage, password leakage, cyber threats through phishing etc. that may expose the bank into operational risk.

#### Policies and processes for mitigating operational risk

The Bank's Operational Risk Framework duly approved by the Board addresses all the significant areas of Operational Risk Management within the Bank, including Risk Control Self-Assessment (RCSA), Key Risk Indicators (KRIs), Operational Loss Data Management, and Operational Risk Reporting. The Bank is using Risk Register, KRIs, capturing operational incidents as tools for identification, measurement, monitoring and management of operational risk. Key Risk Indicators and operational loss incidents are captured in our Operation Loss Data Base (OLDB) and Key Risk Indicators (KRI) systems. New products, systems, activities and processes are subject to comprehensive operational risk assessments before implementation.

#### Approach for calculating capital charge for operational risk

BAFL adopted Basic Indicator Approach (BIA) for calculating operational risk, which is based on 15% of the average positive gross income from last three years.

### Quantitative Disclosures

|                                           | 2024           | 2023        |
|-------------------------------------------|----------------|-------------|
|                                           | Figures in BDT |             |
| Capital Requirements for Operational Risk | 176,245,395    | 176,245,395 |

### i) Liquidity Ratio

#### Qualitative Disclosures

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

#### Views of BoB on system to reduce Liquidity Risk

The Bank manages and controls liquidity risk through a detailed risk management framework, which includes BoD approved policy and Asset & Liability Committee (ALCO) level guidelines. Under this framework, various