

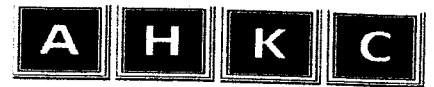
**Auditors' Report and Financial Statements
of
Sonali Bank Limited & its Subsidiaries
as at and for the year ended 31 December 2015**

AHMAD & AKHTAR
Chartered Accountants
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House 25 Road 1 Sector 9
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**Independent Auditors' Report
to the Shareholders of
Sonali Bank Limited and its Subsidiaries**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) as explained in note no. 2.00 and for such internal control as management determined necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991(amended in 2013), and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank.

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

Opinion

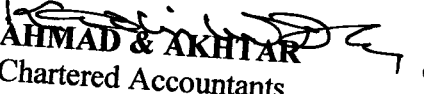
In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2015, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the Bank Companies Act 1991 as amended in 2013, the policies, guidelines, rules and regulations issued by Bangladesh Bank and other applicable laws and regulations.

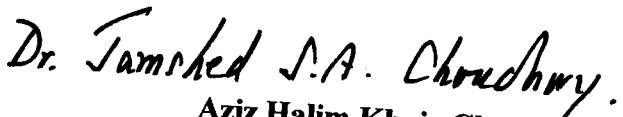
Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991(amended in 2013), and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
 - i) internal audit, internal control as disclosed in note no. 2.33 and risk management arrangements as disclosed in note no. 2.21 of the financial statements of the Group and the Bank, appeared to be materially adequate;
 - ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (c) financial statements of a subsidiary, Sonali Investment Limited, of the Bank have been audited by ARTISAN, Chartered Accountants and the financial statements of another subsidiary Sonali Exchange Co.,Inc. of the bank have been audited by UNITED FINANCIAL CPA P.C. and have been properly reflected in the consolidated financial statements and issued unqualified reports;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;

- (f) the expenditure incurred was for the purposes of the Group and the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 16,700 person hours for the audit of the books and accounts of the Bank.


AHMAD & AKHTAR
Chartered Accountants


Aziz Halim Khair Choudhury
Chartered Accountants

Date : 28 April 2016
Place : Dhaka

Sonali Bank Limited and its Subsidiaries
Consolidated Balance Sheet as at 31 December 2015


Particulars	Note	2015 Taka	2014 Taka
PROPERTY AND ASSETS			
Cash			
Cash	3.00	70,477,626,670	53,382,074,145
Cash in Hand (Including Foreign Currencies)		5,854,843,846	6,866,617,665
Balance with Bangladesh Bank and its agent Bank(s) (Including Foreign Currencies)		64,622,782,824	46,515,456,480
Balance with other Banks & Financial Institutions	4.00	28,788,535,177	40,131,540,149
In Bangladesh		17,901,569,418	31,114,748,984
Outside Bangladesh		10,886,965,759	9,016,791,165
Money at Call on Short Notice	5.00	4,521,712,000	9,225,582,000
Investments	6.00	408,430,082,439	323,023,445,173
Government		381,600,397,662	300,775,983,800
Others		26,829,684,777	22,247,461,373
Loans and Advances	7.00	348,444,032,978	339,766,103,592
Loans, Cash Credit, Overdrafts etc.		337,395,991,893	325,316,333,005
Bills Purchased and Discounted		11,048,041,085	14,449,770,587
Fixed Asset including Premises, Furniture and Fixture	8.00	33,025,307,720	32,786,534,070
Other Assets	9.00	133,172,256,044	136,970,971,513
Non-Banking Assets	10.00	-	-
Total Assets		1,026,859,553,027	935,286,250,642
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other Banks, Financial Institutions & Agents	11.00	825,502,895	881,709,418
Deposits and Other Accounts	12.00	865,993,806,239	777,974,782,686
Current Accounts & Other Accounts etc		176,212,409,741	162,461,473,184
Bills Payable		9,011,261,815	12,676,341,550
Savings Bank Deposits		217,560,377,059	189,696,005,800
Fixed Deposits		463,209,757,624	413,140,962,152
Other Deposits		-	-
Other Liabilities	13.00	101,894,186,173	97,049,921,431
Total Liabilities		968,713,495,307	875,906,413,536
Shareholders Equity		58,146,057,719	59,379,837,107
Paid up Capital	14.00	38,300,000,000	31,200,000,000
Share Money Deposit		-	7,100,000,000
Statutory Reserve	15.00	7,601,472,379	7,601,472,379
Other Reserve	16.00	107,818,856	113,500,000
Revaluation Reserve	17.00	33,026,180,550	28,168,564,059
Surplus in Profit and Loss Account/Retained Earnings	18.00	(20,889,414,066)	(14,803,699,330)
Total Liabilities and Shareholders' Equity		1,026,859,553,027	935,286,250,642

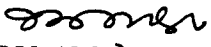



Sonali Bank Limited and its Subsidiaries
Consolidated Balance Sheet as at 31 December 2015

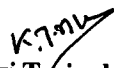
Particulars	Note	2015 Taka	2014 Taka
Contingent Liabilities			
Acceptances and Endorsements	19.00	251,952,892,975	229,929,738,014
Letters of Guarantee		2,834,121,418	4,524,516,271
Irrevocable Letters of Credit		242,443,332,567	206,390,740,160
Bills for Collection		6,675,438,990	19,014,481,583
Other Contingent Liabilities		-	-
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward asset purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claim against the bank not acknowledged as debt		-	-
Litigation pending against Bank		-	-
Total Off Balance Sheet Items including Contingent Liabilities		251,952,892,975	229,929,738,014
Net Asset Value per Share (NAVPS)		151.82	190.32


These financial statements should be read in conjunction with the annexed notes 01 to 48.

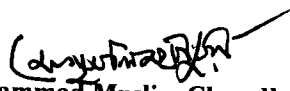

Subhash Chandra Das FCMA, FCA
Chief Financial Officer (CFO)


Md. Abdur Rouf
Deputy Managing Director


Pradip Kumar Dutta
Managing Director & CEO

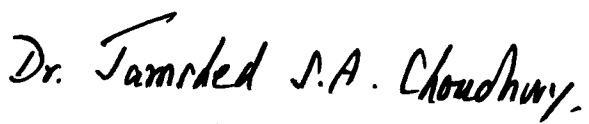

Kazi Tariqul Islam
Director


Md. Shaheb Ali Mridha
Director


Mohammad Muslim Chowdhury
Chairman (Acting)

Signed as per our annexed report of even date.


AHMAD & AKHTAR
Chartered Accountants


Dr. Jamshed S.A. Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants

Date: 28 April 2016
Place: Dhaka

Sonali Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account for the year ended 31 December 2015

Particulars	Notes	2015 Taka	2014 Taka
Operating Income			
Interest income	21.00	32,359,247,311	29,971,597,332
Interest paid on deposit and borrowing etc.	22.00	(46,727,224,061)	(43,311,198,254)
Net Interest Income		(14,367,976,750)	(13,339,600,922)
Investment income	23.00	27,424,492,581	23,151,348,750
Commission, exchange and brokerage	24.00	9,347,204,408	10,737,404,769
Other operating income	25.00	533,293,780	1,174,530,294
Total Operating Income (A)		37,304,990,769	35,063,283,813
Operating Expenses		22,937,014,019	21,723,682,891
Salary and allowances	26.00	9,605,893,404	8,726,331,170
Rent, tax, insurance, electricity etc.	27.00	840,473,815	783,794,717
Legal expenses	28.00	34,185,856	33,291,411
Postage, stamps and telecommunication etc.	29.00	78,380,485	74,333,330
Printings, stationery, advertisements etc.	30.00	209,617,645	219,299,789
Chief Executive's salary and fees	31.00	7,220,087	8,254,707
Directors' fees	32.00	4,590,342	5,689,683
Auditors' fees	33.00	2,685,445	2,910,016
Depreciation & repair to bank's assets	34.00	579,292,348	574,018,347
Other expenses	35.00	2,895,032,936	2,684,930,564
Total Operating Expenses (B)		14,257,372,363	13,112,853,734
Profit Before Provision, Amortization and Taxes C=(A-B)		8,679,641,656	8,610,829,157
Provision for loans & advances	36.00	8,277,225,620	103,624,351
Provision for diminution in value of investment	37.00	170,852,342	19,624,608
Other Provision	38.00	2,535,504,724	2,705,866,786
Total Provision (D)		10,983,582,686	2,829,115,745
Total Profit/(Loss) before taxes E=(C-D)		(2,303,941,030)	5,781,713,412
Provision for taxation (F)		(2,852,364,917)	(196,625,149)
Current tax	13.05	200,559,400	215,946,921
Deferred tax	9.08.02	(3,052,924,317)	(412,572,070)
Net Profit/(Loss) after taxation G=(E-F)		548,423,887	5,978,338,561

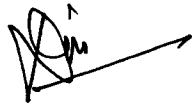



Sonali Bank Limited and its Subsidiaries

Consolidated Profit and Loss Account for the year ended 31 December 2015

Particulars	Notes	2015 Taka	2014 Taka
Appropriation:			
General Reserve		-	-
Reserve for CSR		60,000,000	60,000,000
Statutory Reserve	15.00	-	1,168,294,624
		60,000,000	1,228,294,624
Retained Surplus Carried Forward		488,423,887	4,750,043,937
Earnings per Share (EPS)	44.00	1.43	31.72


These financial statements should be read in conjunction with the annexed notes 01 to 48.


Subhash Chandra Das FCMA, FCA
 Chief Financial Officer (CFO)


Md. Abdur Rouf
 Deputy Managing Director


Pradip Kumar Dutta
 Managing Director & CEO



Kazi Tariqul Islam
 Director


Md. Shaheb Ali Mridha
 Director


Mohammad Muslim Chowdhury
 Chairman (Acting)

Signed as per our annexed report of even date.


AHMAD & AKHTAR
 Chartered Accountants


Dr. Faruked S.A. Choudhury
 Aziz Halim Khair Choudhury
 Chartered Accountants


Date: 28 April 2016
 Place: Dhaka


Sonali Bank Limited and its Subsidiaries


Consolidated Cash Flow Statement for the year ended 31 December 2015

Particulars	Note	2015 Taka	2014 Taka
A. Cash flows from operating activities			
Interest received		58,996,396,787	53,586,224,453
Interest paid		(33,784,047,380)	(43,311,096,181)
Dividend Received		831,835,943	1,292,102,150
Fee and commission received		7,407,032,466	7,488,123,071
Recoveries of previously written-off loan & advances		1,399,559,000	956,063,000
Cash paid to employees		(9,613,113,491)	(8,734,585,877)
Cash paid to Suppliers		(338,813,835)	(219,299,789)
Income taxes paid		(1,160,000,000)	(3,166,323,815)
Received from other operating activities		2,146,875,334	3,438,531,214
Paid for other operating activities		(3,493,494,163)	(4,128,380,497)
Cash generated from operating activities		22,392,230,661	7,201,357,729
Increase/(decrease) in operating assets and liabilities			
Loans & advances to customers		(8,722,929,386)	5,891,692,153
Other assets		4,692,745,702	(9,440,898,381)
Deposits from other banks		-	-
Deposits from customers		88,019,023,553	92,219,481,318
Other liabilities		(19,631,298,036)	(19,308,386,666)
Net cash flow from operating activities		64,357,541,833	69,361,888,424
B. Cash flows from investing activities			
(Purchase)/Sale of securities & bond		(38,759,596,859)	(70,499,046,922)
(Purchase)/sale of property, plant & equipment		(238,773,651)	(256,735,051)
Net cash flow from investing activities		(38,998,370,510)	(70,755,781,973)
C. Cash flows from financing activities			
Received share money deposit		-	7,100,000,000
Payments for redemption of loan capital & debt security		(56,206,523)	(56,369,950)
Dividends paid		-	-
Net cash flow from financing activities		(56,206,523)	7,043,630,050
D. Net increase/decrease in cash and cash equivalents (A+B+C)		47,695,195,460	12,851,094,230
E. Cash and cash-equivalents at beginning for the year		182,210,601,049	169,359,506,819
F. Cash and cash-equivalents at end of the year	43	229,905,796,510	182,210,601,049


These financial statements should be read in conjunction with the annexed notes 01 to 48.

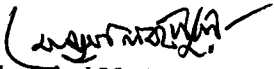

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 Director


Mohammad Muslim Chowdhury
 Chairman (Acting)

Date: 28 April 2016
 Place: Dhaka

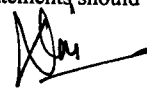



Sonali Bank Limited and its Subsidiaries

Consolidated Statement of Changes in Equity for the year ended 31 December 2015

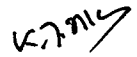
Particulars	Paid up Capital	Share Money Deposit	Statutory Reserve	Other Reserve	Asset Revaluation Reserve	Revaluation of Investment	Retained Earnings	Total
Balance as at 01 January 2015	31,200,000,000	7,100,000,000	7,601,472,379	107,000,000	21,495,933,277	6,672,630,782	(14,797,199,330)	59,379,837,107
Prior year adjustment during the period	-	-	-	6,500,000	-	-	(6,500,000)	-
Opening balance	31,200,000,000	7,100,000,000	7,601,472,379	113,500,000	21,495,933,277	6,672,630,782	(14,803,699,330)	59,379,837,107
Surplus/deficit on account of revaluation of investments/(Revaluation of investment HTM & HFT)	-	-	-	-	-	4,857,616,491	-	4,857,616,491
Currency translation differences	-	-	-	-	-	-	182,094	182,094
Net Profit/(Loss) for the year (after appropriation)	-	-	-	-	-	-	488,423,887	488,423,887
Amortization of Intangible Assets/Goodwill Adjustment	-	-	-	-	-	-	(6,574,320,716)	(6,574,320,716)
Share money transferred to paid up capital	7,100,000,000	(7,100,000,000)	-	-	-	-	-	-
Share money received during the year	-	-	-	-	-	-	-	-
Adjustment made for CSR during the period	-	-	-	(65,681,144)	-	-	-	(65,681,144)
Transferred to Reserve for CSR	-	-	-	60,000,000	-	-	-	60,000,000
Transferred to Statutory Reserve	-	-	-	-	-	-	-	-
Balance as at 31 December 2015	38,300,000,000	-	7,601,472,379	107,818,856	21,495,933,277	11,530,247,273	(20,889,414,066)	58,146,057,719
Balance as at 31 December 2014	31,200,000,000	7,100,000,000	7,601,472,379	113,500,000	21,495,933,277	6,672,630,782	(14,803,699,330)	59,379,837,107

These financial statements should be read in conjunction with the annexed notes 01 to 48.

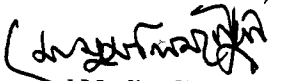

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 Deputy Managing Director


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 Managing Director & CEO


Kazi Tariqul Islam
 Director


Md. Shaheb Ali Mridha
 Director


Mohammad Muslim Chowdhury
 Chairman (Acting)



Date: 28 April 2016
 Place: Dhaka

Sonali Bank Limited

Balance Sheet as at 31 December 2015


Particulars	Note	2015 Taka	2014 Taka
PROPERTY AND ASSETS			
Cash	3.00	70,477,626,670	53,382,074,145
Cash in Hand (Including Foreign Currencies)		5,854,843,846	6,866,617,665
Balance with Bangladesh Bank and its agent Bank (s) (Including Foreign Currencies)		64,622,782,824	46,515,456,480
Balance with other Banks & Financial Institutions	4.00	28,572,059,359	39,838,384,042
In Bangladesh		17,895,819,000	31,105,819,000
Outside Bangladesh		10,676,240,359	8,732,565,042
Money at Call on Short Notice	5.00	4,521,712,000	9,225,582,000
Investments	6.00	407,955,474,784	322,726,926,751
Government		381,600,397,662	300,775,983,800
Others		26,355,077,122	21,950,942,951
Loans and Advances	7.00	346,346,340,867	337,554,433,143
Loans, Cash Credit, Overdrafts, etc.		335,298,299,782	323,104,662,556
Bills Purchased and Discounted		11,048,041,085	14,449,770,587
Fixed Asset including Premises, Furniture and Fixture	8.00	33,016,011,697	32,767,568,369
Other Assets	9.00	135,219,280,394	139,097,346,696
Non-Banking Assets	10.00	-	-
Total Assets		1,026,108,505,771	934,592,315,146
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other Banks, Financial Institutions & Agents	11.00	825,502,895	881,709,418
Deposit and Other Accounts	12.00	866,012,281,779	778,042,688,301
Current Accounts & Other Accounts etc.		176,230,885,281	162,529,378,799
Bills Payable		9,011,261,815	12,676,341,550
Savings Bank Deposits		217,560,377,059	189,696,005,800
Fixed Deposits		463,209,757,624	413,140,962,152
Other Deposits		-	-
Other Liabilities	13.00	100,887,564,237	96,088,873,462
Total Liabilities		967,725,348,911	875,013,271,181
Shareholders' Equity		58,383,156,860	59,579,043,966
Paid up Capital	14.00	38,300,000,000	31,200,000,000
Share Money Deposit		-	7,100,000,000
Statutory Reserve	15.00	7,601,472,379	7,601,472,379
Other Reserve	16.00	107,818,856	113,500,000
Revaluation Reserve	17.00	33,026,180,550	28,168,564,059
Surplus in Profit and Loss Account/Retained Earnings	18.00	(20,652,314,925)	(14,604,492,472)
Total Liabilities and Shareholders' Equity		1,026,108,505,771	934,592,315,146





Sonali Bank Limited
Balance Sheet as at 31 December 2015

Particulars	Note	2015 Taka	2014 Taka
Off-Balance Sheet Items			
Contingent Liabilities			
Acceptances and Endorsements	19.00	251,952,892,975	229,929,738,014
Letters of Guarantee		2,834,121,418	4,524,516,271
Irrevocable Letters of Credit		242,443,332,567	206,390,740,160
Bills for Collection		6,675,438,990	19,014,481,583
Other Contingent Liabilities		-	-
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off Balance Sheet items including contingent liabilities		251,952,892,975	229,929,738,014
Net Asset Value per Share (NAVPS)		152.44	190.96

These financial statements should be read in conjunction with the annexed notes 01 to 48.



Subhash Chandra Das FCMA, FCA
Chief Financial Officer (CFO)


Md. Abdur Rouf
Deputy Managing Director


Pradip Kumar Dutta
Managing Director & CEO

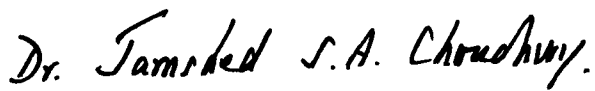

Kazi Tariqul Islam
Director


Md. Shaheb Ali Mridha
Director


Mohammad Muslim Chowdhury
Chairman (Acting)

Signed as per annexed report of even date.


AHMAD & AKHTAR
Chartered Accountants


Dr. Jamshed S.A. Choudhury
Aziz Halim Khair Choudhury
Chartered Accountants

Date: 28 April 2016
Place: Dhaka

Sonali Bank Limited

Profit and Loss Account for the year ended 31 December 2015

Particulars	Note	2015 Taka	2014 Taka
Operating Income			
Interest income	21.00	32,313,077,239	29,903,879,988
Interest paid on deposit and borrowing etc.	22.00	(46,699,338,149)	(43,284,063,049)
Net Interest Income		(14,386,260,910)	(13,380,183,061)
Investment income	23.00	27,400,014,402	23,136,318,700
Commission, exchange and brokerage	24.00	9,155,665,790	10,526,892,935
Other operating income	25.00	532,993,067	1,173,998,471
		37,088,673,259	34,837,210,106
Total Operating Income (A)		22,702,412,349	21,457,027,045
Operating Expenses			
Salary and allowances	26.00	9,425,641,252	8,550,475,795
Rent, tax, insurance, electricity etc.	27.00	831,369,908	775,904,540
Legal expenses	28.00	34,135,856	33,265,161
Postage, stamps and telecommunication etc.	29.00	78,093,893	73,931,894
Printings, stationery, advertisements etc.	30.00	209,335,116	218,921,922
Chief Executive's salary and fees	31.00	7,220,087	8,254,707
Directors' fees	32.00	4,132,042	5,304,933
Auditors' fees	33.00	2,616,695	2,847,516
Depreciation & repair to bank's assets	34.00	570,052,168	563,899,752
Other expenses	35.00	2,888,859,390	2,676,880,920
Total Operating Expenses (B)		14,051,456,407	12,909,687,140
Profit Before Provision, Amortization and Taxes C=(A-B)		8,650,955,942	8,547,339,903
Provision for loans & advances	36.00	8,227,793,118	-
Provision for diminution in value of investment	37.00	156,900,000	-
Other provision	38.00	2,535,504,724	2,705,866,786
Total Provision (D)		10,920,197,842	2,705,866,786
Total Profit/(Loss) before taxes E=(C-D)		(2,269,241,900)	5,841,473,119
Provision for taxation (F)		(2,855,740,162)	(213,170,406)
Current tax	13.05	197,184,155	199,401,664
Deferred tax	9.08.02	(3,052,924,317)	(412,572,070)
Net Profit/(Loss) after taxation G=(E-F)		586,498,262	6,054,643,526





Sonali Bank Limited


Profit and Loss Account for the year ended 31 December 2015

Particulars	Note	2015 Taka	2014 Taka
Appropriations			
General Reserve		-	-
Statutory Reserve	15.00	-	1,168,294,624
Reserve for CSR		60,000,000	60,000,000
Dividend etc.		-	-
		60,000,000	1,228,294,624
Retained Surplus Carried Forward		526,498,262	4,826,348,902
Earnings per Share (EPS)	44.00	1.53	32.12

These financial statements should be read in conjunction with the annexed notes 01 to 48.

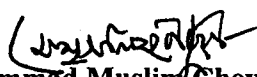

Subhash Chandra Das FCMA, FCA
 Chief Financial Officer (CFO)


Md. Abdur Rouf
 Deputy Managing Director



Pradip Kumar Dutta
 Managing Director & CEO



Kazi Tariqul Islam
 Director


Md. Shaheb Ali Mridha
 Director


Mohammad Muslim Chowdhury
 Chairman (Acting)

Signed as per our annexed report of even date.


AHMAD & AKHTAR
 Chartered Accountants


Dr. Farukh S.A. Choudhury
 Aziz Halim Khair Choudhury
 Chartered Accountants

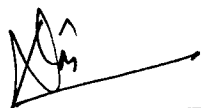
Date: 28 April 2016
 Place: Dhaka


Sonali Bank Limited

Cash Flow Statement for the year ended 31 December 2015

Particulars	Note	2015 Taka	2014 Taka
A. Cash flows from operating activities			
Interest received		58,925,566,441	53,503,445,410
Interest paid		(33,751,451,989)	(43,283,960,976)
Dividend Received		831,835,943	1,292,102,150
Fee and commission received		7,378,250,811	7,409,464,724
Recoveries of previously written-off loan & advances		1,399,559,000	956,063,000
Cash paid to employees		(9,450,084,381)	(8,572,978,916)
Cash paid to Suppliers		(314,904,357)	(316,205,179)
Income taxes paid		(1,160,000,000)	(3,166,323,815)
Received from other operating activities		1,983,817,658	3,306,145,903
Paid for other operating activities		(3,474,516,798)	(4,547,772,687)
Cash generated from operating activities		22,368,072,328	6,579,979,614
Increase/(decrease) in operating assets and liabilities			
Loans & advances to customers		(8,791,907,724)	5,896,092,361
Other assets		4,727,619,036	(8,886,445,932)
Deposits from other banks		1,577,022,665	3,629,960,902
Deposits from customers		86,392,570,814	88,518,138,002
Other liabilities		(19,614,821,394)	(19,239,245,070)
		64,290,483,397	69,918,500,263
Net cash flow from operating activities		86,658,555,725	76,498,479,877
B. Cash flows from investing activities			
(Purchase)/Sale of securities & bond		(38,582,030,126)	(70,431,500,729)
(Purchase)/sale of property, plant & equipment		(248,443,326)	(264,957,297)
Net cash flow from investing activities		(38,830,473,452)	(70,696,458,026)
C. Cash flows from financing activities			
Received share money deposit		-	7,100,000,000
Payments for redemption of loan capital & debt security		(56,206,523)	(56,369,951)
Dividends paid		-	-
Net cash flow from financing activities		(56,206,523)	7,043,630,049
D. Net increase/decrease in cash and cash equivalents (A+B+C)		47,771,875,750	12,845,651,900
E. Cash and cash-equivalents at beginning for the year		181,917,444,942	169,071,793,042
F. Cash and cash-equivalents at end of the year	43	229,689,320,692	181,917,444,942


These financial statements should be read in conjunction with the annexed notes 01 to 48.


Subhash Chandra Das FCMA, FCA
 Chief Financial Officer (CFO)


Md. Abdur Rouf
 Deputy Managing Director


Pradip Kumar Dutta
 Managing Director & CEO


Kazi Tariqul Islam
 Director


Md. Shaheb Ali Mridha
 Director


Mohammad Muslim Chowdhury
 Chairman (Acting)

Date: 30 March 2015
 Place: Dhaka

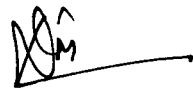


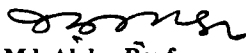
Sonali Bank Limited

Statement of Changes in Equity for the year ended 31 December 2015

Particulars	Paid up Capital	Share Money Deposit	Statutory Reserve	Other Reserve	Asset Revaluation Reserve	Revaluation of Investment	Retained Earnings	Total
Balance as at 01 January 2015	31,200,000,000	7,100,000,000	7,601,472,379	107,000,000	21,495,933,277	6,672,630,782	(14,597,992,472)	59,579,043,966
Prior year adjustment during the period	-	-	-	6,500,000	-	-	(6,500,000)	-
Opening balance	31,200,000,000	7,100,000,000	7,601,472,379	113,500,000	21,495,933,277	6,672,630,782	(14,604,492,472)	59,579,043,966
Surplus/deficit on account of revaluation of investments/(Revaluation of investment HTM & HFT)	-	-	-	-	-	4,857,616,491	-	4,857,616,491
Currency translation differences	-	-	-	-	-	-	-	-
Net Profit for the year (after appropriation)	-	-	-	-	-	-	526,498,262	526,498,262
Amortization of Intangible Assets/Goodwill Adjustment	-	-	-	-	-	-	(6,574,320,716)	(6,574,320,716)
Share money transferred to paid up capital	7,100,000,000	(7,100,000,000)	-	-	-	-	-	-
Adjustment made for CSR during the period	-	-	-	(65,681,144)	-	-	-	(65,681,144)
Transferred to Reserve for CSR	-	-	-	60,000,000	-	-	-	60,000,000
Transferred to Statutory Reserve	-	-	-	-	-	-	-	-
Balance as at 31 December 2015	38,300,000,000	-	7,601,472,379	107,818,856	21,495,933,277	11,530,247,273	(20,652,314,925)	58,383,156,860
Balance as at 31 December 2014	31,200,000,000	7,100,000,000	7,601,472,379	113,500,000	21,495,933,277	6,672,630,782	(14,604,492,472)	59,579,043,966

These financial statements should be read in conjunction with the annexed notes 01 to 48.


Subhash Chandra Das FCMA, FCA
 Chief Financial Officer (CFO)

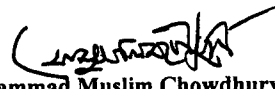

Md. Abdur Rouf
 Deputy Managing Director


Pradip Kumar Dutta
 Managing Director & CEO


Kazi Parique Islam
 Director


Md. Shaheb Ali Mridha
 Director




Mohammad Muslim Chowdhury
 Chairman (Acting)

Date: 28 April 2016
 Place : Dhaka

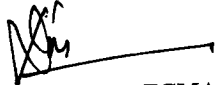



Sonali Bank Limited


Liquidity Statement, Asset and Liabilities Maturity Analysis as at 31 December 2015

Particulars	Up to 01 month maturity	1-3 months maturity	3-12 months maturity	1-5 years maturity	More than 5 years maturity	Total
Assets						
Cash in hand	70,477,626,670	-	-	-	-	70,477,626,670
Balance with other banks and financial institutions	10,160,704,540	12,490,320,139	5,775,215,680	145,819,000	-	28,572,059,359
Money at call on short notice	4,521,712,000	-	-	-	-	4,521,712,000
Investments	3,218,015,029	113,280,876,184	36,541,392,680	122,302,949,364	132,612,241,527.00	407,955,474,784
Loans and Advances	21,851,477,190	4,691,117,713	11,392,026,640	143,808,508,252	164,603,211,072	346,346,340,867
Fixed assets including premises, furniture and fixtures	-	258,873,091	624,202,970	1,085,537,247	31,047,398,387	33,016,011,695
Other assets	51,581,486,784	25,085,373,293	21,032,136,095	17,713,085,108	19,807,199,116	135,219,280,396
Non-banking assets	-	-	-	-	-	-
Total Assets	161,811,022,213	155,806,560,420	75,364,974,065	285,055,898,971	348,070,050,102	1,026,108,505,771
Liabilities						
Borrowings from Bangladesh Bank, other banks financial institutions and agents	-	-	-	-	825,502,895	825,502,895
Deposits	157,885,556,058	151,868,283,705	92,396,671,190	185,407,911,798	278,453,859,028	866,012,281,779
Other accounts	-	-	-	-	-	-
Provision and other liabilities	63,441,142	26,927,806	9,823,083,403	65,518,281,219	25,455,830,667	100,887,564,237
Total Liabilities	157,948,997,200	151,895,211,511	102,219,754,593	250,926,193,017	304,735,192,590	967,725,348,911
Net Liquidity Gap	3,862,025,013	3,911,348,909	(26,854,780,528)	34,129,705,954	43,334,857,512	58,383,156,860

Current and savings deposits do not have any contractual maturity and hence have been classified among all five maturities. Further, it has been assumed that on a going concern basis, these deposits are not expected to fall below the current year's level.


Subhash Chandra Das FCMA, FCA
 Chief Financial Officer (CFO)

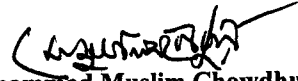

Md. Abdur Rouf
 Deputy Managing Director


Pradip Kumar Dutta
 Managing Director & CEO


Kazi Tariqul Islam
 Director


Md. Shaheb Ali Mridha
 Director




Mohammad Muslim Chowdhury
 Chairman (Acting)

Date: 28 April 2016
 Place: Dhaka



Sonali Bank Limited
Notes to the consolidated and separate financial statements
as at and for the year ended 31 December 2015

1.00 Corporate profile of the Bank and its activities

1.01 Legal status and nature of the reporting entity

Sonali Bank Limited, a state owned largest commercial Bank was incorporated in Bangladesh on 03 June 2007 as a public limited company under the Companies Act 1994 and governed by the Bank Companies Act 1991 (amended 2013). Sonali Bank Limited took over the businesses, assets, liabilities, right, power, privilege and obligation of erstwhile Sonali Bank (emerged as a Nationalized Commercial Bank in 1972), pursuant to Bangladesh Bank Nationalization order 1972 (P.O. No. 26 of 1972) on a going concern basis through a vendor agreement signed between the Ministry of Finance, People's Republic of Bangladesh on behalf of Sonali Bank and the Board of Directors on behalf of Sonali Bank Limited on 15 November 2007 with a retrospective effect from 1 July 2007. The Bank has 1207 branches including two overseas branches at Kolkata and Siliguri in India. The Bank has two 100% owned subsidiaries named Sonali Exchange Co. Inc. (SECI), USA and Sonali Investment Limited, Dhaka. It has also two associates named as Sonali Bank (U.K) Ltd. and Sonali Polaris FT Limited.

The registered office of Sonali Bank Limited is located at 35-44 Motijheel Commercial Area, Dhaka - 1000 and the website address is www.sonalibank.com.bd

1.01.01 Principal Activities of the Bank

The principal activities of the bank are to vastly involved to provide a comprehensive range of financial services:

- a) personal and commercial banking, including accepting deposits, remittance, money transfer, foreign exchange transaction, guarantee, commitments, trade and services, cash management, treasury, securities, etc. to its customers
- b) Fund based services include short term & long term loans, Project wise industrial credit, discounting and purchasing bills, consumers and staff loans, House & car loans etc.
- c) The Bank also provides custodian services and perform Government treasury functioning as an agent of the Bangladesh Bank as well through its 596 branches (including 58 chest and 8 sub chest branches).

1.01.02 Islamic Banking Window

Sonali Bank Limited has started banking business based on Islamic Shariah since 29 June 2010. The Islamic Banking Windows are performing the banking activities through on-line banking through collection of deposit and investment assistance. The bank operates Islamic Banking window in the following five branches designated in compliance with the rules of Islamic Shariah:

1. Wage Earners Corporate Branch, Dhaka (Window transferred from Fakirapool Branch, Dhaka in 2015)
2. Agrabad Corporate Branch, Chittagong
3. Khulna Corporate Branch, Khulna
4. Dargagate Corporate Branch, Sylhet
5. Bogra Corporate Branch, Bogra.

Separate financial statement of Islamic Banking Window has been drawn up in the report

1.02 Subsidiaries of the Bank

Sonali Bank Limited has two 100% owned subsidiaries named Sonali Exchange Co., Inc. (SECI), USA and Sonali Investment Limited Dhaka.



1.02.01 Sonali Exchange Co. Inc. (SECI), USA

A subsidiary company named Sonali Exchange Co. Inc. was incorporated on 4 April 1994 under the laws of the State of New York, Department of State, licensed on 17 October 1994 by the State of New York Banking Department and commenced operation as an International Money Remitter from 12 December 1994. The Company is a wholly-owned subsidiary of Sonali Bank Limited, a fully state owned bank of Bangladesh, which is also the Company's ultimate holding company. The principal activities of the Company are to carry on the remittance business and to undertake and participate in any or all transactions, activities and operations commonly carried on or undertaken by remittance and exchange house.

1.02.02 Sonali Investment Limited, Dhaka

Sonali Investment Limited was registered under the Company Act 1994 as a Public Company Limited by shares on 20 April 2010 and commenced its operation from 22 April 2010. The Company obtained registration from Securities and Exchange Commission as a merchant bank on 28 October 2010. The Company is a wholly-owned subsidiary of Sonali Bank Limited, a fully state owned bank of Bangladesh, which is also the Company's ultimate holding company. The principal activities of the company comprised of merchant banking, portfolio management, issue management and underwriting and play active role in the Capital Market of Bangladesh .

1.02.03 Accounting Policies of Subsidiaries

The Financial Statement of two subsidiaries have been prepared with consideration and measurement of all assets, liabilities, income and expenses as well as regularised under Group accounting policies as Parent Company follows.

BFRS sets out the conditions under which an entity qualifies as a parent undertaking which should prepare consolidated financial statements for its group-the parent and its subsidiaries. In general an investor that controls an investee entity is its parent and should account for that entity as a subsidiary. The bank has copied the applicable BFRS in preparing its separate and consolidated financial statements.

1.03 Associates

1.03.01 Sonali Bank UK. Ltd. (SB. UK. Ltd.)

A money remitting company under the name and style of Sonali Trade and Finance (U.K) Limited was incorporated as an associate under the U.K. Companies Act 1985 on 30 June 1999. Subsequently the company was allowed to commence its function as a bank from 7 December 2001 (the operational activities started on 10 December 2001) by the Financial Services Authority of U.K. had changed its name as Sonali Bank (U.K) Ltd. and restructured the ownership of the Company having 51% share capital in favor of the Government of the People's Republic of Bangladesh and remaining 49% by Sonali Bank Limited.

1.03.02 Sonali Polaris FT Limited, Bangladesh

Sonali Polaris FT Limited (hereinafter referred to as the "Company" of SPFTL) was incorporated in Bangladesh as a private Limited company on 25 January 2012 under the Companies Act 1994. The Company commenced its business operation on 01 February 2012. The principal activities of the Company are to customize, enhance, modify, and implement Intellect CBS 10.0 Software in Banks. The Company also provides other services like initiation, development and implementation of computer application systems, etc relevant to the customer and any other business undertakings. The ownership of the Company having 51% share capital in favor of Polaris Financial Technology Ltd., India, 39% by Sonali Bank Limited and remaining 10% by Bangladesh Commerce Bank Ltd.



2.00 Basis of preparation and significant accounting policies

2.01 Basis of preparation

The consolidated financial statements of the Group and the financial statements of the Bank as at and for the year ended 31 December 2015 have been prepared under the historical cost convention except investments and in accordance with the "First Schedule" (section 38) of the Banking Companies Act 1991 (Amended 2013), and Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh. In case any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

2.02 Statement of Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting in accordance with the "First Schedule (Section 38) of the Banking Companies Act 1991 (amended in 2013) and BRPD circular no. 14 dated 25 June 2003, BRPD circular no. 15 dated 9 November 2009, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards (BASs), Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, Bahrain etc. The Bank also complied with the requirement of the following regulatory and legal authorities:

- i) The Bank Companies Act, 1991 (amended in 2013)
- ii) The Companies Act, 1994
- iii) Rules, regulations and circulars issued by the Bangladesh Bank from time to time
- iv) Securities and Exchange Ordinance 1969
- v) Securities and Exchange Commission Act, 1993
- vi) Income Tax Ordinance and Rules 1984
- vii) VAT Act, 1991
- viii) Labor Act, 2006 (amended 2013)

However, the Group and the Bank has departed from some requirements of BFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

2.02.01 Investment in shares and securities

BFRS: As per requirements of BAS 39 investments in shares and securities generally falls either under "at fair value through profit and loss Account" or under "available for sale" where any change in the fair (as measured in accordance with BFRS 13) value at the year-end is taken to profit and loss Account or revaluation reserve account respectively.

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

2.02.02 Revaluation gain/loss on Government securities

BFRS: As per requirement of BAS 39, T-bills and T-bonds fall under the category of "held for trading" and "held to maturity" where any change in the fair value of "held for trading" is recognised in Profit and Loss Account, and amortised cost method is applicable for "held to maturity" using an effective interest rate.



Bangladesh Bank: According to Department of Offsite Supervision (DOS) of Bangladesh Bank Circular no. 5 dated 26 May 2008 and subsequent clarification in DOS Circular no. 5 dated 28 January 2009 of Bangladesh Bank, loss on revaluation of Government securities (Treasury Bill (T-bill)/ Treasury Bond (T-bond)) which are categorised as held for trading should be charged through Statement of Comprehensive Income (Profit and Loss Account), but any gain on such revaluation should be recorded under Revaluation Reserve Account. However, at the year-end if there is any revaluation gain for any particular held for trading T-bills/T-bonds; such gain can be used to the extent of any revaluation loss for that particular held for trading T-bills/T-bonds. T-bills designated as held to maturity are measured at amortized cost method but interest income / gain should be recognized through reserve.

2.02.03 Provision on loans and advances/investments

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD Circular No. 14 (23 September 2012), BRPD circular No.19 (27 December 2012), BRPD circular No.05 (29 May 2013) and BRPD Circular No. 8 (02 August 2015) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no.10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

2.02.04 Recognition of interest in interest suspense account

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to interest suspense account, which is presented as liability in the balance sheet.

2.02.05 Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of Other Comprehensive Income (OCI) are to be included in a Single Comprehensive Income (SCI) Statement.

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; and the elements of Other Comprehensive Income are also not allowed to be included in a Single Comprehensive Income (SCI) Statement. As such the company does not prepare the Other Comprehensive Income statement. However elements of SCI, if any, are shown in the statement of changes in equity.

2.02.06 Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.



2.02.07 REPO Transactions

BFRS: When an entity sells a financial assets 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 deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expenses.

Bangladesh Bank : As per BRPD guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the assets (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 transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

2.02.08 Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

2.02.09 Cash and cash equivalents

BFRS: Cash and cash equivalents items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice is shown as face item in balance sheet, and Treasury bills, Prize bonds are shown in Investment.

2.02.10 Non banking assets

BFRS: No indication of non banking assets is found in any BFRS.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003, there must exist a face item named Non-banking asset.

2.02.11 Cash flow statement

BFRS: Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003, cash flow is a mixture of direct and indirect methods.

2.02.12 Balance with Bangladesh Bank (CRR)

BFRS: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day to day operations as per BAS 7.

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



2.02.13 Presentation of intangible asset

BFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

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

2.02.14 Off balance sheet items

BFRS: There is no concept of off balance sheet items in any BFRS; hence there is no requirement of disclosure of off balance sheet.

Bangladesh Bank: As per BRPD Circular No. 14 dated June 25, 2003, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

2.02.15 Loans and advance net of provision

BFRS: Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD 14, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

2.03 Basis of measurement

The financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using mark to market concept with gain crediting to revaluation reserve.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' and Re-measured Government Treasury Bond at present value using amortization concept.
- Investment in shares of listed companies.
- Land and Buildings is recognized at the time of acquisition and subsequently measures at fair value as per BAS 16 (Property, Plant and Equipment).

The accounting policies unless otherwise stated, have been consistently applied by the bank and are consistent with those of the previous year.

2.04 Basis of consolidation

A separate set of records for consolidation of the statement of affairs and income and expenditure of the branches are maintained at the Head Office of the Bank based on which these financial statements have been prepared.

The consolidated financial statements comprise of the financial statements of Sonali Bank Limited, including overseas branches Kolkata and Siliguri, Subsidiaries-Sonali Investment Limited and Sonali Exchange Co. Inc. (SECI), USA as well as associates Sonali Bank (U.K) Ltd. and Sonali Polaris FT Ltd. as at 31 December 2015.

2.04.01 Subsidiaries

Subsidiaries are entities controlled by the group. In compliance with BAS 27 "Consolidated and Separate Financial Statements", the financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date the control ceases.

2.04.02 Associates

In compliance with the requirement of BAS 28 "Investment in Associates", the accounting treatment regarding investment in associates have been addressed.

Conversion policy

The conversion policy of Sonali Exchange Co. Inc. and Sonali Bank UK Ltd. is as follows

Particulars	Currency conversion rate	SECI	SB.UK. Ltd.
For assets & Liabilities	Closing rate	USD to BDT	GBP to BDT
For income & Expenses	Average rate	USD to BDT	GBP to BDT



2.04.03 Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the Consolidated Financial Statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent there is no evidence of impairment.

2.05 Use of estimates and judgments

The preparation of the consolidated financial statements of the Group and the financial statements of the Bank in conformity with Bangladesh Bank Circulars and BFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates.

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

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements.

2.06 Changes in accounting estimate and errors

The effect of a change in an accounting estimate shall be recognized prospectively by including it in profit or loss in:

(a) the period of the change, if the change affects that period only; or

(b) the period of the change and future periods, if the change affects both. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, it shall be recognized by adjusting the carrying amount of the related asset, liability or equity item in the period of the change. Material prior period errors shall be retrospectively corrected in the first financial statements authorized for issue after their discovery by:

(i) restating the comparative amounts for the prior period(s) presented in which it is required to make proper comparison; or

(ii) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented. The most significant effect on the amount recognized in the financial statements are described in the notes 06.01, 16.00 and 18.00.

2.07 Books of accounts

The Company maintains its books of accounts for main business in electronic form through soft automation.

The accounts of Sonali Bank are generally kept on the double entry system the day book, the general ledger, the cash book, the current account ledger, the deposit account ledger, the bill books etc.

2.08 Foreign currency transactions

2.08.01 Functional and presentational currency

Financial statements of the Bank are presented in Taka, which is the Bank's functional and presentational currency.

2.08.02 Foreign currency transactions

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per BAS 21 "The effects of Changes in Foreign Exchange Rates".



Assets and liabilities in foreign currencies at 31 December 2015 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except Balances with other Banks and Financial Institutions which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

2.08.03 Commitment

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the date of balance sheet.

2.08.04 Foreign operation

The assets & liabilities of foreign operations are translated to Bangladeshi Taka at exchange rate prevailing at the statement of financial position (balance sheet) date. The income & expenses of foreign operations are translated at average rate of exchange for the year. Foreign currency differences are recognized and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed of such that control, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes as the only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reactivated to non-controlling interest.

2.08.05 Translation gain and losses

Gains or losses arising out of translation of foreign exchange have been included in the Profit and Loss Accounts and in Balance Sheet.

2.09 Materiality, aggregation and offsetting

The Bank aggregates each material class of similar items and separately which are dissimilar in nature or function unless those are immaterial. The Bank did not offset assets and liabilities or income and expense, unless required or permitted by BFRS.

2.10 Cash Flow Statement

Cash Flow Statement is prepared principally in accordance as per the guidelines of BRPD Circular no.14 dated 25 June 2003 and **Bangladesh Accounting Standard-7 "Cash flow Statement"**. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. Cash Flows during the year have been classified as operating activities, investing activities and financing activities.

2.11 Statement of Changes in Equity

The statement of changes in equity reflects information about increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standards BAS 1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.12 Branch Accounting

The Bank has 1207 branches including two oversease branches as on 31 December 2015. Accounts of the branches are maintained at the branch level and for consolidation a separate set of records of the statement of affairs and income and expenditure of the branches are compiled at the Head Office of the Bank based on which these financial statements have been prepared.



2.13 Liquidity statement (Asset and Liability Maturity Analysis)

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the year as per following bases;

Particulars	Basis
Balance with other banks and financial institutions	Maturity term;
Investments	Residual maturity term
Loans and advances	Repayment/Maturity schedule
Fixed assets	Useful lives
Other assets	Adjustment
Borrowings from other banks and financial institutions	Repayment/Maturity schedule
Deposits and other accounts	Maturity term and Behavioral past trend
Other long term liability	Maturity term;
Provisions and other liabilities	Settlement

2.14 Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the balance Sheet date are reflected in the financial statements in Note no. 48 as per Bangladesh Accounting Standards BAS 10 "Events after the Reporting Period".

2.15 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the bank be unable to continue as a going concern.

2.16 Assets and the basis of their valuation

The accounting policy have been applied consistently to all periods presented in this consolidated financial statements and those of the bank and have been applied consistently by the group entities except as explain in Note 2.02.

2.16.01 Cash and cash equivalents

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

2.16.02 Investments

All investments are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discount accredited, using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorized as HFT or/and HTM) is made following Bangladesh Bank DOS circular letter no. 5 dated 26 May 2008 and as amended on 28 January 2009 and DOS Circular letter no. dated 19 January 2012.

2.16.02.01 Held to Maturity (HTM)

Investments (financial instruments) which have fixed or determinable maturity date and the bank has no intention to sell before their maturity date irrespective of changes in market prices or the bank's financial position or performance are grouped as held to maturity. Government Treasury Bills, Government Treasury Bonds and other securities approved for statutory liquidity reserves have been classified as held to maturity financial asset. These are measured at amortized cost at each year end by taking into account any discount or premium in acquisition. Any increase or decrease in value of such investments is booked to equity.



2.16.02.02 Held for Trading (HFT)

The securities under this category are the securities acquired by the bank with the intention to trade by taking advantages of short term price/interest movement, and the securities those are classified as HFT by the Bank held in excess of SLR (net of CRR) at a minimum level. Investments classified in this category are principally for the purpose of selling or repurchasing on short trading or if designated as such by the management. In this category, investments are measured in fair value and any change in the fair value i.e. profit or loss on sale of securities in HFT category is recognized in the Profit and Loss Account.

Value of investments is stated as per the following bases:

Particulars	Valuation Method
Government Securities:	
Government Treasury Bills	Present Value
Prize Bonds	Cost Price
Bangladesh Bank Bills	Cost price
Special Treasury Bonds	Present Value
Reverse Repo	Cost Price
Debentures of Govt. Corporations	Cost price
Other Investments (Quoted Shares)	Market Price
Other Investments (Other than Quoted Shares)	Cost Price

2.16.02.03 REPO and Reverse REPO

Since 1 September 2010 transactions of REPO and Reverse REPO are recorded based on DOS Circular No. 6, dated 15 July 2010 of Bangladesh Bank. In case of REPO of both coupon and non-coupon bearing (Treasury bill) security, Sonali Bank Limited adjusted the Revaluation Reserve Account for HFT securities and stopped the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, SBL stopped the accrual of interest during REPO period.

2.16.02.04 Available for sale

Investments (financial instruments) in shares that have a quoted price but are not held for trading and investments in shares that are not quoted in an active market and are not held for trading are grouped as Available for sale. Financial instruments grouped under this head are presented in Annex-F. All shares quoted and unquoted have been presented in financial statements at cost instead of market price as described in note 2.16.02.02.

2.16.02.05 Investment in Quoted and unquoted securities

Investments in equity instruments/shares that are not quoted in active market are not measured at fair value due to absence of information required to measure in fair value reliably; so these are presented at cost. The equity instruments that are quoted in active market are measured at fair value. Details of quoted and unquoted shares are shown in annexure - F.

2.16.02.06 Derivative Investments

Derivatives are financial instruments that derive their value in response to changes in interest rates, financial instrument prices, commodity prices, foreign exchange rates, credit risk and indices.

Derivatives are categorised as trading unless they are designated as hedging instruments.

All derivatives are initially recognized and subsequently measured at fair Value, with all revaluation gains

recognised in the Income Statement (except where cash flow or net investment hedging has been achieved, in

which case the effective portion of changes in fair value is recognized within other comprehensive income).

As a derivative product the bank used SWAP in 2015.



2.16.02.07 Revaluation of investment

As per the DOS (BB) Circular letter no. 05 dated 26 May 2008 & subsequent amended circular no. 05 dated 28 January 2009, HFT (Held for Trading) securities are revalued on weekly basis and HTM (Held to Maturity) securities are amortized on yearly basis. The HTM securities are also revalued if they are reclassified to HFT category with the Board's approval. Any gain or loss on revaluation of HTM securities is recognized in the statement of changes in equity. Gain/(Loss) on revaluation of HFT securities is recognized in the profit and loss account on weekly basis and gain on revaluation is transferred to statement of changes in equity on monthly basis.

Investment class	Initial Recognition	Measurement after initial recognition	Recording of changes
Govt. T-bills/bond (HFT)	Cost	Face value	Loss to P & L, gain to Revaluation Reserve through P & L
Govt. T-bills/bond (HTM)	Cost	Amortized cost	Increase or decrease in value to equity
Debenture/Bond	Face value	Face value	None
Investment in listed securities	Cost	Fair value	Loss to P & L, gain to Revaluation Reserve
Prize bond	Cost	Cost	None

2.16.02.08 Investments in subsidiary

Investment in subsidiaries is accounted for under the cost method of accounting in the Banks financial statements in accordance with Bangladesh Accounting Standard (BAS) 27. Accordingly, investments in subsidiaries are stated in the Banks balance sheet at cost, less impairment losses if any.

2.16.02.09 Statutory and Non-statutory Investment

Statutory Investments

Amount which is invested for maintaining statutory liquidity ratio according to MPD circular no. 02 dated 10 December 2013 and DOS circular no. 01, dated 19 January 2014 of Bangladesh Bank is treated as statutory investment, these includes treasury bill, treasury bond, other govt. securities etc. Details of statutory investment have been given in note -6.03.01

Non- Statutory Investments

All investment except statutory investment is treated as non -statutory investment such as debentures corporate bond , ordinary share (quoted and unquoted), preference share etc. Details of non-statutory investment have been given in note-6.03.02

2.16.02.10 Investments in associates

Investment in associates is accounted for in the books of financial statements of the Bank, in accordance with the Bangladesh Accounting Standard (BAS) 28 'Investments in Associates'.

2.16.02.11 Investment and related income

- Income on investments other than shares is accounted for on accrual basis concept; and
- Dividend income on investment in shares is accounted for in the year when right has been established.

2.16.03 Loans and advances and its provisions

Loans and advances are stated at gross amount. General Provisions on unclassified loans and Off-Balance Sheet Items, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision is made on the basis of quarter end against classified loans and advances review by the management and instruction contained in BRPD Circular no. 14 dated 23 September 2012 BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 05 dated 29 May 2013 and BRPD circular no. 08 dated 02 August 2015.



2.16.03.01 Interest on loans and advances

- i) Interest is calculated on unclassified loans and advances and recognized as income during the year;
- ii) Interest calculated on classified loans and advances as per Bangladesh Bank Circulars is kept in interest suspense account and credited to income on realization;
- iii) Interest is calculated on daily product basis but debited to the party's loan account quarterly. No interest is charged on loans and advances which are classified as bad and loss;
- iv) Total balance of loans and advances as on 31 December 2015 includes bad/loss loan Taka 73,305.50 million on which the Bank did not accrue any interest because of deterioration of quality of loans and advances determined by the management and on the basis of instructions contained in Bangladesh Bank Circulars as mentioned in Note 2.16.03 of this financial statements; and
- v) Interest suspense and penal interest, if any, calculated on classified loans and advances are taken into income in the year of its receipt from the defaulting borrowers.

2.16.03.02 Provision for loans and advances

Provision for loans and advances are made on quarter basis as well as year-end review by management following instructions contained in BRPD Circulars issued by Bangladesh Bank. General Provision on unclassified loans and advances and specific provision on classified loans & advances are given below:

Rate of provision:

Particulars	Short term agri-credit	Consumer Financing			SMEF	Loan to BHs/ MBs/ SDs	All other credit	
		Other Than HF & LP	HF	LP				
Unclassified	Standard	2.50%	5%	2%	2%	0.25%	2%	1%
	SMA	0%	5%	2%	2%	0.25%	2%	*1%
Classified	SS	5%	20%	20%	20%	20%	20%	20%
	DF	5%	50%	50%	50%	50%	50%	50%
	BL	100%	100%	100%	100%	100%	100%	100%

*In line with BRPD Circular no. 04, dated 29 January 2015, provision for restructured loan is calculated @ 2%.

2.16.03.03 Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified advances are shown as liabilities in the statement of financial position.

2.16.03.04 Write off loans and advances

Loans and advances/investments are written off as per guidelines of Bangladesh Bank. These written off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

2.16.03.05 Securities against Loan

Project loan: Land and building are taken as security in the form of mortgage and plant & machinery are taken in the form of hypothecation.

Working capital and trading loan: Goods are taken as security in the form of pledge and also goods are taken as security in the form of hypothecation along with land and building as mortgage (value not less than 1.50 times covering the loan amount) in the form of collateral security.

House building loan: Land and building are taken as security in the form of mortgage.

Overdraft: FDRs are taken in pledge. The balance in DPS/JBSPS/SDPS A/C's is taken in "lien".

Public sector loan: In most cases Govt. Guarantee is taken and no security is taken for government loan and Crops loans in agriculture sector.



2.16.04 Bills Purchased and Discounted

- a) Bills purchased and discounted do not include Government Treasury bills and have been classified into two sub-heads viz
- Payable outside Bangladesh,
 - Payable in Bangladesh and
- b) The bills purchased and discounted have been analyzed in the form/terms as per the maturity grouping.

2.16.05 Property Plant and Equity

2.16.05.01 Recognition and Measurement

All Property, plant and equipment are classified and grouped on the basis of their nature as required in BAS 1 "Presentation of Financial Statements". The major categories of Property, plant and equipment held by the bank are property (Premises & Buildings), Library Book, Furniture and fixtures, Electrical Installations, Typewriters and Calculating machines, Computer/Software, Motor Car and other vehicles. As per Para 31 of BAS 16 after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

All Fixed Assets are stated at cost less accumulated depreciation as per BAS 16 "Property, Plant & Equipment". The Cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The bank recognizes in the carrying amount of an item of property plant and equipments the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the bank and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

As guided in paragraph 30 of BAS 16 "Property Plant and Equipment" these are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition of an asset comprises its purchase price and directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward fright, duties and refundable taxes. The opening and closing carrying amounts of all property and equipment are presented including the amount of additions, disposals and depreciation charged during the year as required by paragraph 73(a-e) of BAS 16 Repairs and Maintenance expenses that does not increase in the future economic benefit of assets is charged to profit & loss account.

2.16.05.02 Depreciation

As required in paragraph 43 of BAS 16 "Property Plant and Equipment" depreciation has been charged at the following rates on reducing balance method on all fixed assets other than motor vehicles and computer software which are depreciated on straight line basis and no depreciation on land is charged.

Category of fixed assets	Rate of depreciation
Land	0%
Building	2.50%
Library	7%
Furniture and Fixtures	10%
Electrical Installation	20%
Typewriters and Calculating machines	20%
Computer/ Software	20%
Motor Car and other vehicles	20%



Depreciation on newly acquired assets is charged from the date of take it in use and no depreciation is charged on assets for the period which are taken in use after 20th December of the year. In case of assets disposed of, depreciation is charged up to the date of disposal of such assets. During the year overseas branches shown Taka 208,971 as depreciation on fixed assets and certified by the local independent auditors.

2.16.05.03 Disposal of fixed assets

On the disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gains or losses on such disposal are reflected in the statement of comprehensive income (profit and loss account) as per provision of BAS 16 "Property, Plant and Equipment".

2.16.05.04 Revaluation

The fixed assets of the Bank have been revalued three times. In the year of 2007, following the instruction of vendor's agreement signed between Sonali Bank Ltd. and Ministry of Finance, revaluation of all assets had been done and total value enhanced by Taka 8,833.82 million. Subsequently, in 2011 revalued by Taka 12,026.80 million and lastly in the year 2013 by Taka 9,469.13 million. No revaluation has been made during the year 2015.

2.16.05.05 Impairment

The carrying amount of the assets should be reduced to its recoverable amount when carrying amount of an asset is exceeding the recoverable amount of that asset. That reduction is an impairment loss hence recognized as expenses in the statement of comprehensive income (profit and loss account).

2.16.06 Other Assets

Other assets comprise investment in subsidiaries (Sonali Exchange Co., Inc. Ltd. Inc USA and Sonali Investment Limited), Prepaid Expenses, Branch adjustment, fees and unrealised income receivable, advance for operating and capital expenditure and stocks of stationery and stamp. Details are shown in Note-9. and others as per Bangladesh Bank Circulars. Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.16.06.01 Classification of other assets

Other assets have been classified as per BRPD Circular no. 14 dated 25 June 2003 of Bangladesh Bank and necessary provisions made thereon accordingly and for items not covered under the circular, adequate provisions have been made considering their realize ability.

2.16.06.02 Written off of other assets

Other assets having no realistic prospect of recovery have been written off against full provision without reducing the claimed amount of the Bank. Notional balances against other assets written off have been kept to maintain the detailed memorandum records for such accounts/assets.

2.16.07 Intangibles assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Bank. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite.



Intangible assets with finite lives are amortized over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and they are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is presented as a separate line item in the statement of comprehensive income (profit and loss account). Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets-valuation adjustment has been addressed inline with regulatory decision.

2.16.08 Non-banking assets

Non-banking assets includes the assets acquired against the bad debt loans to adjust the loan. There are no assets acquired in exchange for loan during the period of financial statements.

2.17 Liabilities and Provision

2.17.01 Borrowing from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include borrowing from Bangladesh Bank, inside and outside of Bangladesh. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note 11.

2.17.02 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 to account at the gross value of the outstanding balances. Deposits and other accounts include bills payable have been analyzed in terms of the maturity grouping showing separately other deposits and inter-bank deposits. Details are shown in Note 12.

2.17.03 Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments/other assets, taxation, superannuation fund, gratuity fund and off balance sheet exposure and also includes interest payable, interest suspense, accrued expenses etc. Other liabilities are recognized in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance, 1984, BAS 37 and internal policy of the Bank. Provision and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made on the amount of the obligation. Details are shown in Note 13.

2.17.04 Taxation

Income tax represents the sum of the current tax and deferred tax payable. Income tax assessment has been finalized up to 1997 as well as the year 1999. Case pending for the year 1998 and 2000 to 2011.

2.17.04.01 Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of Balance Sheet.

Provision for current income tax has been made as per Income Tax Ordinance 1984.



2.17.04.02 Deferred tax

Value of assets and liabilities as required by Bangladesh Accounting Standards BAS-12: 'Income Taxes'. Deferred tax is not recognized for the following 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;
- related to investments in subsidiaries to the extent that it is probable that it will not reverse in the foreseeable future; and
- arising on the initial recognition of goodwill.

Deferred Tax is calculated on the taxable/deductible temporary differences between tax base and carrying 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 realized simultaneously. Deferred tax is computed at the prevailing tax rate as per Finance Act 2015.

A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. 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 realized.

2.17.05 Employee benefit schemes

Accounting recognition & measurement, as well as the disclosures requirements for different benefit schemes for employees are the following:

2.17.05.01 Employees General Provident Fund

Employees General Provident fund is operated from 13 September 1981 under which the concerned employees are required to contribute at least 10% and highest 30% (on declaration) of their basic salary with no matching contribution by the bank. This Fund relates to the employees who are availing Pension and Death-Cum-Retirement Benefit (PDCRB) Scheme.

2.17.05.02 Contributory Provident Fund

The bank operated a Provident Fund named as Contributory Provident Fund into which the bank contributed 10% of the basic salary of its eligible employees while the employees contributed an equal amount to the fund. This fund is operated by trustees. Employees enjoying contributory provident fund facilities are entitled gratuity for 2 months last basic pay drawn for each completed year of service subject to completion of minimum 10 years of service. The scheme is operated on cash basis.

2.17.05.03 Pension and Death-Cum-Retirement Benefit (PDCRB) Scheme

The bank operated a Pension Fund named as Pension and Death-Cum-Retirement Benefit (PDCRB) Scheme for the employees of General Provident Fund into which the bank contributes 30% (June 2014) of the basic salary of its eligible employees. Payments out of this fund are made to the employees on their separation from bank's service.

2.17.05.04 Gratuity

The Bank introduced the Gratuity scheme for the member of the Employees of Contributory Provident Fund into which the Bank contributes 30% (June 2014) of the basic salary of its eligible employees. Payments out of this scheme are made to the members on their separation from bank's service.



2.17.05.05 Investment of the Pension/Gratuity Funds

The balance of Pension/Gratuity funds are partly invested in approved securities with a view to increasing the Fund and remaining balance being utilized by the bank towards payment of retirement benefits to the employees.

2.17.05.06 Administration of the Fund

The Provident Fund, Pension Fund and Gratuity are being administered by two administrative committees each of which consists of 9 (nine) members representing Chairman, 5 (five) members from Board of Directors, Managing Director and CEO, 1 (one) member from officers and another from members of the staff.

2.16.05.07 Benevolent Fund

This fund is mainly created for sanctioning scholarship to the meritorious students among the children of the Bank employees. The distressed employees and family member of deceased employees are also helped from this Fund.

2.17.05.08 Leave encashment

The Officer/Staff who has opted for Pension and General Provident Fund, will be entitled to leave encashment facilities up to twelve months at the time of retirement as per letter No. MF/FD/Reg-2/leave16/84/9 dated 21 January 1985 of Finance Division, Ministry of Finance, Government of Bangladesh. But if a staff (not officer) has enjoyed /will enjoy leave encashment facilities before retirement, he will be provided with the rest amount after deduction of the amount enjoyed earlier, as per letter No. MF/B & 1/Banking/2/1/80/101 dated 31 May 1980 of previous Banking & Investment Division, Ministry of Finance, and Government of Bangladesh. The leave encashment benefit is paid to the incumbent debiting 'Expenditure A/C Leave Encashment Code no. 1217'. No additional fund is required during the year.

2.17.05.09 Death relief grant scheme

The Bank operates a death relief scheme since 1 January 1991, which replaced the previous group insurance scheme. The scheme is applicable to all employees of the bank and payments out of this fund are made to the successors of the employees on their death as per rate prescribed in the scheme.

2.17.06 Provision for Loans and Advances

Loans and advances are stated at gross amount. General provisions on unclassified loans and contingent assets, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter and review by the management and instructions contained in BRPD Circular no. 14 dated 23 September 2012, and BRPD circular no. 19 and dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013 and BRPD circular no. 8 dated 02 August 2015.

2.17.07 Provision for other assets

As per BRPD circular no. 14 dated 25 June 2001 of Bangladesh Bank classification and provisions on other assets have been made and adequate provisions have been made considering their recoverability.

2.17.08 Provisions and accrued expenses

In compliance with BAS 37, Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



2.17.09 Provision for Off-Balance Sheet Exposures

In compliance with Bangladesh Bank guidelines Off-Balance Sheet items have been disclose under contingent liabilities. As per BRPD Circular no.10 dated 18 September 2007, Banks are required to maintain provision @ 1% against Off-Balance Sheet Exposures (L/C, Guarantee and Bills for Collection, etc.).

2.17.10 Provision for Nostro Accounts

According to guideline of Foreign Exchange Policy Department of Bangladesh Bank, Circular no. FEOD(FEMO)/01/2005-677 dated 13 September 2005, Bank maintains provision regarding the un-reconciled debit balance as at Balance Sheet date since there was no debit entries more than three month.

2.18 Capital and Shareholders' Equity

2.18.01 Capital Management

The bank has strategic capital management process for measuring, deploying and monitoring its available capital and assessing its adequacy. The aim of this capital management process is to achieve four major objectives; exceed regulatory thresholds and meet long-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the bank and provide the banks shareholder with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the bank. The bank's finance and risk management department are key to implementing the bank's capital strategy and managing capital. Capital is managed using both regulatory control measure and internal matrix.

2.18.02 Paid up capital

The paid up capital share capital represents total amount of shareholder capital that has been paid in full by the Government of Bangladesh i.e. ordinary shareholder. In the event of winding-up of the company ordinary shareholder(s) rank after all other shareholders and creditors are fully entitled to any residual proceeds of liquidation.

2.18.03 Statutory reserve

As per the Banking Companies Act 1991 (amended 2013) (Section 24) it is required for the bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital.

2.18.04 Dividends on ordinary shares

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Banks shareholders. Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

2.18.05 Revaluation Reserve

2.18.05.01 Assets Revaluation Reserve

When an asset's carrying amount is increased as a result of a revaluation, the increase amount should be credited directly to equity under the heading of revaluation surplus/ reserve as per Bangladesh Accounting Standards BAS-16: 'Property, Plant and Equipment'. The tax effects on revaluation gain are measured and recognized in the financial statements as per Bangladesh Accounting Standards BAS-12: 'Income Taxes'.

2.18.05.02 Revaluation Reserve for HTM & HFT

All HTM securities are amortized at the year end and any increase or decrease of such investment is booked to equity. In case of HFT revaluation, decrease in the present value is recognized in the profit and loss account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account as per Bangladesh Bank DOS circular no. 5, dated 28 January 2009.



2.18.06 Contingent liabilities and Contingent assets

A contingent liability is any possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or any present obligation that arises from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated. Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

2.18.07 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Bank has 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.

The values of any asset or liability as shown in the statement of financial position (balance sheet) are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.19 Revenue recognition

The revenue during the year has been recognized following all conditions of revenue recognitions as prescribed by Bangladesh Accounting Standards BAS 18 'Revenue'.

2.19.01 Interest income

Interest on loans and advances is calculated on daily product basis and accrued at the end of each month, but charged to customers' accounts on quarterly basis. In terms of the provisions of the Bangladesh Accounting Standards BAS 8 'Revenue', the interest income is recognized on accrual basis. Interest on unclassified loans and advances have been accounted for as income on accrual basis, interest on classified loans and advances have been credited to interest suspense account with actual receipt of interest there-from having credited to income as and when received as per instruction of Bangladesh Bank.

2.19.02 Investment income

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

2.19.03 Fees and commission income

- Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.
- Fee and Commission on bills discounted, purchased & others are recognized at the time of realization.
- Exchange gains or losses arising out of such transactions are recognized as income or expense for the year foreign currency transactions are converted into BDT at prevailing on the dates of such transactions and dealt with exchange account.

2.19.04 Dividend income on shares

Dividend income from shares is recognized during the period in which they are declared and actually received.

2.19.05 Other operating Income

Other operating income is recognized at accrual basis.



2.19.06 Profit/Loss of Overseas Branches

Profit/loss of the bank's overseas branches has been reflected in this profit and loss account.

2.19.07 Interest paid on Deposit and Borrowing

Interest paid on Deposit and Borrowing and others expenses are recognized as accrual basis.

2.19.08 Management and other expenses

Expenses incurred by the Bank are recognized on actual and accrual basis.

2.19.09 Regulatory & Legal Compliance

The bank has complied with the requirement of following regulatory & legal authority:

- (a) The Bank Companies Act, 1991 (amended 2013)
- (b) The Companies Act, 1994
- (c) Rules, Regulation and Directives issued by Bangladesh Bank
- (d) Security & Exchange Rules, 1987
- (e) Security & Exchange Ordinance, 1969
- (f) Security & Exchange Commission Act, 1993
- (g) The Income-Tax Ordinance, 1984
- (h) VAT Act, 1991
- (i) Labor Act, 2006 (Amended 2013)

2.19.10 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences that may affect the financial statements significantly.

2.19.11 Segment reporting

For the purpose of Segment Reporting as per Bangladesh Financial Reporting Standard 8, the following segments relating to revenue, expenses, assets and liabilities have been identified and shown in the related notes accordingly as primary/secondary segments.

- i) domestic operations in line with geographical segments;
- ii) banking operations comprising of branches of the banking entity; and
- iii) treasury operations comprising of the banking entity.

Performance is measured based on segment profit before provision, as included in the internal management reports that are reviewed by the Bank's Management. Segment report is used to measure performance as Management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

2.19.11.01 Operating segments

The Bank has five reportable segments, as described below, which are the Bank's strategic business units. The strategic business units offer different products and services, and are managed separately based on the Bank's management and internal reporting structure. For each of the strategic business units, the Bank Management Committee reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Bank's reportable segments:

i. Loans & Advances	Includes loans, deposits and other transactions and balances with corporate customers & retail customers.
ii. Treasury	Undertakes the Bank's funding and maintenance of CRR and SLR, Asset-liability management through borrowings and placement, currency swap and investing in liquid assets such as short-term placements and corporate and government debt securities.
iii. Overseas Branches (Kolkata, Siliguri)	Two (2) overseas branches of Sonali Bank Limited are situated at Kolkata & Siliguri in India and operating banking business, money remittance etc. as per the head office instructions and other activities as permitted under the banking law of India.



iv. Sonali Exchange Company Incorporated (SECI), USA	Sonali Exchange Company Incorporated (SECI), USA, subsidiary company of Sonali Bank Limited operates its business in USA. It performs the activities of money remittance, issue cheques, payment instruments and traveler's cheque and other activities as permitted under the banking law of USA.
v. Sonali Investments Limited	Established to do all kinds of merchant banking activities including issue management, underwriting, portfolio management and other transactions.

2.19.12 Directors' responsibility on financial statements

The board of directors takes the responsibility for the preparation and presentation of these financial statements.

2.20 Consolidation of the Financial Statements

Consolidation of the Financial Statements is started from 2011.

2.21 Risk Management

The Bank Company Act, 1991(amended 2013) and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

In addition, the Bank is also following relevant Bangladesh Bank guidelines on risk based capital adequacy, stress testing and managing the banking risks in other core risk areas.

The Bank has established a Risk Management Division (RMD). The RMD conducts stress testing for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

Being a financial institution, in the ordinary course of business, the bank is sensitive to varieties of risks. The generic severity of such risk(s) is much intense in our locality due to presence of large number of banks and complex financial transactions. In such highly competitive environment to ensure a bank's consistent system and performance, the presence of strong Risk Management culture is obligatory. Being compliant, the bank is now looking forward to take risk management practice to a different level, i.e. preventing risk before occurrence rather than a reactive manner; on a proactive basis. As a part of regulatory and global benchmarking the bank has based upon 07 (seven) core risks guidelines of Bangladesh Bank and Basel framework. Listed below are the identified risks the bank is currently managing or intends to manage:

- Internal Control and Compliance Risk
- Foreign Exchange Risk
- Credit Risk Management
- Asset Liability Management Risk
- Money Laundering Risk
- Information & Communication Technology Security Risk
- Environmental Risk

Accordingly the bank has various high powered committees to monitor and ensure smooth risk management activities. For example, Board Risk Management Committee, high powered central Risk Management Committee, Departmental Risk Management Committee, Asset Liability Management Committee (ALCO), Investment Committee, Credit Committee (CC) etc. To manage the overall risks of the bank in line of Basel the bank has formed a dedicated Core Risk Management & Basel-II Implementation Division. The detail of SBL's risk management is stated below:

a) Internal Control and Compliance Risk

Establishment of sound control environment and effective compliance culture is the key stone of managing operational risk. Internal control is a process to control overall activities of the Bank through establishing policies, procedures, observance of instructions of regulatory authorities with a view to avoid any possible loss from the lack of corporate governance.



To mitigate the operational risk, the Bank ensured effective internal control systems for all of its operational activities by intensifying the internal audit function, comprehensive and risk based inspection in all branches and Head Office. The Compliance Division ensures the settlement of objections or irregularities mentioned in the audit reports under a strong monitoring process of the Management Committee (MANCOM). Besides there is a division named Vigilance and Control Division under the direct supervision of CEO and MD to act at any sudden occurrence of loss or irregularities.

The Bank with the support of an Expert Team, has undertaken a program for upgrading its Internal Control and Compliance policy as well as other policies in the area of credit, audit, information technology and accounts as per international best practices.

b) Foreign Exchange Risk Management

Foreign Exchange Risk is defined as the possibility of losses due to change in exchange rates interest rate etc. according to market forces. The Foreign Exchange Risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying Foreign Exchange transactions.

Treasury Division independently conducts the transactions and the Back Office of Treasury is responsible for verification of the deals and passing of their entries in the books of account. Mid office coordinates the work in between front office and back office functioning. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month -end. All NOSTRO accounts are reconciled on regular basis and outstanding entries beyond 30 days are reviewed by the Management for their settlement.

c) Credit Risk Management

Credit risk is one of the crucial risk faced by the Bank. This can be described as potential loss arising from the failure of a counter party (borrower) to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counter party or decline in his/her financial condition. Therefore, Bank's credit risk management activities have been designed to address all these issues. The Bank has segregated duties of the Officers/Executives involved in credit related activities. Credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate divisions have been formed. These are credit division, credit monitoring & recovery division and law division. Credit division is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation, etc.

There is a high power credit committee who manages the credit risk of the bank. A thorough assessment is done before sanction of any credit facility at credit division. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility, etc. All credit proposals have been placed in credit committee for sanction or make decline. Managing Director is the Chairman of credit committee. Loans having big exposures are placed before the Board of Directors of the Bank for sanction.

In determining single borrower/large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted on periodical interval to ensure compliance of Bank's and Regulatory polices. Loans are classified as per Bangladesh Bank's guidelines.

d) Asset Liability Management Risk

Bank has high powered Asset Liability Management Committee (ALCO) to monitor Balance Sheet Risk and liquidity Risks of the Bank. The Balance Sheet Risk is determined as potential change in earnings due to change in rate of interest foreign exchange rates and regulatory instructions, which are not of trading nature. Asset Liability Committee (ALCO) reviews Liquidity requirement of the Bank, the maturity of assets and liabilities, deposits and lending, pricing strategy and the Liquidity contingency plan. The primary objective of the Asset Liability Committee (ALCO) is to monitor and avert significant volatility in Net Interest Income (NII), investment value and exchange earnings for the purpose of taking future action plan for better interest of the organization.



e) Money Laundering Risk

Risk Associates with probable Money laundering activities is one of the major risk in the area of banking sector. Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risk the Bank has designated Chief Compliance Officer at Head Office and Compliance Officer at Branches, who independently review the transactions of the accounts to verify suspicious transactions.

Manuals for Prevention of Money Laundering, KYC and Transaction profile have been introduced. Training has been being imparted to Executives, Officers and staff for developing awareness and skill for identifying suspicious transactions and other Money Laundering related activities.

f) Information & Communication Technology Security Risk

IT Guideline is a systematic approach to policies required to be formulated for IT and also to ensure security of information and information systems. This guideline covers all information that is electronically generated, received, stored, printed, scanned and typed. The provisions of this guideline apply to:

1. Sonali Bank Limited for all of its IT system.
2. All activities and operations required ensuring data security including facility design, physical security, network security, disaster recovery and business continuity planning, use of hardware and software, data disposal and protection of copy rights and other intellectual properly rights.

The implementation of Core Banking Solution (CBS) will be linked from the branches to the central database. Near future the information will be easily accessible by senior management and is expected to be important source of information of strategic decision-making process based on a comprehensive database. It is to be declared that the Bank is fully compliant according to the guideline of Central Bank's IT policy.

g) Environmental Risk

Environmental Risk is the new concern in the banking arena. Bank authority is very much aware about this. In compliance with Bangladesh Bank's instructions and guidelines regarding environmental risk, all the activities of the bank are being carried on. Specially, to approve the credit proposal, Bank Credit Committee meticulously review the compliance status of the borrower regarding environmental requirement.

2.22 Risk Management Committee Disclosure

A Risk Management Committee, comprising Directors of the Board has been formed in consistence with Bank Company (Amendment) Law-2013 and directives of BRPD Circular No.11 dated 27.10.2013 of Bangladesh Bank. Bank's risk management approach includes minimizing undue concentrations of exposure, limiting potential losses from stress events and ensuring the continued adequacy of all our financial resources. The committee is playing a vital role in risk management of the bank. It has a long term plan to develop risk management culture in the bank.

The risk management committee comprising of four members including chairman who are competent and professionally skilled and also the director of the board. The name and status of the member of the Board Risk Management Committee are stated as follows:

Name	Status in the Bank	Status in the committee
Md. Shaheb Ali Mridha	Director	Chairman (Acting)
Mr. Kazi Tariqul Islam	Director	Member
Mrs. Sabera Aktari Jamal	Director	Member
Mr. Afzal Hossain	Director	Member

The risk management committee of the Board of Directors has been formed soon after the Central Bank's instruction. The committee conducted 6 meeting in 2015 where the following issues have been discussed:



- Formulated risk management strategies, methodologies, guidelines and processes for risk identification, risk assessment, risk controlling and monitoring.
- Designed a suitable organization structure for risk controlling. The committee will form separate risk management committee in management level and supervise their activities for compliance of instruction regarding credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, ICT risk and environmental risk.
- Reviewed and updated all risk management policies and guidelines at least once in a year, if necessary they will propose and place before the Board of Director for final approval.
- Evaluated, assessed and approved the record keeping and reporting system formulated by the bank management.
- Supervised the implementation of overall risk management policies and steps taken for mitigation of credit risk, market risk and operational risk along with other risks.
- Submitted the report of decision and recommendation made by the committee to the Board on a quarterly basis.
- Followed the instruction circulated by the controlling authority, etc.

2.23 Audit committee Disclosure

In compliance with the policy directives as well as compliance with the BRPD Circular No. 11 dated 27 October 2013 and previous circular BRPD Circular no. 12 dated 23 December 2002 of Bangladesh Bank, an audit committee of the board of Sonali Bank Limited was constituted by the Board of Directors in its 615th meeting held on 15 March 1999 and thereafter lastly reconstituted in the 454th board meeting of Sonali Bank Limited held on 18 February 2016. The audit committee comprises of four members including chairman who are competent and professionally skilled and also the director of the board. The company secretary acts as a secretary of the audit committee. The name and status of the member of the audit committee are stated as follows:

Sl. No.	Name	Status in the Bank	Status in the committee
1	Mr. Mohammad Muslim Chowdhury	Director	Chairman
2	Mr. Md. Shaheb Ali Mridha	Director	Member
3	Mr. Kazi Tariqul Islam	Director	Member
4	Mrs. Sabera Aktari Jamal	Director	Member

During the year 2015, the Audit Committee of the Board conducted 15 (Fifteen) meetings in 2015 which the following important issues were reviewed/discussed along with others:

- Oversee the financial reporting process & liquidity position of the bank at regular basis.
- Reviewed internal & external auditors findings on the irregularities both major & significance at different branches of the bank and reference those to the Board with appropriate recommendation for decision, reviewed draft & audited financial statements for the year 2015.
- Reviewed performance of internal audit 2015.
- Reviewed the reconciliation performance of inter branch transaction accounts and advised the management to keep it regular.
- Reviewed the comprehensive inspection report on SBL by Bangladesh bank as on 31.12.2014.
- Reviewed the cash holding position of different branches & advise the management to ensure maintenance of optimum level of cash to reduce idle cash in hand as per as practicable.
- Reviewed existing policy of ICC, Risk Grading, Credit Policy, Quarterly Risk Management Paper etc. and made recommendation to Board for approval.
- Reviewed unaudited quarterly & half yearly financial statements of the bank for the year 2015.
- Monitor internal control risk management process.



- Discussed and reviewed annual budget 2016 & revised budget 2015 and recommended to the board with some amendments.
- Reviewed the compliance status of audit objections and advised the management to ensure full compliance of regulatory, legal and significant issues meticulously.
- Reviewed the audit rating by internal audit on Anti Money Laundering of all branches for the year 2015.
- Discuss and reviewed the effectiveness of annual audit plan 2015 and made recommendation to the board for approval with suggested amendments.
- Reviewed existing risk management procedures along with implementation of core risk management guidelines and advised the managements to implement the same more effectively.
- Reviewed the audit report of the subsidiaries and directing the authority to take necessary action as appropriate.

2.23 Credit Rating of the Bank

As per the BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Alpha Credit Rating Limited based on the financial statements of Sonali Bank Limited dated 31 December 2014. The following ratings had been awarded:

Date of Declaration	Valid till	Rating Mode	Long Term	Short Term	Outlook
30-Jun-15	29-Jun-16	Govt. Support	AAA	AR-1	Positive
		Without Govt. Support	A-	AR-2	

2.25 Implementation of BASEL-III

Banks operating in Bangladesh are maintaining capital since 1996 on the basis of risk weighted assets in line with the Basel Committee on Banking Supervision (BCBS) capital framework published in 1988. Considering present complexity and diversity in the banking industry and to make the Bank's capital more risk-sensitive as well as to improve the banking sector's ability to absorb shocks arising from financial and economic stress, Bangladesh Bank provides revised regulatory capital framework "Risk Based Capital Adequacy for Banks" which is effective from 1 January 2009. Both the existing capital requirement rules on the basis of Risk Weighted Assets and revised Risk Based Capital Adequacy Framework for Banks as per Basel-II were followed simultaneously initially for one year. For the purpose of statutory compliance during the period of parallel run i.e. 2009, the computation of capital adequacy requirement under existing rules prevailed. On the other hand, revised Risk Based Capital Adequacy Framework as per Basel-II had been practiced by the Banks during 2009 so that Basel-II recommendation could effectively be adopted from 2010. From January 2010, Risk Based Capital Adequacy Framework as per Basel-II have been fully practiced by the Banks replacing the previous rules under Basel-I. Bangladesh Bank adopted "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III)" as per BRPD circular no. 18 dated 21 December 2014 replaced of "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-II)". This circular shall come into force with effect from January 01, 2015. These new global regulatory and supervisory standards mainly addressed the following areas:

1. Pillar-1 :

- Minimum Capital Requirement (MCR)
- Assessment of total Regulatory Capital
- Calculation of total Risk Weighted Assets
- Calculation of Capital to Risk Weighted Assets Ratio (CRAR)*



- e) 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;
- f) Increase the risk coverage of the capital framework;
- g) Introduce Leverage Ratio (LR) to serve as a backstop to the risk-based capital measure;*
- h) Calculation of Liquidity Coverage Ratio (LCR)* and
- i) Calculation of Net Stable Funding Ratio (NSFR)*.

2. Pillar-2 :

- a) Raise the standards for the supervisory review process ; and the main aspects of a rigorous SRP are as follows :
 - Board and senior management oversight,
 - Sound capital assessment,
 - Comprehensive assessment of risks,
 - Monitoring and reporting,
- b) Preparation of ICAAP (Internal Capital Adequacy Assessment Process) documents for assessing its overall risk profile and a strategy for maintaining adequate capital.
- c) SRP – SREP dialogue.

3. Pillar-3 :

- a) Market Discipline/Public disclosures etc.

The macro prudential aspects of Basel-III are largely enshrined in the capital buffers. Both the buffers i.e. the capital conservation buffer and the countercyclical buffer are intended to protect the banking sector from periods of excess credit growth.

i) Capital to Risk Weighted Assets Ratio (CRAR)*

The Capital Adequacy Ratio (CAR) has been newly defined as Capital to Risk Weighted Asset Ratio (CRAR) which is calculated by taking eligible regulatory capital as numerator and total RWA as denominator.

$$\text{CRAR} = \frac{\text{Total Eligible Capital}}{\text{Credit RWA} + \text{Market RWA} + \text{Operational RWA}}$$

ii) Leverage Ratio*

In order to avoid building-up excessive on and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced. The leverage ratio is intended to achieve the following objectives:

- a) Constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy.
- b) Reinforce the risk based requirements with an easy to understand and a non-risk based measure.

A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level

The banks will maintain leverage ratio on quarterly basis. The calculation at the end of each calendar quarter will be submitted to BB showing the average of the month end leverage ratios based on the following definition of capital and total exposure.



$$\text{LR} = \frac{\text{Tier 1 Capital (after relate deductions)}}{\text{Total Exposure (after relate deductions)}}$$

iii) Liquidity Coverage Ratio (LCR)*

LCR or Liquidity Coverage Ratio is a new liquidity standard introduced by the Basel Committee. This standard is built on the methodologies of traditional liquidity coverage ratio used by banks to assess exposure to contingent liquidity events. LCR aims to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for 30 calendar days. LCR goes beyond measuring the need for liquid assets over the next 30 days in a normal environment. It measures the need for liquid assets in a *stressed* environment, in which deposits and other sources of funds (both unsecured and secured) run off, to various extents, and unused credit facilities are also drawn down in various magnitudes. These runoffs are in addition to contractual outflows.

$$\text{LCR} = \frac{\text{Stock of quality liquid assets}}{\text{Total net cash outflows over the next 30 calendat days}} \geq 100\%$$

iv) Net Stable Funding Ratio (NSFR)*

NSFR or Net Stable Funding Ratio is another new standard introduced by the Basel Committee. The NSFR aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that available stable funding (ASF) should be at least equal to required stable funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or "long-term" and therefore requires stable nfunding. The time horizon of the NSFR is one year. Like the LCR, the NSFR calculations assume a stressed environment.

$$\text{NSFR} = \frac{\text{Available amount of stable funding (ASF)}}{\text{Required amount of stable funding (RSF)}} \geq 100\%$$

The calculation of the NSFR requires two quantities to be defined :

- A. available stable funding (ASF) and
- B. required stable funding (RSF).

NSFR is met if ASF exceeds RSF, that is if $\text{ASF/RSF} > 1$ or 100%.

2.26 Related party disclosures

As per Bangladesh Accounting Standards BAS-24 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note 46.

2.27 Litigation

The bank is not a party to any lawsuits except those arising in the normal course of business, which were filled against the default clients for non-performance in loans repayment and against various level of tax authority regarding some disputed tax issue. The bank, however, provides adequate provisions as per guidelines of BAS 37 in compliance with Bangladesh Bank guidelines.



2.28 Loan Write off

Write off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to loan for which a return on the loan is now impossible or unlikely. The item's potential return is thus cancelled and removed from (Written off) the banks statement of financial position. Recovery against debts written off / provided for is credited to provision or revenue considering the previous position of the loans.

2.29 Compliance of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs). While preparing the financial statements, Sonali Bank Limited applied most of BASs and BFRSs as adopted by ICAB. Details are given below

Name of the BASs	BASs No.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting policies, Changes in accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employees Benefits	19	Partly Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Partly Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	Applied
Financial Instruments: Presentation	32	Applied*
Earning Per Share	33	Applied
Interim Financial Reporting	34	Applied*
Impairment of Assets	36	Applied
Provision, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	N/A
Agriculture	41	N/A



Bangladesh Financial Reprinting Standards (BFRSs)	BFRSs No.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	1	N/A
Share-Based Payment	2	N/A
Business Combinations	3	Applied
Insurance Contracts	4	N/A
Non Current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instrument: Disclosures	7	Applied*
Operating Segments	8	Partly Applied
Financial Instruments	9	Applied*
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	N/A
Fair Value Measurements	13	Partly Applied

* Subject to departure described in Note 2.02 Statement of Compliance

2.30 Corporate Social Responsibility (CSR)

Bank authority is very much concern about responsibility to the society people. With industrialization, the impacts of business on society and the environment assumed an entirely new dimension. For this Corporate Social Responsibility has become a criterion of socially lawful business Endeavour and the acceptance of it, is growing day by day. Countries of developed economy have taken the idea of "Social Responsibility". Being the largest state owned commercial bank in Bangladesh, Sonali Bank Ltd. has also realized its responsibilities to the society and contributed to the amelioration of the social life of the destitute people, infra-structure, environment etc. within the framework of Bangladesh Bank guidelines.

2.31 Off-balance sheet items

Under general banking transactions, liabilities against acceptance, endorsements, and other obligations and bills against which acceptance has been given and claims exists there against, have been shown as off balance sheet items.

Off Balance Sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines.

As per BRPD circular #10, date 18 Sep 2007, 1% provision should be maintained against off- balance sheet items. Bank has maintained sufficient provision in the books of accounts against off balance sheet exposure.

2.32 Fraud and Forgeries

2.32.01 Fraud Prevention Process

Based on DOS circular letter no. 17, dated 7 November 2012 issued by Bangladesh Bank, the following areas for self assessment of Anti-Fraud Internal Controls are addressed by the Bank:

- Internal Control and Compliance (ICC);
- General Banking and Operation (GBO);
- Loans and Advances (LA); and
- Information and Communications Technology (ICT)

In addition to the above self assessment, the following process followed by the management:

- Additional security devices are incorporated, not only within the bank premises but also in the instruments given to their numerous clients.



- ii) In recruiting key personnel who are to handle certain sensitive operations, it is essential that bank makes comprehensive efforts at conducting a proper background check on the status and nature of the employee in his or her neighborhood, as this would help them establish the probability of the employee engaging in fraudulent activities.
- iii) Regular need assessment to increase the ability of bank's staff in detecting fraud especially those related to cheques and money transfers. This can be achieved through a combination of internal and external modules of on the job training and off the job training exercises.
- iv) Continuously review the code of ethics and code of conduct to reduce the probable tendency for fraudulent behavior of the employees. It is believed that if employees are well motivated to the bank, the incidence of frauds will be reduced.
- v) Favorable financial awards and recognition should be given to employees who show dexterity in identifying and preventing fraud.
- vi) Top management must also strive to maintain a high degree of ethical standards in the performance of their duties, in view of the fiduciary nature of their functions. This is imperative as they are by law required to safeguard the assets of their banks.
- vii) The internal audit divisions of bank should not be seen as a dumping ground for non-performing staff. Staff deployed into this department should be sufficiently qualified, properly trained and adequately experienced in all facets of banking operation.

2.33 Internal Audit Process

Internal Audit Division as independent from the part of Management, is committed to standards of best professional practice on internal audit. The basic steps in the internal audit processes followed by the bank are stated below:

1) Audit Planning Process

The basic audit planning process consists of two phases: the assessment of business risk and the development of the annual plan. Assessing of business risk focuses on viz. (i) defining auditable units, (ii) defining the risk criteria, (iii) constructing the risk model and (iv) ranking the auditable units.

i) Defining Auditable units

Auditable units are defined as individual applications, business units, departments or offices each of these approaches either limits the scope of an audit project or broadens it beyond what can reasonably be managed.

ii) Defining the risk criteria

- The model is based on operational risk, exposure and controls. Each area is broken down into sub-categories as follows:

- Operational risk (people, systems, process, contractual, reputational and political)
- Exposure (financial, regulatory and customer);
- Controls (people, process, information systems and reporting).

The controls categories are further broken down into the following sub-categories viz. people, process and information systems.

iii) Constructing the Risk Model

The risk assessment and audit planning methodology is a structured approach to a subjective process. The risk assessment and planning model is the product of value judgments.

iv) Ranking the Auditable units

The risk profile spreadsheet computes a score for each auditable unit based on operational risk, exposure and control. This score is then converted into a ranking for each criterion as follows:



Operational Risk - high, medium, low
Exposure - high, medium, low
Control - high, medium, low

2) Developing Audit Programme

Once the annual plan is developed and approved, Audit Programme are developed for each audit to be undertaken. Audit Programme is to be reviewed prior to the start of each audit to determine if there have been any changes. The steps in developing an Audit Programme are: understand the operations, develop flowchart or narrative, review the process with the concerned staff and develop the Audit Programme.

3) Implementing the Annual Audit Plan

The department undertakes structured approach to accomplish the annual plan and the actual audit can be broken up into a number of stages stated below.

(i) Preparation stage

At this stage, the team leader ensures that all the necessary requirements for the audit are prepared and available and preliminary reviews and information gathering is undertaken.

(ii) Fieldwork

During the fieldwork the auditor gathers evidence in order to determine the status of operations and controls within a particular area. This evidence is the basis for the auditor's conclusions about a particular assignment.

(iii) Documentation or working paper

The working papers are evidence in support of the audit findings and opinion.

(iv) Audit Findings

Findings are pertinent statements of fact uncovered during the course of an audit and these are to be reported. The findings are reviewed by the Team leader and the Head of Audit prior to the final report being issued.

4) Reporting

The audit reports are submitted to the auditable units, senior management and to the Audit Committee of the Board. The audit reports contain findings which are of a critical nature and have a major impact on the organization. Other operational issues identified during the audit which are considered not to be of a material nature but are worth are reported through 'Management Report' to the Head of the Department/Office and Head of the area being audited.

5) Follow-up

Along with compliance functioning the internal audit people employ close follow up to ensure that appropriate and timely action has been taken on audit findings and recommendations. Internal Audit Department reports to the Audit Committee on the current status of outstanding findings and what action is being taken to resolve the issues.

6) External Audit

Internal audit uses the external audit reports and ensures that any issues raised by the external auditor have been followed up by management and whether corrective action has been taken in a timely manner.

2.34 Reporting period

The accounting period of the bank has been determined to be from 1 January to 31 December each year and is followed consistently.



2.35 Comparative Information

Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

The comparative figure for amortization of intangible assets has been taken off from the profit and loss account and shown in the statement of changes in Equity against the corresponding amount in the current year's financial statement as explained in note #18 to the financial statement.

2.36 Earnings per share (EPS)

2.36.01 Basic earnings per share

The Bank calculates Earnings per Share (EPS) in accordance with BAS 33 "Earnings per Share", which has been shown on the face of profit and loss account, and the computation of EPS is stated in Note 44.

2.36.02 Diluted earnings per share

No diluted earning per share is required to be calculated for the year as there was no scope for dilution during the year under review.

2.37 Approval of financial statements

The financial statements were approved by the Board of Directors on 28 April 2016.

2.38 General

- a) Figures have been rounded off to the nearest taka.
- b) Prior Year's figures have been shown for comparison purposes and rearranged wherever necessary to conform to current year's presentation.
- c) Conversion rate is calculated based on the simple average of buying and selling rate.



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
3.00	Cash						
	Cash in hand (Including foreign currencies)	3.01	5,854,843,846	6,866,617,665	5,854,843,846	6,866,617,665	
	Balance with Bangladesh Bank and its Agent Bank (Including foreign currencies)	3.02	64,622,782,824	46,515,456,480	64,622,782,824	46,515,456,480	
			70,477,626,670	53,382,074,145	70,477,626,670	53,382,074,145	
3.01	Cash In Hand(Including foreign currencies)						
	Local Currency		5,200,639,649	6,146,225,275	5,200,639,649	6,146,225,275	
	Foreign Currency		654,204,197	720,392,390	654,204,197	720,392,390	
			5,854,843,846	6,866,617,665	5,854,843,846	6,866,617,665	
3.02	Balance with Bangladesh Bank and its Agent Bank (Including foreign currencies)						
	Local Currency		60,576,071,571	45,163,674,881	60,576,071,571	45,163,674,881	
	Foreign Currency		4,046,711,253	1,351,781,599	4,046,711,253	1,351,781,599	
			64,622,782,824	46,515,456,480	64,622,782,824	46,515,456,480	
	Mode of Deposit with Bangladesh Bank						
	Statutory Deposit		64,622,782,824	46,515,456,480	64,622,782,824	46,515,456,480	
	Non Statutory Deposit		-	-	-	-	
			64,622,782,824	46,515,456,480	64,622,782,824	46,515,456,480	

(Details shown in Annexure-A)

3.03 Disclosures regarding maintenance of CRR & SLR

Cash Reserve Requirements (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the section 25 & 33 of the Bank Companies Act 1991 (Amended 2013) and subsequent MPD Circular No. 01, 23 June 2014.

The Cash Reserve Requirement (CRR) on the bank's time and demand liabilities at the rate of 6.5% has been calculated and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio (SLR), including CRR on the liabilities has also been maintained in the form of treasury bills, bonds and debentures including F.C. balance with Bangladesh Bank. Both the reserve maintained by the Bank are in excess of the statutory requirements, as shown below:

3.03.01 Cash Reserve Requirement (CRR)

As per MPD circular No. 1 dated 23 June 2014 of Bangladesh Bank (effective from 24 June 2014) refer to MPD circular No. 04 dated 1 December 2010, all scheduled Banks are required to maintain a CRR minimum 6% on daily basis based on weekly average demand and time liabilities of two months prior to current month (i.e. CRR of December 2015 will be based on weekly average balance of October 2015 as per BRPD circular no. 12 dated 6 September 1998) and minimum 6.5% on bi-weekly basis. However, SBL has been maintaining its CRR on bi-weekly basis.

	Amount in Taka	
	2015	2014
Average demand and time liabilities	771,960,000,000	666,195,384,615
Required Reserve	50,177,400,000	43,302,700,000
Reserve held with Bangladesh Bank* (Average)	59,679,600,000	43,869,270,000
Surplus/(Deficit)	9,502,200,000	566,570,000
Percentage	6.50%	7.73%
	1.23%	

*As per statement of Bangladesh Bank

*As Sonali Bank Limited is maintaining its CRR on bi-weekly basis, the bi-weekly basis balance of reserve held with Bangladesh bank was Taka 59,679,600,000 which indicates that the reserve held with Bangladesh Bank is not below the required reserve.

3.03.02 Statutory Liquidity Ratio (SLR) (including CRR)

Bangladesh Bank circular (MPD circular No. 02 dated 10 December 2013 and DOS circular No. 01 dated 19 January 2014) to maintain SLR separately at 13% effective from 01 February 2014. Sonali Bank Limited maintain SLR separately from the above date.

The Bank has to maintain Tk. 100,354,900,000 on by-weekly basis on December 2015 as SLR against which the bank maintained Tk. 397,772,900,000. As a result the surplus of SLR stood Tk. 297,418,000,000.

	Amount in Taka	
	2015	2014
Average demand and time liabilities	771,960,000,000	666,195,384,615
Required Reserve	100,354,900,000	86,605,400,000
Actual Reserve held with Bangladesh Bank	397,772,900,000	285,471,300,000
Surplus/(Deficit)	297,418,000,000	198,865,900,000
Percentage	13.00%	51.53%
	38.53%	
Grand Total of CRR & SLR		
Required Reserve	150,532,300,000	129,908,100,000
Actual Reserve held with Bangladesh Bank	457,452,500,000	329,340,570,000
Surplus/(Deficit)	306,920,200,000	199,432,470,000
Percentage	19.50%	59.26%
	39.76%	

3.03.02.1 Actual Reserve held as Statutory Liquidity Ratio (SLR)

Cash in hand
Excess of CRR
Balance with Bangladesh Bank and its agent bank(s)
Unencumbered approved securities (HFT)
Unencumbered approved securities (HTM)
Other Eligible Securities



	5,801,531,000	4,325,045,000
	10,427,444,000	-
	-	-
	201,331,604,000	113,053,082,000
	118,269,920,000	114,670,292,000
	61,942,401,000	53,422,881,000
	397,772,900,000	285,471,300,000

Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
4.00	Balance with Other Banks and Financial Institutions:						
	In Bangladesh	4.01	17,901,569,418	31,114,748,984	17,895,819,000	31,105,819,000	
	Outside Bangladesh	4.02	10,886,965,759	9,016,791,165	10,676,240,359	8,732,565,042	
			28,788,535,177	40,131,540,149	28,572,059,359	39,838,384,042	
4.01	Balance with other Banks and Financial Institutions						
	In Bangladesh :						
			Transaction Currency				
	Bank						
	Agrani Bank Ltd.	BDT	-	2,000,000,000	-	2,000,000,000	
	Anser VDP unnyan Bank	BDT	200,000,000	-	200,000,000	-	
	BASIC Bank	BDT	-	740,000,000	-	740,000,000	
	Bangladesh Development Bank Ltd.	BDT	-	2,000,000,000	-	2,000,000,000	
	ICB Islamic Bank Ltd.	BDT	145,819,000	145,819,000	145,819,000	145,819,000	
	National Bank of Pakistan	BDT	-	100,000,000	-	100,000,000	
	Modhumoti Bank Ltd.	BDT	1,000,000,000	-	1,000,000,000	-	
	Bangladesh Commerce Bank Ltd.	BDT	500,000,000	500,000,000	500,000,000	500,000,000	
	Farmers Bank Ltd.	BDT	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	
	City Bank Ltd.	BDT	-	2,000,000,000	-	2,000,000,000	
	AB bank Ltd.	BDT	-	2,100,000,000	-	2,100,000,000	
	One Bank Ltd.	BDT	-	2,000,000,000	-	2,000,000,000	
	Jamuna Bank Ltd.	BDT	-	1,250,000,000	-	1,250,000,000	
	IFIC Bank Ltd.	BDT	-	500,000,000	-	500,000,000	
	Standard Bank Ltd.	BDT	-	1,500,000,000	-	1,500,000,000	
	Mercantile Bank Ltd.	BDT	-	1,000,000,000	-	1,000,000,000	
	SBACBL	BDT	-	300,000,000	-	300,000,000	
	Rajshahi Krishi Unnyan Bank	BDT	-	1,000,000,000	-	1,000,000,000	
	SBL, Foreign Ex. Corp. Br.	BDT	14,851,606	61,727,779	-	-	
	Dhaka Bank Islamic Banking Br.	BDT	550,719	1,413,773	-	-	
	SBL Uttara Br.	BDT	2,204,543	2,089,218	-	-	
	UCBL, Bijoyagar Br.	BDT	5,199,699	7,516,212	-	-	
	SBL Mirpur Shilpa Elaka Br.	BDT	1,419,391	4,088,618	-	-	
	Sub Total		2,870,044,958	18,212,654,599	2,845,819,000	18,135,819,000	
	Non-Bank Financial Institutions						
	Bangladesh Industrial Finance Company Ltd.	BDT	200,000,000	200,000,000	200,000,000	200,000,000	
	Bangladesh Finance & Investment Company Ltd.	BDT	300,000,000	300,000,000	300,000,000	300,000,000	
	First Lease Finance & Investment Ltd.	BDT	-	200,000,000	-	200,000,000	
	FAS Finance & Investment Ltd.	BDT	600,000,000	200,000,000	600,000,000	200,000,000	
	Investment Corporation of Bangladesh	BDT	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000	
	GSP Finance Co. Ltd	BDT	150,000,000	150,000,000	150,000,000	150,000,000	
	People's Leasing & Financial Services Ltd.	BDT	880,000,000	730,000,000	880,000,000	730,000,000	
	Premier Leasing & Finance Ltd	BDT	380,000,000	300,000,000	380,000,000	300,000,000	
	Lanka Bangla Finance Ltd	BDT	500,000,000	-	500,000,000	-	
	Reliance Finance Ltd.	BDT	990,000,000	490,000,000	990,000,000	490,000,000	
	Fareast Finance & Investment Company Ltd.	BDT	600,000,000	-	600,000,000	-	
	First East Finance Investment Ltd.	BDT	450,000,000	400,000,000	450,000,000	400,000,000	
	Sub Total		15,050,000,000	12,970,000,000	15,050,000,000	12,970,000,000	
	Total		17,920,044,958	31,182,654,599	17,895,819,000	31,105,819,000	
	Less: Inter Company Balance Eliminated		18,475,540	67,905,615	-	-	
	Grand Total		17,901,569,418	31,114,748,984	17,895,819,000	31,105,819,000	
4.02	Balance Held with Foreign Banks (Outside Bangladesh)						
	Foreign Banks	4.02.01	9,860,704,540	8,143,682,904	9,860,704,540	8,143,682,904	
	Asian Clearing Union	4.02.02	210,320,139	189,239,888	210,320,139	189,239,888	
	Overseas Branches of Sonali Bank Ltd.	4.02.03	605,215,680	399,642,250	605,215,680	399,642,250	
	Sonali Exchange Co.,Inc		210,725,400	284,226,123	-	-	
			10,886,965,759	9,016,791,165	10,676,240,359	8,732,565,042	



4.02.01 Balance held with foreign bank

Sl. No.	Particulars	As at 31 December 2015			
		Foreign Currency	FC amount	Exchange rate	Amount in Taka
1	Sonali Bank (UK) Ltd. London	USD	78,272,103.61	78.50	6,140,989,594
2	Sonali Bank (UK) Ltd. London	GBP	18,834,971.31	116.29	2,190,390,614
3	Sonali Bank (UK) Ltd. London	EURO	1,477,230.51	85.82	126,770,309
4	Zaire Bank, London	GBP	276,433.40	116.29	32,146,412
5	Standard Chartered Bank, London	GBP	802,194.23	116.29	93,287,087
6	Mashreq Bnk N.Y	USD	1,206,369.57	78.50	94,700,011
7	City Bank N.Y.	USD	11,488,283.08	78.50	901,830,222
8	Net West Bank Plc, London	USD	50,478.14	78.50	3,962,534
9	Standard Chartered Bank, N.Y.	USD	2,293,903.34	78.50	180,071,412
10	J.P Margon Chase Bank, N.Y.	USD	104,235.84	78.50	8,390,985
11	Bank of America, N.Y.	USD	11,610.35	78.50	911,412
12	Rafediyen Bank, Iraq	USD	255,938.60	78.50	20,091,180
13	Habib American Bank, N.Y.	USD	6,584,012.33	78.50	516,844,968
14	Chase Chemical Bank	USD	693,634.15	78.50	54,450,281
15	Sonali Bank Kolkata Br.	ACD	9,474.50	78.50	743,748
16	Bangladesh Foreign Post Office (BFPO)	USD	2,257,506.50	78.50	177,214,260
17	Bank of Tokyo Ltd. Japan	J.YEAN	9,421,650.00	0.65	6,138,205
18	H.S.B.C Bank Australia	ACD	44,418.69	57.22	2,541,579
19	Dan Dansk DKK, Bank	DKK	15,269.75	11.50	175,595
20	Standard Chartered Bank, Japan	J.YEAN	1,382,346.00	0.65	900,598
21	Standard Chartered Bank, Singapore	SGD	66,583.40	55.50	3,695,152
22	Alraji Bank INV. Corp. Readh	SAR	1,116,945.78	20.92	23,365,836
23	Union Bank Of Switzerland	CHF	20,837.44	79.52	1,656,947
24	BHF Bank Germany	EURO	78,196.88	85.82	6,710,559
25	Bank Of Montreal, Canada	CAD	15,837.85	56.52	895,147
26	Standard Chartered Bank, Germany	EURO	166,638.17	85.82	14,300,260
27	Euno Creditor Italian Spa, Italy	EURO	1,466,345.49	85.82	125,836,198
Total Debit Balance (A)			138,413,448.91		10,729,011,106

Sl. No.	Particulars	As at 31 December 2015			
		Foreign Currency	FC amount	Exchange rate	Amount in Taka
1	Standard Chartered Bank, N.Y.	USD	931,307.72	78.50	73,107,656
2	Amex Bank N.Y	USD	23,704.98	78.50	1,860,841
3	J.P Margon Chase Bank, N.Y.	USD	5,329,391.35	78.50	418,357,221
4	Wells Fargo Bank NY	USD	73,952.67	78.50	5,805,284
5	H.S.B.C Bnak USA	USD	203,717.36	78.50	15,991,813
6	Commerz Bank Frankfurt, Germany	EURO	130,904.69	85.82	11,233,744
7	Standard Chartered Bank, Germany	EURO	3,166,783.36	85.82	271,761,314
8	Dhoa Bank, Qatar	USD	3,231.00	78.50	253,634
9	Net West Plc, London	GBP	19,300.09	116.29	2,244,406
10	Duech Bank Trust Co. NY	USD	862,301.34	78.50	67,690,655
Total Credit Balance (B)			10,744,594.56		868,306,566
Grand Total (A-B)			127,668,854.35		9,860,704,540

4.02.02 Balance Held with Asian Clearing Union (ACU)

Sl. No.	Particulars	As at 31 December 2015			
		Foreign Currency	FC amount	Exchange rate	Amount in Taka
1	Sonali Bank Ltd Kolkata	EURO	13,268.16	85.82	1,138,623
2	Myanmar Economic Bank	EURO	150,000.00	85.82	12,872,430
3	Myanmar Economic Bank	USD	200,000.00	78.50	15,700,000
4	Nepal Bank Ltd. Kathmandu, Nepal	USD	40,404.20	78.50	3,171,730
5	Myanmar Foreign Trade Bank	USD	291,386.49	78.50	22,873,839
6	Bank of Bhutan	USD	462,680.73	78.50	36,320,438
7	Habib Metropolitan Bank Ltd.	USD	905,346.58	78.50	71,069,707
8	Myanmar Investment & Com. Bank	USD	200,000.00	78.50	15,700,000
9	Standard Chartered Bank, Karachi	USD	5.48	78.59	431
10	Sonali Bank Ltd Kolkata	USD	319,052.37	78.50	25,045,611
11	Bank of Ceylon, Sri Lanka	USD	81,876.82	78.50	6,427,330
Total			2,664,020.83		210,320,139

4.02.03 Balance Held with Overseas Branches of Sonali Bank Limited

Sl. No.	Particulars	As at 31 December 2015			
		Foreign Currency	FC amount	Exchange rate	Amount in Taka
1	Overseas Branches (Kolkata & Siliguri)	IRS	512,286,847	1.1814	605,215,680
Total			512,286,847		605,215,680



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
4.03	Maturity Grouping of Balance with Other Banks & Financial Institutions						
	On Demand		10,160,704,540	8,732,565,042	10,160,704,540	8,732,565,042	
	Less than three months		12,490,320,139	28,090,000,000	12,490,320,139	28,090,000,000	
	More than three months but less than one year		5,775,215,680	2,870,000,000	5,775,215,680	2,870,000,000	
	More than one year but less than five years		145,819,000	145,819,000	145,819,000	145,819,000	
	More than five years		216,475,818	293,156,107	-	-	
			28,788,535,177	40,131,540,149	28,572,059,359	39,838,384,042	
5.00	Money at Call on Short Notice						
	In Bangladesh	5.01	4,427,200,000	9,140,000,000	4,427,200,000	9,140,000,000	
	Outside Bangladesh	5.02	94,512,000	85,582,000	94,512,000	85,582,000	
			4,521,712,000	9,225,582,000	4,521,712,000	9,225,582,000	
5.01	In Bangladesh						
	Bank						
	Oriental Bank(ICB Islamic)		177,200,000	180,000,000	177,200,000	180,000,000	
	Commerce Bank of Ceylon		-	500,000,000	-	500,000,000	
	Eastern Bank Ltd		-	100,000,000	-	100,000,000	
	Pubali Bank Ltd.		-	800,000,000	-	800,000,000	
	AB Bank Ltd		290,000,000	-	290,000,000	-	
	Midland Bank Ltd		-	100,000,000	-	100,000,000	
	Brac Bank Ltd.		310,000,000	-	310,000,000	-	
	One Bank Ltd		-	800,000,000	-	800,000,000	
	Standard Bank Ltd.		-	500,000,000	-	500,000,000	
	Jamuna Bank Ltd.		-	250,000,000	-	250,000,000	
	City Bank		-	3,000,000,000	-	3,000,000,000	
	Sub Total		777,200,000	6,230,000,000	777,200,000	6,230,000,000	
	Non-Bank Financial Institutions						
	DBH		80,000,000	150,000,000	80,000,000	150,000,000	
	BFIC		160,000,000	-	160,000,000	-	
	First Finance Ltd.		140,000,000	-	140,000,000	-	
	ICB		2,900,000,000	2,600,000,000	2,900,000,000	2,600,000,000	
	Lanka Bangla Finance		50,000,000	-	50,000,000	-	
	Phoenix Finance		170,000,000	-	170,000,000	-	
	People Leasing		150,000,000	-	150,000,000	-	
	BD Finance Ltd.		-	160,000,000	-	160,000,000	
	Sub Total		3,650,000,000	2,910,000,000	3,650,000,000	2,910,000,000	
	Grand Total		4,427,200,000	9,140,000,000	4,427,200,000	9,140,000,000	
5.02	Outside Bangladesh						
	Kolkata & Shiliguri Branch of Sonali Bank Limited		94,512,000	85,582,000	94,512,000	85,582,000	
6.00	Investments						
	Government Securities	6.01	381,600,397,662	300,775,983,800	381,600,397,662	300,775,983,800	
	Other Investments	6.02	26,829,684,777	22,247,461,373	26,355,077,122	21,950,942,951	
	Total		408,430,082,439	323,023,445,173	407,955,474,784	322,726,926,751	
6.01	Government Securities (considered as SLR)						
	Treasury bills-Primary	6.01.01	126,015,844,363	79,355,903,279	126,015,844,363	79,355,903,279	
	Government Notes/Bonds/other securities	6.01.02	251,447,965,870	200,498,187,543	251,447,965,870	200,498,187,543	
	Prize Bond		102,078,300	115,501,476	102,078,300	115,501,476	
	ICB Share		913,424,500	175,027,500	913,424,500	175,027,500	
	Debentures Public		5,147,900	75,147,900	5,147,900	75,147,900	
	Reverse -Repo		3,115,936,729	20,556,216,102	3,115,936,729	20,556,216,102	
			381,600,397,662	300,775,983,800	381,600,397,662	300,775,983,800	
6.01.01	Treasury Bills-primary						
	28 days Treasury Bills		-	-	-	-	
	91 days Treasury Bills		16,894,720,183	42,558,922,684	16,894,720,183	42,558,922,684	
	182 days Treasury Bills		23,304,463,905	5,508,828,981	23,304,463,905	5,508,828,981	
	364 days Treasury Bills		13,915,404,275	-	13,915,404,275	-	
	5 year Treasury Bills		71,901,256,000	31,288,151,614	71,901,256,000	31,288,151,614	
	30 days Bangladesh Bank Bill		-	-	-	-	
			126,015,844,363	79,355,903,279	126,015,844,363	79,355,903,279	
6.01.02	Government Notes/Bonds/other securities						
	2 years Bangladesh Government treasury bond (BGTB)		21,232,792,548	18,839,834,947	21,232,792,548	18,839,834,947	
	5 years Bangladesh Government treasury bond (BGTB)		72,404,566,063	53,667,355,833	72,404,566,063	53,667,355,833	
	10 years Bangladesh Govt. Treasury Bond(BGTB)		56,631,830,471	45,745,407,919	56,631,830,471	45,745,407,919	
	15 years Bangladesh Govt. Treasury Bond		18,165,349,005	10,677,473,491	18,165,349,005	10,677,473,491	
	20 Years Government treasury bond		21,989,598,783	9,381,482,353	21,989,598,783	9,381,482,353	
	25 Years SPL treasury bond		434,129,000	596,933,000	434,129,000	596,933,000	
	1-13 years Treasury Bond (BJMC)		6,425,000,000	6,425,000,000	6,425,000,000	6,425,000,000	
	5-15 years BPC treasury Bond		54,164,700,000	55,164,700,000	54,164,700,000	55,164,700,000	
			251,447,965,870	200,498,187,543	251,447,965,870	200,498,187,543	



Notes	Particulars	Ref. Note	Amount in Taka					
			Consolidated		Bank			
			2015	2014	2015	2014		
6.01.03	Investment in Government securities classified as per Bangladesh Bank's DOS circular No. 05 date 26 May 2008 and DOS circular No. 05 date 28 January 2009.							
	Held to Maturity (HTM)		179,300,254,976	176,932,372,408	179,300,254,976	176,932,372,408		
	Held for Trading (HFT)	6.01.03a	202,198,064,386	123,728,109,916	202,198,064,386	123,728,109,916		
			381,498,319,362	300,660,482,324	381,498,319,362	300,660,482,324		

6.01.03a As per Bangladesh Bank Instruction, ICB share has been kept out of portfolio Investment and categorised as HFT component.
Details in Annexure-A

6.02 Other Investments:

Ordinary Share	6.02.01	10,983,934,640	13,275,061,272	10,509,326,985	12,978,542,850
Sonali Bank UK Limited		1,492,259,619	1,549,024,894	1,492,259,619	1,549,024,894
Debentures of private sectors		51,796,225	51,921,225	51,796,225	51,921,225
Security Deposit with Central Bank of India		9,126,664	9,163,571	9,126,664	9,163,571
Investment in foreign currency		3,532,500,000	3,507,750,000	3,532,500,000	3,507,750,000
Private Bond	6.02.02	10,639,900,000	3,738,000,000	10,639,900,000	3,738,000,000
Sonali Polaries FT Ltd.		26,250,000	29,250,000	26,250,000	29,250,000
		26,735,767,148	22,160,170,962	26,261,159,493	21,863,652,540
Outside Bangladesh (Overseas Branches)		93,917,629	87,290,411	93,917,629	87,290,411
Total Other Investments		26,829,684,777	22,247,461,373	26,355,077,122	21,950,942,951

6.02.01 Ordinary Shares

Quoted-Fully paid-up-ordinary share*	4,787,206,945	4,674,090,704	4,787,206,945	4,674,090,704
Unquoted-Fully paid-up-ordinary share	5,722,120,040	5,789,620,040	5,722,120,040	5,789,620,040
Sonali Investment limited	474,607,655	296,518,422	-	-
Share Revaluation	-	2,689,859,606	-	2,689,859,606
	10,983,934,640	13,450,088,772	10,509,326,985	13,153,570,350

* Investment in quoted shares has been considered at fair value as on the reporting date. As per Bangladesh Bank DOS circular No. 04 dated 24 November 2011, provisions for diminution value of shares will be made on the difference of average cost and market price. During the year average market price is lower than cost price. So provision had been made as of 31 December 2015 as per Bangladesh Bank approval.

Investment in Shares & Bond

Particulars	Number of Company	Market Price 2015	Cost Price	
			2015	2014
Listed Securities	85	3,027,197,297	4,787,206,945	4,674,090,704
Non-Listed Securities	14	5,722,120,040	5,722,120,040	5,789,620,040
Total	99	8,749,317,337	10,509,326,985	10,463,710,744

Sector wise investment

Listed securities

Sector	Number of Company	Market Price 2015	Cost Price	
			2015	2014
Bank and NBFI	44	1,871,063,902	3,048,403,329	2,966,211,660
Insurance Companies	5	24,427,824	110,892,579	110,885,104
Fuel and Power Co.	8	248,514,368	443,936,508	396,154,586
Manufacturing & Other	28	883,191,203	1,183,974,530	1,200,839,354
Total	85	3,027,197,297	4,787,206,945	4,674,090,704

Non-Listed Securities

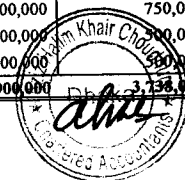
Sector	Number of Company	Market Price 2015	Cost Price	
			2015	2014
Bank and NBFI	5	405,694,040	405,694,040	536,179,940
Manufacturing	3	10,440,100	10,440,100	10,440,100
Others	6	5,305,985,900	5,305,985,900	5,243,000,000
Total	14	5,722,120,040	5,722,120,040	5,789,620,040

The unlisted investments are shown at cost because the fair value cannot be measured reliably

Detail Shown in Annexure-F

6.02.02 Private bond (5 Years)

Prime Bank Ltd. Bond	710,000,000	210,000,000	710,000,000	210,000,000
Eastern Bank Bond	500,000,000	-	500,000,000	-
Bank Asia Bond	500,000,000	-	500,000,000	-
MTBL Bond	1,187,500,000	250,000,000	1,187,500,000	250,000,000
Jumuna Bank Bond	1,000,000,000	-	1,000,000,000	-
UCBL Bank Bond	1,000,000,000	-	1,000,000,000	-
SIBL Bank Bond	500,000,000	-	500,000,000	-
Standard Bank Bond	800,000,000	-	800,000,000	-
NBL Bond	102,400,000	128,000,000	102,400,000	128,000,000
DBL Bond	140,000,000	200,000,000	140,000,000	200,000,000
TBL Bond	1,150,000,000	1,200,000,000	1,150,000,000	1,200,000,000
Southeast Bank Bond	750,000,000	750,000,000	750,000,000	750,000,000
AB Bank Bond	1,500,000,000	500,000,000	1,500,000,000	500,000,000
Premier Bank Bond	800,000,000	500,000,000	800,000,000	500,000,000
	10,639,900,000	3,738,000,000	10,639,900,000	3,738,000,000



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
6.03	Classification of Statutory and Non-statutory Investment						
	Statutory Investment Portfolio	6.03.01	381,498,319,362	300,660,482,324	381,498,319,362	300,660,482,324	
	Non-Statutory Investment Portfolio	6.03.02	26,931,763,077	22,362,962,849	26,457,155,422	22,066,444,427	
			408,430,082,439	323,023,445,173	407,955,474,784	322,726,926,751	
6.03.01	Statutory Investment Portfolio						
	Held to Maturity (HTM)		179,300,254,976	176,932,372,408	179,300,254,976	176,932,372,408	
	Held for Trading (HFT)		202,198,064,386	123,728,109,916	202,198,064,386	123,728,109,916	
			381,498,319,362	300,660,482,324	381,498,319,362	300,660,482,324	
6.03.02	Non-Statutory Investment Portfolio						
	Ordinary Share	6.02.01	10,983,934,640	13,275,061,272	10,509,326,985	12,978,542,850	
	Sonali Bank UK Limited		1,492,259,619	1,549,024,894	1,492,259,619	1,549,024,894	
	Debentures of private sectors		51,796,225	51,921,225	51,796,225	51,921,225	
	Security Deposit with Central Bank of India		9,126,664	9,163,571	9,126,664	9,163,571	
	Investment in foreign currency		3,532,500,000	3,507,750,000	3,532,500,000	3,507,750,000	
	Private Bond	6.02.02	10,639,900,000	3,738,000,000	10,639,900,000	3,738,000,000	
	Sonali Polaries FT Ltd.		26,250,000	29,250,000	26,250,000	29,250,000	
	Outside Bangladesh (Overseas Branches)		93,917,629	87,290,411	93,917,629	87,290,411	
	Prize Bond		102,078,300	115,501,476	102,078,300	115,501,476	
			26,931,763,077	22,362,962,849	26,457,155,422	22,066,444,427	
6.04	Maturity grouping of Investments as follows :						
	On demand		3,218,015,029	20,556,216,102	3,218,015,029	20,556,216,102	
	Less than three months		113,280,876,184	53,960,000,000	113,280,876,184	53,960,000,000	
	More than three months but less than one year		36,541,392,680	36,176,095,166	36,541,392,680	36,176,095,166	
	More than one year but less than five years		122,302,949,364	97,902,519,125	122,302,949,364	97,902,519,125	
	Above five years		133,086,849,182	114,428,614,780	132,612,241,527	114,132,096,358	
			408,430,082,439	323,023,445,173	407,955,474,784	322,726,926,751	
7.00	Loans and advances						
	Loans, cash credits and overdrafts	7.03	337,395,991,893	325,316,333,005	335,298,299,782	323,104,662,556	
	Bills purchased and discounted	7.04	11,048,041,085	14,449,770,587	11,048,041,085	14,449,770,587	
			348,444,032,978	339,766,103,592	346,346,340,867	337,554,433,143	
7.01	Maturity Grouping of Loans and Advances						
	Loans and advances are repayable:						
	Repayable on demand		21,851,477,190	47,393,855,183	21,851,477,190	47,393,855,183	
	Not more than 3 months		4,691,117,713	3,610,310,513	4,691,117,713	3,610,310,513	
	More than 3 months but not more than 1 year		11,392,026,640	10,305,631,739	11,392,026,640	10,305,631,739	
	More than 1 year but not more than 5 years		143,808,508,252	132,207,580,862	143,808,508,252	132,207,580,862	
	More than 5 years		166,700,903,183	146,248,725,295	164,603,211,072	144,037,054,846	
			348,444,032,978	339,766,103,592	346,346,340,867	337,554,433,143	
7.02	Loans and Advances (In and outside Bangladesh) including bills purchased and discounted						
	In Bangladesh	7.02.01	348,122,812,681	337,861,913,693	346,025,120,570	337,262,359,254	
	Outside Bangladesh	7.02.02	321,220,297	292,073,889	321,220,297	292,073,889	
			348,444,032,978	338,153,987,582	346,346,340,867	337,554,433,143	
7.02.01	In Bangladesh						
	Loan		285,849,336,391	269,073,312,139	285,849,336,391	269,073,312,139	
	Cash Credit		31,171,186,508	37,031,603,404	31,171,186,508	37,031,603,404	
	Overdraft		17,819,386,910	16,872,306,437	18,124,386,910	16,872,306,437	
	Portfolio Loan to Investors		2,402,692,111	2,471,670,449	-	-	
	Bills purchased and discounted		10,880,210,761	12,413,021,264	10,880,210,761	14,285,137,274	
			348,122,812,681	337,861,913,693	346,025,120,570	337,262,359,254	
7.02.02	Outside Bangladesh						
	Loan		38,070,318	127,440,576	38,070,318	127,440,576	
	Cash Credit		8,193,103	-	8,193,103	-	
	Overdraft		107,126,552	-	107,126,552	-	
	Bills purchased and discounted		167,830,324	164,633,313	167,830,324	164,633,313	
			321,220,297	292,073,889	321,220,297	292,073,889	
7.03	Loans, cash credits and overdrafts						
	Loan	7.03.01	285,887,406,709	269,103,086,296	285,887,406,709	269,103,086,296	
	Cash Credit	7.03.02	31,179,379,611	37,033,464,218	31,179,379,611	37,033,464,218	
	Overdraft	7.03.03	17,926,513,462	16,708,112,042	18,231,513,462	16,968,112,042	
	Portfolio Loan to Investors	7.03.04	2,402,692,111	2,471,670,449	-	-	
			337,395,991,893	325,316,333,005	335,298,299,782	323,104,662,556	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
7.03.01	Head-wise Loans, Cash Credits and Overdrafts:						
	Inside Bangladesh:						
	Loans						
	Demand Loan		3,258,929,607	3,060,699,760	3,258,929,607	3,060,699,760	
	Small Loan		210,801,216	418,183,459	210,801,216	418,183,459	
	House Building Loan (General)		644,454,520	685,757,212	644,454,520	685,757,212	
	Staff Loan	7.03.01.1	51,484,263,872	48,217,872,881	51,484,263,872	48,217,872,881	
	Special Small Loan Program		439,495,483	635,529,829	439,495,483	635,529,829	
	Loan Under S.B Industrial Credit Scheme(Project)		33,632,296,575	31,176,311,748	33,632,296,575	31,176,311,748	
	Loan under External Credit Program		89,945,583	95,848,329	89,945,583	95,848,329	
	Working Capital to Industries. (Hypo)		26,291,087,503	22,238,509,901	26,291,087,503	22,238,509,901	
	Working Capital to Industries.(Pledge)		1,576,573,571	2,151,164,905	1,576,573,571	2,151,164,905	
	Sonali credit		40,822,609	39,020,985	40,822,609	39,020,985	
	Loan under SB Agro Based Industrial Cr.Scheme		9,869,763,662	8,666,908,085	9,869,763,662	8,666,908,085	
	Working Capital to Agro based Ind. (Hypo)		11,021,388,661	10,697,410,017	11,021,388,661	10,697,410,017	
	Working Capital to Agro based Ind..(Pledge)		6,631,705,352	6,283,475,414	6,631,705,352	6,283,475,414	
	Agricultural Loan		39,039,795,786	34,920,801,471	39,039,795,786	34,920,801,471	
	Micro Credit (SFL Scheme plus RSTL Scheme)		11,913,590,607	11,352,823,476	11,913,590,607	11,352,823,476	
	Loan under Imported Merchandise(LIM)		2,004,801,193	2,039,690,740	2,004,801,193	2,039,690,740	
	Loan against Trust Receipt		32,288,959,588	37,570,510,565	32,288,959,588	37,570,510,565	
	Forced Loan against Back to Back L/C		24,786,406,620	23,953,745,195	24,786,406,620	23,953,745,195	
	Loan for L/C under WES.		136,339	87,349,592	136,339	87,349,592	
	Loan against Inland Bills		1,698,171,170	1,737,528,293	1,698,171,170	1,737,528,293	
	Current Account Barter (Debit Balance)		932,606,463	932,606,462	932,606,463	932,606,462	
	Bridge Finance		3,013,486,845	2,807,331,595	3,013,486,845	2,807,331,595	
	Small Business Loan		959,176,358	781,985,361	959,176,358	781,985,361	
	Lease Finance		123,452,604	117,232,963	123,452,604	117,232,963	
	Probasi Karmo Sangsthan Prokalpa		23,369,814	-	23,369,814	-	
	Consumer Loan		9,176,220,264	6,229,930,616	9,176,220,264	6,229,930,616	
	Term Loan to Freedom Fighter		74,205,988	83,039,816	74,205,988	83,039,816	
	Education Loan		18,525,875	27,025,082	18,525,875	27,025,082	
	Foreign Education Loan Program		2,068,332	2,858,892	2,068,332	2,858,892	
	SME Finance(Term Loan to Service)		711,389,821	539,151,260	711,389,821	539,151,260	
	SME Finance(Term Loan Industries)		320,729,603	490,375,586	320,729,603	490,375,586	
	SME Finance(Working Capital to Ind.Ser.Tre.)		13,570,714,907	11,032,632,649	13,570,714,907	11,032,632,649	
			285,849,336,391	269,073,312,139	285,849,336,391	269,073,312,139	
	Outside Bangladesh:						
	Loan						
	Demand Loan		20,886,714	18,521,449	20,886,714	18,521,449	
	Small Loan		-	1,624,496	-	1,624,496	
	House Building Loan		17,183,604	9,628,212	17,183,604	9,628,212	
			38,070,318	29,774,157	38,070,318	29,774,157	
	Total Loans		285,887,406,709	269,103,086,296	285,887,406,709	269,103,086,296	
7.03.01.1	Staff Loan						
	Staff House Building Loan		48,750,818,519	45,768,424,647	48,750,818,519	45,768,424,647	
	Staff Loan		2,733,445,353	2,449,448,234	2,733,445,353	2,449,448,234	
			51,484,263,872	48,217,872,881	51,484,263,872	48,217,872,881	
7.03.02	Cash Credits:						
	In Bangladesh						
	Cash Credit General (Hypo)		15,028,421,396	21,065,055,914	15,028,421,396	21,065,055,914	
	Cash Credit General (Pledge)		11,257,148,051	10,659,368,662	11,257,148,051	10,659,368,662	
	Packing Cash Credit		4,885,617,061	5,307,178,828	4,885,617,061	5,307,178,828	
			31,171,186,508	37,031,603,404	31,171,186,508	37,031,603,404	
	Outside Bangladesh:						
	Cash Credit		8,193,103	1,860,814	8,193,103	1,860,814	
	Total Cash Credit		31,179,379,611	37,033,464,218	31,179,379,611	37,033,464,218	
7.03.03	Overdrafts etc.:						
	Overdraft Loan (In Bangladesh)		17,819,386,910	16,612,306,437	17,819,386,910	16,612,306,437	
			17,819,386,910	16,612,306,437	17,819,386,910	16,612,306,437	
	Overdraft Loan (Outside Bangladesh)		107,126,552	95,805,605	107,126,552	95,805,605	
	Total Overdrafts etc.		17,926,513,462	16,708,112,042	18,231,513,462	16,968,112,042	
7.03.04	Portfolio Loan to Investors						
	Opening balance		2,471,670,449	2,467,270,240	-	-	
	Add: Charged apply duuring the year		47,743,329	118,014,982	-	-	
	Add: Loan disbursed during the year		852,696,414	2,297,585,974	-	-	
	Less: Loan recovered during the year		(969,418,081)	(2,411,200,747)	-	-	
	Total Portfolio Loan to Investors		2,402,692,111	2,471,670,449	-	-	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
7.04	Bills Purchased and Discounted (excluding treasury bills)						
	Payable inside Bangladesh		9,345,610,957	12,413,021,264	9,345,610,957	12,413,021,264	
	Payable outside Bangladesh		1,702,430,128	2,036,749,323	1,702,430,128	2,036,749,323	
			11,048,041,085	14,449,770,587	11,048,041,085	14,449,770,587	

7.04.01 Bill Discounted and Purchased

In Bangladesh

Payment against Documents (PAD)

Inland Bills Purchased

Foreign Bills Purchased/Negotiated (Clean)

Foreign Bills Purchased/Negotiated (Documents)

7,005,701,025	9,269,795,639	7,005,701,025	9,269,795,639
2,339,909,932	3,143,225,625	2,339,909,932	3,143,225,625
97,707,753	452,231,247	97,707,753	452,231,247
1,436,892,051	1,419,884,763	1,436,892,051	1,419,884,763
10,880,210,761	14,285,137,274	10,880,210,761	14,285,137,274

Outside Bangladesh

Bill Purchased /Negotiated (Documents)

167,830,324	164,633,313	167,830,324	164,633,313
11,048,041,085	14,449,770,587	11,048,041,085	14,449,770,587

7.04.02 Maturity grouping bills

Bills purchased and discounted

Not more than 1 Month

More than 1 month but not more than 3 Months

More than 3 months but not more than 6 Months

More than 6 Months

6,722,065,295	6,364,010,954	6,722,065,295	6,364,010,954
933,960,441	2,860,568,226	933,960,441	2,860,568,226
1,538,998,189	4,927,029,360	1,538,998,189	4,927,029,360
1,853,017,160	298,162,047	1,853,017,160	298,162,047
11,048,041,085	14,449,770,587	11,048,041,085	14,449,770,587

7.05 Net Performing loans and advances / Investments

Gross loans and advances / investments

Non-performing loans and advances / investments

348,749,032,978	338,153,987,582	346,346,340,867	337,554,433,143
(81,160,539,872)	(86,436,640,000)	(81,160,539,872)	(86,436,640,000)
267,588,493,106	251,717,347,582	265,185,800,995	251,117,793,143

7.06 Loans and advances / Investments on the basis of significant concentration excluding bills purchased and discounted

Advances to allied concerns of directors

Advances to Chief Executive and other Senior Executives

Advances to the Customers Group (Amounting more than 10 % of bank's total Capital)

Other Customers

Advance to Staff

-	-	-	-
16,190,165	30,111,056	16,190,165	30,111,056
253,917,600,000	241,764,923,101	253,917,600,000	241,764,923,101
29,896,435,910	33,121,866,574	29,896,435,910	33,121,866,574
51,468,073,707	48,187,761,825	51,468,073,707	48,187,761,825
335,298,299,782	323,104,662,556	335,298,299,782	323,104,662,556

7.07 Number of clients, with amount of outstanding and classified loans to whom loans and advances sanctioned more than 10% of total capital

Disclosures on Large loan i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under.

No. of Client

13	8
----	---

Total Capital

10% of total capital

39,743,976,310	49,791,577,287
3,974,397,631	4,979,157,729

Measures taken for recovery of Classified Loan

Bank as a whole takes following steps to recover its classified loans and advances

a) Sending letters and remind to customers.

b) Recovery cell including top management level holds discussion with the clients to recover the loans.

c) Maintaining special recovery arrangement through loan fair, client gathering, recovery campaign, etc.

d) Legal proceedings and quick settlement.

e) Providing incentives to employee for cash recovery from classified and written-off loans.

7.07(a) During the year 2015, there are large amount of outstanding and classified loans, to whom loans and advances sanctioned more than 10% of total capital of the bank.

Summary of Borrower are shown below :

Name of the Borrower	Outstanding amount	Classified amount	Classification status	% of Total Loan
Beximco Group	14,842,800,000	2,723,800,000	UC + SMA	4.43
Hallmark Group	20,902,300,000	16,579,700,000	BL + UC	6.23
T & Brothers	6,900,300,000	4,705,100,000	UC+BL	2.06
Thermax Group	7,387,000,000	-	UC	2.20
RSRM Group	4,614,300,000	3,721,400,000	UC+SMA+SS+BL	1.38
Directorate General Defence Purchase	56,387,000,000	-	UC	16.82
Bangladesh Chemical Ind. Corporation (BCIC)	23,766,600,000	710,100,000	UC+BL	7.09
Bangladesh Agricultural Development Corporation (BADC)	13,139,700,000	-	UC	3.92
Bangladesh Power Development Board	43,257,800,000	-	UC	12.90
Bangladesh Atomic Energy Commission (Rooppur Nuclear Power Plant)	30,016,000,000	-	UC	8.95
North-West Power Generation Company Ltd	15,000,000,000	-	UC	4.47
Bangladesh sugar and Food Ind. Corporatic	10,650,400,000	-	UC	3.18
Electricity Generation Company of Bangladesh Ltd	7,053,400,000	-	UC	2.10
Total	253,917,600,000	28,440,100,000		75.73



7.07(b) Details about the Group / Single Borrower

Name of the Borrower	Amount in Taka			Status of Loan
	Funded Loan	Non Funded Loan	Total Loan	
2015				
A. Group Borrower				
Beximco Group				
Beximco Ltd.	14,067,200,000	-	14,067,200,000	BL Tk. 272.38cr & SMA Tk. 1134.34cr
Beximco Synthetics Ltd.	762,000,000	13,600,000	775,600,000	UC
	14,829,200,000	13,600,000	14,842,800,000	
Hall Mark Group				
Hall Mark Fashion Ltd	3,431,800,000	4,321,600,000	7,753,400,000	UC Tk. 432.16cr & BL Tk. 343.18cr
Max Spinning Mills Ltd	5,256,000,000	-	5,256,000,000	BLW
Anowara Spinning Mills Ltd.	4,743,700,000	-	4,743,700,000	BLW
Hall Mark Design Wear Limited	723,700,000	-	723,700,000	BL
Hall Mark Spinning Mills Ltd.	724,200,000	1,000,000	725,200,000	BL Tk. 72.42cr & UC Tk. 0.10cr
Wall Mart Fashion Ltd.	1,700,300,000	-	1,700,300,000	BLW
	16,579,700,000	4,322,600,000	20,902,300,000	
T & Brothers Group				
T & Brothers Knit Composit Ltd.	2,128,200,000	1,664,200,000	3,792,400,000	BL Tk. 212.82cr & UC Tk. 166.42cr
Dress Me Fashions Ltd.	1,351,300,000	-	1,351,300,000	BL Tk. 82.03cr & UC Tk. 53.10cr
Exper Take Ltd.	1,756,600,000	-	1,756,600,000	BL
	5,236,100,000	1,664,200,000	6,900,300,000	
Thermex Group				
Thermex Check Fabrics Ltd	1,957,600,000	28,700,000	1,986,300,000	UC
Thermex Mellange Spinning Mills Ltd	1,518,700,000	-	1,518,700,000	UC
Thermex Knit Yam Ltd	1,159,100,000	63,000,000	1,222,100,000	UC
Thermax Blended Yam Ltd	179,000,000	-	179,000,000	UC
Thermax Textile Mills Ltd	248,500,000	-	248,500,000	UC
Indigo Spinning Ltd	887,900,000	50,500,000	938,400,000	UC
Thermex Spinning Ltd. (Unit-2)	1,294,000,000	-	1,294,000,000	UC
	7,244,800,000	142,200,000	7,387,000,000	
RSRM Group				
Modern Steel Mills Ltd	3,062,900,000	-	3,062,900,000	SMA
Ratanpur Steel Re-Rolling Mills Ltd.	1,551,400,000	-	1,551,400,000	SS Tk. 4.89cr, BL Tk. 20.96cr & UC Tk. 89.29cr
	4,614,300,000	-	4,614,300,000	
Bangladesh Chemical Industries Corporaton				
BCIC	15,940,300,000	7,116,200,000	23,056,500,000	UC
Khulna Newsprint Mills Ltd	710,100,000	-	710,100,000	BLW
	16,650,400,000	7,116,200,000	23,766,600,000	
	65,154,500,000	13,258,800,000	78,413,300,000	
Sub Total				
B. Single Borrower				
Directorate General Defence Purchase	-	56,387,000,000	56,387,000,000	UC
Bangladesh Agricultural Developmet Corp. (BADC)	10,336,500,000	2,803,200,000	13,139,700,000	UC
Bangladesh Power Development Board	-	43,257,800,000	43,257,800,000	UC
Bangladesh Atomic Energy Commission (Rooppur Nuclear Power Plant)	-	30,016,000,000	30,016,000,000	UC
North-West Power Generation Company Ltd	-	15,000,000,000	15,000,000,000	UC
Bangladesh Sugar & Food Ind. Corp. (BSFIC)	10,650,400,000	-	10,650,400,000	UC
Electricity Generation Company of Bangladesh Ltd	-	7,053,400,000	7,053,400,000	UC
	20,986,900,000	154,517,400,000	175,504,300,000	
	86,141,400,000	167,776,200,000	253,917,600,000	
C. Grand Total (A+B)				



7.08 Geographical Area-wise Loans and Advances

	No. of Branches
In Bangladesh	
Urban	643
Rural	563
Sub Total	1206
Outside Bangladesh	
Overseas	2
Total	1208

7.08.01

Amount in Taka		% of Total Loan	
2015	2014	2015	2014
295,974,516,255	265,069,270,107	85.46	78.526
50,050,604,315	72,193,089,147	14.45	21.387
346,025,120,570	337,262,359,254	99.907	99.913
321,220,297	292,073,889	0.093	0.087
346,346,340,867	337,554,433,143	100	100

7.08.02

Head office is included in Urban

7.08.01 In Bangladesh (GM's office & District wise)

	No. of Branches
Barisal GM's Office	
Barisal	36
Patuakhali	18
Bhola	10
Pirojpur	10
Sub Total	74

Chittagong GM's Office

Chittagong North	27
Chittagong South	27
Rangamati	23
Bandarban	7
Cox's Bazar	10
Patiya	13
Sub Total	107

Comilla GM's Office

Brahmanbaria	24
Chadpur	20
Comilla	35
Feni	17
Noakhali	28
Laxmipur	12
Sub Total	136

Dhaka GM's Office

Dhaka Corp.	125
Gazipur	22
Munshiganj	17
Narayanganj	19
Narsingdi	20
Manikganj	11
Sub Total	214

Faridpur GM's Office

Chuadanga	19
Faridpur	23
Kushtia	22
Madaripur	17
Gopalganj	12
Rajbari	12
Sub Total	105

Khulna GM's Office

Jessore	35
Jhenaidah	23
Khulna	23
Satkhira	17
Bagerhat	14
Narail	11
Sub Total	123

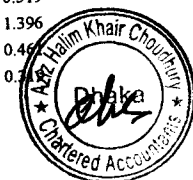
Mymensingh GM's Office

Jamalpur	19
Kishoregonj	17
Mymensingh	25
Tangail	30
Netrokona	13
Sherpur	9
Sub Total	113

Rajshahi GM's Office

Bogra	32
Naogaon	19
Pabna	18
Rajshahi	23
Sirajganj	21
Chapai Nawabganj	8

3,182,100,000	2,964,159,254	0.919	0.878
2,533,000,000	2,357,700,000	0.731	0.698
701,200,000	651,100,000	0.202	0.193
881,700,000	764,500,000	0.255	0.226
7,298,000,000	6,737,459,254	2.107	1.996
13,418,200,000	13,739,700,000	3.874	4.070
1,343,900,000	1,278,300,000	0.388	0.379
1,479,500,000	1,304,000,000	0.427	0.386
474,000,000	412,000,000	0.137	0.122
1,984,600,000	1,895,400,000	0.573	0.562
779,997,985	750,900,000	0.225	0.222
19,480,197,985	19,380,300,000	5.624	5.741
1,452,000,000	1,244,600,000	0.419	0.369
1,450,500,000	1,422,400,000	0.419	0.421
3,726,900,000	3,436,800,000	1.076	1.018
1,297,600,000	1,220,400,000	0.375	0.362
2,711,600,000	2,578,200,000	0.783	0.764
1,757,200,000	1,631,900,000	0.507	0.483
12,395,800,000	11,534,300,000	3.579	3.417
176,807,020,570	188,563,800,000	51.049	55.862
2,176,700,000	2,044,600,000	0.628	0.606
1,385,500,000	1,351,000,000	0.400	0.400
10,588,500,000	2,654,200,000	3.057	0.786
1,937,800,000	1,712,000,000	0.559	0.507
1,018,200,000	898,200,000	0.294	0.266
193,913,720,570	197,223,800,000	55.988	58.427
2,078,400,000	1,756,800,000	0.600	0.520
4,480,900,000	4,070,100,000	1.294	1.206
3,150,800,000	2,749,400,000	0.910	0.815
1,402,200,000	1,368,600,000	0.405	0.405
589,200,000	525,100,000	0.170	0.156
863,000,000	792,600,000	0.249	0.235
12,564,500,000	11,262,600,000	3.628	3.337
3,117,200,000	3,079,600,000	0.900	0.912
4,044,400,000	3,564,200,000	1.168	1.056
22,511,100,000	20,299,300,000	6.500	6.014
1,351,100,000	1,263,300,000	0.390	0.374
1,018,800,000	905,200,000	0.294	0.268
989,600,000	910,400,000	0.286	0.270
33,032,200,000	30,022,000,000	9.537	8.894
4,967,000,000	4,629,800,000	1.434	1.372
1,611,900,000	1,534,800,000	0.465	0.455
3,661,300,000	3,214,500,000	1.057	0.952
2,998,500,000	2,647,100,000	0.866	0.784
2,662,400,000	2,491,200,000	0.769	0.738
1,875,100,000	1,823,500,000	0.541	0.540
17,776,200,000	16,340,900,000	5.132	4.841
4,026,900,000	3,831,700,000	1.163	1.135
1,543,600,000	1,629,800,000	0.446	0.483
1,797,200,000	1,631,900,000	0.519	0.483
4,836,200,000	4,240,200,000	1.396	1.256
1,597,200,000	1,481,900,000	0.46	0.439
1,106,500,000	888,900,000	0.31	0.263



		Amount in Taka		% of Total Loan	
		2015	2014	2015	2014
Joypurhat	8	2,120,500,000	1,926,000,000	0.612	0.571
Natore	13	3,536,500,000	2,872,600,000	1.021	0.851
Sub Total	142	20,564,602,015	18,503,002,014	2,020.938	2,019.481
Rangpur GM's Office					
Dinajpur	32	5,089,000,000	4,500,600,000	1.469	1.333
Gaibandha	16	4,108,100,000	3,666,600,000	1.186	1.086
Kurigram	15	2,149,100,000	1,906,400,000	0.621	0.565
Rangpur	19	5,000,600,000	4,479,000,000	1.444	1.327
Thakurgaon	21	5,896,300,000	5,619,600,000	1.702	1.665
Nilphamari	10	2,276,900,000	1,959,300,000	0.657	0.580
Sub Total	113	24,520,000,000	22,131,500,000	7.080	6.556
Sylhet GM's Office					
Moulvibazar	22	1,217,600,000	1,098,300,000	0.352	0.325
Sylhet	32	1,320,200,000	1,192,800,000	0.381	0.353
Habiganj	13	884,500,000	808,900,000	0.255	0.240
Sunamganj	12	1,057,600,000	1,026,500,000	0.305	0.304
Sub Total	79	4,479,900,000	4,126,500,000	1.293	1.222
Total	1206	346,025,120,570	337,262,361,268	2,114.907	2,113.913

7.08.02 Outside Bangladesh

Kolkata & Siliguri	2	321,220,297	292,073,889	0.093	0.087
Total Loans & Advances	1208	346,346,340,867	337,554,435,157	2,115	2,114

Head office is included in Number of Branches and Total Loans & Advances

7.08.03 Divisional Office wise

	No. of Branches	Amount in Taka		% of Total Loan	
		2015	2014	2015	2014
In Bangladesh					
Dhaka-1	116	145,996,821,216	154,303,723,841	42.15	45.71
Dhaka-2	98	47,916,899,354	42,920,076,159	13.83	12.72
Barisal	74	7,298,000,000	6,737,459,254	2.11	2.00
Chittagong	107	19,480,197,985	19,380,300,000	5.62	5.74
Comilla	136	12,395,800,000	11,534,300,000	3.58	3.42
Faridpur	105	12,564,500,000	11,262,600,000	3.63	3.34
Khulna	123	33,032,200,000	30,022,000,000	9.54	8.89
Mymensing	113	17,776,200,000	16,340,900,000	5.13	4.84
Rajshahi	142	20,564,602,015	18,503,002,014	5.94	5.48
Rangpur	113	24,520,000,000	22,131,500,000	7.08	6.56
Sylhet	79	4,479,900,000	4,126,500,000	1.29	1.22
Total	1206	346,025,120,570	337,262,361,268	99.91	99.91
Outside Bangladesh					
Kolkata & Siliguri	2	321,220,297	292,073,889	0.09	0.09
Total	1208	346,346,340,867	337,554,435,157	100	100

7.09 Details of Provision required and held for loans and advances:

A. Required Provision for loans and advances:

	Amount in Taka	
	2015	2014
For Classified Loan	7.10B 36,227,800,000	51,125,080,000
For Loan against which writ has been filed	7.10C 3,424,600,000	1,267,500,000
For Unclassified Loan	7.10A 3,257,500,000	3,049,320,000
	42,909,900,000	55,441,900,000

B. Provision Made for loans and advances:

For Classified Loan including writ	13.01 39,652,400,000	52,392,580,000
For Unclassified Loan	13.01 3,257,500,000	3,066,949,110
	42,909,900,000	55,459,529,110

C. Provision Surplus/(Deficit)(A-B)

For Classified Loan including writ	-	17,629,110
For Unclassified Loan	-	17,629,110

7.09.01 Classification of advances as per Bangladesh Bank circular

Unclassified

Standard including staff loan
Special Mention Account (SMA)

% of Total Loans		Amount in Taka	
2015	2014	2015	2014
68.84%	72.05%	238,412,220,570	243,200,580,000
5.99%	2.26%	20,763,200,000	7,625,140,000
74.83%	74.31%	259,175,420,570	250,825,720,000

Classified
Substandard
Doubtful
Bad / Loss

2.59%	1.79%	8,963,700,000	6,025,510,000
1.32%	3.37%	4,580,500,000	11,361,250,000
21.17%	20.46%	73,303,500,000	69,049,879,254
25.08%	25.61%	86,849,700,000	86,436,639,254
0.09%	0.09%	321,220,297	292,073,889
100.00%	100.00%	346,346,340,867	337,554,433,143



7.10 Particulars of required provision for loans and advances / investments

Status	Base for provision 2015	Rate (%)	Required Provision	
			2015	2014
A General provision				
Standard & SMA				
i) HF & LP	456,400,000	2.00%	9,128,000	21,710,000
ii) CF (Other than HF & LP)	12,178,800,000	5.00%	608,920,000	445,340,000
iii) Agri & Micro	33,673,100,000	2.50%	841,827,500	507,530,000
iv) Small Medium Enterprise Financing	28,303,400,000	0.25%	70,758,500	42,690,000
vi) Others	172,686,600,000	1.00%	1,726,866,000	2,032,050,000
Sub Total			3,257,500,000	3,049,320,000
B Specific provision Status				
Sub-standard				
i) Short term Micro Credit	1,357,780,924	5.00%	67,874,046	89,960,000
ii) Others	2,719,551,055	20.00%	543,910,211	479,230,000
Doubtful				
i) Short term Micro Credit	906,637,903	5.00%	45,321,895	59,620,000
ii) Others	1,401,734,730	50.00%	700,867,365	2,719,970,000
Bad / Loss	34,869,826,483	100.00%	34,869,826,483	47,776,310,000
			36,227,800,000	51,125,090,000
C For Loan against which writ has been filed			3,424,600,000	1,267,500,000
Total Required Provision for Loans & Advances (A+B+C)			42,909,900,000	55,441,910,000

7.10a In response to Bank appeal, Bangladesh Bank allowed the Bank through vide letter no-BRPD (BFIS)-661/14B(P)/2016-1221 dated 17 February 2016 to meet the 30% of additional required provision against CL in 2015 and rest 70% in next two years i.e. 35% in 2016 and balance 35% in 2017. Accordingly, Bank has calculated the required provision for CL adjusting forbearance and kept the required provision in full.

7.10b In response to Bank request, Bangladesh Bank allowed the Bank through vide letter no-BRPD (P-1)/661/13/2015-1833 dated 09 March 2015 to maintain provision against Writ Loan -20% in 2014, 40% in 2015 and rest 40% in 2016 as affixed in 2014. Accordingly, Bank had kept the required provision against Writ in 2014. On Bank's appeal, BB reconsider the earlier decision and through vide letter no-BRPD (BFIS)-661/14B(P)/2016-1221 dated 17 February 2016 allowed the Bank to maintain the rest of the amount of provision against Writ Loan (80%) of 2014 equally in 3 consecutive years i.e. 26.67% in each year of 2015, 2016 and 2017 respectively. Along with that, through vide letter no-DBI-2(OU: B-1)/3(p)/2016-1751 dated 27 April 2016, BB permitted the Bank to keep 20% in 2015, 40% in 2016 and rest 40% in 2017 of additional amount of provision against Writ that has been calculated in 2015 over 2014. Bank has kept the required provision against Writ accordingly.

7.11 Industry-Wise Segment of Loan and advances

	Amount in Taka			
	Consolidated		Bank	
	2015	2014	2015	2014
Govt. of BD Food (Salt +Rice)	1,405,519,000	1,405,475,000	1,405,519,000	1,405,475,000
Barter Accounts	932,600,000	932,600,000	932,600,000	932,600,000
Sugar mill	-	206,800,000	-	206,800,000
Food Procurement	22,000,000	349,400,000	22,000,000	349,400,000
Mohinagonj Govt. food collect bill	800,000	2,894,275,000	800,000	2,894,275,000
Rural Credit & Agri. Loan	34,097,515,000	32,211,256,000	34,097,515,000	32,211,256,000
Trading	43,995,347,000	38,478,843,000	43,995,347,000	38,478,843,000
Foreign Exchange (LTR/LIM/PAD/FBPN, etc)	11,365,467,000	14,433,769,000	11,365,467,000	14,433,769,000
Garments (Force Loan, PCC, etc)	34,639,843,000	30,454,010,000	34,639,843,000	30,454,010,000
Textile	32,598,100,000	36,215,200,000	32,598,100,000	36,215,200,000
Fish Processing	4,330,771,000	5,038,905,000	4,330,771,000	5,038,905,000
Cold Storage	2,327,600,000	2,119,898,000	2,327,600,000	2,119,898,000
House Building (General)	408,208,000	400,475,000	408,208,000	400,475,000
Jute	6,953,392,000	6,450,517,000	6,953,392,000	6,450,517,000
Cement	121,470,000	47,555,000	121,470,000	47,555,000
Tannery	707,740,000	970,145,000	707,740,000	970,145,000
Bricks & Tiles	693,473,000	651,016,000	693,473,000	651,016,000
Engineering	929,170,000	190,291,000	929,170,000	190,291,000
Cottage Industries	451,318,000	585,044,000	451,318,000	585,044,000
Food Staff	4,992,465,000	5,917,671,000	4,992,465,000	5,917,671,000
Pharma (Chemical/Plastic)	750,108,000	1,395,015,000	750,108,000	1,395,015,000
Iron & Steel	6,097,865,000	5,944,148,000	6,097,865,000	5,944,148,000
Tobacco & Beverage	1,961,000	178,237,000	1,961,000	178,237,000
Paper Products/Printing Packaging	3,965,171,000	3,939,502,000	3,965,171,000	3,939,502,000
Glass & Ceramic	2,086,281,000	2,775,766,000	2,086,281,000	2,775,766,000
Aluminium & Other Metals	163,281,000	167,340,000	163,281,000	167,340,000
Others (OD/Bikalpa/Bridge Financing/IT, BPC/BSEC/ BJMC/BCIC/BTMC/FDC/BSCIC, Overseas Branches etc.)	154,406,567,978	145,412,950,592	152,308,875,867	143,201,280,143
TOTAL	348,444,032,978	339,766,103,592	346,346,340,867	337,554,433,143

7.12 Sector wise Loans and Advances

Government	7.12.01	4,257,312,143	2,894,275,000
Other Public (Semi Govt. Autonomous)	7.12.02	52,410,600,000	61,203,200,000
Private	7.12.03	289,357,206,857	273,164,900,000
		346,025,119,000	337,262,375,000
Overseas Branches	7.12.04	321,221,000	292,058,143
TOTAL		346,346,340,867	337,554,433,143



Notes	Particulars	Amount in Taka	
		2015	2014
7.12.01 Government			
	Unclassified		
	Standard	22,800,000	1,488,800,000
	SMA	-	-
	Sub total	22,800,000	1,488,800,000
	Classified		
	Sub standard	-	-
	Doubtful	-	-
	Bad/Loss	4,234,512,143	1,405,475,000
	Sub total	4,234,512,143	1,405,475,000
	Total	4,257,312,143	2,894,275,000
7.12.02 Other Public			
	Unclassified		
	Standard	52,006,700,000	60,922,100,000
	SMA	-	-
	Sub total	52,006,700,000	60,922,100,000
	Classified		
	Sub standard	100,000,000	93,700,000
	Doubtful	-	-
	Bad/Loss	303,900,000	187,400,000
	Sub total	403,900,000	281,100,000
	Total	52,410,600,000	61,203,200,000
7.12.03 Private			
	Unclassified		
	Standard	186,017,920,570	180,789,700,000
	SMA	21,128,000,000	11,707,100,000
	Sub total	207,145,920,570	192,496,800,000
	Classified		
	Sub standard	4,561,100,000	4,522,400,000
	Doubtful	4,147,300,000	10,239,700,000
	Bad/Loss	73,502,886,287	65,906,000,000
	Sub total	82,211,286,287	80,668,100,000
	Total	289,357,206,857	273,164,900,000
7.12.04 Overseas Branches		321,221,867	292,058,143
Total Loan and Advances		346,346,340,867	337,554,433,143
7.13 Movement of Classified Loans and Advances as a Whole		86,436,628,737	103,768,723,639
	Opening Classified Loans and Advances		
	Less :		
	Cash Recovery	6,363,900,000	7,384,700,000
	Written-off	549,300,000	27,578,800,000
	Interest waiver	1,062,295,000	2,223,700,000
	Re-Schedule and Re-structuring	16,889,876,000	7,298,800,000
		24,865,371,000	44,486,000,000
	Add: Newly Classified Loans and Advances	25,278,442,263	27,153,905,098
		86,849,700,000	86,436,628,737
7.14 Particulars of Loan and Advances/Investments			
i)	Loans considered good in respect of which the banking company is fully secured.	234,121,443,776	187,701,641,621
ii)	Loans considered good against which the banking company holds no security other than the debtors' personal guarantee.	18,302,654,029	13,828,431,872
iii)	Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor	14,299,506,700	53,549,712,764
iv)	Loans adversely classified; provision not maintained there against	-	-
		266,723,604,505	255,079,786,257
v)	Loans due by Directors or Officers of the banking company or any of these either separately or jointly with any other persons.	51,484,263,872	48,217,872,881
vi)	Loans due from Companies or Firms in which the directors of the Banking Company have interests as Director(s), Partner(s) or Managing agent(s) or in case of private companies as member(s).	-	-
vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors, managers or officers of the bank or any of them severally or jointly with any other persons.	51,484,263,872	48,217,872,881



		Amount in Taka	
		2015	2014
viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which any of the directors of the bank are interested as partners or managing agent or, in case of private companies as members.	-	-
ix)	Due from other banking companies	-	-
x)	Amount of classified loans on which interest has not been charged	-	-
a)	Increase/(Decrease) in Provision	(12,740,180,000)	(17,661,920,000)
	Amount of Loan written off from Provision	13.01 20,917,508,170	18,111,384,457
	Amount realized against Loan previously written off	13.01 140,085,942	161,843,906
b)	Amount of provision kept against loan classified	13.01 39,652,400,000	52,932,580,000
c)	Interest creditable to the Interest suspense a/c	13.02 20,309,170,456	17,886,163,821
xi)	Written-off Loans as per Bangladesh Bank BRPD Circular no -02 dated 13, January 2003.		
	Cumulative amount of written off loan	72,090,927,768	73,141,414,914
	Amount realized during the year	1,399,559,000	956,063,000
	Amount of written off Loan during the current year	349,071,854	27,547,500,000
	Amount of written off loans for which suit has been filed	65,827,273,422	73,141,414,914
xii)	Written-off Loans as per Bangladesh Bank BRPD Circular no -02 dated 13, January 2003.		
	Opening amount of written off loan	73,141,414,914	46,549,977,914
	Less Amount realized during the year	1,399,559,000	956,063,000
	Add Amount of written off Loan during the current year	349,071,854	27,547,500,000
	Closing Amount of written off loans	72,090,927,768	73,141,414,914

Various steps have been taken to realise the written off loan and proper records are being maintained.

		Amount in Taka			
		Consolidated		Bank	
		2015	2014	2015	2014
8.00	Fixed Asset including Premises, Furniture & Fixture				
	(A) Cost				
	In Bangladesh:				
	Premises	30,997,306,921	30,996,930,898	30,997,306,921	30,996,930,898
	Building	891,312,949	671,757,226	891,312,949	671,757,226
	Furniture	899,509,621	822,627,930	886,395,206	809,181,612
	Electric Installation	826,121,416	778,673,516	764,761,814	714,438,679
	Computer Software	82,357,565	-	79,539,965	-
	Computer Hardware	1,592,616,491	1,451,764,790	1,588,196,620	1,444,527,319
	Type Writer Machine	5,860,602	5,883,505	5,860,602	5,883,505
	Motor Car & Other Vehicle	412,590,875	361,484,890	407,590,875	356,484,890
	Library	5,878,679	4,986,236	5,878,679	4,986,236
	Sub-Total(In Bangladesh)	35,713,555,119	35,094,108,991	35,626,843,631	35,004,190,366
	Overseas Branches:				
	Kolkata Branch	10,944,390	7,662,373	10,944,392	7,662,373
	Siliguri Branch	450,502	595,151	450,502	595,151
	Sub-Total (Overseas Branches)	11,394,892	8,257,524	11,394,894	8,257,524
	Total Cost Value	35,724,950,011	35,102,366,515	35,638,238,525	35,012,447,890
	(B) Accumulated Depreciation				
	In Bangladesh:				
	Premises	274,534,517	244,459,797	274,534,517	244,459,797
	Building	-	-	-	-
	Furniture	461,931,602	391,065,457	450,881,514	380,411,019
	Electric Installation	613,035,065	526,360,176	557,534,749	474,479,253
	Computer Software	9,842,095	-	7,385,695	-
	Computer Hardware	1,117,716,778	971,383,881	1,113,748,123	966,406,318
	Type Writer Machine	5,321,348	5,109,648	5,321,347	5,109,648
	Motor Car & Other Vehicle	212,713,933	174,276,194	208,273,933	170,836,194
	Library	2,457,251	1,433,332	2,457,251	1,433,332
	Sub-Total(In Bangladesh)	2,697,552,589	2,314,088,485	2,620,137,129	2,243,135,561
	Overseas Branches:				
	Kolkata Branch	1,976,267	1,615,020	1,976,267	1,615,020
	Siliguri Branch	113,434	128,939	113,432	128,939
	Sub-Total (Overseas Branches)	2,089,701	1,743,959	2,089,699	1,743,959
	Total Accumulated Depreciation	2,699,642,291	2,315,832,445	2,622,226,828	2,244,879,520
	Written down value (A-B)	33,025,307,720	32,786,534,070	33,016,011,697	32,767,568,369

(Details shown in Annexure-B & C)



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
8.01	Movement of Fixed assets						
	Cost (Original)/Revaluation		35,100,809,286	34,392,503,139		35,010,511,815	34,302,831,888
	Addition during the year		856,993,912	825,415,171		856,976,699	825,167,796
			35,957,803,198	35,217,918,310		35,867,488,514	35,127,999,684
	Less: Disposal/Adjustment during the year		232,853,186	115,551,795		229,249,989	115,551,796
			35,724,950,012	35,102,366,514		35,638,238,525	35,012,447,888
	Less: Accumulated Depreciation		2,699,642,293	2,315,832,444		2,622,226,828	2,244,879,519
	(Details shown in Annexure-B & C)		33,025,307,719	32,786,534,070		33,016,011,697	32,767,568,369

Taka 2,970,000 and Taka 539,890 paid to the Government through treasury challan for purchasing 0.33 and 0.275 acres of land for construction of bank premises (Court Building, Tangail and Rajshahi) as advance. The said plots of land will be registered after obtaining permission from the Ministry of Land, Government of the People's Republic of Bangladesh.

9.00 Other Asset

Income generating other assets

Investment in Shares of Subsidiary Companies
Advance Rent, Advertisement etc.
Interest, Commission and Exchange Receivable
Prepaid Expenses

9.01	-	-	2,181,027,284	2,187,557,282
9.03	196,405,966	228,582,088	196,405,966	228,582,088
9.04	14,012,365,750	10,270,492,880	13,932,301,433	10,257,645,441
9.05	159,480,044	623,186,904	159,480,044	623,186,904
	14,368,251,760	11,122,261,872	16,469,214,727	13,296,971,715

Non Income generating other assets

Stationery, Stamps and Printing Materials in hand
Branch Adjustment
Security Deposits
Advance Cover Funds
Advance deposit
Suspense A/C
Others

9.02	209,110,586	222,502,793	209,110,586	222,502,793
9.06	28,979,424,761	36,998,069,353	28,979,424,761	36,998,069,353
	4,879,639	5,018,656	-	-
	10,372,048	-	-	-
	200,000	717,125	-	-
9.07	582,826,330	1,620,332,130	582,826,330	1,620,332,130
9.08	89,017,190,920	87,002,069,584	88,978,703,991	86,959,470,705
	118,804,004,284	125,848,709,641	118,750,065,668	125,800,374,981
	133,172,256,044	136,970,971,513	135,219,280,394	139,097,346,696

9.01 Investment in Shares of Subsidiary Companies

In Bangladesh

Investment in Sonali Investment Ltd.

Outside Bangladesh

Investment in SECI
Long term loan at prevailing rate of Interest

-	-	2,000,000,000	2,000,000,000
-	-	74,575,000	74,052,500
-	-	106,452,284	113,504,782
-	-	2,181,027,284	2,187,557,282

9.02 Stationery, Stamps and Printing Materials in hand

Stamps on hand
Stationery on hand

11,660,140	14,415,917	11,660,140	14,415,917
197,450,446	208,086,876	197,450,446	208,086,876
209,110,586	222,502,793	209,110,586	222,502,793

9.03 Advance Rent and Advertisement etc.

Advance Rent

196,405,966	228,582,088	196,405,966	228,582,088
196,405,966	228,582,088	196,405,966	228,582,088

9.04 Interest, Commission & Exchange receivable

i) Interest receivable
ii) Commission receivable
iii) Exchange receivable
iv) Others receivable

10,978,473,215	7,630,407,611	10,978,473,215	7,630,407,611
2,946,931,720	2,591,637,330	2,946,931,720	2,591,637,330
6,896,498	35,600,500	6,896,498	35,600,500
80,064,317	12,847,439	-	-
14,012,365,750	10,270,492,880	13,932,301,433	10,257,645,441

9.05 Preliminary, Formation and Organization Expenses, Renovation/development Expenses, and prepaid Expenses

Prepaid Expenses (Transferred from adjusting A/C)

Rent
Law charges
Postage and Telegram
Sundries

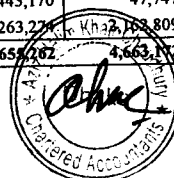
2,289,462	733,111	2,289,462	733,111
-	206,384	-	206,384
11,250	353,574	11,250	353,574
157,179,332	621,893,835	157,179,332	621,893,835
159,480,044	623,186,904	159,480,044	623,186,904

9.06 Branch Adjustment

Debit Balance

Sonali Bank General Account Balance
Main Office Account Balance
Sonali Bank General Account (RMS+)
Sonali Bank General Account (IFRMS)

2,904,954,527,004	2,151,247,703,333	2,904,954,527,004	2,151,247,703,333
316,946,421,814	301,367,359,616	316,946,421,814	301,367,359,616
45,726,443,170	47,747,204,390	45,726,443,170	47,747,204,390
3,659,189,263,274	2,162,809,986,763	3,659,189,263,274	2,162,809,986,763
6,926,816,655,262	4,663,172,254,102	6,926,816,655,262	4,663,172,254,102



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
	Less: Credit Balance						
	Sonali Bank General Account Balance		4,221,455,741,002	2,579,879,906,840	4,221,455,741,002	2,579,879,906,840	
	Main Office Account Balance		334,508,721,774	346,840,844,829	334,508,721,774	346,840,844,829	
	Sonali Bank General Account (RMS+)		19,908,548,419	613,914,179	19,908,548,419	613,914,179	
	Sonali Bank General Account (IFRMS)		2,321,964,219,306	1,698,839,518,901	2,321,964,219,306	1,698,839,518,901	
			6,897,837,230,501	4,626,174,184,749	6,897,837,230,501	4,626,174,184,749	
			28,979,424,761	36,998,069,353	28,979,424,761	36,998,069,353	

9.06.01 Provision against Branch Adjustment (unreconciled entries)

In response to Bank appeal, Bangladesh Bank allowed the Bank through vide letter no-BRPD (BFIS)-661/14B(P)/2016-1221 dated 17 February 2016 to keep provision against Branch Adjustment (Unreconciled entries) amounting to Tk. 500 million. Accordingly Bank has kept that provision.

9.07 Suspense Account

Pre-Paid Expenses	1,477,865	3,542,258	1,477,865	3,542,258
Dead Stock	220,800	3,600	220,800	3,600
Land and Premises	155,000	120,247	155,000	120,247
Advance Recoverable	39,614,919	109,872,845	39,614,919	109,872,845
Salary & Allowances	-	626,600	-	626,600
Traveling Expenses	5,965,029	6,505,226	5,965,029	6,505,226
Taxes	-	15,000	-	15,000
Insurance	220,480	452,000	220,480	452,000
Miscellaneous	535,172,237	1,499,194,354	535,172,237	1,499,194,354
	582,826,330	1,620,332,130	582,826,330	1,620,332,130

9.08 Others :

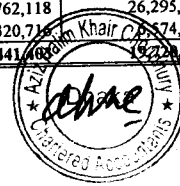
Draft Payable Account (Ex-Advice)	124,268,933	149,232,773	124,268,933	149,232,773
Govt. Draft Payable Account (Ex-Advice)	4,504,363	16,422,839	4,504,363	16,422,839
Protested Bills	295,916,476	300,922,452	295,916,476	300,922,452
Wage Earners' Fund Purchased Adjustment A/C.	5,864,369,381	6,213,577,830	5,864,369,381	6,213,577,830
Agri-Loan Other Exemption A/C-2004	-	967,012	-	967,012
Adjusting A/C Dr. Balance	585,278,696	-	585,278,696	-
Agri-Loan Interest Exemption A/C-2004	-	4,267,420	-	4,267,420
Income Tax Deducted at Source	13,920,294,359	12,134,381,557	13,920,294,359	12,134,381,557
BRDB UCCA Crop Loans Penal Int. Exemption	-	339,049,723	-	339,049,723
BRDB UCCA Crop Loans Exemption	934,766,023	975,716,300	934,766,023	975,716,300
BRDB UCCA Crop Loans Int & Penal Int. Exemption-2007	672,760,696	672,760,696	672,760,696	672,760,696
Settlement A/C	46,793,292	42,896,008	46,793,292	42,896,008
Loan Exemption Under Jute Sectors Reform Proj. 94-95.	5,094,543,083	5,094,543,083	5,094,543,083	5,094,543,083
Demand Drafts purchased	548,443,859	764,346,277	548,443,859	764,346,277
Cupon intt. Expenses A/C	125,559,378	-	125,559,378	-
Pension bills (Army)	5,125,807,144	7,346,310,234	5,125,807,144	7,346,310,234
Pension bills(Civil)	1,295,058,385	1,428,949,308	1,295,058,385	1,428,949,308
PSP/BSP Encashment	3,111,754,157	1,100,625,393	3,111,754,157	1,100,625,393
Agri Exemption A/C affected by River Erosion	98,760,600	98,424,139	98,760,600	98,424,139
UCCA Loan Remission for River Erosion	-	5,772,636	-	5,772,636
NRT A/C Dr. Balance	4,048,276,001	2,943,901,545	4,048,276,001	2,943,901,545
Intangible Assets- Valuation Adjustment	13,146,441,403	19,720,762,118	13,146,441,403	19,720,762,118
Deferred Tax assets	24,383,805,572	21,330,881,255	24,383,805,572	21,330,881,255
Frozen Fish Loan Exemption A/C	101,773,510	101,773,510	101,773,510	101,773,510
Security Margin	-	745,396	-	745,396
Army Pension bill Purchased A/C New	4,830,979,613	2,759,698,377	4,830,979,613	2,759,698,377
Advance payment of Income Tax	4,364,193,184	3,207,678,066	4,326,323,815	3,166,323,815
Others Current assets of SECI	617,560	1,244,628	-	-
Branch Reconstruction A/C	50,195	50,195	50,195	50,195
Other Assets of India operation	292,175,057	246,168,814	292,175,057	246,168,814
Total	89,017,190,920	87,002,069,584	88,978,703,991	86,959,470,705

9.08.01 Intangible Assets-Valuation adjustment

Sonali Bank Limited has taken over the entire assets and liabilities of former Sonali Bank through a vendors' agreement executed between the Government of the People's Republic of Bangladesh and the Sonali Bank Limited on 15 November 2007 with retrospective effect from 1 July 2007. A decision arrived unanimously in a meeting of representatives from the Ministry of Finance of the Government of the People's Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC) and three state-owned commercial banks that goodwill has been created. Sonali Bank Limited has issued shares in the name of the Government of People's Republic of Bangladesh although there exists accumulated loss of TK. 65,743,207,158 as on 30 June 2007. It was also decided that as there exists no specific heads of accounts the amount goodwill should be shown as valuation adjustment under "Other Assets" and be gradually written off within the next 10 years which was started from 2008. A Sum of TK.52,596,765,755 has been amortized up to 2015 by adjusting 'Amortization of assets of intangible assets'. The net balance of the account stands at TK.13,146,441,403 as on 31 December 2015.

Opening balance of Intangible Asset- Valuation Adjustment
Less: Amortization/charge during the year

19,720,762,118	26,295,082,834	19,720,762,118	26,295,082,834
6,574,320,716	6,574,320,716	6,574,320,716	6,574,320,716
13,146,441,403	19,720,762,118	13,146,441,403	19,720,762,118



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
9.08.02	Deferred Tax assets						
	Opening Balance		21,330,881,255	20,918,309,185	21,330,881,255	20,918,309,185	
	Addition during the year	9.08.02.01	3,052,924,317	412,572,070	3,052,924,317	412,572,070	
	Closing Balance		24,383,805,572	21,330,881,255	24,383,805,572	21,330,881,255	
9.08.02.01	Deferred Tax (Assets)/ Liabilities						
i)	Carrying amount of Fixed Assets						
a)	Carrying amount at balance sheet date		33,006,706,502	32,761,054,804	33,006,706,502	32,761,054,804	
	Less Land Value Amount		30,722,772,404	30,752,471,101	30,722,772,404	30,752,471,101	
	Carrying value without considering land value		2,283,934,098	2,008,583,703	2,283,934,098	2,008,583,703	
b)	Tax base		2,407,524,549	2,258,442,136	2,407,524,549	2,258,442,136	
c)	Taxable/(Deductible) Temporary Difference (a-b)		(123,590,451)	(249,858,433)	(123,590,451)	(249,858,433)	
ii)	Employees Liabilities						
a)	Carrying amount at balance sheet date						
	Provision for pension fund		(1,924,318,365)	(1,890,325,781)	(1,924,318,365)	(1,890,325,781)	
	Provision for PDCRB fund		(30,789,600,431)	(22,578,594,554)	(30,789,600,431)	(22,578,594,554)	
	Provision for Employees benefit		(35,634)	(35,634)	(35,634)	(35,634)	
	Provision for Bonus & Exgratia		(1,559,035,944)	(1,613,451,602)	(1,559,035,944)	(1,613,451,602)	
	Employees Provident Fund (General +Contribution)		(14,892,227,796)	(13,875,358,241)	(14,892,227,796)	(13,875,358,241)	
	Total		(49,165,218,170)	(39,957,765,812)	(49,165,218,170)	(39,957,765,812)	
b)	Tax base		(49,165,218,170)	(39,957,765,812)	(49,165,218,170)	(39,957,765,812)	
c)	Taxable/(Deductible) Temporary Difference (a-b)		(49,165,218,170)	(39,957,765,812)	(49,165,218,170)	(39,957,765,812)	
iii)	Interest on securities						
a)	Interest on securities(Accrued)		26,983,781,129	22,122,117,455	26,983,781,129	22,122,117,455	
b)	Interest on securities(Cash)		26,874,339,082	21,403,613,157	26,874,339,082	21,403,613,157	
	Taxable/(Deductible) Temporary Difference (a-b)		109,442,047	718,504,298	109,442,047	718,504,298	
iv)	Base for Provision for Bad & Loss Loan						
a)	Carrying amount at balance sheet date		(8,194,293,600)	(10,701,188,890)	(8,194,293,600)	(10,701,188,890)	
b)	Tax base		(8,194,293,600)	(10,701,188,890)	(8,194,293,600)	(10,701,188,890)	
c)	Taxable/(Deductible) Temporary Difference (a-b)		(8,194,293,600)	(10,701,188,890)	(8,194,293,600)	(10,701,188,890)	
v)	Total temporary difference		(57,373,660,174)	(50,190,308,837)	(57,373,660,174)	(50,190,308,837)	
vi)	Tax Rate		42.50%	42.50%	42.50%	42.50%	
vii)	Deferred Tax assets		(24,383,805,574)	(21,330,881,256)	(24,383,805,574)	(21,330,881,256)	
viii)	Prior year adjustment						
ix)	Closing deferred tax assets		(24,383,805,574)	(21,330,881,256)	(24,383,805,574)	(21,330,881,256)	
x)	Opening Deferred Tax		(21,330,881,256)	(20,918,309,185)	(21,330,881,256)	(20,918,309,186)	
	Decrease/(Increase) of Deferred Tax (Assets)/Liabilities		(3,052,924,317)	(412,572,070)	(3,052,924,317)	(412,572,070)	
9.09	Provision required against Other Assets						
	Suspense Account & PSP/BSP Encashment		160,824,281	22,092,832	160,824,281	22,092,832	
	Protested Bills		295,916,476	300,922,452	295,916,476	300,922,452	
	Branch Adjustment (unreconciled entries)	9.09a	500,000,000	100,000,000	500,000,000	100,000,000	
	Branch Reconstruction Account		50,195	50,195	50,195	50,195	
	Agri Loan Exemption affected by River Erosion		98,424,000	98,424,000	98,424,000	98,424,000	
	BRDB UCCA Crops Loans Int.Penal Int. Exempt. A/Cs	9.09b	457,505,344	228,752,672	457,505,344	228,752,672	
	Jute Sector Reform Project	9.09c	600,000,000	300,000,000	600,000,000	300,000,000	
	Frozen Fish Loan Exemption A/C		101,773,510	101,773,510	101,773,510	101,773,510	
	NRT A/C Dr. Balance		681,121,000	682,854,000	681,121,000	682,854,000	
	Others		32,100,000	375,130,339	32,100,000	375,130,339	
	Total		2,927,714,806	2,210,000,000	2,927,714,806	2,210,000,000	
	Less: Provision made (Note No. 9.10)		2,927,714,806	2,210,000,000	2,927,714,806	2,210,000,000	
	Surplus		-	-	-	-	

9.09a **Provision against Branch Adjustment (unreconciled entries)**

In response to Bank appeal, BB allowed the Bank through vide letter no-BRPD (BFIS)-661/14B(P)/2016-1221 dated 17 February 2016 to keep provision against Branch Adjustment (Unreconciled entries) amounting to Tk. 500 million. Accordingly Bank has kept that provision.

9.09b **BRDB UCCA Crops Loans Int.Penal Int. Exempt. A/Cs**

Until reimbursement from Govt., Bangladesh Bank advised through letter vide-DOS(BSS-1)1163/96/2015/821, dated 17 February 2015 to make provision against BRDB UCCA Crops Loans Int.Penal Int. Exempt. A/Cs @ 10% per year from the first 4 years and then @20% for the next 3 years. Accordingly, provision amounting to Tk. 229 million has been



9.09c Jute Sector Reform Project

Through letter no- DOS(BSS-1)1163/96/2015/821 , dated 17 February 2015, Bangladesh Bank approved the Bank request to provide Tk. 300 million provision per year against Jute Sector Reform Project (note no.9.08-1). Accordingly Bank has provided Tk. 300 million this year.

		Amount in Taka			
		Consolidated		Bank	
		2015	2014	2015	2014
9.10	Movement of the Provision against Other Assets				
	Opening balance	2,210,000,000	1,546,897,690	2,210,000,000	1,546,897,690
	Less: Written- off during the year	661,245	227,870,835	661,245	227,870,835
		2,209,338,755	1,319,026,855	2,209,338,755	1,319,026,855
	Less: Transferred to P&L A/C	-	-	-	-
		2,209,338,755	1,319,026,855	2,209,338,755	1,319,026,855
	Add: Addition during the year	718,376,051	890,973,145	718,376,051	890,973,145
		2,927,714,806	2,210,000,000	2,927,714,806	2,210,000,000
9.11	Provision made against other assets				
	Other assets	2,927,714,806	2,210,000,000	2,927,714,806	2,210,000,000
	Interest reserve against BRDB UCCA Crops Loan	-	-	-	-
		2,927,714,806	2,210,000,000	2,927,714,806	2,210,000,000
10.00	Non Banking Assets				
		-	-	-	-
11.00	Borrowings from other banks, financial institutions & agents				
	In Bangladesh	825,502,895	881,709,418	825,502,895	881,709,418
	Outside Bangladesh	-	-	-	-
		825,502,895	881,709,418	825,502,895	881,709,418
11.01	In Bangladesh				
	Bangladesh Bank Demand Loan:				
	Refinance against RHHG from Bangladesh Bank	1,627,895	2,909,418	1,627,895	2,909,418
	Refinance against Jute Sector from Bangladesh Bank	823,875,000	878,800,000	823,875,000	878,800,000
		825,502,895	881,709,418	825,502,895	881,709,418
11.02	Outside Bangladesh				
	Overseas Branches	-	-	-	-
11.01.01	Security against borrowings from other banks, financial institutions and agents				
	Secured (against bills)	-	-	-	-
	Unsecured	825,502,895	881,709,418	825,502,895	881,709,418
		825,502,895	881,709,418	825,502,895	881,709,418
11.03	Maturity Grouping of Borrowing From Other Banks, Financial Institutions & Agents				
	Payable on demand	-	-	-	-
	Repayable on within 1 month	-	-	-	-
	Over 1 month but within 3 Months	-	-	-	-
	Over 3 months but within 1 year	-	-	-	-
	Over 1 year but within 5 years	-	-	-	-
	Over 5 year but within 10 years	-	-	-	-
		825,502,895	881,709,418	825,502,895	881,709,418
		825,502,895	881,709,418	825,502,895	881,709,418
12.00	Deposits and other accounts				
	Current Deposit & Other Accounts	176,212,409,741	162,461,473,184	176,230,885,281	162,529,378,799
	Bills Payable	9,011,261,815	12,676,341,550	9,011,261,815	12,676,341,549
	Savings Deposits	217,560,377,059	189,696,005,800	217,560,377,059	189,696,005,800
	Fixed Deposits	463,209,757,624	413,140,962,152	463,209,757,624	413,140,962,152
	Total Deposits and other accounts	865,993,806,239	777,974,782,686	866,012,281,779	778,042,688,300
	Deposits and other accounts				
	Inter bank deposits	28,024,235,370	26,447,212,706	28,024,235,370	26,447,212,706
	Other deposits	837,988,046,409	751,595,475,595	837,988,046,409	751,595,475,595
		866,012,281,779	778,042,688,301	866,012,281,779	778,042,688,301
	Less: Inter Company balance eliminated	18,475,540	67,905,615	-	-
	Total	865,993,806,239	777,974,782,686	866,012,281,779	778,042,688,301
12.01	Deposits and other accounts				
A.	Payable on Demand				
	Deposit from banks	20,666,321,171	21,181,079,731	20,666,321,171	21,181,079,731
	Other than banks	146,521,719,211	120,552,490,081	146,521,719,211	120,552,490,081
		167,188,040,382	141,733,569,812	167,188,040,382	141,733,569,812
B.	Other Deposits				
	Deposit from banks	7,357,914,199	5,266,132,975	7,357,914,199	5,266,132,975
	Other than banks	691,466,327,198	631,042,985,514	691,466,327,198	631,042,985,514
		698,824,241,397	636,309,118,489	698,824,241,397	636,309,118,489
	Less: Inter Company balance Eliminated	18,475,540	67,905,615	-	-
	Total	865,993,806,239	777,974,782,686	866,012,281,779	778,042,688,301



Signature and stamp of Haim Khair Chowdhury.

Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
12.02	Deposits and Other Accounts (Category wise)						
	Domestic Branches						
	Current and Contingency	12.02.1.a	175,489,306,108	161,920,109,564	175,507,781,648	161,988,015,179	
	Bills Payable	12.02.2.a	9,011,261,815	12,676,341,550	9,011,261,815	12,676,341,550	
	Savings Bank Account	12.02.3.a	217,513,417,703	189,666,076,666	217,513,417,703	189,666,076,666	
	Fixed Deposits	12.02.4.a	463,061,574,344	413,012,895,267	463,061,574,344	413,012,895,267	
	Other Deposits		-	-	-	-	
			865,075,559,970	777,275,423,047	865,094,035,510	777,343,328,661	
	Overseas Branches						
	Current and Contingency	12.02.1.b	723,103,633	541,363,620	723,103,633	541,363,620	
	Bills Payable	12.02.2.b	-	-	-	-	
	Savings Bank Account	12.02.3.b	46,959,356	29,929,134	46,959,356	29,929,134	
	Fixed Deposit	12.02.4.b	148,183,280	128,066,885	148,183,280	128,066,885	
	Other Deposits		-	-	-	-	
			918,246,269	699,359,639	918,246,269	699,359,639	
	Total		865,993,806,239	777,974,782,686	866,012,281,779	778,042,688,300	
12.02.1.a	Current and Contingency (Domestic Branches)						
	Current A/C (credit Balance)		165,996,392,514	140,572,522,641	165,996,392,514	140,572,522,641	
	Haji Deposits		148,130	135,450	148,130	135,450	
	Margin on Letter of Credit		432,629,498	470,706,401	432,629,498	470,706,401	
	Margin on Bank Guarantee		35,766,607	148,841,700	35,766,607	148,841,700	
	Foreign Bank Deposit		502,306,050	696,749,652	502,306,050	696,749,652	
	ATM A/c.		5,683,159	31,453,134	5,683,159	31,453,134	
	Current A/C Barter		3,326,908,109	3,179,013,526	3,326,908,109	3,179,013,526	
	Fixed Deposit Interest		-	8,138,737,710	-	8,138,737,710	
	School Banking Scheme		266,675,245	92,113,309	266,675,245	92,113,309	
	Call Deposit		282,922,893	97,106,404	282,922,893	97,106,404	
	Monthly Earning Scheme Interest		-	382,168,117	-	382,168,117	
	Double Benefit Scheme Interest		-	3,334,399,351	-	3,334,399,351	
	Foreign Currency Deposit		4,003,725,194	4,202,710,117	4,003,725,194	4,202,710,117	
	Unsold Balance of N.F.C.D.		382,901,747	485,633,638	382,901,747	485,633,638	
	Credit Balance of Loan & Advances		271,722,502	155,724,029	271,722,502	155,724,029	
			175,507,781,648	161,988,015,179	175,507,781,648	161,988,015,179	
	Less: Inter Company balance Eliminated		18,475,540	67,905,615	-	-	
	Total		175,489,306,108	161,920,109,564	175,507,781,648	161,988,015,179	
12.02.1.b	Current and Contingency (Overseas Branches)		723,103,633	541,363,620	723,103,633	541,363,620	
	Total		176,212,409,741	162,461,473,184	176,230,885,281	162,529,378,799	
12.02.2.a	Bills Payable (Domestic Branches)						
	Draft Payable		2,767,341,114	3,293,481,429	2,767,341,114	3,293,481,429	
	Govt. Draft Payable		86,549,880	83,601,351	86,549,880	83,601,351	
	Payment Order		6,070,833,799	8,061,768,560	6,070,833,799	8,061,768,560	
	Foreign Draft/Travelers Cheque Issued A/c.		12,606,614	868,219,306	12,606,614	868,219,306	
	Foreign Draft Payable A/c.		73,930,408	369,270,904	73,930,408	369,270,904	
			9,011,261,815	12,676,341,550	9,011,261,815	12,676,341,550	
12.02.2.b	Bills Payable (Overseas Branches)		-	-	-	-	
	Total		9,011,261,815	12,676,341,550	9,011,261,815	12,676,341,550	
12.02.3.a	Savings Bank Deposits (Domestic Branches)		217,513,417,703	189,666,076,666	217,513,417,703	189,666,076,666	
12.02.3.b	Savings Bank Deposits (Overseas Branches)		46,959,356	29,929,134	46,959,356	29,929,134	
	Total		217,560,377,059	189,696,005,800	217,560,377,059	189,696,005,800	



Notes	Particulars	Ref. Note	Amount in Taka			
			Consolidated		Bank	
			2015	2014	2015	2014

12.02.4.a Fixed Deposit (Domestic Branches)

Fixed Deposits	239,180,094,938	210,478,545,032	239,180,094,938	210,478,545,032
Special Notice deposits	72,276,750,845	68,127,539,576	72,276,750,845	68,127,539,576
Deposit Pension Scheme	106,955,685	137,916,487	106,955,685	137,916,487
Special Deposit Pension Scheme	111,661,673	187,279,646	111,661,673	187,279,646
Sonali Deposit Scheme	10,467,720,280	9,161,814,606	10,467,720,280	9,161,814,606
Education Deposit Scheme.	11,747,088,400	10,260,546,855	11,747,088,400	10,260,546,855
Medicare Deposit Scheme	27,990,886,510	23,816,296,994	27,990,886,510	23,816,296,994
Rural Deposit Schemes	2,330,420,442	3,152,439,537	2,330,420,442	3,152,439,537
Monthly Earning Schemes	20,269,832,512	21,041,455,851	20,269,832,512	21,041,455,851
Marriage Savings Schemes	2,553,707,434	2,156,791,720	2,553,707,434	2,156,791,720
Double Benefit Scheme	49,193,803,920	43,109,964,364	49,193,803,920	43,109,964,364
Triple Benefit Scheme	1,432,826,785	1,225,796,289	1,432,826,785	1,225,796,289
Millionaire Deposited Scheme	7,966,170,545	3,807,189,638	7,966,170,545	3,807,189,638
Daily Profit Scheme	113,110,595	110,978,011	113,110,595	110,978,011
Non Resident Deposit Scheme	77,404,326	171,713,555	77,404,326	171,713,555
Retirement Savings Scheme	290,852,113	408,089,847	290,852,113	408,089,847
Sonali Retirement Savings Scheme	1,996,868,078	1,751,802,791	1,996,868,078	1,751,802,791
Deposit pension payment account	49,674,240	23,252,960	49,674,240	23,252,960
Sonali krishak sanchay scheme	13,517,227	8,123,267	13,517,227	8,123,267
S.B.Employees Provident Fund (General)	12,823,637,257	11,983,044,041	12,823,637,257	11,983,044,041
S.B. Employees Provident Fund (Contributory)	2,068,590,539	1,892,314,200	2,068,590,539	1,892,314,200
	463,061,574,344	413,012,895,267	463,061,574,344	413,012,895,267
	148,183,280	128,066,885	148,183,280	128,066,885
	463,209,757,624	413,140,962,152	463,209,757,624	413,140,962,152

12.02.4.b Fixed Deposit (Overseas Branches)

Total	463,209,757,624	413,140,962,152	463,209,757,624	413,140,962,152
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12.03 In Bangladesh (GM's Office wise)

Dhaka	409,507,635,510	368,792,168,802
Chittagong	102,499,000,000	96,745,128,537
Khulna	53,862,800,000	48,558,180,709
Rangpur	30,698,600,000	26,850,213,718
Faridpur	41,432,700,000	34,482,100,000
Mymensing	45,920,800,000	40,324,500,000
Sylhet	34,437,900,000	31,090,752,247
Barisal	28,877,900,000	26,895,561,043
Rajshahi	44,698,100,000	40,337,592,405
Comilla	73,158,600,000	63,267,131,201
	865,094,035,510	777,343,328,662
Outside Bangladesh	918,246,269	699,359,639
Total	866,012,281,779	699,359,639

12.03.01 Deposits and Other Accounts (Geographical Location-wise Deposits)

In Bangladesh	No. of Branches
Urban	643
Rural	563
Sub Total	1206
Outside Bangladesh	
Overseas	2
Total	1208

Amount in Taka		% of Total Deposit	
2015	2014	2015	2014
667,107,282,568	513,938,670,131	77.03	66.06
197,986,752,942	263,404,658,531	22.86	33.85
865,094,035,510	777,343,328,662	99.89	99.91
918,246,269	699,359,639	0.11	0.09
866,012,281,779	778,042,688,301	100	100

Head office is included in Urban

12.03.1.a In Bangladesh (GM's Office and District wise)

Dhaka GM's Office	
Dhaka Corp.	125
Gazipur	22
Munshiganj	17
Narayanganj	19
Narsingdi	20
Manikganj	11
Sub Total	214

Amount in Taka		% of Total Deposit	
2015	2014	2015	2014
350,404,435,510	320,381,400,000	40.46	41.18
22,221,700,000	19,606,600,000	2.57	2.52
9,267,200,000	8,200,600,000	1.07	1.05
11,045,900,000	6,375,900,000	1.28	0.82
9,077,600,000	7,770,268,802	1.05	1.00
7,490,800,000	6,457,400,000	0.86	0.83
409,507,635,510	368,792,168,802	47.29	47.40



Notes	Particulars	Ref. Note	Amount in Taka			
			Amount in Taka		% of Total Deposit	
			2015	2014	2015	2014
Chittagong GM's Office						
	Chittagong North	27	29,511,300,000	32,411,900,000	3.41	4.17
	Chittagong South	27	56,025,100,000	49,451,900,000	6.47	6.36
	Rangamati	23	5,324,700,000	4,877,500,000	0.61	0.63
	Bandarban	7	1,259,300,000	1,101,400,000	0.15	0.14
	Cox's Bazar	10	3,611,300,000	3,114,900,000	0.42	0.40
	Patiya	13	6,767,300,000	5,787,528,537	0.78	0.74
	Sub Total	107	102,499,000,000	96,745,128,537	11.84	12.43
Khulna GM's Office						
	Jessore	35	15,385,400,000	14,076,400,000	1.78	1.81
	Jhenaidah	23	8,663,000,000	7,633,600,000	1.00	0.98
	Khulna	23	15,554,400,000	14,186,900,000	1.80	1.82
	Satkhira	17	5,669,500,000	5,161,380,709	0.65	0.66
	Bagerhat	14	5,224,600,000	4,649,400,000	0.60	0.60
	Narail	11	3,365,900,000	2,850,500,000	0.39	0.37
	Sub Total	123	53,862,800,000	48,558,180,709	6.22	6.24
Rangpur GM's Office						
	Dinajpur	32	9,962,000,000	8,918,419,000	1.15	1.15
	Gaibandha	16	4,304,000,000	3,704,500,000	0.50	0.48
	Kurigram	15	4,267,700,000	3,636,500,000	0.49	0.47
	Rangpur	19	5,763,500,000	5,097,900,000	0.67	0.66
	Thakurgaon	21	3,954,800,000	3,333,894,718	0.46	0.43
	Nilphamari	10	2,446,600,000	2,159,000,000	0.28	0.28
	Sub Total	113	30,698,600,000	26,850,213,718	3.54	3.45
Faridpur GM's Office						
	Chuadanga	19	7,245,000,000	5,531,000,000	0.84	0.71
	Faridpur	23	11,785,800,000	9,724,300,000	1.36	1.25
	Kushtia	22	6,990,600,000	6,022,100,000	0.81	0.77
	Madaripur	17	6,888,000,000	6,010,300,000	0.80	0.77
	Gopalganj	12	4,698,300,000	4,000,300,000	0.54	0.51
	Rajbari	12	3,825,000,000	3,194,100,000	0.44	0.41
	Sub Total	105	41,432,700,000	34,482,100,000	4.78	4.43
Mymensingh GM's Office						
	Jamalpur	19	5,777,300,000	5,178,600,000	0.67	0.67
	Kishoregonj	17	5,781,300,000	4,927,300,000	0.67	0.63
	Mymensingh	25	10,565,650,000	9,651,600,000	1.22	1.24
	Tangail	30	17,909,650,000	15,175,100,000	2.07	1.95
	Netrokona	13	3,299,400,000	2,929,400,000	0.38	0.38
	Sherpur	9	2,587,500,000	2,462,500,000	0.30	0.32
	Sub Total	113	45,920,800,000	40,324,500,000	5.30	5.18
Sylhet GM's Office						
	Moulvibazar	22	6,997,300,000	6,278,800,000	0.81	0.81
	Sylhet	32	19,072,000,000	17,155,600,000	2.20	2.20
	Habiganj	13	4,468,400,000	4,091,852,247	0.52	0.53
	Sunamganj	12	3,900,200,000	3,564,500,000	0.45	0.46
	Sub Total	79	34,437,900,000	31,090,752,247	3.98	4.00
Barisal GM's Office						
	Barisal	36	14,345,600,000	13,730,200,000	1.66	1.76
	Patuakhali	18	7,325,700,000	6,376,300,000	0.85	0.82
	Bhola	10	2,968,100,000	2,481,100,000	0.34	0.32
	Pirojpur	10	4,238,500,000	4,307,961,043	0.49	0.55
	Sub Total	74	28,877,900,000	26,895,561,043	3.33	3.46
Rajshahi GM's Office						
	Bogra	32	9,387,100,000	9,383,400,000	1.08	1.21
	Naogaon	19	4,369,700,000	4,162,400,000	0.50	0.53
	Pabna	18	7,195,500,000	6,135,400,000	0.83	0.79
	Rajshahi	23	8,823,900,000	7,426,700,000	1.02	0.95
	Sirajganj	21	6,972,100,000	6,261,492,405	0.81	0.80
	Chapai Nawabganj	8	2,276,200,000	2,114,100,000	0.26	0.27
	Joypurhat	8	2,138,900,000	1,793,300,000	0.25	0.23
	Natore	13	3,534,700,000	3,060,800,000	0.41	0.39
	Sub Total	142	44,698,100,000	40,337,592,405	5.16	5.18
Comilla GM's Office						
	Brahmanbaria	24	13,781,800,000	11,763,300,000	1.59	1.51
	Chadpur	20	8,216,800,000	7,168,600,000	0.95	0.92
	Comilla	35	26,655,300,000	22,720,900,000	3.08	2.92
	Feni	17	8,313,500,000	7,452,631,201	0.96	0.96
	Noakhali	28	11,459,500,000	10,004,700,000	1.32	1.29
	Laxmipur	12	4,731,700,000	4,157,000,000	0.55	0.53
	Sub Total	136	73,158,600,000	63,267,131,201	8.45	8.13
	Total	1206	865,094,035,510	777,343,328,662	99.89	99.91
12.03.2.b	Outside Bangladesh					
	Kolkata & Siliguri	2	918,246,269	699,359,639	0.11	0.09
	Total Loans & Advances	1208	866,012,281,779	778,042,688,301	100	100

Head office is included in Number of Branches and Deposits and Other Accounts



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
12.04	Sector Wise Deposit Including Bills Payable						
	Presidency, Prime Minister Office and Judiciary				77,193,602,607		65,388,739,926
	Autonomous and Semi-autonomous bodies				81,139,882,617		77,413,004,685
	Other Public Sector				164,224,254,970		154,191,254,897
	Banking Sector				24,441,126,236		21,278,365,469
	Private Sector				518,095,169,080		459,071,963,685
					865,094,035,510		777,343,328,662
	Overseas Branches				918,246,269		699,359,639
					866,012,281,779		778,042,688,301

12.05.a Maturity Grouping of deposits and other accounts (Including Bills Payable)

Repayable on Demand	111,084,174,643	82,645,690,506	111,084,174,643	82,645,690,506
Repayable within 1 Month	46,801,381,415	69,766,248,164	46,801,381,415	69,766,248,164
Over 1 month but within 6 Months	151,868,283,705	81,141,602,756	151,868,283,705	81,141,602,756
Over 6 months but within 1 year	92,396,671,190	77,646,730,765	92,396,671,190	77,646,730,765
Over 1 year but within 5 years	185,407,911,798	174,715,001,612	185,407,911,798	174,715,001,612
Over 5 years but within 10 years	278,442,526,911	292,112,075,681	278,442,526,911	292,112,075,681
Over 10 years	11,332,117	15,338,818	11,332,117	15,338,817
	866,012,281,779	778,042,688,302	866,012,281,779	778,042,688,301
Less: Inter Company balance Eliminated	18,475,540	67,905,615	-	-
Total	865,993,806,239	777,974,782,687	866,012,281,779	778,042,688,301

12.05.b Maturity Grouping of Inter-Bank Deposits

Repayable on Demand	14,012,117,685	13,223,606,353	14,012,117,685	13,223,606,353
Repayable within 1 Month	9,808,482,380	9,256,524,447	9,808,482,380	9,256,524,447
Over 1 month but within 6 Months	-	-	-	-
Over 6 months but within 1 year	2,802,423,537	2,644,721,271	2,802,423,537	2,644,721,271
Over 1 year but within 5 years	1,401,211,768	1,322,360,635	1,401,211,768	1,322,360,635
Over 5 years but within 10 years	-	-	-	-
Over 10 years	-	-	-	-
Sub Total	28,024,235,370	26,447,212,706	28,024,235,370	26,447,212,706
Other Deposits				
Repayable on Demand	97,072,056,958	69,422,084,153	97,072,056,958	69,422,084,153
Repayable within 1 Month	36,992,899,036	60,509,723,717	36,992,899,036	60,509,723,717
Over 1 month but within 6 Months	151,868,283,705	81,141,602,756	151,868,283,705	81,141,602,756
Over 6 months but within 1 year	89,594,247,653	75,002,009,494	89,594,247,653	75,002,009,494
Over 1 year but within 5 years	184,006,700,030	173,392,640,977	184,006,700,030	173,392,640,977
Over 5 years but within 10 years	278,442,526,911	292,112,075,681	278,442,526,911	292,112,075,681
Over 10 years	11,332,116	15,338,817	11,332,116	15,338,817
Sub Total	837,988,046,409	751,595,475,595	837,988,046,409	751,595,475,595
Less: Inter Company balance Eliminated	18,475,540	67,905,615	-	-
Total	865,993,806,239	777,974,782,686	866,012,281,779	778,042,688,301

12.05.c Maturity Grouping of Bills Payables

Repayable on Demand	9,011,261,815	12,676,341,550	9,011,261,815	12,676,341,550
Repayable within 1 Month	-	-	-	-
Over 1 month but within 6 Months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
Over 5 years but within 10 years	-	-	-	-
Over 10 years	-	-	-	-
	9,011,261,815	12,676,341,550	9,011,261,815	12,676,341,550
Un-claimed deposits for 10 years or more held by the bank as on 31 December 2015	11,332,117	15,338,817	11,332,117	15,338,817



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
13.00	Other liabilities						
	Domestic Branches						
	Provision for Classified loans including writ	13.01.a	39,652,400,000	52,392,580,000	39,652,400,000	52,392,580,000	
	Provision for Un-Classified loans	13.01.b	3,257,500,000	3,066,949,110	3,257,500,000	3,066,949,110	
	Interest Suspense	13.02	20,309,170,456	17,886,163,821	20,309,170,456	17,886,163,821	
	Provision against diminishing value of portfolio Investment	13.03	232,218,722	61,366,380	156,900,000	-	
	Provision against Portfolio Loan		374,817,190	325,384,687	-	-	
	Liability for employees benefit (PDCRB & Pension fund)	13.04	3,102,228,071	1,647,414,519	3,102,228,071	1,647,414,519	
	Provision for Income Tax	13.05	3,807,007,348	3,615,374,223	3,773,853,628	3,576,669,473	
	Provision for other assets		2,927,714,806	2,210,000,000	2,927,714,806	2,210,000,000	
	BB Refinance Scheme for SML of Tk. 10		197,750	-	197,750	-	
	Employees Tax Deducted at source		7,034,420	-	7,034,420	-	
	Interest Payable (For Fixed Deposit)		9,813,207,025	-	9,813,207,025	-	
	Interest Payable for other Deposit		3,134,679,135	-	3,134,679,135	-	
	Income Receivable in advance		110,839,365	-	110,839,365	-	
	Expenses payable A/C		348,244,013	-	348,244,013	-	
	Cupon Interst Income		125,559,378	-	125,559,378	-	
	Exporters' Foreign Currency Retention Quota		89,851,885	42,361,427	89,851,885	42,361,427	
	Provision against Off Balance Sheet Exposure		2,519,528,930	2,299,297,380	2,519,528,930	2,299,297,380	
	Provision for Exgratia/Bonus etc	13.06	1,559,035,944	1,613,451,602	1,559,035,944	1,613,451,602	
	Foreign Correspondent Charges		1,494,045	1,382,340	1,494,045	1,382,340	
	Adjusting Account Credit Balance		4,236,329	236,004,057	4,236,329	236,004,057	
	Foreign Currency Fund Purchased A/C		5,850,987,712	6,178,110,099	5,850,987,712	6,178,110,099	
	Provision for NOSTRO A/C		9,662,513	19,325,013	9,662,513	19,325,013	
	Vocational Women's Cr.Scheme Guarantee Fund		256,353	256,353	256,353	256,353	
	Agricultural Guarantee Against I.D.A. Credit -724 B.D.		19,562,612	19,562,612	19,562,612	19,562,612	
	Industrial Cr. Guarantee Claims received Fund		1,834,492	1,834,492	1,834,492	1,834,492	
	Bangladesh Bank Cr.Guarantee Fee I.D.A Cr. - 825 B.D.		178,997	178,997	178,997	178,997	
	I.D.A. Service Charges 765 B.D.		530,812	530,812	530,812	530,812	
	BSCIC Service Charges I.D.A Credit -825 B.D.		4,881,123	4,881,123	4,881,123	4,881,123	
	Revolving fund against I.D.A. Credit -725 B.D.		27,820,800	27,820,800	27,820,800	27,820,800	
	Sundry Deposits (H.O)		2,159,119,546	1,946,928,872	2,159,119,546	1,946,928,872	
	Interest Subsidy Account		3,585,618	3,585,618	3,585,618	3,585,618	
	SPL A/C's Proceeds of Import Documents Dr.of F.C(NBP)		787,657	787,657	787,657	787,657	
	Special accounts surplus Proceeds of Import Goods		8,479	8,479	8,479	8,479	
	Unclaimed Dividend (NBP)		149,577	149,577	149,577	149,577	
	AST-CIDA Guarantee Fund for MCDSF.		45,312	45,312	45,312	45,312	
	Mother Club Women's Cr.Guarantee Fund		2,554,409	2,554,409	2,554,409	2,554,409	
	Interest Reserve against Agri-Loan Interest Exemption 2004		-	-	-	-	
	BRDB/UCCA Crop Loan Interest p.intt. Reserve A/C. 1994		2,054,115	-	2,054,115	-	
	BRDB/UCCA Crop Loan Interest Reserve A/C.2001		79,091,955	-	79,091,955	-	
	Balance Held with Foreign Bank abroad (Cr Balance)		69,935,062	1,927,143,269	69,935,062	1,927,143,269	
	Cr. Balance in F.C Clearing A/C		5,381,460	29,705,371	5,381,460	29,705,371	
	Asian Clearing Union (NOSTRO)		-	-	-	-	
	Loan from IDA Credit No. 765 BD.		56,824,870	56,824,870	56,824,870	56,824,870	
	Sirajganj Integrated Rural Development Fund		37,375,505	36,750,825	37,375,505	36,750,825	
	Agro Based Industrial & Technology Dev. Proj.		475,027	3,591,302	475,027	3,591,302	
	Provision for Salary		700,000,000	-	700,000,000	-	
	Rebate A/C of Term Loans to NBFi		350,452	350,452	350,452	350,452	
	FC. Clearing A/C (Credit Balance)		-	-	-	-	
	Provision for X-checker		10,000,000	10,000,000	10,000,000	10,000,000	
	Provision for city Corp.Bond		-	46,062,591	-	46,062,591	
	I.D.A. Credit -3917 B.D.		224,119,541	215,462,114	224,119,541	215,462,114	
	Portfolio Margin Deposit Control		20,568,118	19,896,565	-	-	
	Remittance Payable to Beneficiary		20,983,914	46,630,547	-	-	
	Other provision of Indian operation		689,257	689,257	689,257	689,257	
	Provision for loss of Sonali Polaris FT Ltd. & Sonali UK Ltd.		119,644,308	64,191,963	119,644,308	64,191,963	
	Asian Clearing Union (VOSTRO)	13.07	98,152,215	90,552,051	98,152,215	90,552,051	
	Payable for Client Sale		980,844	1,920,340	-	-	
	Others liabilities of subsidiary		480,799,427	467,144,700	-	-	
			101,386,356,894	96,621,205,988	100,379,734,959	95,660,158,019	
	Overseas Branches						
	Profit Earned by Overseas Branch		-	54,926,563	-	54,926,563	
	Other Liabilities of Overseas Branch		350,568,554	282,911,168	350,568,554	282,911,168	
	Reserve Fund of Kolkata Branch		157,260,725	90,877,712	157,260,725	90,877,712	
			507,829,279	428,715,443	507,829,279	428,715,443	
			101,894,186,173	97,049,921,431	100,887,564,237	96,088,873,462	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
13.01	Accumulated Provision for Loans and Advances						
	a) Provision for Classified loans Including writ						
	Balance at the beginning of the period		52,392,580,000	70,054,500,000	52,392,580,000	70,054,500,000	
	Less: Loans written off which fully Provided for		20,917,508,170	18,111,384,457	20,917,508,170	18,111,384,457	
			31,475,071,830	51,943,115,543	31,475,071,830	51,943,115,543	
	Add: Recovery Loans which was Written off earlier		140,085,942	161,843,906	140,085,942	161,843,906	
			31,615,157,772	52,104,959,449	31,615,157,772	52,104,959,449	
	Add: Specific Provision made during the year		8,037,242,228	287,620,551	8,037,242,228	287,620,551	
			39,652,400,000	52,392,580,000	39,652,400,000	52,392,580,000	
	Less: Recovered and Provision which no more required		-	-	-	-	
	Add: Net Charge on Profit Loss Account		-	-	-	-	
	Balance at the end of the year		39,652,400,000	52,392,580,000	39,652,400,000	52,392,580,000	
	b) Provision for Un-Classified loans						
	Balance at the beginning of the period		3,066,949,110	3,691,200,000	3,066,949,110	3,691,200,000	
	Less: Loans written off which fully Provided for		-	-	-	-	
			3,066,949,110	3,691,200,000	3,066,949,110	3,691,200,000	
	Add: Recovery from the Previous Written Off Loans		-	-	-	-	
			3,066,949,110	3,691,200,000	3,066,949,110	3,691,200,000	
	Add: Special Provision made during the year		190,550,890	-	190,550,890	-	
			3,257,500,000	3,691,200,000	3,257,500,000	3,691,200,000	
	Less: Recovered and Provision which no more required		-	624,250,890	-	624,250,890	
			3,257,500,000	3,066,949,110	3,257,500,000	3,066,949,110	
	Add: Net Charge on Profit Loss Account		-	-	-	-	
	Balance at the end of the year		3,257,500,000	3,066,949,110	3,257,500,000	3,066,949,110	
13.02	Interest Suspense						
	Balance at the beginning of the period						
	Interest Reserve		17,876,565,222	19,277,174,634	17,876,565,222	19,277,174,634	
	Interest Reserve Penal Interest		9,598,599	34,317,081	9,598,599	34,317,081	
			17,886,163,821	19,311,491,715	17,886,163,821	19,311,491,715	
	Add: Amount transferred to "Interest Suspense" Account during the						
	Interest Reserve		8,028,993,633	8,057,289,163	8,028,993,633	8,057,289,163	
	Interest Reserve Penal Interest		-	-	-	-	
			8,028,993,633	8,057,289,163	8,028,993,633	8,057,289,163	
	Less: Amount Recovered in "Interest Suspense" account during the year						
	Interest Reserve		5,431,392,571	3,245,860,163	5,431,392,571	3,245,860,163	
	Interest Reserve Penal Interest		1,003,410	456,065	1,003,410	456,065	
			5,432,395,981	3,246,316,228	5,432,395,981	3,246,316,228	
	Less: Amount written off during the year						
	Interest Reserve		173,591,017	6,212,038,412	173,591,017	6,212,038,412	
	Interest Reserve Penal Interest		-	24,262,417	-	24,262,417	
			173,591,017	6,236,300,829	173,591,017	6,236,300,829	
	Balance at the end of the period						
	Interest Reserve		20,300,575,267	17,876,565,222	20,300,575,267	17,876,565,222	
	Interest Reserve Penal Interest		8,595,189	9,598,599	8,595,189	9,598,599	
			20,309,170,456	17,886,163,821	20,309,170,456	17,886,163,821	
13.03	Provision against diminishing value of portfolio Investment						
	Balance at the beginning of the period		61,366,380	61,366,380	-	-	
	Add: Additional during the year		170,852,342	-	156,900,000	-	
	Portfolio Investment	13.03a	113,952,342	-	100,000,000	-	
	Debenture		56,900,000	-	56,900,000	-	
	Balance at the end of the year		232,218,722	61,366,380	156,900,000	-	
13.03a	In response to Bank appeal, Bangladesh Bank allowed the Bank through vide letter no-DOS(SR)115/3/161/01/2016-1385 dated 13 March 2016 to keep provision against demunition value of portfolio investment amounting to Tk. 100 million in 2015 and the rest amount in 2016 at a equal quarterly installment basis. Accordingly Bank has kept that provision.						
13.04	Liability for employees benefit (PDCRB & Pension fund)						
	Fair value of defined benefit obligation	a	32,713,954,430	24,468,955,969	32,713,954,430	24,468,955,969	
	Less: Fair value of benefit plan assets	b	29,611,726,359	22,821,541,450	29,611,726,359	22,821,541,450	
			3,102,228,071	1,647,414,519	3,102,228,071	1,647,414,519	
	a) Fair value of defined benefit obligation						
	Opening Balance						
	Sonali Bank Ltd. Employees Pension fund		1,890,325,781	1,797,862,578	1,890,325,781	1,797,862,578	
	Sonali Bank Ltd. Employees PDCR Benefit fund		22,578,594,554	27,409,538,508	22,578,594,554	27,409,538,508	
	Provision for employees benefit		35,634	35,634	35,634	35,634	
			24,468,955,969	29,207,436,720	24,468,955,969	29,207,436,720	

Notes	Particulars	Ref. Note	Amount in Taka			
			Consolidated		Bank	
			2015	2014	2015	2014
Transfer/Adjustment made during the year						
	Sonali Bank Ltd. Employees Pension fund		-	-	-	-
	Sonali Bank Ltd. Employees PDCR Benefit fund		-	-	-	-
	Provision for employees benefit		-	-	-	-
Less: Payment made during the year						
	Sonali Bank Ltd. Employees Pension fund		730,621,236	60,529,060	730,621,236	60,529,060
	Sonali Bank Ltd. Employees PDCR Benefit fund		2,891,955,913	5,658,056,106	2,891,955,913	5,658,056,106
	Provision for employees benefit		-	-	-	-
			3,622,577,149	5,718,585,166	3,622,577,149	5,718,585,166
Add: Creation during the year and prior year adjustment						
	Sonali Bank Ltd. Employees Pension fund		764,613,820	152,992,263	764,613,820	152,992,263
	Sonali Bank Ltd. Employees PDCR Benefit fund		11,102,961,790	827,112,152	11,102,961,790	827,112,152
	Provision for employees benefit		-	-	-	-
			11,867,575,610	980,104,415	11,867,575,610	980,104,415
Closing Balance						
	Sonali Bank Ltd. Employees Pension fund		1,924,318,365	1,890,325,781	1,924,318,365	1,890,325,781
	Sonali Bank Ltd. Employees PDCR Benefit fund		30,789,600,431	22,578,594,554	30,789,600,431	22,578,594,554
	Provision for employees benefit		35,634	35,634	35,634	35,634
			32,713,954,430	24,468,955,969	32,713,954,430	24,468,955,969
	Provision Maintained		-	-	-	-
	Provision Required		32,713,954,430	24,468,955,969	32,713,954,430	24,468,955,969
	Provision Surplus/(Deficit)		-	-	-	-
			32,713,954,430	24,468,955,969	32,713,954,430	24,468,955,969

b) Fair value of benefit plan assets

Fund Investments

Sonali Bank Employees PDCRB Investment

Bangladesh Govt. Treasury Bond

FDR-Local Office (SBL)

FDR- Bank Asia Ltd

FDR-SBAC Bank Ltd

FDR-AB Bank Ltd

	-	-	-	-
	27,978,960,700	21,800,000,000	27,978,960,700	21,800,000,000
	-	-	-	-
	21,963,472	20,000,000	21,963,472	20,000,000
	-	-	-	-
	28,000,924,172	21,820,000,000	28,000,924,172	21,820,000,000

Sonali Bank Employees Pension Fund Investment

FDR- Bank Asia

FDR- Farmers Banks Ltd.

FDR- AB Bank Ltd.

FDR- Local Office

	60,569,748	60,000,000	60,569,748	60,000,000
	20,000,000	60,000,000	20,000,000	60,000,000
	67,684,409	-	67,684,409	-
	1,462,548,030	881,541,450	1,462,548,030	881,541,450
	1,610,802,187	1,001,541,450	1,610,802,187	1,001,541,450

Total Fair value of benefit plan Assets

	29,611,726,359	22,821,541,450	29,611,726,359	22,821,541,450
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13.05 Provision for Income Tax

Balance at the beginning of the year

Less: Payment during the year

Add : Amount transferred during the year

Add : Income tax on Indian operation

Balance at the end of the year

	3,615,374,223	3,401,002,113	3,576,669,473	3,377,267,809
	8,926,275	1,574,811	-	-
	200,559,400	215,946,921	197,184,155	199,401,664
	-	-	-	-
	3,807,007,348	3,615,374,223	3,773,853,628	3,576,669,473

13.06 Provision for Bonus/ Exgratia

Opening Balance

Less: Payment during the year

Add: Realized during the year

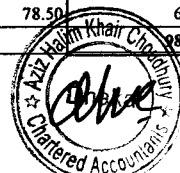
Add: Made during the year

Balance at the end of the year

	1,613,451,602	1,667,463,668	1,613,451,602	1,667,463,668
	1,554,415,658	1,565,542,380	1,554,415,658	1,565,542,380
	-	11,530,314	-	11,530,314
	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
	1,559,035,944	1,613,451,602	1,559,035,944	1,613,451,602

13.07 Asian Clearing Union (ACU)-VOSTRO

SL No.	Particulars	As at 31 December 2015			
		Foreign Currency	FC amount	Exchange rate	Amount in Taka
1	Myanmar Foreign Trade Bank, Myanmar	EURO	205,786.37	85.82	17,659,804
2	Office Account	EURO	10,782.00	85.82	925,270
3	Sonali Bank Ltd Kolkata	USD	34,276.06	78.50	2,690,671
4	The Jammu & Kashmir Bank Ltd.	USD	25,158.50	78.50	1,974,942
5	Myanmar Investment & Com. Bank	USD	738,582.23	78.50	57,978,705
6	Office Account	USD	137,019.87	78.50	10,756,060
7	Bank of Ceylon, Sri Lanka	USD	78,557.49	78.50	6,166,763
Total			1,230,162.52		98,152,215



Notes	Particulars	Ref. Note	Amount in Taka			
			Consolidated		Bank	
			2015	2014	2015	2014
14.00	Share Capital		38,300,000,000	31,200,000,000	38,300,000,000	31,200,000,000
14.01	Authorized Capital 600,000,000 ordinary shares of Taka 100 each		60,000,000,000	60,000,000,000	60,000,000,000	60,000,000,000
14.02	Issued, subscribed and fully paid up Capital 383,000,000 ordinary shares of Taka 100 each		38,300,000,000	31,200,000,000	38,300,000,000	31,200,000,000

The entire amount of the paid up capital has been subscribed by the Government of the People's Republic of Bangladesh but each Director of the Bank is the holder of one symbolic Share of taka one hundred.

14.03 Capital To Risk Weighted Assets Ratios (CRAR)

In terms of section 13(2) of Bank Company Act, 1991 and Bangladesh Bank BRPD circular no. 09 dated 31 December 2008 and BRPD circular no. 18 dated 21 December 2014, required capital of the Bank at the close of business on 31 December 2015 was Taka 39,431.01 million as against core capital of Taka 25,356.98 million and supplementary capital of Taka 14,387.00 million making a total capital of Taka 39,743.98 million thereby showing a surplus of capital/equity of Taka 312.97 million at the year end:

Total risk weighted assets including off-balance sheet items	393,938,600,000	405,264,300,000	394,310,100,000	406,842,700,000
Required capital @ 10% of risk weighted assets	39,393,860,000	40,526,430,000	39,431,010,000	40,684,270,000

Capital held:

Tier 1 Capital	14.03.02	25,119,877,169	31,211,273,048	25,356,976,310	31,416,979,907
Tier 2 Capital	14.03.03	14,373,500,000	18,374,597,380	14,387,000,000	18,374,597,380
Total Eligible Regulatory Capital (Tier 1 and 2)		39,493,377,169	49,585,870,428	39,743,976,310	49,791,577,287
Total capital surplus		99,517,169	9,059,440,428	312,966,310	9,107,307,287
CRAR/ CAR Based on Basel-III/ (II) Framework		10.03%	12.24%	10.08%	12.24%

14.03.01 Capital requirement

	Required	Held	Held	Held	Held
Tier - I (Minimum CET-1 @ 4.5%)	5.5%	6.38%	7.70%	6.43%	7.72%
Tier - II (Maximum up to 4% of the total RWA or 88.89% of CET-1 whichever is higher applicable from 01 January 2015)	4.5%	3.65%	4.54%	3.65%	4.52%
Total	10.0%	10.03%	12.24%	10.08%	12.24%

14.03.02 Tier 1 Capital

A. Common Equity Tier 1 (CET1) Capital (Going-Concern Capital)

Paid up capital		38,300,000,000	31,200,000,000	38,300,000,000	31,200,000,000
Statutory reserve	15.00	7,601,472,379	7,601,472,379	7,601,472,379	7,601,472,379
Other reserve		107,818,856	113,500,000	107,818,856	113,500,000
Retained earnings		(20,889,414,066)	(14,803,699,330)	(20,652,314,925)	(14,597,992,472)
Share money deposit		-	7,100,000,000	-	7,100,000,000
		25,119,877,169	31,211,273,048	25,356,976,310	31,416,979,907
Less: Deferred tax asset	14.03.2a	-	-	-	-
		25,119,877,169	31,211,273,048	25,356,976,310	31,416,979,907

B. Additional Tier-1 Capital

Non-cumulative irredeemable preference shares		-	-	-	-
Instruments issued by the banks that meet the qualifying criteria for AT1		-	-	-	-
Others (if any item approved by Bangladesh Bank)		-	-	-	-
Less: Regulatory Adjustments from AT-1 Capital	14.03.2b	-	-	-	-
		-	-	-	-

Total Tier 1 Capital (A+B)

		25,119,877,169	31,211,273,048	25,356,976,310	31,416,979,907
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14.03.03 Tier 2 Capital

Tier 2 Capital (Gone-concern Capital)

General provision maintained against unclassified loans and off-balance sheet exposures		3,966,900,000	5,366,297,380	3,980,400,000	5,366,297,380
Assets revaluation reserve		10,748,000,000	10,748,000,000	10,748,000,000	10,748,000,000
Revaluation Reserve for HTM securities		1,991,300,000	1,991,300,000	1,991,300,000	1,991,300,000
Revaluation Reserve for Equity		269,000,000	269,000,000	269,000,000	269,000,000
		16,975,200,000	18,374,597,380	16,988,700,000	18,374,597,380
Less: 20% Revaluation Reserves for Fixed Assets, Securities		2,601,700,000	-	2,601,700,000	-
Total Tier 2 Capital		14,373,500,000	18,374,597,380	14,387,000,000	18,374,597,380

14.03.2a In response to Bank request, Bangladesh Bank allowed the Bank through wide letter no-BRPD (BFIS)-661/14B(P)/2016-2151 dated 05 April 2016 to deduct deferred tax assets- 0% in 2015, 30% in 2016, 60% in 2017 and 90% in 2018 respectively to calculate Common Equity Tier-1 (CET-1) Capital. Bank has complied that instruction.



14.03.2b In response to Bank application, Bangladesh Bank allowed the Bank through vide letter no-BRPD (BFIS)-661/14B(P)/2016-1221 dated 17 February 2016 to calculate Common Equity Tier-1(CET-1) Capital without deducting any unadjusted Intangible Assets (Goodwill) subject to compliance of Vender's Agreement requirement. Accordingly, in compliance with Vender's Agreement , Bank has adjusted the unadjusted Intangible Assets (Goodwill) as a proportionate basis and calculate the CET-1 capital.

14.04 Risk Weighted Assets (RWA)

Particulars	(Taka in Crore)			
	Consolidated		Bank	
	2015	2014	2015	2014
Credit Risk				
i) On-Balance Sheet Exposure	30,113.18	30,226.00	30,221.36	30,468.61
ii) Off Balance Sheet Exposure	1,622.12	2,092.21	1,622.12	2,092.21
Market Risk	3,654.67	4,333.00	3,595.37	4,290.42
Operational Risk	4,003.89	3,874.66	3,992.16	3,833.03
Total Risk Weighted Assets (A+B+C)	39,393.86	40,525.87	39,431.01	40,684.27

14.05 Minimum Capital Requirement Under Basel III

Particulars	(Amount in Taka)			
	Consolidated		Bank	
	2015	2014	2015	2014
A. Eligible Capital :				
1. Common Equity Tier 1 (CET1) Capital (Going-concern capital)	25,119,877,169	31,211,273,048	25,356,976,310	31,416,979,907
2. Tier 2 Capital (Gone-concern Capital)	14,373,500,000	18,374,597,380	14,387,000,000	18,374,597,380
3. Tier-3 (eligible for market risk only)	-	-	-	-
4. Total Eligible Capital (1+2+3) :	39,493,377,169	49,585,870,428	39,743,976,310	49,791,577,287
B. Total Risk Weighted Assets (RWA):	393,938,600,000	405,264,300,000	394,310,100,000	406,842,700,000
C. Capital Adequacy Ratio (CAR) (A₄ / B) * 100	10.03%	12.24%	10.08%	12.24%
D. Core Capital to RWA (A₁ / B) * 100	6.38%	7.70%	6.43%	7.72%
E. Supplementary Capital to RWA (A₂ / B) * 100	3.65%	4.54%	3.65%	4.52%
F. Minimum Capital Requirement (MCR)- as on 31 December 2015	39,393,860,000	40,526,430,000	39,431,010,000	40,684,270,000

14.06 Ratio (As per Basel III requirement)

Capital Related Ratio

CRAR

Leverage Ratio

10.03%	12.24%	10.08%	12.24%
2.42%	-	2.44%	-

Liquidity Related Ratio

Liquidity Coverage Ratio

Net Stable Funding Ratio

493.68%	-
136.21%	-

14.06.1 Details about Ratio

a) Capital to Risk-weighted Asset Ratio

$$\text{CRAR (Bank)} = \frac{\text{Total Eligible Capital}}{\text{Credit RWA+Market RWA+Operational RWA}} * 100\%$$

$$= \frac{39,743,976,310}{394,310,100,000}$$

$$= 10.08\%$$

$$\text{CRAR (Consolidated)} = \frac{39,493,377,169}{393,938,600,000}$$

$$= 10.03\%$$

b) Leverage Ratio

$$\text{LR} = \frac{\text{Tier 1 Capital (after relate deductions)}}{\text{Total Exposure (after relate deductions)}} * 100\%$$

$$\text{LR (Bank)} = \frac{25,357,000,000}{1,040,728,760,000}$$

$$= 2.44\%$$

$$\text{LR(Consolidated)} = \frac{25,119,900,000}{1,040,006,660,000}$$

$$= 2.42\%$$

c) Liquidity Coverage Ratio

$$\text{LCR} = \frac{\text{Stock of quality liquid assets}}{\text{Total net cash outflows over the next 30 calendat days}} \geq 100\%$$

$$= \frac{449,614,935}{91,073,736}$$

$$= 493.68\%$$

d) Net Stable Funding Ratio

$$\text{NSFR} = \frac{\text{Available amount of stable funding (ASF)}}{\text{Required amount of stable funding (RSF)}} \geq 100\%$$

$$= \frac{793,399,780,100}{582,484,510,200}$$

$$= 136.21\%$$



14.07 Details about Shareholding

Name of Shareholders	As at 31 Dec. 2015	Amount @ 100
Government of the People's Republic of Bangladesh represented by Finance Secretary, Ministry of Finance	382,999,991	38,299,999,100
Mr. Fazle Kabir	1	100
Mr. Mohammad Muslim Chowdhury	1	100
Mr. Md. Faziul Haque	1	100
Mr. A K M Rezaur Rahman	1	100
Md. Mahboob Hossain	1	100
Mr. Md. Shaheb Ali Mridha	1	100
Mr. Md. Kazi Tariqul Islam	1	100
Md. Sabera Aktari Jamal	1	100
Mr. Afzal Hossain	1	100
	383,000,000	38,300,000,000

14.08 Name of Directors and their Shareholding

Name of the directors	Status	As at 31 Dec. 2015	Amount @ 100
Mr. Fazle Kabir	Chairman & Director	1	100
Mr. Mohammad Muslim Chowdhury	Director	1	100
Mr. Md. Faziul Haque	Director	1	100
Mr. A K M Rezaur Rahman	Director	1	100
Md. Mahboob Hossain	Director	1	100
Mr. Md. Shaheb Ali Mridha	Director	1	100
Mr. Md. Kazi Tariqul Islam	Director	1	100
Md. Sabera Aktari Jamal	Director	1	100
Mr. Afzal Hossain	Director	1	100
		9	900

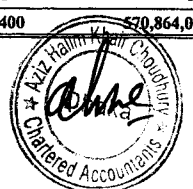
	Amount in Taka			
	Consolidated		Bank	
	2015	2014	2015	2014
15.00 Statutory Reserve				
Opening Balance	7,601,472,379	6,433,177,755	7,601,472,379	6,433,177,755
Add: Transferred during the year (20% of pre-tax profit)	-	1,168,294,624	-	1,168,294,624
Closing Balance	7,601,472,379	7,601,472,379	7,601,472,379	7,601,472,379
16.00 Other Reserves				
Reserve for Unforeseen Losses	16.01 47,000,000	47,000,000	47,000,000	47,000,000
Reserve for CSR	16.02 60,818,856	66,500,000	60,818,856	66,500,000
	107,818,856	113,500,000	107,818,856	113,500,000
16.01 Reserve for Unforeseen Losses				
Balance at the beginning of the period	47,000,000	47,000,000	47,000,000	47,000,000
Transfer to Reserve for Unforeseen losses	-	-	-	-
	47,000,000	47,000,000	47,000,000	47,000,000
16.02 Reserve for CSR				
Balance at the beginning of the period	66,500,000	-	66,500,000	-
Less :Distribution during the Period	(65,681,144)	-	(65,681,144)	-
Transfer to Reserve for CSR	60,000,000	60,000,000	60,000,000	60,000,000
Additional transfer to Reserve for CSR	-	6,500,000	-	6,500,000
	60,818,856	66,500,000	60,818,856	66,500,000
17.00 Revaluation Reserve				
Revaluation of investment	17.01 11,530,247,273	6,672,630,782	11,530,247,273	6,672,630,782
Assets Revaluation Reserve	17.02 21,495,933,277	21,495,933,277	21,495,933,277	21,495,933,277
	33,026,180,550	28,168,564,059	33,026,180,550	28,168,564,059
17.01 Revaluation of investment				
Balance at the beginning of the period	6,672,630,782	3,682,595,344	6,672,630,782	3,682,595,344
Add: Gain on Revaluation of Share	-	229,217,853	-	229,217,853
Add: Revaluation of HTM	126,107	662,252,459	126,107	662,252,459
Add: Revaluation of HFT	4,857,490,384	2,098,565,126	4,857,490,384	2,098,565,126
Balance at the end of the period	11,530,247,273	6,672,630,782	11,530,247,273	6,672,630,782
17.02 Assets Revaluation Reserve				
Balance at the beginning of the period	21,495,933,277	21,495,933,277	21,495,933,277	21,495,933,277
Addition during the year	-	-	-	-
Adjustment of Goodwill	-	-	-	-
Balance at the end of the period	21,495,933,277	21,495,933,277	21,495,933,277	21,495,933,277



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
18.00	Surplus in Profit and Loss Account/Retained Earnings						
	Balance at the beginning of the period		(14,803,699,330)	(12,972,954,204)	(14,604,492,472)	(12,850,020,656)	
	Profit during the year						
	Net Profit After Tax		548,423,887	5,978,338,561	586,498,262	6,054,643,526	
	Transfer to Reserve for CSR		(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	
	Transfer to statutory reserve		-	(1,168,294,624)	-	(1,168,294,624)	
			488,423,887	4,750,043,937	526,498,262	4,826,348,902	
	Total Retained Surplus		(14,315,275,443)	(8,222,910,267)	(14,077,994,210)	(8,023,671,755)	
	Intangible Assets- Valuation Adjustment A/C	9.08.01	(6,574,320,716)	(6,574,320,716)	(6,574,320,716)	(6,574,320,716)	
	Currency transaction differences		182,094	31,654	-	-	
	Additional Transfer to CSR		-	(6,500,000)	-	(6,500,000)	
	Balance at the end of the period		(20,889,414,066)	(14,803,699,330)	(20,652,314,925)	(14,604,492,472)	

In terms of the decision taken in the meeting in the Ministry of Finance held on 24/03/2008, an amount Tk. 65,743,207,158 is to be amortized against profit to adjust the intangible Assets (Goodwill) created for Accumulated loss of previous years out of Which Tk 52,596,765,755 was amortize up to 2015. In order to adjust the total amount within 10 years equally Tk. 6,574,320,716 million has been adjusted with retained earning in 2015.

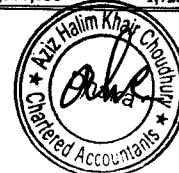
19.00	Contingent Liabilities & Commitments						
	Letters of guarantee	19.01	2,834,121,418	4,524,516,271	2,834,121,418	4,524,516,271	
	Irrevocable Letters of Credit	19.02	242,443,332,567	206,390,740,160	242,443,332,567	206,390,740,160	
	Bills for collection	19.03	6,675,438,990	19,014,481,583	6,675,438,990	19,014,481,583	
			251,952,892,975	229,929,738,014	251,952,892,975	229,929,738,014	
19.01	Letters of guarantee						
	Claims lodged with the bank company, which is not recognized as loan;						
	Money for which the bank is contingently liable in respect of guarantee issued favoring:						
	Directors or officers		-	-	-	-	
	Government		1,886,837,702	2,534,109,569	1,886,837,702	2,534,109,569	
	Banks and other financial institutions		18,755,483	233,577,582	18,755,483	233,577,582	
	Others						
	Domestic		915,963,717	1,445,514,476	915,963,717	1,445,514,476	
	Overseas		12,564,516	311,314,644	12,564,516	311,314,644	
			2,834,121,418	4,524,516,271	2,834,121,418	4,524,516,271	
19.02	Irrevocable Letters of Credit						
	(i) Government						
	Domestic		229,752,794,852	184,918,295,850	229,752,794,852	184,918,295,850	
	Overseas		-	-	-	-	
			229,752,794,852	184,918,295,850	229,752,794,852	184,918,295,850	
	Less: Margin		-	-	-	-	
	Sub Total		229,752,794,852	184,918,295,850	229,752,794,852	184,918,295,850	
	(ii) Bank and Other Financial Institutions						
	Domestic		406,921,000	882,446,900	406,921,000	882,446,900	
	Overseas		-	-	-	-	
			406,921,000	882,446,900	406,921,000	882,446,900	
	Less: Margin		-	-	-	-	
	Sub Total		406,921,000	882,446,900	406,921,000	882,446,900	
	(iii) Others						
	Domestic		12,282,746,024	20,589,997,410	12,282,746,024	20,589,997,410	
	Overseas		870,691	-	870,691	-	
			12,283,616,715	20,589,997,410	12,283,616,715	20,589,997,410	
	Less: Margin		-	-	-	-	
	Sub Total		12,283,616,715	20,589,997,410	12,283,616,715	20,589,997,410	
	Total of (i+ii+iii)		242,443,332,567	206,390,740,160	242,443,332,567	206,390,740,160	
19.03	Bills for collection						
	Payable in Bangladesh	19.03.01	1,171,112,400	570,864,000	1,171,112,400	570,864,000	
	Payable outside Bangladesh	19.03.02	5,504,326,590	18,443,617,583	5,504,326,590	18,443,617,583	
			6,675,438,990	19,014,481,583	6,675,438,990	19,014,481,583	
19.03.01	Payable in Bangladesh (Divisional office-wise)						
	Dhaka-1		979,583,400	259,990,000	979,583,400	259,990,000	
	Dhaka-2		191,529,000	310,874,000	191,529,000	310,874,000	
	Chittagong		-	-	-	-	
	Khulna		-	-	-	-	
	Comilla		-	-	-	-	
	Faridpur		-	-	-	-	
	Rajshahi		-	-	-	-	
	Rangpur		-	-	-	-	
	Barisal		-	-	-	-	
	Sylhet		-	-	-	-	
	Mymensing		-	-	-	-	
			1,171,112,400	570,864,000	1,171,112,400	570,864,000	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
19.03.02	Payable outside Bangladesh (Divisional office-wise)						
	Dhaka-1		14,367,890	16,231,778,663		14,367,890	16,231,778,663
	Dhaka-2		5,306,746,304	597,235,138		5,306,746,304	597,235,138
	Chittagong		16,190,550	1,194,474,000		16,190,550	1,194,474,000
	Khulna		-	24,182,000		-	24,182,000
	Cornilla		-	-		-	-
	Faridpur		-	-		-	-
	Rajshahi		-	-		-	-
	Rangpur		-	-		-	-
	Barisal		-	-		-	-
	Sylhet		-	-		-	-
	Mymensing		-	-		-	-
	Overseas Branches		167,021,846	395,947,782		167,021,846	395,947,782
			5,504,326,590	18,443,617,583		5,504,326,590	18,443,617,583
20.00	Income Statement						
	Income:						
	Interest, discount and similar income	20.01	58,873,432,269	51,740,682,877		58,873,432,269	51,740,682,877
	Dividend Income		836,779,227	1,297,031,588		831,835,943	1,292,102,150
	Fees, commission and brokerage	20.02	8,015,664,507	8,777,757,402		7,824,125,889	8,567,245,567
	Gains less Losses arising from dealing securities		-	-		-	-
	Gains less Losses arising from investment securities		-	-		-	-
	Gains less Losses arising from dealing in foreign currencies		1,261,436,640	1,934,304,616		1,261,436,640	1,934,304,616
	Income from non-banking assets		-	-		-	-
	Other operating income	25.00	533,293,780	1,174,530,294		532,993,067	1,173,998,471
	Profit less Loss on interest rate changes		-	-		-	-
			69,520,606,423	64,924,306,776		69,323,823,808	64,708,333,681
	Expenses:						
	Interest, fee and commission		46,746,997,484	43,364,513,849		46,719,111,572	43,337,378,644
	Losses on loans and advances/Assets (Intangible Assets)		6,574,320,716	6,574,320,716		6,574,320,716	6,574,320,716
	Administrative expenses	20.03	10,783,047,079	9,853,904,825		10,592,544,849	9,668,906,468
	Other operating expenses		2,972,151,693	2,772,605,211		2,966,021,582	2,762,920,637
	Depreciation on banking assets		502,173,592	486,343,700		492,889,978	477,860,035
			67,578,690,564	63,051,688,301		67,344,888,697	62,821,386,500
20.01	Interest, discount and similar income						
	Interest income		32,313,077,239	29,903,879,988		32,313,077,239	29,903,879,988
	Discount Income		-	-		-	-
	Interest income on treasury bills, reverse repo, bonds		26,554,321,004	21,836,761,105		26,554,321,004	21,836,761,105
	Interest on debenture		6,034,026	41,784		6,034,026	41,784
			58,873,432,269	51,740,682,877		58,873,432,269	51,740,682,877
20.02	Fee, commission and brokerage						
	Fee		166,669,588	205,635,020		166,669,588	205,635,020
	Commission		7,848,994,919	8,572,122,382		7,657,456,301	8,361,610,547
	Brokerage		-	-		-	-
			8,015,664,507	8,777,757,402		7,824,125,889	8,567,245,567
20.03	Administrative expenses						
	Salaries and allowances		9,605,893,404	8,726,331,170		9,425,641,252	8,550,475,795
	Rent, Taxes, Insurance, Electricity etc.		840,473,815	783,794,717		831,369,908	775,904,540
	Legal expenses		34,185,856	33,291,411		34,135,856	33,265,161
	Postage, Stamps, Telecommunication etc.		78,380,485	74,333,330		78,093,893	73,931,894
	Stationery, Printing, Advertisement etc.		209,617,645	219,299,789		209,335,116	218,921,922
	Managing Directors' salary and fees		7,220,087	8,254,707		7,220,087	8,254,707
	Directors' fees		4,590,342	5,689,683		4,132,042	5,304,933
	Auditors' fees		2,685,445	2,910,016		2,616,695	2,847,516
			10,783,047,079	9,853,904,825		10,592,544,849	9,668,906,468
21.00	Interest Income						
	On Loan and Advances	21.01	30,034,729,703	26,933,022,005		29,991,426,024	26,823,367,824
	Interest on balance with other banks and financial institutions	21.02	1,992,188,953	1,322,291,040		1,990,308,722	1,319,310,278
	Interest received from foreign banks	21.03	177,075	-		177,075	-
	Others	21.04	292,363,820	1,726,175,791		291,377,658	1,725,217,763
	Interest Income of Indian operation		39,787,760	35,984,123		39,787,760	35,984,123
			32,359,247,311	30,017,472,959		32,313,077,239	29,903,879,988
	Less: Interest Income transferred to Interest Suspense A/C		-	45,875,627		-	-
			32,359,247,311	29,971,597,332		32,313,077,239	29,903,879,988



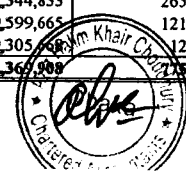
Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
21.01	Loan and Advances:						
	Loans						
	On Demand		1,585,526,395	958,066,188	1,585,526,395	958,066,188	
	On Small Loan		29,357,823	41,775,711	29,357,823	41,775,711	
	On House Building Loan (General)		23,082,781	47,640,113	23,082,781	47,640,113	
	On House Building Loan (Staff)		1,841,382,693	1,677,336,147	1,841,382,693	1,677,336,147	
	On Other Staff Loan		135,856,022	130,350,325	135,856,022	130,350,325	
	On Loan Under SBICS (Project)		2,039,950,130	2,052,743,446	2,039,950,130	2,052,743,446	
	On External Credit		7,292,963	4,230,347	7,292,963	4,230,347	
	On Working Capital to Industries -Hypo		1,521,061,016	3,118,762,564	1,521,061,016	3,118,762,564	
	On Working Capital to Industries -Pledge		204,810,396	269,811,878	204,810,396	269,811,878	
	On Loan Under SB Agro based Ind. Credit Scheme		637,892,799	415,611,746	637,892,799	415,611,746	
	On Working Capital to Agro based Ind. -Hypo		1,491,839,374	1,056,428,286	1,491,839,374	1,056,428,286	
	On Working Capital to Agro based Ind. -Pledge		676,747,112	533,738,009	676,747,112	533,738,009	
	On Agricultural Loan		2,252,301,369	2,538,856,338	2,252,301,369	2,538,856,338	
	On Micro Credit		644,572,874	730,822,712	644,572,874	730,822,712	
	On Loan against Imported Merchandise (LIM)		7,091,274	213,337,704	7,091,274	213,337,704	
	On Loan Against Trust Receipts (LTR)		4,024,898,355	4,490,698,215	4,024,898,355	4,490,698,215	
	On Force Loan against Back to Back L/C		1,389,706,368	686,558,764	1,389,706,368	686,558,764	
	On Bridge Finance		249,780,627	353,328,603	249,780,627	353,328,603	
	On Small Business Loan Scheme		76,936,473	77,017,291	76,936,473	77,017,291	
	On Special Small Loan Program		62,505,970	71,713,004	62,505,970	71,713,004	
	On Term Loan to Bank and NBFI		-	3,209,496	-	3,209,496	
	On Probasi Karmo Sangsthan Prokalpo		5,546,856	9,368,231	5,546,856	9,368,231	
	On Education Loan		3,192,386	970,360	3,192,386	970,360	
	On Foreign Education Loan		856,755	586,214	856,755	586,214	
	On Sonali Credit		63,733,236	68,789,868	63,733,236	68,789,868	
	On Lease Finance		7,291,946	4,144,176	7,291,946	4,144,176	
	On SME Finance(WC to Ind.Serv.Trad.)		751,697,983	712,595,958	751,697,983	712,595,958	
	On SME Finance		707,102,509	514,762,332	707,102,509	514,762,332	
	On Loan against Inland Bills		213,698,272	330,870,665	213,698,272	330,870,665	
	On Term Loan to Freedom Fighter		7,686,345	7,942,866	7,686,345	7,942,866	
	On Small Trading Loan		929,251	8,720,101	929,251	8,720,101	
	On Loan for L/C WES		859,992,831	208,102	859,992,831	208,102	
	Interest on portfolio loan to investors		43,303,679	109,654,181	-	-	
			21,567,624,863	21,240,649,941	21,524,321,184	21,130,995,760	
	Cash Credit						
	On Cash Credit General-Hypo		1,975,602,033	2,236,053,529	1,975,602,033	2,236,053,529	
	On Cash Credit General-Pledge		1,347,229,988	1,278,052,805	1,347,229,988	1,278,052,805	
	On Packing Cash Credit		146,857,469	161,167,001	146,857,469	161,167,001	
			3,469,689,490	3,675,273,335	3,469,689,490	3,675,273,335	
	Overdraft						
	On Overdraft Loan		4,710,248,499	1,695,639,211	4,710,248,499	1,695,639,211	
			4,710,248,499	1,695,639,211	4,710,248,499	1,695,639,211	
	Bills Discounted & Purchased						
	On Payment against Document		241,893,837	290,974,576	241,893,837	290,974,576	
	On Foreign Bills Purchased/Discounted-Clean		9,546,390	6,803,408	9,546,390	6,803,408	
	On Foreign Bills Purchased/Documentary-Documentary		35,726,624	23,681,534	35,726,624	23,681,534	
			287,166,851	321,459,518	287,166,851	321,459,518	
			30,034,729,703	26,933,022,005	29,991,426,024	26,823,367,824	
21.02	Interest on balance held with other banks and financial institutions						
	Interest on FDR with Other Bank		1,990,308,722	1,319,310,278	1,990,308,722	1,319,310,278	
	Interest on STD with Other Bank		1,880,231	2,980,762	-	-	
			1,992,188,953	1,322,291,040	1,990,308,722	1,319,310,278	
21.03	Interest received from foreign banks						
	On B.H.W. Foreign Bank		177,075	-	177,075	-	
			177,075	-	177,075	-	
21.04	Others Interest income						
	On Advance Rent		1,501,633	4,485,707	1,501,633	4,485,707	
	On Interest Recovered from Interest Suspense A/c		1,470,905	11,272,935	1,470,905	11,272,935	
	On Interest Recovered form written off loan		61,329	-	61,329	-	
	Interest Income from SECI		986,162	958,028	-	-	
	On Other Interest Income		50,496,476	1,235,167,995	50,496,476	1,235,167,995	
	On Money at Call		237,847,315	474,291,126	237,847,315	474,291,126	
			292,363,820	1,726,175,791	291,377,658	1,725,217,763	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
22.00	Interest paid on deposits and borrowings etc.						
	Interest on Deposits	22.01	46,554,975,482	42,893,420,429	46,554,589,044	42,893,282,757	
	Interest paid on Borrowings	22.02	71,303,590	112,870,903	43,804,116	85,779,620	
	Interest on Foreign Banks Account	22.03	5,624,524	-	5,624,524	-	
	Interest on others	22.04	75,032,787	288,819,273	75,032,787	288,913,023	
	Interest paid on Deposit and borrowings of Indian operation		20,287,678	16,087,649	20,287,678	16,087,649	
			46,727,224,061	43,311,198,254	46,699,338,149	43,284,063,049	
22.01	Interest paid on Deposits						
	Fixed deposits		21,410,036,550	21,082,756,555	21,410,036,550	21,082,756,555	
	Savings deposits		7,236,645,419	6,441,382,511	7,236,645,419	6,441,382,511	
	Short term deposits		2,540,620,874	3,247,469,898	2,540,620,874	3,247,469,898	
	Deposit pension scheme		10,811,015	97,986,064	10,811,015	97,986,064	
	S.B Special deposit & pension scheme		11,412,645	20,023,531	11,412,645	20,023,531	
	Staff Provident fund		1,661,094,083	1,544,954,336	1,660,707,645	1,544,816,664	
	External Credit (Exim Bank India)		8,883,158	123,586	8,883,158	123,586	
	Foreign currency deposits		4,698,435	1,341,393	4,698,435	1,341,393	
	Call deposit		1,898,469	1,048,026	1,898,469	1,048,026	
	Sonali Deposit Scheme		771,884,373	696,554,550	771,884,373	696,554,550	
	Education Deposit scheme		842,965,457	701,352,699	842,965,457	701,352,699	
	Medicare Deposit Scheme		2,008,685,348	1,605,076,147	2,008,685,348	1,605,076,147	
	Rural Deposit Scheme		195,718,870	227,246,815	195,718,870	227,246,815	
	Monthly Earning Scheme		2,605,731,577	2,563,417,178	2,605,731,577	2,563,417,178	
	School Banking Scheme		6,389,926	4,086,919	6,389,926	4,086,919	
	Double Benefit Scheme		5,904,615,655	3,806,401,708	5,904,615,655	3,806,401,708	
	Daily Profit Scheme		19,415,160	42,053,131	19,415,160	42,053,131	
	Triple Benefit Scheme		260,352,500	144,691,015	260,352,500	144,691,015	
	Millionaire Deposit Scheme		569,408,287	238,843,140	569,408,287	238,843,140	
	Retirement Saving Scheme		37,651,393	62,048,918	37,651,393	62,048,918	
	SB Retirement Saving Scheme		228,578,597	208,169,348	228,578,597	208,169,348	
	Non Resident Deposit Scheme		5,741,697	7,445,135	5,741,697	7,445,135	
	Sonali Krishak Saving Scheme		1,128,018	2,138,164	1,128,018	2,138,164	
	Marriage Saving Scheme		210,607,976	146,809,662	210,607,976	146,809,662	
			46,554,975,482	42,893,420,429	46,554,589,044	42,893,282,757	
22.02	Interest paid on Borrowings						
	On Bangladesh Bank Demand Loan		43,804,116	46,742,433	43,804,116	46,742,433	
	Call Loan		-	-	-	-	
	REPO		-	39,037,187	-	39,037,187	
	Others		27,499,474	27,091,283	-	-	
			71,303,590	112,870,903	43,804,116	85,779,620	
22.03	Interest paid on Foreign Banks Account						
	On Foreign Bank A/C		5,624,524	-	5,624,524	-	
22.04	Interest paid on others						
	Charged on Written off Loan		38,180	12,205,630	38,180	12,205,630	
	Interest paid on CRR		8,955	-	8,955	-	
	Other Interest		74,985,652	276,613,643	74,985,652	276,707,393	
			75,032,787	288,819,273	75,032,787	288,913,023	
23.00	Income From Investments						
	Interest on Treasury Bill		5,570,234,471	6,026,671,252	5,570,234,471	6,026,671,252	
	Interest on Treasury Bond		17,500,306,614	15,204,563,090	17,500,306,614	15,204,563,090	
	Interest on Reverse Repo		3,483,779,919	605,526,763	3,483,779,919	605,526,763	
	On investment Income of indian operation		7,823,429	7,413,661	7,823,429	7,413,661	
	Debenture		6,034,026	41,784	6,034,026	41,784	
	Capital gain/(loss) on sale of share (Own portfolio)		19,534,895	10,100,612	-	-	
	Dividend income & Others		836,779,227	1,297,031,588	831,835,943	1,292,102,150	
			27,424,492,581	23,151,348,750	27,400,014,402	23,136,318,700	
24.00	Commission, Exchange and Brokerage						
	Commission	24.01	7,835,207,135	8,572,004,244	7,643,668,517	8,361,492,409	
	Exchange	24.02	1,422,120,589	2,086,742,179	1,422,120,589	2,086,742,179	
	Brokerage		-	-	-	-	
	Commission ,Exchange. & Brokerage of Indian Operation		89,876,684	78,658,347	89,876,684	78,658,347	
			9,347,204,408	10,737,404,769	9,155,665,790	10,526,892,935	

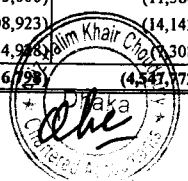


Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
24.01	Commission						
	Commission A/C Cr. Balance						
	On Foreign Bills Purchased/Negotiated		76,530,060	81,410,502	76,530,060	81,410,502	
	On Inland DD,MT,TT Issued/Cancelled		298,259,998	473,367,502	298,259,998	473,367,502	
	On Inland DD Purchased		77,063,548	85,557,873	77,063,548	85,557,873	
	On Govt. Receives & Disbursement		2,542,738,257	2,116,737,352	2,542,738,257	2,116,737,352	
	On Commission on Inland L/C Opened		821,130,779	2,596,745,853	821,130,779	2,596,745,853	
	On Purchased & Sale of Shares/Securities		217,855,675	292,665,219	217,855,675	292,665,219	
	On Inland Bills & Cheque Collection		87,511,593	105,780,122	87,511,593	105,780,122	
	On Inland Bank Guarantee Issued		11,983,944	59,614,324	11,983,944	59,614,324	
	On Payment Order		262,504,188	266,346,211	262,504,188	266,346,211	
	ON Card & Underwriting Commission		33,021,329	14,963,914	32,846,996	13,215,963	
	On Incidental Charges & Settlement fees		264,603,498	202,283,086	248,102,764	173,438,706	
	On Lockers Fees, Profitable Management fees & Other fees		28,735,490	36,022,083	16,628,902	15,710,023	
	On Payment of Food Procurement Bills		140,021,745	168,808,565	140,021,745	168,808,565	
	On Army Pension		28,467,632	22,104,641	28,467,632	22,104,641	
	On Civil Pension		72,086,588	50,626,269	72,086,588	50,626,269	
	On Foreign DD,MT,TT Issued Cancelled		11,491,599	5,325,839	11,491,599	5,325,839	
	On Foreign DD Purchased/TT Collection		915,128	3,356,197	915,128	3,356,197	
	On Foreign L/C Opened		325,974,910	33,868,040	325,974,910	33,868,040	
	On Foreign Bills & Cheque Collection		857,439	1,211,350	857,439	1,211,350	
	On Foreign Bank Guarantee Issued		16,039,253	4,396,254	16,039,253	4,396,254	
	On Others		2,470,581,719	1,939,629,561	2,307,824,756	1,780,022,117	
	On Wage Earners Development Bond		60,620,547	11,301,625	60,620,547	11,301,625	
			7,848,994,919	8,572,122,382	7,657,456,301	8,361,610,547	
	Less: Commission A/C Dr. Balance						
	On Debt Recovery Agent		13,787,784	118,138	13,787,784	118,138	
			13,787,784	118,138	13,787,784	118,138	
			7,835,207,135	8,572,004,244	7,643,668,517	8,361,492,409	
24.02	Exchange						
	Exchange gain						
	Gain on F. Currency Transaction		1,261,682,061	1,933,145,597	1,261,682,061	1,933,145,597	
	Gain on F. Currency Revaluation		269,051	1,219,419	269,051	1,219,419	
	Gain on Others		166,669,588	205,635,020	166,669,588	205,635,020	
			1,428,620,700	2,140,000,036	1,428,620,700	2,140,000,036	
	Less: Exchange Loss						
	Foreign Currency Revaluation		514,472	60,400	514,472	60,400	
	Loss on Others		5,985,639	53,197,457	5,985,639	53,197,457	
			6,500,111	53,257,857	6,500,111	53,257,857	
			1,422,120,589	2,086,742,179	1,422,120,589	2,086,742,179	
25.00	Other Operating Income						
	Profit of Islamic windows		7,842,123	6,335,271	7,842,123	6,335,271	
	Profit of SB UK Ltd		-	483,314,396	-	483,314,396	
	Other operating income of Indian Operation		-	583,324	-	583,324	
	Rent Received		19,111,714	10,351,843	19,111,714	10,351,843	
	Gain on sales of assets		2,066,383	1,222,387	2,066,383	1,222,387	
	Cr. Balance of Postage & Other Charge		-	320,335,366	-	320,335,366	
	Return from Provision for Bonus		150,000,000	250,000,000	150,000,000	250,000,000	
	Sundries		354,273,560	102,387,707	353,972,847	101,855,884	
			533,293,780	1,174,530,294	532,993,067	1,173,998,471	
26.00	Salary & Allowances*						
	Salaries (Basic Pay, House Rent & Other Allowance)		7,703,008,743	6,833,442,607	7,522,996,333	6,662,404,233	
	Contribution to Pension & Gratuity Fund		774,151,812	756,334,789	774,151,812	756,334,789	
	Bank's contribution to provident fund		137,456,160	126,792,675	137,456,160	126,792,675	
	Medical Attendance.		257,483,511	292,059,796	257,483,511	292,059,796	
	Incentive Bonus/Monetary benefit/Exgratia to Staff		-	4,258,460	-	-	
	Bonus to Staff		641,578,947	629,084,730	641,578,947	629,084,730	
	Overtime		42,246,229	41,362,874	42,006,487	41,136,955	
	Employee Tax		-	332,622	-	-	
	Salaries and allowances of Indian operation		49,968,002	42,662,617	49,968,002	42,662,617	
			9,605,893,404	8,726,331,170	9,425,641,252	8,550,475,795	
	*Basic Salary of Managing Director and CEO Tk. 3,25,000 and Allowances Tk. 75,000 per month are included in salaries & allowances.						
27.00	Rent, Tax, Insurance, Electricity, etc.						
	Rent		401,514,468	363,723,769	393,176,894	356,658,637	
	Taxes		17,942,848	19,761,062	17,942,848	19,761,062	
	Service Charge of premises		168,000	168,000	-	-	
	Insurance		281,409,128	265,420,316	281,344,833	265,370,398	
	Power		130,133,703	122,587,136	129,599,665	121,980,008	
	Rent, tax, insurance, electricity etc. of Indian operation		9,305,668	12,134,435	9,305,668	12,134,435	
			840,473,815	783,794,718	831,366,909	778,904,540	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
28.00	Legal expenses						
	Law charges		33,963,812	33,097,140	33,913,812	33,070,890	
	Law charges of Indian operation		222,044	194,272	222,044	194,271	
			34,185,856	33,291,411	34,135,856	33,265,161	
29.00	Postage, Stamps, Telecommunication						
	Postage & Telegram, telex and fax etc.		8,796,093	4,822,216	8,766,453	4,785,705	
	Stamp		3,403,042	1,165,677	3,287,892	950,597	
	Telephone		61,765,244	65,398,270	61,623,442	65,248,425	
	Postage, stamps, telecommunication of Indian operation		4,416,106	2,947,168	4,416,106	2,947,167	
			78,380,485	74,333,330	78,093,893	73,931,894	
30.00	Printing, Stationery, Advertisement, etc.						
	Stationery & printing		162,348,210	170,437,494	162,083,234	170,135,892	
	Advertisement		46,400,961	48,081,331	46,383,408	48,005,066	
	Stationery, printing and advertisement etc. of Indian operation		868,474	780,965	868,474	780,964	
			209,617,645	219,299,790	209,335,116	218,921,922	
31.00	Chief executive's salary and fees						
	Chief executive's salary and fees		4,800,000	4,800,000	4,800,000	4,800,000	
	Chief executive's salary and fees of Indian operation		2,420,087	3,454,707	2,420,087	3,454,707	
			7,220,087	8,254,707	7,220,087	8,254,707	
32.00	Directors' Fees & Honorium*						
	Directors' fees & Honorium		4,577,792	5,684,793	4,119,492	5,300,043	
	Directors' fees of Indian operation		12,550	4,891	12,550	4,890	
			4,590,342	5,689,684	4,132,042	5,304,933	
*Each Director is paid Tk. 5,000 up to 30 September 2015 and Tk. 8,000 w.e.f. October 2015 per meeting per attendance as per Bangladesh Bank's BRPD Circular no.11 dated 04 October 2015.							
33.00	Auditors' fees						
	Statutory Audit fee		2,298,750	2,292,500	2,230,000	2,230,000	
	Audit fee of Indian operation		386,695	617,516	386,695	617,516	
			2,685,445	2,910,016	2,616,695	2,847,516	
34.00	Depreciation and Repairs at Bank's Property						
	Depreciation:						
	A) Premises (Including Land & Building)						
	Premises		30,074,720	30,993,326	30,074,720	30,993,326	
	Building		-	-	-	-	
			30,074,720	30,993,326	30,074,720	30,993,326	
	B) Dead stock						
	Furniture		76,063,647	72,272,201	75,632,797	71,834,625	
	Electric Installation		111,036,676	113,624,717	105,941,039	108,026,121	
	Computer Software		7,870,465	-	7,306,945	-	
	Computer Haardware		215,148,945	214,154,317	214,264,971	212,706,823	
	Type Writer Machine		457,812	1,446,834	457,812	1,446,834	
	Motor Car & Other Vehicle		58,407,707	51,831,808	57,407,707	50,831,808	
	Library		1,023,919	276,539	1,023,919	276,539	
			470,009,171	453,606,416	462,035,190	445,122,750	
	Kolkata Branch		1,976,267	1,615,020	1,976,267	1,615,020	
	Siliguri Branch		113,434	128,939	113,432	128,939	
			2,089,701	1,743,959	2,089,699	1,743,959	
			502,173,592	486,343,700	494,199,607	477,860,035	
	Repairs:						
	Repairs to Bank's Assets		76,992,052	87,462,927	75,725,856	85,827,998	
	Repairs to Bank's assets of Indian operation		126,705	211,720	126,705	211,719	
			77,118,757	87,674,647	75,852,561	86,039,717	
			579,292,348	574,018,347	570,052,168	563,899,752	
35.00	Other expenses						
	Repairs to Rented Property		5,070,704	6,418,981	5,070,704	6,418,980	
	Consultant fees & Bank Charge		1,429,073	3,192,213	-	-	
	Books and News Paper		23,380,502	20,849,717	23,221,458	20,710,028	
	Pay of Police guards.		494,352,175	357,165,118	494,352,175	357,165,117	
	Motor Car Running and Maintenance		118,916,347	104,115,041	118,916,347	104,115,041	
	Entertainment		50,657,307	48,491,638	50,177,111	47,966,568	
	Sundries		707,637,227	652,214,649	707,637,227	652,214,649	
	Traveling Expenses & VAT Expenses		191,402,445	185,622,346	190,689,112	184,903,311	
	Lunch Subsidy		842,019,870	867,693,916	840,790,110	866,474,076	
	Donation/Subscription		22,112,214	31,684,033	21,941,519	31,520,488	
	Liveries to Staff		17,305,375	18,015,093	17,305,375	18,015,093	
	Sports		763,720	2,799,467	763,720	2,799,467	
	VISA-IRF		2,580	-	2,580	-	
	CSR		-	45,329,748	-	45,229,748	
	Cash Transportation		61,089,325	67,433,011	61,089,325	67,433,011	
	Business Development & computer Software		17,561,839	37,410,453	16,636,198	36,516,813	
	Death relief Grant fund		8,475,000	11,388,200	8,475,000	11,388,200	
	Honorarium to staff		6,966,386	4,408,979	6,966,386	4,408,979	
	Generator Maintenance		54,643,785	54,222,225	54,643,785	54,222,225	
	Staff welfare & Miscellaneous Expenses		11,322,460	10,911,994	10,256,656	9,815,382	
	Operation & Maintenance Cost of Executive Car Loan		173,821,575	114,787,650	173,821,575	114,787,650	
	Provisioning of NOSTRO A/C		949,176	19,325,000	949,176	19,325,000	
	Recreation Expenses		75,708,923	14,142,417	75,708,923	14,142,417	
	Other expenses of Indian operation		9,444,928	7,308,678	9,444,928	7,308,677	
			2,895,032,936	2,684,930,564	2,888,859,390	2,676,880,920	

Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
36.00	Provision Against Loans and Advances						
	Provision for Classified Loans & Advances		8,086,674,730	391,244,902	8,037,242,228	287,620,551	
	Provision for Unclassified Loans and Advances		190,550,890	(287,620,551)	190,550,890	(287,620,551)	
	Total amount of provision made during the year		8,277,225,620	103,624,351	8,227,793,118	-	
37.00	Provision for diminution in value of investment						
	Dealing securities						
	Quoted		13,952,342	19,624,608	-	-	
	Unquoted		-	-	-	-	
	Investment securities						
	Quoted		156,900,000	-	156,900,000	-	
	Unquoted		-	-	-	-	
			170,852,342	19,624,608	156,900,000	-	
38.00	Other provisions						
	Provision for other assets		718,376,051	554,342,806	718,376,051	554,342,806	
	Provision against Off Balance Sheet exposure	38.01	220,231,550	541,269,426	220,231,550	541,269,426	
	Provision for City Corp. Bond		-	46,062,591	-	46,062,591	
	Provision for loss of Sonali UK Ltd.		96,897,123	-	96,897,123	-	
	Provision for NOSTRO A/C		-	-	-	-	
	Provision for loss on Revaluation of Foreign Currency held		-	-	-	-	
	Provision for Bonus & Exgratia		1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000	
	Provision for loss of Sonali Polaries FT Ltd.		-	64,191,963	-	64,191,963	
			2,535,504,724	2,705,866,786	2,535,504,724	2,705,866,786	
38.01	Provision against Off Balance Sheet exposure charge 1% of total off balance sheet exposure as per Bangladesh Bank's BRPD Circular no.10 dated 18 September 2007.						
39.00	Cash Received from Other Operating Activities						
	Exchange		1,613,882,267	2,264,532,743	1,450,824,591	2,132,147,432	
	Other operating income		532,993,067	1,173,998,471	532,993,067	1,173,998,471	
			2,146,875,334	3,438,531,214	1,983,817,658	3,306,145,903	
40.00	Payment for Other Operating Activities						
	Rent		(394,733,245)	(373,767,782)	(394,733,245)	(373,767,782)	
	Taxes		(17,942,848)	(20,666,428)	(17,942,848)	(20,666,428)	
	Insurance		(281,344,833)	(265,981,048)	(281,344,833)	(265,981,048)	
	Rent, Taxes Insurance of Indian operation		(9,305,668)	(12,134,435)	(9,305,668)	(12,134,435)	
	Law Charges		(33,929,472)	(32,796,433)	(33,929,472)	(32,796,433)	
	Postage		(8,424,129)	(6,226,189)	(8,424,129)	(6,226,189)	
	Stamp		(3,287,892)	(950,597)	(3,287,892)	(950,597)	
	Telephone		(61,623,442)	(64,544,546)	(61,623,442)	(64,544,546)	
	Postage,Stamp,Telephone of Indian operation		(4,416,106)	(2,947,167)	(4,416,106)	(2,947,167)	
	Auditors' Fees		(2,616,695)	(2,847,516)	(2,616,695)	(2,847,516)	
	Advertisement		(46,383,408)	(39,707,629)	(46,383,408)	(39,707,629)	
	Stationery, Printing Advertisement of Indian operation		(868,474)	(780,964)	(868,474)	(780,964)	
	Director Fees		(4,132,042)	(5,304,933)	(4,132,042)	(5,304,933)	
	Repairs to Bank's Property		(77,035,487)	(85,827,998)	(77,035,487)	(85,827,998)	
	Depreciation		(490,800,277)	(478,071,754)	(490,800,277)	(478,071,754)	
	Repairs to Bank's Property & Depreciation of Indian Operation		(2,216,406)	-	(2,216,406)	-	
	Repairs to rented property		(5,070,704)	(6,418,980)	(5,070,704)	(6,418,980)	
	Pay of Police Guards		(494,352,175)	(357,165,117)	(494,352,175)	(357,165,117)	
	Motor Car Running		(118,916,347)	(132,902,736)	(118,916,347)	(132,902,736)	
	Executive Car Loan		(173,821,575)	(114,787,650)	(173,821,575)	(114,787,650)	
	Entertainment		(50,177,111)	(47,966,568)	(50,177,111)	(47,966,568)	
	Sundries		(261,900,089)	(792,026,391)	(242,922,724)	(1,211,418,581)	
	Traveling Expenses		(190,689,112)	-184606325	(190,689,112)	(184,606,325)	
	Lunch Subsidy		(840,790,110)	-866474076	(840,790,110)	(866,474,076)	
	Donation		(21,941,519)	(31,520,488)	(21,941,519)	(31,520,488)	
	Liveries to Staff		(17,305,375)	(18,015,093)	(17,305,375)	(18,015,093)	
	Sports		(763,720)	(2,799,468)	(763,720)	(2,799,468)	
	Cash transportation		(61,089,325)	(67,433,011)	(61,089,325)	(67,433,011)	
	Generator Maintenance		(54,643,785)	(54,222,225)	(54,643,785)	(54,222,225)	
	VISA-IRF		(2,580)	-	(2,580)	-	
	Expenses Payable A/C		-	(45,229,748)	-	(45,229,748)	
	CSR		-	74,423,905	-	74,423,905	
	Adjusting A/C		348,244,013	-	348,244,013	-	
	Provisioning Expenses to NOSTRO A/C		(949,176)	(19,325,000)	(949,176)	(19,325,000)	
	Business Development		(16,636,198)	(36,516,813)	(16,636,198)	(36,516,813)	
	Death Relief Grant Scheme		(8,475,000)	(11,388,200)	(8,475,000)	(11,388,200)	
	Recreation Expenses		(75,708,923)	(14,142,417)	(75,708,923)	(14,142,417)	
	Other expenses of Indian operation		(9,444,928)	(7,308,677)	(9,444,928)	(7,308,677)	
			(3,493,494,163)	(4,128,380,497)	(3,474,516,728)	(4,447,172,687)	



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
41.00	Increase / (Decrease) of Other Assets						
	Investment in Sonali Investment Limited		-	-	-	-	-
	Investment in SECI		(522,500)	(180,500)	(522,500)	(180,500)	
	Long term Loan to Subsidiary Company(SECI).		7,052,500	(275,500)	7,052,500	(275,500)	
	Long term Loan to SIL Dhaka.		-	170,000,000	-	170,000,000	
	Stamps in hand		2,755,777	(2,362,055)	2,755,777	(2,362,055)	
	Stationery in hand		10,636,430	11,930,090	10,636,430	11,930,090	
	Advance Rent		32,176,122	10,855,423	32,176,122	10,855,423	
	Branch Adjustment		8,018,644,592	(822,805,108)	8,018,644,592	(822,805,108)	
	Suspense account		1,002,632,465	(1,562,937,606)	1,037,505,799	(1,008,485,158)	
	Draft Payable account (Ex-Advice)		24,963,840	77,984,809	24,963,840	77,984,809	
	Govt. Draft Payable Account (Ex-Advice)		11,918,476	2,528,009	11,918,476	2,528,009	
	Protested Bills		5,005,976	(14,124,963)	5,005,976	(14,124,963)	
	Wage Earners' Fund Purchased Adj. A/C.		349,208,449	(3,849,851,072)	349,208,449	(3,849,851,072)	
	Agri-Loan Other Exp.Exemption A/C-2004		967,012	(711,879)	967,012	(711,879)	
	Agri-Loan Interest Exemption A/C-2004		4,267,420	104,875	4,267,420	104,875	
	Adjusting Account Debit Balance		(585,278,696)	-	(585,278,696)	-	
	BRDB TCCA Crop Loans Penal Int. Exemption		40,950,277	98,074,453	40,950,277	98,074,453	
	BRDB UCCA Crop Loans Exemption		-	84,247,526	-	84,247,526	
	Income Tax Deducted at source		(1,785,912,802)	278,518,527	(1,785,912,802)	278,518,527	
	Settlement Account (Islamic)		(3,897,284)	(17,584,202)	(3,897,284)	(17,584,202)	
	Demand Drafts purchased		215,902,418	(87,241,371)	215,902,418	(87,241,371)	
	Pension Bill Purchased		(125,559,378)	-	(125,559,378)	-	
	Pension Bill Purchased(Army)		2,220,503,090	1,627,893,952	2,220,503,090	1,627,893,952	
	Pension Bill Purchased(Civil)		133,890,923	(218,063,893)	133,890,923	(218,063,893)	
	PSP/BSP Encashment		(2,011,128,764)	(411,332,141)	(2,011,128,764)	(411,332,141)	
	Agri- Exemption A/C Affected By River Erosion		(336,461)	540,223	(336,461)	540,223	
	UCCA Loan Remission for River Erosion		5,772,636	271,519	5,772,636	271,519	
	NRT A/C Dr. Balance		(1,104,374,456)	(2,148,880,952)	(1,104,374,456)	(2,148,880,952)	
	Security Margin		745,396	(745,396)	745,396	(745,396)	
	Intangible asstes Valuation Adjustment		-	-	-	-	
	Deferred Tax Assets		-	-	-	-	
	Army Pension Bill Purchased A/C New		(2,071,281,236)	(2,759,698,377)	(2,071,281,236)	(2,759,698,377)	
	BRDB TCCA Crop Loans Penal Int. Exemption		339,049,723	300,000,000	339,049,723	300,000,000	
	Advance Paid of Income Tax		-	-	-	-	
	Overseas Branches		(46,006,243)	(207,052,772)	(46,006,243)	(207,052,771)	
			4,692,745,702	(9,440,898,381)	4,727,619,036	(8,886,445,932)	

42.00 **Increase / (Decrease) of Other Liabilities**

Closing other liabilities:

Provision for Classified Loans

Provision for Un-Classified loans

Interest Suspense

Branch Adjustment

Provision against diminishing value of investment

Provision for Other Assets

Provision for Commission Receivable

Sonali Bank Employees' Pension fund

Sonali Bank Employees' PDCR Benefit fund

Adjusting A/C Cr. Balance

Sundry Deposits(H.O)

Provision for Bonus/Exgratia

Provision for NOSTRO A/C

Provision against Off Balance Sheet Exposure

Provision for Income Tax

Interest Reserve against Agri-Loan Interest Exemption 2004

Balance in F.C Clearing Account

Balance Held with Foreign Bank abroad (Cr Balance)

Asian Clearing Union (NOSTRO)

Sirajganj Integrated Rural Development Fund

Foreign Currency Fund Purchased A/C

Loan from IDA Credit No. 765 BD.

Foreign Correspondent Charges

Exporter Foreign Currency Retention Quota

Agro Based Industrial & Technology Dev. Proj.

Rebate A/C of Term Loans to NBF

BB Refinance Scheme for SML of Tk. 10

Operational A/C RD--9.

I.D.A. Credit -3917 B.D.

BRDB/UCCA Crop Loan Intt. & P. Intt. Reserve A/C.-1994

BRDB/UCCA Crop Loan Intt. Reserve A/C.-2001

BRDB/UCCA Crop Loan Intt. & P. Intt. Reserve A/C.-2007

Commission Receivable

Provision for City Corporation Bond

Provision for Loss of Sonali Polaris FT Ltd.

Other Provision of Indian Operation

Income Receivable in Advance

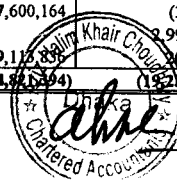
Cupon Interest Income

Asian Clearing Union (VOSTRO)

Difference of other reserve

Overseas Branches

(20,777,422,228)	(17,949,540,551)	(20,777,422,228)	(17,949,540,551)
-	-	-	-
2,423,006,635	(1,425,327,894)	2,423,006,635	(1,425,327,894)
-	-	-	-
-	-	-	-
(661,245)	(270,284)	(661,245)	(270,284)
-	-	-	-
(575,268,152)	(359,078,247)	(575,268,152)	(359,078,247)
2,030,081,704	(4,830,943,954)	2,030,081,704	(4,830,943,954)
(231,767,728)	-	(231,767,728)	-
195,714,032	289,372,440	212,190,674	358,514,037
(1,554,415,658)	(1,554,012,066)	(1,554,415,658)	(1,554,012,066)
(9,662,500)	15,455,000	(9,662,500)	15,455,000
-	-	-	-
-	(45,278,572)	-	(45,278,572)
(24,323,911)	21,993,307	(24,323,911)	21,993,307
(1,857,208,207)	324,992,987	(1,857,208,207)	324,992,987
-	-	-	-
624,680	624,680	624,680	624,680
(327,122,387)	3,479,065,812	(327,122,387)	3,479,065,812
-	-	-	-
111,705	(5,544,608)	111,705	(5,544,608)
47,490,458	(146,380,381)	47,490,458	(146,380,381)
(3,116,275)	(91,488,558)	(3,116,275)	(91,488,558)
-	(8,404,322)	-	(8,404,322)
197,750	-	197,750	-
700,000,000	(8,568,827)	700,000,000	(8,568,827)
8,657,427	9,336,441	8,657,427	9,336,441
2,054,115	-	2,054,115	-
79,091,955	(98,074,453)	79,091,955	(98,074,453)
-	(84,247,526)	-	(84,247,526)
7,034,420	-	7,034,420	-
(46,062,591)	-	(46,062,591)	-
(41,444,778)	-	(41,444,778)	-
-	-	-	-
110,839,365	-	110,839,365	-
125,559,378	-	125,559,378	-
7,600,164	(39,632,608)	7,600,164	(39,632,608)
-	2,990,035,438	-	2,990,035,438
79,113,836	207,530,080	79,113,836	207,530,079
(19,631,298,036)	(19,308,386,666)	(19,614,821,594)	(19,299,245,070)



Notes	Particulars	Ref. Note	Amount in Taka				
			Consolidated		Bank		
			2015	2014	2015	2014	
43.00	Cash and cash equivalents						
	Cash in hand (Including foreign currency)		5,854,843,846	6,866,617,666	5,854,843,846	6,866,617,665	
	Cash at Bank		216,475,818	293,156,107	-	-	
	Balance with Bangladesh Bank		64,622,782,824	46,515,456,480	64,622,782,824	46,515,456,480	
	Money at call on short notice		4,521,712,000	9,225,582,000	4,521,712,000	9,225,582,000	
	Balance held with other bank		28,572,059,359	39,838,384,042	28,572,059,359	39,838,384,042	
	Govt. treasury bills		126,015,844,363	79,355,903,279	126,015,844,363	79,355,903,279	
	Prize bonds in hand		102,078,300	115,501,476	102,078,300	115,501,476	
			229,905,796,510	182,210,601,049	229,689,320,692	181,917,444,942	
44.00	Earnings per Share (EPS):						
	Net profit after tax		548,423,887	5,978,338,561	586,498,262	6,054,643,526	
	Weighted average number of ordinary shares outstanding	44.01	383,000,000	188,473,973	383,000,000	188,473,973	
	Earnings per share (EPS)		1.43	31.72	1.53	32.12	
44.01	Weighted average number of ordinary shares outstanding						
	112,500,000 Ordinary shares outstanding for 365 days (2014)		-	112,500,000	-	112,500,000	
	199,500,000 Ordinary shares outstanding for 139 days (2014)		-	75,973,973	-	75,973,973	
	383,000,000 Ordinary shares outstanding for 365 days (2015)		383,000,000	-	383,000,000	-	
			383,000,000	188,473,973	383,000,000	188,473,973	



45 Committee

Audit Committee of Sonali Bank Limited has been constituted by the Board of Directors as per BRPD Circular No. 12 dated 23 December 2002 comprising the following members:

Sl. No.	Name	Status in the Bank	Status with the committee	Educational qualification
1	Mr. Mohammad Muslim Chowdhury	Director	Chairman	M.Com (Accounting)
2	Md. Shaheb Ali Mridha	Director	Member	M.Sc. (Physics)
3	Mr. Kazi Tariqul Islam	Director	Member	B.Sc (Hons.) , M.Sc (Physics)
4	Mrs. Sabera Aktari Jamal	Director	Member	M.Sc. (Physics)

Duties and Responsibilities of the Audit Committee:

- To Evaluate internal control, risk management, computerization and system of MIS of the bank
- To review annual financial statements of the bank and exchange views with external auditors and Bank management in the regard.
- To consider if the recommendations made by internal & External Auditors are in order to develop internal control strategy by the Bank Management.
- To review as to whether the rules and regulation made by controlling authorities like Bangladesh Bank and other regulatory bodies are duly followed.
- To appraise the Bank's Board of Directors regarding Lapses and errors/ Frauds & Forgeries/ other irregularities detected by internal auditors, external auditors & Bangladesh Bank inspection team and corrective measures taken for the purpose of effective control.

During the year 2015 the Audit Committee has conducted 15 (Fifteen) meetings in which, among others, the following issues were discussed:

- Comprehensive inspection reports of Bangladesh Bank including status of Compliance thereof.
- Inspection reports of branches/Head Office conducted by Bank's internal inspection team.
- Financial Statements of the Bank
- Half yearly accounts of 2015 of the bank
- Status of compliance of different rules and regulations

Annual financial statements have been discussed with the External Auditors in the Audit Committee meeting held on 28 April 2016.

46 Related Party Disclosures

Name of the Board of Directors and the entities in which they had interest as at 31 December 2015

SL. No	Name	Status with the Bank	Name of the firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Position	No. of Shares
1	Mr. Fazle Kabir	Chairman	Nil	Nil	1
2	Mr. Mohammad Muslim Chowdhury	Director	Nil	Nil	1
3	Mr. Md. Faziul Haque	Director	Nil	Nil	1
4	Mr. A K M Rezaur Rahman	Director	Nil	Nil	1
5	Md. Mahboob Hossain	Director	Nil	Nil	1
6	Mr. Md. Shaheb Ali Mridha	Director	Nil	Nil	1
7	Mr. Md. Kazi Tariqul Islam	Director	Nil	Nil	1
8	Md. Sabera Aktari Jamal	Director	Nil	Nil	1
9	Mr. Afzal Hossain	Director	Nil	Nil	1



47 Related party/(ies) transaction

The bank generally carried out transactions in the ordinary course of its business at arm's length at commercial rate as per agreements with different related parties. The bank also renders services to the Government in various forms, which are not quantified. However, as of the date of the financial statements the Bank had no transactions with the Director of the Bank as a related party. During the year, the bank had some quantified transactions with the Government (Sponsor/Share holder) as defined on BRPD Circular no14 issued by the Bangladesh Bank on 25 March 2003 are listed below:

Name of the Related Party	Related by	Status with the Related Party	Transaction Outstanding Balance (Crore)	Remarks
Government (Note-19.01)	Sponsor/Share holder	Concerned Department of the Government	1,886.80	Letter of Guarantee
Government (Note-19.02)	Sponsor/Share holder	Concerned Department of the Government	22,975.28	Letter of Credit
Jatio Shanchaya Bureau (Note-9.8)	Sponsor/Share holder	Concerned Department of the Government	311.18	PSB/BSP Encashment
Government (Note-9.8.)	Sponsor/Share holder	Concerned Department of the Government	512.58	Pension bills(Army)
Government (Note: 9.8)	Sponsor/Share holder	Concerned Department of the Government	483.10	Pension bills(Army) New
Government (Note: 9.8)	Sponsor/Share holder	Concerned Department of the Government	129.51	Pension bills(Civil)
Power Development Board	Sponsor/Share holder	Concerned Department of the Government	5,853.42	Non Funded Loan
Bangladesh Petroleum Corp.	Sponsor/Share holder	Concerned Department of the Government	392.87	Non Funded Loan
Bangladesh Agricultural Development Corp.	Sponsor/Share holder	Concerned Department of the Government	1,006.23	Funded & Non Funded Loan
Bangladesh Sugar & Food Ind. Corp	Sponsor/Share holder	Concerned Department of the Government	2,792.06	Loan
Electric Generation Company Ltd.	Sponsor/Share holder	Concerned Department of the Government	705.34	Non Funded Loan
Directorate of Food, Food Ministry	Sponsor/Share holder	Concerned Department of the Government	389.98	Funded & Non Funded Loan
Bangladesh Navy	Sponsor/Share holder	Concerned Department of the Government	1,069.21	Non Funded Loan
Bangladesh Coast Guard	Sponsor/Share holder	Concerned Department of the Government	935.00	Non Funded Loan
Bangladesh Atomic Energy Commission	Sponsor/Share holder	Concerned Department of the Government	3,001.60	Non Funded Loan
Bangladesh Chemical Industries Crop.	Sponsor/Share holder	Concerned Department of the Government	2,348.98	Funded & Non Funded Loan
Bangladesh Railway	Sponsor/Share holder	Concerned Department of the Government	611.10	Non Funded Loan
Bangladesh Water Dev. Board	Sponsor/Share holder	Concerned Department of the Government	626.20	Funded & Non Funded Loan
All Directorates & Department (Directorate General of Defense Purchase)	Sponsor/Share holder	Concerned Department of the Government	114.56	Non Funded Loan



Name of the Related Party	Related by	Status with the Related Party	Transaction Outstanding Balance (Crore)	Remarks
Bangladesh Election Commission	Sponsor/Share holder	Concerned Department of the Government	534.96	Non Funded Loan
Bangladesh Jute Mills Corporation	Sponsor/Share holder	Concerned Department of the Government	132.23	Funded Loan
Rural Electrification Board	Sponsor/Share holder	Concerned Department of the Government	126.65	Non Funded Loan
Sonali Exchange Co. N.Y. (note 9.1)	The Bank	Subsidiary Company	7.46	Investment
Sonali Exchange Co. N.Y. (note 9.1)	The Bank	Subsidiary Company	10.65	Loan
Sonali Investment LTD. (note 9.1)	The Bank	Subsidiary Company	200.00	Investment
Sonali Bank (U.K.) Ltd (note 6.2)	The Bank	Associate	149.23	Investment

48 Event after the Balance Sheet date

No circumstances have arisen since the Balance Sheet date, which would require any adjustments or disclosure to be made in the Financial Statements.



1. Balance with Bangladesh Bank and its agent bank(s) AS on 31 December 2015

a) Local Currency

No.	Particulars	Amount in Taka	
		As per Sonali Bank	As per Bangladesh Bank
1	Head Office	51,332,330,480	53,364,556,946
2	Local Office	8,167,339,183	6,328,394,709
3	Barisal Corporate Branch	60,884,099	76,201,146
4	Bogra Corporate Branch	68,028,303	71,296,306
5	Laldighi Corporate Branch	179,236,958	91,480,132
6	Khulna Corporate Branch	501,843,622	524,860,283
7	Rangpur Corporate Branch	174,548,363	56,963,285
8	Rajshahi Corporate Branch	62,272,854	62,272,854
9	Sylhet Corporate Branch	29,587,709	28,818,584
	Total	60,576,071,571	60,604,844,245

b) Foreign Currency

No.	Particulars	Amount in Taka	
		As per Sonali Bank	As per Bangladesh Bank
1	USD	4,029,052,496	1,002,059,677
2	GBP	5,193,905	9,706,539
3	EURO	11,522,668	12,844,004
4	J. YEN	942,184	928,590
	Total	4,046,711,253	1,025,538,811

Difference appeared in between the balance as per Bangladesh Bank and Sonali Bank Ltd. due to reconciliation gap.



2.00 Investment in Government securities classified as per Bangladesh Bank's DOS circular No. 05 date 26 May 2008 and DOS circular No. 05 date 28 January 2009.

a) Held to Maturity (HTM)

Treasury Bill

91 days Treasury Bill
182 days Treasury Bill
364 days Treasury Bill
Sub Total

Bond / Other securities

2 years BGTB
5 years BGTB
10 years BGTB
15years BGTB
20 years BGTB
BJMC
25 years
BPC
Public Debenture
Sub Total

Total

Amount in Taka	
2015	2014
0.50	24,545,874,875
0.33	3,727,861,070
(0.31)	10,577,970,105
0.52	38,851,706,050
14,418,216,668	10,597,923,602
34,108,843,968	18,455,375,734
36,753,426,223	29,037,902,294
16,328,009,042	9,259,944,430
16,662,782,175	8,467,739,398
6,425,000,000	6,425,000,000
434,129,000	596,933,000
54,164,700,000	55,164,700,000
5,147,900	75,147,900
179,300,254,976	138,080,666,359
179,300,254,976	176,932,372,408

b) Held For Trading (HFT)

Treasury Bill

91 days Treasury Bill
182 days Treasury Bill
364 days Treasury Bill
Sub Total

Bond / Other securities

2 years BGTB
5 years BGTB
10 years BGTB
15years BGTB
20 years BGTB
Reserve Repo
Bangladesh Bank Bill
Public Share-ICB
Sub Total

Total

16,894,720,183	18,013,047,809
23,304,463,906	1,780,967,911
13,915,404,275	20,710,181,510
54,114,588,363	40,504,197,229
6,814,575,880	8,241,911,345
38,295,722,095	35,211,980,099
19,878,404,247	16,707,505,625
1,837,339,963	1,417,529,061
5,326,816,608	913,742,955
3,115,936,729	20,556,216,102
71,901,256,000	-
913,424,500	175,027,500
148,083,476,023	83,223,912,687
202,198,064,386	123,728,109,916



Sonali Bank Limited

Consolidated Schedule of Fixed Assets as at 31 December 2015

Particulars	Cost/Revaluation				Depreciation					Net book value as on 31.12.2015
	Balance as on 01.01.2015	Addition during the year	Deposals/ adjustments during the year	Balance as on 31.12.2015	Rate	Balance as on 01.01.2015	Deposals/ adjustments during the year	Charge during the year	Balance as on 31.12.2015	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	
A) Premises (Including Land & Building):										
Premises	30,996,930,898	376,023	-	30,997,306,921	2.50	244,459,797	-	30,074,720	274,534,517	30,722,772,404
Building Construction	671,757,226	219,579,047	23,324	891,312,949	-	-	-	-	-	891,312,949
Sub total	31,668,688,124	219,955,070	23,324	31,888,619,870		244,459,797	-	30,074,720	274,534,517	31,614,085,353
B) Dead Stock:										
Furniture	822,701,897	83,560,951	6,753,227	899,509,621	10.00	391,133,912	5,265,957	76,063,647	461,931,602	437,578,019
Electric Installation	778,978,394	72,503,458	25,360,436	826,121,416	20.00	526,631,563	24,633,174	111,036,676	613,035,065	213,086,351
Computer Hardware	1,448,738,840	220,893,364	77,015,713	1,592,616,491	20.00	969,282,652	66,714,815	215,148,945	1,117,716,778	474,899,713
Computer Software	3,025,950	79,461,215	129,600	82,357,565	20.00	2,101,230	129,600	7,870,465	9,842,095	72,515,470
Type Writer Machine	5,883,505	-	22,903	5,860,602	20.00	5,109,648	246,112	457,812	5,321,348	539,254
Motor Car & Other Vehicle	361,484,890	172,122,086	121,016,101	412,590,875	20.00	174,276,194	19,969,968	58,407,707	212,713,933	199,876,942
Library	4,986,236	892,443	-	5,878,679	7.00	1,433,332	-	1,023,919	2,457,251	3,421,428
Sub total	3,425,799,712	629,433,517	230,297,980	3,824,935,249		2,069,968,531	116,959,626	470,009,171	2,423,018,076	1,401,917,177
Total (A+B)	35,094,487,836	849,388,588	230,321,304	35,713,555,120		2,314,428,328	116,959,626	500,083,891	2,697,552,593	33,016,002,527
C) Dead Stock of overseas Branches:										
Kolkata Branch	5,870,948	7,605,324	2,531,882	10,944,390	-	-	-	1,976,267	1,976,267	8,968,123
Siliguri Branch	450,502	-	-	450,502	-	-	-	113,434	113,434	337,068
Sub total	6,321,450	7,605,324	2,531,882	11,394,892		-	-	2,089,701	2,089,701	9,305,191
Grand Total 2014 (A+B+C)	35,100,809,286	856,993,912	232,853,186	35,724,950,012		2,314,428,327	116,959,626	502,173,592	2,699,642,293	33,025,307,720
31 December 2014	34,392,503,139	825,415,171	115,551,795	35,102,366,514		1,862,796,117	33,307,374	486,343,701	2,315,832,444	32,786,534,070



Sonali Bank Limited

Schedule of Fixed Assets as at 31 December 2015

Annexure -C

Particulars	Cost/Revaluation				Depreciation					Net book value as on 31.12.2015
	Balance as on 01.01.2015	Addition during the year	Deposals/ adjustments during the year	Balance as on 31.12.2015	Rate of Depreciation	Balance as on 01.01.2015	Deposals/ adjustments during the year	Charge during the year	Balance as on 31.12.2015	
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	
A) Premises (Including Land & Building):										
Premises	30,996,930,898	376,023	-	30,997,306,921	3	244,459,797	-	30,074,720	274,534,517	30,722,772,404
Building Construction	671,757,226	219,579,047	23,324	891,312,949	-	-	-	-	-	891,312,949
Sub total	31,668,688,124	219,955,070	23,324	31,888,619,870		244,459,797	-	30,074,720	274,534,517	31,614,085,353
B) Dead Stock:										
Furniture	809,181,612	83,543,738	6,330,144	886,395,206	10	380,411,019	5,162,302	75,632,797	450,881,514	435,513,692
Electric Installation	714,438,679	72,503,458	22,180,323	764,761,814	20	474,479,253	22,885,543	105,941,039	557,534,749	207,227,065
Computer Software	208,350	79,461,215	129,600	79,539,965	20	208,350	129,600	7,306,945	7,385,695	72,154,270
Computer Hardware	1,444,318,969	220,893,364	77,015,713	1,588,196,620	20	966,197,968	66,714,816	214,264,971	1,113,748,123	474,448,497
Type Writer Machine	5,883,505	-	22,903	5,860,602	20	5,109,648	246,113	457,812	5,321,347	539,255
Motor Car & Other Vehicle	356,484,890	172,122,086	121,016,101	407,590,875	20	170,836,194	19,969,968	57,407,707	208,273,933	199,316,942
Library	4,986,236	892,443	-	5,878,679	7	1,433,332	-	1,023,919	2,457,251	3,421,428
Sub total	3,335,502,241	629,416,304	226,694,784	3,738,223,761		1,998,675,764	115,108,342	462,035,190	2,345,602,612	1,392,621,149
Total (A+B)	35,004,190,365	849,371,374	226,718,108	35,626,843,631		2,243,135,561	115,108,342	492,109,910	2,620,137,129	33,006,706,502
C) Dead Stock of overseas Branches:										
Kolkata Branch	5,870,948	7,605,325	2,531,881	10,944,392	-	-	-	1,976,267	1,976,267	8,968,125
Siliguri Branch	450,502	-	-	450,502	-	-	-	113,432	113,432	337,070
Sub total	6,321,450	7,605,325	2,531,881	11,394,894		-	-	2,089,699	2,089,699	9,305,195
Grand Total 2015 (A+B+C)	35,010,511,815	856,976,699	229,249,989	35,638,238,525		2,243,135,561	115,108,342	494,199,609	2,622,226,828	33,016,011,697
31 December 2014	34,302,831,888	825,167,796	115,551,795	35,012,447,889		1,800,326,859	33,307,374	477,860,035	2,244,879,520	32,767,568,369



Sonali Bank Limited

Schedule of Tax Position as at 31 December 2015

Annexure-D

Tax assessment of Sonali Bank Ltd. has been completed upto assessment year 2002-2003 (Income year upto 2001) resulting tax refund of Tk. 4,263,048,032 in favour of the Bank. As regards latest status of the tax assessments for the income years 2013 and 2014 these are not yet finalised by the tax department. The Bank has submitted Income Tax Returns showing loss of Tk.(33,834,071,402), Tk.(31,803,626,934) for the income year 2013 and 2014 i.e. assessment years 2014-2015 & 2015 - 2016 respectively. The loss shown by bank is inclusive of claim of Bad Debts written off and others. In the income years 1996, 1997, 1998, 2000, 2001,2004, 2005, 2006, 2007, 2008, 2009, 2010 & 2011 the tax department did not accept the claim of Bad Debt written off, Provision for Ex-gratia, Provision for NOSTRO A/C., Provision for other Assets, Interest on securities etc. against which the bank has filed appeal to the Honorable High Court.

Income Year	Assessment Year	Tax Provision as per Account	Assessment made by	Present Status	Assessed Tax Liabilities	Payment of Advance Tax	Refundable/ (Payable)	Remarks
1998	1999-2000	Nil	DCT	Reference Application to the High Court	Nil	442,119,323	424,971,176	Refundable
1999	2000-2001	Nil	DCT	Settled	Nil	600,818,273	600,818,273	Refundable
2000	2001-2002	Nil	DCT	Reference Application to the High Court	Nil	870,418,795	-	Adjusted as Demanded Tax
2001	2002-2003	Nil	DCT	Reference Application to the High Court	Nil	1,135,489,757	1,135,489,757	Refundable
2002	2003-2004	Nil	DCT	Under processnof Appeal to Tax	898,521,314	712,587,221	185,934,093	Payable
2003	2004-2005	Nil	DCT	Under processnof Appeal to Tax	2,414,610,301	588,000,560	2,071,201,174	Payable
2004	2005-2006	Nil	DCT	Reference Application to the High Court	Nil	518,028,392	27,46,73,831	Refundable
2005	2006-2007	Nil	DCT	Reference Application to the High Court	378,072,785	438,169,963	60,097,178	Refundable
2006	2007-2008	Nil	DCT	Reference Application to the High Court	1,703,473,454	538,154,625	(1,266,536,541)	Payable
2007	2008-2009	Nil	DCT	Reference Application to the High Court	2,010,803,744	1,218,137,968	(75,27,63,573)	Payable
2008	2009-2010	Nil	DCT	Reference Application to the High Court.	2,167,491,869	889,421,612	(132,53,29,527)	Payable
2009	2010-2011	Nil	DCT	Reference Application to the High Court.	3,704,472,179	63,51,59,113	(254,00,43,944)	Payable
2010	2011-2012	Nil	DCT	Reference Application to the High Court.	4,116,848,042	1,118,523,981	(339,21,46,471)	Payable
2011	2012-2013	Nil	DCT	Reference Application to the High Court.	5,836,848,604	1,368,957,252	(5,083,262,792)	Payable
2012	2013-2014	Nil	DCT	Appeal to CT	3,306,474,128	1,459,284,890	(2,070,846,597)	Payable
2013	2014-2015	Nil	DCT	Not yet assessed	Not yet assessed	1,524,975,830	Not Yet assessed	Not yet assessed
2014	2015-2016	Nil	DCT	Not yet assessed	Not yet assessed	2,688,870,549	Not Yet assessed	Not yet assessed



Statement of Non Income Generating Other Assets

	2015 Taka	2014 Taka
A) DOMESTIC BRANCHES		
Stamps in hand	11,660,140	14,415,917
Stationery in hand	197,450,446	208,086,876
Advance Rent	196,405,966	228,582,088
Interest Receivable	10,978,473,215	7,630,407,611
Commission Receivable	2,946,931,720	2,591,637,330
Exchange Receivable	6,896,498	35,600,500
Rent	2,289,462	733,111
Taxes	-	-
Law charges	-	206,384
Postage and Telegram	11,250	353,574
Sundries	157,179,332	621,893,835
Branch Adjustment	28,979,424,761	36,998,069,353
Suspense A/C	582,826,330	1,620,332,130
Income Tax Deducted at source	13,920,294,359	12,134,381,557
Drafts Payable account (Ex-Advice)	124,268,933	149,232,773
Govt. Drafts Payable Account (Ex-Advice)	4,504,363	16,422,839
Intangible Assets- Valuation Adjustment	13,146,441,403	19,720,762,118
Deferred Tax assets	24,383,805,572	21,330,881,255
Demand Drafts purchased	548,443,859	764,346,277
Protested Bills	295,916,476	300,922,452
BRDB UCCA Crop Loans Exemption-1994	-	339,049,723
BRDB UCCA Crop Loans Exemption -2001	934,766,023	975,716,300
BRDBUCCA Crop Loans Int. & Panel int. Exemption-2007	672,760,696	672,760,696
Branch Reconstruction A/C	50,195	50,195
Pension Bill Purchased(Army)	5,125,807,144	7,346,310,234
Pension Bill Purchased(Civil)	1,295,058,385	1,428,949,308
Army Pension Bill Purchases A/C New	4,830,979,613	2,759,698,377
PSP/BSP Encashment	3,111,754,157	1,100,625,393
Loan Exemption Under J.S Reform Proj.94-95	5,094,543,083	5,094,543,083
NRT A/C Dr. Balance	4,048,276,001	-
Advance Payment of Income Tax	4,326,323,815	-
Adjusted Account Debit balance	585,278,696	-
Coupon Intt. Expense Account	125,559,378	-
Agri-Loan Other Exp.Exemption A/C-2004	-	967,012
Agri-Loan Interest Exemption A/C-2004	-	4,267,420
Agri- Exemption A/C Affected By River Erosion	98,760,600	98,424,139
Security Margin	-	745,396
Frozen Fish Loan Exemption	101,773,510	101,773,510
UCCA Loan Remission for River Erosion	-	5,772,636
Total	126,834,915,382	124,296,921,402



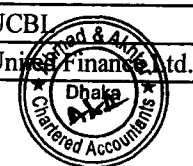
Sonali Bank Limited, Head Office, Dhaka

Treasury Management Division, LCMD

Investment in Shares (Quoted) as on 31 December 2015

Annexure-F

PARTICULARS OF INVESTMENT	NO. OF SHARE	COST VALUE PER SHARE	TOTAL COST VALUE	MARKET PRICE PER SHARE	TOTAL MARKET VALUE
1	2	3	4=(2*3)	5	6=(2*5)
Bank & NBF					
IJANATAMF	1,145,150	9.59	10,979,961	4.30	4,924,145
ISTPRIMFMF	207,000	38.83	8,037,293	10.50	2,173,500
ABBANK	2,116,513	72.98	154,462,378	20.90	44,235,122
ALARABANK	2,051,859	30.82	63,238,277	14.70	30,162,327
BANKASIA	2,428,797	27.71	67,290,550	16.50	40,075,151
BAYLEASING	547,584	119.66	65,523,266	20.30	11,115,955
ICBSONALI	25,000,000	10.00	250,000,000	5.70	142,500,000
BRACBANK	1,160,000	41.57	48,224,657	48.70	56,492,000
CITYBANK	3,396,393	38.51	130,779,568	20.40	69,286,417
DBHISTMF	782,000	15.29	11,957,187	4.90	3,831,800
DHAKABANK	2,084,918	33.49	69,817,315	19.70	41,072,885
DUTCHBANGL	179,160	162.25	29,069,402	107.60	19,277,616
EBL	13,147,466	8.85	116,391,487	28.60	376,017,528
EBL1STMF	1,338,196	20.24	27,086,734	4.20	5,620,423
EXIMBANK	1,525,987	28.16	42,978,697	8.60	13,123,488
FIRSTSBANK	1,239,979	28.61	35,472,203	8.80	10,911,815
ICB3RDNRB	480,000	14.05	6,743,059	4.10	1,968,000
ICBEPMFIS1	813,000	16.51	13,425,036	5.90	4,796,700
ICBIBANK	5,418,100	10.00	54,181,000	4.50	24,381,450
IFIC	897,633	46.83	42,039,277	21.20	19,029,820
IFICISTMF	931,836	11.87	11,058,937	4.40	4,100,078
IFILISLMFI	166,500	10.65	1,773,435	6.30	1,048,950
JAMUNABANK	1,233,639	25.87	31,916,264	12.00	14,803,668
MERCANBANK	4,050,779	29.28	118,600,490	10.70	43,343,335
MTBL	2,655,808	34.20	90,824,012	19.50	51,788,256
NBL	3,625,865	41.65	151,026,161	9.40	34,083,131
NCCBANK	2,795,993	34.75	97,158,967	9.10	25,443,536
ONEBANKLTD	4,432,192	33.20	147,132,198	15.30	67,812,538
PFISTMF	271,500	15.01	4,075,204	4.20	1,140,300
PREMIERBAN	1,229,154	28.38	34,888,226	8.60	10,570,724
PRIMEIICBA	242,000	13.70	3,314,756	4.40	1,064,800
PRIMEBANK	916,995	41.54	38,094,650	18.10	16,597,610
PUBALIBANK	9,289,227	12.95	120,298,577	21.60	200,647,303
RUPALIBANK	109,705	5.21	571,563	32.30	3,543,472
SHAHJABANK	3,801,667	36.39	138,332,843	13.50	51,322,505
SIBL	3,302,882	26.53	87,635,236	14.40	47,561,501
SOUTHEASTB	3,862,167	39.87	153,985,995	17.60	67,974,139
STANDBANKL	2,125,329	26.09	55,454,254	9.20	19,553,027
TRUSTBIMF	800,545	12.71	10,171,230	4.40	3,522,398
TRUSTBANK	7,811,952	35.28	275,622,976	24.10	188,268,043
UCBL	1,619,197	31.97	51,757,693	21.30	34,488,896
United Finance Ltd.	267,133	64.69	17,280,599	20.80	5,556,366



PARTICULARS OF INVESTMENT	NO. OF SHARE	COST VALUE PER SHARE	TOTAL COST VALUE	MARKET PRICE PER SHARE	TOTAL MARKET VALUE
1	2	3	4=(2*3)	5	6=(2*5)
UTTARABANK	941,321	83.58	78,672,616	22.70	21,367,987
UTTARAFIN	565,931	143.23	81,059,102	60.90	34,465,198
Sub Total	123,009,052		3,048,403,329		1,871,063,902

Insurance

BGIC	513,476	69.70	35,788,825	16.60	8,523,702
GREENELMF	524,500	12.34	6,474,764	4.70	2,465,150
KARNAPHULI	560,872	87.94	49,320,571	11.80	6,618,290
PEOPLESINS	99,655	93.41	9,308,419	16.00	1,594,480
POPULARIMF	1,244,334	8.04	10,000,000	4.20	5,226,203
Sub Total	2,942,837		110,892,579		24,427,824

Fuel and Power

DESCO	1,589,258	109.82	174,530,641	51.80	82,323,564
JAMUNAOIL	148,225	208.95	30,971,178	157.10	23,286,148
KPCL	522,373	84.54	44,160,755	74.90	39,125,738
NATOXG	1,305	100.00	130,500	100.00	130,500
NAVANACNG	486,558	146.49	71,277,049	49.70	24,181,933
PADMAOIL	58,960	371.78	21,920,271	184.20	10,860,432
POWERGRID	776,245	64.64	50,175,716	45.90	35,629,646
SUMITPOWER	830,640	61.12	50,770,396	39.70	32,976,408
Sub Total	4,413,564		443,936,508		248,514,368

Manufacture & other

AFTABAUTO	2,067,436	72.55	150,000,000	63.40	131,075,442
AIMSISTMF	26,055	50.39	1,313,021	19.70	513,284
APEXTAN	30,000	10.00	300,000	128.90	3,867,000
APEXWEAV	51,200	10.00	512,000	10.00	512,000
ASHRAFTEX	364,582	10.00	3,645,820	10.00	3,645,820
ATLASBANG	85,313	304.33	25,963,087	161.40	13,769,518
AZADIPRINT	756	100.00	75,600	100.00	75,600
BCIL	2,960	100.00	296,000	100.00	296,000
BDCOM	708,056	47.27	33,472,894	22.60	16,002,066
BEXIMCO	1,508,673	94.63	142,764,036	29.00	43,751,517
BSC	1,077	100.00	107,700	332.40	357,995
BXPHERMA	348,000	79.66	27,721,332	84.10	29,266,800
DULAMACOT	16,000	10.00	160,000	6.90	110,400
ECABLES	60,000	10.00	600,000	131.90	7,914,000
FBFIF	64,597,379	7.74	500,000,000	6.30	406,963,488
GP	232,000	263.08	61,033,423	253.00	58,696,000
GRAMEENS2	310,484	21.57	6,696,057	9.70	3,011,695
INTECH	932,725	26.82	25,013,044	12.30	11,472,518
JUTESPIN	30,000	10.00	300,000	51.70	1,551,000
LR GLOBAL	5,184,672	9.64	50,000,000	5.50	28,515,696
NILOYCEM	98	100.00	9,800	100.00	9,800
NTC	43,920	10.00	439,200	619.50	27,208,440
PDPRINTER	29,243	10.00	292,430	10.00	292,430
PHARMACY	349,119	8.72	3,042,638	4.10	1,431,388
RAKTHAMIC	347,284	127.95	44,433,383	66.90	233,300

PARTICULARS OF INVESTMENT	NO. OF SHARE	COST VALUE PER SHARE	TOTAL COST VALUE	MARKET PRICE PER SHARE	TOTAL MARKET VALUE
1	2	3	4=(2*3)	5	6=(2*5)
RANFOUNDRY	404,000	153.49	62,008,489	116.70	47,146,800
ROSEHEAV	4,327	15.00	64,905	15.00	64,905
SAPORTL	372,078	117.47	43,709,670	60.30	22,436,303
Sub Total	78,107,437		1,183,974,530		883,191,203
Total Quoted	208,472,890		4,787,206,945		3,027,197,297

Investment in Shares (Unquoted)

PARTICULARS OF INVESTMENT	NO. OF SHARE	COST VALUE PER SHARE	TOTAL COST VALUE	MARKET PRICE PER SHARE	TOTAL MARKET VALUE
1	2	3	4=(2*3)	5	6=(2*5)
Bank and NBFI					
BD COMM BANK LTD	1,125,000	100.00	112,500,000	100.00	112,500,000
Grameen Bank	30,000	100.00	3,000,000	100.00	3,000,000
IIDFC	732,911	40.50	29,683,820	40.50	29,683,820
Karmasangthan Bank	2,600,000	100.00	260,000,000	100.00	260,000,000
Pubali bank (former)	51,022	10.00	510,220	10.00	510,220
Sub Total	4,538,933		405,694,040		405,694,040

Manufacturing

Allied Pharma Ltd.	1,000,000	10.00	10,000,000	10.00	10,000,000
S. Jute Yarn & Twine	33,790	10.00	337,900	10.00	337,900
Swan Textile Mills	1,022	100.00	102,200	100.00	102,200
Sub Total	1,034,812		10,440,100		10,440,100

Other

Bangladesh Fund	21,300,000	100.00	2,130,000,000	100.00	2,130,000,000
CDBL	8,968,456	14.55	130,485,900	14.55	130,485,900
Orion Infrastructures	300,000,000	10.00	3,000,000,000	10.00	3,000,000,000
Paper Convert & Pack	5,000	100.00	500,000	100.00	500,000
SPPCL	271,480	100.00	27,148,000	100.00	27,148,000
SUPCL	178,520	100.00	17,852,000	100.00	17,852,000
Sub Total	330,723,456		5,305,985,900		5,305,985,900
Total Unquoted	336,297,201		5,722,120,040		5,722,120,040

Quoted+Unquoted	544,770,091		10,509,326,985		8,749,317,337
Share Revaluation (as on 31-12-14)			(1,760,009,648)		
GRAND TOTAL			8,749,317,337		



Sonali Bank Limited

Highlights on the overall activities

For the year ended 31 December 2015

Annexure - G

SL. No.	Particulars	2015 Taka	2014 Taka
1	Authorized Capital	60,000,000,000	60,000,000,000
2	Paid-up Capital	38,300,000,000	31,200,000,000
3	Total Capital (as per Capital Adequacy)	39,743,976,310	49,785,077,287
4	Capital surplus/(deficit)	312,966,310	9,100,807,287
5	Capital Adequacy Ratio	10.08%	12.24%
6	Statutory Reserve	7,601,472,379	7,601,472,379
7	Total Assets	1,026,108,505,771	934,592,315,146
8	Total Deposits	866,012,281,779	778,042,688,301
9	Total Investment	407,955,474,784	322,726,926,751
10	Total Contingent Liabilities and Commitments	251,952,892,975	229,929,738,014
11	Advance Deposit Ratio	39.99%	43.39%
12	Credit Deposit Ratio	87.10%	84.86%
13	Total Import	200,598,500,000	300,142,800,000
14	Total Export	45,431,700,000	63,525,300,000
15	Operating Profit	8,650,955,942	8,547,339,905
16	Profit after tax and provision	586,498,262	6,054,643,525
17	Total Loans and Advances	346,346,340,867	337,554,433,143
18	Amount of classified loans	86,849,700,000	86,436,600,000
19	Percentage of classified loans and advances	25.08%	25.61%
20	Provisions kept against classified loans	39,652,400,000	52,392,580,000
21	Provision surplus/(deficit)	-	17,629,110
22	Cost of fund	7.34%	8.09%
23	Income from investment	27,400,014,402	23,136,318,700
24	Interest earning Assets	708,930,252,000	637,709,151,000
25	Non-interest earning Assets	317,178,254,000	296,883,164,000
26	Return on investment (ROI)	7.50%	7.80%
27	Return on Asset (ROA)	0.06%	0.68%
28	Return on Equity (ROE)	0.99%	11.05%
29	Earnings per Share	1.53	32.12
30	Net assets value per share (NAVPS)	152.44	190.96
31	Price Earning Ratio	N/A	N/A
32	Net Operating Income per Share	22.59	45.35

