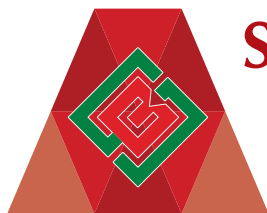


# Annual Report 2024



**SHIMANTO BANK PLC.**

শিমন্ত ব্রাংক পিএলসি.

শিমন্তীন ঔাঙ্গ্রা



# Annual Report 2024



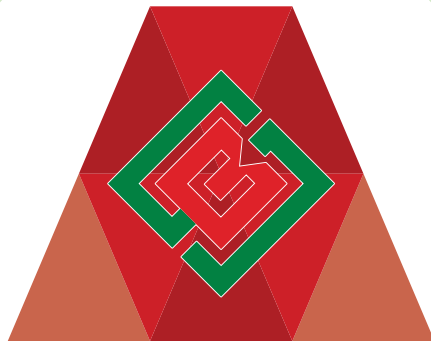
**SHIMANTO BANK PLC.**

সীমান্ত ব্যাংক পিএলসি.  
সীমান্ত ব্যাংক

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of 'Annual Report 2024'



Date of Publication : 12 July 2025



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## Letter of Transmittal

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Date: 12 July 2025

All Shareholders of Shimanto Bank PLC.  
Bangladesh Bank  
Bangladesh Securities and Exchange Commission  
Financial Reporting Council  
Registrar of Joint Stock Companies & Firms and  
Other Stakeholders.

Dear Sir,

### **ANNUAL REPORT FOR THE YEAR 2024.**

We are pleased to present before you the Annual Report of Shimanto Bank PLC. along with the Audited Financial Statements for the year ended 31 December 2024. The Report is furnished with Corporate Information, Board of Directors' Report, Board Committee Reports, Corporate Governance Report, Management Review, Balance Sheet, Profit & Loss Account, Cash Flow Statement, and Statement of Changes in Equity, Liquidity Statement along with Notes thereon for kind information and record.

Sincerely Yours,

**Mohammad Mostafa Hossain Suman FCS**  
Company Secretary



## Notice of the Ninth Annual General Meeting (AGM)

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting (AGM) of Shimanto Bank PLC. will be held on Tuesday, July 15, 2025 at 1930 Hours at Captain Shahid Ashraf Hall, Peelkhana, Dhaka-1205 to transact the following business:

### Agenda:

01. To receive and approve the report of the Board of Directors regarding the affairs of the company for the year ended on December 31, 2024;
02. To receive, consider and adopt the Accounts for the year ended on December 31, 2024 together with the Auditor's Report;
03. To approve dividend for the year ended on December 31, 2024;
04. To appoint Auditors for the year ending on 2025 and to fix their remuneration;
05. To elect/re-elect Directors as per Articles of Association of the Bank.

All the shareholders of the Company are requested to make it convenient to attend the meeting.

By Order of the Board

Date: 28 May 2025

**Mohammad Mostafa Hossain Suman FCS**  
Company Secretary

### Notes:

1. The Book Closure will be on 15<sup>th</sup> June 2025. The Shareholders whose names would appear in the Register of Members of the Company on the 'Book Closure Date' (15<sup>th</sup> June 2025) will be eligible to attend the 9<sup>th</sup> AGM and receive Dividend.
2. The Board of Directors has recommended Stock Dividend.
3. A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. Such proxy shall be a member of the company. The proxy form duly stamped should be deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.
4. For the sake of convenience, shareholders are requested to submit their queries if any, on the Directors' Report/Audited Accounts for the year 2024 at the Registered Office of the Company preferably 72 hours before the day of the Annual General Meeting.



# VISION

To build a sound and healthy financial institution which will provide technology driven customer centric inclusive banking solutions and contribute to the growth of national economy with deep social commitment.



# MISSION



Achieve and maintain strong corporate governance, highest level of transparency and cost-efficiency at all levels of operations.

Ensure continuous improvement of policies, procedures and systems across the bank for regulatory compliance and sustainable growth in all respect.

Uphold the corporate image by implementing core values and strategic priorities.



# CORE VALUES

Customer Centric

Dynamism & Techno Centric

Innovativeness

Trust Worthiness & Integrity



# CORPORATE DIRECTORY

**Name of the Company**  
Shimanto Bank PLC.

**Legal Form**  
Public Limited Company & Scheduled Commercial Bank

**Capital (December 31, 2024)**  
Authorized Capital : BDT 10,000,000,000.00  
Paid-up Capital : BDT 5,000,000,000.00  
Face value per share : BDT 10.00

**Company Registration No**  
C-131884/2016

**Bangladesh Bank License**  
BRPD (P-3) 745 (70) / 2016-4878; Date: 21 July 2016

**Taxpayer's Identification No**  
218822759143

**Business Identification No**  
000001182-0201

**Chairman**  
Major General Mohammad Ashrafuzzaman Siddiqui,  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil

**Managing Director & CEO**  
Rafiqul Islam

**Company Secretary**  
Mohammad Mostafa Hossain Suman FCS

**Auditors**  
M. J. ABEDIN & CO Chartered Accountants

**Accounting Year-end**  
December 31, 2024

**Credit Rating Agency**  
Credit Rating Information and Services Ltd (CRISL)

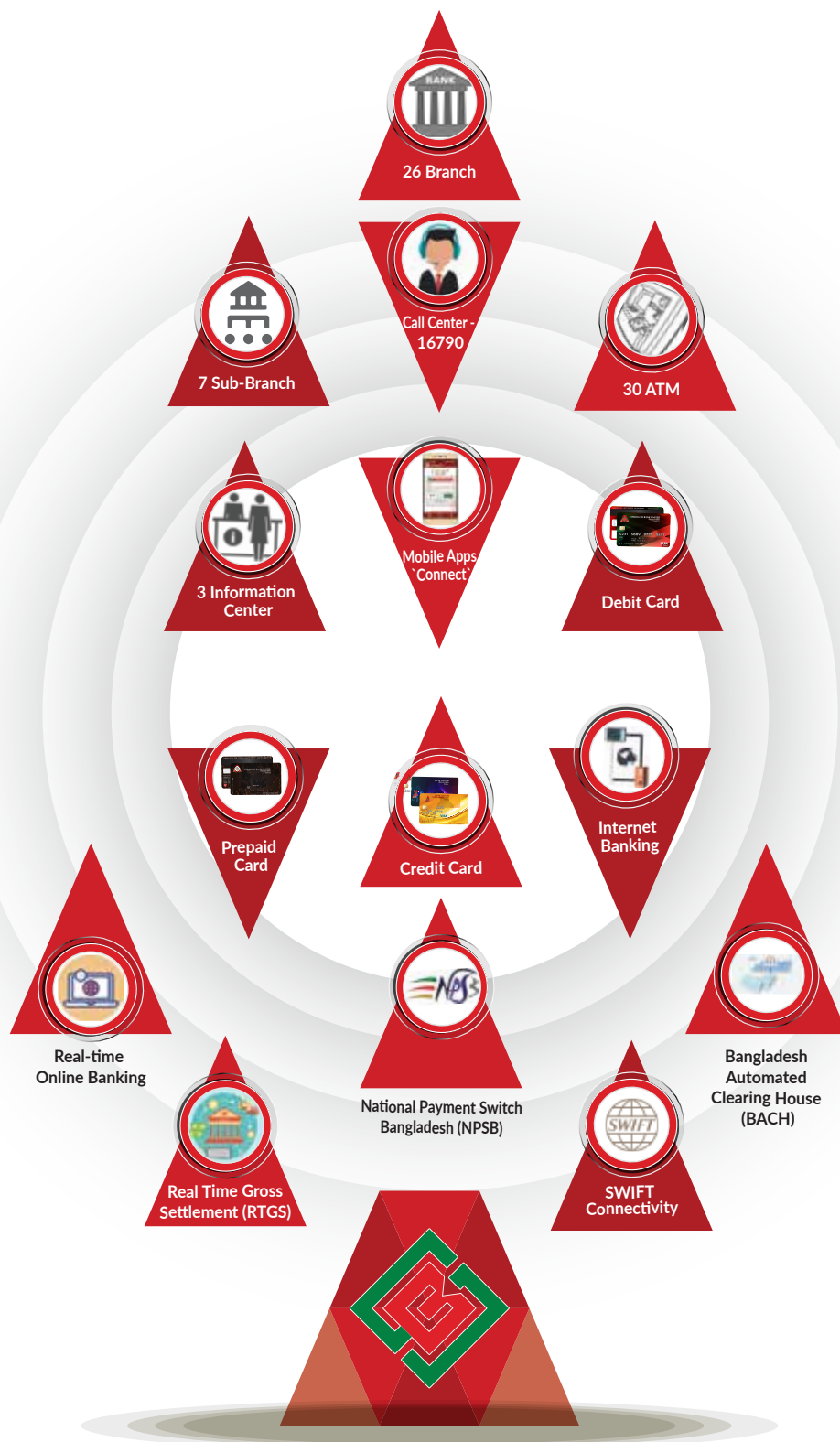
**Head Office & Registered Office**  
Shimanto Shamvar (7<sup>th</sup> Floor), Shimanto Square,  
Road No- 2, Bir Uttam M A Rob Sarak  
Dhanmondi, Dhaka-1205, Bangladesh.  
☎ +8809666716790 📞 16790  
✉ information.desk@shimantobank.com  
🌐 www.shimantobank.com

**SWIFT Code** : SHMTBDDD  
**Routing No** : 305260008



# DELIVERY CHANNEL

(As on 31 December, 2024)





# BRANCH NETWORK

(As on 31 December 2024)





## DHAKA

### Principal Branch

Shimanto Kallyan Trust Bhaban  
Road No-02, Bir Uttam M.A.  
Rab Sarak, Shimanto Square,  
Dhanmondi, Dhaka-1205.  
Phone: +8809612-880001  
+8809612-880002  
Routing No : 305260211

### Gulshan Branch

Hosna Center (1st Floor),  
106 Gulshan  
Avenue, Gulshan, Dhaka-1212.  
Phone: +8809612880190,  
+8809612880191  
Routing Number: 305261728

### Motijheel Branch

Krishi Bhaban, 49-51 Dilkusha  
Commercial Area, Dhaka-1000.  
Phone: +8809612-880060  
+8809612-880061  
Routing No : 305274249

### Uttara Sub-Branch

(Under Uttara Branch)  
Troye Plaza (1st Floor), Holding No: 34,  
Sonargaon Janapath Road  
Sector:11, Ward: 51, Dhaka North  
City Corporation  
Thana: Uttara West, District: Dhaka.  
Phone: 8809612880157

### Uttara Branch

Plot No. 38, Rabindra Sarani,  
Sector-7, Uttara, Dhaka-1203.  
Phone: +8809612-880150  
+8809612-880151  
Routing No : 305264633

### Mohammadpur Sub-Branch

(Under Principal Branch)  
Jamila Latif Tower (1st Floor)  
Holding No: 1101/A, Ring Road  
Ward No: 30, Dhaka North  
City Corporation  
Thana: Adabor, District: Dhaka.  
Phone: 8809612880017

### Hazaribagh Branch

BGB Super Market, 2nd Floor  
Lolito Mohon Das Lane  
Hazaribagh, Dhaka.  
Tel: +8809612-880160  
+8809612-880161  
Routing No : 305270748

## KHULNA

### Khulna Branch

Milton Tower, 2nd floor,  
Holding no-64  
K D A Avenue Road, Khulna.  
Phone : +8809612-880170,  
+88 09612-880171  
Routing No : 305471547

### Chuadanga Branch

Padoshova Tower (1st Floor),  
Shahid Abul Kashem Road  
(Boro Bazar),  
P.S: Chuadanga Sadar,  
District: Chuadanga.  
Phone: +8809612880210,  
+8809612880211  
Routing Number : 305180191

### Benapole Branch

Noor Shopping Complex  
Benapole Bazar, Sharsha, Jashore.  
Phone: +8809612-880050,  
+8809612-880051  
Routing No : 305410287

### Pabla Sub-Branch

(Under Khulna Branch)  
Ashia Tower (1st Floor)  
KDA Plot No: N-4  
Mosgunni Main Road,  
Kabir Bottola, Pabla, Word no: 06,  
Khulna City Corporation  
Dawlatpur, Khulna.  
Phone: 09610870800, 09610870801

### Pragpur Branch

Afsana Plaza, Pragpur Bazzar  
Pragpur, Doulatpur, Kushtia.  
Phone: +8809612-880140,  
+8809612-880141  
Routing No : 305501396

### Shyamnagar Sub Branch

(Under Khulna Branch)  
Mithila Shihab Mansion (1st Floor),  
ShyamnagarMunshigonj Main Road,  
Shyamnagar, Satkhira.  
Tel: 09610870830, 09610870831

### Gadkhali Branch

Jalil Sarder Market, 1st floor,  
Gadkhali Bazar, Jhikargacha, Jashore.  
Phone: +8809612-880180  
+8809612-880181  
Routing No : 305410124

## SYLHET

### Sylhet Branch

BGB Kallyan Bhaban,  
1st Floor, Nobabi Masjid Road,  
Akhali, Sylhet.  
Phone: +8809612-880120  
+8809612-880121  
Routing No : 305913555

### Zakigonj Branch

Five Star (1st Floor), Kaligonj Bazar,  
Union: Manikpur,  
Upozilla: Zakiganj, Sylhet.  
Tel: 09610870240, 09610870241  
SWIFT CODE: SHMTBDDD  
Routing Number : 305914125

## RAJSHAHI

### Rajshahi Branch

Ma Babar Doa (1st Floor),  
Rani Bazar Road, Boalia, Rajshahi.  
Tel: 09610870250, 09610870251  
SWIFT CODE: SHMTBDDD  
Routing Number : 305811936

## RANGPUR

### Lalmonirhat Branch

Ward No – 01, BGB  
Canteen More, Lalmonirhat  
Patgram Highway Road  
Kotwali, Lalmonirhat.  
Phone: +8809612880100,  
+8809612880101  
Routing No : 305520469

### Rangpur Branch

Talukdar Tower (1st Floor), GL Roy Road  
(Opposite to Fire Service Station)  
Rangpur Sadar, District: Rangpur.  
Tel: 09612-880220, 09612-880223  
Routing Number : 305851459

### Chirirbandar Branch

MB Tower (1st Floor), Hospital Mor  
5 No Abdulpur Union  
Thana: Chirirbandar, District: Dinajpur.  
Phone: 09612-880230, 09612-880232  
Routing Number : 305280525

### Hili Branch

Hazi Trade center (1st Floor),  
ChowrastarMor, Ward no: 03,  
HiliPowroshava,  
Thana: Hakimpur, District: Dinajpur.  
Tel: 09610870260  
SWIFT CODE : SHMTBDDD  
Routing Number : 305280112

## CHATTOGRAM

### Agrabad Branch

Commercial Court (Ground Floor)  
95 Commerce College Road  
Agrabad, Chattogram.  
Phone: +8809612-880030  
+8809612-880031  
Routing No : 305150134

### Satkania Branch

Hoque Plaza Shopping Centre &  
Complex  
Keranihat, Satkania, Chattogram.  
Phone: +8809612-880040  
+8809612-880041  
Routing No : 305157061

### Champaknagar Branch

Western Plaza (1st Floor),  
Fatapur, Champaknagar,  
Bijoynagar, Brahmanbaria.  
Phone: +8809612-880130  
+8809612-880131  
Routing No : 305120180

### Cox's Bazar Branch

Hazera Shopping Center (1st Floor)  
House: 490, Ward No-03  
Cox's Bazar Main Road, Cox's Bazar.  
Phone: +880-9612-880080  
+8809612-880081  
Routing No : 305220251

### Ramu Sub Branch

(under Cox's Bazar Branch)  
Habib Market (1st Floor), Arkan Sarak,  
Chawmuhoni Mor, Ramu, Cox's Bazar.  
Phone: + 88 09612880088  
+8809612880089

### Teknaf Branch

Riham Complex (1st Floor)  
Holding No: 04  
Lamar Bazar Road (Jharna Chatter)  
Teknaf, Cox's Bazar.  
Phone: +8809612-880090  
+8809612-880091  
Routing No : 305220914

## MYMENSINGH

### Mymensingh Branch

Khagdar Bazar  
Shimanto Market (BGB Camp)  
Sadar, Mymensingh.  
Phone: +8809612-880020,  
+8809612-880022  
Routing No : 305611752

### Bibir Bazar Branch

Bibir Bazar, Cumilla  
Adarsha Sadar, Cumilla.  
Phone: +8809612-880070  
+8809612-880071  
Routing No : 305190457

### Rangamati Sub-Branch

(Under Agrabad Branch)  
S R Plaza, 1st Floor,  
Holding No: 983 GA/1191,  
New Court Road (Banarupa Road),  
Ward no: 7, Rangamati Sadar, Rangamati.  
Tel: 09610870825, 09610870826

### Seedstore Branch

Ishaque Khan Tower (1st Floor)  
Seedstore Bazar, Bhaluka,  
Mymensingh.  
Phone: +8809612-880110,  
+8809612-880111  
Routing No : 305610182

### Jubilee Road Sub-Branch

(Under Agrabad Branch)  
S A Tower (1st Floor), Holding No: 269,  
Enayet Bazar Road, Word No: 22,  
Chattogram City Corporation  
Chattogram.  
Tel: 09610870820, 09610870821

### Brahmanbaria Branch

Hazi Siddik Plaza (1st & 2nd floor),  
Court Road, Brahmanbaria Sadar,  
Brahmanbaria.  
Phone: +8809612880200,  
+8809612880201  
Routing Number : 305120430





# PRODUCTS AND SERVICES

## RETAIL BANKING

### RETAIL DEPOSIT PRODUCTS

#### 1. SMBL Current Account

SMBL Current Account is a non-interest bearing taka account for individual customers who want to make frequent and bulk amount of transactions.

#### 2. Shimanto Sanchay Account

Shimanto Sanchay is an interest bearing taka account for Bangladeshi citizens to facilitate the customers to create a personal savings as well as personal transactions in a profitable manner.

#### 3. Payroll Account

Payroll Account is an interest bearing taka account to facilitate the BGB staffs and Non BGB staffs to get the salary as well as making savings habit. Moreover, different loan facilities available against the salary accounts.

#### 4. Shimanto Student Account

Shimanto Student Account is a specially designed savings account for school going children aged below 18 years to instil savings habit among our young generation as well as introduce financial services to them.

#### 5. Shimanto Global Access Account

Shimanto Global Access Account is an interest bearing foreign currency account which can be opened by a resident Bangladeshi after returning from travel abroad in USD without restriction on transaction frequency. Balances in these accounts shall be freely transferable abroad and foreign currency deposited in this account is freely convertible into BDT.

#### 6. Asthay Oboshor

Asthay Oboshor is a special type of term deposit scheme where an individual client can earn monthly interest on FDR.

#### 7. Shimanto DPS

Shimanto DPS is a monthly recurring savings scheme for individual customers that will allow them to save on a monthly basis and get a handsome amount at maturity.

#### 8. Shimanto Student DPS

Shimanto Student DPS is a special savings plan that will allow our customers under student banking scheme to save on a monthly basis and get a handsome amount at maturity and which will allow our young generation to grow a habit of savings from the early stage of their life.

#### 9. SMBL Term Deposit

SMBL Term Deposit is a generic type term deposit scheme where an individual customer can earn interest on FDR at maturity.

#### 10. Shoinak Bhabishwat

Shoinak Bhabishwat is a fixed deposit product designed for all the serving soldier of Border Guard Bangladesh (BGB) where customer will receive double of the deposited amount at the end of the tenure.

#### 11. SMBL Monthly Benefit Deposit Scheme

SMBL Monthly Benefit Deposit Scheme is a special type term deposit scheme where an individual customer can earn monthly interest of FDR.

#### 12. Shimanto Shapno

Shimanto Shapno Account is a specially designed savings account for the tannery workers, people under various social safety network of government, garments workers, destitute & underprivileged people, cleaners of Dhaka North & South City Corporation, farmers, blind & other handicapped people, people living in enclaves to make our financial services available to them and to bring them under financial umbrella.

#### 13. Connect DPS

Connect DPS scheme where an individual client can deposit monthly amount via internet banking.

#### 14. Connect Fixed Deposit/Term Deposit

It is a generic type term deposit scheme where an individual Client can earn interest of FDR at Maturity via internet banking as an initiative of cashless & Smart Bangladesh.

#### 15. SMBL Individual Retail Account

For hassle free, easy & quick Account opening, Fund transfer, Savings; we propose to open SMBL Personal Current Account for following categories of marginal level business person / entrepreneurs without trade license. It is an initiative for cashless & Smart Bangladesh.

#### 16. Millionaire Scheme

A very attractive deposit product. Any Bangladeshi citizen can open this monthly deposit product. After maturity he/she will get BDT 1 million. Tenure is 5/6/7/ 8 & 10 years. Upto 90% loan available.

#### 16. Multi Millionaire Scheme

A monthly deposit product scheme. Any Bangladeshi citizen can open this monthly deposit product. After maturity he/she will get BDT 2.5 million. Tenure is 5/6/7/ 8 & 10 years. Upto 90% loan available.





## RETAIL LENDING PRODUCTS

### 1. SMBL Personal Loan

An EMI based collateral free loan product for salaried, self-employed or business persons with a repayment period of maximum 60 months. Loan amount ranges between Tk. 50,000 and Tk. 20,00,000.

### 2. SMBL Shimanto Nibash

A home loan to make the dream of one's own home into a reality with exclusive benefits with a maximum loan limit of Tk. 2.00 Crore.

### 3. SMBL Vehicle Loan

An EMI based loan product to purchase Reconditioned /Brand New vehicles/Motorcycle for personal use only. Loan amount ranges between Tk. 1,00,000. and Tk. 40,00,000.

### 4. SMBL Professional Loan

SMBL Professional Loan is a terminating loan facility (EMI based) for skilled professionals to support their small scale purchase of different equipment, tools and small machineries for installation at their business sites/offices.

### 5. Shimanto Special Loan

Shimanto Special Loan is an equal monthly installment (EMI) based term loan facility exclusively & specifically for the BGB employees for any legitimate purpose to meet their long term financial needs.

### 6. SMBL Easy Cash

A secured overdraft facility for any legitimate personal or business purpose up to Tk.10.00 crore against FDR or cash.

### 7. SMBL Shimanto Nir (Home Loan for BGB members)

EMI based Term Loan to purchase/extension/renovation of flat/apartment/house for BGB employees only.

### 8. SMBL Projukti Rhin

EMI based Term Loan to purchase electronics gadgets like desktop, laptop, smart phone, tablet, printer, scanner and any other legitimate electronic gadgets.

### 9. SMBL Education Loan

EMI Based Term Loan to meet financial requirement during the span of higher education BGB employees only & their children.

### 10. SMBL Marriage Loan

EMI Based Term Loan to meet financial requirement during marriage of the BGB employees & their children.

### 11. SMBL Pension Backed Loan

EMI based Term Loan against pension & other end service related benefits of BGB employees

### 12. SMBL Salary OD

Overdraft facility against the salary account of BGB employees maintained with Shimanto Bank.

### 13. SMBL Credit Cards

A dual currency credit card offered to salaried individuals, business persons and professionals with an attractive credit limit. It's a convenient and flexible way to pay for purchases made at home and abroad. It's operable anywhere at anytime around the globe. SMBL Credit Card is the perfect prospect for customer rather to carry large amount of cash. These credit cards are accepted in millions of ATM, POS Terminal and e-commerce portal across the world.





## SME BANKING

### 1. SMBL Current Account (SME)

SMBL Current Account (SME) is a non-interest bearing taka account for small and medium enterprises where customers can make frequent and bulk amount of transactions both in respect of number and volume.

### 2. SMBL SND Account (SME)

SMBL SND Account (SME) is an interest bearing Short Notice Deposit taka account for CMSME entities of Bangladesh. The main purpose of this product is to facilitate the customers to get some return from their floating fund.

### 3. SMBL Term Deposit (SME)

It is a generic type term deposit scheme where a SME client can earn interest on FDR at Maturity.

### 4. SMBL Astha

An EMI based collateral free loan product for small segment clients with a repayment period of maximum 60 months. Loan amount ranges between Tk. 1,00,000 and Tk. 50,00,000.

### 5. SMBL Dishari

EMI based loan for micro, cottage, small & medium enterprises for rural areas. The main purpose of this asset product is to extent financial support to the Micro, Cottage, Small & Medium enterprises in rural areas.

### 6. Shimanto Earnest Money Financing

A temporary Time loan facility to Contractors for issuance of Pay Orders in favor of different work awarding authority to participate in various Tenders. Contractors have to provide Pay Orders (POs) as security deposit as required by the work giving authority for participation in tenders.

### 7. SME Time Loan

A loan facility to finance the work orders and other demand loan related requirements of CMSME clients with a tenor of 30 days to 360 days.

### 8. SME Term Loan

A secured EMI based loan product for SME clients for fixed asset purchase, business expansion, import of capital machineries etc.

### 9. SMBL OD (SME)

SMBL OD (SME) is a revolving Overdraft facility for any legitimate business purpose of SME entities.

### 10. SMBL Uddipto (SME Term Loan for fresh entrepreneurs)

EMI based Term Loan for starting & implementing a business project, working capital or fixed asset purchase for the project (no collateral/mortgage required).

### 11. SMBL Krishi Rin

SMBL Krishi Rin is a Short Term Loan (Demand Loan)/ Revolving loan for the farmers. The purpose of the loan is to provide financial support to farmers for cultivation of crops, livestock farming and fisheries as per Bangladesh Bank Agricultural & Rural Credit Policy.

### 13. SMBL Nari Shakti

SMBL Nari Shakti is an unsecured Overdraft facility and a newly designed proprietary debit card based product for rural Women Entrepreneurs. Loan amount ranges between Tk. 10,000 and Tk. 1,00,000.

### 14. Shimanto Bank Prantik Uddog

A collateral free Term Loan facility for Marginal/Landless Farmers, Low Income Professionals, School Banking Account Holders and Small Businessmen etc. The product is a EMI based Term Loan facility having limit range from BDT10,000 up to BDT 5,00,000. Refinance under FID is applicable for proposals who are the 10/50/100 Tk account holders.

### 15. Letter of Credit

A non-funded facility for the CMSMEs to import goods from abroad that may be for commercial purpose as well as industrial purpose for Manufacturing, Service and Trade sectors.

### 16. Bank Guarantee (Payment/Performance Security)

A non-funded facility issued in favor of different suppliers/work awarding authorities on behalf of the CMSME customers as per their requirement for the purpose of trading and/or work order execution etc.







## CORPORATE BANKING

### 1. SMBL OD (Corporate)

SMBL OD (Corporate) is a revolving Overdraft facility for any legitimate business purpose of Corporate entities.

### 3. SMBL Time Loan/Short Term Loan (Corporate)

SMBL Time Loan/Short Term Loan (Corporate) is short term loan facility to meet working capital requirement of Corporate entities.

### 4. SMBL Term Loan (Corporate)

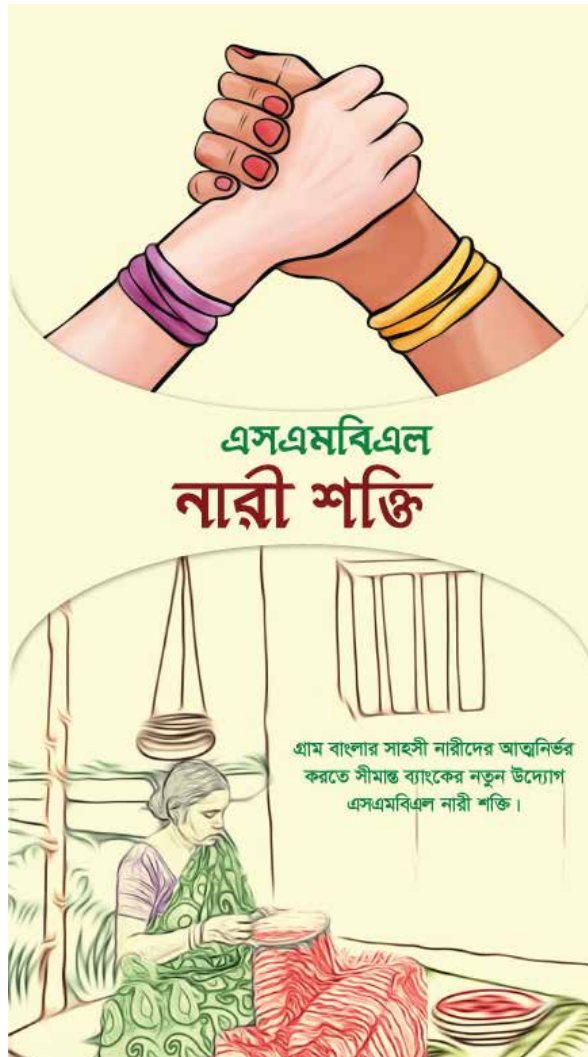
SMBL Term Loan (Corporate) is a EMI/EQI/EHI based terminating loan facility for Corporate entities to purchase fixed assets and machineries.

### 5. Letter of Credit (Sight/Deferred/UPAS)

Shimanto Bank deals with both import and export LCs to facilitate the SME & Corporate customers for their international trade business.

### 6. Bank Guarantee (PG/APG/Bid-Bond)

A bank guarantee is an assurance to a beneficiary that the bank will uphold a contract if the applicant and counterparty to the contract are unable to do so. Shimanto Bank is also ready to issue all types of Bank Guarantee as per customer's requirement.





# MILESTONES

over the years





# AWARDS & RECOGNITION



2023



2019



2021



Major General Mohammad Ashrafuzzaman Siddiqui OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman





# CHAIRMAN'S STATEMENT

Bismillahir Rahmanir Rahim

Dear Esteemed Stakeholders,

Assalamu Alaikum.

I am delighted to welcome you to the 9<sup>th</sup> Annual General Meeting of our Bank and to present to you the Annual Report and Financial Statements for the Financial year ended 31<sup>st</sup> December, 2024.

Before I proceed, I want to express my sincere appreciation to all of you for your continued unwavering loyalty and commitment to our Bank. Your continued support has been instrumental to the Bank's sterling performance since its inception.

The year 2024 was challenging in many respects, with significant global and domestic economic developments that impacted our business in several ways. However, Shimanto Bank responded well, adapting our strategies to leverage available opportunities while creating value for all our stakeholders. Against this background, I will review the economic and financial environment within which our Bank operated during the fiscal year under review.

## Global and Bangladesh Economy

Global growth is expected to remain steady at 2.6% in 2024, edging up to 2.7% in 2025-26, according to the World Bank. This is below the 3.1% average growth seen in the decade prior to COVID-19. The growth is constrained by factors like elevated central bank rates to combat inflation and a reduction in fiscal support due to high debt levels.

Bangladesh's economic growth is projected to slow to 4.1% in fiscal year 2024-2025, its weakest pace since the pandemic. The World Bank projects that this slowdown is partly due to political turmoil in mid-2024, which dampened economic activity and eroded investor confidence. Investments are expected to remain subdued in the near term due to the political uncertainty. The World Bank previously downgraded its growth forecast for Bangladesh to 4% for FY25, down from 5.7%. The Asian Development Bank (ADB) has also lowered its growth forecast for Bangladesh to 3.9% for the current fiscal year. The ADB also projects inflation rates of 8.4% in 2024 and 7.0% in 2025. Bangladesh is on track to graduate from the group of least-developed countries (LDCs) in 2026, which may present challenges such as losing preferential access to export destinations. Economists cite factors like remittance inflows, export performance, and manufacturing sector growth as key drivers of Bangladesh's GDP growth in 2025.

## Our Purpose

You all are aware that we envisage the financial inclusion in the development and growth of our economy. We all are pursuing the same goal in our upward journey with its excellence. To succeed in the mission, we have to have unstopping commitment and consistence. We believe that by implementing a well-defined policy on financial inclusion through exploring alternative delivery channels, it can serve unbanked population of the country effectively and efficiently. In order to meet the customers' demands we are in continuous endeavor to develop and design products and services for our existing as well as potential clients. The Bank always puts emphasis on customer care and has made relentless efforts to ensure best possible services at reasonable cost.

## Our Strategy

Our Board has an ongoing focus on ensuring appropriate diversity of skills, experience and strategic thinking capabilities that are required to lead your Bank. The bank has appointed new leadership in various positions / appointments to strengthen the mix of skills, knowledge, and experience relevant to the Bank's strategic priorities. It is vital to stay focused on what we can regulate and control. Our Board is self-assured that there are many prospects and opportunities ahead for the bank to attain its competitive strength in comparison to other reputed banks. The Board has preserved its oversight of the execution of the Bank's strategy throughout the year. So, we remain poised that it will deliver sustainable shareholder value and maintain itself as a stronger organization for our clients, colleagues, regulators, and the communities.

## Our Governance

Our corporate governance system is designed to ensure transparency and accountability at all levels of doing business. It also ensures that duties and responsibilities are appropriately segregated between the Board and Management to provide sufficient check and balance as well as flexibility for smooth business operations. The Board provides leadership and direction for the management, approves strategic and major policy decisions, and oversees management to attain predetermined objectives of the Bank.





## Our Performance

Your Bank performed well in the year 2024, with disciplined execution delivering good outcomes, despite the adverse macroeconomic impacts. Profit after tax is increased by 61% reflecting the recovery of economic conditions and outlook, resulting in lower net interest margin, moderate investment income and moderate provision against the soared loan. The Bank has earned a distributable profit of BDT 257.03 million up by 52.21% from BDT 168.87 million in last year.

The total Deposit raised to BDT 25,338.89 million by the end of 2024. Loans and advances totaled BDT 20,341.28 million from BDT 16,014.79 million in 2023 with an increase of 27.02%.

The Paid-up Capital of the Bank was at BDT 5,000.00 million as on December 31, 2024. Unlike many of our peer competitors in the financial services industry, we were well-capitalized, deposit-funded and liquid. Our capital management framework is intended to ensure the best composition of capital in relation to business growth. Capital Adequacy Ratio as per BASEL-III was 39.78%. Return on Asset (ROA) and Return on Investment (ROI) were at 1.36% and 8.24% respectively. Return on Equity (ROE) was 7.32% that allowed Shimanto Bank to deliver moderate returns for shareholders.

## Dividend to the Shareholders

The major business and profitability parameters of the Bank have been improved significantly as compared with previous financial year. I am happy to inform you that, the Board has proposed 5% dividend, resulting in shareholders receiving BDT 250 million in dividends in relation to the financial year which is an indication of Bank's good financials and increasing profitability.

## Looking ahead

The Bank has a positive outlook for the Financial Year-2025. The Government of Bangladesh has come up with many reform initiatives for development of the country. The banking industry would be benefited after reforms. The Bank has shown its adaptability to change and being able to respond quickly to the evolving macroeconomic conditions. The major business goals and objectives of the Bank are focused on creating a sustainable and profitable business model with a greater customer friendly approach adopting latest technological innovations.

Going forward, our Bank will continue to serve the society and all our customers, while supporting various Government initiatives for the progress of the Nation and maximizing our productivity and profitability to enhance the satisfaction of our stakeholders.

## Acknowledgements

We understand how important our stakeholders are to our journey in this interconnected financial ecosystem. We realize the importance and power of multi-stakeholder collaborations and cooperation even more by the recent pandemic and the impact of war. On this note, I would like to thank all our stakeholders for their continued and invaluable support extended to the bank.

I'm happy to express a special note of appreciation to the Board leadership team for their prudent guidance and sincere efforts underpinning the achievements outlined above.

I would like to appreciate efforts of all regulatory bodies of the Bangladesh Government, especially Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, National Board of Revenue and Financial Reporting Council.

I would like to express my heartfelt thanks to all members of Shimanto Bank Team for their professionalism, dedication and energy they showed in pursuing strategic priorities for our success.

I am confident that the Bank will remain committed to achieve its business goals and social commitments and make you all more proud of being associated with the Bank.

Sincerely,

**Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil**  
Chairman, Board of Directors  
Shimanto Bank PLC.

10 June 2025



## BOARD OF DIRECTORS



**Major General Mohammad Ashrafuzzaman Siddiqui**  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman



**Brig Gen Md Nurul Amin**  
BGBMS, PhD, MPH  
Director



**Brig Gen Khandaker Shafiquzzaman**  
BGBM, psc  
Director



**Brig Gen Md Sohrab Hossain Bhuiyan**  
PBGm, ndc, psc, G+  
Director



**Brig Gen Md Shahadat Sikder**  
BGBMS, ndc, afwc, psc  
Director



**Col Mohammad Shariful Islam**  
psc  
Director



**Col Md Moinul Islam Mollah**  
PBGMS, psc  
Director



**Mr. Abu Hena Mohd. Razee Hassan**  
Independent Director



**Mr. Ahmed Kamal Khan Chowdhury**  
Independent Director



**Mr. Rafiqul Islam**  
MD & CEO



## CHAIRMAN'S PROFILE



**Major General Mohammad Ashrafuzzaman Siddiqui**  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman

Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil is Chairman of Shimanto Bank PLC. He is the 6<sup>th</sup> Chairman of Shimanto Bank PLC. and the 25<sup>th</sup> Director General of Border Guard Bangladesh.

Major General Ashraf joined Bangladesh Military Academy with 27<sup>th</sup> BMA Long course on 08 January 1991 and was commissioned on 20 December 1992 in the Corps of Artillery of the Bangladesh Army. He has attended number of training courses both at home and abroad. To mention a few, he is a Graduate of School of Artillery; Fort Sill, USA; Defence Services Command and Staff College, Mirpur, Dhaka; Defence Services Staff College, Wellington, India and National Defence College, New Delhi, India. He holds a Bachelor degree from Chattogram University and four master degrees from home and abroad (MDS from National University, MSC and MPhil from Madras University, India and MBA from Bangladesh University of Professionals.

Major General Ashraf served in numerous command, staff and instructional appointments both at home and abroad. He commanded one Artillery Regiment, two Artillery Brigades, served as Director of Internal Affairs Bureau in Directorate General of Forces Intelligence and as Director Military Training in Army Headquarters. He has also served as an Instructor in Bangladesh Military Academy, Staff Officer Grade three of an Infantry Division, Brigade Major of an Infantry Brigade and Colonel Staff of an Infantry Division.

Major General Ashraf has participated in United Nations Missions in United Nations Mission in Ethiopia (UNMEE) and United Nations Mission in Sudan (UNMIS). He also served as Force Generation Officer in the United Nations Secretariat (UNDPKO) in New York, USA. He is a widely travelled person and visited number of countries. His professional endeavor and strategic vision throughout the career make him the ideal person to lead Shimanto Bank PLC. into it's next chapter of growth and innovation.



## DIRECTORS' PROFILE



**Brig Gen Md Nurul Amin**  
BGBMS, PhD, MPH  
Director

Brig Gen Md Nurul Amin, BGBMS, PhD, MPH is Additional Director General (Medical) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Chairman of Risk Management Committee of Shimanto Bank PLC.

Brig Gen Amin was born on 12 Jun 1967 in Noakhali, Bangladesh. He joined Bangladesh Army on 04 January 1994 and was commissioned on BMTC-08 in Army Medical Core. He has attended several professional courses in-country. He completed MPH 2008 from NIPSOM, Mohakhali, Dhaka. He also obtained PhD in 2019 From Dept of microbiology, University of Dhaka.

Brig Gen Amin has a variety of experience as Medical Officer in Bangladesh Army/Border Guard Bangladesh. He Participated in the United Nations Peace Keeping Mission on Liberia from 13 May 2012 to 30 Jun 2013 And Central African Republic from 07 October 2019 to 25 September 2020 as Force Medical Officer, FHQ, MINUSCA.

Brig Gen Amin is a widely travelled person. He travelled Saudi Arabia to perform Hajj & Omrah and also visited Egypt, Cyprus, Ivory Coast, Turkey, Ghana, Australia and many other Countries. He is interested in travelling/reading in his leisure time. He is happily married with Nahid Rehena Noor and has one son.



**Brig Gen Khandaker Shafiquzzaman**  
BGBM, psc  
Director

Brig Gen Khandaker Shafiquzzaman, BGBM, psc Additional Director General (Administration) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Executive Committee of Shimanto Bank PLC.

Brig Gen Shafiquzzaman was born on 10 July 1971 in the District of Chuadanga, Bangladesh. He Joined Bangladesh Military Academy on 10 July 1992. He was commissioned in the corps of Infantry on 17 June 1994. He attended a good number of courses both at home and abroad. He is a graduate from the Defence Services Command and Staff College, Mirpur.

Besides serving in three infantry regiments, Brig Gen Shafiquzzaman also served as General Staff Officer-2 (DGFI) and PS to DG, DGFI. He completed United Nation Mission in Liberia in 2004. He served in Special Security Force (SSF) in different capacities. He served in Ministry of Foreign Affairs and Bangladesh High Commission, Singapore in the capacity of First Secretary. He commanded one Infantry Regiment and two Border Guard Battalion as Commanding Officer. As a Brigade Commander he Commanded 16 Infantry Brigade of Headquarters 66 Infantry Division at Kholahati.

Brig Gen Shafiquzzaman visited number of countries in the world. He served BGB as Region Commander both at Cox's Bazar and Rangpur. He is happily married and having two sons & one daughter.



## DIRECTORS' PROFILE



**Brig Gen Md Sohrab Hossain Bhuiyan**  
PBGM, ndc, psc, G+  
Director

Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+ is Additional Director General (GS) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Executive Committee of Shimanto Bank PLC.

Brig Gen Sohrab was born on 01 July 1973 in the District of Cumilla, Bangladesh. He Joined Bangladesh Military Academy on 05 January 1993. He has attended several professional courses both at home and abroad. He is a graduate of BMA, Bhatary, CTG. He has complete NDC-2020 course from National Defence College, Mirpur, Dhaka. He has completed psc course from Mirpur Staff College. He also obtained MSAG from Bangladesh University of Professionals.

Brig Gen Sohrab is a widely travelled person. He travelled China, Georgia, Turkey, UAE, UK, USA (Hawaii) and many other Countries. He is interested in reading books and listening music in his leisure time. He is a keen golfer. He is happily married with Samia Afroz and has two sons named Md Mehrab Hossain Bhuiyan Saameer and Md Mansib Hossain Bhuiyan Saakeer.



**Brig Gen Md Shahadat Sikder**  
BGBMS, ndc, afwc, psc  
Director

Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc is Additional Director General (HQ) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Chairman of Audit Committee of Shimanto Bank PLC.

Brig Gen Shahadat was born on 01 Nov 1974 in the District of Rangpur, Bangladesh. He joined Bangladesh Military Academy on 04 Jan 1994 and was commissioned on 29 Nov 1995 in the Corps of Infantry. He has attended several professional courses both at home and abroad. He has completed psc (Staff Course) from DSCSC, Dhaka, Bangladesh. He has completed Armed Forces War Course (afwc) and National Defence Course (ndc) from National Defence College, Bangladesh. He obtained bachelor degree from National University. He obtained MBA from IBA, Dhaka University and MDS from National University. He has also achieved LLB from National University.

Brig Gen Shahadat has a variety of experience as Staff and Command in Bangladesh Army and Border Guard Bangladesh. He participated in the United Nations Peace Keeping Missions in Liberia and Sudan.

Brig Gen Shahadat is interested in travelling and reading books in his leisure time. He is happily married with Rawson Ara Flora and blessed with one son named S M Fuad Sakib and one daughter named Samiha Shanum.





## DIRECTORS' PROFILE



**Col Mohammad Shariful Islam, psc**  
Director

Col Mohammad Shariful Islam, psc is Deputy Director General (Communication) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Risk Management Committee of Shimanto Bank PLC.

Col Sharif was born on 01 January 1977 in the District of Cumilla, Bangladesh. He Joined Bangladesh Military Academy on 02 January 1996. He has attended several professional courses both at home and abroad. He is a graduate of BMA, Bhatiary, CTG. He is graduate from Mirpur Staff College.

Col Sharif has a verity of experience as Staff, Instructor and Commander in Bangladesh Army, Border Guard Bangladesh, e-Passport and Automated Border Control Management Project and DGFI. He Participated in the United Nations Peace Keeping Missions in Sierra Leone & Mali.

Col Sharif is a widely travelled person. He travelled Italy, UAE, USA, Qatar, Saudi Arabia, Thailand, Singapore and many other Countries. He is interested in reading and listening music in his leisure time. He is happily married with Rokaiya Mustafa and has one daughter named Wasfia Sharif.



**Col Md Moinul Islam Mollah, PBGMS, psc**  
Director

Col Md Moinul Islam Mollah, PBGMS, psc is Deputy Director General (Air) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Audit Committee of Shimanto Bank PLC.

Col Moinul Joined Bangladesh Military Academy on 31 December 1996. He has attended several professional courses both at home and abroad. He is a graduate of BMA, Bhatiary, CTG. He has completed psc course from Mirpur Staff College. He also obtained Master in Military Studies from Bangladesh University of Professionals.

Col Moinul has a verity of experience as Staff, Instructor and Commander in Bangladesh Army, Border Guard Bangladesh and Rapid Action Battalion. He participated in the United Nations Peace Keeping Missions in UNMIL, LIBERIA and MONUSCO, DR CONGO.

Col Moinul is a widely travelled person. He travelled Thailand, India, Liberia, Congo, Uganda and many other Countries. He is interested in reading and listening music in his leisure time. He is happily married with Syeda Israt Jahan and has one daughter named Sidratul Muntaha.



## DIRECTORS' PROFILE



**Mr. Abu Hena Mohammad Razee Hasan**  
Independent Director

Mr. Abu Hena Mohd. Razee Hassan is Independent Director and Member of the Risk Management Committee and Audit Committee of Shimanto Bank PLC.

Mr. Razee Hassan was born on 11 September 1956 in the district of Jamalpur. He joined Bangladesh Bank as Assistant Director in 1981 and served the Bank in different positions. He was promoted to Executive Director in 2010. He was appointed by Government as Deputy Governor of Bangladesh Bank in 2012 and extended tenure in 2016 and appointed as Head of BFIU in 2018 where he served up to September 2021. He also worked as Head of BFIU during tenure of Deputy Governor as additional responsibility. He was Director of Bangladesh Bank Board and also represented Bangladesh Bank as Director in the Boards of Bangladesh Sericulture Board, Investment Corporation of Bangladesh and SME Foundation.

As Deputy Governor, Mr. Razee Hassan looked after the banking policy and regulation, foreign exchange policy and investment, off-site and onsite supervision, formulation and implementation of monetary policy,

research and statistics, accounts and budgeting, human resources and services management related departments of Bangladesh Bank. As Head of BFIU he played an important role in getting membership of the Egmont Group of FIUs in 2013, bringing out Bangladesh from grey list of risky countries prepared by Financial Action Task Force (FATF) and Asia Pacific Group on money laundering (APG) and proving Bangladesh as compliant country in FATF-APG Mutual Evaluation of 2015. He also acted as Co-Chair of APG for the term 2018-2020.

Mr. Razee Hassan obtained his BSS (Honours) and MSS in Economics from University of Dhaka. He also obtained an MA in Economic Development from Vanderbilt University, USA. He attended many professional courses and seminars at home and abroad. He also attended and led Bangladesh delegations and presided over many sessions of international conferences and meetings. He is a life member of Bangladesh Economic Association, Dhaka University Alumni Association and Diplomaed Associate of Institute of Bankers, Bangladesh.



## DIRECTORS' PROFILE



**Mr. Ahmed Kamal Khan Chowdhury**  
Independent Director

Mr. Ahmed Kamal Khan Chowdhury has been appointed as Independent Director and Member of the Risk Management Committee and Audit Committee of Shimanto Bank PLC.

Mr. Chowdhury has over 34 years of banking experience in the field of Finance, General Banking, Risk Management, Treasury and Compliance, Global business. He became Managing Director of Prime Bank Limited on 14<sup>th</sup> December 2014. Before taking over the charge as Managing Director, he was Deputy Managing Director and Chief Risk Officer of the same bank. He held important management position viz. Chief Finance Officer, Chief Risk Officer, Head of Credit Committee, CAMLCO (Chief Anti Money Laundering Compliance Officer), Head of Finance and Head of Branch in International, Specialized and Private Commercial Banks operating in Bangladesh. Over the time he developed strong professional skills in multitasking environment and is a believer in process development. He was always the core team member of the process development to bring more transparency and smooth workflow.

Mr. Chowdhury was a member of the Executive Committees of Association of Bankers of Bangladesh and Primary Dealers Association of Bangladesh. He was a member of the Board of Directors of Prime Bank Investment Limited, Prime Bank Securities Limited PBL Exchange (UK) Limited, PBL Exchange Co. PTE Ltd, Singapore, PBL Finance (Hong Kong) Ltd.

Mr. Chowdhury was Independent Director of Prime Finance and Investment Limited (PFIL). He was Chairman of Audit Committee and Member of Executive Committee of PFIL. He worked as Advisor to Prime Bank Investment Limited from 2nd April 2018 to 1<sup>st</sup> April 2020. He is presently working as Group Advisor of Software Shop Limited. He is also the Chairman of Redshift Trading & Consulting Limited.

Mr. Chowdhury obtained Master's in Economics from the University of Dhaka and MBA in Finance from Stamford University Dhaka. He attended various trainings, workshops and seminars at home and abroad on different aspects of banking. He is an Ex-cadet of Faujdarhat Cadet College and member of Old Faujian Association and Cadet College Club Limited. Mr. Chowdhury is member of Bangladesh Economic Association. He is an active Rotarian and a Paul Harris Fellow.





## DIRECTORS' PROFILE



**Mr. Rafiqul Islam**  
Managing Director & CEO

Mr. Rafiqul Islam joined as Managing Director & CEO of Shimanto Bank PLC. on 8<sup>th</sup> August 2022.

Mr. Islam started his banking career with Uttara Bank Limited as a Probationary Officer in 1996. He was posted as a Branch Manager just after successful completion of the one-year probation period and he served there in various branches till 2002. Later, he served Eastern Bank Limited in various capacities including Branch Manager, Manager - Operational Risk, Cluster Head, Zonal Head and Head of Internal Control. Then, Mr. Islam joined NRB Bank Ltd in 2013 and served there as Head of Internal Control & Compliance.

Mr. Islam joined Shimanto Bank PLC. as SEVP and Chief Operating Officer (COO) in 2016. Later he was promoted as Deputy Managing Director. He also performed as Chief Risk Officer (CRO), Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Head of Business.

Instrumental with business, consumer banking, branch operation, AML and operational risk, control & compliance, Mr. Islam is a certified lead auditor on ISO/IEC 27000:2005 standard from International Register of Certified Auditors (IRCA).

Mr. Islam holds post graduations in International Trade & Business from University of Dhaka. He completed Masters of Business Administration from University of New Castle, USA.

Mr. Islam completed exclusive course on 'Risk Management for Corporate Leader' from Harvard Business School-USA; 'Business, International Relations and Political Economy' from The London School of Economics and Political Science-UK; 'International Business and Banking' from Leeds Beckett University-UK; 'Business & Leadership Development Program' from Saskatchewan University-Canada and 'International Trade & Business' from Federation University-Australia and Advanced Course in Business Administration from IBA, University of Dhaka.

Mr. Islam was Ex-Chairman of Association of Anti Money Laundering Compliance Officers of Banks of Bangladesh (AACOBB). He is the Life Member of Dhaka University Alumni Association (DUAA) and Registered Graduate of Dhaka University. He is a column writer of the daily newspapers on contemporary issues on Banking, Finance and Economy.

# BOARD COMMITTEE

## Executive Committee

Name	Committee Portfolio
1. Major General Mohammad Ashrafuzzaman Siddiqui, BSP, SUP, BGBM, ndc, psc	Chairman
2. Brig Gen Khandaker Shafiquzzaman, BGBM, psc	Member
3. Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+	Member
4. Mr. Mohammad Mostafa Hossain Suman FCS	Secretary

## Risk Management Committee

Name	Committee Portfolio
1. Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Chairman
2. Col Mohammad Shariful Islam, psc	Member
3. Mr. Abu Hena Mohd. Razee Hassan	Member
4. Mr. Ahmed Kamal Khan Chowdhury	Member
5. Mr. Mohammad Mostafa Hossain Suman FCS	Secretary

## Audit Committee

Name	Committee Portfolio
1. Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	Chairman
2. Col Md Moinul Islam Mollah, PBGMS, psc	Member
3. Mr. Ahmed Kamal Khan Chowdhury	Member
4. Mr. Mohammad Mostafa Hossain Suman FCS	Secretary

Note: Executive Committee, Audit Committee and Risk Management Committee as on 30<sup>th</sup> June, 2025.



*Rafiqul Islam*

Managing Director & CEO



# Managing Director & CEO's Message

Bismillahir Rahmanir Rahim

Dear Respected Stakeholders,

It's my distinct honor and immense pleasure to present the Bank's Annual Report for the financial year 2024. Business growth, the details of accomplishments and the initiatives of the Bank are provided in the Annual Report-2024. The performance of our Bank demonstrated in an economic environment where the major economies around the world faced unprecedented inflation & monetary tightening, which led to global slowdown.

Now, let me begin with a short preview of the prevailing the outlook for global economy, domestic economy and financial performance highlights.

## Global Economy

While global commodity prices have generally declined since 3<sup>rd</sup> Quarter of 2022 and recently stabilized the new geopolitical tensions, including protracted conflicts in the Middle East, prolonged Russia-Ukraine hostilities, and recent escalation among South Asian nuclear powers, pose renewed risks to supply chains and price stability. In 2024, the global economy demonstrated resilience, recording growth of approximately 3.2%, despite persistent- though moderating the inflationary pressures and uneven regional performance. This external environment presented a mixed outlook, offering both tailwinds and headwinds. Strengthening global demand supported a 12.3% year on-year rise in RMG exports and a 27.6% increase in remittances during the first half of FY25. However, imported inflationary pressures remained elevated, compounded by the depreciation of the Taka down 12.7% against the US dollar amid continued global monetary tightening.

## Domestic Economy

Bangladesh navigated a period of economic adjustment marked by a shift in macroeconomic policy priorities. Following a political transition in August 2024, the interim government placed renewed emphasis and dynamic approach on financial sector reformation, with Bangladesh Bank leading efforts to restore macroeconomic stability. Inflation remained a central concern, peaking at 11.66% in July, driven by earlier accommodative monetary conditions, the former interest rate cap, and currency depreciation. In response, Bangladesh Bank adopted a more contractionary stance, raising the policy rate by 150 basis points between August and October, enhancing exchange rate flexibility, and improving banking sector liquidity. These measures contributed to a more stable external position, with foreign exchange reserves recovering to USD 21.4 billion by year-end.

## Banking Sector

The banking sector in Bangladesh has been facing some liquidity crunch since June 2021, which has continued throughout year 2024. This tight liquidity situation is due to several factors including political instabilities, sale of foreign exchange in the interbank market by BB out of its reserves in support of the exchange rate of Taka, slow loan recovery, a high volume of non-performing loans (NPLs), sluggish deposit growth despite rising and attractive interest rates on deposits, and increased cash holding by the public stemming from a lack of confidence in the banking sector due to obvious reason i.e. wide spread irregularities.

The summary are as follows:

- Granting unrestricted access to the standing lending facility and facilitating full allotment of repo facilities for banks and non-banks.
- Allowing liquidity-deficient banks to borrow from the inter-bank money market with BB guarantee and providing special liquidity support to certain banks facing operational difficulties.
- Set out a framework for corrective actions to manage weak banks and announced plans to merge weak banks with strong banks.
- Despite several policy changes, investor confidence in the capital market remained subdued.
- Stressed assets in the banking sector continue to rise.
- Tight liquidity conditions in the banking system persisted.
- Set out a framework for corrective actions to manage weak banks and announced plans to merge weak banks with strong banks.

## Bank's Financial Performance -2024

Against this background, I would like to present a synopsis of the Bank's performance during the year-2024 in the following:

### Business Figure:

- Bank achieved 34.76% growth in corporate loan portfolio to BDT 12,817 million in FY24 from BDT 9,511 million in FY23.
- Achieved 41.26% growth in CMSME loan portfolio to BDT 3,225 million in FY24 from BDT 2,283 million in FY23.
- Bank' Deposit increased by 35.93%; loan portfolio increased by 27.02%; investment portfolio increased by 40.46% YoY.
- Bank' Total Asset growth 30.92% to BDT 33,012.70 million in FY24 from BDT 25,215.44 million in FY23.



### Earnings and Profitability:

- Net Interest Income of the Bank registered a growth of 44.49% YoY to BDT 732.72 million;
- Non-interest income (investment income and fee-based income) of the Bank grew by 30.41% YoY to BDT 711.78 million.
- Operating Profit recorded a YoY growth of 67.73% to reach BDT 706.88 as compared to BDT 421.44 in the previous year.
- Net Profit of the Bank grew by 61.00% YoY BDT 397.36 million in FY24 as against BDT 246.80 million in FY23.
- Return on Assets (RoA) increased to 1.36% in FY24 from 1.03% in FY23.
- Return on Equity (RoE) increased to 7.32% in FY24 from 4.97% in FY23.
- Earnings per Share (EPS) for FY24 improved to BDT 0.82 from BDT 0.53 a year ago.
- Cost to income ratio decreased to 51.06% in FY24 as against 59.97% in the last year.

### Asset Quality:

- Non-Performing Loans increased to 1.29% at in FY24 as against 1.11% in the previous financial year.
- NPL Coverage Ratio improved to 117.88% in FY24.

### Sound Capital Structure:

- Capital Adequacy Ratio (CRAR) of the Bank computed as per Basel III guidelines stood at 39.78% in FY24 with Tier-I Capital at 38.20%.
- The share of BGB Welfare Trust in the Bank was 99.99% as on 31st December'24. The Board of Directors has recommended a dividend of 5.00 percent for FY24.

### Bank's Footprint:

Currently, the Bank has twenty-six Branches, seven sub-branches, three information centers and thirty ATMs across the country.

### Way Forward

Shimanto Bank PLC is poised to build on the lessons learned and leverage its inherent strengths with a clear strategic vision focused on robust financial health, enhanced customer value, and sustainable growth in 2025 and onwards. Bank's foremost priority will be the diligent management, sustainable business and significant improvement of our asset quality through intensified recovery efforts, financial inclusion, training & development, strengthened credit risk protocols and the steady fast implementation of our Board-approved action plan to address provisioning requirements. We are committed to restoring and enhancing profitability by strategically improving our Net Interest Margin, vigorously pursuing growth in non-funded income streams-particularly through trade business and innovative digital services; maintaining ethics and disciplined cost management. Concurrently, we will accelerate our digital transformation journey, further empowering our customers with convenient and secure banking solutions like our comprehensive internet banking services and also enhancing operational efficiency through greater centralization and technological upgrades- as we navigate 2025 with a renewed focus on resilience and value creation for all of our stakeholders.

### Acknowledgement

I want to express my sincere gratitude to our Honorable Chairman and shareholders for their unwavering support and confidence in the Bank. Over the years, we have been motivated by your steadfast trust. I also want to thank our learned Board of Directors for their prompt judgments and valuable policy advices, which have helped the Bank succeed. The present atmosphere that we have achieved and build- is a result of the hard work & dedication of the employees, the loyalty of our customers and the trust & confidence of our valued shareholders. We remain committed to delivering superior financial performance and creating value for our stakeholders. Finally, I would like to thank the regulatory bodies—Bangladesh Bank, FRC, NBR, RJSC, other external partners, Border Guard Bangladesh and all of our valuable stakeholders for their continued confidence and support to the Bank in all its endeavors- on behalf of our whole team. Their continued assistance and support have been crucial in determining our growth. We would continue to look forward for your support, goodwill and patronage in the upcoming periods.

In conclusion, I express my gratitude to the Almighty for His blessings and guidance throughout our journey. May He grant us wisdom, strength and perseverance as we continue to serve our clients, stakeholders and the nation at large.

Sincerely,

**Rafiqul Islam**

Managing Director & CEO  
Shimanto Bank PLC.

10 June, 2025





## SENIOR MANAGEMENT TEAM (SMT)



**1 Mr. Shamim Ahmed**  
In-Charge, CRM

**2 Mr. Muhammad Shawkat Alam**  
Head of ICC

**3 Mr. Mohammad Mostafa Hossain Suman FCS**  
Company Secretary

**4 Mr. Manzur Maswood**  
Head of IT

**5 Ms. Shahneela Islam Shanil**  
Head of BCA & IDP

**6 Mr. Md. Sahidul Islam**  
Head of Business

**7 Mr. Rafiqul Islam**  
Managing Director & CEO

**8 Mr. Mohammad Azizul Hoque**  
Head of Operations & CRO

**9 Ms. Shamima Akter Lovely**  
Head of HR

**10 Mr. Md. Asirul Hoq Khan**  
In-Charge, CAD

**11 Major Md Hasibul Alam (Retd.)**  
Head of Security & Transportation

**12 Mr. Ramesh Kumar Paul**  
Head of Finance



# FIVE YEAR'S FINANCIAL PERFORMANCE

Amount in BDT Million

Particulars	2020	2021	2022	2023	2024
<b>Balance Sheet Metrics</b>					
Authorised Capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Paid up Capital	4,160.00	4,284.80	4,380.00	4,530.00	5,000.00
Shareholders' Equity	4,472.33	4,614.82	4,849.87	5,081.61	5,772.06
Loans and Advances	8,331.65	10,047.40	12,531.85	16,014.79	20,341.28
Deposits	13,155.38	13,285.74	16,679.48	18,641.59	25,338.89
Borrowing	-	-	48.86	49.77	33.50
Statutory Liquidity Reserve Ratio (SLR)(% at close of the year)	15.64%	18.33%	17.98%	15.17%	18.38%
Cash Reserve Requirement (CRR) (% at close of the year)	6.32%	4.10%	4.61%	4.43%	4.19%
Liabilities to Shareholders' Equity (Times)	3.15	3.07	3.65	3.96	4.72
Investments	2,076.25	2,751.99	5,370.99	5,535.15	7,774.76
Fixed Assets	248.60	211.14	232.20	429.69	384.78
Total Assets	18,559.06	18,827.81	22,545.30	25,215.44	33,012.70
Net Assets	4,472.33	4,614.82	4,849.87	5,081.61	5,772.06
<b>Income Statement Metrics</b>					
Net Interest Income	674.14	680.59	625.75	507.10	732.72
Non-Interest Income	131.93	209.19	361.14	545.82	711.78
Investment Income	102.01	152.42	289.49	440.90	548.53
Non Investment Income	29.92	56.77	71.65	104.92	163.25
Operating Income	806.07	889.78	986.89	1,052.92	1,444.50
Operating Expenses	459.02	485.11	568.60	631.48	737.62
Operating Profit	347.04	404.67	418.30	421.44	706.88
Provision for Loans, Investment and Other Assets	14.92	114.60	44.29	45.62	34.79
Profit Before Tax	332.13	290.06	374.00	375.81	672.09
Profit After Tax	201.04	140.10	230.57	246.80	397.36
Net operating cash flow (NOCF)	2,498.95	(1,603.42)	1,152.64	(866.01)	3,060.71
<b>Capital Metrics</b>					
Total Risk Weighted Assets (RWA)	8,663.28	10,039.79	11,754.57	12,284.06	15,044.82
Common Equity Tier-1 Capital	4,467.77	4,607.86	4,822.51	5,065.33	5,746.57
Tier-2 Capital	102.37	137.54	180.46	210.10	237.59
Total Eligible Capital (Tier 1 and Tier 2)	4,570.14	4,745.40	5,002.97	5,275.43	5,984.16
Capital to risk weighted assets ratio (CRAR)(%)	52.75%	47.27%	42.56%	42.95%	39.78%
Common Equity Tier - 1 Capital to RWA (%)	51.57%	45.90%	41.03%	41.24%	38.20%
RWA to total assets (%)	46.67%	53.32%	52.14%	48.72%	45.57%



# FIVE YEAR'S FINANCIAL PERFORMANCE

Amount in BDT Million

Particulars	2020	2021	2022	2023	2024
<b>Credit Quality</b>					
Non Performing Loans (NPLs)	5.91	120.16	152.65	177.71	261.94
Specific Provision (Cumulative)	2.54	84.37	75.25	92.66	86.53
General Provision (Cumulative)	97.80	99.06	199.81	199.81	767.99
NPL Ratio (%)	0.07%	1.20%	1.22%	1.11%	1.29%
NPL Coverage Ratio (Specific Provision + General Provision)/Gross NPL (%)	1697.80%	152.65%	180.19%	164.57%	326.22%
<b>Trade Business Metrics</b>					
Export	142.48	331.53	75.93	317.30	701.93
Import	894.64	943.07	489.23	671.00	964.41
Guarantee	20.08	273.81	136.68	796.90	1,653.01
Foreign Remittance	97.03	65.62	72.09	33.10	58.70
<b>Efficiency / Productivity Ratios</b>					
Return on Investments (ROI) %	5.33%	6.31%	6.95%	8.09%	8.24%
Return on Assets (ROA) %	1.20%	0.75%	1.11%	1.03%	1.36%
Return on Equity (ROE) %	4.83%	3.27%	4.87%	4.97%	7.32%
Cost to Income Ratio %	56.95%	54.52%	57.61%	59.97%	51.06%
Operating Profit per Employee	1.90	1.71	1.62	1.49	2.50
Operating Profit per Branch	19.28	19.27	17.43	15.61	21.42
<b>Share Based Metrics</b>					
Earnings per Share (EPS) in BDT	0.48	0.33	0.51	0.53	0.82
Operating profit per share in BDT	0.83	0.94	0.96	0.91	1.45
NAV per Share in BDT	10.75	10.77	11.07	11.01	11.86
Net operating cash flow per share (NOCFPS) BDT	6.01	(3.74)	2.63	(1.91)	6.29
Dividend %	3% Stock	2.22% Stock	3.42% Stock	3.72% Stock	5% Stock (Recom)
<b>Other Information</b>					
Number of branches (Including Sub-Branch)	18	21	24	27	33
Number of permanent employees	183	237	259	283	305
Number of deposit accounts	70,257	95,594	110,555	102,459	116,652
Number of loan Accounts	12,599	13,680	19,850	21,820	23,867
Number of RMA	64	64	52	60	63
Number of Foreign Account	3	3	3	3	3
Number of ATM	16	19	19	25	30
Number of Information Centers	2	2	2	2	3

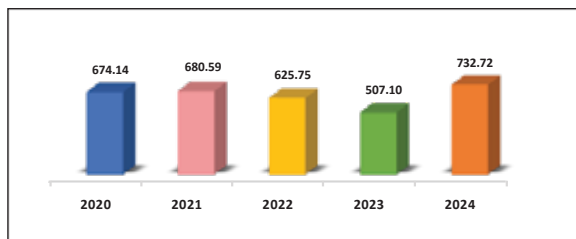




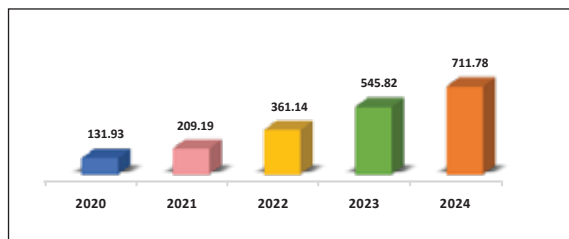
# FINANCIAL INDICATOR

Amount in BDT Million

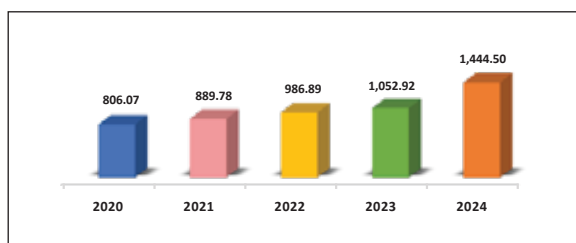
## NET INTEREST INCOME



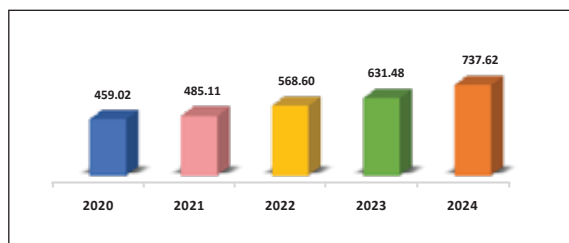
## NON INTEREST INCOME



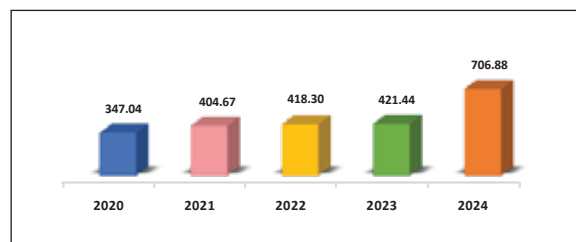
## OPERATING INCOME



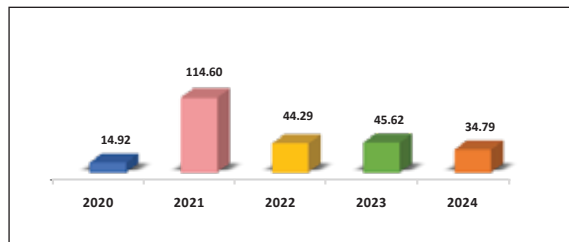
## OPERATING EXPENSE



## OPERATING PROFIT



## TOTAL PROVISION CHARGED

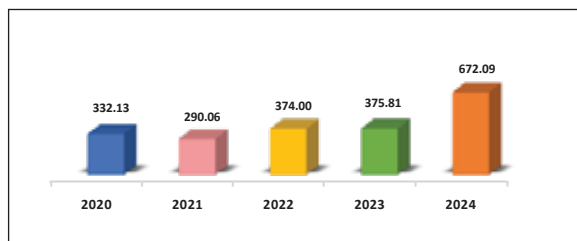




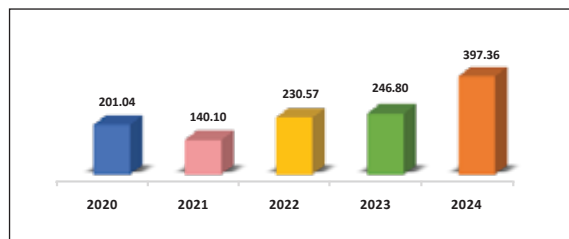
# FINANCIAL INDICATOR

Amount in BDT Million

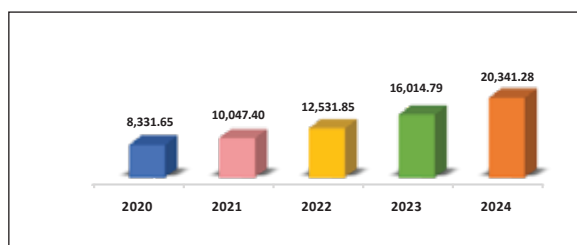
## PROFIT BEFORE TAX



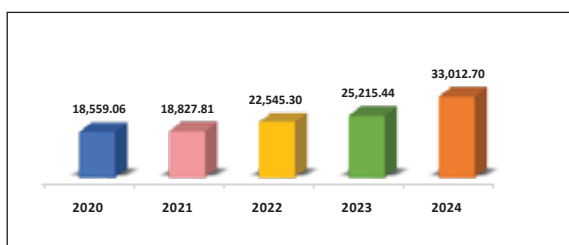
## PROFIT AFTER TAX



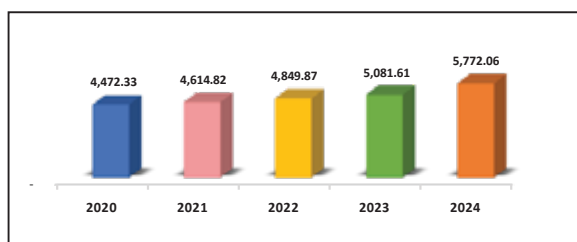
## LOANS AND ADVANCES



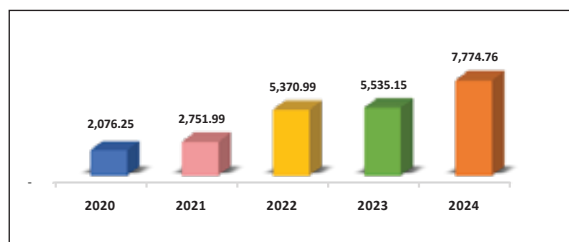
## TOTAL ASSETS



## NET ASSETS



## INVESTMENTS

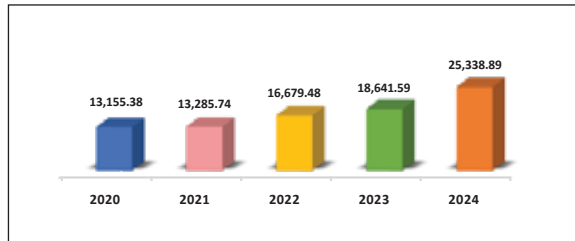




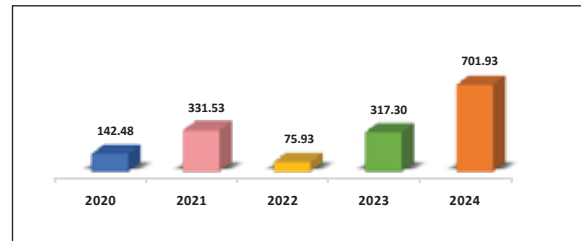
# FINANCIAL INDICATOR

Amount in BDT Million

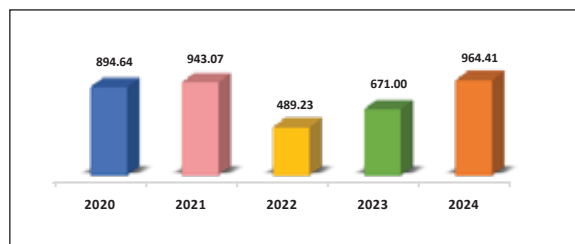
## DEPOSIT



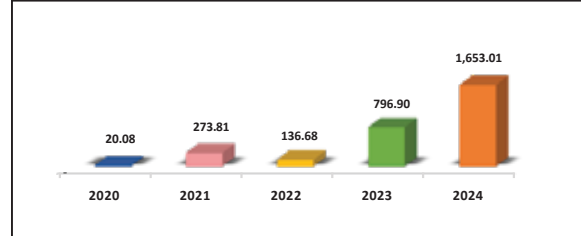
## EXPORT



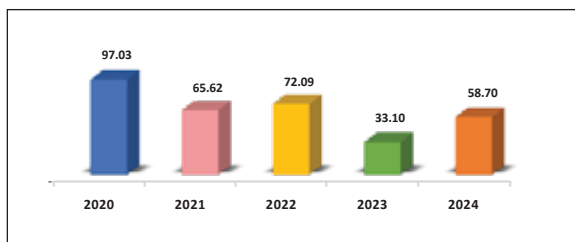
## IMPORT



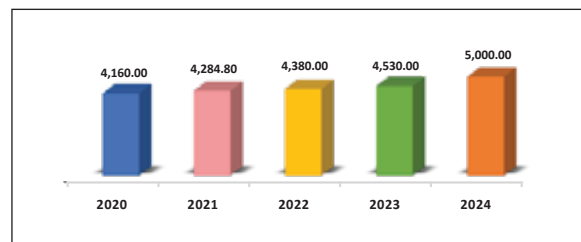
## GUARANTEE



## FOREIGN REMITTANCE



## PAID UP CAPITAL

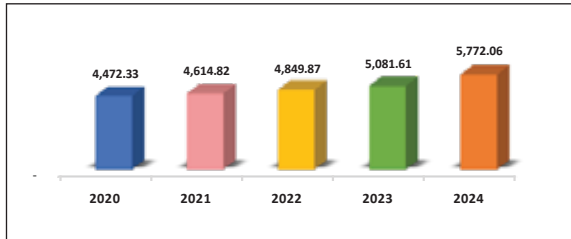




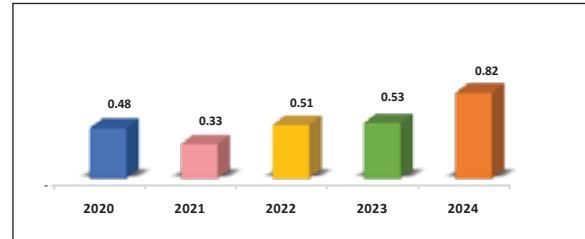
# FINANCIAL INDICATOR

Amount in BDT Million

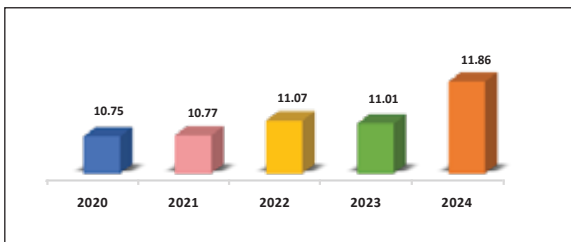
## SHAREHOLDERS' EQUITY



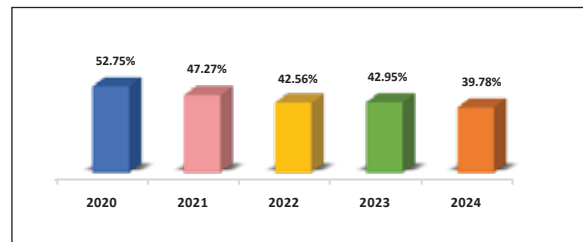
## EARNINGS PER SHARE (BDT)



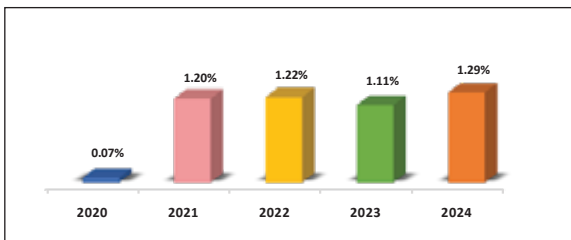
## NET ASSET VALUE PER SHARE (BDT)



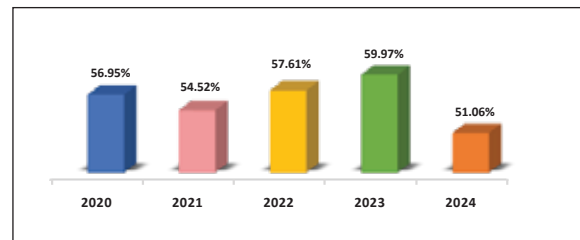
## CAPITAL TO RWA RATIO (CRAR) %



## NPL RATIO (%)



## COST TO INCOME RATIO (%)

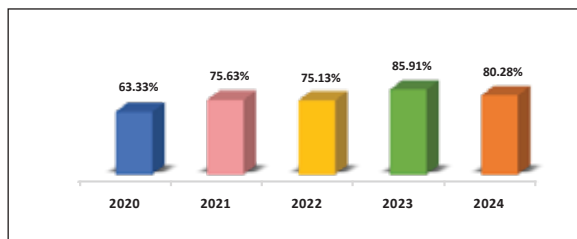




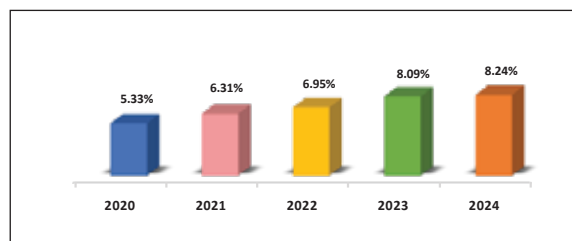
## FINANCIAL INDICATOR

Amount in BDT Million

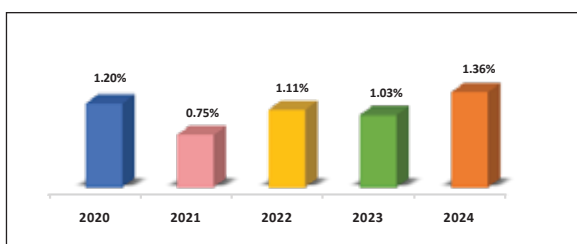
### CREDIT-DEPOSIT RATIO (%)



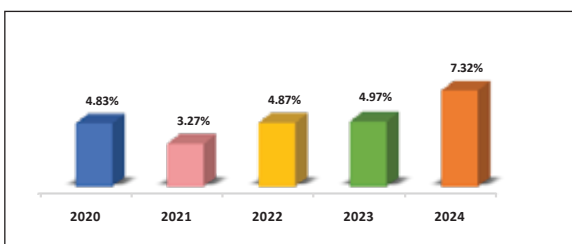
### RETURN ON INVESTMENTS (ROI) %



### RETURN ON ASSETS (ROA) %



### RETURN ON EQUITY (ROE) %



## CREDIT RATING

Particulars	2022	2023	2024
Long Term	A	A+	A+
Short Term	ST-3	ST-3	ST-2
Outlook	Stable	Stable	Stable

**Methodology:** Credit Rating information and Service Ltd. (CRISL) Bank Rating Methodology.



# VALUE ADDED STATEMENT

For the year ended 31 December, 2024

Amount in BDT

Particulars	2024	2023
<b>Value Added</b>		
Income from Banking Services	2,845,332,012	1,939,155,414
Less: Cost of Services & Supplies	1,634,341,207	1,074,020,746
<b>Value Added by Banking Services</b>	<b>1,210,990,805</b>	<b>865,134,668</b>
Non-Banking Income	-	-
Less: Provision-Loans, Investment, Other Assts & Commitments	34,790,421	45,622,215
<b>Total Value Added by The Company</b>	<b>1,176,200,384</b>	<b>819,512,453</b>

Distribution of Value Addition		
<b>Employees and Directors</b>	<b>393,171,699</b>	<b>332,054,326</b>
To Employees as Salaries & Allowances	391,311,650	330,567,391
To Directors as Remuneration & Fees	1,860,049	1,486,935
<b>Government</b>		
To Government as Income Tax	274,726,931	129,012,828
<b>Retentation for Future Business Growth</b>	<b>508,301,754</b>	<b>358,445,299</b>
Depreciation & Amortization	110,943,131	111,643,977
Statutory Reserve	134,417,111	75,162,830
Retained Earnings	256,662,234	166,702,466
Start-Up Fund	3,973,586	2,468,013
Climate Risk Fund	2,305,692	2,468,013
<b>Total Distribution of Value Addition</b>	<b>1,176,200,384</b>	<b>819,512,453</b>





# HORIZONTAL ANALYSIS

For the last 5 Years Statements of Financial Position

Particulars	2024		2023		2022		2021		2020	
	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %
<b>PROPERTY AND ASSETS</b>										
Cash	1,568,118,832	30.29%	1,203,570,020	15.17%	1,045,070,815	10.97%	941,786,142	-6.64%	1,008,728,306	14.99%
Cash in hand (Including foreign currency)	493,272,800	40.45%	351,213,043	9.81%	319,824,165	1.40%	315,414,703	26.74%	248,869,400	20.16%
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	1,074,846,033	26.10%	852,356,977	17.53%	725,246,650	15.79%	626,371,439	-17.57%	759,858,906	13.39%
Balance with other banks and financial institutions	826,131,019	12.11%	736,896,791	-38.44%	1,197,131,073	-39.83%	1,989,609,036	-8.37%	2,171,254,732	241.37%
Inside Bangladesh	582,885,511	2.11%	570,863,784	-49.74%	1,135,807,491	-42.13%	1,962,712,386	-8.38%	2,142,120,359	248.72%
Outside Bangladesh	243,245,508	46.50%	166,033,007	170.75%	61,323,582	128.00%	26,896,650	-7.68%	29,134,373	33.90%
Money at call and short notice	880,000,000	238.46%	260,000,000	-80.00%	1,300,000,000	-39.53%	2,150,000,000	-48.81%	4,200,000,000	13.51%
Investments	7,774,761,545	40.46%	5,535,148,826	3.06%	5,370,990,000	95.17%	2,751,989,935	32.55%	2,076,247,639	18.45%
Government	4,089,368,138	77.93%	2,298,324,968	10.92%	2,071,964,499	3.91%	1,993,964,512	22.31%	1,630,277,275	36.10%
Others	3,685,393,407	13.86%	3,236,823,858	-1.89%	3,299,025,501	335.21%	758,025,423	69.97%	445,970,364	-19.64%
Loans and advances	20,341,282,630	27.02%	16,014,791,094	27.79%	12,531,846,451	24.73%	10,047,395,543	20.59%	8,331,651,298	16.15%
Loans, cash credits, overdrafts etc.	20,341,282,630	27.02%	16,014,791,094	27.79%	12,531,846,451	24.73%	10,047,395,543	20.59%	8,331,651,298	16.15%
Bills purchased & discounted	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Fixed assets including land, building, furniture and fixtures	384,778,210	-10.45%	429,690,907	85.06%	232,196,270	9.97%	211,139,918	-15.07%	248,596,677	-17.63%
Other assets	1,237,627,258	19.54%	1,035,346,512	19.27%	868,069,914	17.96%	735,894,304	40.82%	522,585,599	37.29%
Non-banking assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Assets	33,012,699,495	30.92%	25,215,444,150	11.84%	22,545,304,523	19.74%	18,827,814,878	1.45%	18,559,064,251	25.21%
<b>LIABILITIES AND CAPITAL</b>										
Liabilities										
Borrowings from other banks, financial institutions and agents										
Deposits and other accounts	33,500,890	-32.69%	49,768,850	1.86%	48,860,032	100%	-	0.00%	-	-100.00%
Current deposit accounts	25,338,894,039	35.93%	18,641,585,763	11.76%	16,679,484,286	25.54%	13,285,737,635	0.99%	13,155,384,458	30.07%
Bills payable	926,782,826	35.41%	684,445,216	53.51%	445,864,916	18.10%	377,519,967	19.05%	317,098,806	36.19%
Savings bank deposits	597,422,139	129.85%	259,913,863	44.68%	179,641,450	-38.26%	290,943,228	-51.03%	594,065,466	329.03%
Special notice deposit	1,886,658,703	20.35%	1,567,634,859	24.54%	1,258,758,740	21.95%	1,032,220,021	17.49%	878,535,656	-0.30%
Fixed deposits	4,921,445,991	44.03%	3,416,997,623	-30.48%	4,914,924,876	38.04%	3,560,529,377	-24.84%	4,737,112,239	31.73%
Other deposits	16,522,260,342	32.85%	12,436,820,619	28.05%	9,712,177,476	23.29%	7,877,432,956	19.81%	6,574,938,297	25.99%
Other liabilities	484,324,038	75.62%	275,773,583	64.04%	168,116,828	14.29%	147,092,086	174.25%	53,633,994	14.84%
Total Liabilities	1,868,241,969	29.52%	1,442,478,649	49.16%	967,092,438	4.30%	927,255,320	-0.44%	931,345,009	111.44%
Capital/Shareholders' equity	27,240,636,898	35.30%	20,133,833,262	13.78%	17,695,436,756	24.50%	14,212,992,955	0.90%	14,086,729,467	33.47%
Paid-up capital	5,772,062,597	13.59%	5,081,610,888	4.78%	4,849,867,767	5.09%	4,614,821,923	3.19%	4,472,334,783	4.80%
Statutory reserve	5,000,029,253	10.38%	4,530,000,000	3.42%	4,380,000,000	2.22%	4,284,800,000	3.00%	4,160,000,000	4.00%
Retained earnings	510,129,253	35.78%	375,712,142	25.01%	300,549,312	33.13%	225,748,860	34.59%	167,735,983	65.57%
Other reserve	257,030,669	52.21%	168,868,435	10.98%	152,165,969	56.37%	97,314,266	-30.50%	140,030,415	-15.35%
	4,902,675	-30.26%	7,030,311	-59.01%	17,152,486	146.49%	6,958,797	52.33%	4,568,385	377.38%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	33,012,699,495	30.92%	25,215,444,150	11.84%	22,545,304,523	19.74%	18,827,814,878	1.45%	18,559,064,251	25.21%



# HORIZONTAL ANALYSIS

For the last 5 Years Profit & Loss Account

Particulars	2024		2023		2022		2021		2020	
	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %
Interest income	2,133,549,810	53.13%	1,393,335,133	20.51%	1,156,205,358	3.37%	1,118,459,879	-5.10%	1,178,537,410	9.99%
Interest on deposits & borrowings, etc.	(1,400,831,075)	-258.07%	886,237,237	67.07%	530,455,512	21.14%	437,874,267	-13.19%	504,398,193	22.58%
<b>Net interest income</b>	<b>732,718,735</b>	<b>44.49%</b>	<b>507,097,896</b>	<b>-18.96%</b>	<b>625,749,846</b>	<b>-8.06%</b>	<b>680,585,612</b>	<b>0.96%</b>	<b>674,139,217</b>	<b>2.15%</b>
Income from investment	548,534,320	24.41%	440,900,517	52.30%	289,490,420	89.92%	152,424,267	49.42%	102,011,179	68.98%
Commission, exchange and brokerage	24,070,347	61.17%	14,934,433	95.26%	7,648,410	-86.53%	56,766,586	89.75%	29,916,632	33.89%
Other operating income	139,177,535	54.67%	89,985,331	40.59%	64,003,526	100%	-	0.00%	-	0.00%
<b>Total operating income (a)</b>	<b>1,444,500,936</b>	<b>37.19%</b>	<b>1,052,918,177</b>	<b>6.69%</b>	<b>986,892,202</b>	<b>10.91%</b>	<b>889,776,465</b>	<b>10.38%</b>	<b>806,067,028</b>	<b>8.53%</b>
Salary and allowances	391,311,650	18.38%	330,567,391	14.85%	287,825,682	25.36%	229,598,477	9.15%	210,360,888	-1.97%
Rent, taxes, insurances, electricity, etc.	57,637,842	15.01%	50,113,693	-49.85%	99,931,218	3.93%	96,153,654	11.56%	86,190,259	9.55%
Legal expenses	2,853,880	-16.88%	3,433,540	12.48%	3,052,625	4.35%	2,925,375	-29.42%	4,144,530	30.91%
Postage, stamp, telecommunication, etc.	14,242,480	17.10%	12,163,115	2.32%	11,887,506	-29.11%	16,768,159	-3.42%	17,361,960	18.17%
Stationery, printing, advertisements, etc.	11,587,530	13.16%	10,239,998	28.07%	7,995,508	7.10%	7,465,497	-4.05%	7,780,270	-32.82%
Chief executive's salary and fees	10,823,636	9.45%	9,889,295	4.69%	9,445,929	-37.04%	15,002,000	5.63%	14,202,000	-0.86%
Directors' fees	1,860,049	25.09%	1,486,935	50.26%	989,585	73.57%	570,136	-31.88%	836,980	-18.67%
Auditors' fees	402,500	-18.60%	494,500	1.33%	488,000	28.59%	379,500	0.00%	379,500	-62.41%
Depreciation and repairs of Bank's assets	114,003,344	0.83%	113,068,856	98.88%	56,852,732	-14.84%	66,759,685	-13.68%	77,339,498	43.32%
Other expenses	132,902,051	32.87%	100,024,489	10.98%	90,128,318	82.13%	49,484,880	22.40%	40,427,528	-17.12%
<b>Total operating expenses (b)</b>	<b>737,624,961</b>	<b>16.81%</b>	<b>631,481,812</b>	<b>11.06%</b>	<b>568,597,105</b>	<b>17.21%</b>	<b>485,107,363</b>	<b>5.68%</b>	<b>459,023,413</b>	<b>3.90%</b>
<b>Profit before provision (c=(a-b))</b>	<b>706,875,975</b>	<b>67.73%</b>	<b>421,436,365</b>	<b>0.75%</b>	<b>418,295,097</b>	<b>3.37%</b>	<b>404,669,102</b>	<b>16.60%</b>	<b>347,043,615</b>	<b>15.34%</b>
General Provision	19,679,518	-33.59%	29,632,495	-40.60%	49,886,750	52.21%	32,774,737	64.07%	19,975,886	397.17%
Specific provisions	(3,378,996)	-121.15%	15,974,520	-307.74%	(7,689,597)	-109.40%	81,829,980	-1,717.01%	(5,060,586)	-166.57%
Diminution in value of investments	5,669,263	37,197.78%	15,200	-99.27%	2,095,683	100.00%	-	0.00%	-	0.00%
Other provisions	12,820,636	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total provision (d)</b>	<b>34,790,421</b>	<b>-23.74%</b>	<b>45,622,215</b>	<b>3.00%</b>	<b>44,292,835</b>	<b>-61.35%</b>	<b>114,604,717</b>	<b>668.37%</b>	<b>14,915,300</b>	<b>28.36%</b>
<b>Profit before tax (e=c-d)</b>	<b>672,085,554</b>	<b>78.83%</b>	<b>375,814,150</b>	<b>0.48%</b>	<b>374,002,262</b>	<b>28.94%</b>	<b>290,064,385</b>	<b>-12.66%</b>	<b>332,128,315</b>	<b>14.82%</b>
<b>Provision for taxation (f)</b>										
Current tax	286,072,471	123.40%	128,054,624	-9.95%	142,209,825	-9.08%	156,417,934	14.30%	136,847,710	19.41%
Deferred tax	(11,345,540)	-1,284.04%	958,204	-21.67%	1,223,249	-118.96%	(6,450,277)	12.05%	(5,756,747)	157.36%
	<b>274,726,931</b>	<b>112.95%</b>	<b>129,012,828</b>	<b>-10.05%</b>	<b>143,433,074</b>	<b>-4.36%</b>	<b>149,967,657</b>	<b>14.40%</b>	<b>131,090,963</b>	<b>16.67%</b>
<b>Net profit after taxation (g=e-f)</b>	<b>397,358,623</b>	<b>61.00%</b>	<b>246,801,322</b>	<b>7.04%</b>	<b>230,569,188</b>	<b>64.58%</b>	<b>140,096,727</b>	<b>-30.31%</b>	<b>201,037,353</b>	<b>13.65%</b>



# VERTICAL ANALYSIS

For the last 5 Years Statements of Financial Position

Particulars	2024		2023		2022		2021		2020	
	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %
<b>PROPERTY AND ASSETS</b>										
Cash	1,568,118,832	4.75%	1,203,570,020	4.77%	1,045,070,815	4.64%	941,786,142	5.00%	1,008,728,306	5.44%
Cash in hand (Including foreign currency)	493,272,800	1.49%	351,213,043	1.39%	319,824,165	1.42%	315,414,703	1.68%	248,869,400	1.34%
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	1,074,846,033	3.26%	852,356,977	3.38%	725,246,650	3.22%	626,371,439	3.33%	759,858,906	4.09%
<b>Balance with other banks and financial institutions</b>	<b>826,131,019</b>	<b>2.50%</b>	<b>736,896,791</b>	<b>2.92%</b>	<b>1,197,131,073</b>	<b>5.31%</b>	<b>1,989,609,036</b>	<b>10.57%</b>	<b>2,171,254,732</b>	<b>11.70%</b>
Inside Bangladesh	582,885,511	1.77%	570,863,784	2.26%	1,135,807,491	5.04%	1,962,712,386	10.42%	2,142,120,359	11.54%
Outside Bangladesh	243,245,508	0.74%	166,033,007	0.66%	61,323,582	0.27%	26,896,650	0.14%	29,134,373	0.16%
<b>Money at call and short notice</b>	<b>880,000,000</b>	<b>2.67%</b>	<b>260,000,000</b>	<b>1.03%</b>	<b>1,300,000,000</b>	<b>5.77%</b>	<b>2,150,000,000</b>	<b>11.42%</b>	<b>4,200,000,000</b>	<b>22.63%</b>
<b>Investments</b>	<b>7,774,761,545</b>	<b>23.55%</b>	<b>5,535,148,826</b>	<b>21.95%</b>	<b>5,370,990,000</b>	<b>23.82%</b>	<b>2,751,989,935</b>	<b>14.62%</b>	<b>2,076,247,639</b>	<b>11.19%</b>
Government	4,089,368,138	12.39%	2,298,324,968	9.11%	2,071,964,499	9.19%	1,993,964,512	10.59%	1,630,277,275	8.78%
Others	3,685,393,407	11.16%	3,236,823,858	12.84%	3,299,025,501	14.63%	758,025,423	4.03%	445,970,364	2.40%
<b>Loans and advances</b>	<b>20,341,282,630</b>	<b>61.62%</b>	<b>16,014,791,094</b>	<b>63.51%</b>	<b>12,531,846,451</b>	<b>55.59%</b>	<b>10,047,395,543</b>	<b>53.36%</b>	<b>8,331,651,298</b>	<b>44.89%</b>
Loans, cash credits, overdrafts etc.	20,341,282,630	61.62%	16,014,791,094	63.51%	12,531,846,451	55.59%	10,047,395,543	53.36%	8,331,651,298	44.89%
Bills purchased & discounted	-	0.00%	-	0.00%	-	0.00%	-	-	-	-
<b>Fixed assets including land, building, furniture and fixtures</b>	<b>384,778,210</b>	<b>1.17%</b>	<b>429,690,907</b>	<b>1.70%</b>	<b>232,196,270</b>	<b>1.03%</b>	<b>211,139,918</b>	<b>1.12%</b>	<b>248,596,677</b>	<b>1.34%</b>
<b>Other assets</b>	<b>1,237,627,258</b>	<b>3.75%</b>	<b>1,035,346,512</b>	<b>4.11%</b>	<b>868,069,914</b>	<b>3.85%</b>	<b>735,894,304</b>	<b>3.91%</b>	<b>522,585,599</b>	<b>2.82%</b>
<b>Non-banking assets</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>Total Assets</b>	<b>33,012,699,495</b>	<b>100.00%</b>	<b>25,215,444,150</b>	<b>100.00%</b>	<b>22,545,304,523</b>	<b>100.00%</b>	<b>18,827,814,878</b>	<b>100.00%</b>	<b>18,559,064,251</b>	<b>100.00%</b>
<b>LIABILITIES AND CAPITAL</b>										
<b>Liabilities</b>										
<b>Borrowings from other banks, financial institutions and agents</b>										
<b>Deposits and other accounts</b>	<b>33,500,890</b>	<b>0.10%</b>	<b>49,768,850</b>	<b>0.20%</b>	<b>48,860,032</b>	<b>0.22%</b>	-	<b>0.00%</b>	-	<b>0.00%</b>
Current deposit accounts	25,338,894,039	76.75%	18,641,585,763	73.93%	16,679,484,286	73.98%	13,285,737,635	70.56%	13,155,384,458	70.88%
Bills payable	926,782,826	2.81%	684,445,216	2.71%	445,864,916	1.98%	377,519,967	2.01%	317,098,806	1.71%
Savings bank deposits	597,422,139	1.81%	259,913,863	1.03%	179,641,450	0.80%	290,943,228	1.55%	594,065,466	3.20%
Special notice deposit	1,886,658,703	5.71%	1,567,634,859	6.22%	1,258,758,740	5.58%	1,032,220,021	5.48%	878,535,656	4.73%
Fixed deposits	4,921,445,991	14.91%	3,416,997,623	13.55%	4,914,924,876	21.80%	3,560,529,377	18.91%	4,737,112,239	25.52%
Other deposits	16,522,260,342	50.05%	12,436,820,619	49.32%	9,712,177,476	43.08%	7,877,432,956	41.84%	6,574,938,297	35.43%
<b>Other liabilities</b>	<b>484,324,038</b>	<b>1.47%</b>	<b>275,573,583</b>	<b>1.09%</b>	<b>168,116,828</b>	<b>0.75%</b>	<b>147,092,086</b>	<b>0.78%</b>	<b>53,633,994</b>	<b>0.29%</b>
<b>Total Liabilities</b>	<b>1,868,241,969</b>	<b>5.66%</b>	<b>1,442,478,649</b>	<b>5.72%</b>	<b>967,092,438</b>	<b>4.29%</b>	<b>927,255,320</b>	<b>4.92%</b>	<b>931,345,009</b>	<b>5.02%</b>
<b>Capital/Shareholders' equity</b>	<b>27,240,636,898</b>	<b>82.52%</b>	<b>20,133,833,262</b>	<b>79.85%</b>	<b>17,695,436,756</b>	<b>78.49%</b>	<b>14,212,992,955</b>	<b>75.49%</b>	<b>14,086,729,467</b>	<b>75.90%</b>
Paid-up capital	5,772,062,597	17.48%	5,081,610,888	20.15%	4,849,867,767	21.51%	4,614,821,923	24.51%	4,472,334,783	24.10%
Statutory reserve	5,000,000,000	15.15%	4,530,000,000	17.97%	4,380,000,000	19.43%	4,284,800,000	22.76%	4,160,000,000	22.41%
Retained earnings	510,129,253	1.55%	375,712,142	1.49%	300,549,312	1.33%	225,748,860	1.20%	167,735,983	0.90%
Other reserve	257,030,669	0.78%	168,868,435	0.67%	152,165,969	0.67%	97,314,266	0.52%	140,030,415	0.75%
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>4,902,675</b>	<b>0.01%</b>	<b>7,030,311</b>	<b>0.03%</b>	<b>17,152,486</b>	<b>0.08%</b>	<b>6,958,797</b>	<b>0.04%</b>	<b>4,568,385</b>	<b>0.02%</b>
	<b>33,012,699,495</b>	<b>100.00%</b>	<b>25,215,444,150</b>	<b>100.00%</b>	<b>22,545,304,523</b>	<b>100.00%</b>	<b>18,827,814,878</b>	<b>100.00%</b>	<b>18,559,064,251</b>	<b>100.00%</b>



# VERTICAL ANALYSIS

For the last 5 Years Profit & Loss Account

Particulars	2024		2023		2022		2021		2020	
	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %
Interest income	2,133,549,810	74.98%	1,393,335,133	71.85%	1,156,205,358	76.20%	1,118,459,879	84.24%	1,178,537,410	89.93%
Interest on deposits & borrowings, etc.	(1,400,831,075)	49.23%	(886,237,237)	45.70%	(530,455,512)	34.96%	(437,874,267)	32.98%	(504,398,193)	38.49%
<b>Net interest income</b>	<b>732,718,735</b>	<b>25.75%</b>	<b>507,097,896</b>	<b>26.15%</b>	<b>625,749,846</b>	<b>41.24%</b>	<b>680,585,612</b>	<b>51.26%</b>	<b>674,139,217</b>	<b>51.44%</b>
Income from investment	548,534,320	19.28%	440,900,517	22.74%	289,490,420	19.08%	152,424,267	11.48%	102,011,179	7.78%
Commission, exchange and brokerage	24,070,347	0.85%	14,934,433	0.77%	7,648,410	0.50%	56,766,586	4.28%	29,916,632	2.28%
Other operating income	139,177,535	4.89%	89,985,331	4.64%	64,003,526	4.22%	-	0.00%	-	0.00%
<b>Total operating income (a)</b>	<b>1,444,500,936</b>	<b>50.77%</b>	<b>1,052,918,177</b>	<b>54.30%</b>	<b>986,892,202</b>	<b>65.04%</b>	<b>889,776,465</b>	<b>67.02%</b>	<b>806,067,028</b>	<b>61.51%</b>
Salary and allowances	391,311,650	13.75%	330,567,391	17.05%	287,825,682	18.97%	229,598,477	17.29%	210,360,888	16.05%
Rent, taxes, insurances, electricity, etc.	57,637,842	2.03%	50,113,693	2.58%	99,931,218	6.59%	96,153,654	7.24%	86,190,259	6.58%
Legal expenses	2,853,880	0.10%	3,433,540	0.18%	3,052,625	0.20%	2,925,375	0.22%	4,144,530	0.32%
Postage, stamp, telecommunication, etc.	14,242,480	0.50%	12,163,115	0.63%	11,887,506	0.78%	16,768,159	1.26%	17,361,960	1.32%
Stationery, printing, advertisements, etc.	11,587,530	0.41%	10,239,998	0.53%	7,995,508	0.53%	7,465,497	0.56%	7,780,270	0.59%
Chief executive's salary and fees	10,823,636	0.38%	9,889,295	0.51%	9,445,929	0.62%	15,002,000	1.13%	14,202,000	1.08%
Directors' fees	1,860,049	0.07%	1,486,935	0.08%	989,585	0.07%	570,136	0.04%	836,980	0.06%
Auditors' fees	402,500	0.01%	494,500	0.03%	488,000	0.03%	379,500	0.03%	379,500	0.03%
Depreciation and repairs of Bank's assets	114,003,344	4.01%	113,068,856	5.83%	56,852,732	3.75%	66,759,685	5.03%	77,339,498	5.90%
Other expenses	132,902,051	4.67%	100,024,489	5.16%	90,128,318	5.94%	49,484,880	3.73%	40,427,528	3.08%
<b>Total operating expenses (b)</b>	<b>737,624,961</b>	<b>25.92%</b>	<b>631,481,812</b>	<b>32.56%</b>	<b>568,597,105</b>	<b>37.47%</b>	<b>485,107,363</b>	<b>36.54%</b>	<b>459,023,413</b>	<b>35.03%</b>
<b>Profit before provision (c=(a-b))</b>	<b>706,875,975</b>	<b>24.84%</b>	<b>421,436,365</b>	<b>21.73%</b>	<b>418,295,097</b>	<b>27.57%</b>	<b>404,669,102</b>	<b>30.48%</b>	<b>347,043,615</b>	<b>26.48%</b>
General Provision	19,679,518	0.69%	29,632,495	1.53%	49,886,750	3.29%	32,774,737	2.47%	19,975,886	1.52%
Specific provisions	(3,378,996)	-0.12%	15,974,520	0.82%	(7,689,597)	-0.51%	81,829,980	6.16%	(5,060,586)	-0.39%
Diminution in value of investments	5,669,263	0.20%	15,200	0.00%	2,095,683	0.14%	-	0.00%	-	0.00%
Other provisions	12,820,636	0.45%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Off balance sheet exposure	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total provision (d)</b>	<b>34,790,421</b>	<b>1.22%</b>	<b>45,622,215</b>	<b>2.35%</b>	<b>44,292,835</b>	<b>2.92%</b>	<b>114,604,717</b>	<b>8.63%</b>	<b>14,915,300</b>	<b>1.14%</b>
<b>Profit before tax (e=c-d)</b>	<b>672,085,554</b>	<b>23.62%</b>	<b>375,814,150</b>	<b>19.38%</b>	<b>374,002,262</b>	<b>24.65%</b>	<b>290,064,385</b>	<b>21.85%</b>	<b>332,128,315</b>	<b>25.34%</b>
Provision for taxation (f)	286,072,471	10.05%	128,054,624	6.60%	142,209,825	9.37%	156,417,934	11.78%	136,847,710	10.44%
Current tax	(11,345,540)	-0.40%	958,204	0.05%	1,223,249	0.08%	(6,450,277)	-0.49%	(5,756,747)	-0.44%
Deferred tax	274,726,931	9.66%	129,012,828	6.65%	143,433,074	9.45%	149,967,657	11.30%	131,090,963	10.00%
<b>Net profit after taxation (g=e-f)</b>	<b>397,358,623</b>	<b>13.97%</b>	<b>246,801,322</b>	<b>12.73%</b>	<b>230,569,188</b>	<b>15.20%</b>	<b>140,096,727</b>	<b>10.55%</b>	<b>201,037,353</b>	<b>15.34%</b>





## GLIMPSE OF 8<sup>th</sup> ANNUAL GENERAL MEETING (AGM)



Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil-Chairman of the Bank was delivering valuable speech in the 8<sup>th</sup> AGM.



Respected delegates from Border Guard Bangladesh, top officials, the patrons and well-wishers of the Bank were present.



Board of Directors of Shimanto Bank PLC. were present in the AGM.





## GLIMPSE OF 8<sup>th</sup> ANNUAL GENERAL MEETING (AGM)



Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc- a Shareholder and Director of the Bank was proposing in favor of an Agenda placed in the AGM.



Respected shareholders of Shimanto Bank PLC. were casting their votes in favor of an agenda transacted in the AGM.



Board of Directors and Management Committee (MANCOM) of Shimanto Bank PLC.



## EVENT Highlights ...



Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil, honorable Chairman was inaugurating the Jubilee Road Sub-Branch at Chattogram.



A moment of launching ceremony of Jubilee Road Sub-Branch; Honorable Chairman, Board Members, MD & CEO with distinguished guests and customers of the Bank.



## EVENT Highlights ...



Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil-honorable Chairman of the Bank was receiving the dividend of Shimanto Bank PLC. for the year 2023 on behalf of BGB Welfare Trust.



MoU signing ceremony with Multibrand Workshop Ltd to provide facilities to customers of the Bank.





## EVENT Highlights ...



A moment of Board Meeting of Shimanto Bank PLC. presided over by Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, ndc, psc, MPhil, honorable Chairman of the Bank.



Mr. Rafiqul Islam, Managing Director & CEO was handing over a Cheque to Prime Minister Education Assistance Trust for proving scholarship to the meritorious students as part of corporate social responsibility.



## EVENT Highlights ...



Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc, honorable Chairman of the Audit Committee was presiding over a Meeting of the Committee. Respected Members of the Committee and Executives are seen present in the Meeting.



MoU signing ceremony with The Westin Dhaka to provide additional facility to Shimanto Bank Customers;





## EVENT Highlights ...



Brig Gen Md Nurul Amin, BGBMS, PhD, MPH, honorable Chairman of the Risk Management Committee was presiding over a Meeting of the Committee. Respected Members of the Committee and Executives are seen present in the Meeting.



MoU signing ceremony with Concord Real Estate & Development Ltd. to provide Home Loan to Customers.



## EVENT Highlights ...



Mr. Faruk E Azam, Hon'ble Adviser of Ministry of Disaster Management and Relief was receiving a CSR contribution from Shimanto Bank PLC. for flood affected people.



Mr. Rafiqul Islam, Managing Director & CEO was exchanging agreement with Bangladesh Bank for providing long term financing facility to customers of the Bank.





## EVENT Highlights ...



Honorable Chairman, Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil was revealing Jersey of Shimanto Bank Football Team with players and senior executives of the Bank.



A moment of celebration of International Women's Day 2024 on by employees of the Bank.



## EVENT Highlights ...



Mr. Rafiqul Islam, Managing Director & CEO was delivering his speech in the BAMLCO Conference-2024.



Team Shimanto Bank attended the Business Conference of Shimanto Bank PLC. for the Year-2024.





## ব্যক্তিগত সীমাহীন আস্থা



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# REPORT OF THE BOARD OF DIRECTORS







# REPORT OF THE BOARD OF DIRECTORS

## Dear Stakeholders,

The Board of Directors welcome you all at the 9<sup>th</sup> Annual General Meeting of Shimanto Bank PLC. and is pleased to present the Annual Report for the year ended on 31 December 2024 together with the Audited Financial Statements & Auditor's Report thereon. A review of business and financial performance of the Bank during the Year 2024 and a snapshot of global and local economic trend affecting the performance of the Bank and condition of banking industry in Bangladesh is provided with this report.

## Global Economy & Economic Outlook

The global economy in 2024 has demonstrated resilience despite facing various headwinds, with easing inflation and a recovery in global trade playing key roles. While advanced economies achieved a "soft landing" with sustained consumer spending and a robust labor market, growth varied across regions, and some emerging economies experienced a slowdown due to factors like the property crisis in China. Overall, global growth is projected to remain steady, but with potential for weakening in some areas due to factors like trade policy uncertainty and tighter financial conditions.

Inflation has been falling faster than expected in many regions, with global headline inflation projected to decline in 2024 and 2025. Advanced economies have seen sustained consumer spending, contributing to overall economic stability. Trade has shown signs of recovery, further supporting global growth. India and ASEAN countries have experienced strong private consumption and accelerated growth, respectively. Many advanced economies have managed to achieve a "soft landing," avoiding sharp economic contractions.

China's economic recovery has been hampered by a property crisis, tepid domestic demand and trade frictions, leading to a slowdown. Multiple elections around the world, rising trade tensions, and geopolitical instability have created uncertainty and volatility. Elevated central bank rates and a withdrawal of fiscal support have weighed on economic activity. Increased tariffs and trade barriers are expected to push up inflation in some countries. Some countries, including Malaysia, Thailand, and Germany, have experienced GDP contractions, raising concerns about recession risks. Addressing climate change remains a critical long-term challenge for economic stability.

The OECD projects global growth to slow from 3.3% in 2024 to 2.9% in 2025. Central banks are expected to continue loosening monetary policy as inflation moderates, but with caution. Governments need to focus on consolidating public finances and ensuring debt sustainability. Ambitious structural policy reforms are needed to improve long-term growth prospects.

## Bangladesh Economy & Economic Outlook

Bangladesh's economic outlook for 2024 is mixed with projections indicating a slowdown in growth. While the country has shown strong economic performance in the past, factors like global economic uncertainty, high inflation, and political instability are expected to impact growth in the coming year. The World Bank estimates a 3.3% GDP growth for fiscal year 2024-25, a significant drop from previous estimates.

Several international organizations, including the World Bank and the IMF have lowered their growth projections for Bangladesh's fiscal year 2024-25. Both private and public investments are expected to be subdued due to factors like political uncertainty and high borrowing costs. High inflation is a persistent concern, potentially impacting consumer spending and overall economic activity. The recent political situation, including the formation of an interim government has added to the uncertainty, potentially dampening investor confidence. The global economic slowdown is also expected to affect Bangladesh's export-oriented industries. While remittances are a vital source of income, potential disruptions in global labor markets could impact these flows.

Sustaining the growth momentum achieved in the past will require addressing the current challenges and implementing necessary reforms. Controlling inflation will be crucial to protect household incomes and stimulate economic activity. Addressing vulnerabilities in the financial sector and strengthening public institutions are essential for long-term stability. Moving beyond the ready-made garment sector and diversifying exports will be crucial for sustainable growth.



Bangladesh has made significant strides in poverty reduction and human development in recent decades. With the right policies and investments, Bangladesh has the potential to overcome current challenges and achieve its long-term development goals. Bangladesh's economy has shown resilience in the face of past challenges and it is expected to adapt to the current situation.

Bangladesh's economic outlook for 2024 is characterized by slower growth with challenges related to investment, inflation and political uncertainty. However, the country has a track record of overcoming challenges and with appropriate policy responses and reforms; it can navigate these hurdles and achieve its development goals.

### Banking Sector Highlights-2024

The Bangladesh banking sector in 2024 has faced significant challenges, including a liquidity crisis, soaring non-performing loans, and a decline in depositor confidence. While some reforms are underway to address these issues, including stricter regulations and a focus on transparency, the sector is still grappling with the fallout from past mismanagement and corruption.

Banks struggled with a severe liquidity crunch, making it difficult for them to meet customer withdrawal demands. NPLs reached record levels with some estimates suggesting they could rise to 30% when factoring in previously hidden debts. The crisis led to a loss of trust in the banking system with many customers facing difficulties accessing their savings. Lack of strong regulatory oversight has contributed to the sector's problems, allowing for lax definitions and reporting standards related to NPLs. Some reports indicate that political instability has also added to the challenges facing the banking sector.

The central bank has been operating with more independence following a political changeover, which has allowed for more scrutiny and potentially better regulation. The government is implementing reforms aimed at increasing transparency, accountability and efficiency in the banking sector. Remittances to Bangladesh saw a positive increase in the first ten months of FY2024-25, which can help to alleviate some of the economic pressures.

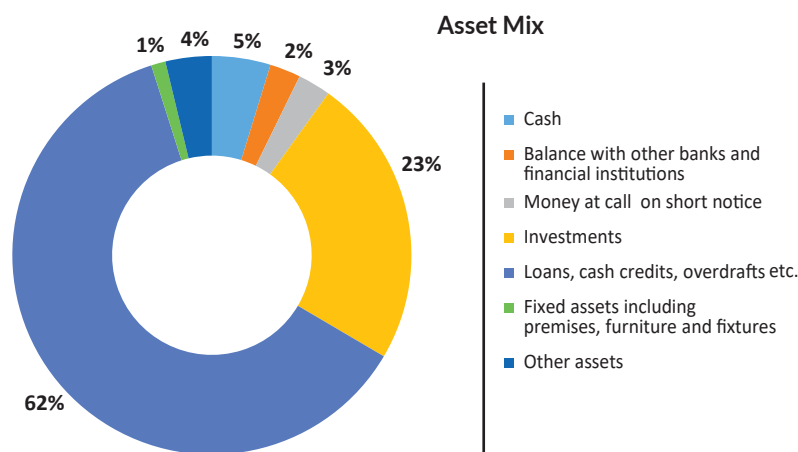
Deposits in the Islamic banking system saw a slight increase in December 2024 compared to the previous quarter. Bai-Murabaha was the most popular investment mode in the Islamic banking system at the end of March 2024. The World Bank has emphasized the need for faster and bolder reforms in the financial sector to maintain macroeconomic stability and accelerate growth.

The Bangladesh banking sector is facing a critical juncture. While the challenges are significant, the ongoing efforts to implement reforms and the increased independence of the central bank offer a glimmer of hope for the future. However, sustained effort and strong regulatory enforcement will be crucial to restoring trust and ensuring the long-term stability of the sector.

### Shimanto Bank Financial Highlights

#### Asset Portfolio

The assets of the Bank stood at BDT 33,012.70 million in 2024 compared to BDT 25,215.44 million in 2023 with a growth of 30.92%.





The asset portfolio comprised of BDT 1,568.15 million as Cash, BDT 826.13 million as Balance with Other Banks and FIs, BDT 880.00 million as Money on Call at Short Notice, BDT 7,774.76 million as Investments, BDT 20,341.28 million as Loans and advances, BDT 384.78 as Fixed Assets and BDT 1,237.63 million as other assets.

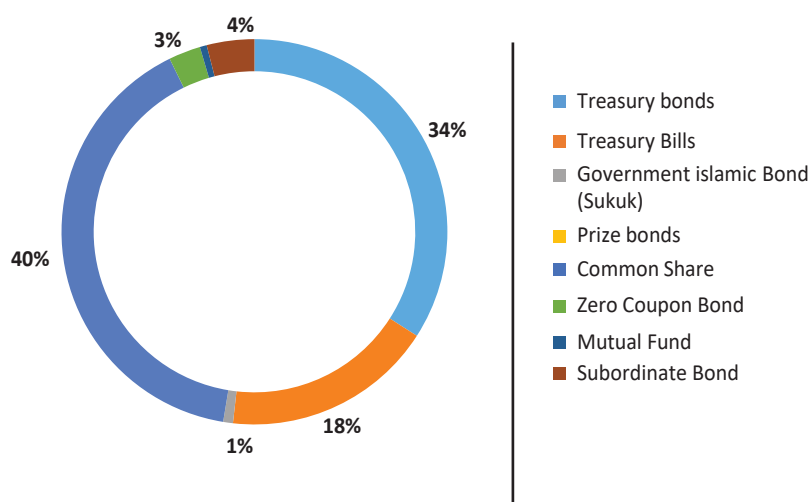
### Loans & Advances

The total loans and advances of the Bank is BDT 20,341.28 million for the year ended 2024 which was BDT 16,014.79 million in 2023.

### Investments

The Bank has raised investment to BDT 7,774.76 million consisting of investment in Govt. Securities BDT 4,089.37 million and Other Investment BDT 3,685.39 million.

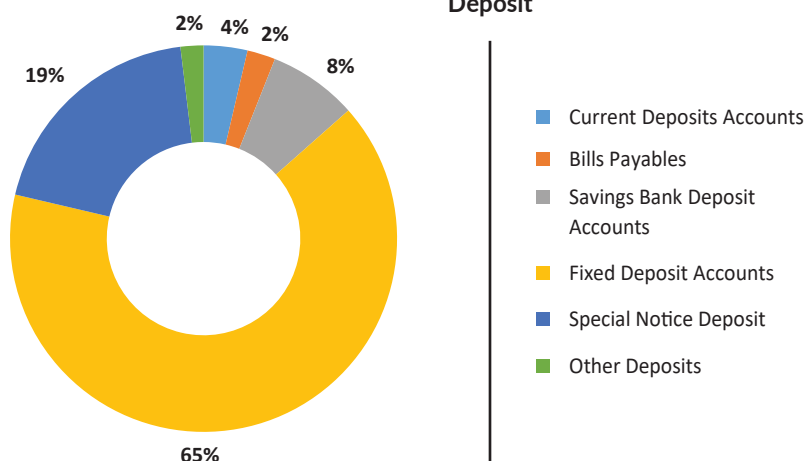
Investment Mix



### Deposit

The total deposit of Shimanto Bank stood to BDT 25,338.89 million comprising of BDT 16,522.26 million fixed deposit, BDT 1,886.66 million savings deposit, BDT 926.78 million current deposit, BDT 4,921.45 Special Notice Deposit, BDT 597.42 million bills payable and BDT 484.32 million other deposit.












Deposit





## Income & Expenditure

The Bank earned interest income of BDT 2,133.55 million whereas the interest paid on deposits and borrowings is BDT 1,400.83 million. The Bank has generated operating income of BDT 1,444.50 million and incurred operating expense of BDT 737.62 million. The Bank has booked an operating profit of BDT 706.88 million before provisions in the year 2024.

 <p><b>Operating Profit (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>421.44</td><td>706.88</td><td>67.73</td></tr> </table>	2023	2024	%	421.44	706.88	67.73	 <p><b>Profit after Tax (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>246.80</td><td>397.36</td><td>61.00</td></tr> </table>	2023	2024	%	246.80	397.36	61.00	 <p><b>Loans and Advances (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>16,014.79</td><td>20,341.28</td><td>27.02</td></tr> </table>	2023	2024	%	16,014.79	20,341.28	27.02
2023	2024	%																		
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 <p><b>Investments (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>5,535.15</td><td>7,774.76</td><td>40.46</td></tr> </table>	2023	2024	%	5,535.15	7,774.76	40.46	 <p><b>Total Assets (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>25,215.44</td><td>33,012.70</td><td>30.92</td></tr> </table>	2023	2024	%	25,215.44	33,012.70	30.92	 <p><b>Deposits (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>18,641.59</td><td>25,338.89</td><td>35.93</td></tr> </table>	2023	2024	%	18,641.59	25,338.89	35.93
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2023	2024	%																		
18,641.59	25,338.89	35.93																		
 <p><b>Shareholders' Equity (BDT in Million)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>5,081.61</td><td>5,772.06</td><td>13.59</td></tr> </table>	2023	2024	%	5,081.61	5,772.06	13.59	 <p><b>Earnings Per Share (BDT)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>0.53</td><td>0.82</td><td>52.68</td></tr> </table>	2023	2024	%	0.53	0.82	52.68	 <p><b>Net Asset Value Per Share (BDT)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>11.01</td><td>11.86</td><td>7.17</td></tr> </table>	2023	2024	%	11.01	11.86	7.17
2023	2024	%																		
5,081.61	5,772.06	13.59																		
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 <p><b>Return on Investments (ROI)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>8.09%</td><td>8.24%</td><td>1.85</td></tr> </table>	2023	2024	%	8.09%	8.24%	1.85	 <p><b>Return on Assets (ROA)</b></p> <table> <tr> <th>2023</th><th>2024</th><th>%</th></tr> <tr> <td>1.03%</td><td>1.36%</td><td>32.04</td></tr> </table>	2023	2024	%	1.03%	1.36%	32.04							
2023	2024	%																		
8.09%	8.24%	1.85																		
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## Risk Based Capital Framework

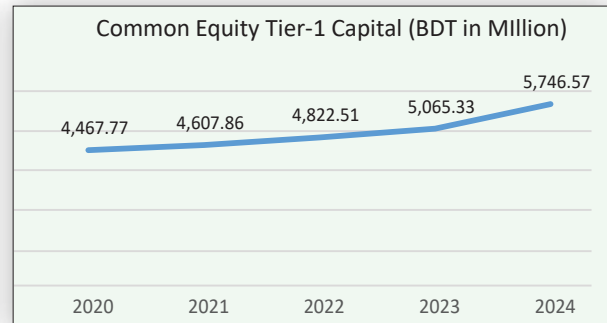
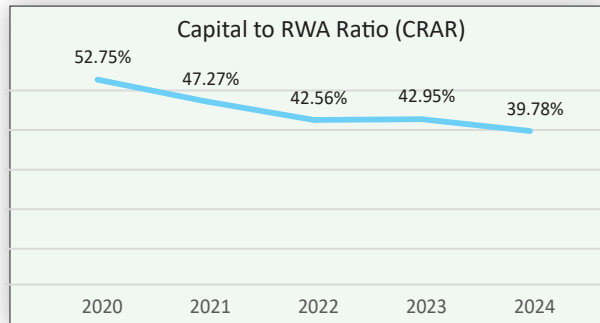
Risk Based Capital Adequacy Framework (Revised Regulatory Capital Framework for banks in line with Basel III) has been implemented in Bangladesh from beginning of 2015. Shimanto Bank PLC. has been continuing to calculate minimum capital requirement (MCR) considering credit risk, market risk and operational risk considering the Capital Conservation Buffer 2.5%.

The summary of Capital Requirement of the Bank are as follows:

Particulars	2023	2024
Tier I Capital	5,065.33	5,746.57
Tier II Capital	210.10	237.59
Total Eligible Capital	5,275.43	5,984.16
Risk Weighted Assets	12,284.06	15,044.82
Capital to Risk Weighted Asset Ratio (CRAR) (%)	42.95	39.78

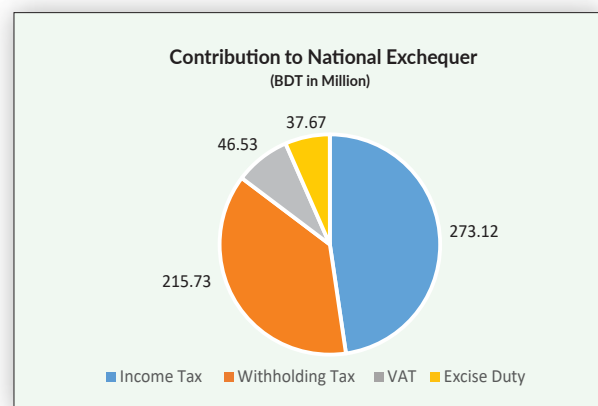


Shimanto Bank has strong Common Equity (Tier-1 Capital) base of BDT 5,746.57 million which was 38.20% of risk weighted assets as on December 31, 2024. Bank's Tier-2 Capital was BDT 237.59 million at the end of 2024 which was 1.58% of risk weighted assets. Against the minimum requirement of 12.50%, Shimanto Bank is consistently maintaining above the requirement in last five years.



### Contribution to National Exchequer

Shimanto Bank made significant contribution to the government in boosting its revenue collection which will help in developing the society and the country as a whole. As per the prevailing taxation law of the country, the Bank pays tax and VAT on its own income. The Bank also collects tax, VAT and excise duty at source from clients, deposits and suppliers. All the collected amounts are deposited to the national exchequer in due time. During the year 2024, the Bank contributed BDT 573.05 million to national exchequer as against BDT 321.55 million in the previous year.



### Branch Network Expansion

We opened four branches at Zakigonj-Sylhet, Rajshahi, Hili-Dinajpur and Rangpur and three Sub-Branches at Jubilee Road-Chattogram, Rangamati and Shyamnagar-Satkhira. The total number of branches including sub-branches have been raised to Thirty-Three.

### Appropriate Accounting Policies and Standards and Financial Reporting Standards

Shimanto Bank PLC. maintained proper books of account for its financial transactions occurred during 2024. For recording the transactions the bank has followed the Bangladesh Accounting Standard (BAS). The books of account have also been reviewed by the external auditor, M.J. Abedin & Co. Chartered Accountants with an opinion that proper books of accounts as required by the law have been properly maintained.

Appropriate accounting policies have been consistently applied, except for the changes disclosed in the financial statements in preparation of financial statements and that the accounting estimates are based on reasonable and prudent judgment. Bank records financial transaction on accrual basis with required disclosures and also prepares the financial statements accordingly.

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of financial statements. However, in case the requirement of provisions and Circulars issued by Bangladesh Bank differs with those of other regulatory authorities and accounting standards, the provisions and Circulars issued by Bangladesh Bank shall prevail.



## Statement of Directors' on Adequacy of the System of Internal Control

The Directors confirm that the Board through its committees has reviewed the effectiveness of the bank's systems of internal control for the year ended 31 December 2024.

The Board through the audit committee has supervised the policies and various parts of businesses to ensure an effective internal control system. The Board business strategy, significant policies for internal control system and risk management have been taken properly and internal audit and control has been accomplished as per requirement of the Bank Company (amended) Act 2013, Bangladesh Bank guidelines, Corporate Governance guidelines of Bangladesh Securities and Exchange Commission etc.

## Director's Declaration on Going Concern

After reviewing the Bank's present and potential business growth, annual budget, performance, liquidity position, plans and financing arrangement, the Directors of the Bank are satisfied that the Bank has adequate resources to continue to operate in the foreseeable future and confirm that there is no material issue threatening to the going concern of the Bank. For this reason Directors continue to adopt the going concern basis in preparing the financial statements. There are no significant doubts upon the Bank's ability to continue as a going concern.

## Auditors Report

The Board of Directors reviewed the Auditors Report issued by M/S M.J. Abedin & Co. Chartered Accountants, statutory auditor of the Bank based on their audit of financial statements for the year ended 31 December 2024. The auditor has certified that they have obtained all the information and explanations which to the best of their knowledge and belief were necessary for the purpose of their audit. The Auditors Report is reviewed by the Audit Committee and Board of Directors which is furnished in the Annual Report.

## Appropriation of Profit & Justification of Dividend

Profit after Tax stood at BDT 397.36 million in the year ended on 31 December 2024. The balance available for distribution as dividend was BDT 256.66 million after a mandatory transfer of BDT 134.42 million to statutory reserve in 2024 and BDT 3.97 million to Start-Up Fund and BDT 2.31 million to Climate Risk Fund for the year 2024.

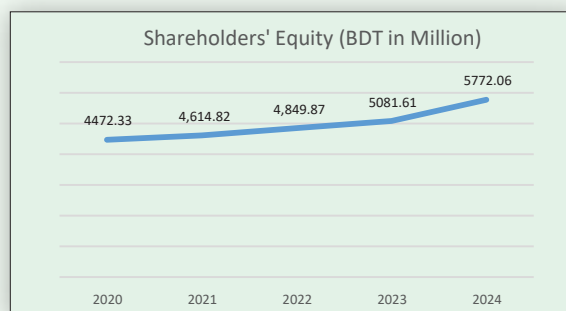
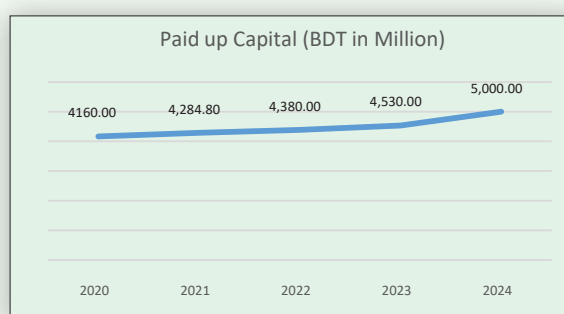
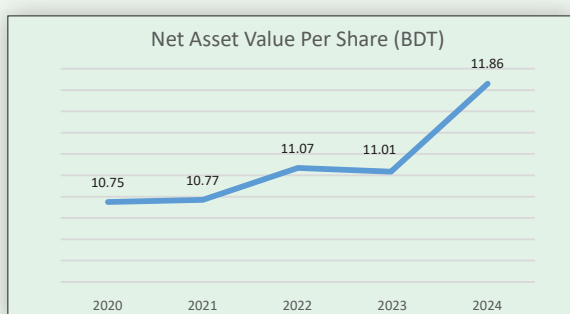
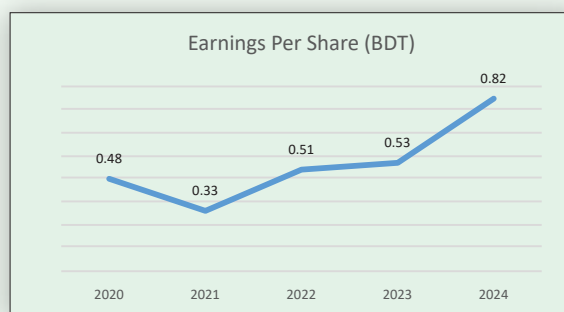
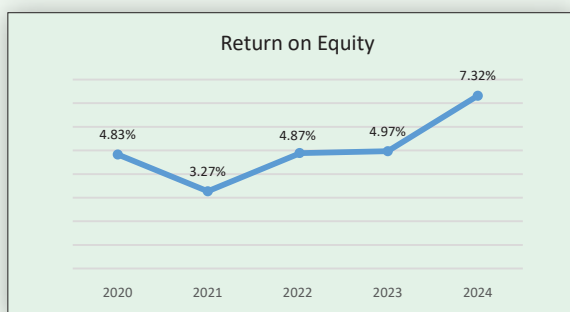
Retained Earnings as on 31 December 2024:

Particulars	Amount in BDT
Opening balance	168,868,435
Less: Stock Dividend	(168,500,000)
Add: Profit after tax for the year	397,358,623
<b>Transfer to</b>	
Statutory Reserve	(134,417,111)
Start-Up Fund	(3,973,586)
Climate Risk Fund	(2,305,692)
<b>Balance of Fund Available for Dividend</b>	<b>257,030,669</b>

Bangladesh Bank had instructed the Bank to raise the Paid up Capital upto BDT 5,000.00 million from BDT 4,000.00 million from own source of the sponsors. The Bank had raised the Paid up Capital upto BDT 5,000.00 million in 2024. Board of Directors has recommended 5% stock dividend amounting to BDT 250.00 million.

Stock Dividend is recommended to strengthen the capital base of the Bank to comply the regulatory requirements and to support the business growth. Stock Dividend is declared out of accumulated profit, and Stock Dividend is not declared from capital reserve or revaluation reserve or any unrealized gain or out of profit earned prior to incorporation of the Company or through reducing paid-up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance.





### Appointment of Statutory Auditor

M/S M. J. Abedin & CO Chartered Accountants was appointed as statutory Auditor as per Article 158 of Articles of association of the Bank. They had conducted the statutory audit of Shimanto Bank PLC. for the year ended on December 31, 2024 and submitted the Audit Report and Audited Financial Statements. They have accomplished their roles as Statutory Auditor for their first term with the Bank. As per guidelines and circulars of Bangladesh Bank (BB) and Bangladesh Securities Exchange Commission (BSEC), an Auditor could be appointed for consecutive maximum 03 (three) terms/years. M. J. Abedin & CO Chartered Accountants is eligible for being re-appointed, but they are not interested to be re-appointed for the second term considering the fees. The Audit Committee and Board of Directors have recommended to appoint M/S Zoha Zaman Kabir Rashid & Co. as external auditors of the Bank up to the 10<sup>th</sup> Annual General Meeting.



## Retirement & Re-election of Directors

According to the Companies Act, 1994 and Clause No-114 of Articles of Association of the Bank prescribed that one third of the Directors of the Bank should retire from office in the Annual General Meeting (AGM) on the basis of seniority means those who had been longest in their office since their last election.

Considering the seniority in the Board, the following Directors will retire in the upcoming 9<sup>th</sup> Annual General Meeting:

- i. Maj Gen Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil;
- ii. Brig Gen Md Nurul Amin, BGBMS, PhD, MPH
- iii. Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc.

All of the aforesaid persons are eligible for re-election. Maj Gen Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil and Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc has offered themselves for being re-elected in the 9<sup>th</sup> AGM of the Bank. Brig Gen Md Nurul Amin, BGBMS, PhD, MPH has expressed his interest for not being re-elected in this AGM for next term.

The following Directors were appointed in the Board in between the 8<sup>th</sup> AGM and 9<sup>th</sup> AGM to fill casual vacancy and also for adding members in the Board as per Clause 111 of Articles of Association. In order to comply with the said provision, the following Directors so appointed should retire on the 9<sup>th</sup> AGM and being eligible for re-election they may offer themselves for being re-elected:

- i. Brig Gen Khandaker Shafiquzzaman, BGBM, psc
- ii. Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+
- iii. Col Mohammad Shariful Islam, psc
- iv. Col Md Moinul Islam Mollah, PBGMS, psc

All of the aforesaid persons are eligible for re-election. Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+, Col Mohammad Shariful Islam, psc and Col Md Moinul Islam Mollah, PBGMS, psc has offered themselves for being re-elected in the 9<sup>th</sup> AGM of the Bank. Brig Gen Khandaker Shafiquzzaman, BGBM, psc has expressed his interest for not being re-elected in this AGM for next term.

The Board of Directors has recommended the following persons for being elected as Director in the 9<sup>th</sup> AGM by the shareholders:

- i. Brig Gen Md Yeasir Jahan Hossain, PBGM, BGOM, psc;
- ii. Col Mohammad Nazrul Islam, BGBM, psc.

## Acknowledgement & Gratitude

We express our gratitude for your confidence in us. Your relentless support contributed to the growth and development of our business. We sincerely acknowledge the employees of Shimanto Bank for their commitment, devotion and hard work as they are core to our success. We would like to take this opportunity to acknowledge and express our heartiest gratitude to our valued shareholders, members of Border Guard Bangladesh, valued clients, Bangladesh Bank and other Government agencies, regulatory bodies and everyone with whom the bank is connected with. We assure you that we will do everything possible to uphold your faith and trust on us today and step up into the future to achieve our goals.

For and on behalf of the Board of Directors,

**Maj Gen Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil**

Chairman, Board of Directors

Shimanto Bank PLC.

25 May, 2025



The Audit Committee is responsible for providing independent oversight of the Bank's financial reporting, non-financial corporate disclosures, internal control system and compliance to governing rules and regulations and own code of business conduct.

Audit Committee of the Board of Directors of Shimanto Bank PLC. was formed in accordance with the BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC).

#### Formation & Composition of the Committee

The Audit Committee had been revised twice during the financial year 2024 in the 66<sup>th</sup> Board Meeting held on 1<sup>st</sup> February 2024 and 74<sup>th</sup> Board Meeting of Shimanto Bank PLC. held on 5<sup>th</sup> December 2024.

Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc has been appointed as the Chairman of the Audit Committee. The Audit Committee is consisting of skilled and efficient Board Members and the present Committee comprised the following members (as on report publication date):

Name	Educational Qualification	Committee Designation
Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	MBA, MDS, LLB	Chairman
Col Md Moinul Islam Mollah, PBGMS, psc	BSc, MSc	Member
Mr. Ahmed Kamal Khan Chowdhury	BSS, MSS (Economics), MBA (Finance)	Member
Mr. Mohammad Mostafa Hossain Suman FCS	MSS, LLB, Chartered Secretary	Secretary

#### Roles & Responsibilities of the Committee

The roles and responsibilities of Audit Committee of Shimanto Bank is defined by the Board of Directors complying with BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC). The terms of reference also adopt the best practice on corporate governance guidelines and standards. The roles and responsibilities of the Committee are highlighted below:

##### Internal Control:

- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;



- Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

#### Financial Reporting:

- Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank;
- Discuss with management and the external auditors to review the financial statements before its finalization.

#### Internal Audit:

- Audit committee will monitor whether internal audit working independently from the management.
- Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;
- Examine the efficiency and effectiveness of internal audit function;
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

#### External Audit

- Review the performance of the external auditors and their audit reports;
- Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not.
- Make recommendations to the board regarding the appointment of the external auditors.

#### Compliance with existing laws and Regulations:

- Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.

#### Other Responsibilities:

- Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- External and internal auditors will submit their related assessment report, if the committee solicit;
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

#### Meetings & Attendance of the Audit Committee

Audit Committee conducted six meetings during the year 2024 and the Committee discussed in details the findings on different issues and corrective measures prescribed by the internal and external auditors. The Committee also instructed the management to ensure those suggestions for corrective measures and monitored accordingly.

#### The Meetings were held in following dates:

Meeting	Date
31 <sup>st</sup> Audit Committee Meeting	17 January, 2024
32 <sup>nd</sup> Audit Committee Meeting	25 April, 2024
33 <sup>rd</sup> Audit Committee Meeting	27 May, 2024
34 <sup>th</sup> Audit Committee Meeting	23 September, 2024
35 <sup>th</sup> Audit Committee Meeting	04 November, 2024
36 <sup>th</sup> Audit Committee Meeting	29 December, 2024



Attendance in the Audit Committee Meeting during the Year 2024 is as follows:

Name of the Member	Attendance	Remarks
Brig Gen K M Azad, BPM (Seba), PPM (Seba), psc	01/01	Excluded on 1 <sup>st</sup> February 2024
Col Shafiul Azam Parvez	05/05	Excluded 5 <sup>th</sup> December 2024
Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	05/05	Included on 1 <sup>st</sup> February 2024
Col Md Moinul Islam Mollah, psc	01/01	Included on 5 <sup>th</sup> December 2024
Mr. Abu Hena Mohd. Razee Hassan	04/04	Included on 1 <sup>st</sup> February 2024 and excluded 5 <sup>th</sup> December 2024
Mr. Ahmed Kamal Khan Chowdhury	01/01	Included on 5 <sup>th</sup> December 2024

#### Area Focused & Agenda Discussed in 2024

31 <sup>st</sup> Audit Committee Meeting
▶ To Review 5 <sup>th</sup> Internal Audit Report of Trade Operation Department with rating for the period from 01 June, 2022 to 30 April, 2023 and Compliance Status.
▶ To Review 7 <sup>th</sup> Internal Audit Report of Card Operations Department with rating for the period from 01 September 2022 to 30 June 2023 and Compliance Status.
▶ To Review 6 <sup>th</sup> Internal Audit Report of Anti-Money Laundering Division with rating for the period From 01 September 2022 to 30 June 2023 and Compliance Status.
▶ To Review 7 <sup>th</sup> Internal Audit Report of Service Delivery Department with rating for the period from 01 October 2022 to 30 September 2023 and Compliance Status.
▶ To Review 7 <sup>th</sup> Internal Audit Report of Information and Technology Department with rating for the period from 01 October 2022 to 31 August 2023 and Compliance Status.
▶ To Review Customer Security Controls Framework of SWIFT upto2023.
▶ To Review 6 <sup>th</sup> Internal Audit Report of Motijheel Branch with rating for the period from 01 May 2022 to 31 March 2023 and Compliance Status.
▶ To Review 7 <sup>th</sup> Internal Audit Report of Principal Branch with rating for the period from 01 June 2022 to 30 June 2023 and Compliance Status.
▶ To Review 2nd Internal Audit report of Gulshan Branch with rating for the period from 01 July 2022 to 30 April 2023 and Compliance Status.
▶ To Review 5 <sup>th</sup> Internal Audit Report of Sylhet Branch with rating for the period from 01 September 2022 to 31 July 2023 and Compliance Status.
▶ To Review 6 <sup>th</sup> Internal Audit Report of Bibir Bazar Branch with rating for the period from 01 September 2022 to 31 July 2023 and Compliance Status.
▶ To Review 5 <sup>th</sup> Internal Audit Report of Lalmonirhat Branch with rating for the period from 01 September 2022 to 30 June 2023 and Compliance Status.
▶ To Review 7 <sup>th</sup> Internal Audit Report of Agrabad Branch with rating for the period from 01 October 2022 to 30 September 2023 and Compliance Status.
▶ To Review 7 <sup>th</sup> Internal Audit Report of Satkania Branch with rating for the period from 01 October 2022 to 30 September 2023 and Compliance Status.
▶ To Review Exceptions on Credit Approval during the Quarter ended on December/2023
▶ To Review Report on GAP analysis of PCIDSS.





32 <sup>nd</sup> Audit Committee Meeting	
▶	View Exchange with Bangladesh Bank Inspection Team and External Auditors M/S ACNABIN Chartered Accountants Regarding Audited Financial Statements of Shimanto Bank PLC. for the year ended on 31 <sup>st</sup> December 2023.;
▶	To Review Draft of the Audited Financial Statements for the year ended on 31 <sup>st</sup> December 2023.
▶	To Inform BRPD Circular No.2 and 3 dated 11.02.2024 and 14.02.2024 regarding Formation, Roles and Responsibilities of Audit Committee and Independent Directors.
▶	To Review Bangladesh Bank Inspection Report on Head Office as on 31-12-2022 and Compliance Status
▶	To Review Internal Audit on Champaknagar Branch for the period from 01 December 2022 to 31 October 2023 and Compliance Status
▶	To Review Internal Audit on Brahmanbaria Branch for the period from Beginning (16.08.2022) to 31 October, 2023 and Compliance Status
▶	To Review Internal Audit on Seed Store Branch for the period from 01 December 2022 to 31 October 2023 and Compliance Status
▶	To Review Internal Audit on Human Resources Division for the Period From 01 December 2022 to 31 October 2023 and Compliance Status
▶	To Review Internal Audit on General Security & Transportation Department (GST) with rating for the period from 01 November 2022 to 31 October 2023 and Compliance Status
▶	To Review Exceptions on Credit Approval during the Quarter January/2024 to March/2024.

33 <sup>rd</sup> Audit Committee Meeting	
▶	To Inform BRPD Circular No-21 dated 12.05.2024 regarding Assignment of Roles and Responsibilities of Nomination & Remuneration Committee (NRC) to Audit Committee.
▶	To Recommend Appointment of External Auditors of Shimanto Bank PLC. for the Year 2024
▶	To Review Draft Report of the Audit Committee of Shimanto Bank PLC. for the Year-2023
▶	To Review Implementation Status of Audit Committee Recommendations from 29 <sup>th</sup> , 30 <sup>th</sup> and 31 <sup>st</sup> Audit Committee Meeting
▶	To Review Bangladesh Bank Comprehensive Inspection on Principal Office as on 31-12-2022 and Compliance Status
▶	To Review Bangladesh Bank Comprehensive Inspection on Mymensing Branch as on 31-12-2022 and Compliance Status
▶	To Review Internal Audit on Treasury Department with rating for the period from 01 January 2023 to 30 June 2023 and Compliance Status;
▶	To Review Internal Audit on Infrastructure Development & Procurement Department (IDP) with rating for the period from 01 October 2022 to 30 September 2023 and Compliance Status.
▶	To Review Internal Audit on Credit Risk Management Department (CRM) with rating for the period from 01 August 2022 to 30 November 2023 and Compliance Status.
▶	To Review Internal Audit on 6th Internal Audit Report of Teknaf Branch for the Period from 01 October 2022 to 30 September 2023 and Compliance Status
▶	To Review Internal Audit on 6th Internal Audit Report of Cox's Bazar Branch For the period from 01 October 2022 to 30 April 2023 and Compliance Status
▶	To Review Internal Audit on 2nd Internal Audit Report of Ramu Sub Branch for the Period From 01 October 2022 to 30 September, 2023 and Compliance Status
▶	Review of Money Laundering [ML] & Terrorist Financing [TF] Risk Management Policy for the Bank, Version 2.02.



34 <sup>th</sup> Audit Committee Meeting
▶ To Review the Auditor's Letter to the Management for the year ended 31 December 2023 by ACNABIN, Chartered Accountants
▶ To Review Bangladesh Bank Inspection on Core Risk Audit on Credit Risk Management (CRM) as on 30-06-2023 and Compliance Status
▶ To Review Bangladesh Bank Inspection on Core Risk Audit on Internal Control and Compliance (ICC) as on 30-06-2023 and Compliance Status
▶ To Review Internal Audit Report on 7 <sup>th</sup> Internal Audit Report on Credit Administration Department (CAD) for the Period from 01 Sept 2022 to 30 Nov 2023 and Compliance Status
▶ To Review Internal Audit Report on 5 <sup>th</sup> Internal Audit Report of Retail, SMS & Corporate Division for the Period from 01 September 2021 to 30 November 2023 and Compliance Status
▶ To Review Internal Audit Report 7 <sup>th</sup> Internal Audit Report of Finance Division for the Period from 01 January 2023 to 31 December 2023 and Compliance Status
▶ To Review Internal Audit Report on 1 <sup>st</sup> Internal Audit Report of Mohammadpur Sub Branch for the period from (Beginning) 10 November 2022 to 31 December 2023 and Compliance Status
▶ To Review Internal Audit Report on 1 <sup>st</sup> Internal Audit Report of Uttara Sub Branch for the period from Beginning (15.12.2022) to 31 December 2023 and Compliance Status
▶ To Review Internal Audit Report on 5 <sup>th</sup> Internal Audit Report of Uttara Branch for the period from 01 February 2023 to 31 January 2024 and Compliance Status
▶ To Review Internal Audit Reports of Different Division/Department during the year-2024:
▶ Foreign Exchange Transaction and Monitoring for the period from 01 January, 2023 to 31 December, 2023
▶ To Review Internal Audit Report on 8 <sup>th</sup> Internal Audit Report of Brand and Corporate Affairs Department with rating for the period from 01 Feb 2023 To 31 Jan 2024 and Compliance Status.
▶ Exception on Credit Approval Report for the quarter ended on June, 2024.
▶ Submission of Certificate of Senior Management Team (SMT) regarding the Effectiveness of Internal Control Policy, Practice and Procedure of the Bank

35 <sup>th</sup> Audit Committee Meeting
▶ To Review Bangladesh Bank Inspection of Core Risk Audit on Asset-Liability Management (ALM) as on 30-06-2023 and Compliance Status
▶ To Review Bangladesh Bank Inspection of Core Risk Audit on Information & Communication Technology (ICT) as on 30-06-2023 and Compliance Status
▶ To Review Bangladesh Bank Inspection of Core Risk Audit on Foreign Exchange Risk Management as on 30-06-2023 and Compliance Status
▶ To Review Internal Audit Report on 4 <sup>th</sup> Internal Audit Report of Gadkhali Branch For the period from 01 March 2023 to 31 January 2024 and Compliance Status
▶ To Review Internal Audit Report on 5 <sup>th</sup> Internal Audit Report of Pragpur Branch For the period from 01 March, 2023 to 31 May, 2024 and Compliance Status
▶ To Review Internal Audit Report on 7 <sup>th</sup> Internal Audit Report of Benapole Branch for the Period from 01 March 2023 to 31 January 2024 and Compliance Status
▶ To Review Internal Audit Report on 4 <sup>th</sup> Internal Audit Report of Financial Institution Department for The Period From 01 May, 2023 to 30 April, 2024 and Compliance Status
▶ To Review Internal Audit Report on 14 <sup>th</sup> Internal Audit Report of Treasury Operations Department for the period from 01 July 2023 to 31 December 2023 and Compliance Status.
▶ To Review Internal Audit Report on 1 <sup>st</sup> Internal Audit Report of Business Intelligence, Service Quality and MIS Department for the period from 01 January 2023 to 29 February 2024 and Compliance Status.
▶ Exception on Credit Approval Report for the quarter ended on September 2024.
▶ Review of willful default borrower report as per BRPD circular no-06 dated 12.03.2024 issued by Bangladesh Bank.
▶ Review of Recommendation for Approval of Annual Health Report of Shimanto Bank PLC for the year of 2023.
▶ Review of 'Shimanto bank Brand Communications Policy' and 'Shimanto Bank Corporate Identity Guideline'
▶ Review of summary report of Internal Audit Findings-2023.



36 <sup>th</sup> Audit Committee Meeting
► Information Regarding Roles & Responsibilities of Audit Committee
► To Review Bangladesh Bank Inspection Report on Principal Branches on 31.12.2023 and Compliance Status
► To Review Internal Audit Report on 4 <sup>th</sup> Internal Audit Report of Khulna Branch for the period from 01 March, 2023 to 31 March, 2024 and Compliance Status
► To Review Internal Audit Report on 4 <sup>th</sup> Internal Audit Report of Hazaribagh Branch for the period from 01 March 2023 to 29 February 2024 and Compliance Status
► To Review Internal Audit Report on 6 <sup>th</sup> Internal Audit Report of Trade Operation Department for the Period From 01 May, 2023 To 31 July, 2024 and Compliance Status
► To Review Internal Audit Plan for the year of 2025
► To Review of willful default borrower report as on 30.09.2024 as per BRPD circular no-06 dated 12.03.2024 issued by Bangladesh Bank

Audit Committee acknowledges the splendid support of Members of the Board, Management and Internal & External Auditors from their respective work arena to make Shimanto Bank PLC. as a compliant one.

On behalf of the Audit Committee,

**Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc**  
Chairman, Audit Committee  
Shimanto Bank PLC.

Date: 25 May 2025



# REPORT OF THE RISK MANAGEMENT COMMITTEE

Shimanto Bank PLC. carries a wide range of risks across all of its business areas and the Bank's pursuit is to manage the risks identified. The risks faced by the Bank are mainly credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks. The Bank is developing framework of identification, assessment and management of the risks. According to the Bangladesh Bank Guideline the Bank should have a Risk Management Committee and the Committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.

## Formation & Composition of the Committee

The Risk Management Committee had been revised twice during the financial year 2024 in the 67<sup>th</sup> Board Meeting held on 12<sup>th</sup> March 2024 and 74<sup>th</sup> Board Meeting held on 5<sup>th</sup> December 2024. Brig Gen Md Nurul Amin, BGBMS, PhD, MPH has been appointed as the Chairman of the Risk Management Committee.

The Risk Management Committee is consisting of skilled and efficient Board Members and the present Committee comprised the following members (as on report publication date):

Name	Educational Qualification	Committee Designation
Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	MBBS, MPH (Epid), PhD	Chairman
Col Mohammad Shariful Islam, psc	BSc, BSc (Engg), MDS, MSc (Engg)	Member
Mr. Abu HenaMohd. Razee Hassan	MSS (Economics); MA (Development Economics)	Member
Mr. Ahmed Kamal Chowdhury*	BSS, MSS (Economics), MBA (Finance)	Member
Mr. Mohammad Mostafa Hossain Suman FCS	MSS, LLB, Chartered Secretary	Secretary

\*Included in the Risk Management Committee as per decision of 77<sup>th</sup> Board Meeting of Shimanto Bank PLC. held on 20<sup>th</sup> March 2025.

## Roles and Responsibilities of the Risk Management Committee:

### 1. Risk identification & control policy:

Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. Risk Management Committee will monitor risk management policies & methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures.

### 2. Construction of organizational structure:

The responsibility of Risk Management Committee is to ensure an adequate organizational structure for managing risk within the bank. The Risk Management Committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.



### 3. Analysis and approval of Risk Management policy:

Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.

### 4. Storage of data & Reporting system:

Adequate record keeping & reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.

### 5. Monitoring the implementation of overall Risk Management Policy:

Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

### 6. Other Responsibilities:

Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form; Comply instructions issued time to time by the controlling body; Internal & external auditor will submit respective evaluation report whenever required by the committee.

## Meetings of the Risk Management Committee

Risk Management Committee of the Bank met in four meetings in the year 2024 and had discussed in details the findings on different risk issues and protective measures. The Committee also instructed the management to ensure mitigation and minimization of risks associated in operation of the Bank.

The Meetings were held in following dates:

Meeting	Date
24 <sup>th</sup> Risk Management Committee Meeting	23 <sup>rd</sup> April 2024
25 <sup>th</sup> Risk Management Committee Meeting	16 <sup>th</sup> July 2024
26 <sup>th</sup> Risk Management Committee Meeting	23 <sup>rd</sup> Oct 2024
27 <sup>th</sup> Risk Management Committee Meeting	30 <sup>th</sup> Dec 2024

Attendance in the Risk Management Committee Meeting during the Year 2024 is as follows:

Name	Attendance	Remarks
Col Murad Zaman, PBGMS	03/03	Excluded on 5 <sup>th</sup> December 2024
Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	04/04	
Mr. Abu Hena Mohd. Razee Hassan	01/01	Included on 5 <sup>th</sup> December 2024

## Area Focused & Agenda Discussed in 2024

24 <sup>th</sup> Risk Management Committee Meeting
► To Inform BRPD Circular No.2 dated 11.02.2024 regarding Formation, Roles and Responsibilities of Risk Management Committee
► To review and recommend the "Risk Appetite Statement of Shimanto Bank PLC. for the year 2024" for onward submission to the Board of Directors for approval
► To inform the "Comprehensive Risk Management Rating as of 31.12.2023" of Shimanto Bank PLC rated by Bangladesh Bank
► To inform and review the Credit Portfolio Status of the Bank as of March, 2024
► To inform and review "Capital Management Position as of December, 2023" of Shimanto Bank PLC.
► To inform the Updated Shimanto Bank PLC's Updated Credit Rating by CRISL for the year 2024
► To inform and review the meeting minutes of the Executive Risk Management Committee (ERMC) from January-March, 2024





25 <sup>th</sup> Risk Management Committee Meeting
► Discussion on PCA Framework & Status of Shimanto Bank PLC.;
► To review and recommend for approval of Internal Capital Adequacy Assessment Process (ICAAP) report 2023;
► To inform and review the Credit Portfolio Status of the Bank as of 30 June 2024;
► To inform and review the Deposit Portfolio Status of the Bank as of 30 June 2024;
► To review & recommend the Consumer Financing Policy of Shimanto Bank PLC.;
► To inform the activities of the Executive Risk Management Committee (ERMC) from January-June 2024;
► Discussion on Stress Testing Report, Q-2, 2024;
► To Review Report of Risk Management Committee of Shimanto Bank PLC. for the year 2023
26 <sup>th</sup> Risk Management Committee Meeting
► Discussion on PCA Framework & Status of Shimanto Bank PLC.;
► To review and recommend for approval of the 'Revised Risk Appetite Statement of Shimanto Bank PLC. for the year 2024'
► To review and recommend for approval of the 'Recovery Plan 2024 of Shimanto Bank PLC.'
► To review and recommend for approval of the 'Review Report of Risk Management Policies and Effectiveness of Risk Management Functions 2023'
► To inform and review the Credit Portfolio Status of the Bank as of 30 Sept 2024;
► To inform and review the Deposit Portfolio Status of the Bank as of 30 Sept 2024;
► Discussion on Stress Testing Report Based on 30 <sup>th</sup> June 2024;
► To inform the activities of the Executive Risk Management Committee (ERMC) from July-September 2024;
27 <sup>th</sup> Risk Management Committee Meeting
► Information Regarding Roles & Responsibilities of Risk Management Committee
► Discussion on Comprehensive Risk Management Rating of our Bank by Bangladesh Bank as of 30.06.2024;
► Discussion on PCA Framework & Status of Shimanto Bank PLC.;
► Discussion on the Credit Portfolio Review Report 2024;
► Discussion on the Credit Portfolio Status of the Bank as of 30 Nov 2024 and Prospective Position at the end of December 2024;
► To inform and review the Deposit Portfolio Status of the Bank as of 30 Nov 2024;
► Discussion on Stress Testing Report, Q-3, 2024;
► To inform the activities of the Executive Risk Management Committee (ERMC) from October-November 2024;
► To Review 'ICT Security Policy'
► To Review 'Cloud Computing and Security Policy'

The Risk Management Committee acknowledges the splendid support of Members of the Board, Management, Risk Management Team of the Bank for their support and cooperation while performing its duties and responsibilities.

On behalf of the Committee,

**Brig Gen Md Nurul Amin, BGBMS, PhD, MPH**  
Chairman, Risk Management Committee  
Shimanto Bank PLC.

Date: 25 May 2025



# CORPORATE GOVERNANCE REPORT

Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set and the means of attaining those objectives and monitoring performance are determined.

The purpose of corporate governance is to help build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies.

We have started our journey to achieve the goals prudently by establishing principles of corporate governance in the operation of the Bank. We are committed to running the Bank in compliance with the highest standards of corporate governance.

## Governance Legal Framework

Shimanto Bank PLC. operates within the legal framework of the Companies Act-1994 and as a banking company, complies with the provisions of the Bank Company (Amendment) Act-2013. We are complying with the directives and guidelines issued from time to time by Bangladesh Bank (BB) for operation of the Bank and circulars of Bangladesh Securities and Exchange Commission (BSEC) for capital issues. Specifically, for governance issues we have been following the BRPD Circulars issued by BB and 'Corporate Governance Code' issued by BSEC.

As a part of good practice, we are also following different principles on corporate governance like 'OECD Principles of Corporate Governance' framed by Organization for Economic Co-operation and Development, 'Corporate Governance Principles for framed by Banks' framed by Basel Committee on Banking Supervision and Bank for International Settlements etc.

Internal policies of Shimanto Bank PLC. are formulated in line with the guidelines of Bangladesh Bank which are approved by the Board of Directors of the Bank.

Mentionable policies are as follows:

- Credit Risk Management Policy
- Asset Liability Management Policy
- Treasury & Investment Management Policy
- Procurement & Logistics Support Policy
- Media Communication Policy
- Deposit Policy
- Business Continuity Policy
- Know Your Customer (KYC) Policy
- Customer Acceptance Policy
- Commercial Paper Investment Policy
- Small and Medium Enterprise (SME) Credit Policy



- Green Banking Policy
- Human Resource Policy
- CSR Policy
- ICT Security Policy
- GL Control & Reconciliation Policy
- Fixed Asset Policy
- Internal Control & Compliance Policy
- Audit Policy
- Fraud Risk Management Policy
- Money Laundering & Terrorist Finance Risk Management Policy
- Integrity Award Policy
- Risk Management Policy
- Start-up Financing Policy
- Cloud Computing and Security Policy
- Cluster Financing Policy
- Security Policy etc.

Standard operating procedures, process manuals are prepared by the Management in line with the applicable policies to streamline and strengthen the process and procedures.

### Stakeholders

The Stakeholders of the Bank are individuals or groups that have an interest, claim or stake in the Company, in what we do and in how well we perform. All the Stakeholders are in an exchange relationship with us. Each of them supplies us with important resources and in exchange each expects that its interest is satisfied. The significant stakeholders are the Shareholders, Investors, Board of Directors, Board Committees, Bank Management, Employees, Customers, Regulatory Authorities (i.e. Bangladesh Bank, Registrar of Joint Stock Companies, Bangladesh Securities & Exchange Commission, Financial Reporting Council, National Board of Revenue and other relevant government agencies), Trade/professional Bodies (i.e. Bangladesh Association of Banks, Association of Bankers Bangladesh), External Auditors etc.

### Shareholding Structure

BGB Welfare Trust, Sponsor of the Bank has been holding 99.99% shares of the Bank as on 31<sup>st</sup> December 2024. BGB Welfare Trust is a limited liability company/trust limited by guarantee registered in Bangladesh for development and welfare of the Members of Border Guard Bangladesh (BGB), a paramilitary force of Bangladesh. The Director General (DG) of Border Guard Bangladesh is the Chairman of BGB Welfare Trust. He is also representing shareholding interest of BGB Welfare Trust in Shimanto Bank PLC.

There are seven individual members holding one qualifying share each for being Member of the Board of Directors as on 31<sup>st</sup> December 2024.

Sl.	Name of Shareholder	No of Shares Held	Percentage of Share
1	BGB Welfare Trust Represented by Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	49,99,99,993	99.99%
2	Others	7	Negligible
Total		50,00,00,000	100%



Ownership of Company's Securities by the Members of Board of Directors as on 31 December 2024 are as follows:

Sl.	Name of Shareholder	No of Share
01.	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	01
02.	Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	01
03.	Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	01
04.	Col Md Moinul Islam Mollah, PBGMS, psc	01
	<b>Total</b>	<b>04</b>

**Note :** Brig Gen Khandaker Shafiquzzaman, psc, Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+ and Col Mohammad Shariful Islam, psc are holding one share each.

Shareholding by Executives as on 31 December 2024 are as follows:

Name of Executives	No of Share
Managing Director & Chief Executive Officer	Nil
Company Secretary	Nil
Head/In Charge of Finance	Nil
Head/In Charge of Internal Control & Compliance	Nil
Spouses and Minor children of above Executives	Nil

The shareholding by other senior executives is also nil.

The Annual Returns regarding shareholding structure as well as the registering the share transfer instrument as prescribed by the Companies Act-1994 has been submitted duly to the Joint Stock Companies & Firms. Stock dividend has been distributed and Return of Allotment has been submitted within the statutory requirements.

### Policy on Appointment of Directors

Directors of Shimanto Bank PLC. are appointed complying with the relevant provision/clause of Companies Act 1994, Bank Company Act 1991 (amended up to 2013), Corporate Governance Code of BSEC and Bangladesh Bank and Articles of Association of the Bank. The Board of Directors of the Bank is consisted of the selected senior most Officers of Border Guard Bangladesh (BGB) stationed at HQ BGB who have diversified professional experience in military operations, government projects, foreign missions and businesses entities etc. Their rich and diverse professional backgrounds have given the Board a vantage point in directing and monitoring the Bank to achieve its desired mission and vision. Every Director is holding qualification share of BDT 10 (Taka ten) only ordinary share in the Bank in their own name. The Chairman of the Bank is representing the shareholding interest of the BGB Welfare Trust.

### Appointment, Rotation and Retirement of Directors

In the 8<sup>th</sup> Annual General Meeting of the Bank, three senior most Directors were retired and re-elected in the same general meeting. Three other Directors were retired and re-elected (who had been appointed in between the AGM to fill up casual vacancy). The said re-elected and elected individuals has been appointed as Director of the Board with prior approval from Bangladesh Bank. Mr. Ahmed Kamal Khan Chowdhury was appointed as an Independent Director of the Bank by the Shareholders in the 8<sup>th</sup> Annual General Meeting for next three years.

### Board Meeting and Attendance

During the year 2024, nine meetings of the Board of Directors were conducted and the attendance of the directors in those meetings are presented in the following table:



Sl.	Name	Description	Present in Meeting	Absent	Remarks
01	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, ndc, BGBM, psc, MPhil	Chairman	08 (Out of 0 8)	Nil	Joined the Board on 29 February 2024
02	Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Director	08 (Out of 0 9)	01	Leave of absence granted by the Board.
03	Brig Gen Md Shahadat Sikder, BGBMS,ndc, afwc, psc	Director	07 (Out of 0 7)		
04	Col Md Moinul Islam Mollah, PBGMS, psc	Director	Nil	Nil	Joined the Board on 23 December 2024
05	Abu Hena Mohammad Razee Hasan	Independent Director	09 (Out of 0 9)	Nil	
06	Brig Gen Ali Reza Mohammad Ashaduzzaman, BGBMS, ndc, psc	Ex-Director	03 (Out of 0 3)		Resigned from the Board on 27 March 2024
07	Brig Gen Tanveer Gani Chowdhury, PBGM	Ex-Director	06 (Out of 0 9)	03	Leave of absence granted by the Board.
08	Col Md Mahmudur Rahman, psc	Ex-Director	05 (Out of 0 5)		
09	Brig Gen A M M Khairul Kabir, BGBM, BGBMS, BGOM, psc	Ex-Director	Nil	01	Leave of absence granted by the Board.
10	Brig Gen K M Azad, BGBM, BPM (Seba), PPM (Seba), psc	Ex-Director	Nil	01	Leave of absence granted by the Board.
11	Col Murad Zaman, BGBMS, PBGMS	Ex-Director	08 (Out of 0 9)	01	Leave of absence granted by the Board.
12	Col Shafiul Azam Parvez	Ex-Director	09 (Out of 0 9)	Nil	
13	Maj Gen A K M Nazmul Hasan, BGBM, BAM, ndc, psc	Ex-Chairman	01 (Out of 0 1)	Nil	Resigned from the Board on 01 February 2024

### Remuneration of Directors

The shareholding Directors do not receive any type of remuneration and incentive. They are only paid Board meeting attendance fees, and other Board's Committee meetings as per Articles of Association of the Bank and within the guidelines of Bangladesh Bank. Information regarding expenses relating to Directors is separately disclosed in the financial statements in Notes-31. At the end of 2024, Shimanto Bank PLC. had 05 (five) members in its Board of Directors, 03 (three) members in the Executive Committee, 03 (three) members in the Audit Committee and 03 (three) members in the Risk Management Committee. As per Bangladesh Bank's BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024, the members of Board of Directors and its Committees (excluding Managing Director) received maximum BDT 10,000.00 (Ten thousand) as honorarium for attending in a meeting. As per BRPD Circular No. No-3 on 14<sup>th</sup> February 2024 issued by Bangladesh Bank, Independent Directors are entitled for meeting fees as prescribed by Bangladesh Bank for attending the meeting and monthly remuneration of BDT 50,000 for subject to deduction of applicable taxes.

In the year 2024, total meeting fees expense was BDT 1.86 million which was BDT 1.49 million in 2023.





### **Separation of Chairman and Chief Executive Officer Roles**

As per regulations of Bangladesh Bank BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024, BRPD Circular Letter No-5 on 27<sup>th</sup> February 2024 and Corporate Governance Code issued by BSEC, we report that the Chairman of the Board has been elected from among the Directors and there are clear and defined roles and responsibilities of the Chairman and the Chief Executive Officer.

Mr. Rafiqul Islam was appointed as Managing Director & CEO for next three years and he joined on 8<sup>th</sup> August 2022 with approval of Bangladesh Bank.

### **Roles and Responsibilities of the Board of Directors**

The major roles and responsibilities of the Board, among others, are to set the vision, mission and policies of the Bank and to determine the goals, objectives and strategies to ensure efficient utilization of the Bank's resources. The Board of Directors are performing their roles and responsibilities in compliance with Bangladesh Bank BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024.

### **Responsibilities of the Chairman**

The Chairman of the Bank has been delivering his rules and responsibilities as per BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by BSEC.

### **Appraisal of Board Members**

The Board of Directors of Shimanto Bank PLC. is guided by the corporate governance principles as well as the terms of reference prescribed by the regulators of the country. The Bank appraises the performance of members of the Board on the basis of aforesaid principles. Above all, an evaluation of the Board has been taken place through the Annual General Meeting (AGM) with the direct participation of the shareholders of the Bank.

### **Appointment, Roles and Responsibilities of Managing Director & CEO**

Managing Director & CEO of the Bank is appointed with due approval from Bangladesh Bank. The Board of Directors of the Bank clearly defines and approves the roles, responsibilities and duties of the Managing Director & Chief Executive Officer (CEO) complying with the Bangladesh Bank BRPD Circular Letter No-5 on 27<sup>th</sup> February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by BSEC. The Board has delegated appropriate financial and business power to the Managing Director & CEO. In order to have proper functioning and quick disposal of credit proposal, Board has delegated required authority to the Management to approve proposal within certain limit and take various necessary decision. The delegation supports the operation of the Bank in a positive manner.

### **Remuneration of Managing Director & CEO**

The remuneration package of the Managing Director & CEO is determined by the Board and is subsequently approved by Bangladesh Bank. The Managing Director & CEO has been appointed on a contractual basis and his remuneration is also disclosed in the Note-30 of audited financial statements.

### **Appointment of Company Secretary, Head of Finance and Head of ICC**

The role of Company Secretary, Head of Finance and Head of Internal Control & Compliance are completely distinctive and the Bank appointed and assigned separate individuals for the respective positions as per the policy of the Bank and other regulatory laws and regulations. They are well conversant in the field of financial, regulatory and corporate laws to carry out their assigned responsibilities.

### **Independence of Non-Executive Directors**

The Non-Executive Directors enjoy full freedom in discharging their responsibilities. They attend the Board Meetings and Committee Meetings of which they are members regularly. They participate in the deliberation and discussions effectively. They actively involve in the matter of formulation of general strategies of the Bank. But they do not participate in or interfere into the administrative or operational or routine affairs of the Bank.

### **Board Committees & Their Roles**

As on 31<sup>st</sup> December 2024, the Bank has three Sub-Committees of the Board for ensuring good governance through transparency and accountability in bank management complying with the Bangladesh Bank circular i.e. BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024.

The three Board committees are Audit Committee and Risk Management Committee to oversee and direct the operations, performance and strategic direction of the Bank.



#### 1. **Audit Committee (AC)**

The Audit Committee of the Board comprised of three members from the Board who are not member of the Executive Committee. The Audit Committee carries out its functions based on the guidelines of Bangladesh Bank. The Company Secretary acts as the secretary of the committee.

The Committee has been re-constituted by the Board of Directors from time to time to review and oversee independently the company's financial reporting, nonfinancial corporate disclosures, internal control systems and compliance to governing laws, rules and regulations etc. The report of the Audit Committee is provided in the page no. 66 of this Annual Report.

#### 2. **Risk Management Committee (RMC)**

In Compliance with BRPD Circular Letter No-2 on 11<sup>th</sup> February 2024, the Board of Directors of the Bank has constituted a three-member Risk Management Committee (RMC) of the Board. The Risk Management Committee has been formed to minimize probable risks arisen during implementation of Board approved policies, procedures and strategies. The RMC is entrusted to examine and review whether management is properly working on identification, management and mitigation of credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and communication technology risk, operation risk, interest rate risk and liquidity risk and keeping adequate provision and capital against the said risks.

The Statement of the Risk Management Committee on appointment, composition, roles and responsibilities of the Committee is furnished in page no. 72 of this Annual Report.

### **Management Committees & Their Responsibilities**

In Corporate Governance framework, the Bank management has a collective effort and objective under the leadership of Managing Director & CEO for carrying out daily operations to the best interest of the shareholders and other stakeholders. Shimanto Bank PLC. has some designated committees who are entrusted with specific objectives.

The following Committees were effective as on 31<sup>st</sup> December 2024:

#### 1. **Management Committee (MANCOM)**

MANCOM of Shimanto Bank is consisting of the heads of the functional departments and units. It is the highest decision making authority of the management who are responsible for monitoring for effective discharge of management responsibilities. They are also responsible for strategic and tactical decisions relating to business, credit, operations, administration, HR, internal and financial control and compliance etc.

#### 2. **Asset Liability Committee (ALCO)**

The Asset Liability Committee (ALCO) of Shimanto Bank is dedicated to oversee the asset-liability position, interest rate risk, liquidity risk, investment portfolio composition and compliance with key ALM ratios. ALCO is also engaged in setting strategies and revamping previously taken strategies to cope with current & future market scenario.

#### 3. **Credit Risk Management Committee (CRMC)**

The Bank has formed the Credit Risk Management Committee (CRMC) in compliance with the Guidelines of the Central Bank. The Committee is responsible for ensuring proper and timely identification, measurement and mitigation of risks exposed related to credits by the Bank.

#### 4. **Investment Committee**

Investment Committee is formed ensuring representation of all concerned divisions of the Bank. The Committee is responsible for reviewing the investment proposals and recommending to the Management.

#### 5. **Purchase Committee (PC)**

The Purchase Committee (PC) of the Bank consisting members from Administration, HR, Operations, Finance, IT and Communication plays an instrumental role in the procurement procedure of the Bank. The main objective of this committee is to ensure transparency in procurement activity seeking 'value for money' in each deal made.

#### 6. **HR Committee**

HR Committee of the Shimanto Bank PLC. is consisting of the top executives of the Bank and the committee is entrusted to review and recommend on different issues, agenda of human resources whenever require.



#### 7. **Executive Risk Management Committee (ERMC)**

Executive Risk Management Committee (ERMC) of Shimanto Bank PLC. is formed consisting of representatives of different stakeholders and divisions. Objective of the Committee is to promote better risk culture at all levels of the banks, to provide minimum standards for risk management practices, to improve financial soundness of individual banks and stability of the overall financial sector, to encourage banks to adopt and implement a sound risk management framework and to introduce important risk management tools and techniques for assessment and necessary treatment of various risks.

#### 8. **ICT Risk Management Committee**

ICT Risk Management Committee of the Bank is formed and the committee is responsible to govern overall ICT risks and relevant mitigation measures. The committee is to define the Risk Appetite in terms of combinations of frequency and magnitude of a risk to absorb loss e.g., financial loss, reputation damage.

#### 9. **Central Compliance Committee**

Central Compliance Committee the prime mover for ensuring the compliance of AML & CFT measures. is responsible for establishing internal control, conducting AML & CFT training regularly and determining its strategies and programs for achieving its objectives.

#### 10. **Integrity Strategy Committee**

Integrity Strategy Committee is formed as per guidelines of Bangladesh Bank to develop ethical culture across the Bank. The Committee is responsible for creating awareness on integrity and recommend for awards.

#### 11. **Fraud Risk Management Committee**

The key responsibilities of this committee are to review & scrutinize the investigation reports and based on the investigation, the committee will take the decision about the fraud / operational loss and the punitive decision for the person(s) responsible. The committee also approves the financial amount as per given authority to the committee.

#### 12. **IT Steering Committee**

ICT Steering Committee plays one of the key ICT governance roles and responsibilities and the management of ICT related projects. They are also responsible for monitoring management methods to determine and achieve strategic goals, raising flags about exposure towards ICT risks and controls, providing guidance related to risk, funding, or sourcing, ensuring project priorities and assessing feasibility for ICT proposals, ensuring compliance to regulatory and statutory requirements, providing direction to architecture design and ensure that the ICT architecture reflects the need for legislative and regulatory compliance.

#### 13. **ICT Security Committee**

ICT Security Committee is responsible to ensure implementing the ICT security policy across the Bank. The objective of Committee is to coordinate the development and implementation of Bank's ICT Security Policies and related procedures. The scope of the committee is essentially broad, with the goal of ensuring the establishment of and adherence to practices which protect the interests of the Bank as a whole and the integrity of ICT security program, individually and collectively.

#### 14. **Technical Evaluation Committee**

Technical Evaluation Committee is formed to review the procurement proposals to examine whether the specifications, terms and conditions of the proposal is technically compliant with the requirements of the Bank and recommend accordingly.

#### 15. **Corporate Social Responsibility (CSR) Committee**

CSR Committee of the bank is formed consisting of the top executives of the Bank. The committee is responsible for establishing and reviewing corporate social responsibility policies, identifying and recommending the CSR activities to the Board of Directors, overseeing the implementation and monitoring of CSR programs, reviewing the annual budgets with respect to corporate social responsibility program.

#### **Related Party Transaction**

The details of transactions of related parties of the company have been given in Note 47 of the Financial Statements. Shimanto Bank PLC. didn't transact any significant related party contracts/transactions during the year 2024 where Bank is a party and wherein Directors have interest. Bank follows normal process of business for related party transaction i.e. Related party does not enjoy any preferred facility or concession or favor from the view point of approval process, rate or cost charged etc.



### **Code of Conduct & Whistle Blowing Policy**

All the employees of Shimanto Bank PLC. should believe in same ethical standards and therefore, the Bank has a Code of Conduct. By any means, no employee will play a role which is detrimental to the interest of the business, society and the country as a whole as set in the Code of Conduct.

Whistle blowing policy is incorporated in the Code of Conduct to create an environment by promoting a culture at Shimanto Bank PLC. where the honest, dedicated and loyal staff is encouraged and feels confident to reveal and report, without any fear of retaliation, subsequent discrimination and of being disadvantaged in any way, about any fraudulent, immoral, unethical or malicious activity or conduct of employees, which in their opinion may cause financial or reputational loss to the Bank. The policy of the Bank provides assurance to the Whistleblowers about secrecy and protection of their legitimate personal interests.

### **Corporate Social Responsibility Activities and Green Banking**

Corporate social responsibility (CSR), in recent times, has become an integral part of business. The contribution of Banks in this regard is of paramount importance considering their unique position in the economy. Shimanto Bank PLC. has a policy to contribute 10% of the net profit of the previous year in CSR activities. The Bank believes that CSR practice not only improves own standard but also affect the socially responsible behaviors of its businesses. Shimanto Bank PLC. maintains a standard CSR practices aligned with the CSR Guideline issued by the Bangladesh Bank. The Bank focuses on education, health, disaster management, socio-economic development, sports etc. in case of CSR implementation. Moreover, Shimanto Bank PLC. has policy on Green Banking and also is practicing Green Banking.



# **DISCLOSURE ON RISK BASED CAPITAL**

(UNDER PILLAR 3 OF BASEL III)

**For The Year Ended December 31, 2024**





### Background:

Financial sector of a country plays a fundamental role in stability and strength of the economy as it is associated with other large core sectors of the economy. Financial sector is the source of liquidity that is essential for the core elements of an economy. Basel III is a global regulatory framework for more resilient banks and banking system, issued by the Basel Committee on Banking Supervision (BCBS) of the Bank for International Settlement in December 2010 (Revised in June 2011). The Basel Committee on Banking Supervision's (BCBS) framework of capital measurement and capital adequacy, known as Basel III, requires banks to publicly disclose prudential information. This information includes capital requirements, risk levels, and risk management systems. The purpose of this disclosure is to enhance transparency and enable market participants to assess and analyze a bank's risks and capital adequacy. This disclosure is an essential market mechanism that can help banks achieve effective risk management beyond simply internal controls and supervision by the Bangladesh Bank.

The current scenario of bank runs is a prime example of how the depletion of regulatory capital, combined with a panicked rush by depositors to withdraw their money, can render a bank unviable and insolvent. As a result, sound risk management is essential to any banking operation, and therefore the need for a sufficient capital adequacy ratio is paramount. Under prudential norms, capital regulation is of critical importance in order to ensure the structural stability of the banking system and protect depositors.

Given the importance of capital adequacy, a bank's capital adequacy ratio (CAR) is considered a symbol of its operational health, helping to protect against excessive leverage and insolvency. It is defined as the ratio of a bank's capital to its current liabilities and risk-weighted assets (RWAs). RWAs are a measure of the amount of a bank's assets, adjusted for risk. An appropriate level of capital adequacy ensures that the bank has sufficient capital to expand its business, while at the same time its net worth is sufficient to absorb any financial losses without becoming insolvent. It is the ratio that determines a bank's ability to meet its time liabilities and other risks.

To comply with international best practices and to make banks' capital more shock absorbent, the "Guidelines on Risk-Based Capital Adequacy (RBCA) for banks" (Revised Regulatory Capital Framework in line with Basel II) was introduced on January 1, 2009, in parallel with BRPD Circular No. 10, dated November 25, 2002 (Basel I). At the end of the parallel run, the Basel II regime began on January 1, 2010, and the RBCA guidelines came fully into force with subsequent supplements and revisions. Bangladesh Bank then issued the "Guidelines on Risk-Based Capital Adequacy (RBCA) for banks" (Revised Regulatory Capital Framework in line with Basel III) in BRPD Circular 18 dated December 21, 2014; Basel III reporting began on January 2015, and full implementation began on January 2020. All scheduled banks were required to follow the instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirements as stated in the guidelines for statutory compliance.

### Basel III Accord:

Basel III is an internationally agreed set of measures developed by the Basel Committee on Banking Supervision (BCBS) in response to the financial crisis of 2008. It is a global regulatory framework that seeks to strengthen the regulation, supervision, and risk management of banks. Basel III builds on the previous Basel Accords (Basel I and Basel II) and mainly addresses the following areas:

- 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
- Increase the risk coverage of the capital framework
- Introduce leverage ratio to serve as a backstop to risk-based capital measure
- Raise the standards for the Supervisory Review Process (Pillar 2) and Public Disclosures (Pillar 3)

### The Basel III framework consists of three-mutually reinforcing pillars:

**Pillar 1 (Minimum Capital Requirement):** This Pillar of the Basel III framework covers the calculation of risk-weighted assets (RWAs) for credit risk, market risk, and operational risk. Shimanto Bank PLC. uses the standardized approach to measure credit risk, the standardized approach to measure market risk, and the basic indicator approach to measure operational risk. Shimanto Bank also maintains a non-risk-based leverage ratio at a healthy level.

**Pillar 2 (Supervisory Review Process):** This Pillar of the Basel III framework covers all other risks, as well as the entire risk management framework from both the internal and external (supervisory) perspectives. Shimanto Bank has developed a comprehensive ICAAP (Internal Capital Adequacy Assessment Process) manual to capture risks in detail. Pillar 2 covers the consideration of whether additional capital is required over and above the Pillar 1 risk calculations. Regular SRP-SREP interaction ensures compliance with Pillar 2 regulations.



**Pillar 3 (Market Discipline):** This Pillar of the Basel III framework covers the external communication of risk and capital information by banks. This is intended to promote transparency and good risk management, and to allow market participants to make informed decisions about their investments. Pillar 3 disclosures include information on a bank's capital adequacy, risk management framework, and exposures to various risks. The information provided in the Market Disclosure is consistent with the relevant guidelines set by Bangladesh Bank from time to time.

It has been prepared based on the bank's audited financial statements and is available on the bank's website. Pillar 3 disclosures set out in the following sections:

## 1. SCOPE OF APPLICATION

### Qualitative Disclosures:

**(a) The name of the top corporate entity in the group to which this guideline applies:**

The framework applies to Shimanto Bank PLC. as of the reporting date i.e. December 31, 2024. However, 'Solo Basis' information has been presented as Bank does not have any subsidiary.

**(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted):**

Shimanto Bank PLC. incorporated as a Public Limited Company (Banking Company) under the Companies Act 1994 for carrying out all kinds of banking activities and was formally inaugurated on 1st September 2016.

As of December 31, 2024; the Bank is operating its business activities through Head Office with Twenty Six Branches (Principal Branch, Mymensingh Branch, Agrabad Branch, Gulshan Branch, Satkania Branch, Benapole Branch, Motijheel Branch, Bibir Bazar Branch, Cox's Bazar Branch, Teknaf Branch, Lalmonirhat Branch, SeedStore Branch, Champoknagar Branch, Sylhet Branch, Pragpur Branch, Uttara Branch, Hazaribag Branch, Khulna Branch, Godkhali Branch, Brahmanbaria Branch, Rangpur Branch, ChirirBandar Branch, Chuadanga Branch, Zakiganj, Rajshahi and Hili) and Seven Sub Branches (Ramu Sub Branch, Pabla Sub Branch, Mohammadpur Sub Branch, Uttara Sub Branch, Jubilee Road Sub Branch, Rangamati Sub Branch and Shyamnagar Sub Branch).

**(c) Any restrictions, or other major impediments, on the transfer of funds or regulatory capital within the group:**

Not applicable

### Quantitative Disclosures:

**(d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.**

Not Applicable

## 2. Capital Structure

### Qualitative Disclosures:

**(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1, or in Tier 2.**

For the purpose of calculating capital under the capital adequacy framework, the capital of banks shall be classified into two tiers. The total regulatory capital will consist of the sum of the following categories:

**I. Tier 1 Capital (going-concern capital):** This form of capital can absorb losses without triggering the bankruptcy of the bank. Hence, it is the core measure of a bank's financial strength from the regulator's point of view. The components of Tier 1 Capital are given below:





**Common Equity Tier 1 Capital:** It is called 'Core Capital' and comprises the highest quality of capital elements consisting of:



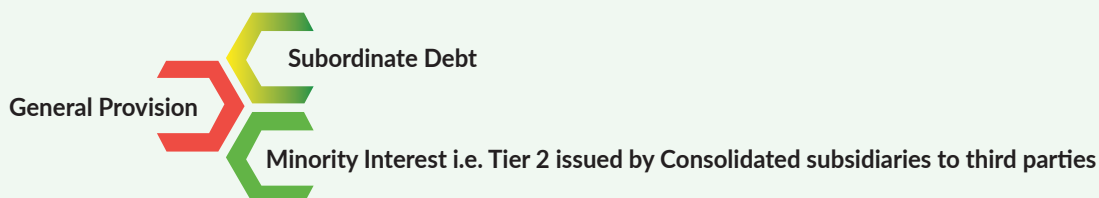
**Less:** Regulatory adjustments applicable on CET1

### Additional Tier 1:

- Non-cumulative irredeemable preference share
- Instruments issued by the banks that meet the qualifying criteria for AT1
- Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting)

**Less:** Regulatory adjustments applicable on AT1

**II. Tier-2 Capital:** It is called 'gone-concern capital' and represents other elements that fall short of some of the characteristics of the core capital consisting of-



**Less:** Regulatory adjustments applicable on Tier-2 capital

### Quantitative Disclosures:

(b) The amount of Regulatory capital of Shimanto Bank PLC. under Basel-III during 2024 as below:

Sl. No.		BDT in Million
(a)	<b>Common Equity Tier-1 Capital (CET-1)</b>	
a.1	Fully Paid-up Capital	5,000.00
a.2	Statutory Reserve	510.13
a.3	Retained Earnings	257.03
a.4	Sub-Total (a.1 to a.3)	5,767.16
(b)	<b>Less: Regulatory Adjustments</b>	
b.1	Deferred Tax Assets (DTA)	20.59
(c)	Total common equity Tier-1 capital (CET-1)	5,746.57
(d)	Additional Tier-1 Capital	0.00
(e)	<b>Total Tier-1 Capital (c+d)</b>	5,746.57
(f)	<b>Tier-2 Capital</b>	
f.1	General Provision	237.59
(h)	Total Admissible Tier -2 Capital	237.59
(i)	<b>Total Eligible Regulatory Capital (e+h)</b>	5,984.16



### 3. CAPITAL ADEQUACY

#### Qualitative Disclosures:

- (a) **A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities:**

Capital Calculation Approach:

The banking industry of Bangladesh transitioned to Basel III from Basel II in early 2015. In accordance with the Basel Committee on Banking Supervision (BCBS) recommendations and international best practices, Bangladesh Bank issued revised guidelines on Risk-Based Capital Adequacy based on Basel III with the goal of fully implementing it by the end of 2019. Shimanto Bank, as a result, implemented the Basel III framework as part of its capital management strategy. The bank applies the following approaches for its risk-wise capital calculation:

- Credit Risk: Standardized Approach (SA)
- Market Risk: Standardized Approach (SA)
- Operational Risk: Basic Indicator Approach (BIA)

#### Capital of the Bank:

In parallel to business growth, the bank effectively manages its capital to meet regulatory requirements considering the risk profile. Below are a few highlights:

- Currently Bangladesh Bank prescribed Minimum Capital Adequacy Ratio (MCR) including buffer is 12.50%, whereas as on December 2024; the CRAR of the bank was 39.78%.
- During the same period Minimum Capital Requirement (MCR) of the bank was Tk. 5,000.00 million and the eligible capital was Tk. 5,984.16 million; i.e. the bank held TK. 984.16 million surplus capital.

#### Capital Management:

Capital adequacy calculation provides a bank with an indicative resolution for the capital requirement; however, capital management plays a crucial role in maintaining the overall capital at an adequate level. Shimanto Bank's capital management is underpinned by a sound capital assessment process, followed by a risk-based long-term capital planning approach.

- Encouraging borrowers to complete external credit rating to assess counterparty credit risk status, and minimize regulatory capital requirements;
- Improving and enhancing collateral coverage through efforts to obtain eligible collateral;
- Growth projection in line with RWA composition and capital planning trajectory;
- Assessing risk profile of new clients and onboarding clients with satisfactory external credit rating

Shimanto Bank's Risk Management Division (RMD) monitors CRAR status regularly and reports to the Senior Management and the Board from time to time.

**Note:** As per Bangladesh Bank NOC ref No. DOS (CAMS)/1157/41/(Dividend)/2025-3108 dated 21 May 2025. Short fall of Provision Taka 54.58 Crore



### (b) Quantitative Disclosures:

Sl. No.	Particulars	BDT in Million
(a)	Capital Requirement for Credit Risk	1,280.90
(b)	Capital Requirement for Market Risk	28.40
(c)	Capital Requirement for Operational Risk	195.18
(d)	Minimum Capital Requirement (MCR)	5,000.00
(e)	Total Eligible Regulatory Capital	5,984.16
(f)	Total Risk-Weighted Assets (RWA)	1,504.48
(g)	Capital to Risk-weighted Asset Ratio (CRAR)	39.78%
(h)	Capital Ratio	
h.1	Common Equity Tier 1 (CET 1) Ratio	38.20%
h.2	Tier 1 Capital Adequacy Ratio	38.20%
h.3	Tier 2 Capital Adequacy Ratio	1.58%
h.4	Capital Conservation Buffer (CCB) Maintained (Minimum Requirement of CCB is 2.50%)	29.78%
i.	Available Capital under Pillar 2 requirement	237.59

## 4. CREDIT RISK

### Qualitative Disclosures:

#### Qualitative Disclosures:

#### (a) The general qualitative disclosure requirement with respect to credit risk:

Credit risk refers to the probability of loss resulting from a borrower's failure to repay a loan or meet contractual obligations. Financial institutions face different types of credit risks—default risk (Unable to repay the loan obligation on time), concentration risk (heavy reliance on a particular sector or industry), country risk (probability of a foreign government defaulting on its financial obligation), downgrade risk (loss caused by falling credit ratings), and institutional risk (failure to comply on pre-determined rules, regulations, covenants or conditions). For most banks, default risk is the largest and most obvious source of credit risk. However, apart from the one stated above, there are other sources of credit risk both on and off-the balance sheet items. Off-balance sheet items include letters of credit, non-funded loan commitments etc.

Credit risk management is the process of mitigating those losses by identifying and assessing the risks associated with lending and at the same time understanding the adequacy of both a bank's capital and loan loss reserves to accommodate those risks.

Our credit risk management function has been kept independent from business origination functions to establish better internal control and reduce conflict of interest. The Bank has a well-structured delegation and sub-delegation of credit approval authority for ensuring better control in the credit approval system. The Board is the apex body for credit approvals at Shimanto Bank. The credit approval authority is delegated to the Managing Director, further sub-delegated to officials of CRM based on their credit skills, experience, and knowledge.

#### i) Definitions of past due and impaired:

Bank classifies loans and advances (loans and bills discount in the nature of an advance) into performing and non-performing loans (NPL) in accordance with the Bangladesh Bank guidelines in this respect. All the loans and advances are grouped into four categories for the purpose of classification, which are as followings:





- Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry date.
- The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/overdue after six months of the expiry date.

In this regard, all loans and advances/investments are grouped into four categories for the purpose of classification, as per BB circulars, namely:

- \* Continuous loan
- \* Demand loan
- \* Fixed term loan
- \* Short-term agricultural & micro-credit

All classified loans can be defined as below:

Types of Facility	Overdue Period for Loans Classification		
	Sub Standard	Doubtful	Bad & Loss
Continuous Loan & Demand Loan (Except CMSME)	3 months or more but less than 9 months	9 months or more but less than 12 months	12 months or more
Continuous Loan & Demand Loan (BRPD Circular no.16 under CMSME)	6 months or more but less than 18 months	18 months or more but less than 30 months	30 months or more
Fixed Term Loan (Except CMSME)	6 months or more but less than 12 months	12 months or more but less than 15 months	15 months or more
Fixed Term Loan (BRPD Circular no.16 under CMSME)	09 months or more but less than 21 months	21 months or more but less than 33 months	33 months or more
Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	36 months or more but less than 60 months	60 months or more

(ii) Description of approaches followed for specific and general allowances and statistical methods:

Particulars	BDT in Million
General Provision on:	
Unclassified (including SMA) small and medium enterprise	0.25%
Unclassified (including SMA) Loans to BHs/MBs/SDs against shares etc.	2%
Unclassified (including SMA) loans for housing finance	1%
Unclassified consumer financing including credit card (other than housing finance)	2%
Unclassified(includingSMA)otherloansandadvances	1%
Shorttermagricreditandmicrocredit	1%



Particulars	BDT in Million
Off-balance sheet exposures	1%& 0.50%
Specific provision on:	
Substandard loans other than short term agri credit, micro credit and CMSME	20%
Doubtful loans other than short term agri credit, micro credit and CMSME	50%
Substandard & doubtful loans short term agri credit and micro credit	5%
Substandard loans CMSME	5%
Doubtful loans CMSME	20%
Bad/Loss loans and advances	100%

**(iii) Discussion of the Bank's Credit Risk Management Policy:**

The bank's credit risk management policy is designed to promote the sustained growth of a healthy loan portfolio. It does this by establishing a well-defined system for identifying, measuring, monitoring, and controlling the various risks associated with the bank's credit portfolio. This includes reducing exposures to high-risk areas, focusing on promising industries and sectors, striking a balance between risk and return, and maximizing stakeholder value.

The policy also seeks to achieve prudent credit growth, both qualitatively and quantitatively, while adhering to prudential norms. This is done by deploying credit in a balanced manner across industries, sectors, and segments, while also increasing market share. The policy also aims to standardize and harmonize credit practices. The bank has a defined credit appraisal and approval authority, reporting and monitoring system, and loan review and credit audit system in place, as outlined in the board-approved credit risk management policy.



Moreover, credit risk appetite plays a vital role in devising the overall credit strategies of the bank. It sets out the perimeter for different credit aspects, which helps in shaping meticulous and wide-ranging credit-control mechanisms. Shimanto Bank underscores good governance, sound risk assessment, and timely approvals in our lending processes to accelerate quality credit operations. Thus, the bank's credit policy encompasses all operational issues of credit, right from the selection of borrowers to the ultimate recovery, overdue accounts, Special Mention Accounts (SMA), and classified loan accounts.



## Quantitative Disclosures:

### (b) Total Gross Credit Risk Exposure Broken down by Major Types of Credit Exposure:

Particulars	BDT in Million
<b>Continuous loan (CL-2)</b>	
Small & Medium Enterprise (SME)	178.97
Consumer Financing	426.58
Loans to BHs/MBs/SDs against Shares	-
Other than SMEF, CF, HF, LF, BHs / MBs, SDs	2,287.76
<b>Sub-Total</b>	<b>2,893.31</b>
<b>Demand loan (CL-3)</b>	
Small & Medium Enterprise	1,176.33
Consumer Financing	-
<b>Loans to BHs/MBs/SDs</b>	<b>-</b>
Other than SMEF, CF, HF, LF, BHs/MBs, SDs	7,763.61
<b>Sub-Total</b>	<b>8,939.94</b>
<b>Termloan(CL-4)</b>	
Small & Medium Enterprise (SME)	1,869.97
Consumer financing (other than HF & LP)	761.09
Housing Finance (HF)	408.26
Loans for professionals to set up business	-
Loans to BHs/MBs/SDs	-
Other than SMEF, CF, HF, LF, BHs/MBs, SDs	5,079.29
<b>Sub-Total</b>	<b>8,118.61</b>
<b>Shor tterm Agri-credit and microcredit (CL-5)</b>	
Shor tterm Agri-credit	359.90
Micro Credit	2.15
<b>Sub-Total</b>	<b>362.05</b>
Staff loan	27.37
<b>Total</b>	<b>20,341.28</b>

### (c) Geographical Distribution, Broken down in Significant Areas by Major Types of Credit Exposures of Shimanto Bank:

Division	BDT in Million
Dhaka	17,066.08
Chattogram	2,466.18
Khulna	409.66
Sylhet	60.13
Rajshahi	-
Barisal	-
Rangpur	163.78
Mymensingh	175.45
<b>Total</b>	<b>20,341.28</b>



(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure of Shimanto Bank::

Industry Type	BDT in Million
Trade and Commerce	646.52
Garments and knitwear	1,304.53
Textile	233.16
Jute and jute -products	-
Food production and processing industry	1,653.04
Plasticindustry	100.95
Leather and leather goods	-
Iron, steel and engineering	944.57
Pharmaceuticals and chemicals	1,906.46
Cement and allied industry	1,013.46
Telecommunication and IT	3.88
Paper, printing and packaging	-
Glass, glassware and ceramic industry	-
Ship manufacturing industry	-
Electronics and electrical products	205.72
Power, gas, water and sanitary service	596.01
Transport and aviation	-
Agriculture	155.91
Housing	420.80
Loan to Subsidiaries Companies	-
Others	11,156.27
<b>Total</b>	<b>20,341.28</b>

(e) Residual Contractual Maturity Breakdown of the Whole Portfolio, Broken down by Major Types of Credit Exposure of Shimanto Bank:

Particulars	BDT in Million
Repayable on demand	2,158.74
Not more than three months	2,386.85
More than three months but not more than one year	7,709.71
More than one year but not more than five years	6,248.42
More than five years	1,837.56
<b>Total</b>	<b>20,341.28</b>



- (f) By major industry or counterparty type of Shimanto Bank:  
Amount of impaired loans and if available, past due loans, provided separately:

Particulars	BDT in Million
Sub-Standard	114.55
Doubtful	30.49
Bad and Loss	116.90
<b>Total</b>	<b>261.94</b>

- ☐ Specific and General provision (Maintained):

Particulars	BDT in Million
Total General Provision	253.12
Total Specific Provision	86.53
<b>Total Provision</b>	<b>339.65</b>

- (g) Gross Non-Performing Assets (NPAs) :

Particulars	BDT in Million
Gross Non-Performing Assets (NPAs)	261.94
Non-Performing Assets (NPAs) to outstanding loans & advances	1.29%
<b>Movement of Non-Performing Assets for NPAs</b>	
Opening balance	177.71
Additions	138.28
Reductions	(54.05)
Closing Balance	261.94
<b>Movements of Specific Provisions for NPAs</b>	
Opening balance	92.66
Provision made during the period	(3.38)
Transferred to General Provision	-
Write-off	-
Write back of excess provisions	-
<b>Closing Balance</b>	<b>89.28</b>

## 5. Equities: Disclosures for Banking Book Positions

### Qualitative Disclosures

- (a) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:

Investment in equity securities by Shimanto Bank is broadly categorized into two parts:





\* **Quoted securities** include Common shares, Mutual funds listed with Stock Exchanges. These instruments are categorized as trading book assets. Investment in the trading book includes securities holding for capital gains, dividend income, and securities holding for strategic reasons.

\* **Unquoted securities** are categorized as banking book equity exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually, these securities are held for trading (HFT) or investment for making capital gains.

- (b) Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices:

The primary aim is to invest in these equity securities for the purpose of capital gain by selling them in the future or holding them for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price.

As per Bangladesh Bank guidelines, the HFT equity securities are revalued once a week using the marking to market concept and HTM equity securities are amortized once a year according to Bangladesh Bank Guideline. The HTM equity securities are also revalued if any, are reclassified to the HFT category with the approval of the Board of Directors. The quoted shares of the bank are valued at cost or market price, whichever is lower.

### Quantitative Disclosures:

#### a. Total Unrealized gains/ losses:

Particulars		BDT in Million
(i) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value:	Cost Price	16.29
	Market Price	8.51
Difference		(7.78)
(ii) Cumulative realized gains (losses) arising from sales and liquidations in the reporting period		Nil
(iii) Total unrealized gains (losses)		(7.78)

## 6. Interest Rate Risk in the Banking Book (IRRBB)

### Qualitative Disclosure:

- (a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement:

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. It affects the underlying value of the bank's assets, liabilities, and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) changes when interest rates changes. Interest Rate Risk is the risk which affects the Bank's financial condition due to change of market interest rates. Changes in interest rates affect both the current earnings (earnings perspective) and also the net worth of the Bank (economic value perspective). Bank assesses the interest rate risk both in earning and economic value perspective.

The process of interest rate risk management by the bank involves the determination of the business objectives, expectations about future macroeconomic variables, and understanding of the money markets and debt market in which it operates. Interest rate risk management also includes quantifying the appetite for market risk to which the bank is comfortable.



The Bank proactively manages the impact of IRRBB as a part of its ALM activities. ALM policy defines the different types of interest rate risks that are to be monitored, measured, and controlled. ALCO decides strategies for managing IRRBB at the desired level. ALM Committee periodically gives direction for the management of interest rate risk on the basis of its expectations of future interest rates. Based on the guidance, ALCO manages the IRRBB with the help of various tools i.e. gap analysis, earning at risk (EaR), duration of equity (DoE), and stress testing for basis risk.

#### Quantitative Disclosures:

- (b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency.

Particulars	BDT in Million		
Cumulative Gap			
< 3 month	(1,663.90)		
< 6 months	(2,631.70)		
< 12 months	(4,083.50)		
Stress Testing	Minor	Moderate	Major
Regulatory capital (after shock)	5,500.50	5,016.80	4,533.10
RWA (after shock)	15,303.40	15,560.30	15,815.40
CRAR (after shock)	39.10%	38.46%	37.84%

## 7. MARKET RISK

#### Qualitative Disclosures:

- (a) Views of Board of Directors (BOD) on trading/investment activities:

Market risk is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank and stems from adverse movements in market rates or prices, such as interest rates, foreign exchange rates, equity prices, credit spreads, and/or commodity prices. Market risk exposure may be explicit in the bank's trading book and banking book. The objective of market risk management is to minimize the impact of losses on the bank's earnings and shareholders' equity.

The Board establishes trading and investment objectives, limits and other risk controls through different Board-approved policies, guidelines, and frameworks. The delegation chain for trading and investment activities originates from the Board, which further establishes control limits and responsibility centers for these activities. Furthermore, the Board regularly reviews trading and investment activities and issues necessary advisories and recommendations.

- (b) Methods used to Measure Market risk:

Fundamentally, Shimanto Bank PLC. applies the Standardized Approach for gauging market risk while calculating the minimum capital requirement. It is done under two separate approaches, i.e., capital charges for "specific risk," which is designed to protect against an adverse movement in the price of individual security, and capital charges on "general market risk," which is aimed at capturing the risk of loss arising from changes in market interest rates. Moreover, the Bank also uses gap analysis, and stress testing techniques to assume the impact of interest rate changes on earnings and capital base.



**(c) Market Risk Management System:**

To ensure holistic market risk management systems, the Bank diligently adheres to the risk management guidelines for Banks, FX guidelines, and other Bangladesh Bank directives. The Treasury Division of Shimanto Bank manages market risk covering, liquidity, interest rate, and foreign exchange risks, with oversight from Asset Liability Management Committee (ALCO), which comprises the Bank's senior management.

To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio, and Short term borrowing to Liquid assets ratio. To manage the foreign exchange risk of the bank, the bank has adopted the limit set by the central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher.

**(d) Policies and Processes for mitigating market risk:**

To mitigate the several market risks the bank formed Asset Liability Management Committee (ALCO), the committee monitors the Treasury Division's activities to minimize the market risk. ALCO is primarily responsible for establishing the market risk management and asset-liability management of the Bank, procedures thereof, implementing core risk management framework issued by the regulator, best risk management practices followed globally, and ensuring that internal parameters, procedures, practices/policies, and risk management prudential limits have been set up and followed.

There are approved limits for Market risk-related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks.

**Quantitative Disclosures:**

**The Capital requirements for specified risk are as follows:**

Particulars	BDT in Million
Interest Rate Related instruments	4.33
Equities	1.71
Foreign Exchange Position	22.36
Commodities	0.00
<b>Total</b>	<b>28.40</b>

**8. OPERATIONAL RISK:**

**Qualitative Disclosures:**

**(a) Views of BOD on system to reduce Operational Risk:**

Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems failure, or external events. It is inherent in every business organization and covers a wide spectrum of issues. We seek to minimize exposure to operational risk, subject to cost-benefit trade-offs.

The policy for measuring and managing operational risks is approved by the Board in line with the relevant guidelines of Bangladesh Bank. the Audit Committee of the Board directly oversees the activities of the Internal Control and Compliance Division to protect against all operational risks. As a part of continued surveillance, the management committee (MANCOM), Executive Risk Management Committee (ERMC), and Risk Management Division (RMD) regularly review different aspects of operational risks and escalate the findings to appropriate authority while internal audit suggests formulating appropriate policies, tools & techniques for mitigation of operational risk of the bank.



**(b) Performance Gap of Executive and Staff:**

Shimanto Bank is an equal opportunity employer. It recognizes the importance of having the right people in the right positions to achieve organizational goals. Our recruitment and selection are governed by the philosophy of fairness, transparency, and diversity. Understanding what is working well and what requires further improvement is essential to our performance management system.

The performance management process aims to clarify what is expected from employees as well as how it is to be achieved. Our learning and development strategy puts special focus on continuous professional development to strengthen individuals' skill sets by removing weaknesses to perform the assigned job with perfection. We have a wide range of internal and external training programs to enhance capabilities as well as minimize performance gaps that will contribute more to the bottom line.

Employee's performance is assessed on the bases of performance objectives and key performance indicators (KPI) set at the beginning of each year. Decisions related to rewards and recognition for the employees are taken on the bases of how well the assigned KPIs are met by the employee. Shimanto Bank wants its' employees to balance their work and personal life and has organization-wide practices and policies that actively support employees to achieve success at both work and home. Management is also open and shows flexibility in regard to a balanced work-life.

**(c) Potential external events:**

The impact of external adverse events is a part of systemic risk. Shimanto Bank remains vigilant about its role against every event irrespective of its frequency of occurrence. The bank adopts a different strategy to mitigate the negative effect of systematic risk within tolerable limit. It has developed different policies and processes to diversify risk, also train and aware employees about money laundering, cybercrime, emergency situation, fraud, forgery, etc. which are contributing to managing operational risk.

**(d) Policies and processes for mitigating operational risk:**

Shimanto Bank has risk governance structure, which includes the risk management committee at the Board level; the Executive risk management committee at the senior management level, which ensures inclusive risk management culture. The Bank has board-approved internal control & compliance policies to ensure effective processes and adequate systems are in place for operational risk management.

Operational Risk is the risk of financial losses related to breakdown in internal control and corporate governance. Such breakdown can be the result of human errors, inadequate or failed internal process and technical system, fraud or any other adverse external event. The Bank has adopted policies to deal with different operational risks. The Internal Control and Compliance Division of the Bank, the inspection teams of Bangladesh Bank, and external auditors had conducted inspections in different branches and divisions at the Head office throughout the year and prepared the reports according to the findings of those inspections. Considering the suggestions and observations of those reports management took essential control measures and corrective actions.

Shimanto Bank strongly follows the KYC norms for its customer dealings and other banking operations. Banks Anti- Money laundering activities are headed by CAMLCO and their activities are devoted to protecting against all money laundering and terrorist finance related activities. There is adequate check and balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.

**(e) Approach for Calculating Capital Charges for Operational Risk:**

Shimanto Bank has adopted Basic Indicator Approach (BIA) to assess the capital charge for operational risk as of the reporting date. Accordingly, the bank's operational risk capital charge has been assessed at 15% of positive annual average gross income over the previous three years as defined in the guideline of Risk-Based Capital Adequacy (RBCA).

Particulars	BDT in Million
Total Capital Requirement for Operation Risk	195.18



## 9. LIQUIDITY RATIO

### Qualitative Disclosures:

Liquidity risk is the risk to the bank's earnings and capital arising from its inability to timely meet obligations when they come due without incurring unacceptable losses. Liquidity risk primarily arises due to the maturity mismatch associated with the assets and liabilities of the bank. The intensity and sophistication of the liquidity risk management system depend on the nature, size, and complexity of a bank's activities. Sound methods in measuring, monitoring, and controlling liquidity risk are critical to the sustainability of the bank. Therefore, the Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management.

Thus, liquidity risk can be of two types:

❑ **Funding liquidity risk:** the risk that a firm will be unable to fulfill its current and future cash flow and collateral needs without affecting its daily operations or its financial condition

❑ **Market liquidity risk:** the risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market.

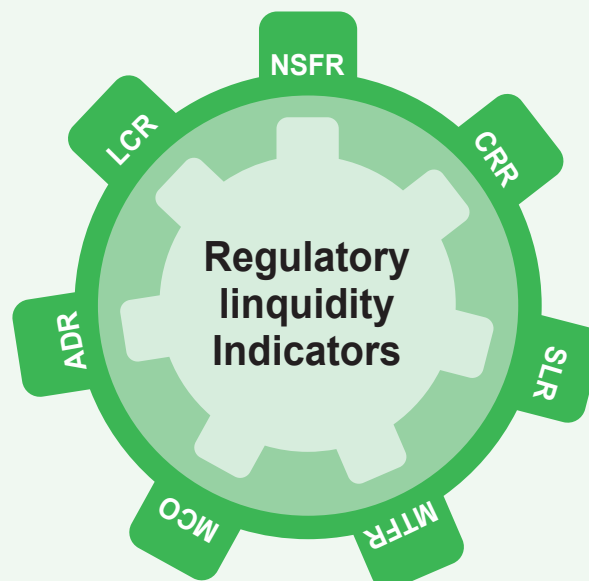
#### (a) Views of Board of Directors on system to reduce Liquidity Risk:

The Board reviews and approves the Assets Liability Management Policies and ensures that senior management manages liquidity risk effectively in the context of the Bank's business plan, long-term funding plan, and economic and financial position. The Asset and Liability Management Committee is responsible for both statutory and prudential liquidity management. Ongoing liquidity management is discussed as a regular agenda of the ALCO meeting, which takes place on a monthly basis. At the ALCO meeting, the bank's liquidity position, limit utilization, changes in exposure, and liquidity policy compliance are presented to the committee. Asset Liability Management Desk closely monitors and controls liquidity requirements on a daily basis.

#### (b) Methods used to measure Liquidity risk:

Shimanto Bank follows Bangladesh Bank's Risk-Based Capital Adequacy guideline in line with Basel III for proper assessment and management of liquidity risk of the bank. The tools and procedures deployed by Shimanto Bank to manage liquidity risk are comprehensive. The measurement tools used to assess liquidity risks are:

##### I. Regulatory Liquidity Indicators (RLIs):





## II. Bank's own liquidity monitoring tools:

- Wholesale Borrowing and Funding Guidelines
- Liquidity Contingency Plan
- Undrawn Commitment Limit

### (c) Liquidity Risk Management System:

The Asset Liability Management Committee (ALCO) of Shimanto Bank sets the direction for the Bank's liquidity management. ALCO meets at least once every month and more as and when required. ALM desk of the Treasury Division closely monitors and controls liquidity requirements on regular basis by proper coordination of funding activities. It also monitors market developments, understanding their implications for the Bank's liquidity risk exposure, and recommends appropriate risk management measures to ALCO. Another strategy of liquidity risk management is to develop a diversified funding base. It aims to align sources of funding with their use.

### (d) Policies and processes for mitigating liquidity risk:

At Shimanto Bank PLC., Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. ALCO reviews the policy at least annually or as and when required by taking into consideration any changes in the market dynamics and appropriateness and put a recommendation for changes in policy to the Board for approval. Board Risk Management Committee set policies and processes to mitigate all risks including Liquidity risk.

Quantitative Disclosures:	BDT in Million
Liquidity Coverage Ratio (%)	340.01%
Net Stable Funding Ratio (%)	130.55%
Stock of High quality liquid assets	5,649.34
Total net cash outflows over the next 30 calendar days	1,661.52
Available amount of stable funding	29,477.46
Required amount of stable funding	22,580.10

## 10. LEVERAGE RATIO

### Qualitative Disclosures:

#### (a) Views of BOD on system to reduce excessive leverage:

Leverage ratio is the ratio of Tier 1 capital to total on and off-balance sheet exposures. Leverage ratio was introduced in Basel III with an aim to avoid building-up excessive on- and off-balance sheet leverage in the banking system.

**The leverage ratio is intended to achieve the following objectives:**

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

Shimanto Bank adopted the leverage ratio in line with Basel III guidelines as a credible supplementary measure to the risk-based capital requirements

#### (b) Policies and processes for managing excessive on and off-balance sheet leverage:

Shimanto Bank follows Bangladesh Bank's Risk-Based Capital Adequacy guideline in line with Basel III. There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risks.





Revised guideline of RBCA based on Basel III as provided by BRPD of Bangladesh Bank is followed by the bank while managing excessive on- and off-balance sheet leverage of the bank. As per RBCA, the leverage ratio shall be Tier I capital divided by total exposure after related deductions.

(c) **Approach for calculating exposure:**

**Calculation of Leverage Ratio:**

For the year 2023, a minimum Tier 1 leverage ratio of 3.25% is being prescribed both at the solo and consolidated level. The central bank has directed all banks to get prepared to increase the leverage ratio by 0.25 percent annually from 2023 in line with Basel-III. The banks will be required to preserve 4.0 percent leverage ratio in 2026 from the previous 3.0 percent (2022).

$$\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$$

**Quantitative Disclosures:**

The Capital requirements for specified risk are as follows:

Particulars	BDT in Million
Tier -1 Capital (considering all regulatory adjustments)	5,746.57
On balance sheet exposure	32,923.42
Off-balance sheet exposure	1,332.83
Total exposure after regulatory adjustments	34,235.66
Leverage Ratio (%)	16.79%

## 11. REMUNERATION

**Qualitative Disclosures:**

(a) **Information relating to the bodies that oversee remuneration:**

Shimanto Bank aims to attract, retain, and motivate the best people who are committed to maintaining a career with the bank, and who will perform their roles in the long-term interests of the bank. A vigorous and effective governance framework ensures that the bank operates within the clear parameters of its compensation strategy. Shimanto Bank has a comprehensive pay scale indifferent to all its subsidiaries, regions, and business lines. All compensation matters are overseen by Shimanto Bank Human Resources Division in consultation with the Managing Director & CEO, and Human Resources Committee. The remuneration and compensation is a process-driven system aligned with a structured pay scale and with proportionate growth by evaluating and anchoring the market conditions and through the adjustment of the cost of living. The remuneration and its process are finally approved by the Board of Directors.

b) **Information relating to the design and structure of remuneration processes: Objective of Bank's Compensation policy is:**

- ☐ To ensure a fair reward management system for the employees in line with the Bank's core values and strategic business goals.
- ☐ To provide a competitive pay package compared to the best practices in the Banking industry in the line with bank's current business and portfolio position.
- ☐ To ensure effective governance of compensation.

The structure of remuneration packages for employees of the Bank consists of the following components:

- ☐ Fixed Remuneration;
- ☐ Variable Pay &
- ☐ Employee Benefits



The fixed remuneration is made up of base remuneration including salary and other fixed allowances paid in cash. Fixed remuneration differs from grade to grade and generally changes with promotion/demotion to the higher/lower grades and increments.

Variable pay consists of incentive bonuses paid on the basis of individual performance subject to the annual profit of the Bank. Therefore, individual performance is measured and reviewed against set goals, which include financial and non-financial metrics.

Gratuity Fund and Provident Fund are maintained by the Bank for employees as a future/long-term benefit. Such remunerations differ based on the grade, basic pay, and length of service of an employee.

**(c) Description of the ways in which current and future risks are taken into account in the remuneration processes:**

In the competitive financial sector of Bangladesh, the remuneration system is largely driven by market forces. Due to the intense competition in a crowded market with a large number of participants, compensation packages are restructured more frequently than in other industries. However, such changes can sometimes lead to market distortions, excessive profit motives, and disparities in work-life balance. Nonetheless, Shimanto Bank always strives to design remuneration strategies that reward competitive employees with the compensation packages they truly deserve. Additionally, Shimanto Bank is committed to maintaining internal equity and fair treatment in its compensation system throughout the organization.

**Ways in which measures affect remuneration:**

- Commensuration to individual's performance, desired role in the organization, quality of past experience, quality of training received, and technical competency.
- Fair and Equal for different positions in the bank
- In line with the market dynamics and practices

**(d) Description of the ways in which the bank seeks to link performance:**

Employees' performance is appraised biannually in line with the achieved objectives, which have a positive and direct impact on their pay package. Incentive Bonus is directly linked with the employees' individual rating during their performance evaluation process. These ratings are also key parameters for employees to be considered for promotion.

**(e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance:**

The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. Shimanto Bank believes that individual and team effort and performance should be regularly appreciated and recognized to keep our employees motivated therefore they will give their best efforts. And, more importantly, by recognizing such performance, we reinforce, with our chosen means of recognition, the actions and behaviors, we want Shimanto Bank employees to embrace and repeat the most.

**(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using those different forms:**

Shimanto Bank recognizes the efforts and performance of its employees based on its Compensation and Benefit Policy, which consist of a base salary and different benefits packages. However, there is also a Reward & Recognition system that recognizes exemplary contributions to business achievements and those that inspire and set high-quality services and standards.



#### Quantitative Disclosure:

- (g) **Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its member:**

As per BRPD Circular No-21 dated 12.05.2024, the roles and responsibilities of the Nomination & Remuneration Committee (NRC) have been assigned to the Audit Committee of the Board as per the decision of the 33rd meeting of the Audit Committee held on 27 May 2024. The committee held 04 (four) meetings during the financial year. No fees are paid to the remuneration committee member or for attending such meetings.

- (h) **Number of employees who have received a variable remuneration award during the financial year: NA**  
**Number and the total amount of guaranteed bonuses awarded during the financial year:**

☐ **Festival bonuses:** On average 597 no. employees received 3 festival bonuses amounted BDT 21.17 Million.

- (i) **Total amount of outstanding deferred remuneration, split into cash, shares and share-lined instruments, and other forms:**

Nil

The total amount of deferred remuneration paid out in the financial year:

Nil

- (j) **Breakdown of the amount of remuneration awards for the financial year to show:**

Particulars	BDT in Million
Basic Salary	197.07
Allowances	120.47
Festival Bonus	21.17
Gratuity	23.13
Provident Fund Contribution	12.97
Performance Bonus	16.50
<b>Total</b>	<b>391.31</b>



## MANAGEMENT REVIEW & EVALUATION

1. Retail Banking
2. CMSME Banking
3. Corporate Banking
4. Treasury Management
5. Information Technology: Contribution to Business
6. Corporate Social Responsibility
7. Human Resource: Fostering Excellence
8. Internal Control & Compliance



# 1. Retail Banking

We are pleased to highlight the noteworthy achievements of our retail banking division over the past year, alongside our strategic approach for the future. Despite the fluctuations in the economic landscape and evolving market dynamics, Shimanto Bank has remained steadfast in its commitment to providing exceptional banking services to our clients while fostering growth and innovation.

In 2024, Shimanto Bank PLC achieved a remarkable deposit growth BDT 669.73 crore in our retail banking segment marking a significant advancement compared to previous years. This solid financial performance in retail segment has reinforced our position as one of the leading retail banks in the industries. In terms of assets, we were able to reach the outstanding balance of BDT 338.40 crore in 2024.

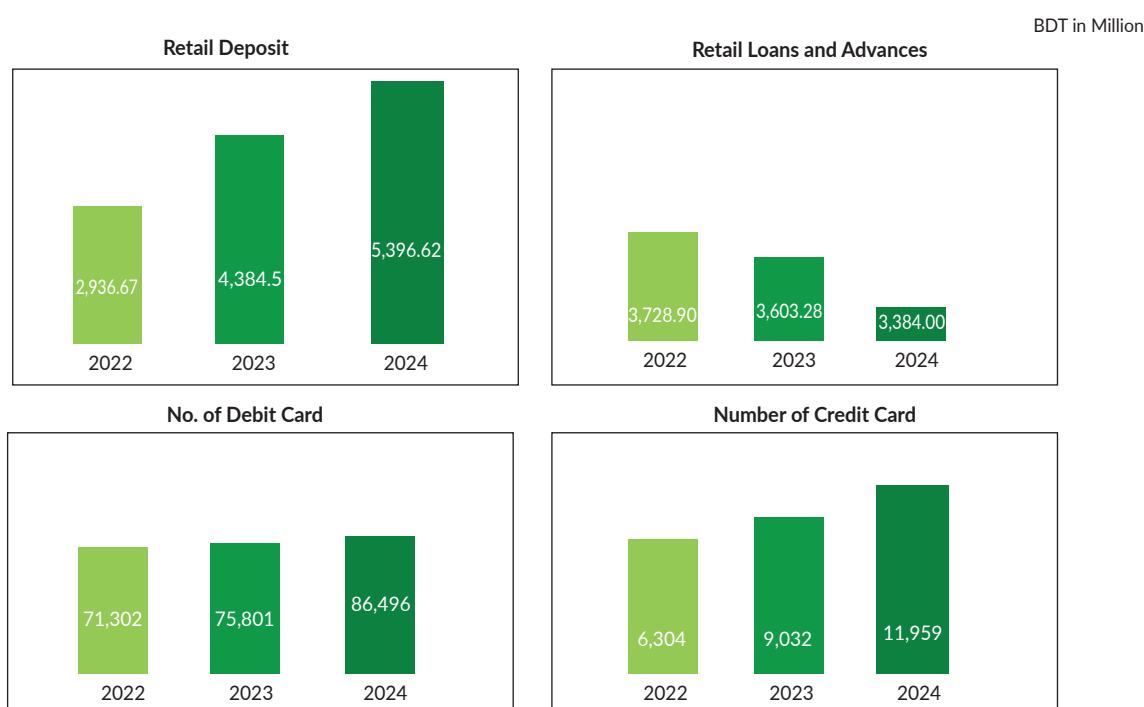
Shimanto Bank's commitment to sustainability has led to many Loan program like SMBL Salary OD, SMBL Personal Loan, SMBL Easy Cash, SMBL Vehicle Loan, SMBL Shimanto Nibash.

We specially designed and developed the product to support our BGB customer to cater to their financial need. We took many initiatives to nourish our BGB customer by providing presentation to all region, sector, battalion and BGB Hospitals. We were reach the outstanding balance of BDT 180.20 crore in the year 2024 in favor of BGB member. Our service towards BGB members is very efficient and impactful for their financial well-being.

In the past year, Shimanto Bank PLC achieved significant advancements in its retail banking sector, enhancing its asset and liability offerings through the introduction of innovative personalized loan products and attractive savings accounts that resonated well with customers. The bank expanded its digital services, leading to a marked increase in online account opening and overall customer engagement, making banking more accessible and convenient. Furthermore, Shimanto Bank's dedication to providing exceptional customer service was reflected in high customer satisfaction ratings, underscoring its commitment to building strong relationships and fostering community trust, thereby solidifying its status as a leading player in retail banking.

## Retail Banking Performance Highlights-2024:

- We have opened 6 branches
- Despite of turbulence of world economy, we have achieved 23.08% growth in our retail deposit portfolio.
- Retail loan Decreased by 6.09%. We have maintained good health of retail portfolio with a negligible rate of NPL (due to political un stability).
- We have completed presentation to all BGB Region, Sector & Battalion.
- Started Auto debit transaction for loan EMI.





- **New Market Segment:** From the beginning we are focusing on rural economy and we truly want to bring the unbanked population of our rural areas specially people living in border areas under our banking services. It needs special attention as well as special arrangements to deliver our services to this unbanked population.
- **Rising competition:** With more and more bank focusing in retail market segment it has become very challenging to penetrate the retail market and thus retaining a competitive position in the market.
- **Risk Management:** Since rules have become more complex and regulators have become less flexible, we need to proactively managing risk, regulations and capital. We need to take an approach that is pragmatic, proactive and increasingly integrated into 'business as usual'. Moreover, we must vigorously monitor the business activities to prevent any fraudulent attempt through a vigilant fraud control unit.

### Retail Banking Goals for 2025:

- To develop a customer-centric business model where bank will invest in improving overall customer experience and transformation of the operating model;
- To develop new product for lower mid-range client like Semi pacca house;
- To optimize distribution offerings at anytime, anywhere, fully utilizing all the channels in an integrated fashion;
- Tie up with premium developers and car vendors;
- To launch digital and virtual products as well as service channels to cater customers instantly;
- On board Retail Asset & Liability Sales Team;
- To penetrate the market more effectively and increase the customer base;
- Enhance customer value proposition through technology-led innovation;
- To become a brand of choice for the customers;
- Onboarding of Tele Sales Unit;
- Open New branches.



A BGB Member was giving her feedback on services of the Bank.



Mr. Sahidul Islam-Head of Business was delivering his speech in the feedback session with the BGB Customers.

We have a wide range of loan products for BGB member like SMBL Education Loan, SMBL Marriage Loan, SMBL Pension Backed Loan, SMBL Shimanto Neer. Everyone dreams of owning a home. To make that dream into a reality, Shimanto Bank PLC. introduced home loan for all types of clients with exclusive benefits to Purchase Flat/Apartment/House for residence, Extension of existing house, New House construction, Renovation of House/flat/apartment, Takeover of existing home loan/home credit/Mortgage loan. Our home loan is fastest processing, hassle free with competitive rate. To Purchase Reconditioned / Brand New vehicles /Motorcycle for personal use only, Loan Limit: BDT 50k – BDT 60 Lac, Tenor: 1 year – 5 Years, Minimum Down Payment: 50%, market competitive rate





In our retail banking wing we have many deposit products Shimanto Sanchay, BGB Payroll, Current Account and monthly benefit deposit scheme, FD products are SMBL TD-1 Month, SMBL TD-3 Month, SMBL TD-6 Month, SMBL TD-1 Year, SMBL TD-2 Year, SMBL TD-3 Year. We have many DPS products like kotipoti scheme, millionaire multi-millionaire scheme, there are some products designed for only Women those are Nari Shonchay, SMBL Nari Saver. For student we have Shimanto student account & Shimanto student DPS. we have SMBL student account and the school banking scheme not only plans to help students and parents with a sizeable amount of savings after a certain period, it also aims to instill the habit of savings from an early age into the students. The scheme will teach kids money management skills that may be useful for the rest of their lives. SMBL Student Banking scheme will help the bank to book its potential customers from the very early age and become their lifetime banking partner. We have designed the below mentioned two savings products as bundle products under Student Banking Scheme are Shimanto Student Account and Shimanto Students DPS.

Shimanto Bank PLC is strategically positioned to capitalize on emerging trends and continue its trajectory of growth and innovation in retail banking. The following key initiatives and trends will guide our efforts:



Mr. Mohammad Masud Sajjad-In Charge, Retail Assets & Liabilities was briefing the BGB Members regarding banking services of the Bank.



BGB Customers and Senior Executives of the Bank present in a feedback session.

We will offer many exciting products for our customers which is already in progress and we are sure all of them will be tailor made and beneficial for our clients. We intend to invest further in advanced technology, including artificial intelligence and data analytics, to enhance our predictive banking capabilities. By leveraging data-driven insights, we aim to provide more personalized offerings and improve our risk management processes. We will also more simplify the process of loan. Planning to create savings account that reward customers for achieving various savings milestones with cash incentives or discounts on loan products. We like to upgrade current accounts to include features like real-time financial tracking, budgeting tools, and subscription service payment.

As regulatory frameworks continue to evolve, Shimanto Bank will maintain its commitment to compliance and risk management. Our proactive strategies will ensure that we adapt to regulatory changes seamlessly while safeguarding our customers' interests. Shimanto Bank is dedicated to promoting financial inclusion.

last but foremost, it has been a pivotal year 2024 for Shimanto Bank PLC, marked by significant achievements and unwavering resilience in our retail banking division. As we look ahead to 2025, our commitment to innovation, customer satisfaction, and sustainable practices will continue to drive our growth and strengthen our position in the banking sector. We are excited about the future and are dedicated to serving our customers and communities with excellence. This year's strategic focus is on enhancing our retail asset and liability products and services to meet evolving customer need and market demands. Our aim is to innovate, improve customer experience, and capitalize on market opportunities through our offerings. We will introduce new products and enhance existing offerings based on customer feedback and market research.

In conclusion, Shimanto Bank PLC's retail banking division has demonstrated robust growth and resilience over the past year, driven by a commitment to innovation and customer-centric services. The bank's strategic focus on enhancing asset and liability products has resulted in increased customer engagement and satisfaction, solidifying trust and loyalty among its clientele. By continuing to prioritize the development of personalized financial solutions and improving digital banking capabilities, Shimanto Bank is well-positioned to navigate future challenges and seize opportunities in the evolving financial landscape, ultimately fostering sustainable growth and success for both the bank and its valued customers.



## 2. CMSME Banking

Micro, Small, and Medium Enterprises (MSMEs) are the key driving force behind many of the large economies worldwide. SMEs provide the necessary foundations for sustained growth and rising income in the less developed and transitional economies. Cottage, Micro Enterprises (CMEs) have been added with Small and Medium Enterprises (SMEs) to enlarge the SME financing scope and to include the root level Cottage, Micro Enterprises (CMEs) under the single financing umbrella. Cottage, Micro, Small and Medium Enterprise (CMSME) financing is a lending portfolio arena of a financial institution that targets the small scale business entities of a country. CMSMEs require borrowing from financial institutions to meet their working capital, business expansion requirement as well as capital machinery and other fixed asset procurement related requirement. Economic as well as technical and social arguments warrant the promotion of CMSMEs as they create large scale, low-cost employment opportunities, use locally available inputs and technologies, mobilize small and scattered private savings, develop entrepreneurship, and correct the regional imbalance in development that exists in developing countries. Although CMSME financing is a challenging landscape, which is one of the reasons behind CMSME loans being relatively smaller in the portfolios of most banks, despite an excellent growth of the sector.

Considering the economic prospects, to capitalize on the CMSME sectors' immense growth potential and focus on meeting the government's central mandate of financial inclusion, Shimanto Bank PLC. started SME Banking since inception of its banking operation. The bank is continuously working on developing various tools and techniques, products and policies, staff and strategies to attract the potential CMSME entrepreneurs of our country.

A number of loan products to meet the working capital and fixed assets related requirement for CMSMEs and specialized deposit products to balance the fund management needs of the CMSME customers have been developed and operative since long. Most of our branch locations are in favorable to reach the CMSME customers and we are focusing more on developing various service propositions to meet the growing needs of our CMSME customers for better market penetration day by day. We are working on maintaining the CMSME portfolio in terms of manufacturing, service, trade, women entrepreneurship, start-up financing. Financial literacy program is also a key strategy to us through which business and financing knowledge development for CMSMEs and farmers can be ensured. After Covid-19 pandemic the year 2020, 2021, 2022 were the most challenging year for the CMSMEs as many of the CMSMEs across the industry are struggling to survive. Repeated closures and various restrictions on people's movement due to coronavirus has severely affected the cash flow of the CMSMEs which will eventually have a huge impact on the loan repayment ability of the CMSMEs. However, we grew well in 2023 and 2024 in CMSME financing with a marking around 41% growth in 2024. A large portion of our CMSME financing has been ensured to rural people through MFI-Linkage CMSME financing in 2024. During the year 2024, we worked on increasing our business area through financing in refinancing/pre-financing package of SME Foundation and Bangladesh Bank to CMSMEs and Agricultural sectors. We also focused on people development for Agricultural and CMSME financing as well as documentations. Furthermore, we have also conducted 08 numbers of financial literacy program countrywide in 2024 covering the CMSME entrepreneurs, women entrepreneurs, farmers, BGB Members and marginal peoples.



Financial Literacy Program and Workshop covering Women Entrepreneurs at Sylhet



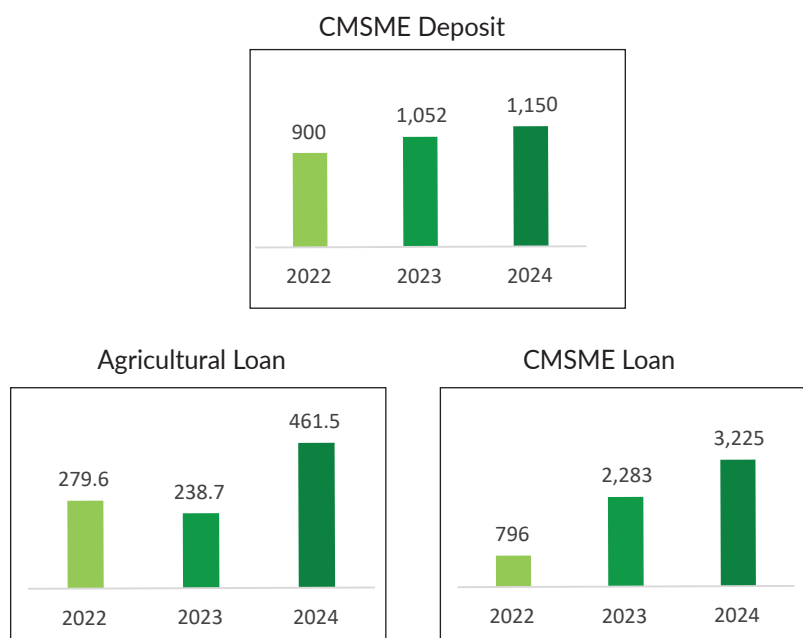
Financial Literacy Program covering CMSME Entrepreneurs at Rangpur



### CMSME Banking Performance Highlights - 2024:

- We have also achieved around 9% growth in CMSME Deposit segment.
- We have achieved around 93% growth in Agricultural Loan segment.
- We have also achieved around 41% growth in CMSME Loan segment.

Million BDT



### Challenges Ahead:

- Recovering from the devastating effect of Covid-19 is the prime challenge for the CMSME sector and banks need to come up with innovative strategies to maintain their portfolio health in CMSME segment.
- Most of the marginal CMSMEs are not aware of managing their financials and record keeping which create problem for the banks judging their financial standings, profitability and credibility.
- CMSMEs are not maintaining proper licensing which make challenges CMSMEs to trace, create problem for the banks maintaining records, and decrease SMEs credibility to the financial institutions.
- Many CMSMEs have failed to adopt modern technology due to the shortage of adequate fund which results in less development in this sector.
- Rising NPL in CMSME sector is making CMSME financing more challenging.

### CMSME Banking goals for 2025:

- To ensure dedicated CMSME support services through dedicated SME Desks in Branch Level.
- To fully utilize the allocated target for CMSME sector under Refinance and Pre-finance Package for CMSMEs.
- To promote women entrepreneurs more in small and medium industries through providing special loans with easy terms and under refinancing scheme of Bangladesh Bank.
- To train-up women entrepreneurs to support and expand their businesses with utmost care.
- To promote sustainable and competitive facilities through innovative development, technological advancement and expansion, enhancing the efficiency of entrepreneurs and marketing the products across the country.
- To promote the marginal/landless farmers, low-income professionals, students and small businessmen in contributing in national economy through developing their professions/ businesses as part of our financial inclusion and Sustainable Development Goals (SDG) initiative.
- To develop own human resources to facilitate qualified acquisition of CMSME Business.
- To make agreements with various organizations for refinancing & pre-financing facilities, as & when required.



## 3. Corporate Banking

### An Overview

Corporate Banking continues to be a cornerstone of revenue generation for the Bank, offering a comprehensive range of customized financial services tailored to the unique needs of corporate clients. These services include loans and advances, trade finance, project finance, and cash management solutions. Our focus remains firmly aligned with the country's GDP growth trajectory and government priorities, particularly emphasizing manufacturing and service sectors—with special attention to anticyclical industries to ensure long-term resilience.

In recent years, public sector investment in key infrastructure domains—power and energy, construction, transport, and communication—has created substantial opportunities for private sector participation. Additionally, the rising demand for consumer and luxury goods, driven by consistent GDP growth over the past decade, has accelerated investment in manufacturing units, emerging as a promising area for corporate financing.

### Sectoral Headwinds: 2024 in Review

Despite the strong fundamentals, 2024 presented formidable challenges for the banking industry in Bangladesh, including:

- A liquidity crisis affecting a number of banks
- Shrinking public confidence amid restricted withdrawals
- High levels of Non-Performing Loans (NPLs) due to tightened classification rules
- Persistent inflationary pressure
- A contractionary monetary policy stance aimed at macroeconomic stability

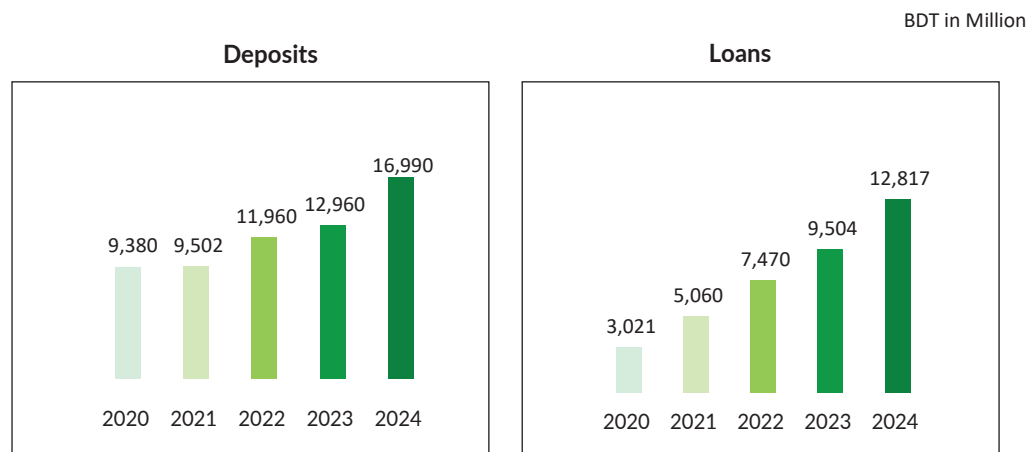
These challenges were exacerbated by the revised default-counting mechanism for term loans and the ongoing regulatory push for strengthening corporate governance and oversight.

### SMBL Corporate Banking: Performance Highlights – 2024

Despite a challenging macroeconomic backdrop, Shimanto Bank's Corporate Banking Division delivered strong and consistent growth:

- Registered 31% growth in the Corporate Deposit segment.
- Achieved 35% growth in the Corporate Loans & Advances portfolio.
- Significant growth in the Trade Finance business.
- Expansion of Payroll Banking offerings.
- Launching of Corporate Internet Banking via the Connect app.

Our dedicated corporate banking team successfully onboarded and financed several large and reputable corporate clients, even amidst subdued credit demand and sluggish overall economic activity.





### Challenges ahead for the Banking Sector (2025 and Beyond):

Looking forward, the banking sector in Bangladesh is expected to navigate several complex and interlinked challenges:

- Persistent Non-Performing Loans and a deeply rooted default culture.
- Weaknesses in corporate governance.
- Capital adequacy constraints in several banks.
- Increased provisioning requirements.
- Liquidity pressure and interest rate volatility.
- Escalating cybersecurity threats with digital expansion.
- Talent shortage and gaps in technical skills.
- Emerging climate and ESG risks.

### Strategic Priorities of Corporate Banking – 2025:

To sustain and expand our momentum, SMBL Corporate Banking has set forth the following strategic priorities:

- Strengthen relationships with existing blue-chip clients and acquire new high-value corporates.
- Stay focused on the manufacturing and service sectors in alignment with GDP drivers.
- Diversify loan portfolio with resilient RMG and other export-oriented clients.
- Target emerging sectors:
  - \* Pharmaceuticals & Healthcare
  - \* Agro-processing & Food
  - \* Renewable Energy & Green Tech
  - \* Electronics and Smart Agriculture
  - \* Economic zones and related supply chains
- Launch a full-featured Cash Management Solution.
- Strengthen financial infrastructure (FI) to support for trade and remittance through digital and structural initiatives.
- Foster partnerships with government bodies, corporate entities, and reputed NGOs.
- Leverage refinancing opportunities from Bangladesh Bank.
- Prioritize asset quality maintenance and NPL control.

### Strategic Intent:

SMBL Corporate Banking aims to position itself as a trusted, agile, and value-driven partner for businesses across Bangladesh. Our strategic intent is rooted in:

- Service excellence and customer satisfaction.
- Balance Sheet optimization.
- Right talent acquisition and Human capital development.
- Strategic Finance & Investment Solutions.
- Comprehensive Product Suite.
- End-to-End Digitization.



## 4. Treasury Management

The Treasury Division of Shimanto Bank PLC. serves as the heart of the organization, ensuring the Bank maintains adequate liquidity in compliance with regulatory requirements while optimizing returns on investment. It plays a vital role in preserving institutional stability and upholding the strength of the overall financial system.

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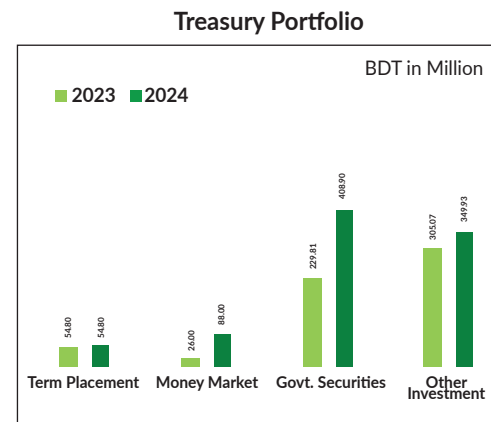
Throughout 2024, the Treasury Department actively participated in the Money Market, Short-Term Placement (STL), Treasury Bills/Bonds, and Capital Market activities. As of 31st December 2024, the investment portfolio comprised:

- Term Placement: BDT 548.00 million
- Call & Short-Term Placement: BDT 880.00 million
- Treasury Bills/Bonds: BDT 4089.04 million
- Other Instruments (including Preference Shares, Mutual Funds, Subordinated Bonds, Commercial Papers, and Zero-Coupon Bonds): BDT 3499.30 million

In addition, the department contributed significantly to Foreign Exchange operations and Capital Market activities in alignment with business requirements.

To mitigate market risks, Shimanto Bank has an Asset Liability Management Committee (ALCO), which closely monitors the Treasury Division's operations. ALCO is responsible for overseeing market risk management and ensuring effective asset-liability alignment across the Bank.

In 2024, the Treasury Department made notable contributions toward enhancing the Bank's profitability. Looking ahead, the department aims to further expand its presence and performance in the Foreign Exchange Market, Fixed Income Securities, Capital Market, and Money Market activities throughout 2025.



## 5. Information Technology: Contribution to Business

In 2024, the Information Technology Division of our Bank remained at the forefront of advancing digital transformation, enhancing operational efficiency, and fostering service innovation. Throughout the year, the division strategically implemented cutting-edge technologies and streamlined core processes to align with the bank's long-term vision of delivering secure, scalable, and customer-centric solutions. Emphasis was placed on modernizing legacy systems, expanding digital banking capabilities, and strengthening cybersecurity measures to meet evolving regulatory and market demands.

### NIKASH Software Implementation

In alignment with Bangladesh Bank's regulatory changes, Shimanto Bank successfully migrated its BEFTN (Bangladesh Electronic Funds Transfer Network) platform to the new NIKASH software system. This migration ensures compliance with central bank requirements while enhancing transaction processing efficiency, security, and system stability.

### RTGS Software Implementation

Following Bangladesh Bank's mandate, Shimanto Bank replaced its existing RTGS (Real Time Gross Settlement) system with the new MONTRAN RTGS software platform. The upgraded system offers superior real-time fund settlement capabilities, improved risk management, and enhanced interoperability with national payment infrastructure.

### Credit Card Payment Module Activation

The Bank introduced the Credit Card Bill Payment Module by Branch, allowing customers to conveniently settle credit card dues directly through branch channels. This initiative simplifies credit card payment processing and enhances customer service efficiency.





### Account Verification System Integration with IBAS++

As part of government payment disbursement initiatives, the Bank integrated an Account Verification System with IBAS++, enabling automated account verification for public sector transactions. This integration supports the government's financial governance objectives while ensuring seamless fund disbursement.

### Fixed Asset & Purchase Requisition Management Software Project

To strengthen internal governance and resource management, Shimanto Bank implemented a comprehensive Fixed Asset & Purchase Requisition Management Software. The system ensures transparency, real-time tracking, and efficient management of the Bank's asset lifecycle and procurement processes.

### Connect Internet Banking V-3 Deployment

To deliver an improved digital experience, the Bank launched Connect Internet Banking V-3. The upgraded platform introduces multichannel access, advanced security features, and a range of new functionalities, offering customers greater convenience and control over their banking needs.

### Generating Value from Technology

In 2024, continued digitalization improved productivity and reduced risks despite growing transaction volumes. Key achievements include full passing of ISO 27001-2022 surveillance audit, Real Time Credit Card bill payment, Utility Bill payment via Internet Banking & Nagad MFS integration.

### Committed to Pleasant Banking and Frictionless Customer Experiences

In 2024, the Bank advanced its resiliency roadmap, ensuring higher availability, security, and reliability of digital services. Ongoing investment in people and technology continues to enhance customer satisfaction.

## 6. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) refers to the commitment to operate ethically, contribute to economic development, and improve the quality of life of people, communities, and the environment. It goes beyond profit-making, emphasizing sustainable business practices that benefit society.

Shimanto Bank has consistently demonstrated its commitment to corporate social responsibility (CSR) by channeling funds into education, healthcare, and climate change adaptation. These initiatives are specifically designed to uplift marginalized communities, ensuring equitable access to opportunities and fostering sustainable development. The primary purpose of the Shimanto Bank's CSR is to make a meaningful and measurable impact in the lives of the economically, physically and socially challenged communities of the country.



A Tree Plantation Program arranged by the Bank led by Mr. Mohammad Azizul Hoque-Head of Operations & CRO.

As part of CSR, Shimanto Bank is committed to contribute to the society to make it more livable. Shimanto Bank wants to bring financial inclusion to the life of margined people of Bangladesh. The Bank is working to make financial service available to the people of remote areas.

Shimanto Bank is contributing in direct and indirect Corporate Social Responsibility (CSR). Our management is always concerned about the allocation pattern which includes education, health, emergency disaster relief, sports and necessary facilities for the underprivileged communities in remote far flung areas.

Shimanto Bank allocates its CSR Expenditure as per the guideline of Bangladesh Bank. Shimanto Bank has allocated mentionable amount of money to different sectors of CSR. As a new bank and within the 9th year of operations our contribution in the field of CSR is praiseworthy.



Details of the CSR donation in 2024 are as follows:

SL	Sector of Donation	Amount in BDT
1	Education	48,35,000
2	Health	24,00,000
3	Environment & Climate Change	186,750
4	Others	92,92,260
Grand Total		1,67,14,010



Shimanto Bank officials were handing over the Water Tanks to the residents of Shyamnagar-Satkhira, worst affected region due to climate change.

## 7. Human Resources: Fostering Excellence

The Human Resources Division of Shimanto Bank PLC. is proud to serve the Bank with unwavering dedication and full compliance. With a distinguished heritage as an enterprise of the Border Guard Bangladesh Welfare Trust, Shimanto Bank PLC. is strategically positioned to redefine excellence within the nation's banking industry. This ambition is propelled by a forward-thinking Board of Directors and a veteran management team, who together cultivate a highly motivated workforce. The Bank is resolute in its objective to establish a benchmark for exemplary corporate governance, aspiring to set a standard for other financial institutions in the country. Having already distinguished itself as a premier institution amongst its contemporaries, Shimanto Bank PLC. remains dedicated to serving a diverse clientele, encompassing all professions and strata of society.

The Human Resources Division serves as the strategic custodian of the Bank's human capital. Our primary mandate is to augment employee performance, ensuring precise alignment with the organisation's overarching strategic objectives. This focus manifests in the scrupulous management of our personnel through the development and implementation of robust policies and systems. The Division's responsibilities encompass the entire employee lifecycle, including benefits design, recruitment, training and development, performance appraisal and reward management.

To maximise employee productivity, our human resources professionals manage the organisation's human capital by instituting effective policies and processes. Our team possesses specialised expertise in critical areas such as recruitment, training, employee relations and benefits administration. Professionals dedicated to training and development ensure that all employees benefit from comprehensive and continuous professional growth, facilitated through structured programmes, performance evaluations and recognition initiatives. Concurrently, our employee relations function diligently addresses employee concerns and upholds strict adherence to corporate policies.

In pursuit of the Bank's vision, the Human Resources Division has adopted the following strategies:

- Identifying and recruiting the most suitable talent.
- Managing and developing our employees in a strategic manner.
- Aligning each role with the overarching business strategy.
- Fostering a corporate culture that reinforces our commitment to our customers.



A central strategic objective for the Human Resources Division is to position Shimanto Bank PLC. as an 'employer of choice'. This involves a concerted effort to retain our most valuable talent through the execution of enhanced strategies. Key initiatives include the establishment of a comprehensive talent review process, the implementation of a programme for high-potential individuals, the identification and evaluation of critical drivers for employee engagement, the formalisation of an exit interview process and the development of a leadership curriculum focused on strategy, financial acumen and problem-solving. Reflecting this commitment, the Bank, within its brief operational history, has facilitated a multitude of training programmes for its employees:

- Fake Note Detection & Fraud Awareness
- Anti-Money Laundering & Counter Financing Terrorism
- Service Delivery Excellence
- Credit Risk Management
- International Trade Finance
- Operational Risk
- Foreign Exchange Transactions Reporting
- Business Performance Analysis
- BAMLCO & DAMLCO Conference 2024
- Internal Control & Compliance
- EKYC Software
- National Integrity Strategy
- Gender Equality Awareness Program
- CMSME Cluster Financing
- Preparation of Trade Transaction Profile
- Training on Core Banking System
- Information Security Awareness Program



A Health Camp organized by the Bank for employees.

Building upon the successful execution of numerous pivotal projects and as part of our ongoing commitment to augmenting human resources effectiveness, the Division concentrated on several key initiatives throughout 2024. Central to this effort is the implementation of a comprehensive Human Resources Information System (HRIS), a strategic measure designed to align with leading industry standards and, when implemented completely, will provide streamlined, efficient services to our employees. Our focus also encompassed the following areas:

- Succession Planning
- Foundation Training
- Talent Acquisition and Retention
- Policy Formation and Implementation
- Employee Engagement Programs
- Various Awareness Programs

The Human Resources Division of Shimanto Bank PLC. remains resolute in its commitment to the sustainable development of the nation's human resources. To this end, the Division continuously endeavours to attract and recruit premier talent, foster their professional development and ensure their retention. By cultivating their potential within a congenial and supportive working environment, we contribute not only to the success of the Bank but also to the broader advancement of our national workforce.

## 8. Internal Control & Compliance

Banking sector is very important to the national economy as well as to the international economy. The issue of effective internal control system, compliance and corporate governance has become significant to ensure smooth performance of the operations of the Bank. Internal Control is the process, effected by a company's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies.

Shimanto Bank PLC has established an appropriate and effective internal control environment through the Board of Directors, Management, an independent audit mechanism and procedural controls in order to ensure that the Bank



is managed and controlled in a sound and prudent manner. The Bank identifies its weakness through the internal control system and takes appropriate measures to overcome the weaknesses. The Board of Directors of the Bank has established an Audit Committee. The Audit Committee monitors the effectiveness of internal control system of the Bank. Management of the Bank takes appropriate actions as per the recommendations of the Bangladesh Bank's Inspection Team, External Auditors and Internal Auditors.

The Bank has its internal control & compliance Policy and implemented robust Risk Based Internal Audit (RBIA) methodology. Risk assessment by internal control focuses on ensuring compliance with the Bank's policies, together with regulatory requirements as per core risk guidelines and different circulars of Bangladesh Bank and other regulatory requirements. In this way, Internal Control & Compliance plays its pivotal role both as a watchdog as well as a facilitator of the Bank's sustainable growth.

The Compliance Unit looks after compliance activities of different divisions and branches. The compliance objectives of internal control refer to ensure that the bank stays in compliance with all applicable laws and regulations. The compliance unit is responsible for ensuring compliance with applicable laws, regulations, policy and guidelines of relevant regulatory authorities (BB, NBR, BSEC etc.). The compliance unit maintains liaison with the regulators at all levels and notifies relevant internal division/ departments regarding any change of regulatory instruction.

Bangladesh Bank has conducted core risk inspection on Foreign Exchange Management, surprise inspection on Lalmonirhat Branch, Chuadanga Branch, Pragpur Branch and Khulna Branch in 2024 and submitted inspection reports. Bangladesh Bank also conducted Comprehensive Inspection on CMSME of Principal Branch as on 30-06-2024 and submitted the report. Compliance Unit submitted all compliance reports to Bangladesh Bank. Financial Statement-2024 has been finalized after a Tripartite meeting held among Bangladesh Bank, External Auditors and the Management of the Bank. All audit observations are compiled meticulously by Compliance Unit.

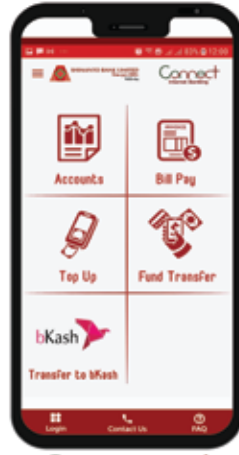
Governance is the combination of processes and structures implemented by the Board to inform, direct, manage and monitor the activities of the organization towards the achievement of its objectives. For reinforce, effective governance:

- Starts at the top with the Board of Directors and cascades throughout the organization to all employees.
- Involves critical relationships among the Board, Senior Management and Shareholders
- Encompasses organizational structure as well as the related legal and regulatory environment
- Balances economic and social goals
- Extends to all organizational stakeholders including but not limited to customers, suppliers, partners, creditors and the general community.

Corporate governance is fundamental to the gaining of stakeholders' trust. Shimanto Bank's commitment to all stakeholders is reflected in our Management culture that embraces the higher standards of corporate governance we maintain. The Board of Directors of Shimanto Bank has a separate role from Executive Management in governing the organization. The Board approves strategic policies and decisions, establishes appropriate boundaries, oversees execution and ensures accountability, fairness and transparency. Executive Management aligns strategy, processes, people, reporting and technology to accomplish the organization's mission in accordance with its established values. An important aspect of the delineation of responsibilities between the Board and Management is the setting of boundaries, which provide a broad context for balancing the organization's objectives and performance goals for creating enterprise value with the policies, processes and control systems deemed appropriate to preserve enterprise value.

The Board of Directors has always been deeply committed to establishing the highest levels of ethics and compliance among all employees of the bank. It has always encouraged the Management to ensure that everyone maintains high ethical standards within the bank. The bank's philosophy on corporate governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealing with shareholders, employees, regulators and other relevant stakeholders. By doing so, the bank demonstrates its understanding and respects its fiduciary roles and responsibilities to shareholders.





Connect  
Internet Banking

সীমান্ত ব্যাংক ইন্টারনেট ব্যাংকিং  
কানেক্ট-এর মাধ্যমে bKash একাউন্টে  
টাকা আনুন যেকোনো সময়



শর্ত প্রযোজ্য

বিদেশে উপার্জিত অর্থ  
স্বদেশে আনুন খুব সহজে



সীমান্ত ব্যাংকের সকল শাখা এবং উপশাখা থেকে মানিগ্রাম এর মাধ্যমে  
প্রবাসীদের পাঠানো রেমিট্যান্স নিরাপদে ও দ্রুততার সাথে গ্রহণ করুন।



কর্পোরেট ইন্টারনেট ব্যাংকিং  
**কানেক্ট প্লাস: স্মার্ট ব্যাংকিং, স্মার্ট ব্যবসা**  
 নিরাপদ ও সুরক্ষিত অনলাইন ব্যাংকিং-এর বিশ্বস্ত সঙ্গী।

কর্পোরেট গ্রাহকদের দোরগোড়ায় অনলাইন ব্যাংকিং সেবা পৌঁছে দেয়ার লক্ষ্যে  
 সীমান্ত ব্যাংক নিয়ে এলো “কানেক্ট প্লাস” কর্পোরেট ইন্টারনেট ব্যাংকিং।

- সীমান্ত ব্যাংক একাউন্টে ফান্ড ট্রান্সফার  
(এক বা একাধিক একাউন্টে একসাথে পেমেন্ট সুবিধা)
- ইএফটিএন, আরটিজিএস ফান্ড ট্রান্সফার  
(এক বা একাধিক একাউন্টে একসাথে পেমেন্ট সুবিধা)
- এমপ্লয়ি স্যালারী পেমেন্ট
- এফডিআর একাউন্ট ওপেনিং
- এলসি ওপেনিং রিকোয়েস্ট
- একাউন্ট স্টেটমেন্ট ডাউনলোড
- লিমিট ওয়াইজ একাধিক অনুমোদনকারী  
দ্বারা লেনদেন অনুমোদন



“কানেক্ট প্লাস” কর্পোরেট ইন্টারনেট ব্যাংকিং এর মাধ্যমে কর্পোরেট গ্রাহকগণ ২৪/৭ ফান্ড ট্রান্সফার (একসাথে এক বা একাধিক একাউন্টে টাকা পাঠানোর সুবিধা), বিল পরিশোধ, কর্মচারীদের বেতন-ভাতা পরিশোধ, ঋণ সম্পর্কিত তথ্য অনুসন্ধান, এফডিআর একাউন্ট খোলা, এলসি (লেটার অফ ক্রেডিট) ব্যবস্থাপনা, পেমেন্ট অনুমোদন (লিমিট ওয়াইজ একাধিক অনুমোদনকারী দ্বারা লেনদেন অনুমোদন), স্টেটমেন্ট ডাউনলোড (আর্থিক প্রতিবেদন এবং লেনদেনের রেকর্ড) ও অ্যাকাউন্ট ব্যালেন্স এবং লেনদেন নিরীক্ষণ করতে পারবেন খুব সহজে, নিরাপদে ও দ্রুততার সাথে।



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# Independent Auditor's Report & Audited Financial Statements

As at and for the year ended 31 December 2024



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Shimanto Bank PLC.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Shimanto Bank PLC. (the "Bank"), which comprise the balance sheet as at 31 December 2024 and the profit and loss account, cash flows statement and statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Bank give a true and fair view of the financial position of the Bank as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.01.

#### Basis for Opinion

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

#### Other Matter

The financial statements of Bank as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on April 29, 2024.

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



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

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 2.01, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 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.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the bank's financial reporting process.

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

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

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

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

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



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

### Report on other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes 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 Auditors' Responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and Internal Control:
  - i) internal audit, internal control and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate;
  - ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities.
- c) in our opinion, proper books of account as required by law have been kept by the bank so far as it appeared from our examination of those books;
- d) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- e) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of accounts and returns;
- f) the 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;
- g) adequate provisions have been made for loans and advance and other assets which are in our opinion, doubtful of recovery as explained in Note 8.13;
- h) the information and explanations required by us have been received and found satisfactory;
- i) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 1400 person hours; and
- j) capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

**Hasan Mahmood FCA, Partner**

Enrollment Number: 564

**M. J. ABEDIN & CO.**

Chartered Accountants

Firm Enlistment No: CAF-001-111

DVC No : 2505260564AS754491

Dated, Dhaka  
25 May 2025



## Shimanto Bank PLC.

### Balance Sheet

As at 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>Property and Assets</b>			
<b>Cash</b>	4.00	1,568,118,833	1,203,570,020
Cash in Hand (Including Foreign Currency)	4.01	493,272,800	351,213,043
Balance with Bangladesh Bank and its Agent Bank's (Including Foreign Currency)	4.02	1,074,846,033	852,356,977
<b>Balance with Other Banks and Financial Institutions</b>	5.00	826,131,019	736,896,791
In Bangladesh	5.01	582,885,511	570,863,784
Outside Bangladesh	5.02	243,245,508	166,033,007
<b>Money at Call on Short Notice</b>	6.00	880,000,000	260,000,000
<b>Investments</b>	7.00	7,774,761,545	5,535,148,826
Government	7.01	4,089,368,138	2,298,324,968
Others	7.02	3,685,393,407	3,236,823,858
<b>Loans and Advances</b>	8.00	20,341,282,630	16,014,791,094
Loans, Cash Credits, Overdrafts etc.	8.01	20,341,282,630	16,014,791,094
Bills Purchased and Discounted	8.02	-	-
<b>Fixed Assets Including Premises, Furniture and Fixtures</b>	9.00	384,778,210	429,690,907
<b>Other Assets</b>	10.00	1,237,627,258	1,035,346,512
<b>Non-Banking Assets</b>		-	-
<b>Total Assets</b>		33,012,699,495	25,215,444,150
<b>Liabilities and Capital</b>			
<b>Liabilities</b>			
<b>Borrowings from Other Banks, Financial Institutions and Agents</b>	11.00	33,500,890	49,768,850
<b>Deposits and Other Accounts</b>	12.00	25,338,894,039	18,641,585,763
Current Deposits and Other Accounts		926,782,826	684,445,216
Bills Payable		597,422,139	259,913,863
Savings Bank Deposit Accounts		1,886,658,703	1,567,634,859
Special Notice Deposits Accounts		4,921,445,991	3,416,997,623
Fixed Deposit Accounts		16,522,260,342	12,436,820,619
Other Deposits		484,324,038	275,773,583
<b>Other Liabilities</b>	13.00	1,868,241,969	1,442,478,649
<b>Total Liabilities</b>		27,240,636,898	20,133,833,262
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		5,772,062,597	5,081,610,888
Paid-up Capital	14.02	5,000,000,000	4,530,000,000
Statutory Reserve	15.00	510,129,253	375,712,142
Retained Earnings	16.00	257,030,669	168,868,435
Other Reserves	17.00	4,902,675	7,030,311
<b>Total Liabilities and Shareholders' Equity</b>		33,012,699,495	25,215,444,150




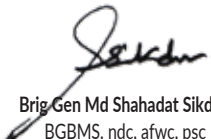
## Shimanto Bank PLC. Balance Sheet

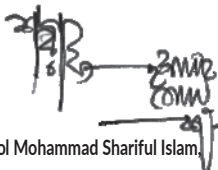
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>Off-Balance Sheet Items</b>			
Contingent Liabilities	18.00	1,915,874,185	1,027,411,773
Acceptances and Endorsements	18.01	252,079,536	133,092,256
Letters of Guarantee	18.02	1,347,205,696	696,598,450
Letters of Credit	18.03	190,368,226	193,772,497
Bills for Collection	18.04	126,220,727	3,948,570
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		1,915,874,185	1,027,411,773
Net Asset Value (NAV) per Share [Restated: 2023]	41.00	11.86	11.01

The annexed notes from 1 to 47 form an integral part of these financial statements.

  
Major General Mohammad Ashrauzzaman Siddiqui  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman

  
Brig Gen Md Shahadat Sikder  
BGBMS, ndc, afwc, psc  
Director

  
Col Mohammad Shariful Islam,  
psc  
Director

  
Rafiqul Islam  
Managing Director & CEO

This is the balance sheet referred to in our separate report of even date.

Dated, Dhaka  
25 May 2025

  
**M. J. ABEDIN & CO.**  
Chartered Accountants  
Firm Enlistment No: CAF-001-111  
DVC No : 2505260564AS754491





## Shimanto Bank PLC. Profit and Loss Account

For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		Jan-Dec' 2024	Jan-Dec' 2023
Interest Income	20.00	2,133,549,810	1,393,335,133
Interest paid on Deposits and Borrowings etc	21.00	(1,400,831,075)	(886,237,237)
<b>Net Interest Income</b>		<b>732,718,735</b>	<b>507,097,896</b>
Investment Income	22.00	548,534,320	440,900,517
Commission, Exchange and Brokerage	23.00	24,070,347	14,934,433
Other Operating Income	24.00	139,177,535	89,985,331
		<b>711,782,202</b>	<b>545,820,281</b>
<b>Total Operating Income (a)</b>		<b>1,444,500,937</b>	<b>1,052,918,177</b>
Salaries and Allowances	25.00	391,311,650	330,567,391
Rent, Taxes, Insurance, Electricity etc.	26.00	57,637,842	50,113,693
Legal Expenses	27.00	2,853,880	3,433,540
Postage, Stamp, Telecommunication etc.	28.00	14,242,480	12,163,115
Stationery, Printings, Advertisements etc.	29.00	11,587,530	10,239,998
Chief Executive's Salary and Fees	30.00	10,823,636	9,889,295
Directors' Fees	31.00	1,860,049	1,486,935
Auditors' Fees	32.00	402,500	494,500
Charges on Loan Losses		-	-
Depreciation and Repairs of Bank's Assets	33.00	114,003,344	113,068,856
Other Expenses	34.00	132,902,051	100,024,489
<b>Total Operating Expenses (b)</b>		<b>737,624,962</b>	<b>631,481,812</b>
<b>Profit before Provision (c = (a-b))</b>		<b>706,875,975</b>	<b>421,436,365</b>
<b>Provision for:</b>			
Provision for Loans and Advances	35.00	16,300,522	41,105,204
Provision for Diminution in Value of Investments	36.00	5,669,263	15,200
Other Provisions	37.00	12,820,636	4,501,811
<b>Total Provision (d)</b>		<b>34,790,421</b>	<b>45,622,215</b>
<b>Profit before Taxation(e=c-d)</b>		<b>672,085,554</b>	<b>375,814,150</b>
<b>Provision for Taxation (f)</b>	38.00	<b>274,726,931</b>	<b>129,012,828</b>
Current Tax Expenses	38.01	286,072,471	128,054,624
Deferred Tax Expenses/(Income)		(11,345,540)	958,204
<b>Net Profit after Taxation (g=e-f)</b>		<b>397,358,623</b>	<b>246,801,322</b>
<b>Appropriations:</b>			
Statutory Reserve	39.00	134,417,111	75,162,830
General Reserve	15.00	-	-
Start-Up Fund	13.08	3,973,586	2,468,013
Climate Risk Fund	13.09	2,305,692	2,468,013
		<b>140,696,389</b>	<b>80,098,856</b>
<b>Retained Surplus</b>		<b>256,662,234</b>	<b>166,702,466</b>
<b>Earnings per Share (EPS) [Restated: 2023]</b>	40.00	<b>0.82</b>	<b>0.53</b>

The annexed notes from 1 to 47 form an integral part of these financial statements.

  
Major General Mohammad Ashrafuzzaman Siddiqui  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman

  
Brig Gen Md Shahadat Sikder  
BGBMS, ndc, afwc, psc  
Director

  
Col Mohammad Shariful Islam  
psc  
Director

  
Rafiqul Islam  
Managing Director & CEO

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



**M. J. ABEDIN & CO.**  
Chartered Accountants

Firm Enlistment No: CAF-001-111  
DVC No : 2505260564AS754491

Dated, Dhaka  
25 May 2025




## Shimanto Bank PLC.


### Cash Flow Statement


For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		Jan-Dec' 2024	Jan-Dec' 2023
<b>A. Cash Flows from Operating Activities</b>			
Interest Receipts in Cash		2,136,713,220	1,405,910,409
Interest Payments		(1,247,556,577)	(811,745,963)
Dividend Receipts		140,328,648	208,116,664
Income from Investment		299,779,188	220,074,321
Fees and Commission Receipts in Cash		24,070,347	14,934,433
Cash Payments to Employees		(402,135,286)	(340,456,686)
Cash Payments to Suppliers		(11,587,530)	(10,239,998)
Income Taxes Paid		(167,235,305)	(162,748,020)
Receipts from Other Operating Activities		119,835,894	82,290,132
Payments for Other Operating Activities	44.00	(212,959,015)	(169,141,151)
<b>(I) Operating Profit before Changes in Operating Assets and Liabilities</b>		<b>679,253,583</b>	<b>436,994,141</b>
<b>Change in Operating Assets and Liabilities</b>			
Loans and Advances to Customers		(4,326,491,536)	(3,482,944,643)
Other Assets	42.00	(30,389,229)	(5,352,526)
Deposits from Customers		6,527,765,817	1,888,519,021
Other Liabilities	43.00	210,573,553	296,773,346
<b>(II) Cash Generated from Operating Assets and Liabilities</b>		<b>2,381,458,605</b>	<b>(1,303,004,802)</b>
<b>Net Cash Flow from/(used in) Operating Activities (A)=(I)+(II)</b>		<b>3,060,712,188</b>	<b>(866,010,661)</b>
<b>B. Cash Flows from Investing Activities</b>			
Payments for Purchase of Government Securities		(1,793,064,505)	(236,438,544)
Proceeds from Sale of Other Securities		(448,569,549)	62,201,643
Purchase of Property, Plant and Equipment		(66,030,434)	(309,138,614)
<b>Net Cash from/(used in) Investing Activities (B)</b>		<b>(2,307,664,488)</b>	<b>(483,375,515)</b>
<b>C. Cash Flows from Financing Activities</b>			
Dividend Paid		-	-
Receipts from Issue of Ordinary Share		301,500,000	-
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>		<b>301,500,000</b>	<b>-</b>
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>1,054,547,700</b>	<b>(1,349,386,176)</b>
<b>E. Cash and Cash Equivalents at the beginning of the year</b>		<b>2,200,689,511</b>	<b>3,542,380,488</b>
<b>F. Effects of Exchange Rate Changes on Cash and Cash Equivalent</b>		<b>19,341,641</b>	<b>7,695,199</b>
<b>G. Cash and Cash Equivalents at the end of the year (*)</b>		<b>3,274,578,852</b>	<b>2,200,689,511</b>
<b>(*) Cash and Cash Equivalents at the end of the year:</b>			
Cash in Hand (Including Foreign Currency)	4.01	493,272,800	351,213,043
Balance with Bangladesh Bank and its Agent Bank's (Including Foreign Currency)	4.02	1,074,846,033	852,356,977
Balance with other Banks and Financial Institutions	5.00	826,131,019	736,896,791
Money at Call on Short Notice	6.00	880,000,000	260,000,000
Prize Bonds		329,000	222,700
		<b>3,274,578,852</b>	<b>2,200,689,511</b>

The annexed notes from 1 to 47 form an integral part of these financial statements.

  
Major General Mohammad Ashrafuzzaman Siddiqui  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman

  
Brig Gen Md Shahadat Sikder  
BGBMS, ndc, afwc, psc  
Director

  
Col Mohammad Shariful Islam  
psc  
Director

  
Rafiqul Islam  
Managing Director & CEO

Dated, Dhaka  
25 May 2025



**Shimanto Bank PLC.**  
**Statement of Changes in Equity**  
For the year ended at 31 December 2024

Particulars	Amount in Taka				
	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total Shareholders' Equity
<b>Balance as at 01 January 2024</b>	<b>4,530,000,000</b>	<b>375,712,142</b>	<b>7,030,311</b>	<b>168,868,435</b>	<b>5,081,610,888</b>
Net profit after tax for the year	-	-	-	397,358,623	397,358,623
Stock Dividend	168,500,000	-	-	(168,500,000)	-
Issue of Share Capital	301,500,000	-	-	-	301,500,000
Surplus on account of revaluation of investments	-	-	(2,127,636)	-	(2,127,636)
Start-Up Fund for the year of 2024	-	-	-	(3,973,586)	(3,973,586)
Climate Risk Fund for the year of 2024	-	-	-	(2,305,692)	(2,305,692)
Statutory Reserve	-	134,417,111	-	(134,417,111)	-
<b>Balance as at 31 December 2024</b>	<b>5,000,000,000</b>	<b>510,129,253</b>	<b>4,902,675</b>	<b>257,030,669</b>	<b>5,772,062,597</b>

Particulars	Amount in Taka				
	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total Shareholders' Equity
<b>Balance as at 01 January 2023</b>	<b>4,380,000,000</b>	<b>300,549,312</b>	<b>17,152,486</b>	<b>152,165,969</b>	<b>4,849,867,767</b>
Net profit after tax for the year	-	-	-	246,801,322	246,801,322
Stock Dividend	150,000,000	-	-	(150,000,000)	-
Surplus on account of revaluation of investments	-	-	(10,122,175)	-	(10,122,175)
Start-Up Fund for the year of 2023	-	-	-	(2,468,013)	(2,468,013)
Climate Risk Fund for the year of 2023	-	-	-	(2,468,013)	(2,468,013)
Statutory Reserve	-	75,162,830	-	(75,162,830)	-
<b>Balance as at 31 December 2023</b>	<b>4,530,000,000</b>	<b>375,712,142</b>	<b>7,030,311</b>	<b>168,868,435</b>	<b>5,081,610,888</b>

The annexed notes from 1 to 47 form an integral part of these financial statements.

**Major General Mohammad Ashrafuzzaman Siddiqui**  
 OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
 Chairman

**Brig Gen Md Shahadat Sikder**  
 BGBMS, ndc, afwc, psc  
 Director

**Col Mohammad Shariful Islam**  
 psc  
 Director

**Rafiqul Islam**  
 Managing Director & CEO



**Shimanto Bank PLC.**  
**Liquidity Statement**  
(Assets and Liabilities Maturity Analysis)  
As at 31 December 2024

Particulars	Amount in Taka					Total
	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	
Assets						
Cash in Hand (Including Balance with Bangladesh Banks and its Agent Banks)	1,568,118,833	-	-	-	-	1,568,118,833
Balance with Other Banks and Financial Institutions	826,131,019	-	-	-	-	826,131,019
Money at Call on Short Notice	880,000,000	-	-	-	-	880,000,000
Investments	329,000	231,096,484	1,376,454,900	3,956,847,570	2,210,033,591	7,774,761,545
Loans and Advances	2,158,737,469	2,386,848,854	7,709,714,670	6,248,423,625	1,837,558,012	20,341,282,630
Fixed Assets Including Premises, Furniture and Fixtures	96,194,553	115,433,463	88,498,988	57,716,732	26,934,474	384,778,210
Other Assets	309,406,815	371,288,177	284,654,269	185,644,089	86,633,908	1,237,627,258
Non-Banking Assets	-	-	-	-	-	-
Total Assets (a)	5,838,917,689	3,104,666,978	9,459,322,827	10,448,632,016	4,161,159,985	33,012,699,495
Liabilities						
Borrowings from Other Banks, Financial Institutions and Agents	-	-	33,500,890	-	-	33,500,890
Deposits and Other Accounts	4,242,325,443	4,351,592,949	11,442,866,844	3,921,285,035	1,380,823,768	25,338,894,039
Other Liabilities	653,884,690	467,060,492	280,236,295	242,871,456	224,189,036	1,868,241,969
Total Liabilities (b)	4,896,210,133	4,818,653,441	11,756,604,029	4,164,156,491	1,605,012,804	27,240,636,898
Net Liquidity Surplus/Gap (a-b)	942,707,556	(1,713,986,463)	(2,297,281,202)	6,284,475,525	2,556,147,181	5,772,062,597

The annexed notes from 1 to 47 form an integral part of these financial statements.

Major General Mohammad Ashrafuzzaman Siddiqui  
OSP, BSP, SUP, BGBM, ndc, psc, MPhil  
Chairman

Brig Gen Md Shahadat Sikder  
BGBMS, ndc, afwc, psc  
Director

Col Mohammad Shariful Islam  
psc  
Director

Rafiqul Islam  
Managing Director & CEO

Dated, Dhaka  
25 May 2025



## **Shimanto Bank PLC.**

### **Notes to the Financial Statements**

**As at and for the year ended 31 December 2024**

#### **1.00 The Bank and its activities**

##### **1.01 Legal form of the bank**

Shimanto Bank PLC. (hereinafter referred to as “the Bank” or “SMBL”) is a scheduled commercial bank established under the Banking Companies Act, 1991 (amended up to date) and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 14 July 2016 with the primary objective to carry on all kinds of banking business within and outside the boundary of Bangladesh. The Bank has Twenty Six (26) branches and Seven (07) sub-branches operating in Bangladesh and the Bank has no overseas branch as at 31 December 2024.

The registered office of the Bank is located at Shimanto Shamvar (Level-7), Road-02, Bir Uttam M. A. Rob Sarak, Shimanto Square, Dhanmondi, Dhaka-1205.

##### **1.02 Principal activities**

The principal activities of the Bank are to provide full range of banking services that include deposit collection, disbursement of loans and advances, providing national and international remittance facilities, providing LC and LG facilities etc.

#### **2.00 Basis of preparation of financial statements and significant accounting policies**

##### **2.01 Statement of compliance**

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

The financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs), including IASs as adopted by the Financial Reporting Council (FRC) under the Financial Reporting Act 2015 (FRA) and the requirements of the Bank Company Act 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, Income Tax Act 2023, Value Added Tax and Supplementary Duty Rules 2016. In case any requirement of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank regulations shall prevail.

**Material departures from the requirement of IFRS are as follows:**

##### **i) Presentation of financial statements**

**IFRS:** As per IAS 1 a complete set of financial statements comprises statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows, adequate notes comprising summary of accounting policies and other explanatory information. As per Para 60 of IAS 1, the entity shall also present current and non-current assets and current and non-current liabilities as separate classifications in its statement of financial position.

**Bangladesh Bank:** The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, changes in equity, liquidity statement) and certain disclosures therein are guided by the ‘First Schedule’ (section 38) of the Banking Companies Act, 1991 (amended up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.



#### ii) Investments in shares and securities

**IFRS:** As per requirements of IFRS 9 investment in shares and securities generally falls under 'at Fair Value Through Profit or Loss (FVTPL)' or Fair Value Through Other Comprehensive Income (FVTOCI) where any change in the fair value (as measured in accordance with IFRS 13 Fair Value Measurement) at the year end is taken to profit and loss account or revaluation reserve respectively.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, investments in quoted 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.

#### iii) Revaluation gains/losses on Government securities

**IFRS:** As per the requirement of IFRS 9, where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

**Bangladesh Bank:** According to DOS circular no. 05 dated 26 May 2008 and subsequent clarification in DOS circular no. 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

#### iv) Provision on loans and advances

**IFRS:** As per the requirement of IFRS 9, an entity should carry out the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017 and BRPD circular no. 15 dated 27 September 2017 and subsequent circulars issued till 2023, a general provision at 0.25% to 5% under different categories of unclassified loans (standard/SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad/losses loans 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. 14 dated 23 September 2012, BRPD circular no. 07 dated 21 June 2018 and BRPD circular no. 13 dated 18 October 2018, a general provision at 1% is required to be provided for all off-balance sheet exposures. Besides, BRPD circular no 50, dated 14 December 2021, a special general provision COVID-19, @2% is required to be provided for deferral loans. Such provision policies are not specifically in line with those prescribed by International Financial Reporting Standards (IFRS) 9: Financial Instruments.

#### v) Other comprehensive income and appropriation of profit

**IFRS:** As per the requirements of IAS 1 Presentation of Financial Statements, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income Statement. IFRSs do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

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

#### vi) Financial instruments – presentation and disclosure

As per BB guidelines, in certain cases financial instruments are categorized, recognized, measured and presented differently from those prescribed in IFRS 9: Financial Instruments and IFRS 7 Financial Instruments: Disclosures. As such full disclosure and presentation requirements of IFRS 7 is not made in the financial statements.

#### vii) Financial guarantees

**IFRS:** As per IFRS 9, 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 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 and the loss allowance determined as expected credit loss method under IFRS 9. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, 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.

#### **viii) Cash and cash equivalent**

**IFRS:** As per the requirement of IAS-7: Statement of cash flows, cash and cash equivalent items should be reported as cash item.

**Bangladesh Bank:** Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

#### **ix) Non-banking assets**

**IFRS:** No indication of non-banking assets is found in any IFRSs.

**Bangladesh Bank:** As per BRPD Circular No. 14, dated 23 June 2003, there must exist a face item named Non-Banking Asset which has to be recognized as per BRPD Circular No. 22, dated 20 September 2021.

#### **x) Cash flow statement**

**IFRS:** Cash flow statement can be prepared either in direct method or indirect method. The presentation method is selected to present cash flow information in a manner that is most suitable for the business or industry. Whichever method selected should be applied consistently.

**Bangladesh Bank:** As per BRPD circular no 14, dated 25 June 2003, cash flow statement is to be prepared following a mixture of direct and indirect method.

#### **xi) Presentation of intangible asset**

**IFRS:** Intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

**Bangladesh Bank:** There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

#### **xii) Balance with Bangladesh Bank: (Cash Reserve Requirement)**

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

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

#### **xiii) Off-balance sheet items**

**IFRS:** There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

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

#### **xiv) Loans and advances net of provision**

**IFRS:** Loans and advances should be presented net of provision.

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

### **2.02 Basis of measurement**

Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' are measured weekly using 'mark to market' concept with gain credited to revaluation reserve but loss charged to Profit and Loss Account.

Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' are amortized each year with resulting gain credited to revaluation reserve but loss charged to Profit and Loss Account.

Zero coupon bond at present value using amortization concept.



### **2.03 Functional and presentation currency**

These financial statements are presented in Bangladeshi Taka (BDT), which is the Bank's functional and presentation currency. All financial information presented in Taka has been rounded off to the nearest Taka except when otherwise indicated.

### **2.04 Use of estimates and judgments**

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results 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. The most significant areas where estimates and judgements have been made are on provision for loans and advances, income tax, deferred tax, employee benefits and liquidity statement. Key estimates include:

- (i) Provision for loan and advances
- (ii) Provision for Income tax
- (iii) Provision for gratuity
- (iv) Depreciation of fixed assets
- (v) Amortization of Intangible assets
- (vi) Employee benefits
- (vii) Commitments
- (viii) Contingencies

### **2.05 Foreign currency transaction**

Transactions in foreign currencies are translated at the exchange rate prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rate prevailing at the date of statement of financial position. Foreign currency differences are generally recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of translations.

### **2.06 Cash flow statement**

Cash Flow Statement is prepared principally in accordance with IAS 7 "Statement of Cash Flows" under direct method as per the guidelines of BRPD circular no.14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the period. Cash Flows during the year have been classified as operating activities, investing activities and financing activities.

### **2.07 Comparative information**

Comparative information in respect of the previous year has 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.

### **2.08 Reporting period**

These financial statements of the Bank cover a calendar year from 01 January 2024 to 31 December 2024.

### **2.09 Statement of changes in equity**

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no. 14 dated 25 June 2003.

### **2.10 Liquidity statement**

The liquidity statement has been prepared in accordance with remaining maturity grouping of the value of the assets and liabilities as at 31 December 2024 and under the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

- i) Balance with other Banks and financial institutions, money at call and short notice, etc. are on the basis of their maturity terms;
- ii) Investments are on the basis of their residual maturity terms;
- iii) Loans and advances / investments are on the basis of their repayment/maturity schedules;



- iv) Fixed assets are on the basis of their useful lives;
- v) Other assets are on the basis of their realization / amortization;
- vi) Borrowing from other Banks, financial institutions and agents, etc. are as per their maturity / repayment terms;
- vii) Deposits and other accounts are on the basis of their maturity terms and past trend of withdrawals by the depositors;
- viii) Provisions and other liabilities are on the basis of their settlement / adjustment schedules.

### **3.00 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entity except otherwise instructed by Bangladesh Bank as the prime regulator.

#### **3.01 Assets and basis of their valuation**

##### **3.01.01 Cash and cash equivalents**

Cash and cash equivalents include notes and coins in hand and at ATM, balance held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice and prize bond.

##### **3.01.02 Investments**

All investments (other than government treasury securities) are initially recognized at cost, including acquisition charges associated with the investment. Accounting treatment of government treasury securities (categorized as HFT or/and HTM) is given following DOS Circular no. 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. The valuation methods of investments used are:

##### **Held to Maturity (HTM)**

Investments which are intended to be held till maturity are classified as "Held to Maturity". These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Premiums are amortized and discount accredited, using the effective or historical yield method. Any increase or decrease in value of such investments is booked to equity and in the profit and loss account respectively.

##### **Held for Trading (HFT)**

Investment classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognized in the profit and loss account (if decrease) and revaluation reserve (if increase) as per Bangladesh Bank DOS Circular no. 05 dated 28 January 2009.

##### **Investment in unquoted securities**

Investment in unquoted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unquoted securities.

Provision for shares against unrealized loss (gain net off) has been made according to DOS circular no. 4 dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.

Besides, the Bank complied with Bangladesh Bank BRPD Circular 14 dated June 25, 2003 as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year- end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investments".

**Value of investment has been shown as under:**

Government treasury securities-Held for Trading (HFT)
Government treasury securities-Held to Maturity (HTM)
Zero coupon bonds
Shares (Quoted)
Shares (Unquoted)
Debenture
Prize bonds and other bonds



### 3.01.03 Loans, advances and provisions

Loans and advances are stated in the balance sheet on gross basis.

Interest is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in interest suspense account as per BRPD circulars no. 14 dated September 23, 2012 (amendment on 21 April 2019) on Master Circular: Loan Classification and Provisioning. Interest is not charged on bad and loss loans and advances as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

Commission and discounts on bills purchased and discounted are recognized at the time of realization.

General provisions @ 0.25% to 5% under different categories on unclassified loans (standard / SMA) and @ 1% on off balance-sheet exposures, and specific provisions @ 20%, 50% & 100% on classified (substandard / doubtful/ bad loss) loans are made on the basis of quarter end review by the management and instructions contained in BRPD Circular no. 14, dated 23 September 2012 (amendment on 21 April 2019), BRPD Circular no. 19, dated 27 December 2012, BRPD Circular no. 16, dated 18 November 2014 and BRPD Circular no. 8, dated 2 August 2015. Besides, BRPD circular no. 50, dated 14 December 2021 and subsequent circulars issued till 2023, a special general provision COVID-19, @2% is required to be provided for deferral loans. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Banking Companies Act, 1991 (amended up to date), instead of netting off with loans.

Particulars	Rates of Provision
<b>General provision on:</b>	
Unclassified (including SMA) general loans and advances	1%
Unclassified (including SMA) small and medium enterprise	0.25%
Unclassified (including SMA) Loans to BHs/MBs/SDs against Shares etc.	1%
Unclassified (including SMA) loans for housing finance	1%
Unclassified (including SMA) loans for professionals	2%
Unclassified (including SMA) consumer financing other than housing financing and loans for professionals	2%
Unclassified Short term agri credit and micro credit	1.0%
Off balance sheet exposures	1%
<b>Specific provision on:</b>	
Substandard Small & Medium Enterprise	5%
Doubtful Small & Medium Enterprise	20%
Substandard loans and advances other than short term agri credit and micro credit	20%
Doubtful loans and advances other than short term agri credit and micro credit	50%
Bad/loss loans and advances	100%
Substandard short term agri credit and micro credit	5%
Doubtful short term agri credit and micro credit	5%

### 3.01.04 Property, plant and equipment and depreciation

#### 3.01.04.01 Recognition and measurement

All item of fixed assets are stated at cost less accumulated depreciation & accumulated impairment as per IAS 16 "Property, Plant and Equipment". Land, if any, is measured at cost. The cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of the IFRS.

The cost of an item of fixed assets is recognized as an asset if, it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

#### 3.01.04.02 Subsequent costs

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity and cost can be measured reliably. The carrying amount of the replaced portion is derecognized. The costs of day to day servicing of fixed assets, i.e. repairs and maintenance is charged as revenue expense when incurred.



### 3.01.04.03 Depreciation

Depreciation is charged at the following rates on all fixed assets on the basis of estimated useful lives as determined by fixed asset policy of the Bank. Depreciation will be calculated from the month of acquisition. Depreciation of the assets will be charged from the month of acquisition (for full month) before depreciation run in the system and no depreciation will be charged for the month when the assets are disposed. In all cases depreciation on addition is calculated using the straight line method. Depreciation on assets begins when the assets are available for use.

Category of fixed assets	Depreciation Period in Year(s)
Core Banking Software (CBS, Card Management, Trade, Treasury & AML)	10
Software (other than subscription license)	5
Software (subscription license)	Subscription Period
Furniture and Fixture	10
Computer and Network equipment	5
Electromechanical Equipment	10
Machineries and Equipment	5
IT Equipment	3
Right of use asset (Leased Asset)	40 or Lease Tenor
Building	40
Land and Land Development	-
Vehicle	8

### 3.01.04.04 Disposal of assets

An item of fixed assets is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposals. Gain or loss on sale of fixed assets is recognized in the profit and loss account as per the requirement of IAS 16.

### 3.01.05 Intangible assets

#### Recognition of intangible assets

Intangible assets include cost of acquisition of core banking software. Intangible assets are stated at cost less accumulated amortization & accumulated impairment. The costs are capitalized in the year in which the relevant software is available for use according IAS 38. All upgrading and enhancements are generally charged off as revenue expenditure unless they bring similar significant benefits in the long term.

#### Amortization of intangible assets

Amortization is provided on software applying straight line method. Amortization is charged on the intangible assets when the assets are available for use.

#### Impairment of fixed assets

At each balance sheet date, the Bank assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss as per IAS-36 is recognised as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with IAS 16: Property, Plant and Equipment in which case any impairment loss of a revalued asset should be treated as a revaluation decrease. No impairment loss was recognized up to the reporting period as there was no such indication existed as on Balance Sheet date.

### 3.01.06 Leased assets

IFRS 16 Leases, defines a lease as "A contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration". In order for such a contract to exist the user of the asset needs to have the right to:

Obtain substantially all the economic benefits from the use of asset (identifiable asset) – The right to direct the use of asset. The Bank as a lessee (Note-9.00)

For any new contracts entered into on or after 01 January 2019, the Bank considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Bank assesses whether the contract meets two key evaluations which are whether:



- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank

- the Bank has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Bank has the right to direct the use of the identified asset throughout the period of use. The Bank assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

#### **Measurement and recognition of leases as a lessee**

At lease commencement date, the Bank recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Bank, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Bank depreciates the right-of-use assets on a straight-line basis over the remaining useful life of the asset. The Bank also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Bank measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Bank's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is premeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is premeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities under IFRS 16 with minor departure as such the recognition, measurement, presentation and disclosure do not conflict with the reporting guideline issued by Central Bank via BRPD circular no. 14, date 25 June 2003.

### **3.01.07 Other assets**

As per BRPD circular No. 14 dated 25 June 2003, other assets/item(s) have been shown separately as 'income generating' and 'non income generating' in the relevant notes to the financial statements. Other assets include advance rent, advance for VAT and advance to vendor, advance, deposits and prepayment and income receivables etc.

### **3.01.08 Non-banking assets**

As at balance sheet date Shimanto Bank PLC. has not acquired any Non-Banking Assets as a consequence of failure from borrower to repay the loan/investments.

### **3.01.09 Inventories**

Inventories are valued at lower of cost or net realizable value. Inventories comprise of unused portion of plastic card, stationary items and non-judicial stamp etc.

## **3.02 Liabilities and provisions**

### **3.02.01 Borrowings from other banks, financial institutions and agents**

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call and Bangladesh Bank refinance. These items are brought to financial statements at the gross value of the outstanding balance.





### **3.02.02 Deposits and other accounts**

Deposits and other accounts include non-interest-bearing current deposit redeemable at call, bills payable, interest bearing on demand and special notice deposits, savings deposit, fixed deposit and other deposits. These items are brought to financial statements at the gross value of the outstanding balance.

### **3.02.03 Other liabilities**

As per IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" the Bank recognises provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognized as per the guidelines of Bangladesh Bank and International Financial Reporting Standards (IFRS).

### **3.02.04 Provision for loans and advances**

Provision for classified loans and advances is made on the basis of quarter-end review by the management and instructions contained in BRPD circular no. 14 dated 23 September 2012 (amendment on 21 April 2019), BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 16 dated 18 November 2014 and other subsequent circulars till 2024. Details are stated in Note 13.1 to these financial statements.

### **3.02.05 Provision for off-balance sheet exposures**

In compliance with BRPD circular no. 14 dated 23 September 2012 (amendment on 21 April 2019), BRPD circular no. 06 dated April 25, 2023 and other relevant circulars, the Bank requires to maintain provision @ 1% against off-balance sheet exposures (mainly contingent assets/liabilities). In this year there are off-balance sheet exposures related to LC liabilities, letter of guarantee and acceptances & endorsements.

### **3.02.06 Provision for other assets**

Provision for other assets is made as per the instructions made in the BRPD circular No. 4 dated 12 April 2022 on which provision is to be required on other assets which are outstanding for one year or more.

## **3.03 Share capital and reserves**

### **Authorized capital**

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association.

The paid-up capital represents the amount of bank's capital that has been contributed by ordinary shareholders. The holders of ordinary shares are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

### **Statutory reserve**

In compliance with the provision of Section 24 of The Banking Companies Act, 1991 (amended up to date), the Bank transfers at least 20% of its profit before tax "Statutory Reserve Fund" each year until the sum of statutory reserve and share premium equal to the paid up capital of the Bank.

### **Other reserve**

Other reserve arises from the revaluation of Treasury bills and bonds (HFT and HTM) in accordance with the Bangladesh Bank DOS circular no. 5 dated 26 May 2008. The tax effects on revaluation gain are measured and recognised in the financial statements as per IAS 12 Income Taxes.

## **3.04 Contingent liabilities and assets**

Any possible obligation that arises from 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. 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.

### **3.05 Revenue recognition**

IFRS 15 Revenue from Contracts with Customers has replaced IAS 18 Revenue and IAS 11 Construction Contracts. As per the requirement of IFRS 15, revenue is recognised when or as a performance obligation is satisfied by transferring a good or service to a customer, either at a point in time or over time. The income of the Bank has been recognised as follows:

#### **Interest income**

Interest on unclassified loans and advances is recognized as income on accrual basis, interest on classified loans and advances is credited to interest suspense account with actual receipt of interest there from credited to income as and when received as per instruction contained in BRPD circular no 14 dated 23 September 2012 (amendment on 21 April 2019), BRPD circular no 19 dated 27 December 2012 and BRPD circular no 16 dated 18 November 2014 and other subsequent circulars till 2024.

#### **Fees and commission income**

Fees and commission income arises on services provided by the Bank and recognized as and when received basis. Commission charged to customers on letters of credit, letters of guarantee and acceptance are credited to income on the basis of realization except those which are received in advance.

#### **Interest and fees receivable on credit card**

Interest and fees receivable on credit cards are recognised on accrual basis. Interest and fees ceases to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on realisation basis.

#### **Investment income**

Income on investments is recognized on accrual basis. Investment income includes discount on treasury bills and zero coupon bonds, interest on treasury bonds, debentures and fixed deposits with other banks. Capital gain on investments in shares and dividend on investment in shares are also included in investment income.

#### **Dividend income**

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established as per IFRS 15.

### **3.06 Interest paid on borrowings and deposits**

Interest paid on borrowings and deposits are calculated on 360 days' basis (except for some treasury instruments which are calculated on 364 days' basis) in a year and recognized on accrual basis.

### **3.07 Other operating expenses**

All other operating expenses are provided for in the books of the account on accrual basis according to the IAS 1 "Presentation of Financial Statements".

### **3.08 Employee benefits**

#### **Provident fund**

The Bank operates a provident fund recognised by National Board of Revenue (NBR) which is given to the confirmed employees of the Bank in accordance with Bank's service rules. The provident fund is administered by a Board of Trustees consisting of four members from the employees of the Bank. All confirmed employees of the Bank contribute 10% of their basic salary as subscription to the Fund each month with equal contribution by the Bank.

#### **Gratuity fund**

The Bank operates an approved gratuity scheme recognised by National Board of Revenue (NBR), provision in respect of which is made on monthly basis covering the claims of eligible members as per Bank's policy. The employee's Gratuity Fund is being considered as defined benefit plan.



### **Workers Profit Participation Fund**

Consistent with widely accepted industry practice and in line with section 11 (1) of the Banking Companies Act 1991 (amendment up to date) and subsequent clarification given by Bank and Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

### **3.09 Income tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

#### **(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets/liabilities are offset if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for the Bank is currently 40%.

#### **(ii) Deferred tax**

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

### **3.10 Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### **3.11 Earnings per share**

Basic earnings per share have been calculated in accordance with IAS 33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earnings by the number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

### **3.12 Reconciliation of inter-bank account**

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the unreconciled balances within non-material level.

### **3.13 Risk management and other related matters**

Financial Institutions are in the business of taking calculative risk and it is important how a bank decides on its risk appetite. The bank firmly believes that robust risk management is the core function that makes its business sustainable. The risk management systems in place at the Bank are discussed below:

#### **Credit Risk**

Credit risk is the risk of loss that may occur from the default of any counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. Board of Directors is the apex body for credit approval of the Bank. However, they delegate authority to the Managing Director & CEO or other officers of the Credit Risk Management (CRM) Division. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the bank. The Credit Policy Manual (CPM) contains the core principles for identifying, measuring, approving, and managing credit risk in the bank. The policy covers Corporate, Retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardized CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers Industry/Business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.



The Bank follows the criteria for loan classification and provisioning requirement as stipulated in the BRPD circular no 14 dated September 23, 2012 (amendment on 21 April 2019) and BRPD circular no 05 dated May 29, 2013 and other subsequent circulars till 2024. Adequate provision has been kept which is stated in Note 13.1 to the financial statements.

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) who meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc.

ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, Bank prepares structural liquidity profile, maturity profile of term deposit, cash flow modeling, and contingency funding plan on monthly basis, which are analyzed in ALCO meeting to ensure liquidity at the level acceptable to the bank and regulators.

### **Market Risk**

Risk Management Unit (RMU) is responsible for overall monitoring, control, and reporting of market risk while Treasury Mid Office is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the bank are monitored by RMU and periodically reported to Bank Risk Management Committee (BRMC). Market risk can be subdivided into three categories depending on risk factors: Interest Rate Risk, Foreign Exchange Risk, and Equity Price Risk.

Interest rate risk is the risk to earnings or capital of the bank arising from movement of interest rates. The movement of interest rates affects bank's reported earnings and capital by changing:

- Net interest income;
- The market value of trading accounts (and other instruments accounted for by market value); and
- Other interest sensitive income and expenses.

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. Bank deploys several analysis techniques (e.g. Rate Sensitive Gap Analysis, Duration Gap Analysis) to measure interest rate risk, its impact on Net Interest Income and takes insight about course of actions.

### **Operational Risk**

Operational Risk Unit under Internal Control & Compliance Division (ICCD) is primarily responsible for risk identification, measurement, monitoring, control, and reporting of operational risk. Internal Control (audit) Unit of ICCD also conducts risk-based audit at departmental and branch level throughout the year. Besides, 'Bank Risk Management Committee' (BRMC) which reports to MD & CEO also plays a supervisory role.

Operational risks are analyzed through review of Departmental Control Function Check List (DCFCL). This is a self-assessment process for detecting high risk areas and finding mitigates of those risks. These DCFCLs are then discussed in monthly meeting of BRMC.

### **Information and communication technology risk**

The Bank has a comprehensive IT security policy and procedures which are formally documented and endorsed by competent authority. To prevent attack from cyber criminals/fraudsters IT division (hereinafter IT) has established standard physical & environmental security measures to all sensitive areas e.g. data centre, Disaster Recovery (DR) site, power rooms, server rooms etc. IT has standard logical security measures e.g. access card, password protected Server, access log, measuring device logs, periodic testing results, etc. to all core devices i.e. server, PC etc., connecting devices i.e. switch, router etc., security devices i.e. firewall, IDS etc., all applications i.e. core banking system, antivirus, firewall, VPN, utilities etc., databases, networks and others. IT has standard design and practice in network connectivity, access, build-up, configuration, monitoring, maintenance and security. IT has Business Continuity Management (BCM) to support and handle any human made or natural incident/disaster; moreover, regular backup schedule and retention avoids the risk of data loss based on the criticality of the system.



### **Asset liability risk management**

Asset Liability Management (ALM) especially focuses on “Risk Management”. It covers the widest range of the banking activities in day-to-day operation. Introduction of ALM in a bank simply ensures the existence of healthy and prudent asset liability management system in the institute. In the complex banking era, there are so many risk factors any one which is good enough to a negative growth. Therefore, identification of factors and effective control over them are important and essential. Under the ALM system, it is ensured that then senior management would be attentive to balance sheet items for the great interest of the bank. As per Bangladesh Bank guideline, Shimanto Bank PLC. has formed a committee of Assets and Liability Management called ALCO (Assets Liability Management Committee).

### **Liquidity risk management**

The risk that bank or business will be unable to meet its commitment as they fall due leading to bankruptcy or rise in funding cost. It is the solvency of business and which has special reference to the degree of readiness in which assets can be converted into cash without loss. Banks traditionally use the statutory liquidity reserve and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management. Liquidity Risk arises from funding of long term assets by short term liabilities, thereby making the liabilities subject to rollover or refinancing Risk.

### **Interest rate risk management**

Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholder value. However, excessive interest rate risk can pose a significant threat to a bank's earnings and capital base. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. Changes in interest rates also affect the underlying value of the bank's assets, liabilities and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. Accordingly, an effective risk management process that maintains interest rate risk within prudent levels is essential to the safety and soundness of banks.

### **Operation risk management**

Operational risk is defined as the risk of loss resulting from inadequate or failed internal process, people and system or from external event. It is relatively difficult to identify or assess level of operational risk and its many sources. Shimanto Bank PLC. has established an effective operational risk management framework to mitigate the risk through strengthening the internal control (process and system), setting rules and procedures with the changed scenario, maintaining adequate clarification & documentation and establishing anti-fraud mechanism. Continuous actions are also being taken against damage of physical assets and avoid business disruption and system failure.

### **Internal control and compliance risk management**

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The Bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place through establishment of Audit Committee as per the instructions of Bangladesh Bank, which reviews the internal and external audit reports and ensures that the management takes effective measures in case of any deficiency/ lapse is found in the internal control system. The bank has introduced ‘Risk Based Internal Audit (RBIA)’ to assess the business risk as well as control risk associated with the branches, and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory, and which may pose a potential threat for the Bank.



### Money laundering risk management

Money Laundering is no more a local or regional issue that cannot be ignored – with the globalizati economy, we are living in a global village and are not immune to others problem. Money laundering & CFT is an issue that affects our nation, business, society and ultimately even the livelily hood of individuals. As a member country of Asia Pacific & Egmont Group Bangladesh is committed to comply with the recommendations of Financial Action Task force (FATF)

Bangladesh has enacted the amended Money Laundering Prevention Act, 2012 & amended Anti-Terrorism Act, 2013 which covers all the international standards and requirements and assigned BFIU of BB to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country safe & compliance. Shimanto Bank PLC. (SMB) is as a compliant & responsible institution committed to the highest standards of Anti-Money Laundering (AML) compliance and adhere to the set rules & declared standards to prevent use of our products and services for money laundering purposes. In addition to the legal compliance, Shimanto Bank PLC. considers AML & CFT compliance as part of its social responsibility & commitment.

The SMBL Anti Money Laundering Policy Guidelines which is drafted in line the Bangladesh Bank Guidance notes on Prevention of Money Laundering and Terrorist Financing encompasses the following major issues as part of its AML measures;

1. Mandatory maintenance of KYC (Know Your Customer) Forms for all types of accounts
2. Maintenance & monitoring the TP (Transaction Profile) of the accounts/client. Monitoring of unusual/suspicious transaction and report to Bangladesh Bank if required.
3. Submission of Cash Transaction Report (CTR) to Bangladesh Bank as per regulatory requirement.
4. Keeping of records for 05 (five) years from the date of closing of any type of account.
5. Appointment of Compliance Officer in every branch and Chief Compliance Officer at Head Office
6. Adequately train officials on Anti-Money Laundering and Combating Financing of Terrorism.
7. Declared Customer Acceptance Policy.
8. Prohibition of opening of any anonymous or fictitious account.
9. Prohibition of establishing banking relationship with any shell company.
10. Compliance of UN sanction list

For mitigating the risks, the bank has a designated Chief Anti-Money Laundering Compliance Officer (CAMLCO) & Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) at Head Office and Branch Anti Money laundering Compliance Officers (BAMLCO) at branches, who independently review the transactions on the accounts to verify suspicious transactions and other AML measures.

### Internal Audit

The Bank has established an independent internal audit function with the head of internal control & compliance (ICC) reporting directly to the chairman of audit committee of the Board. The internal audit team performs risk based audit on various business and operational areas of the Bank on continuous basis. The audit committee and the Board regularly review the internal audit reports as well as monitor progress of previous findings.

### Prevention of fraud

Like any other banks and financial institutions, the Bank is also exposed to the inherent risk of fraud and hence implemented a number of anti-fraud controls and procedures specifically designed to prevent and detect any material instances of fraud or irregularities. As per the requirement of Bangladesh Bank regular reporting's are made on self-assessment of various anti-fraud controls as well as any incident of fraud and forgeries that have been identified by the Bank. Regular staff training and awareness programs are taken to ensure that all officers and staff of the Bank are fully aware of various fraud risks in their work area and prepared to deal with it.

3.14

### Preparation of Basel III Accord

#### Basel II

#### Pillar-I: Minimum Capital Requirement

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Shimanto Bank PLC. has adopted the following measurement approaches for computing its Capital Adequacy Ratio.





- a. Standardized Approach for Credit Risk,
- b. Basic Indicator Approach for Operational Risk, and
- c. Standardized Approach for Market Risk.

**Pillar-II: Supervisory Review Process (SRP)**

SRP basically deals with other risks faced by a bank but not covered in pillar-1. The key principle of SRP is that banks have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team. Following Risk has to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- a. Residual Risk
- b. Concentration Risk
- c. Liquidity Risk
- d. Reputation Risk
- e. Strategic Risk
- f. Settlement Risk
- g. Evaluation of Core Risk Management
- h. Environmental & Climate Change Risk
- i. Other material risks

**Pillar-III: Market Discipline**

The objective of Market Discipline in (Basel-II) is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, this "Disclosures on Risk Based Capital (Basel II)" is made as per Bangladesh Bank's Guideline.

**Basel III**

"Basel III", developed by the Basel Committee on Banking Supervision and published in December 2010, is a comprehensive set of reform measures including that of Basel II, to strengthen the regulation, supervision and risk management of the banking sector. These measures aim to:

- a) Improve the banking sector's ability to absorb shocks arising from financial and economic stress
- b) improve risk management and governance
- c) strengthen banks' transparency and disclosures.

**Shimanto Bank PLC. takes initiatives to ensure adequate capital include the following:**

- a) Consistently encouraging corporate clients to complete external credit rating to assess counterparty Credit Risk status, and to reduce capital requirements.
- b) Improving and enhancing eligible collateral, by way of collateral optimization.
- c) Assessment of risk profile and credit rating of new clients.
- d) CAR is periodically reviewed and assessed in Shimanto Bank PLC. by the Risk Management Unit (RMU), and reported to senior management.

**Capital adequacy and stress testing**

In order to have a sound and robust banking industry and to make the banks in Bangladesh more shock absorbent as well as to cope with international best practice for risk management, Bangladesh Bank introduced 'Risk Based Capital Adequacy (RBCA)' for all Banks effective from January, 2010.

As per Risk Based Capital Adequacy (RBCA) guideline, according to Pillar 1 of Basel II, Risk Weighted Assets (RWA) of Shimanto Banks is calculated against Credit Risk, Market Risk and Operational Risk. Under Pillar 2 in Supervisory Review Process (SRP) Banks deals with other risks faced but not covered in pillar-1. Finally, under Pillar-3 in Market Discipline bank publish its capital adequacy disclosure on regular basis for market participants to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank.



The Bank has also implemented Bangladesh Bank approved stress testing framework which forms an integral part of the Bank's Internal Capital Adequacy Assessment Process (ICAAP). Stress testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions. The changes in the level of credit risk, market risk, liquidity risk and Interest Rate Risk in the Banking Book (IRRBB), in the on and off balance sheet positions of the Bank, is assessed under assumed "stress" scenarios. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis and the stress test results are put up to the Board quarterly, for their review and guidance.

### 3.15 Related party disclosures

A party is related to the Entity if:

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

### 3.16 Compliance of International Accounting standards (IASs) and International Financial Reporting Standards (IFRSs)

The Bank has complied the following IASs & IFRSs as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) during the preparation of financial statements as at and for the year ended 31 December 2024.

Name of the Standards	Ref:	Status
Presentation of Financial Statements	IAS-1	Complied **
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Complied **
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Complied
Events after the Reporting Period	IAS-10	Complied
Income Taxes	IAS-12	Complied
Property, Plant & Equipment	IAS-16	Complied
Employee Benefits	IAS-19	Complied
Accounting for Government Grants and Disclosur of Government Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Complied
Borrowing Costs	IAS-23	Complied
Related Party Disclosures	IAS-24	Complied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
Separate Financial Statements	IAS-27	Complied
Investments in Associates and Joint Ventures	IAS-28	Not Applicable
Financial Reporting in Hyperinflationary Economies	IAS-29	Not Applicable
Financial Instruments: Presentation	IAS-32	Complied **
Earnings per Share	IAS-33	Complied
Interim Financial Reporting	IAS-34	Not Applicable
Impairment of Assets	IAS-36	Complied
Provisions, Contingent liabilities and Contingent Assets	IAS-37	Complied
Intangible Assets	IAS-38	Complied
Investment Property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable



Name of the Standards	Ref:	Status
First-time Adoption of International Financial Reporting Standards	IFRS-1	Complied
Share-based Payment	IFRS-2	Not Applicable
Business Combinations	IFRS-3	Not Applicable
Insurance contracts	IFRS-4	Not Applicable
Non-Current Assets Held for Sale and Discontinued Operations	IFRS-5	Not Applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not Applicable
Financial Instruments: Disclosures	IFRS-7	Complied **
Operating Segments	IFRS-8	Not Applicable
Financial Instruments: Recognition and Measurements	IFRS-9	Complied **
Consolidated Financial Statements	IFRS-10	Not Applicable
Joint Arrangements	IFRS-11	Not Applicable
Disclosure of Interest in other Entities	IFRS-12	Not Applicable
Fair Value Measurement	IFRS-13	Complied
Regulatory Deferral Accounts	IFRS-14	Not Applicable
Revenue from Contracts with Customers	IFRS-15	Complied
Leases	IFRS-16	Complied
Insurance contracts	IFRS-17	Not Applicable

\* Subject to departure disclosed in note no. 2.01

\*\* In order to comply with certain specific rules and regulations of the Central Bank (Bangladesh Bank) which are different from IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied.

### 3.17 Events after the reporting period

All material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 'Events after the Reporting Period'.

### 3.18 Approval of financial statements

The financial statements were reviewed and subsequently approved by the Board of Directors in its 79th Board Meeting on 25 May 2025.

### 3.19 General

- The financial statements of the Bank are presented in Bangladesh Taka (BDT) which is the Bank's functional currency. All financial information presented in Taka has been rounded off to the nearest integer, except when otherwise indicated.
- These financial statements of the Bank cover one calendar year from 01 January 2024 to 31 December 2024.
- The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of the accounts.
- Figures of previous year have been rearranged whenever necessary to conform with the current year's presentation.



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>4.00 Cash</b>			
Cash in Hand (Including Foreign Currency)	Note: 4.01	493,272,800	351,213,043
Balance with Bangladesh Bank and its Agent Bank's (Including Foreign Currency)	Note: 4.02	1,074,846,033	852,356,977
		<b>1,568,118,833</b>	<b>1,203,570,020</b>
<b>4.01 Cash in Hand (Including Foreign Currency)</b>			
In Local Currency		477,475,907	350,508,887
In Foreign Currency		15,796,893	704,156
		<b>493,272,800</b>	<b>351,213,043</b>
<b>4.02 Balance with Bangladesh Bank and its Agent Bank's (Including Foreign Currency)</b>			
In Local Currency		1,060,070,380	817,618,598
In Foreign Currency		6,960,521	9,251,653
		<b>1,067,030,901</b>	<b>826,870,251</b>
Sonali Bank as Agent of Bangladesh Bank (Local Currency)		7,815,132	25,486,726
		<b>1,074,846,033</b>	<b>852,356,977</b>

#### 4.03 Statutory Deposits

##### Cash Reserve Requirement and Statutory Liquidity Ratio

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and MPD circular nos.01 & 02, dated June 23, 2014 and December 10, 2013 & DOS circular no.1 dated 19 January 2014 & MPD Circular no.01 dated April 03, 2018 & DOS circular letter no. 26 dated 19 August 2019 and MPD Circular no. 03 dated April 09, 2020.

The statutory cash reserve requirements is on the Bank's time and demand liabilities as per Bangladesh Bank MPD circular no. 03 dated 09 April, 2020 at the rate of 4% for bi-weekly and 3.5% for daily (CRR) has been calculated and maintained with Bangladesh Bank in current account while statutory liquidity ratio of 13.00% is required, on the same liabilities is also maintained in the form of treasury bills, bonds and debentures including foreign currency balance with Bangladesh Bank. Both the reserves are maintained by the Bank in excess of the statutory requirements, as shown below:

##### (a) Cash Reserve Requirement (CRR)

###### Daily Position as on the reporting date

Required Reserve (3.50% of Total Time and Demand Liabilities)

Actual Reserve Maintained

**Surplus**

###### Bi-weekly as on the reporting date

Required reserve (4.00% of Total Time and Demand Liabilities)

Actual Reserve Maintained

**Surplus**

##### (b) Statutory Liquidity Ratio (SLR)

Required Reserve (13% of Total Time and Demand Liabilities)

Actual Reserve Maintained

**Surplus**

##### (c) Components of Statutory Liquidity Ratio (SLR)

Cash in Hand

Balance with Sonali Bank PLC.

Excess Reserve of CRR (4.00% of bi-weekly)

HTM Securities

HFT Securities

Other Eligible Security

883,038,000	635,424,000
1,056,205,885	804,849,499
<b>173,167,885</b>	<b>169,425,499</b>
1,009,186,000	726,199,000
1,056,205,885	804,849,499
<b>47,019,885</b>	<b>78,650,499</b>
3,279,855,000	2,360,148,000
4,637,379,003	2,753,599,659
<b>1,357,524,003</b>	<b>393,451,659</b>
493,272,800	351,213,043
7,718,180	25,411,149
47,019,885	78,650,499
2,598,398,558	2,234,952,268
1,427,490,580	-
63,479,000	63,372,700
<b>4,637,379,003</b>	<b>2,753,599,659</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>4.04 Maturity Grouping of Cash</b>			
On demand		1,568,118,833	1,203,570,020
Upto 1 month		-	-
Over 1 month but not more than 3 months		-	-
Over 3 month but not more than 6 months		-	-
Over 6 month but not more than 1 year		-	-
Over 1 year but not more than 5 years		-	-
Over 5 years		-	-
		<b>1,568,118,833</b>	<b>1,203,570,020</b>
<b>5.00 Balance with other Banks and Financial Institutions</b>			
Inside Bangladesh	Note: 5.01	582,885,511	570,863,784
Outside Bangladesh	Note: 5.02	243,245,508	166,033,007
		<b>826,131,019</b>	<b>736,896,791</b>
<b>5.01 Inside Bangladesh:</b>			
<b>Current Account</b>	<b>Branch Name</b>		
Sonali Bank PLC.	Rangpur Branch	46,053	1,000,000
Agrani Bank PLC.	Pragpur Branch	3,060,745	2,231,895
Sonali Bank PLC.	Teknaf Branch	77,812	2,479,785
		<b>3,184,610</b>	<b>5,711,680</b>
<b>Savings Account</b>			
AB Bank PLC.	Principal Branch	8,140,674	6,692,788
Trust Bank PLC.	Dhanmondi Branch	21,938,352	4,274,539
Eastern Bank PLC.	Gulshan Branch	1,591,023	6,106,762
Eastern Bank PLC.	Dhanmondi Branch	28,955	74,796
Sonali Bank PLC.	Local Office	1,897	3,219
		<b>31,700,901</b>	<b>17,152,104</b>
<b>Fixed Deposit/ Term Placement</b>			
Industrial and Infrastructure Development Finance Company-IIDFC		368,000,000	368,000,000
Phoenix Finance & Investment Ltd.		180,000,000	180,000,000
		<b>548,000,000</b>	<b>548,000,000</b>
		<b>582,885,511</b>	<b>570,863,784</b>
<b>5.02 Outside Bangladesh:</b>			
Habib American Bank		240,287,832	152,317,938
Axis Bank ACU		2,611,130	11,790,966
United Bank of India		346,546	1,924,103
		<b>243,245,508</b>	<b>166,033,007</b>
<b>5.03 Maturity Grouping of Balance with other Banks and Financial Institutions</b>			
Repayable on demand		826,131,019	736,896,791
Up to 3 months		-	-
Over 3 months but below 1 year		-	-
Over 1 year but below 5 years		-	-
Over 5 years		-	-
		<b>826,131,019</b>	<b>736,896,791</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>6.00 Money at Call on Short Notice</b>			
With Banking Companies	Note: 6.01	100,000,000	230,000,000
With Finance Companies	Note: 6.02	780,000,000	30,000,000
		<b>880,000,000</b>	<b>260,000,000</b>
<b>6.01 With Banking Companies</b>			
Meghna Bank PLC.		100,000,000	-
AB Bank PLC.		-	130,000,000
Community Bank Bangladesh PLC.		-	100,000,000
		<b>100,000,000</b>	<b>230,000,000</b>
<b>6.02 With Finance Companies</b>			
DBH Finance PLC.		380,000,000	30,000,000
IDLC Finance PLC.		100,000,000	-
IPDC Finance PLC.		300,000,000	-
		<b>780,000,000</b>	<b>30,000,000</b>
<b>6.03 Maturity Grouping of Money at Call on Short Notice</b>			
On demand		-	-
Upto 1 month		880,000,000	260,000,000
Over 1 month but not more than 3 months		-	-
Over 3 month but not more than 6 months		-	-
More than 6 months but less than 1 year		-	-
More than 1 year but less than 5 years		-	-
More than 5 years		-	-
		<b>880,000,000</b>	<b>260,000,000</b>
<b>7.00 Investments</b>			
Government Securities	Note: 7.01	4,089,368,138	2,298,324,968
Other Investments	Note: 7.02	3,685,393,407	3,236,823,858
		<b>7,774,761,545</b>	<b>5,535,148,826</b>
<b>7.01 Government Securities</b>			
Treasury Bills	Note: 7.01.01	1,376,454,900	-
Treasury Bonds	Note: 7.01.02	2,649,434,238	2,234,952,268
Government Islamic Bond (Sukuk)	Note: 7.01.03	63,150,000	63,150,000
Prize Bonds		329,000	222,700
		<b>4,089,368,138</b>	<b>2,298,324,968</b>
<b>7.01.01 Treasury Bills</b>			
91 days Treasury Bills		1,376,454,900	-
		<b>1,376,454,900</b>	<b>-</b>
<b>7.01.02 Treasury Bond</b>			
2 Years Treasury Bond		477,283,526	350,894,386
5 Years Treasury Bond		272,117,122	210,537,412
10 Years Treasury Bond		1,000,570,289	884,897,467
15 Years Treasury Bond		480,039,247	473,381,993
20 Years Treasury Bond		419,424,054	315,241,010
		<b>2,649,434,238</b>	<b>2,234,952,268</b>





Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>7.01.03 Government Islamic Bond (Sukuk)</b>			
2 Years		-	-
5 Years		63,150,000	63,150,000
		<b>63,150,000</b>	<b>63,150,000</b>
<b>7.01.04 Investment in Securities are Classified as per Bangladesh Bank Circular</b>			
Held for Trading (HFT)		1,427,490,580	-
Held to Maturity (HTM)		2,598,398,558	2,234,952,268
		<b>4,025,889,138</b>	<b>2,234,952,268</b>
As per DOS Circular NO. 01 dated 19 January 2014, the maximum limit of holding approved Securities under Held to Maturity (HTM) is 110% of SLR for all nonprimary dealer banks and the Bank has invested in Treasury bonds under HTM category as per said circular.			
<b>7.02 Other Investments</b>			
Investments in Share	Note 7.02.01	3,122,096,484	2,606,596,483
Investment in Zero Coupon Bond		208,296,923	255,227,375
Investment in Mutual Fund		45,000,000	45,000,000
Investment in Subordinate Bond		310,000,000	330,000,000
		<b>3,685,393,407</b>	<b>3,236,823,858</b>
<b>7.02.01 Investments in Shares</b>			
Investment in Share (Special Fund)	Note: 7.02.01.01	169,802,261	169,802,260
Investment in Share (Regular Fund)	Note: 7.02.01.02	2,952,294,223	2,436,794,223
		<b>3,122,096,484</b>	<b>2,606,596,483</b>
<b>7.02.01.01 Investment in Share (Special Fund)</b>			
Quoted Share		169,802,261	169,802,260
Unquoted Share		-	-
		<b>169,802,261</b>	<b>169,802,260</b>
<b><u>Quoted Share</u></b>			
ACI Ltd.		25,730	25,730
Bangladesh Steel Re-Rolling Mills Ltd.		1,473,001	1,473,001
BD Submarine Cable PLC.		2,049	2,049
GPH Ispat Ltd.		5,456,933	5,456,933
IFIC Bank PLC.		15,338,976	15,338,976
Mercantile Bank PLC.		3,568,425	3,568,425
Power Grid Company of Bangladesh		10,029,027	10,029,027
Bangladesh Export Import Company Ltd.		7,413,487	7,413,487
Beximco Pharmaceuticals Ltd.		47,015,376	47,015,376
IPDC Finance PLC.		420	420
LankaBangla Finance PLC.		10,590,258	10,590,258
LafargeHolcim Bangladesh PLC.		5,299,627	5,299,627
Summit Power Ltd.		4,297,180	4,297,180
British American Tobacco Bangladesh Company PLC.-BATBC		30,952,411	30,952,411
Confidence Cement PLC.		14,805,360	14,805,360
Square Pharmaceuticals PLC.		13,534,000	13,534,000
		<b>169,802,261</b>	<b>169,802,260</b>

A schedule of Quoted Share (Special Fund) is given in Annexure-B-1



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>7.02.01.02 Investment in Share (Regular Fund)</b>			
Quoted Share (a)		16,294,223	16,294,223
Unquoted Share (b)		2,936,000,000	2,420,500,000
		<b>2,952,294,223</b>	<b>2,436,794,223</b>
<b><u>a. Quoted Share</u></b>			
ACI Ltd.		3,025,039	3,025,039
Bangladesh Export Import Company Ltd.		13,474	13,474
Beximco Pharmaceuticals Ltd.		5,499,643	5,499,643
GPH Ispat Ltd.		2,555,998	2,555,998
IFIC Bank PLC.		5,199,263	5,199,263
LafargeHolcim Bangladesh PLC.		806	806
		<b>16,294,223</b>	<b>16,294,223</b>
<b>A schedule of Quoted Share (Regular Fund) is given in Annexure - B</b>			
<b><u>b. Unquoted Share (Preference Share)</u></b>			
Envoy Textiles Ltd.		24,000,000	48,000,000
Impress Newtux Composite Textiles Ltd.		250,000,000	300,000,000
Premier Cement Mills Ltd.		187,500,000	262,500,000
Esquire Accessories Ltd.		120,000,000	140,000,000
Anwar Ispat		262,500,000	350,000,000
Paramount Text.		300,000,000	400,000,000
Hamid Spinning Mills Ltd.		250,000,000	250,000,000
Lab Aid		272,000,000	350,000,000
Confidence Infrastructure Ltd.		320,000,000	320,000,000
Super Petro Chemical		350,000,000	-
Epylion Knivewear Ltd.		300,000,000	-
United Ashuganj		300,000,000	-
		<b>2,936,000,000</b>	<b>2,420,500,000</b>
		<b>2,952,294,223</b>	<b>2,436,794,223</b>
<b>8.00 Loans and Advances</b>			
Loans, Cash Credits, Overdrafts etc.	Note-8.01	20,341,282,630	16,014,791,094
Bills Purchased and Discounted	Note-8.02	-	-
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>8.01 Loans, Cash Credits, Overdrafts etc.</b>			
<b>Inside Bangladesh:</b>			
Overdraft		2,895,456,752	2,277,076,877
Time Loan		9,299,844,739	5,742,799,767
Term Loan		8,118,614,536	7,968,638,324
Staff Loan	Note-8.01.01	27,366,603	26,276,126
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>Outside Bangladesh:</b>			
		-	-
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>8.01.01 Staff Loan</b>			
Home Loan		12,540,068	16,946,202
Car Loan		14,826,535	9,329,924
		<b>27,366,603</b>	<b>26,276,126</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>8.02 Bills Purchased and Discounted</b>			
Payable Inside Bangladesh		-	-
Payable Outside Bangladesh		-	-
		-	-
<b>8.03 Maturity Grouping of Loans and Advances</b>			
Repayable on demand		2,158,737,469	1,363,913,027
Upto 3 months		2,386,848,854	2,540,201,931
Over 3 months but below 1 year		7,709,714,670	3,813,730,061
Over 1 year but below 5 years		6,248,423,625	5,330,442,026
Over 5 years		1,837,558,012	2,966,504,049
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>8.04 Loans and Advances under the Following Broad Categories</b>			
<b>Inside Bangladesh:</b>			
Loans		17,445,825,878	13,737,714,217
Overdrafts		2,895,456,752	2,277,076,877
Cash Credits		-	-
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>Outside Bangladesh:</b>		-	-
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
As per letter # 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter # 04 dated 04 January 2021 and BRPD Circular Letter # 35 dated 06 July 2021. The Bank collected the audited financial statements before sanction/renewal of new loan and verified those audited financial statements through DVS developed by ICAB.			
<b>8.05 Net Loans and Advances</b>			
Gross Loans and Advances		20,341,282,630	16,014,791,094
Less: Provision for Loans and Advances		308,768,520	292,467,997
Less: Interest Suspense		314,586,765	77,498,783
		<b>19,717,927,345</b>	<b>15,644,824,314</b>
<b>8.06 Loans and Advances on the Basis of Significant Concentration</b>			
a) Loans and advances to the institutions in which Directors have interest		-	-
b) Loans and advances to Chief Executive and other senior executives		21,976,214	5,033,675
c) Loans and Advances to Customer Groups:		-	-
i) Real Estate Finance		407,221,491	372,987,821
ii) Car Loan		17,680,559	26,802,991
iii) Personal Loan		2,912,433,854	2,759,606,230
iv) Loan against Deposits (LAD)		463,100,660	484,313,757
v) Small and Medium Enterprises		2,402,666,558	1,519,543,780
vi) Special Program Loan (Bangladesh Bank Re-Financing Scheme)		196,925,562	34,156,155
vii) Staff Loan		66,587,618	26,276,126
viii) Industrial Loans, Advances and Leases		12,599,353,025	9,386,154,183
ix) Other Loans and Advances		1,253,337,089	1,399,916,376
		<b>20,341,282,630</b>	<b>16,014,791,094</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23

#### 8.07 Details of Large Loans and Advances

Number of clients which sanctioned amount of loans and advances exceeding 10% of the total capital of the Bank with outstanding and classified amount.

Total Capital of the Bank	5,984,156,163	5,275,430,936
Number of Clients	14	9
Amount of Outstanding Loans and Advances	8,734,001,164	6,214,354,659
Amount of Classified Loans and Advances	-	-
Measures taken for recovery	-	-

Name of the Borrower	Outstanding		Total	
	Funded	Non-Funded	31-Dec-24	31-Dec-23
Taufika Group	1,425,617,932	-	1,425,617,932	1,275,334,046
Genesis Group	921,642,361	79,368,991	1,001,011,352	971,164,827
Energypac	800,243,082	-	800,243,082	720,620,429
City Group	728,623,101	-	728,623,101	747,739,930
Property Development Ltd.	570,586,570	259,887,249	830,473,819	848,522,135
Samuda Chemical Complex Ltd.	513,752,092	-	513,752,092	-
Akij Group	499,864,727	382,100,000	881,964,727	-
Runner Group	389,019,315	-	389,019,315	-
Sheltech Engineering Ltd.	383,734,319	102,210,219	485,944,537	340,467,213
Popular Diagnostic Centre Ltd.	359,904,392	-	359,904,392	-
Esquire Knit Composite Ltd.	260,432,951	400,000,000	660,432,951	655,800,825
Paramount Textile Ltd.	226,276,667	-	226,276,667	225,672,529
Sajida Foundation	166,537,164	-	166,537,164	-
National Dev. Engineers Ltd.	152,682,761	111,517,272	264,200,033	-
GPH Ispat Limited	-	-	-	429,032,726
	<b>7,398,917,434</b>	<b>1,335,083,731</b>	<b>8,734,001,164</b>	<b>6,214,354,659</b>

#### 8.08 Sector-wise Concentration of Loans and Advances (Including Bills Purchased and Discounted)

Public Sector	-	-
Private Sector	20,341,282,630	16,014,791,094
	<b>20,341,282,630</b>	<b>16,014,791,094</b>

#### 8.09 Industry wise Loans and Advances

Trade and Commerce	646,516,448	640,920,740
Industries		
i) Garments and Knitwear	1,304,528,161	481,304,907
ii) Textile	233,163,454	225,672,529
iii) Jute and Jute -Products	-	-
iv) Food Production and Processing Industry	1,653,036,311	2,159,076,962
v) Plastic Industry	100,952,500	102,611,333
vi) Leather and Leather Goods	-	-
vii) Iron, Steel and Engineering	944,572,931	942,072,382
viii) Pharmaceuticals and Chemicals	1,906,455,641	924,221,853
ix) Cement and Allied Industry	1,013,456,394	509,022,222
x) Telecommunication and IT	3,875,540	7,709,216
xi) Paper, Printing and Packaging	-	-
xii) Glass, Glassware and Ceramic Industry	-	-
xiii) Ship Manufacturing Industry	-	-
xiv) Electronics and Electrical Products	205,724,008	190,203,073
xv) Power, Gas, Water and Sanitary Service	596,013,367	533,010,774
xvi) Transport and Aviation	-	-
Agriculture	155,912,312	133,492,092
Housing	420,800,584	389,934,023
Loan to Subsidiaries Companies	-	-
Others	11,156,274,979	8,775,538,988
	<b>20,341,282,630</b>	<b>16,014,791,094</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>8.10 Geographical Location-wise Portfolio Grouping</b>			
<b>Inside Bangladesh:</b>			
<b><u>Urban Branches</u></b>			
Dhaka		17,066,082,047	12,805,952,487
Chittagong		2,228,684,034	2,146,758,469
Khulna		345,949,210	303,746,638
Mymensingh		117,203,928	145,476,734
Sylhet		58,052,603	66,423,163
Rangpur		144,751,920	115,057,522
		<b>19,960,723,742</b>	<b>15,583,415,013</b>
<b><u>Rural Branches</u></b>			
Dhaka		-	-
Chittagong		237,492,570	324,435,299
Khulna		63,715,639	69,907,087
Mymensingh		58,240,198	37,033,695
Sylhet		2,078,909	-
Rangpur		19,031,572	-
		<b>380,558,888</b>	<b>431,376,081</b>
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>Outside Bangladesh:</b>		-	-
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>8.11 Securities wise Loans and Advances</b>			
<b>a. <u>Secured</u></b>			
Collateral of Movable / Immovable Assets		4,438,521,958	589,469,633
Cash Collateral		12,769,380	11,160,129
Local Banks and Financial Institutions Guarantee		-	-
Foreign Banks Guarantee		-	-
Export Documents		15,092,521	-
Government Guarantee		-	-
FDR Shimanto Bank		237,229,520	564,432,829
FDR of Other Banks		-	-
Personal Guarantee		3,268,987,489	7,203,608,874
Other Securities		11,728,395,440	-
Government Bonds		216,614,829	278,069,528
		<b>19,917,611,137</b>	<b>8,646,740,993</b>
<b>b. <u>Unsecured</u></b>		<b>423,671,493</b>	<b>7,368,050,101</b>
		<b>20,341,282,630</b>	<b>16,014,791,094</b>
<b>8.12 Classification of Loans and Advances</b>			
<b><u>Unclassified</u></b>			
Standard (UC)		19,297,429,812	15,691,387,040
Special Mention Accounts (SMA)		781,910,773	145,692,240
		<b>20,079,340,585</b>	<b>15,837,079,280</b>
<b><u>Classified</u></b>			
Sub-Standard (SS)		114,548,344	43,168,646
Doubtful (DF)		30,494,340	9,537,088
Bad/Loss (BL)		116,899,361	125,006,080
		<b>261,942,045</b>	<b>177,711,814</b>
		<b>20,341,282,630</b>	<b>16,014,791,094</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23

### 8.13 Particulars of Required Provision for Loans and Advances

#### General Provision

Status of Loans and Advances	Base for Provision	Rate	Provision Amount	Provision Amount
Standard	19,281,407,080	Various*	760,481,322	182,021,304
Special Mention Account	781,910,773		7,509,436	770,280
Special General Provision- COVID-19	-		-	17,020,197
<b>Total</b>	<b>20,063,317,853</b>		<b>767,990,758</b>	<b>199,811,781</b>

#### Specific Provision

Status of Loans and Advances	Base for Provision	Rate	Provision Amount	Provision Amount
Sub-Standard	58,712,259	20% & 5%	6,490,973	8,046,455
Doubtful	14,058,612	50% & 5%	6,932,044	4,424,756
Bad-Loss	73,106,298	100%	73,106,298	80,185,005
<b>Total</b>	<b>145,877,169</b>		<b>86,529,315</b>	<b>92,656,216</b>

#### Total Required Provision for Loans and Advances

#### Total Provision Maintained for Loans and Advances

#### Provision will be maintained in future\*

#### Excess/(Short) Provision

General provision is kept @ 1% on general loans and advances and 0.25% on small enterprise financing, 2% on certain other types of lending and 5% on consumer financing.

\*As per Bangladesh Bank NOC ref no. DOS(CAMS)1157/41/(Dividend)/2025-3108 dated 21 May 2025, Shortfall of provision Taka 54.58 crore will be maintained in future.

\*\*Earlier, As per Bangladesh Bank NOC ref no. DBI-5 (IS)/159/2025-594 dated 23 April 2025, Bangladesh Bank's Department of Banking Inspection (DBI) team has advised to maintain Taka 54.58 crore additional special provision against rescheduled loans and advances.

### 8.14 Particulars of Loans and Advances

(i) Loans considered good in respect of which the Bank is fully	2,021,970,050	1,443,132,119
(ii) Loans considered good against which the Bank holds no security other than the debtors' personal guarantee	15,050,325,091	7,368,050,101
(iii) Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	3,268,987,489	7,203,608,874
(iv) Loan adversely classified for which no provision is created	-	-
	<b>20,341,282,630</b>	<b>16,014,791,094</b>
(v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons	79,419,320	83,640,063
(vi) Loans due from companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in case of private companies, as members	-	-
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the Bank or any of them either separately or jointly with any other persons	2,000,000	2,000,000
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members	-	-
(ix) Due from other banking companies	-	-
(x) Information respect of classified loans and advances	-	-





Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
a) Classified loans on which interest has not been charged to income			
(1) Increase/ decrease of provision (Specific)		(3,378,996)	15,974,520
(2) amount of loans written off		-	-
(3) Amount recovered against loans previously written off;		-	-
b) Amount of provision kept against loan classified as "bad/loss" on the date of preparing the balance sheet;		73,106,298	80,185,005
c) Interest creditable to the interest suspense account		314,586,765	77,498,783
(xi) Cumulative amount of written of loan			
Opening balance		-	-
Amount written off during the year		-	-
		-	-
<b>9.00 Fixed Assets including Premises, Furniture and Fixtures</b>			
Freehold Assets	Note: 9.01	211,267,089	200,186,674
Intangible Assets	Note: 9.02	17,606,367	21,401,484
Lease Assets	Note: 9.03	155,904,754	208,102,749
		<b>384,778,210</b>	<b>429,690,907</b>
<b>9.01 Freehold Assets</b>			
Computer and Network		237,202,581	196,223,679
Furniture and Fixtures		194,631,647	180,660,603
Office Equipment		107,790,535	102,188,649
Vehicle		176,400	176,400
		<b>539,801,163</b>	<b>479,249,331</b>
Less: Accumulated Depreciation		328,534,074	279,062,657
		<b>211,267,089</b>	<b>200,186,674</b>
<b>9.02 Intangible Assets</b>			
Software		84,811,306	79,332,704
Less: Accumulated Amortization		67,204,939	57,931,220
		<b>17,606,367</b>	<b>21,401,484</b>
<b>9.03 Lease Assets</b>			
Right of Used Assets		260,300,744	260,300,744
Less: Accumulated Depreciation		104,395,990	52,197,995
		<b>155,904,754</b>	<b>208,102,749</b>
<b>A Schedule of Fixed Assets is given in Annexure-A</b>			
<b>10.00 Other Assets</b>			
<b>Income Generating</b>			
Income Receivable from Investment		129,184,521	101,095,755
Interest Receivable from Calls and Placements		65,381,765	26,044,775
Interest Receivable from Loans and Advances		196,627	42,697,025
Dividend Receivable from Preference Share		110,384,899	30,003,446
Receivable on Cards		26,359,616	10,841,642
Dividend Receivable from Regular Fund Investment		196,096	175,266
Dividend Receivable from Special Fund Investment		1,736,353	1,780,089
Shanchaypatra Receivable		224,349	224,449
		<b>333,664,226</b>	<b>212,862,447</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>Non-Income Generating</b>			
Advance Rent		14,991,258	10,028,963
Advance Income Tax	Note: 10.01	803,843,621	748,560,719
Balance with EBL Securities Ltd.		17,671	18,571
Balance with Lanka Bangla Securities Ltd.		329,999	339,224
Advance VAT		6,367,899	7,015
Advance, Deposit and Prepayments	Note: 10.02	23,728,458	33,679,026
Stationery and Stamps	Note: 10.03	11,396,236	4,306,213
Branch Adjustment		-	-
Clearing Charges Adjustment		128,806	100,276
Suspense Account		-	-
Silver		-	-
Other Receivables		22,567,489	16,198,003
Deferred Tax Asset	Note: 13.05	20,591,595	9,246,055
		<b>903,963,032</b>	<b>822,484,065</b>
		<b>1,237,627,258</b>	<b>1,035,346,512</b>
<b>10.01 Advance Income Tax</b>			
Opening Balance		748,560,719	585,812,699
Add: Paid during the year		167,235,306	162,748,020
		<b>915,796,025</b>	<b>748,560,719</b>
Less: Adjustment for Income Year-2017		38,744,022	-
Less: Adjustment for Income Year-2018		73,208,382	-
		<b>111,952,404</b>	<b>-</b>
		<b>803,843,621</b>	<b>748,560,719</b>
<b>10.02 Advance, Deposit and Prepayments</b>			
House Furnishing Allowance		1,951,015	2,643,600
Temporary Advance to Staff and Vendor		262,129	358,736
Prepaid/Deferred Expenses		21,515,314	30,676,690
		<b>23,728,458</b>	<b>33,679,026</b>
<b>10.03 Stationery and Stamps</b>			
VISA Plastic Card		7,956,957	1,901,707
Printing Stationary		3,238,939	2,274,936
Stamps (Judicial and Non-Judicial)		200,340	129,570
		<b>11,396,236</b>	<b>4,306,213</b>
<b>11.00 Borrowings from Other Banks, Financial Institutions and Agents</b>			
Inside Bangladesh	Note: 11.01	33,500,890	49,768,850
Outside Bangladesh	Note: 11.02	-	-
		<b>33,500,890</b>	<b>49,768,850</b>
<b>11.01 Inside Bangladesh</b>			
Bangladesh Bank Pre Finance Scheme-CMSME		12,300,000	24,600,000
Bangladesh Bank Fund for Corporate Refinancing		5,170,000	4,360,000
Bangladesh Bank Fund for Agriculture Refinancing		13,600,000	17,535,000
SME Foundation Revolving Fund Scheme		2,430,890	3,273,850
		<b>33,500,890</b>	<b>49,768,850</b>
<b>11.02 Outside Bangladesh</b>		<b>-</b>	<b>-</b>
<b>11.03 Security against Borrowings from Other banks, Financial Institutions and Agents</b>			
Secured (Treasury Bills)		-	-
Unsecured		33,500,890	49,768,850
		<b>33,500,890</b>	<b>49,768,850</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>11.04 Maturity Grouping of Borrowings from Other Banks, Financial Institutions and Agents</b>			
Payable on demand		-	-
Up to 1 month		-	-
Over 1 month but within 3 months		-	-
Over 3 months but within 1 year		33,500,890	49,768,850
Over 1 year but within 5 years		-	-
Over 5 years		-	-
		<b>33,500,890</b>	<b>49,768,850</b>
<b>12.00 Deposit and Other Accounts</b>			
<b>Deposit from customer and others</b>			
Current Deposits and Other Accounts	Note: 12.01	926,782,826	684,445,216
Bills Payables	Note: 12.02	597,422,139	259,913,863
Savings Bank Deposit Accounts	Note: 12.03	1,886,658,703	1,567,634,859
Special Notice Deposits Accounts	Note: 12.04	4,921,445,991	3,416,997,623
Fixed Deposit Accounts	Note: 12.05	16,522,260,342	12,436,820,619
Other Deposits	Note: 12.06	484,324,038	275,773,583
		<b>25,338,894,039</b>	<b>18,641,585,763</b>
<b>Deposit from Bank</b>		-	-
		<b>25,338,894,039</b>	<b>18,641,585,763</b>
<b>12.01 Current Deposits and Other Accounts</b>			
Current Deposit		822,734,421	526,920,145
Foreign Currency Deposit		42,411,965	11,352,559
Security Deposit		4,315,734	3,730,187
Margin Deposit		57,320,706	142,442,325
		<b>926,782,826</b>	<b>684,445,216</b>
<b>12.02 Bills Payables</b>		<b>597,422,139</b>	<b>259,913,863</b>
<b>12.03 Savings Bank Deposit Accounts</b>			
SMBL Payroll Gold		5,566,015	1,225,198
SMBL Shopno		2,701,930	3,169,072
SMBL Payroll		20,729,912	22,662,453
BGB School Payroll Account		148,442,062	136,827,891
BGB School PF Account		100,004,621	86,350,891
BGB School Gratuity Account		18,431,011	15,690,488
Shimanto Student Account		13,647,053	12,025,961
SMBL Staff Salary Account		11,634,375	15,229,130
BGB Payroll Account		372,218,784	314,674,142
Shimanto Sanchay		1,192,649,796	959,779,633
Easy Account Savings		85,342	-
Supreme Savers Account		547,802	-
		<b>1,886,658,703</b>	<b>1,567,634,859</b>
<b>12.04 Special Notice Deposits</b>			
SMBL SND Account (SME)		623,245,140	511,229,781
SMBL SND Account (Corporate)		4,298,200,851	2,905,767,842
		<b>4,921,445,991</b>	<b>3,416,997,623</b>
<b>12.05 Fixed Deposit Accounts</b>			
Term Deposit Account		16,048,874,513	11,996,266,440
Scheme Deposit Accounts	Note: 12.05.01	473,385,829	440,554,179
		<b>16,522,260,342</b>	<b>12,436,820,619</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>12.05.01 Scheme Deposit Accounts</b>			
Shimanto Student DPS		13,700,963	13,428,429
Shimanto DPS		432,992,410	425,235,652
Connect DPS		8,103,399	1,890,098
SMBL Millionaire, Multi-Millionaire Deposit Scheme		18,543,710	-
BGB DPS		45,347	-
		<b>473,385,829</b>	<b>440,554,179</b>
<b>12.06 Other Deposits</b>			
Interest Payable on Deposit		339,881,246	186,606,748
VAT Payable		5,706,693	7,010,962
Excise Duty Payable		23,891,209	17,637,950
Tax Payable (at source)		40,947,030	24,465,454
Other Deposit		73,897,860	40,052,469
		<b>484,324,038</b>	<b>275,773,583</b>
<b>12.07 Maturity Analysis of Deposits and Other Account</b>			
<b>a) Maturity Analysis of Customer Deposits and Other Account</b>			
Repayable on demand		1,524,204,965	944,359,079
Within 1 month		2,718,120,478	2,006,528,710
Over 1 month but within 6 months		7,784,453,002	6,710,634,956
Over 6 months but within 1 year		8,010,006,791	4,811,984,516
Over 1 year but within 5 years		3,921,285,035	2,675,981,346
Over 5 years but within 10 years		1,380,823,768	1,492,097,156
Over 10 years		-	-
		<b>25,338,894,039</b>	<b>18,641,585,763</b>
<b>b) Maturity Analysis of Deposits from Banks</b>			
Repayable on demand		-	-
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 years but within 10 years		-	-
Over 10 years		-	-
		<b>-</b>	<b>-</b>
<b>12.08 Sector wise Deposit</b>			
Government		11,956,761,474	8,785,297,733
Private		12,196,337,983	9,163,075,513
Foreign Currency		42,411,965	11,352,559
Others		1,143,382,617	681,859,958
		<b>25,338,894,039</b>	<b>18,641,585,763</b>
<b>12.09 Payable on Demand and Time Deposits</b>			
<b>a) Demand Deposits</b>			
Current Deposits		880,055,126	669,362,470
Savings Deposits (9%)		169,799,283	141,087,137
Foreign Currency Deposits		42,411,965	11,352,559
Security Deposits		4,315,734	3,730,187
Sundry Deposits		484,324,038	275,773,583
Bills Payable		597,422,139	259,913,863
		<b>2,178,328,286</b>	<b>1,361,219,799</b>
<b>b) Time Deposits</b>			
Savings Deposits (91%)		1,716,859,420	1,426,547,722
Fixed Deposit Accounts		16,522,260,342	12,436,820,619
Special Notice Deposits		4,921,445,991	3,416,997,623
		<b>23,160,565,753</b>	<b>17,280,365,964</b>
		<b>25,338,894,039</b>	<b>18,641,585,763</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>13.00 Other Liabilities</b>			
Provision for Loans and Advances	Note - 13.01	308,768,520	275,447,800
Special General Provision- COVID-19	Note - 13.02	-	17,020,197
Provision for Off Balance Sheet Items	Note - 13.03	18,096,536	10,284,633
Provision for Other Assets		5,008,733	-
Provision for Current Tax	Note - 13.04	954,342,140	780,222,073
Provision for Deferred Tax	Note - 13.05	-	-
Other Payable		78,598,681	70,109,718
Interest Suspense	Note - 13.06	314,586,765	77,498,783
Provision for Diminution in Value of Investments	Note - 13.07	7,780,146	2,110,883
Provision for Start-up Fund	Note - 13.08	12,158,632	8,185,046
Provision for Climate Risk Fund	Note - 13.09	4,773,705	2,468,013
Transactional Account		119,952	49,436
Lease Liability		164,008,159	199,082,067
		<b>1,868,241,969</b>	<b>1,442,478,649</b>
<b>13.01 Provision for Loans and Advances</b>			
<b>Movement of Specific Provision</b>			
Opening balance		92,656,216	76,681,696
Less: Fully provided debts written off during the year		-	-
Add: Recovery of amounts previously written off		-	-
Less: Transferred to general provision		-	-
Add: Transfer from general reserve		-	-
Add: Net charge to Profit and Loss Account		(3,378,996)	15,974,520
		<b>89,277,220</b>	<b>92,656,216</b>
<b>Movement of General Provision</b>			
Opening Balance		182,791,584	157,660,900
Add: Transfer from specific provisions		-	-
Add: Transfer from Special General Provision- COVID-19		17,020,197	-
Add: Net charge to Profit and Loss Account		19,679,518	25,130,684
		<b>219,491,300</b>	<b>182,791,584</b>
		<b>308,768,520</b>	<b>275,447,800</b>
<b>13.02 Special General Provision- COVID-19</b>			
Opening balance		17,020,197	17,020,197
Less: Transfer to General Provision		17,020,197	-
		<b>-</b>	<b>17,020,197</b>
<b>13.03 Provision for Off Balance Sheet Exposures</b>			
Opening balance		10,284,633	5,782,822
Add: Addition during the year		12,242,988	9,419,065
Less: Transfer during the year		4,431,085	4,917,254
		<b>18,096,536</b>	<b>10,284,633</b>

The Bank has made a provision of (Tk 1,789,653,458) @ 1.00% on off balance sheet exposure as per BRPD Circular number 14 dated 23.09.2012 (amendment on 21 April 2019), BRPD circular no. 06 dated 25 April 2023 from current year's profit. The total amount of provision of Tk. 17,896,534 is deemed sufficient on requirement and will be treated as Supplementary Capital of the Bank.



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>13.04 Provision for Current Tax</b>			
Opening Balance		780,222,073	652,167,449
Add: Provision made during the year	13.04.01	286,072,471	128,054,624
Less: Settlement for Income Year-2017		38,744,022	-
Less: Settlement for Income Year-2018		73,208,382	-
		<b>954,342,140</b>	<b>780,222,073</b>
<b>13.04.01 Provision made during the year</b>	38.01		
Current Year		273,123,430	128,054,624
Income Year-2017		3,768,926	-
Income Year-2018		9,180,115	-
		<b>286,072,471</b>	<b>128,054,624</b>
<b>13.05 Deferred Tax Liability/(Asset)</b>			
Temporary timing difference in written down value of fixed asset			
Particulars	Carrying Amount of Balance Sheet	Tax Base Amount	Deductible/ (Taxable) Temporary Difference
	Taka	Taka	Taka
Fixed Assets Net of Depreciation as on 31 Dec 2024	228,873,456	272,249,038	(43,375,582)
Right of Use Assets	155,904,754	-	155,904,754
Lease obligation	(164,008,159)	-	(164,008,159)
<b>Total</b>	<b>220,770,051</b>	<b>272,249,038</b>	<b>(51,478,987)</b>
<b>Fixed Assets Net of Depreciation as on 31 Dec 2023</b>	<b>230,608,840</b>	<b>253,723,977</b>	<b>(23,115,137)</b>
<b>Applicable Tax Rate @</b>			<b>40%</b>
Deferred Tax Assets as on 31 December 2024			(20,591,595)
Deferred Tax Assets as on 31 December 2023			(9,246,055)
<b>Deferred Tax Expenses/(Income) accounted for during the year 2024</b>			<b>(11,345,540)</b>
Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS)12 'Income Taxes and BRPD circular no 11 dated 12 December 2011"			
<b>13.06 Interest Suspense Account</b>			
Opening Balance		77,498,783	8,907,554
Add: Transfer during the year		328,437,643	105,710,009
Less: Recovery during the year		91,349,661	37,118,780
Less: Waiver during the year		-	-
Less: Write off during the year		-	-
		<b>314,586,765</b>	<b>77,498,783</b>
<b>13.07 Provision for Diminution in Value of Investments</b>			
Opening balance		2,110,883	2,095,683
Addition during the year		5,669,263	15,200
		<b>7,780,146</b>	<b>2,110,883</b>





Particulars		Notes	Amount in Taka		
			31-Dec-24	31-Dec-23	
13.08	Provision for Start-up Fund				
	Opening balance		8,185,046	5,717,033	
	Addition during the year		3,973,586	2,468,013	
			12,158,632	8,185,046	
	AS per BB SMESPD Circular No. 04 dated 29 March 2021 and subsequent SMESPD Circular Letter No. 05 dated 26 April 2021 the bank has been maintaining a provision for startup fund @1% of net profit after tax each year since 2020.				
13.09	Provision for Climate Risk Fund				
	Opening balance		2,468,013	-	
	Addition during the year		2,305,692	2,468,013	
			4,773,705	2,468,013	
14.00	Share Capital				
14.01	Authorised Capital				
	1,000,000,000 ordinary shares of Taka 10 each		10,000,000,000	10,000,000,000	
14.02	Issued, Subscribed and Paid-up Capital				
	Balance at the beginning of the year		4,530,000,000	4,380,000,000	
	Add: Stock dividend of 2023 issued in 2024		168,500,000	150,000,000	
	Add: Issue of Ordinary Share		301,500,000	-	
			5,000,000,000	4,530,000,000	
14.02.01	Bonus Issue				
	On 25th June 2024, 3.72% stock dividend approved by the shareholders in it's 8th Annual General Meeting of the Bank. The stock dividend was distributed on 27 June 2024 accordingly.				
14.03	Percentage of Shareholding				
	Particulars	31-Dec-24		31-Dec-23	
		Capital	% of Holdings	% of Holdings	
	Sponsors and public	5,000,000,000	100	100	
	Government	-	-	-	
		5,000,000,000	100	100	
14.04	Classification of Shareholding				
	Range of holding of shares	No. of shareholders	No. of Shares	Shareholdings %	
				31-Dec-24	31-Dec-23
	Upto 500	7	7	0.000001%	0.000002%
	501 to 5,000	0	-	0.00%	0.00%
	5,001 to 10,000	0	-	0.00%	0.00%
	10,001 to 20,000	0	-	0.00%	0.00%
	20,001 to 30,000	0	-	0.00%	0.00%
	30,001 to 40,000	0	-	0.00%	0.00%
	40,001 to 50,000	0	-	0.00%	0.00%
	50,001 to 100,000	0	-	0.00%	0.00%
	100,001 to 1,000,000	0	-	0.00%	0.00%
	Over 1,000,000	1	499,999,993	99.999999%	99.999998%
		8	500,000,000	100.00%	100.00%



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23

**14.05 Names of the Directors and their shareholding as at 31 December 2024**

Name of the Director	Status	No of Share	
		31-Dec-24	31-Dec-23
BGB Welfare Trust	Sponsor	499,999,993	452,999,991
Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	Chairman	1	-
Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Director	1	1
Brig Gen Khandaker Shafiquzzaman, BGBM, psc	Shareholder	1	-
Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+	Shareholder	1	-
Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	Director	1	-
Col Mohammad Shariful Islam, psc	Shareholder	1	-
Col Md Moinul Islam Mollah, PBGMS, psc	Director	1	-
Mr. Abu Hena Mohd. Razee Hasan	Independent Director	-	-
Mr. Ahmed Kamal Khan Chowdhury	Independent Director	-	-
Maj Gen A K M Nazmul Hasan, BGBM, BAM, ndc, psc	Ex-Chairman	-	1
Brig Gen Ali Reza Mohammad Ashaduzzaman, BGBMS, ndc, psc	Ex-Director	-	1
Brig Gen Tanveer Gani Chowdhury, PBGM	Ex-Director	-	1
Brig Gen K M Azad, BGBM, BPM (Seba), PPM (Seba), psc	Ex-Director	-	1
Brig Gen A M M Khairul Kabir, BGBM, BGBMS, BGOM, psc	Ex-Director	-	1
Col Md Mahmudur Rahman, psc	Ex-Director	-	1
Col Murad Zaman, BGBMS, PBGMS	Ex-Director	-	1
Col Shaful Azam Parvez	Ex-Director	-	1
		<b>500,000,000</b>	<b>453,000,000</b>

**14.06 Capital to Risk Weighted Assets Ratio (CRAR) - as per BASEL III**

The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014.

**Tier - I Capital (Going Concern Capital)**

**Common Equity Tier 1 Capital (CET 1)**

Paid-up Capital	5,000,000,000	4,530,000,000
Statutory Reserve	510,129,253	375,712,142
Surplus in Profit and Loss Account/ Retained Earnings	257,030,669	168,868,435
	<b>5,767,159,922</b>	<b>5,074,580,577</b>

**Less: Regulatory Adjustment**

Deferred Tax Assets	20,591,595	9,246,055
<b>Total Common Equity Tier 1 Capital (CET-1)</b>	<b>5,746,568,327</b>	<b>5,065,334,522</b>

**Additional Tier 1 Capital (AT-1)**

	-	-
<b>(i) Total Tier - I Capital</b>	<b>5,746,568,327</b>	<b>5,065,334,522</b>

**Tier - II Capital (Going Concern Capital)**

General Provision including Off-Balance Sheet Exposure	237,587,836	210,096,414
Asset Revaluation Reserve (50%)	-	-
Revaluation Reserve for HTM and HFT Securities	-	-
Non-Convertible Subordinated Bond	-	-
	<b>237,587,836</b>	<b>210,096,414</b>

Regulatory Adjustment (if any)	-	-
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<b>(ii) Total Tier - II Capital</b>	<b>237,587,836</b>	<b>210,096,414</b>
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<b>A. Total Eligible Capital (i+ii)</b>	<b>5,984,156,163</b>	<b>5,275,430,936</b>
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Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>B. Risk Weighted Assets</b>			
<b>Credit risk</b>			
Balance Sheet Business		12,084,872,957	10,183,271,040
Off- Balance Sheet Business		724,126,415	350,345,268
		<b>12,808,999,372</b>	<b>10,533,616,308</b>
Market Risk		284,002,514	193,002,799
Operational Risk		1,951,818,595	1,557,436,119
<b>Total Risk-Weighted Assets</b>		<b>15,044,820,481</b>	<b>12,284,055,226</b>
<b>C. Required Capital Based 10% of RWA i.e Taka 1,504,482,048 or 5,000,000,000 (Tk 4,530,000,000 for 2023) whichever is higher</b>		<b>5,000,000,000</b>	<b>5,000,000,000</b>
<b>D. Capital Surplus / (Shortfall) [A-C] (Except Capital Conservation Buffer 2.5%)</b>		<b>984,156,163</b>	<b>275,430,936</b>
<b>Total Capital Adequacy Ratio (%)</b>		<b>39.78%</b>	<b>42.95%</b>
<b>Capital Requirement</b>	<b>Required</b>	<b>Held</b>	<b>Held</b>
Tier - I Capital (Going Concern Capital)	8.50%	38.20%	41.24%
Tier - II Capital (Going Concern Capital)	4.00%	1.58%	1.71%
<b>Total</b>	<b>12.50%</b>	<b>39.78%</b>	<b>42.95%</b>
<b>15.00 Statutory Reserve</b>			
Opening balance		375,712,142	300,549,312
Add: Transfer from profit during the year		134,417,111	75,162,830
Closing Balance		<b>510,129,253</b>	<b>375,712,142</b>
As per Section 24 of Banking Companies Act 1991(amended up to date), 20% of pre tax profit has been transferred to Statutory Reserve Account.			
<b>16.00 Retained Earnings</b>			
Opening balance		168,868,435	152,165,969
Add: Profit after Tax for the year		397,358,623	246,801,322
Less: Stock dividend		168,500,000	150,000,000
Less: Transferred to statutory reserve		134,417,111	75,162,830
Less: Transfer Start-Up Fund		3,973,586	2,468,013
Less: Transfer to Climate Risk Fund		2,305,692	2,468,013
		<b>257,030,669</b>	<b>168,868,435</b>
<b>17.00 Other Reserves</b>			
Opening balance		7,030,311	17,152,486
Add: Revaluation Reserve -T Bond HFT		-	-
Add: Amortization Gain- T Bond HTM		-	-
Add: Revaluation Reserve -T Bill HTM		-	-
Less: Revaluation Reserve -T Bond HFT		2,127,636	6,429,300
Less: Revaluation Reserve -T Bill HFT		-	-
Less: Revaluation Reserve -T Bill HTM		-	3,692,875
		<b>4,902,675</b>	<b>7,030,311</b>



Particulars	Notes	Amount in Taka	
		31-Dec-24	31-Dec-23
<b>18.00 Contingent Liabilities</b>			
Acceptances and Endorsements	Note - 18.01	252,079,536	133,092,256
Letters of Guarantee	Note - 18.02	1,347,205,696	696,598,450
Letters of Credit	Note - 18.03	190,368,226	193,772,497
Bills for Collection	Note - 18.04	126,220,727	3,948,570
		<b>1,915,874,185</b>	<b>1,027,411,773</b>
<b>18.01 Acceptances and Endorsements</b>			
Acceptance Local BTB Usance LC		187,683,452	66,897,907
Acceptance Foreign BTB Usance LC		58,083,518	54,891,399
Shipping Guarantee		6,312,566	11,302,950
		<b>252,079,536</b>	<b>133,092,256</b>
<b>18.02 Letters of Guarantee</b>			
Other Guarantee (Warranty , Surety , Retention etc)		200,000	18,670,000
Payment Guarantee-Local		854,655,404	472,655,404
BID Bond-Local		29,067,000	-
Performance Guarantee-Local		463,283,292	205,273,046
		<b>1,347,205,696</b>	<b>696,598,450</b>
<b>18.03 Letters of Credit</b>			
Local BTB Usance LC		56,259,561	37,445,022
Foreign Cash Sight LC		106,393,846	137,759,978
Foreign BTB Usance LC		27,714,819	18,567,497
		<b>190,368,226</b>	<b>193,772,497</b>
<b>18.04 Bills for Collection</b>			
Local Bills for Collection		126,220,727	3,948,570
		<b>126,220,727</b>	<b>3,948,570</b>
		<b>Jan-Dec'2024</b>	<b>Jan-Dec'2023</b>
<b>19.00 Income Statement</b>			
<b><u>Income:</u></b>			
Interest, Discount and Similar Income	Note: 20.00	2,133,549,810	1,393,335,133
Dividend Income	Note: 22.01	220,666,366	209,025,270
Fee, Commission and Brokerage	Note: 23.00	24,070,347	14,934,433
Gains Less Losses Arising from Government Securities		227,210	11,059,500
Gains Less Losses Arising from Investment Securities /Trading Shares		327,640,743	220,815,747
Other Operating Income	Note: 24.00	139,177,535	89,985,331
		<b>2,845,332,011</b>	<b>1,939,155,414</b>
<b><u>Expenses :</u></b>			
Interest Pain on Deposits, Borrowings etc.	Note: 21.00	1,400,831,075	886,237,237
Auditors' Fees	Note: 32.00	402,500	494,500
Administrative Expenses		403,995,335	341,943,621
Other Operating Expenses		219,223,782	175,974,835
Depreciation and Amortization on Banking Assets	Note: 33.00	114,003,344	113,068,856
		<b>2,138,456,036</b>	<b>1,517,719,049</b>
<b>Operating Profit/ (Loss)</b>		<b>706,875,975</b>	<b>421,436,365</b>



Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023
<b>20.00 Interest Income</b>			
<b>Interest on loans and Advances:</b>			
Corporate Loan		1,155,180,631	738,607,265
SME Loan		336,856,580	160,090,536
Retail Loan		366,854,693	353,866,810
Agriculture Loan		15,033,950	8,653,531
Staff Loan		1,340,922	1,228,925
		<b>1,875,266,776</b>	<b>1,262,447,067</b>
<b>Interest on Calls, Placements and Balance with Other Banks:</b>			
Calls and Placements		244,330,072	126,909,917
Balance with Other Banks		13,952,962	3,978,149
		<b>258,283,034</b>	<b>130,888,066</b>
		<b>2,133,549,810</b>	<b>1,393,335,133</b>
<b>21.00 Interest Paid on Deposits and Borrowings etc.</b>			
<b>Interest Paid on Deposits:</b>			
Short Notice Deposit		181,112,286	176,018,949
Savings Deposits		30,239,835	23,954,372
Term Deposit		1,179,579,036	663,489,938
		<b>1,390,931,157</b>	<b>863,463,259</b>
<b>Interest paid for borrowings:</b>			
Interest on Money at Call and Short Notice		-	6,475,111
Interest on Borrowings from Banks and FIS		-	4,003,472
Interest on Repurchase Agreement (Repo)		-	306,974
Interest on Re-Finance and Pre-Finance from Bangladesh Bank		710,996	902,163
Interest Expenses of Lease Liabilities		9,188,922	11,086,258
		<b>9,899,918</b>	<b>22,773,978</b>
		<b>1,400,831,075</b>	<b>886,237,237</b>
<b>22.00 Investment Income</b>			
Dividend on Shares	Note: 22.01	220,666,366	209,025,270
Gain from Sale of Govt. Securities		227,210	11,059,500
Interest Income from Commercial Paper		-	18,213,699
Income from Bond	Note: 22.02	52,640,630	55,534,673
Interest on Treasury Bills and Bonds		296,761,653	176,670,259
Gain/(Loss) on revaluation on Treasury Bills and Bonds		(21,761,539)	(29,602,884)
		<b>548,534,320</b>	<b>440,900,517</b>
<b>22.01 Dividend on Shares</b>			
Dividend from Special Fund Investment		4,134,889	5,351,670
Dividend from Preference Share		216,335,331	203,398,294
Dividend from Capital Market (Regular Fund)		196,146	275,306
		<b>220,666,366</b>	<b>209,025,270</b>
<b>22.02 Income from Bond</b>			
Interest on Subordinate Bond		28,057,610	26,930,932
Interest on Zero Coupon Bond		24,583,020	28,603,741
		<b>52,640,630</b>	<b>55,534,673</b>



Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023
<b>23.00 Commission, Exchange and Brokerage</b>			
Other Commission and Service Charges		3,607,570	1,591,269
Commission from Issue of Letters of Credit		4,787,956	3,591,621
Commission from Issue of Letters of Guarantee		15,674,821	9,751,543
		<b>24,070,347</b>	<b>14,934,433</b>
<b>24.00 Other Operating Income</b>			
Income from Cash Disbursement Services		42,122,926	24,473,976
Exchange Gain on Foreign Currencies		22,972,479	7,695,199
Other Income-Misc. and Supervision Charge		13,591,026	12,167,751
Income from Account Maintenance		21,247,897	19,548,949
Card Income		39,243,207	26,099,456
		<b>139,177,535</b>	<b>89,985,331</b>
<b>25.00 Salary and Allowances</b>			
Basic Salary		131,347,521	117,102,474
Allowances		120,469,417	103,731,339
Provident Fund		12,973,398	11,484,544
Gratuity Fund		23,137,796	8,350,000
Contractual Staffs Salary and Wages		65,713,836	53,460,579
Bonus		37,669,682	36,438,455
		<b>391,311,650</b>	<b>330,567,391</b>
<b>26.00 Rent, Taxes, Insurance, Electricity etc.</b>			
Rent, Rates and Taxes - Premises	26.01	29,671,893	28,034,378
Electricity, Gas, Water, etc.		14,030,169	11,677,701
Insurance		13,935,780	10,401,614
		<b>57,637,842</b>	<b>50,113,693</b>
<b>26.01 Rent, Rates and Taxes - Premises</b>			
Rent - Premises		28,984,262	25,704,008
Rent - Vehicle		-	2,014,265
Rent-ATM		687,631	316,105
		<b>29,671,893</b>	<b>28,034,378</b>
<b>26.01.01 Rents, Rates and Taxes</b>			
Rent, Rates and Taxes - Premises		85,683,828	81,652,657
Rent-ATM		687,631	316,105
Rent - Vehicle		-	2,014,265
Less: Rent expense reversal due to implementation of IFRS 16 -Leases		56,699,566	55,948,649
		<b>29,671,893</b>	<b>28,034,378</b>
<b>27.00 Legal Expenses</b>			
Legal and Professional Expenses		1,722,800	2,655,921
Notary, Court Fees and Licensing		1,131,080	777,619
		<b>2,853,880</b>	<b>3,433,540</b>





Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023
<b>28.00 Postage, Stamp, Telecommunication etc.</b>			
Telephone		626,232	651,157
Postage, Stamp and Courier		1,761,412	1,343,966
Internet		2,140,521	1,492,670
Branch Connectivity Charges		9,714,315	8,675,322
		<b>14,242,480</b>	<b>12,163,115</b>
<b>29.00 Stationery, Printing, Advertisements etc.</b>			
Printing		3,989,996	2,592,876
Stationery		6,840,944	6,630,817
Publicity and Advertisement		756,590	1,016,305
		<b>11,587,530</b>	<b>10,239,998</b>
<b>30.00 Chief Executive's Salary and Fees</b>			
Basic Salary		4,803,806	4,367,097
Allowances		3,749,830	3,752,198
Bonus (Festival and Incentive)		2,270,000	1,770,000
		<b>10,823,636</b>	<b>9,889,295</b>
<b>31.00 Directors' Fees</b>			
Directors' Fees		985,800	1,088,000
Independent Director Remuneration		550,000	-
Meeting Expenses		324,249	398,935
		<b>1,860,049</b>	<b>1,486,935</b>
Directors' fees represent fees paid for attending the meeting of the Board, Risk Management Committee and Audit Committee meeting @ Tk 8,000 per director per meeting as per BRPD circular no. 11 dated 4 October 2015. Independent director of the bank is paid as remuneration Tk 50,000 per month as per BRPD circular no. 03 dated 14 February 2024.			
<b>32.00 Auditors' Fees</b>			
External Audit Fee		402,500	494,500
		<b>402,500</b>	<b>494,500</b>
<b>33.00 Depreciation and Repairs of Bank's Assets</b>			
<b><u>Depreciation :</u></b>			
Furniture and Fixture		17,851,159	17,215,142
Office Equipment (Machinery, Electromechanical and IT)		8,269,146	7,572,903
Vehicle		6,415	23,253
Computer and Network Equipment		23,291,180	23,493,174
Right of Use Assets (ROU) as per IFRS 16		52,197,995	52,197,995
Software		9,327,236	11,141,510
		<b>110,943,131</b>	<b>111,643,977</b>



Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023
<b><u>Repairs:</u></b>			
Computer Accessories		1,103,000	534,459
Electricity and Lighting		53,024	6,370
Furniture and Fixture		636,988	43,483
Motor Vehicles		223,056	214,375
Building and Decoration		223,540	21,474
Equipment		820,605	604,718
		<b>3,060,213</b>	<b>1,424,879</b>
		<b>114,003,344</b>	<b>113,068,856</b>
<b>34.00 Other Expenses</b>			
Bank Charges		24,782,512	13,682,141
Books and Periodicals		18,860	27,258
Regulatory Charges		1,218,497	2,580,364
Entertainment		2,194,542	2,267,750
Traveling Expenses		1,722,184	976,835
Local Conveyance		525,358	513,022
Staff Training and Development		191,326	676,368
Recruitment Expenses		69,369	-
Campaign Expnese		522,661	-
Car and Fuel Expenses		15,233,026	14,517,281
Office Maintenances		2,676,694	1,959,838
IT Enabled Service		12,273,711	11,893,608
Software Maintenance		11,915,605	6,125,241
ATM Maintenance		1,060,540	1,219,400
Annual General Meeting		707,901	509,942
Business Development/Promotional Expenses		1,957,760	1,315,184
Miscellaneous Expenses		175,678	120,049
Spare Parts		2,990,093	3,281,754
Card Expenses		29,049,257	20,233,467
Donations, Subscription and Memberships		18,122,200	12,941,290
Branch Opening Expenses		576,221	123,853
Events and Occasional Expenses		652,664	1,047,760
Purchase of Utensils		173,685	700,071
Expenses for Cash Disbursement Services		4,091,707	3,312,013
		<b>132,902,051</b>	<b>100,024,489</b>



Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023
<b>35.00 Provision for Loans and Advances</b>			
General Provision		19,679,518	25,130,684
Specific Provision		(3,378,996)	15,974,520
		<b>16,300,522</b>	<b>41,105,204</b>
<b>36.00 Provision for Diminution in Value of Investments</b>			
Provision for Diminution in Value of Investments		5,669,263	15,200
		<b>5,669,263</b>	<b>15,200</b>
<b>37.00 Other Provisions</b>			
Off-Balance Sheet Items		7,811,903	4,501,811
Provision Other Assets		5,008,733	-
		<b>12,820,636</b>	<b>4,501,811</b>
<b>38.00 Provision for Taxation</b>			
Provision for current tax calculation based on the profit before provision considering admissible and inadmissible expense as per provision of Income Tax Act 2023.			
Current Tax	38.01	286,072,471	128,054,624
Deferred Tax		(11,345,540)	958,204
		<b>274,726,931</b>	<b>129,012,828</b>
<b>38.01 Current Tax</b>			
Current Year		273,123,430	128,054,624
Income Year 2017		3,768,926	-
Income Year 2018		9,180,115	-
		<b>286,072,471</b>	<b>128,054,624</b>
<b>39.00 Appropriations</b>			
Retained Earnings - Brought Forward		168,868,435	152,165,969
Less: Stock Dividend		(168,500,000)	(150,000,000)
Add: Net Profit after Tax for the year		397,358,623	246,801,322
		<b>397,727,058</b>	<b>248,967,291</b>
<b>Transferred to</b>			
Statutory Reserve		(134,417,111)	(75,162,830)
Start-Up Fund		(3,973,586)	(2,468,013)
Climate Risk Fund		(2,305,692)	(2,468,013)
		<b>(140,696,389)</b>	<b>(80,098,856)</b>
<b>Retained Earnings</b>		<b>257,030,669</b>	<b>168,868,435</b>
<b>40.00 Earnings Per Share (EPS)</b>			
Net Profit after Taxation (Numerator)-A		397,358,623	246,801,322
Number of Ordinary Shares Outstanding (Denominator)-B		486,642,353	453,000,000
<b>Basic Earnings per Share-(A/B)</b>		<b>0.82</b>	<b>0.54</b>
Bonus Fraction		-	0.01
<b>Earnings per Share (EPS) [Restated: 2023]</b>		<b>0.82</b>	<b>0.53</b>

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 December 2024 in terms of International Accounting Standard (IAS)-33. As there was no scope for dilution of shares, no diluted EPS required to be calculated for the year ended 31 December 2024.



Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023
<b>41.00 Net Asset Value (NAV) per Share</b>			
Net Asset Value Attributable to Shareholders-A		5,772,062,597	5,081,610,888
Number of Ordinary Share Outstanding at the end of the year-B		486,642,353	461,470,214
<b>Net Asset Value (NAV) per Share [Restated: 2023] (A/B)</b>		<b>11.86</b>	<b>11.01</b>
<b>42.00 Changes in Other Assets</b>			
<b>Opening balance:</b>			
Advance Rent		10,028,963	34,381,291
Advance VAT		7,015	292,763
Advance, Deposit and Prepayments		33,679,026	13,774,398
Inventory		4,306,213	6,227,297
Shanchaypatra Receivable		224,449	3,093,239
Receivable on Cards		10,841,642	3,126,240
Clearing Charges Adjustment		100,276	107,686
Other Receivables		16,373,269	7,208,308
Balance with EBL Securities Ltd.		18,571	18,571
Balance with Lankabangla Securities Ltd.		339,224	2,336,329
		<b>75,918,648</b>	<b>70,566,122</b>
<b>Closing Balance:</b>			
Advance Rent		14,991,258	10,028,963
Advance VAT		6,367,899	7,015
Advance, Deposit and Prepayments		23,728,458	33,679,026
Inventory		11,396,236	4,306,213
Receivable on Cards		26,359,616	10,841,642
Shanchaypatra Receivable		224,349	224,449
Clearing Charges Adjustment		128,806	100,276
Other Receivables		22,763,585	16,373,269
Balance with EBL Securities Ltd.		17,671	18,571
Balance with Lankabangla Securities Ltd.		329,999	339,224
		<b>106,307,877</b>	<b>75,918,648</b>
<b>Net Cash Changes in Other Assets</b>		<b>(30,389,229)</b>	<b>(5,352,526)</b>
<b>43.00 Changes in Other Liability</b>			
<b>Opening balance:</b>			
Other Payable		70,109,718	39,476,432
Interest Payable on Borrowing		-	161,282
Interest Suspense		77,498,783	8,907,554
CIB Payable		-	1,113,790
Transactional Account		49,436	307,600
Lease Liability		199,082,067	-
		<b>346,740,004</b>	<b>49,966,658</b>



Particulars	Notes	Amount in Taka	
		Jan-Dec'2024	Jan-Dec'2023

**Closing Balance:**

Other Payable	78,598,681	70,109,718
Interest Suspense	314,586,765	77,498,783
Transactional Account	119,952	49,436
Lease Liability	164,008,159	199,082,067
	<b>557,313,557</b>	<b>346,740,004</b>
	<b>210,573,553</b>	<b>296,773,346</b>

**Net Cash Changes in Other Liability**

**44.00 Payments for Other Operating Activities**

Rent, Taxes, Insurance, Electricity, etc.	57,637,842	50,113,693
Postage, Stamps, Telecommunication, etc.	14,242,480	12,163,115
Repairs of Bank's Assets	3,060,213	1,424,879
Auditors' Fees	402,500	494,500
Legal Expenses	2,853,880	3,433,540
Directors' Fees	1,860,049	1,486,935
Other Expenses	132,902,051	100,024,489
	<b>212,959,015</b>	<b>169,141,151</b>

**45.00 Number of Employees and Support Staffs**

**Regular Employee**

Officer and Executives	305	283
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**Contractual**

Officer	49	41
Support Staffs and Security	243	192

<b>Total</b>	<b>597</b>	<b>516</b>
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The number of employees including contractual engaged for the whole year or part there of who received a total yearly remuneration of Tk. 36,000/- or above were 597 no. of employees for the year 2024 (2023 : 516)

**46.00 Disclosure on Audit Committee**

**a) Particulars of Audit Committee**

The audit committee of the Board was duly constituted by the Board of Directors of the Bank in accordance with the BRPD circular no. 11 dated 27 October 2013 of Bangladesh Bank. Pursuant to the BRPD circular no. 08 dated 19 June 2011 and BSEC notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 on Corporate Governance, the current Committee is Constituted with the following 03 (Three) members of the Board:

SL. No.	Name of the Director	Status with the Bank	Status with the Committee	Educational Qualification
1	Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	Director	Chairman	BA, MBA, MDS, LLB
2	Col Md Moinul Islam Mollah, PBGMS, psc	Director	Member	BSc, MSc
3	Mr. Ahmed Kamal Khan Chowdhury	Independent Director	Member	MSS, MBA

**b) Meetings held by the Audit Committee during the year by date:**

SL. No.	Meeting no.	Holding Date
1	31st	17th January, 2024
2	32nd	25th April, 2024
3	33rd	27th May, 2024
4	34th	27th September, 2024
5	35th	4th November, 2024
6	36th	29th December, 2024



**c) Review by the Audit Committee and Recommendation thereof:**

**Internal Control:**

- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
- Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

**Internal Audit:**

- Audit committee will monitor whether internal audit working independently from the management;
- Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;
- Examine the efficiency and effectiveness of internal audit function;
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

**External Audit:**

- Review the performance of the external auditors and their audit reports;
- Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not;
- Make recommendations to the board regarding the appointment of the external auditors.

**Compliance with existing laws and Regulations:**

Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.

**Other Responsibilities:**

- Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- External and internal auditors will submit their related assessment report, if the committee solicit;
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis;
- identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- Developing, recommending and reviewing annually the company's human resources and training policies.





**47.00 Related Party Disclosures**

**i) Name of Directors and their interest in different entities as on December 31, 2024**

SL No.	Name	Name of the firms/Companies in which they have interest	Status with the Bank	Status in the interested entities
1	BGB Welfare Trust	Border Guard Bangladesh	Sponsor	Not Applicable
2	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	1. Border Guard Bangladesh; 2. BGB Welfare Trust	Chairman	1. Director General; 2. Chairman
3	Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	1. Border Guard Bangladesh; 2. BGB Welfare Trust	Director	1. Additional Director General (Med); 2. Member-Trustee Board;
4	Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	1. Border Guard Bangladesh; 2. BGB Welfare Trust	Director	1. Additional Director General (HQ); 2. Vice Chairman
5	Col Md Moinul Islam Mollah, PBGMS, psc	1. Border Guard Bangladesh;	Director	1. Deputy Director General Air
6	Mr. Abu Hena Mohd. Razee Hasan	Not Applicable	Independent Director	Not Applicable
7	Mr. Ahmed Kamal Khan Chowdhury	Not Applicable	Independent Director	Not Applicable

**ii) Name of the Directors and their interest in the Bank**

SL No.	Name	Address	Designation	No. of Shares holding as on Dec-31, 2024
1	BGB Welfare Trust	Shimanto Shomvar, Dhanmondi, Dhaka	Sponsor	499,999,993
2	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	Director General, Border Guard Bangladesh	Chairman	1
3	Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Additional Director General (Med), HQ BGB	Director	1
4	Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	Additional Director General (HQ), BGB	Director	1
5	Col Md Moinul Islam Mollah, PBGMS, psc	Deputy Director General (Air), HQ BGB	Director	1
<b>Total</b>				<b>499,999,997</b>

iii) Share issued to Directors & Executives without consideration or exercisable at discount

Nil

iv) Related party Transactions:

During the year ended 31 December 2024, the Bank has transaction with the following organizations in which the directors had interest:

Name of the Company/Person	Name of the relationship	Nature of the transaction	Amount of Transaction made during the year	
			2024	2023
BGB Welfare Trust	Common Director	Stock Dividend	168,500,000	150,000,000



v) Lending policies in respect of related party

a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31 December 2024.

SL. No	Name of the Party	Nature of Transaction	Product	Amount
1	Border Guard Bangladesh; it's Units	Deposit	FDR	5,813,012,212
		Deposit	SND	3,217,685,031
2	BGB Welfare Trust	Deposit	FDR	412,020,676
		Deposit	SND	99,414,514
3	Shimanto Poribar Kolyan Samity (Shipoks)	Deposit	Current	73,440
		Deposit	FDR	28,015,523
		Deposit	SND	3,713,940
4	Birshreshtha Munshi Abdur Rouf Public College	Deposit	FDR	135,252,740
		Deposit	SND	97,143,226
5	Birshreshtha Noor Mohammad Public College	Deposit	FDR	79,709,561
		Deposit	SND	300,030,187
6	Shimanto Square Market	Deposit	FDR	653,030
		Deposit	SND	62,854,723
7	Shimanto Shamvar Market	Deposit	FDR	-
		Deposit	SND	147,511,360
8	BGB School and Others	Deposit	Current	7,519,617
		Deposit	FDR	61,606,897
		Deposit	SND	133,384,729
9	Dipto Shimanto	Deposit	FDR	41,000,000
		Deposit	SND	6,262,935
10	Shimanto Logistics & Transport Service (SLTS)	Deposit	FDR	40,745,000
		Deposit	SND	4,795,391
11	Mr. Abu Hena Mohd. Razee Hasan	Deposit	Savings	396,507

b)	Amount of transactions regarding principal items of deposits, expenses and commission	Nil
c)	Amount of provision against loans and advances given to related party	Nil
d)	Amount of guarantees and commitments arising from other off-balance sheet exposures	Nil

vi) Disclosure of transaction regarding Directors and their related concerns Nil

vii) Business other than banking business with any related concern of the Directors as per Section 18 (2) of Bank Companies Act 1991 (amended up to date)



a) Lease agreement related with the Border Guard Bangladesh; it's Units

SL. No	Name of the Party	Nature of Contract	Name of the Branch/ATM	Area of the Branch (SFT)	Amount
1	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-Office Space	Principal	5902	12,854,556
2	Border Guard Bangladesh; it's Units-Shimanto Logistics & Transport Service (SLTS)	Lease Agreement-Service Charge	Principal	0	708,240
3	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-Office Space & ATM Space	Lalmonirhat	2070	290,868
4	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-Office Space	Sylhet	2800	924,000
5	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-ATM Space	Halishahar	200	29,053
6	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-ATM Space	BGTC	200	29,053
7	Border Guard Bangladesh; it's Units-Shimanto Logistics & Transport Service (SLTS)	Lease Agreement-Office Space	Hazaribagh	2494	823,020
8	Border Guard Bangladesh; it's Units-Shimanto Logistics & Transport Service (SLTS)	Lease Agreement-Godown Space	Central Godown	1141	376,517
9	Border Guard Bangladesh; it's Units-Shimanto Shamvar Market (Tohobil)	Lease Agreement-Office Space	Head Office	36000	27,864,000
10	Border Guard Bangladesh; it's Units	Lease Agreement-Office Space	HO Archive	3783	3,376,029
11	Border Guard Bangladesh; it's Units-Mymensingh Sector	Lease Agreement-Office Space	Mymensingh	2984	1,853,064

b) Receiving Service related with the Border Guard Bangladesh; it's Units

i)	Shimanto Logistics & Transport Service (SLTS) Rooftop signboard for Principle Branch	Yearly Rent	90,852
ii)	Shimanto Square Market Main Signboard	Yearly Rent	225,132
iii)	BGB Welfare trust, Security and Support Staff Service	Yearly Expenses	58,424,301
iv)	Dipto Shimanto	Donation	3,600,000

**47.01 Events after the Reporting Period**

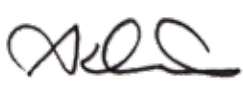



As per IAS -10 "Events after the Reporting Period" events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are unauthorized for the issue. Two types of event can be identified:

(a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

(b) Non-adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

The details about the event after the reporting period:

The Board of Directors in its 79th Board meeting held on May 25, 2025 has proposed 5.00% stock dividend subject to the approval of the Shareholders at the next Annual General Meeting of the Bank.

 <b>Major General Mohammad Ashrafuzzaman Siddiqui</b> OSP, BSP, SUP, BGBM, ndc, psc, MPhil Chairman	 <b>Brig Gen Md Shahadat Sikder</b> BGBMS, ndc, afwc, psc Director	 <b>Col Mohammad Shariful Islam</b> psc Director	 <b>Rafiqul Islam</b> Managing Director & CEO
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**Shimanto Bank PLC.**  
**Highlights on the overall activities.**  
**As at 31 December 2024**

Sl #	Particulars	Indicators	2024	2023
1	Paid-Up Capital	BDT	5,000,000,000	4,530,000,000
2	Total Capital	BDT	5,984,156,163	5,275,430,936
3	Capital (Deficit)/ Surplus	BDT	984,156,163	275,430,936
4	Total Assets	BDT	33,012,699,495	25,215,444,150
5	Total Deposits	BDT	25,338,894,039	18,641,585,763
6	Total Loans and Advances	BDT	20,341,282,630	16,014,791,094
7	Total Contingent Liabilities and Commitments	BDT	1,915,874,185	1,027,411,773
8	Credit-Deposit Ratio	%	80.28%	85.91%
9	Percentage of Classified Loan against Total Loans and Advances	%	1.29%	1.11%
10	Profit after Tax and Provision	BDT	397,358,623	246,801,322
11	Amount of Clasified Loans During Current Year	BDT	261,942,045	177,711,814
12	Provision Kept against Classified Loans	BDT	89,277,220	92,656,216
13	Provision Surplus/Deficit	BDT	-	-
14	Cost of Fund	%	9.78%	7.78%
15	Interest Earning Assets	BDT	29,822,175,194	22,546,836,711
16	Non-Interest Earning Assets	BDT	3,190,524,301	2,668,607,439
17	Return on Investments (ROI)	%	8.24%	8.09%
18	Return on Assets (ROA)	%	1.36%	1.03%
19	Return on Equity (ROE)	%	7.32%	4.97%
20	Income from Investments	BDT	548,534,320	440,900,517
21	Earnings per Share (Restated-2023)	BDT	0.82	0.53
22	Net Income per Share (Restated-2023)	BDT	0.82	0.53
23	Price Earning Ratio	Times	N/A	N/A
24	Net Asset Value (NAV) per Share [Restated: 2023]	BDT	11.86	11.01



**Shimanto Bank PLC.**  
**Schedule of Fixed Assets of the Bank**  
As at 31 December 2024

Annexure-A

Name of Assets	Amount in Taka							
	Cost				Depreciation/ Amortization			
	Opening Balance	Addition during the year	Adjustment During the year	Closing Balance	Opening Balance	Depreciation During the year	Adjustment During the year	Closing Balance
<b>Freehold Assets</b>								
Computer & Network	196,223,679	37,879,959	3,098,944	237,202,582	136,483,732	23,291,180	1,512,360	161,287,272
Furniture and Fixtures	180,660,603	12,793,995	1,177,049	194,631,647	77,156,257	17,851,158	118,922	95,126,337
Office Equipment	102,188,649	9,776,478	(4,174,593)	107,790,534	65,267,115	8,269,147	(1,577,765)	71,958,497
Vehicle	176,400	-	-	176,400	155,553	6,415	-	161,968
<b>Sub Total</b>	<b>479,249,331</b>	<b>60,450,432</b>	<b>101,400</b>	<b>539,801,163</b>	<b>279,062,657</b>	<b>49,417,900</b>	<b>53,517</b>	<b>328,534,074</b>
<b>Intangible Assets</b>								
Software	79,332,704	5,580,002	(101,400)	84,811,306	57,931,220	9,327,236	(53,517)	67,204,939
<b>Sub Total</b>	<b>79,332,704</b>	<b>5,580,002</b>	<b>(101,400)</b>	<b>84,811,306</b>	<b>57,931,220</b>	<b>9,327,236</b>	<b>(53,517)</b>	<b>67,204,939</b>
<b>Lease Assets-Premises</b>								
Right of Used Assets	260,300,744	-	-	260,300,744	52,197,995	52,197,995	-	104,395,990
<b>Sub Total</b>	<b>260,300,744</b>	<b>-</b>	<b>-</b>	<b>260,300,744</b>	<b>52,197,995</b>	<b>52,197,995</b>	<b>-</b>	<b>104,395,990</b>
<b>Total as on 31 December 2024</b>	<b>818,882,779</b>	<b>66,030,434</b>	<b>-</b>	<b>884,913,213</b>	<b>389,191,872</b>	<b>110,943,131</b>	<b>-</b>	<b>500,135,003</b>
<b>Total as on 31 December 2023</b>	<b>509,744,165</b>	<b>309,138,614</b>	<b>-</b>	<b>818,882,779</b>	<b>277,547,895</b>	<b>111,643,977</b>	<b>-</b>	<b>389,191,872</b>
								<b>429,690,907</b>



**Shimanto Bank PLC.**  
Investment in Shares of the Bank  
As at 31 December 2024

Annexure-B (Regular Fund)

Sl. No.	Name of the Company	Amount in Taka						
		Face Value	No. of Shares including bonus share	Cost of Holding	Average Cost Per Share	Market rate per share as at 31 December 2024	Total market value as at 31 December 2024	Unrealized Profit/ (Loss) as at 31 December 2024
1	ACI Ltd.	10	12,790	3,025,039	236.52	139.70	1,786,763	(1,238,276)
2	Bangladesh Export Import Company Ltd.	10	105	13,474	128.32	110.10	11,561	(1,914)
3	Beximco Pharmaceuticals Ltd.	10	30,027	5,499,643	183.16	82.10	2,465,217	(3,034,426)
4	GPH Ispat Ltd.	10	53,725	2,555,998	47.58	22.20	1,192,695	(1,363,303)
5	IFIC Bank PLC.	10	430,607	5,199,263	12.07	7.10	3,057,310	(2,141,953)
6	LafargeHolcim Bangladesh PLC.	10	10	806	80.60	53.20	532	(274)
Sub-Total				16,294,223			8,514,077	(7,780,146)





**Shimanto Bank PLC.**  
Investment in Shares of the Bank  
As at 31 December 2024

Annexure-B-1 (Special Fund)

Sl. No.	Name of the Company	Amount in Taka				
		Face Value	No. of Shares including bonus share	Cost of Holding	Average Cost Per Share	Market rate per share as at 31 December 2024
1	ACI Ltd.	10	108	25,730	238.24	139.60
2	Bangladesh Steel Re-Rolling Mills Ltd.	10	15,221	1,473,001	96.77	76.00
3	BD Submarine Cable PLC.	10	10	2,049	204.91	126.10
4	GPH Ispat Ltd.	10	110,775	5,456,933	49.26	22.10
5	IFIC Bank PLC.	10	1,068,177	15,338,976	14.36	7.20
6	Mercantile Bank PLC.	10	214,200	3,568,425	16.66	10.30
7	Power Grid Company of Bangladesh	10	155,000	10,029,027	64.70	41.80
8	Bangladesh Export Import Company Ltd.	10	52,500	7,413,487	141.21	110.10
9	Beximco Pharmaceuticals Ltd.	10	230,768	47,015,376	203.73	81.60
10	IPDC Finance PLC.	10	10	420	42.03	18.30
11	LankaBangla Finance PLC.	10	275,845	10,590,258	38.39	18.60
12	LafargeHolcim Bangladesh PLC.	10	70,000	5,299,627	75.71	53.90
13	Summit Power Ltd.	10	100,000	4,297,180	42.97	14.80
14	British American Tobacco Bangladesh Company PLC.-BATBC	10	48,255	30,952,411	641.43	367.60
15	Confidence Cement PLC.	10	119,116	14,805,360	124.29	56.70
16	Square Pharmaceuticals PLC.	10	59,000	13,534,000	229.39	217.70
<b>Sub-Total</b>				<b>169,802,261</b>		<b>92,328,930</b>
						<b>(69,421,848)</b>

As per DOS circular no.1 dated February 10, 2020 provision for denomination value of investment under special fund is exempted upto February 2025.



**Shimanto Bank PLC.**  
**Balance with Other Banks-Outside Bangladesh (Nostro Account)**  
**As at 31 December 2024**

Annexure - C

Name of the Bank	Account Type	Currency Type	2024			2023		
			FC	Exchange	Equivalent	FC	Exchange	Equivalent
			Amount	Rate		Amount	Rate	Taka
Habib American Bank	CD	US \$	2,019,225	119.00	240,287,832	1,385,281	109.95	152,317,938
Axis Bank ACU	CD	US \$	21,942	119.00	2,611,130	107,595	109.59	11,790,966
United Bank of India	CD	US \$	2,912	119.00	346,546	17,532	109.75	1,924,103
<b>Total</b>			<b>2,044,079</b>		<b>243,245,508</b>	<b>1,510,407</b>		<b>166,033,007</b>

Note: The Bank is not required to keep provision on the unreconciled debit balance as at balance sheet date as there was no debit entry aging more than three months.



**Shimanto Bank PLC.**  
Statement of Tax Position  
As at 31 December 2024

Annexure - D

Accounting Years	Assessment Years	Tax provision in Financial Statements	Tax as per latest Assessment	Excess/ (Shortage) provision	Closing Balance for Advance Tax	Remarks
2016	2017-2018	-	-	-	-	Final Settlement
2017	2018-2019	-	-	-	-	Final Settlement
2018	2019-2020	-	-	-	-	Final Settlement
2019	2020-2021	114,601,562	127,199,361	(12,597,799)	125,998,562	Under process to revise the DCT order against Tribunal Order
2020	2021-2022	136,847,710	145,908,869	(9,061,159)	136,847,710	Appeal filled to the Taxes Appellate Tribunal against the order of Commissioner of Taxes of appeal-02
2021	2022-2023	159,504,988	-	-	155,474,107	Tax Return submitted for Assessment
2022	2023-2024	142,209,825	-	-	142,209,825	Tax Return submitted for Assessment
2023	2024-2025	128,054,624	-	-	128,071,770	Tax Return submitted for Assessment
2024	2025-2026	273,123,430	-	-	115,241,649	Tax Return will be submitted whenever its due
<b>TOTAL</b>		<b>954,342,140</b>	<b>273,108,230</b>	<b>(21,658,958)</b>	<b>803,843,621</b>	







**SHIMANTO BANK PLC.**  
সীমান্ত ব্যাংক পিএলসি.

#### Head Office & Registered Office

Shimanto Shamvar (7th Floor), Shimanto Square, Road No- 2, Bir Uttam M A Rob Sarak  
Dhanmondi, Dhaka-1205, Bangladesh. Phone: +8809666716790  
E-mail: information.desk@shimantobank.com, Web:www.shimantobank.com

## PROXY FORM

I/We.....

Of.....

.....being a Shareholder/Member of Shimanto Bank PLC., do hereby appoint Mr. /Mrs.

of.....

either of them may, in writing, appoint anyone to act as my proxy at the 9<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 15 July 2025 and at any adjournment thereof.

As Witness my/our hand this..... day of..... 2025

Signature of Proxy

Revenue  
Stamp of  
Tk. 20/=

Signature of Shareholder(s)

Folio/BO ID No. of the Shareholder(s):

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

No. of shares held:.....

#### Notes:

01. A member entitled to attend and vote in the AGM may appoint a proxy to attend and Vote on his / her behalf.
02. The Proxy From, duly filed and stamped must be deposited at the corporate office of the Company at least 48 hours before of the meeting.
03. Signature of the member(s) must be accordance with the Specimen Signature recorded with the Company.



**SHIMANTO BANK PLC.**  
সীমান্ত ব্যাংক পিএলসি.

#### Head Office & Registered Office

Shimanto Shamvar (7th Floor), Shimanto Square, Road No- 2, Bir Uttam M A Rob Sarak  
Dhanmondi, Dhaka-1205, Bangladesh. Phone: +8809666716790  
E-mail: information.desk@shimantobank.com, Web:www.shimantobank.com

## ATTENDANCE SLIP

I/we do hereby record my/ our attendance at the 9<sup>th</sup> Annual General Meeting (AGM) of the Company being held on Tuesday, 15 July 2025 at 1930 hours at Shaheed Captain Ashraf Hall, Peelkhana, Dhaka-1205.

Name of the Shareholder(s) / Proxy.....

Folio/BO ID No. of the Shareholder(s):

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

No. of Shares held: .....

Signature of Shareholder(s) / Proxy

**Note:** Please present this attendance slip at the registered address of the Bank counter before 1000 hours of the AGM date. Children and Non-Shareholders will not be allowed at the meeting.







**SHIMANTO BANK PLC.**

সীমান্ত ব্যাংক পিএলসি.

সীমান্ত ব্যাংক

**Head Office & Registered Office**

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