

Annual Report 2024



Beyond **Banking**



**BENGAL
COMMERCIAL
BANK**
inspiring growth

Annual Report 2024



Beyond Banking



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Letter of Transmittal

All Sponsor Shareholders of Bengal Commercial Bank PLC.
Bangladesh Bank
Bangladesh Securities & Exchange Commission (BSEC)
Registrar of Joint Stock Companies & Firms (RJSC)

Dear Sir(s)
Assalamu Alaikum.

Annual Report of Bengal Commercial Bank PLC. for the year - 2024.

We are pleased to enclose a copy of the Annual Report - 2024, alongwith the Audited Financial Statements for the year ended at 31st December 2024 for your kind information and record.

The Report includes Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity, Liquidity Statement, alongwith the Notes thereon and Directors' Report of Bengal Commercial Bank PLC. for the mentioned period.

Best regards
Yours truly,



(Md. Humayun Kabir, FCS)
Company Secretary



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INTRO DUCTION

Board Secretariat

Head Office, Dhaka



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Registered Office: Khandker Tower (Level: 5 & 6), 94, Gulshan Avenue, Dhaka-1212

NOTICE OF THE 5TH ANNUAL GENERAL MEETING

Notice is hereby given that the **5th ANNUAL GENERAL MEETING (AGM)** of the Shareholders of **BENGAL COMMERCIAL BANK PLC.** will be held at **"Sheraton Dhaka"** 44, Kemal Ataturk Avenue, Banani, Dhaka-1213, on **Sunday, the 29th June, 2025** at **11:30 am** to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on December 31, 2024 together with the reports of the Auditors' and the Directors' Report thereon;
2. To declare dividend for the year ended on December 31, 2024;
3. To elect/re-elect Directors;
4. To appoint/re-appoint the Auditors of the Company and fix their remuneration for the term until the next Annual General Meeting (AGM);

By order of the Board

(Md. Humayun Kabir, FCS)

Company Secretary

Date: June 02, 2025

Notes:

- a. Shareholders whose names will appear in the Register of Members of the Company on or before June 09, 2025 will be eligible to attend the meeting;
- b. A Member eligible to attend the Annual General Meeting (AGM) is entitled to appoint a Proxy to attend and vote on his/her behalf. Forms of Proxy, duly stamped, must be submitted at the Registered Office of the Company at least 48 hours before the time fixed for the meeting;



To be a bank of Trust and Reliability for ensuring sustainable economy promoting inspiring growth.

We would like to be a customer centric bank and become the most preferred and trusted financial advisor in the banking sector through our excellence in performance, good governance and professionalism. We will thrive to provide modern financial products and services/solutions to build a lasting value chain and contribute to the socioeconomic growth and development of the country.



Our Core Values



Our Strategic Priorities

- Become a leading bank in Bangladesh's banking industry by:
 - Reaching underserved and underprivileged communities currently deprived of banking services.
 - Providing attractive banking solutions and addressing complex financial needs.
 - Simplifying trade services across the banking business unit.
- Expand banking services to unbanked and remote areas of the country.
- Ensure compliance with all regulatory frameworks, both conventional and Shariah-based.
- Diversify deposit and loan/investment products to meet a wide range of customer needs.
- Focus on SME and Microfinance business to promote inclusive economic growth.
- Build and mature strong client relationships through trust and consistent service.
- Prioritize capital adequacy, liquidity, and risk mitigation over short-term profit maximization.
- Maintain a conservative and disciplined approach to managing risk, capital, and liquidity.
- Uphold a commitment to cordial and responsible service through:
 - Sustainable business practices
 - Full corporate governance compliance
 - Social and environmental responsibility
 - Continuous development of human resources

Business Stance of BGCB 2024

Bengal Commercial Bank PLC. was established as 5th generation Bank of Bangladesh upholding the slogan “Inspiring Growth” and rooted a strong base with fame in the industry. In the year 2024, the Bank experienced mixer of success wherein the scale of achievement surpasses the failure. During the year 2024, Russia- Ukraine war, and Israil-Palestine unrest in the Middle-East created equal hardship and challenges for Bangladesh with a continued hindrance of high inflation, crisis of foreign currency, weak economic growth, and imbalance of Export-Import etc.

Bangladesh Banking Industry experienced the biggest robbing in any international standards during the tenure of the previous govt. which was revealed recently by Bangladesh Bank. It is reported that about 17 billion dollars was siphoned off from banking sector from which Mohammed Saiful Alam, founder and chairman of the S Alam Group, alone accused of plundering of a minimum of \$10 billion dollars from the banking system, exploiting his control over banks with the help of spy agencies of previous govt. This scam directly affects at least 08(eight) commercial banks of Bangladesh that stakes the ability to repay the depositors money and other bank dues.

Bengal Commercial Bank PLC. (BGCB) has a significant track record of navigating challenges and achieving its growth targets throughout the year 2024 despite the banking turmoil of the previous govt. Being an ultimate desire of highly rated Bank of Bangladesh, Bengal Commercial Bank PLC. achieved the following milestones in the year 2024:

- i. The Bank recorded an operating profit of Tk. 75.59 crore for the year 2024, within less than four years of commencing commercial operations. It registered total deposits of Tk. 2,098.34 crore and Loans & Advances/Investments of Tk. 1,619.53 crore during the same year.
- ii. The Bank remained focused on expanding its presence in the SME and Micro Credit sectors. It maintained a total SME loan portfolio of Tk. 468.78 crore and Tk. 43.73 crore in Micro Credit, aiming to promote sustainable economic growth and create opportunities for emerging entrepreneurs nationwide.
- iii. BGCB maintained a 0.80% Non-Performing Loan (NPL) ratio across all its investments and loans, an impressive feat in Bangladesh's banking sector. Additionally, the Bank developed strong banking relationships with top corporate groups in Bangladesh such as Meghna Group, City Group, Abul Khair Group, ACI, APEX, PRAN-RFL, Nitol Motors, Summit Power, Confidence Power, East Coast Group and more.
- iv. The Bank introduced targeted products and innovative schemes tailored to various customer segments. Throughout the year, it launched services including ‘Bengal Student Banking,’ ‘Bengal Freelancer Banking,’ ‘Bengal i-Banking App,’ ‘Bengal Universal Account,’ ‘Bengal Remittance Loan Account,’ ‘Cash Waqf,’ and a ‘Customer Support Centre,’ alongside several other regular offerings.
- v. Amongst its many accomplishments, the Bank established itself as a fully compliant financial institution, guided by a Board that includes some of the country’s most respected business leaders.



Bengal Commercial Bank PLC. At a Glance

	Employees 425 nos		Branches 21 nos		Sub-branches 11 nos
	ATMs (Shared ATM 26000+ without charges for the customers) 07 nos		Customers (Depositor) 67,947 nos		Borrowers (Loanee) 3,323 nos
	Credit Cards 410 nos		Debit Cards 18,823 nos		Pre-paid Card 102 nos
	Total Assets 27,691 mn		Total Deposits 20,983 mn		Total Loans & Advances/ Investments 16,195 mn
	Import Business 8,328 mn		Export Business 3,142 mn		Guarantee Business 1,339 mn
	Operating Profit 755.95 mn		Earnings per Share (EPS) Tk. 1.28		Percentage of NPL 0.80%
	Capital Adequacy Ratio (CRAR) 35.29%		Return on Assets (ROA) 2.50%		Return on Investment (ROI) 28.87%
			Return on equity (ROE) 13.24%		

Code of Conduct

Anticipated behaviors and conduct among Bengal Commercial Bank employees are preserved in its written code of conduct. Extracts from the code are presented below:

Abidance of Compliance with Laws, Rules and Regulations:

Employees are expected to comply with the laws, rules and regulations governing the Organization's business regulatory bodies. Employees shall be knowledgeable about specific laws, rules and regulations that apply to their areas of duties and responsibility.

Honesty and Integrity

An employee must act honestly and with integrity at all times. An employee must act fairly and equitably when dealing with customers/ stakeholders and other employees of the Bank.

Accuracy of Records and Reporting

Bank's books, records, accounts and reports shall accurately reflect its transactions and must be subject to an adequate system of internal controls and disclosure controls to promote the highest degree of integrity. An employee shall ensure that records, data and information owned, collected, used and managed by him/her for the Bank are accurate and complete.

Property and Information of Bank

- Employee of a Bank shall follow the operational and IT security manual meticulously while using property of the Bank;
- Employees shall take reasonable care to keep secure Bank's information from unauthorized disclosure and exchange. Any confidential information it receives on clients, or any details of the transactions of its clients shall be preserved with utmost security.
- An employee shall not accede to or use customers' information excepting related business purposes. He/she shall protect the confidentiality and security of customer information.
- Any information of govt. agencies like ACC, NBR, BB, BSEC etc shall not be disclosed without prior approval of competent authority.

Conflicts of Interest

The employees must avoid the conflict of interest as long as they hold positions in the Bank. An employee shall have to refrain from doing the following:

- Performing his/her duties with a view to preserve/protect his/her own benefits at the cost of the Bank;
- Involving in any kind of financial activities relating to his/her personal gain;
- Giving any advice, consultancy, direction or suggestion to anybody or to any institution that may cause for losses to the Bank;
- Getting any unusual or illegitimate benefits directly, or indirectly for himself/herself and family or family members, and relatives either explicitly, or implicitly by disguising identity;

The above noted issues are least in the list, but not exhausted. Any unusual act made/done by the employee(s) shall be considered within the trap of conflict of interest and be reviewed within the purview of offences.

Teaching, Speaking & Writing

No employee shall make any communication regarding the affairs of the bank to the press or any other media, nor publish any article containing data, comments or opinions on banks or other affairs in any newspaper which may involve the bank, without obtaining prior approval of the competent authority.

Fair Treatment of Counter-parties

All relationships with external counter-parties should be conducted in professional and impartial manner. Vendor selection and hiring decisions shall be made objectively and in the best interest of the organization based on evaluation of integrity, suitability, price, delivery of goods/service, quality and other pertinent factors.

Fraud, Theft or Illegal Activities

Employees shall be vigilant about the frauds, theft or illegal activities and shall not engage in such activities at any cost.

Working Environment

- **Health & Safety** - Bank will pay adequate attention of the health and safety of the employees, i.e. deployment of both physical and technical surveillance on premises to minimize possible threats to security.
- **Workplace Environment** - All employees of the Bank are responsible to keep the workplace friendly, congenial, transparent, free from harassment & corruption etc. and ensure the cohesiveness among the colleagues.
- **Team Work** - All employees of Bank shall leverage on the dynamics of collective skills, knowledge and experience to achieve the best for the stakeholders.
- **Fair & Equal Employment Opportunity** - Employees will uphold the Bank's commitment to provide equal opportunity in employment on the basis of individual merit and personal qualifications to employees and applicants for employment. Every individual has the right to work in a

professional atmosphere that promotes equal and legal employment opportunities and where discriminatory practices, including harassment are prohibited.

- **Harassment** - The Bank is committed to provide a work environment where all employees can work free from harassment on ground of religion, age, gender, family background, ethnicity, personal appearance etc. All employees shall treat each other with respect and courtesy.

Respect for Others:

An employee must acknowledge and respect the rights of another employee of the Bank. An employee must treat other employee of the service and other members of the public with courtesy and respect.



Corporate Profile

Name of the company	Bengal Commercial Bank PLC.
Legal Status	Public Limited Company
Date of Incorporation	3rd February 2020
Date of Commencement of Business	3rd February 2020
Registration No	C-159135/2020
Authorized Capital	BDT 15000 million
Paid up Capital	BDT 4905 million
Chairman	Md. Jashim Uddin
Vice-Chairman	Engr. Ghulam Mohammed Alomgir
Chairman, Executive Committee	Md. Shahabuddin
Chairman, Board Audit Committee	Prof. Md. Iftekharul Amin, Ph.D
Chairman, Risk Management Committee	Engr. Ghulam Mohammed Alomgir
Managing Director	Tarik Morshed
Company Secretary	Md. Humayun Kabir, FCS
Chief Financial Officer	Mohammad Anisur Rahaman, FCA
Registered Office	Khandker Tower (Level- 5 & 6, 94, Gulshan Avenue, Gulshan, Dhaka 1212
TIN	447781475528
BIN	003232861-0101
Number of Branches	21 (Twenty One)
Number of Sub-Branches	11 (Eleven)
Number of Employees	425 (Four hundred and twenty five)
Legal Advisor	Chowdhury Mokimuddin KJ Ali, Barrister-at-Law M/S. Chowdhury Mokimuddin & Associates LCP
Auditors	HODA VASI CHOWDHURY & CO Chartered Accountants BTMC Bhaban (Level-7 & 8) 7-9 Kawranbazar C/A, Dhaka 1215 www.hodavasi.com
Tax Consultant	Snehasish Mahmud & Co. Chartered Accountants Plot No, 10 Road No. 9, Baridhara J Block, Dhaka 1212
Credit Rating Agency	Emerging Credit Rating Limited (ECRL) Tropical Molla Tower, 4 Pragati Sarani, Dhaka 1212.
Website	www.bgcb.com.bd
Hotline (24/7)	16796
Telephone	+8802 550688 89-93
E-mail	info@bgcb.com.bd
SWIFT	BCOLBDDH

Corporate Milestones



13th July 2020
Obtained Permission for Head Office establishment

11th November 2020
Logo launching of the Bank

11th March 2021
Formal launching & commencement
of Banking Business

11th March 2021
1st Branch opening of BGCBL -
Corporate Branch, Gulshan



17th May 2023
MOU Signing between Bengal
Commercial Bank and Chittagong
Chamber of Commerce & Industry
(CCCCI)

11th September 2023
Agreement Signing between Bengal
Commercial Bank and Genex Infosys
to provide 24/7 "Call Centre" service
to the clients of BGCB PLC.

12th December 2024
BGCB has started its Card business (Credit, Debit and Prepaid) using the VISA network.

12th December 2024
Bengal Commercial Bank launched
"Bangla QR Code" service.

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Navigated the Challenges

- Md Jashim Uddin, Chairman



Over the past years, we have navigated the challenges with determination and turned opportunities into achievements. Our strong financial performance, expanding customer base, and advancements in digital banking are all outcomes of a unified vision and an unwavering commitment for achieving excellence. This success is not mine alone or the Board's it belongs to every employee who served our clients with passion, every partner who believed in our mission, and every customer who placed their trust on us.





Dear Shareholders:

Assalamu Alaikum.

I, at the very outset, on behalf of the Board would like to acknowledge the hard work, resilience, and dedication of everyone who has contributed making Bengal Commercial Bank what it is today: a trusted financial institution, a driver of innovation, and a pillar of stability & growth in the banking sector.

We, the Bengal Commercial Bank family pay solemn tribute to the spirited souls of the July-August movement in Bangladesh, whose unwavering sacrifice and defiant spirit continue to inspire generations. In the face of oppression, they stood firm for justice, dignity, and democratic ideals. Their legacy is etched in the heart of the nation, reminding us that the struggle for truth and freedom is both eternal and sacred.

Over the past years, we have navigated the challenges with determination and turned opportunities into achievements. Our strong financial performance, expanding customer base, and advancements in digital banking are all outcomes of a unified vision and an unwavering commitment for achieving excellence. This success is not mine alone or the Board's it belongs to every employee who served our clients with passion, every partner who believed in our mission, and every customer who placed their trust on us.

As Chairman, I am proud to uphold our values: integrity, transparency, innovation, and customer-first thinking. These are not just words on a page—they are the foundation of everything we do. Let us not forget our mission is yet to complete. Bengal Commercial Bank achieved larger part of its milestones in the year 2024 while very few still remains to achieve.

Dear Shareholders, as you know Israil-Palestine conflict, Russian-Ukraine war and polarization of super powers remains the main factors for shaping the world as well as Bangladesh Economy. The world today is dealing with multiple unanticipated challenges that have put enormous strain on trade flows and international financial system. Moreover, recent diplomatic tensions with neighboring country in some context forcing us interruption of supply chain pressures across a broad range.

Unearthing the news of siphoning off 17 billion dollars from Banking industry largely turmoil's the credibility of private commercial Banks and raised the question of existence of survival for few banks. However, it is our strength that in the face of highest challenges of banking industry, Bengal Commercial Bank not only weathered the storm but has also emerged stronger than ever before as we remained steadfast in our commitment for implementation of compliances in it's all affairs of the Bank. We

stood unsettled in providing excellent services to our customers and supporting our communities in these trying times.

However, Bangladesh with a vigorous promise of economic reform as a whole, the Government and the Central Bank initiated measures to stabilize the situation and regulatory reforms are being considered to improve the business environment. Indeed, it is my privilege to explain what we achieved in 2024 considering the worlds and Bangladesh economic context.

World Economy Scenario:

While persisting Russia-Ukraine conflict seems geographically alluring for a new age of Cold War between the super powers, the new tensions between Israil-Palestine war has added fuel to the flame in the situation. This is continuing a ripple effect across global financial markets and impacted economies worldwide, including our own. With its geopolitical implications and economic ramifications, it has disrupted global financial stability and created uncertainty in the international banking system in many ways:

1. Financial Market Volatility:

Heightened geopolitical tensions have led to increase market volatility, triggering fluctuations in currency exchange rates and commodity prices. Such volatility has impacted the stability of the financial markets in Bangladesh, affecting foreign exchange reserves, import/export trade, and investor's sentiment. In 2024, Bangladesh handled persistent volatility in its foreign exchange market, despite concerted efforts by Bangladesh Bank was given to stabilize the situation through significant dollar sales from its reserves. Some notable changes took place in Bangladesh economy in the last part of the year of 2024 which brings a significant positive uprising in Financial Market of Bangladesh.

2. Trade Disruptions:

The disruption caused by the war in the trade channels has impacted the flow of goods, commodities, and services amongst the countries who was maintaining strong economic ties with Russia and Ukraine. Moreover, the misbalancing of the Trade status-que due to Israil-Palestine conflict and it's consequence on Middle East geopolitics remains unbalanced. In 2024 the global trade experienced significant disruptions due to a combination of geopolitical tensions, protectionist policies, and logistical challenges. The Red Sea Crisis starting in late 2023, Houthi forces in Yemen began attacking commercial vessels in the Red Sea, leading to a substantial decline in trade by 90%, forcing over 2,000 ships to reroute around the Cape of Good Hope.

In addition, recent announcement of President Donald Trump sweeping "reciprocal" tariffs on 90 countries, marking a significant shift towards protectionism in April 2025 which escalated the disruption in supply chains and led to increased costs for businesses and consumers. The combination of geopolitical tensions and protectionist measures led to significant bottlenecks in global supply chains. Companies faced challenges in sourcing materials and delivering products, leading to delays and increased costs.

The disruption to import raw materials in a timely manner has led to significant disturbances in the productivity of goods and services in different countries like Bangladesh. Delays in importing essential inputs have disrupted production schedules, leading to production bottlenecks and reduced output.

3. Remittances and Foreign Direct Investment (FDI)

In 2024, global financial flows exhibited divergent trends: remittances to low- and middle-income countries (LMICs) experienced robust growth, while foreign direct investment (FDI) faced challenges amid geopolitical tensions and economic uncertainties. In 2024, the remittances to LMICs are projected to reach \$685 billion in 2024, marking a 5.8% increase from the previous year.

On the other hand, different data indicates that global FDI flows rose by 11% to \$1.4 trillion dollars in 2024. For Developing Countries FDI flows fell by 7% to \$867 billion, reflecting investor caution amid global uncertainties. It is identified that the United States saw a surge in its share of global FDI projects, increasing from 11.6% to 14.3%, driven by strong consumer demand and supportive government policies while both Europe and China regions experienced declines in FDI inflows, attributed to geopolitical tensions and rising energy costs, respectively.

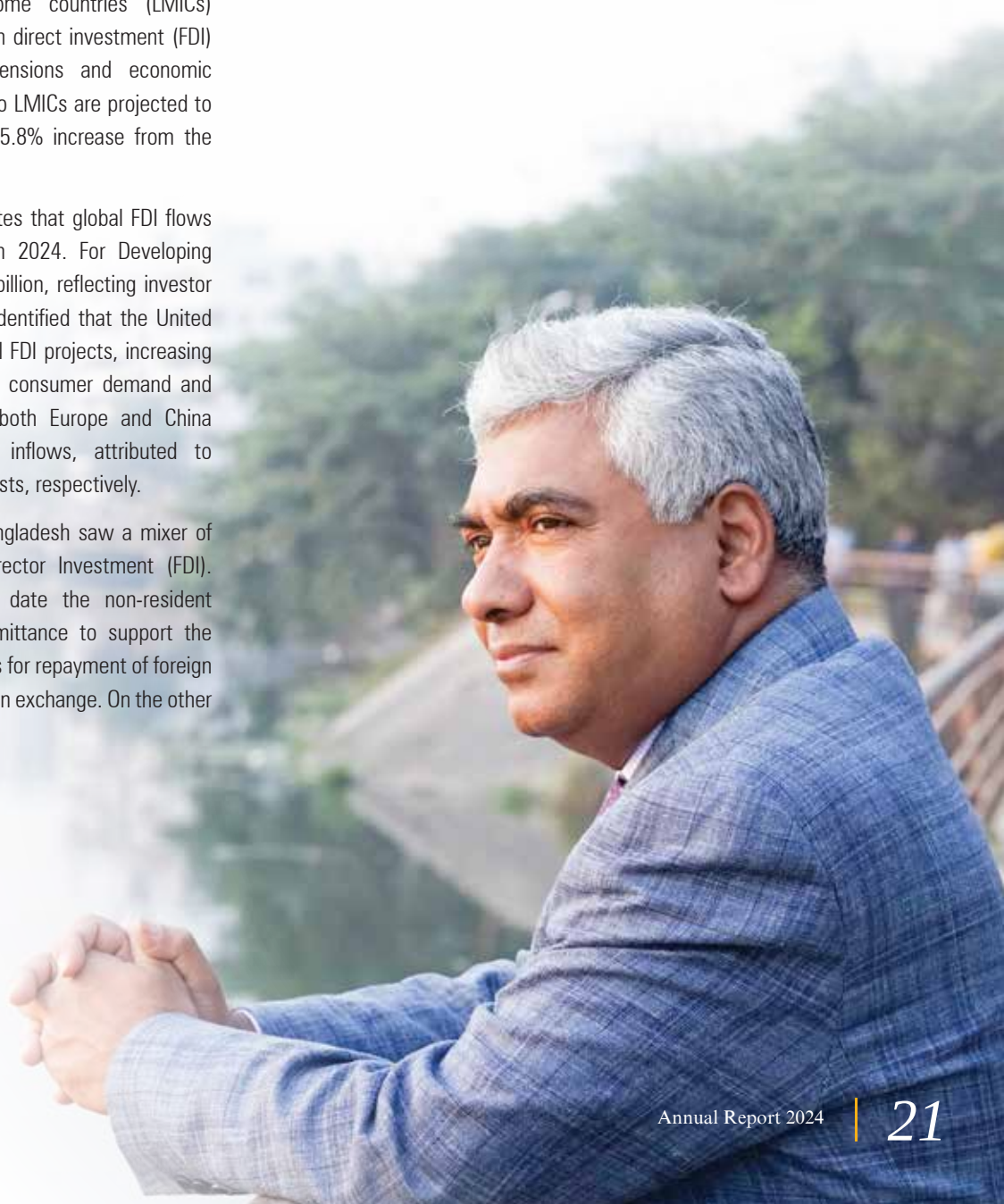
As the days gone in the year 2024, Bangladesh saw a mixer of inflows of Remittance and Foreign Director Investment (FDI). During the last part of 2024 to till date the non-resident Bangladeshi sent a record-breaking remittance to support the whole economy which soften the process for repayment of foreign loans and meet the requirements of foreign exchange. On the other

hand, new hope has been created in FDI investments from different big investors of developed countries. Bengal Commercial Bank is aware to facilitate the opportunity as a Bank to foster the remittance and Foreign Direct Investor (FDI) in Bangladesh at near future.

Bangladesh Economy

Bangladesh is growing rapidly over a decade and is now one of the most resourceful countries of the world having fastest-growing economy in South Asia. Currently, it's the 35th largest economy and will be the 25th largest economy by 2035.

Bangladesh has laid out its grand vision to develop an 'Upper Middle-Income Country' in the next decade and the country eyed on establishing of several Economic Zones to ventilate all facilities to the developed countries to inspire them to make Foreign Director Investment in near future. In the fiscal year 2023–2024, Bangladesh registered a GDP growth rate of 5.2% surpassing the damage caused by political instability in the middle of 2024.



Foreign Exchange Reserve of Bangladesh

Dear Shareholders, as you know Foreign Exchange Reserves are the foreign assets held or controlled by the country's central bank. Foreign Reserves bear the special drawing rights and marketable securities denominated in foreign currencies like treasury bills, government bonds, corporate bonds and equities and foreign currency loans. In the year 2024, Bangladesh's foreign exchange reserves stood at approximately \$27.43 billion (gross), with \$22.04 billion calculated under the IMF's Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6) methodology.

Throughout 2024, the reserves experienced fluctuations due to various economic factors. It is observed that in December 2024 reserves were reported at \$24.75 billion (gross) and \$19.20 billion (BPM6) while in November 2024 reserves dipped to \$24.35 billion (gross) and \$18.61 billion (BPM6). Foreign Exchange reserve in July, 2024 was calculated \$20.48 billion and in September, 2024 was \$24.3 billion. These fluctuations were influenced by factors such as import payments, remittance inflows, and external financial assistance.

Trade of Bangladesh

Following political transitions in 2024, Bangladesh invited international partners to stabilize its economy and rebuild trade relations with other countries they do across the globe. Overall, Bangladesh's trade in 2024 demonstrated resilience, with strong export performance and strategic efforts to navigate global economic challenges. Bangladesh's exports totaled approximately \$47.5 billion between December 2023 and November 2024, averaging around \$3.96 billion per month. On the other hand, total import reached \$5.7 billion in December 2024, reflecting a 23.3% year-on-year increase. The trade deficit narrowed to \$1.9 billion in December 2024, down from \$2.5 billion in the previous month, indicating a positive trend.

Ready-Made Garments (RMG) sector remained the cornerstone of Bangladesh's exports, contributing significantly to the economy. In 2024, the country exported \$8.37 billion worth of goods to the U.S., with apparel accounting for \$7.06 billion of that total. Contrary, pharmaceutical industry saw growth, with exports reaching \$134.15 million between July 2024 and February 2025, marking a 13% increase compared to the same period the previous year.

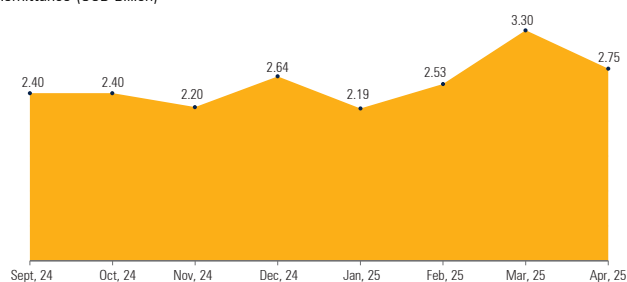
Foreign Remittance

In 2024, Foreign Remittance was the most un-predictable segment of Bangladesh Economy. At the end of the year 2024 to end of the

1st quarter of 2025 Bangladesh experienced a significant increase in remittance inflows, marking a pivotal year for its economy. The Country received approximately \$23.91 billion remittances in the fiscal year 2023-2024 reflecting a notable rise from the previous fiscal year. On the other hand, the Remittance inflows reached to \$24.39 billion in FY 2024-2025, surpassing the total of the entire amount of previous fiscal year so far. Projection estimate that total receipts could reach \$27 billion to \$28 billion by the end of June 2025.

The tensions of receiving a large portion of remittances flowed through informal routes such as "hundi" and "hawala" -- illegal yet widely popular money transfer channels have been sterilized largely. After the political changeover is taken place in August, 2024, much of that flow has shifted to formal banking channels, as many individuals involved in illicit money transfers have fled the country. During the tenure of September 2024 – March 2025, the monthly breakdown of remittance was as follows:

Remittance (USD Billion)



The surge in March 2025, reaching \$3.29 billion, was the highest monthly remittance inflow in Bangladesh's history, largely attributed to the Eid-ul-Fitr festival. The Exchange Rate adjustments, reduced Informal transfers act as the main factors contributed to the rise in remittance inflows. Renewed confidence among the Bangladeshi diaspora in different places of the world in the interim government's economic policies bolstered remittance flows and remains continuing.

Banking Industry of Bangladesh

In 2024, Bangladesh's banking sector faced significant challenges, marked by a surge in non-performing loans (NPLs), liquidity crises, and systemic corruption. Classified loans reached Taka 3.45 trillion by December 2024, accounting for 20% of total outstanding loans, up from 9% the previous year. Including rescheduled and written-off loans, stressed assets totaled Taka 6.68 trillion, or 39% of all loans.

The sector also grappled with liquidity shortages, particularly among Shariah-based Banks, and foreign exchange instability. It is reported that about \$17 billion dollars was siphoned off from the

banking sector by some tycoons in the last decades. The consequence was unbearable for at least 08(eight) banks bringing the trust level of depositors almost zero and creating dreadful situation of inability to repay the depositor's money. In response, the interim government led by Nobel laureate Professor Dr. Muhammad Yunus initiated reforms, which includes dissolution of Board of Directors of few banks, removal of some Directors and even enactment of merger policy to consolidate weaker banks with stronger ones to restore stability and depositors' confidence in the Banks.

International organizations like the World Bank and IMF have also emphasized the need for comprehensive reforms while the World Bank outlined a 10-point rescue plan addressing high NPLs and inadequate capital buffers for Banking industry of Bangladesh.

During the year 2024, the Banking industry of Bangladesh had experienced a mixer of profitability spikes comparing to the previous year 2023 where few banks showed boom in their profitability and some banks are in the verge of extinction due to satisfy the corporate greed of few vicious nexus.

As of December 31, 2024, total deposits in Bangladesh's banking sector stood at approximately Tk 17.77 trillion. This figure reflects a year-on-year growth of 7.44%, indicating a modest recovery in depositor confidence following earlier financial instability. On the other hand, at the end of 2024, the total outstanding loans in Bangladesh's banking sector amounted to approximately Tk.17.11 trillion with a sharp rise of Tk.1.45 trillion comparing to year 2023. At the end of 2024, Bangladesh's banking sector comprised a total of 11,362 branches (as against 11,139 branches of 2023) across the country of which fully online Branches counted 6,142 nos. while partially online Branches are 5,220 nos.

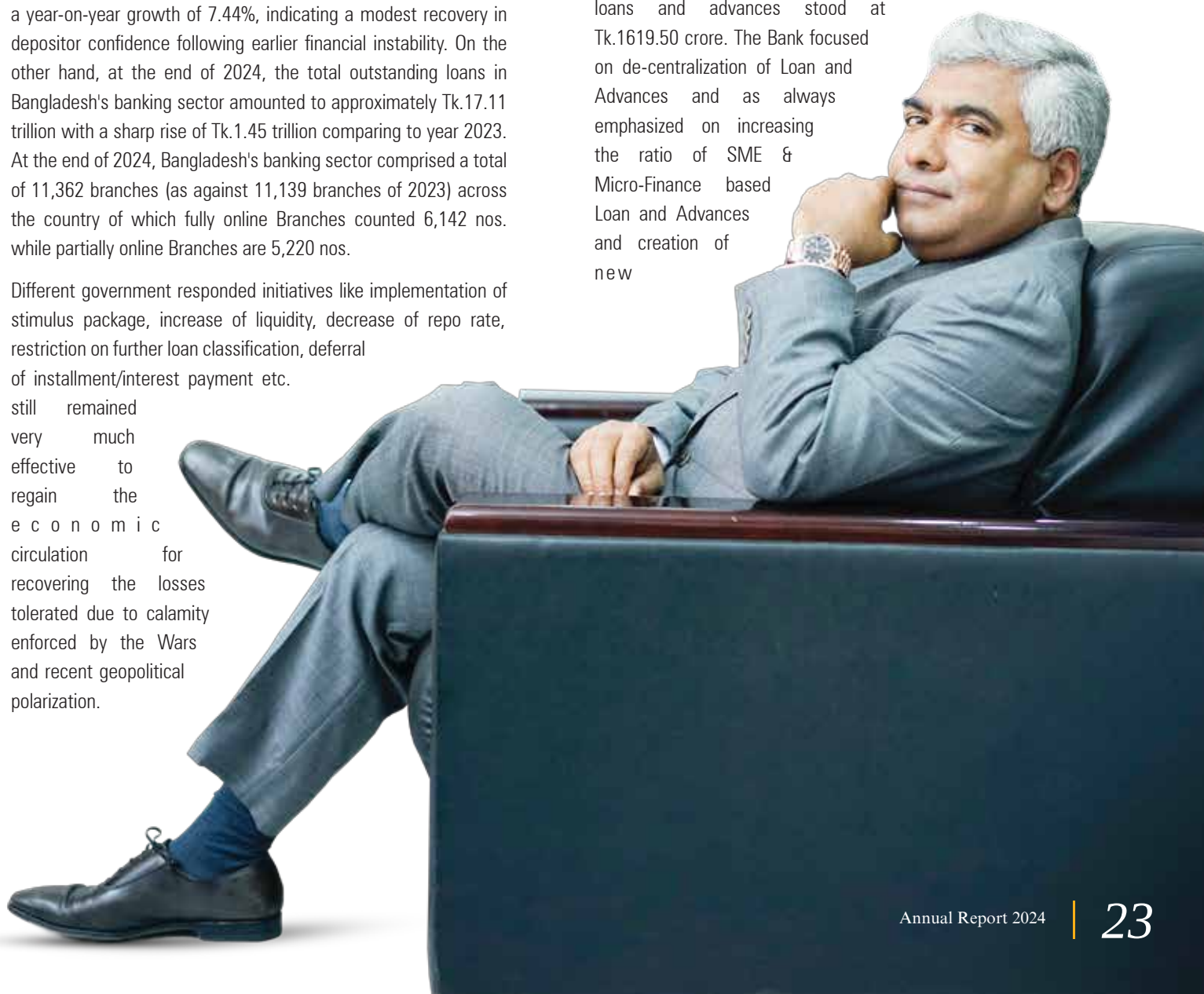
Different government responded initiatives like implementation of stimulus package, increase of liquidity, decrease of repo rate, restriction on further loan classification, deferral of installment/interest payment etc.

still remained very much effective to regain the economic circulation for recovering the losses tolerated due to calamity enforced by the Wars and recent geopolitical polarization.

How the Bengal Commercial Bank looked in 2024

Dear Sponsors, Bengal Commercial Bank PLC. was to achieve a set of noticeable progress against the strategies which were blue printed at the very beginning of the year to achieve our objectives. Through a year of commitment, the bank supported the stakeholders we serve, the communities in which we operate and the economies that depend on us. Our people from top tier to bottom worked diligently to operate the bank and, with the help of policy support from Bangladesh Bank, Bengal Commercial Bank PLC. performed extraordinarily to provide maximum returns for all of our stakeholders. By the grace of the almighty Allah, we have achieved record success as a new comer Bank in the key areas of banking and proved again our strong determination to achieve our goals. However, there is no room for complacency, and we must work hard to accomplish the ultimate success we aim to become the leading bank of the country.

Dear Colleagues, I am privileged to inform you that at the end of year 2024, the bank succeeded mobilizing a total deposit of Tk.2098.00 crore while the total amount of loans and advances stood at Tk.1619.50 crore. The Bank focused on de-centralization of Loan and Advances and as always emphasized on increasing the ratio of SME & Micro-Finance based Loan and Advances and creation of new





entrepreneur throughout the year 2024. The total number of client deposit accounts stands to 67,947 nos. as of 31st December, 2024 while total number of Loan and Advance Accounts stands at 3323 nos. As you know, the banking sector is surpassing the toughest period in the history of banking in Bangladesh due to diminished credibility on banks by the depositors. As a new comer bank accumulation of deposit remained the greatest challenge throughout the year.

However, I am disclosing the happiest announcement that Bengal Commercial Bank at the end of the year 2024 secured a net profit (after tax) of Tk.63,02,82,790/- comparison to Tk.10,86,82,796/- which is 480% acceleration. The growth of profit that Bengal Commercial Bank PLC. has secured is the 6th highest position in the year 2024 amongst the top 10(ten) profit earning banks in the industry reported by the renowned "The Daily Prothom Alo".

Dear Stakeholders, Bengal Commercial Bank is promise bound to reach the doorsteps of the unbanked people across the country. However, with a focus to strengthen the profitability volume of the existing branches and to pull the reins of new branch establishing cost, the Management as well as the Board of Directors of the Bank remained very selective for increasing the number of new branches throughout the year 2024. The Bank established only 02(two) branches in the year 2024 in the business feasible areas but is expecting the number of new branches shall be increased in the year 2025.

Taking count, the technology as the most important tool of a digitalized bank, Bengal Commercial Bank introduced digital financial services in the year 2024. As part of continuous journey of innovation, all the clients of the Bank were facilitated with full-fledged **Mobile App** to access the services of the Bank by which customers can pay different utility bills and make necessary transactions when required from home. The Bank introduced 24/7 Hotline number **16796** to address all types of problems instantly as required by the clients.

Dear Shareholders, the Bank achieved a lot but not everything in the year 2024. We worked together for wellbeing and make our beloved institution perfectly bloomed and hope that this effort shall continue in the coming days as well. We thrive for different initiatives with a view to make our growth sustainable as a whole. In this connection, I express my gratitude to the Members of the Board of Directors for working on hand to hand with the Management to reach profound customers and various business and Regulatory communities to protect the interest of the Bank. Having trusted with the renowned members of the Board, different leading business conglomerates of the country established their banking ties with our Bank like Megna Group, City Group, Abul Khair Group, ACI, Apex, Pran-RFL, Nitol Motors, Mutual Milk Products Ltd., Summit Power, KPCL, Confidence Power, East-Coast, T K Group etc.

Dear Stakeholders, Bengal Commercial Bank, has rapidly positioned itself as a forward-thinking financial institution in Bangladesh. Its branding strategy centers on fostering trust, promoting inclusive growth, and embracing technological innovation. The branding team of the Bank was uncompromised on reflecting the high thoughts of the Bank's Management and spread the notion of complied banking to the people's door to door. Moreover, circulation of meritorious contents through Facebook and other social network was the best of decisions for the Management of the Bank in the last year's branding strategy. Besides, relentless efforts of the Management and the personal knowing of the members of the Board of Directors ensures reaching the Bank's name in the elite and distinguish business classes across the country. However, we ensure the day will come when the slogan and logo of Bengal Commercial Bank PLC. will be in everyone's memory in future in every corner stone of the country.

What about 2025?

It is apparent that the banking sector of Bangladesh in the year 2025 is going to be a year of challenges but is magnificent in terms of reforms of the loops and holes. Very big reforms are eminent in banking sector during the year 2025 and related laws will be revised and enacted urgently by the existing govt. We have to be structural to recover our weaknesses and must adopt different methodology to keep pace with the coming reforms and challenges to ensure our sustainable growth.

Dear Colleagues, as the Chairman of the Bank, I acknowledge the support and hardship of every member of the Board of Directors of the Bank for reaching the Bank as we see today. New challenges were heightened in the Banking sector amongst which scarcity of deposit within the Banks are listed in top chart. Like others, Bengal Commercial Bank is also facing difficulties in accumulation of new deposits and good clients for lending. As such, the prayer has been made to Sponsors for helping and direction to the Management of the Bank with a view to accumulation of new deposits and hunting of reputed clients by their personal knowing. This help will bring assurance of continuous growth for the Bank accepting the coming challenges in the year 2025.

For the Bank success means maximizing the profit for which we remained industrious throughout the year. However, the strategy for maximizing profit largely depends on how good we are at lending Loans and Advances. A segmented target has been settled to achieve overall targets in the year 2025. With a view to ensure sustainable growth of the Bank, the competent authority of the Bank emphasizes on Retail based lending alongside funding to reputed corporate conglomerates. The bank has provided remarkable amount of Loan and Advances in CMSME sector and



Bengal Commercial Bank at the end of the year 2024 secured a net profit (after tax) of Tk.63,02,82,790/- comparison to Tk.10,86,82,796/- which is 480% acceleration. The growth of profit that Bengal Commercial Bank PLC. has secured is the 6th highest position in the year 2024 amongst the top 10(ten) profit earning banks in the industry reported by the renowned "The Daily Prothom Alo".



shall be remained focused to increase the percentage in the said segment in the year 2025.

In the year 2025 priority shall be given on remittance inflow through our Bank so that the demand of dollars may be easily fulfilled which will be very much congenial for increasing the volume of Trade based business of the Bank. Proper instructions have been given to the Management of the Bank to take appropriate initiatives for accumulation of foreign currencies and signing of Memorandum of Understanding (MOU) or enter into agreement with different Remittance company(s) or Exchange House, Agency(s), Foreign Bank(s) etc. in home and abroad. The

enlargement of profit volume largely depends on how much the Banks are capable of earning from foreign currency exchanges and the Management shall be attentive to hover on earnings from non-funded business throughout the year-2025. The Bank has already obtained Off-Shore Banking license which is near to be operative for boosting the volume of foreign exchange business.

Dear shareholders, the process of receiving returns on investment has started by declaring dividend for the year 2024 but yet to receive the highest returns. I believe if we continue our efforts from both the ends i.e. from management and Board of Directors, the bank will be in a position to declare a handsome dividend for the shareholders of the bank in the year 2025. But we have to bear in mind, the Non-Performing Loans (NPLs) may ruin all of our achievement predicted in the year 2025 as such the management of the bank should be alert at the time of selecting clients and must engage an effective team for recovery of loans in timely manner.

Dear Sponsors, to continue the faith and belief of the existing clients and to create positive value amongst the new customers, the Bank have already taken initiatives to introduce different time befitting services and products in the year 2025. To navigate the unbanked people, proper instructions have been given to the Branches and Sub-Branches for increasing the number of new accounts as much as possible in the year 2025.

In the year-2025, the Bank shall expand its' network to each Divisional city of the country so that the people of every region may access the services of the Bank. Furthermore, this Divisional Branches shall act as the hub of the branches to be established in surrounding Districts in future. The Bank is expecting to add at least 06(six) new branches in its branch tally within the year 2025.

Implementation of Corporate Governance in all the sectors of the Bank was our top ranked manifesto from the inception of the Bank and shall remained same in the year 2025. We believe like other years the Board of Directors as well as the Management of the Bank shall be promise-bound to make the Bank a strong competitor in the industry based on asset quality, advanced banking products and services, profitability and compliance. The Bank is uncompromised for upholding the motto "Inspiring Growth" by mitigating risks, developing the quality of human resources, and improving of corporate governance system. Insha-Allah, we shall work hand to hand to reach the uncompromised goal of reaching the pinnacle of success.

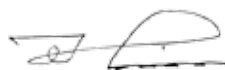
In the year 2025, we shall achieve more by remained committed to our core values of integrity, innovation, and customer-centricity. By leveraging advanced technologies and embracing digital transformation, we will enhance our efficiency of operations and expand our service offerings, for providing a seamless and personalized banking experience. As we look to the future, we are

excited about the opportunities and challenges that lie ahead. We remain steadfast in our commitment to serve as a catalyst for economic growth, supporting our communities, and fostering financial inclusivity.

Finally, I, on behalf of the Board of Directors of the Bank, would like to express my sincere gratitude to our valued customers, dedicated employees, and stakeholders for their unwavering support and trust in our bank. We are committed to persevere and deliver the highest comfort for financial services and solutions to meet the evolving needs of our clients.

I wish to thank all our stakeholders and my colleagues of the Board of Directors, Bangladesh Bank, Registrar of Joint Stock Companies and Firms (RJSC), External Auditors, Legal Retainer and other regulatory authorities for their judicious guidance and assistance. Together we look forward to a bright future for this esteemed institution. I am confident that our bank will continue blooming and shall remain strong in the face of the challenges ahead.

May Allah bless our journey towards successful upholding the slogan '*Inspiring Growth*'



Md Jashim Uddin

Chairman

Board of Directors

the
bank
you can
bank
on



Balance Risks and Rewards

- Tarik Morshed, MD & CEO



Bengal Commercial Bank PLC (BGCB) delivered impressive results in 2024, with operating profit surging by 178% from BDT 271.60 million in 2023 to BDT 755.95 million, and net profit after tax rising by 480% to BDT 630.28 million. The Bank's total assets expanded by 22% to BDT 27,690.64 million, while deposits increased by 27.5% to BDT 20,983.41 million, and loans and advances grew by 13.6% to BDT 16,456.32 million.



Dear Shareholders and Stakeholders,

It is my honor to present the Annual Report of Bengal Commercial Bank PLC for the year 2024. This report offers a summary of our achievements, performance, and future direction.

Strong Performance in a Challenging Year

The year 2024 brought significant growth for the Bank, even though we faced many challenges in the operating environment. These challenges gave us a chance to carefully balance risks and rewards. As a result, we continued to deliver steady and consistent returns to our shareholders while increasing the value of their investments. Over the past five years, we have aimed to improve our balance sheet in a moderate and stable way. Throughout our journey, we worked efficiently and made careful credit decisions. When classification issues appeared, we made sure to keep enough provisions. At the end of 2024, our non-performing loan (NPL) ratio stood at just 0.80%, compared to the total banking sector's NPL of 20.20% and private banking sector's NPL of 15.60%. By the grace of the Almighty, our performance in 2024 was admirable. I am proud to present the key highlights of our Bank in line with regulatory requirements and share our achievements and future.

The Economic Landscape

In 2024, Bangladesh experienced tough economic conditions, with ongoing inflation, low revenue collection, and weak investor confidence. GDP growth slowed down to 4.22% (FY 2024), from 5.78% the previous year (BBS). Political issues and higher borrowing costs affected businesses and reduced credit growth in the private sector to 7.28% (year-on-year). The financial sector came under pressure, with rising non-performing loans and reduced depositor trust, signaling the need for urgent reforms. However, a more stable exchange rate, rising remittance inflows, and a slow recovery in exports offered some hope for the future.

Banking Sector Overview

In 2024, the banking sector in Bangladesh faced serious provocations, including a tight liquidity situation, increasing non-performing loans (NPL), and weaker asset quality. Political instability added more pressure on financial stability, weakening the capital strength of banks. According to the World Bank, stressed assets (including NPLs, rescheduled, and written-off loans) rose from Tk 4.75 lakh crore in 2023 to Tk 6.75 lakh crore by June 2024, as mentioned in a recent white paper. Despite these difficulties, there are still opportunities for growth through digital

banking, SME financing, green finance, and foreign investment. With the increasing use of fintech and high mobile phone usage, banks can now improve financial access and modernize services, especially in underserved rural areas.



Despite a dynamic and often challenging macroeconomic environment, Bengal Commercial Bank PLC. (BGCB) delivered a substantial leap in profitability, with Operating Profit increasing by 178%, rising from BDT 271.60 million in 2023 to BDT 755.95 million in 2024.



Performance of BGCB

Despite facing challenges, Bengal Commercial Bank PLC (BGCB) delivered impressive results in 2024, with operating profit surging by 178% from BDT 271.60 million in 2023 to BDT 755.95 million, and net profit after tax rising by 480% to BDT 630.28 million. The Bank's total assets expanded by 22% to BDT 27,690.64 million, while deposits increased by 27.5% to BDT 20,983.41 million, and loans and advances grew by 13.6% to BDT 16,456.32 million.

Focus on SME and Microcredit

We are committed to expanding financial access across Bangladesh, particularly through our SME and microcredit operations. In 2024, our SME/CMSME portfolio reached BDT

5,162.80 million, marking a growth of 38.65% from 2023, and now represents 31.88% of our total business portfolio, up from 26.12% in the previous year. Our microcredit portfolio also saw significant growth, rising by 65.15% from BDT 264.80 million in 2023 to BDT 437.33 million in 2024.

Non-Funded Business Growth

In 2024, our non-funded business experienced remarkable growth across all key areas, with import business increasing by 133.79%, export business surging by 295.36%, guarantees rising by 127.43%, and remittance witnessing an exceptional growth of 1,216.05%.

Strong Capital Base

Our capital base remained strong in 2024, with total capital rising by 23.83% to BDT 5,434.48 million and a Capital to Risk Weighted Assets Ratio (CRAR) of 35.29%, significantly exceeding the regulatory requirement of 12.5%. Additionally, our Net Asset Value (NAV) per share increased from BDT 8.65 to BDT 10.76, while Earnings Per Share (EPS) improved from BDT 0.22 to BDT 1.28, reflecting stronger returns and enhanced value for our shareholders.

Expanding Channels

We extended our services to underserved communities by opening new branches and expanding ATM access; BGCB now operates 32 branches including sub-branches and ATM services, while also offering customers access to all ATMs across the country without any additional charges.

Islamic Banking Growth

We are also expanding our Shariah-compliant services by operating 3 Islamic branches and 1 sub-branch, with deposits reaching BDT 6,713.99 million, investments totaling BDT 4,950.80 million, imports at BDT 720.60 million, and exports at BDT 460.80 million; we sincerely thank our Shariah Supervisory Council for their valuable guidance in ensuring full compliance with Islamic principles.

Appreciation and Way Forward

I sincerely thank our shareholders, employees, regulators, customers, and partners for their unwavering support, which enabled us to overcome challenges and achieve new milestones. Their dedication and trust continue to inspire us as we strive for excellence. Looking ahead, we remain committed to enhancing



operational efficiency, expanding our service network, driving innovation through digital transformation, promoting inclusive and sustainable banking, and upholding the highest standards of compliance in all our operations. As we move into 2025, we do so with confidence and clarity, knowing that the future belongs to those who prepare for it today.

Thank you for believing in us.

Sincerely,

Tarik Morshed

Managing Director & CEO

Bengal Commercial Bank PLC.



BOARD OF **DIRECTORS**

Sl.	Name of the Directors	Designation
1.	Mr. Md. Jashim Uddin	Chairman
2.	Engr. Ghulam Mohammed Alomgir [Representative of Max Infrastructure Ltd.]	Vice-Chairman
3.	Mrs. Jesmin Akhter	Director
4.	Mr. Firoz Alam	Director
5.	Mr. Shamsul Alam	Director
6.	Alhaj Mahbubul Alam	Director
7.	Mr. Md. Shahabuddin	Director
8.	Dr. Subrata Ranjan Das [Representative of TECHNOMEDIA Ltd.]	Director
9.	Tasmin Mahmud	Director
10.	Mr. S.M. Faruqi Hasan	Director
11.	Mr. Md. Iqbal Hossain Chowdhury [Representative of B. DASH Japan Company Limited]	Director
12.	Mr. Muhammad Jamaluddin [Representative of KDS Textile Mills Ltd.]	Director
13.	Mrs. Rokeya Khatun, FC A [Representative of Ilmeeyat Apparels Ltd.]	Director
14.	Mr. Khawja Mahtab Uddin [Representative of Starlight Sweaters Ltd.]	Director
15.	Mr. Golam Nasir [Representative of Bengal Plastics Ltd.]	Director
16.	Prof. Md. Iftekharul Amin, Ph.D .	Independent Director
17.	Mr. ANM Abul Kashem	Independent Director
18.	Mr. Tarik Morshed	Managing Director & CEO

Mr Md Jashim Uddin

Chairman

Mr Md Jashim Uddin is a Sponsor Director and currently serving as the Chairman of the Board of Directors of Bengal Commercial Bank PLC. He is also the President of the SAARC Chamber of Commerce and Industry (SAARC CCI). As President of the regional organization Mr. Uddin is playing a pivotal role in fostering regional economic integration by promoting trade, services, industry, small and medium enterprises, agriculture, and intra-regional cooperation. Through his visionary leadership, he has been instrumental in establishing robust business linkages among entrepreneurs across South Asia and consistently advocates for safeguarding the economic and commercial interests of SAARC member states. Previously, Mr. Uddin served as the President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), where he played a significant role in policy advocacy and consultation.

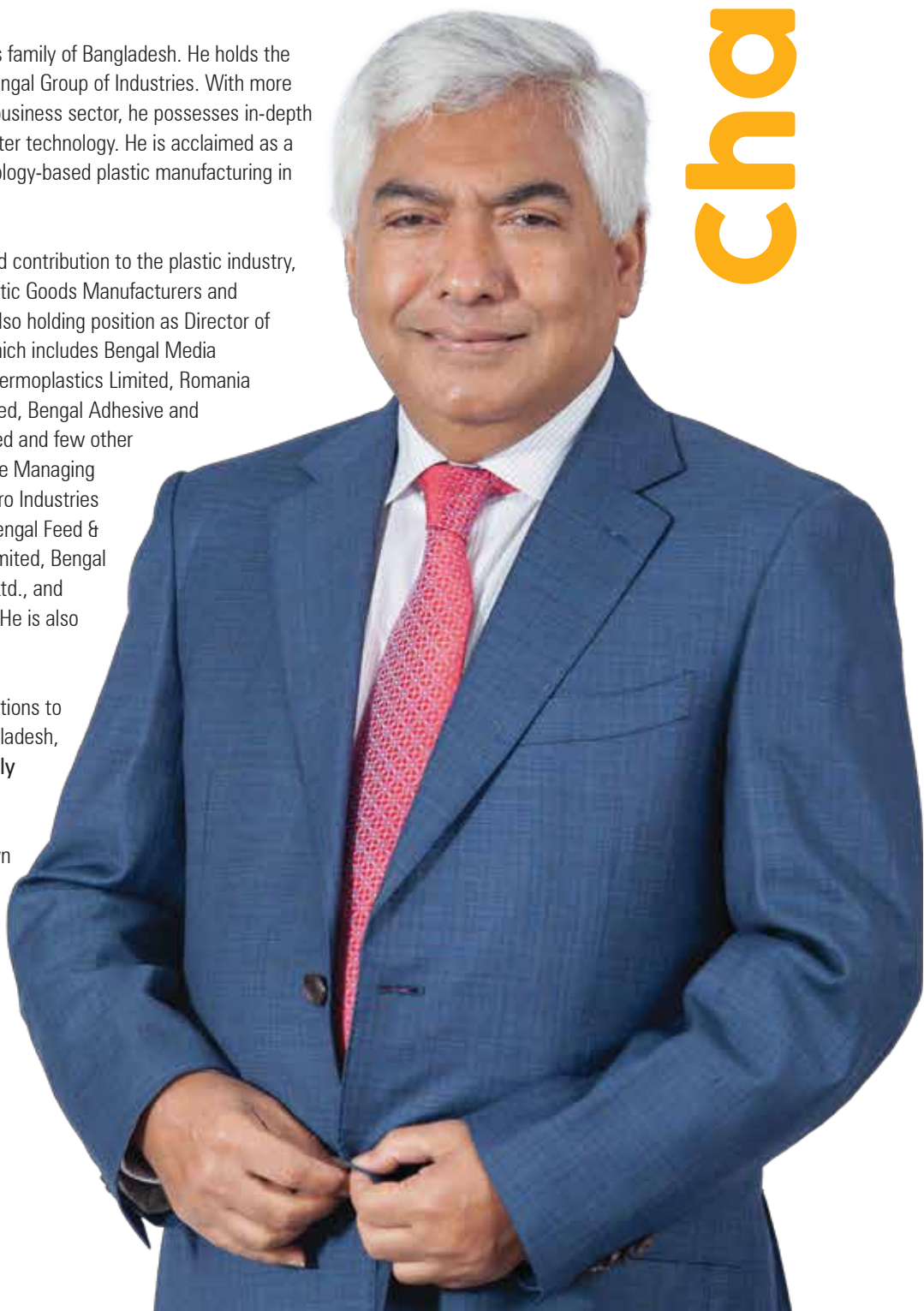
Mr. Uddin came from a distinguished business family of Bangladesh. He holds the position of Vice-Chairman of the renowned Bengal Group of Industries. With more than 30 years of extensive experience in the business sector, he possesses in-depth expertise in plastic chemicals and cast polyester technology. He is acclaimed as a pioneer in the advancement of modern technology-based plastic manufacturing in Bangladesh.

In recognition of his exceptional leadership and contribution to the plastic industry, he held the presidency of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA). Mr. Uddin also holding position as Director of several prominent entities of Bengal Group which includes Bengal Media Corporation Limited (RTV), Bengal Windsor Thermoplastics Limited, Romania Food and Beverage Ltd., Bengal Cement Limited, Bengal Adhesive and Chemical Products Ltd., Bengal Flexipak Limited and few other concerns. Md. Jashim Uddin also acting as the Managing Director of Bengal Plastics Limited, Bengal Agro Industries Limited, Bengal Renewable Energy Limited, Bengal Feed & Fisheries Limited, Power Utility Bangladesh Limited, Bengal Plastic Pipes Limited, Bengal Polymer Wares Ltd., and other affiliated concerns of the Bengal Group. He is also a Sponsor Shareholder of Meghna Bank PLC.

In acknowledgment of his substantial contributions to the development of national economy of Bangladesh, the Government awarded him as **Commercially Important Person (CIP)** in the year 2011.

On a personal note, Mr. Jashim Uddin is known for his affable demeanor, strong dedication to hard work, and profound affection for his beloved daughter and son. Mr. Uddin is also discharging his responsibility as a member of Shariah Supervisory Committee of the Bank.

chairman



Engr. Ghulam Mohammed Alomgir

Vice-Chairman

Engr. Ghulam Mohammed Alomgir, is a Sponsor Director and currently serving as the Vice-Chairman of Bengal Commercial Bank PLC. He was born on January 1, 1955, at Noakhali of Bangladesh. After earning his degree in Mechanical Engineering from the prestigious Bangladesh University of Engineering and Technology (BUET) in 1977, he began his professional journey with a French-based oil and gas company in the UAE, where he served with excellence for five years. Driven by an entrepreneurial spirit and a deep commitment to contribute to his homeland, he made the bold decision to return to Bangladesh in 1983, foregoing a lucrative career abroad to pursue his vision of industrial excellence.

Widely regarded as one of Bangladesh's most accomplished, respected, and visionary business leaders, Engr. Alomgir has played a transformative role in the country's economic landscape. He is the Founder Chairman of **MAX Group**, one of the largest and most diversified engineering conglomerates of the nation, employing over 8,000 individuals-including top-tier engineers and skilled workers. His professional expertise spans project and financial management, contract administration, sustainable innovation, business negotiation, strategic partnerships, and international joint ventures.

At the age of just 30, he established **Max Infrastructure Limited**, today the largest EPCM (Engineering, Procurement, Construction, and Management) company in Bangladesh. Under his dynamic leadership, the company has contributed to the development of critical national infrastructure including railways, power generation (including nuclear), flyovers, bridges, elevated expressways, roadways, embankments, high-rise buildings, and more. He owns and operates two power plants with a combined generation capacity of supplying of 242 MW electricity.

Engr. Alomgir has also led creation of multiple industrial manufacturing facilities producing stainless steel crockery, cutlery, and pipes; lubricating oils; automotive leaf springs; railway track fittings; and pre-stressed concrete sleepers. To ensure quality and timely delivery, he has assembled the country's largest fleet of construction equipment, comprising over 1,500 cutting-edge machines and vehicles.

Mr. Alomgir being a prominent figure in the international business community represented Bangladesh in several global forums as a keynote speaker, including the FOBANA Convention (2017, Florida), Bangladesh Rising Conference (2018, Harvard University), and the AABEA Convention (2018, New York).

Beyond his industrial accomplishments, Engr. Alomgir is a passionate advocate for social development and institutional growth. He served as a Director of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and is the Founder President of BUET Graduates Club Limited. He currently presides over the Engineers Recreation Centre (ERC), IEB Dhaka and is a former Director of the Bangladesh Cricket Board, widely respected for his support of sports and youth engagement initiatives. In recognition of his outstanding contribution to business and society, he was awarded an Honorary Doctorate in Business Administration (DBA) by Commonwealth University in 2019.

Engr. Alomgir is known for his personable, media-friendly nature and leadership values centered on quality, punctuality, and trust—principles he identifies as the cornerstone of his success. On a personal level, he is a devoted family man, an exemplary husband, and a proud father of two accomplished children.

He is currently serving as the Chairman of the Risk Management Committee (RMC) of the Board of Directors of the Bank.

vice chairman



Mrs Jesmin Akhter

Director

Mrs. Jesmin Akhter came from a devoted Muslim family of Noakhali. She is a Sponsor Director in the Board of Directors of Bengal Commercial Bank PLC. Over the past decades, she has been working as a passionate advocate and inspiring force behind for women entrepreneurship in Bangladesh. Her efforts have played a pivotal role in encouraging female participation in the nation's economic landscape. Mrs. Jesmin Akhter is also a Director of Bengal Plastic Pipes Limited, Designer Fashion Limited, and is also the proprietor of Osenic Trading Company, underscoring her dynamic involvement in diverse business sectors.

On a personal level, Jesmin Akhter is widely recognized for her integrity, hardworking, and approachable leadership. She is held in high esteem by her colleagues and subordinates for her sincerity and supportive demeanor. She is also a devoted mother to a daughter and a son, embodying both professional excellence and personal dedication.

Mrs. Jesmin Akhter is discharging her duties as a member of Executive Committee (EC) of the Bank.

Director



Mr Firoz Alam

Director

Mr. Firoz Alam is a Sponsor Director in the Board of Directors of Bengal Commercial Bank PLC. He completed his Bachelor's degree from Dhaka City College and pursued higher education in Los Angeles, California, USA.

Mr. Alam currently serves as the Managing Director of Bengal Cement Ltd., Bengal LPG Ltd., Bengal Poly and Paper Sack Ltd., Bengal Flexipak Ltd., and Bengal Feed & Fisheries Ltd. In addition, he is also acting as Director of Bengal Plastics Ltd., Bengal Media Corporation Ltd. (RTV), Swissôtel Dhaka and over 30 other allied companies under the umbrella of the Bengal Group of Industries.

Recognized as one of the leading young entrepreneurs in the country, Mr. Alam has twice been honored as a Commercially Important Person (CIP) by the Government of Bangladesh, in the years 2015 and 2017, for his outstanding contributions to the national economy. He is also a recipient of the National Export Trophy for the fiscal years 2012–2013 and 2016–2017, awarded by the head of the Govt. in recognition of his significant achievements in the export sector.

Beyond his business endeavors, Mr. Alam is an active social contributor, having financed and constructed numerous madrasas and schools across the country. His professional ethos—defined by integrity, transparency, idealism, and straightforward dealings—positions him as a dynamic, principled, and highly resourceful business leader.

As part of his international business engagements, Mr. Alam has traveled to India, Europe, the United States, and many other countries, which has broadened his global business acumen and industry insight.

Mr. Firoz Alam currently serves as a member of the Executive Committee (EC) and Risk Management Committee of the Bank where he contributes his strategic vision and leadership expertise to the bank's continued growth.

Director



Mr Shamsul Alam

Director

Mr. Shamsul Alam is a distinguished young entrepreneur, widely acclaimed for his groundbreaking business initiatives. He currently serves as a Sponsor Director in the Board of Directors of Bengal Commercial Bank PLC. He is a Director of Bengal Group of Industries. Furthermore, Mr. Alam is acting as Director in different business entities within the Bengal Group that includes Bengal Plastics Limited, Bengal Media Corporation Limited (RTV), Bengal Feed & Fisheries Ltd., Bengal Poly and Paper Sack Limited, Bengal Windsor Thermoplastics Limited, Bengal Polymer Wares Ltd., Bengal Plastic Pipes Limited, Romania Food and Beverage Ltd., and few other affiliated companies.

Mr. Alam has exhibited exceptional leadership and strategic insight as the Managing Director of Bengal Adhesive and Chemical Products Limited. His dedication to acquiring in-depth expertise in adhesive materials has established his prominence across the national adhesive industry.

He is well-travelled business endeavor for acquiring of knowledge in diversified business ideas from the countries of Europe, Asia, and America.

Mr. Shamsul Alam diligently fulfills his responsibilities as a member of the Board Audit Committee and the Shariah Supervisory Committee of Bengal Commercial Bank PLC.

Director



Alhaj Mahbubul Alam, CIP Director

Alhaj Mahbubul Alam, a Sponsor Director came from a notable muslim family of Chittagong. He is the Chairman of reputed M. Alam Group, Chattogram. Mr. Alam has obtained his Bachelor of Arts (Hons) and Master of Arts (M.A) from Chittagong University.

Alhaj Mahbubul Alam was the Ex-President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI). Prior this he was elected President of Chittagong Chamber of Commerce and Industries (CCCI) for consecutive five times. Mr. Alam is also the Chairman of Crown Steel Ltd., M. Alam Gas Station Ltd., Anowara Alam Foundation, and Surgescope Hospital Ltd. He is the Managing Director of Alam Trading Corporation, R.M. Enterprise, A.M. Enterprise, Arufa Trading, Munal Trading, Remora Trading and M.M. Trading.

Mr. Alam was awarded as Commercially Important Person (CIP) by the Government of Bangladesh as recognition of his outstanding contribution in the economy of the country. He achieved the prestigious Certificate of Merit awarded by World Customs Organization (WCO) for rendering exceptional service to the international Customs community.

Alhaj Mahbubul Alam acted as the Honorary Consul of Japan in Chattogram and is fostering Japanese investments in Bangladesh for making significant contribution to the country's economic growth. He was also designated Consul General by the Republic of Mali. Mr. Alam is also the Chairman of Business Initiative Leading Development (BUILD) and Co-Chairman of SME Development Working Committee, Ministry of Industry, GOB. He was an Executive Board Member of Bangladesh Foreign Trade Institute, Board Member of Bangladesh Railway Container Service Ltd., Bangladesh Investment Development Authority and Custom Excise and VAT Training Academy, Chittagong. Mr. Alam was also a member of Governing Body of Bangladesh Economic Zones Authority (BEZA).

Mr. Alam to explore the unknown beauty of creation travelled USA, UK, Australia, Germany, Russia, Netherlands, France, Switzerland, Japan, Turkey, Taiwan, Hong Kong, China, UAE, KSA, Myanmar, India, Thailand, Singapore, Malaysia, Philippines, Sri Lanka and many other countries. His ardent desire of innovation in the business sector inspires the new entrepreneurs to dream a developed Bangladesh in near future.



Mr Md Shahabuddin

Director

Mr. Md. Shahabuddin is a Sponsor Director in the Board of Directors of Bengal Commercial Bank PLC and is also the Chairman of the Executive Committee (EC) of the Board. He is one of the pioneers in indenting business sector of Bangladesh.

Mr. Shahabuddin holds a Master of Social Sciences (MSS) degree from University of Dhaka. He is the Founder and Managing Director of **Pacific Associates Limited**, a company he established in 1988. Under his dynamic leadership, Pacific Associates Limited has emerged as the largest indenting firm in Bangladesh, representing leading international machinery brands and serving as a key importer of spare parts and provider of technical services within the garments and textile sector.

With over 33 years of comprehensive experience in garments and textile machinery, Mr. Shahabuddin has established authority in the field. His business shrewdness and strategic vision have notched the company's success and expansion across the country.

In addition to Pacific Associates Limited, Mr. Shahabuddin also serves as the Managing Director of **Pacific Tex-Tech Ltd.** and **Pacific Builders Ltd.** The outstanding success of these enterprises reflects his relentless commitment to excellence, resilience, and visionary leadership.

Beyond his business ventures, Mr. Shahabuddin is actively involved in humanitarian work aimed at social development. As part of his philanthropic initiatives, he established the **Shahabuddin School & College** in Chandpur, demonstrating his enduring dedication to community welfare and education.



Dr Subrata Ranjan Das

Director

Dr. Subrata Ranjan Das is a representative Director in the Board of Directors of Bengal Commercial Bank PLC. on behalf of Technomedia Ltd.

Mr. Das obtained MBBS degree in the year 1996. He is discharging his responsibilities as Center Director cum Deputy Chief Medical Officer at Diabetic Association of Bangladesh, Bashundhara, Dhaka. He is a reputed physician serving from 2005 to Diabetic and Non-Diabetic people. As a well-known diabetes and medicine practitioner he participated in different National and International Seminars and Conferences both in home and abroad.

He obtained certificate from American Diabetic Association (ADA) and from International Diabetic Federation (IDF), European Association for Study of Diabetes (EASD) and other reputed organizations of different continent. He is self-committed to serve the mankind throughout his whole life as a physician.

Director



Mrs Tasmin Mahmud Director

Mrs. Tasmin Mahmud, a well-known entrepreneur in the RMG, Apparels, Telecommunications, Securities Business, Financial and Real Estate sector bears a strong honor and dignity in the society. She is a Sponsor Director in the Board of Directors of Bengal Commercial Bank PLC.

Mrs. Mahmud is serving as a director of different renowned conglomerates of Cotton Group, a well-known brand of quality products. As a visionary of positive change Mrs. Mahmud is a focused, client-centric executive with an exceptional record for driving growth. She is widely recognized for her role in shaping the business in multiple sectors which brings her the honor to travel Japan as one of the members of a trade delegation led by the Ministry of Commerce of the People's Republic of Bangladesh. Mrs. Mahmud was an integral member of a business delegation led by the FBCCI upon receiving an invitation from the Ambassador of Peoples' Republic of South Korea in Bangladesh.

Mrs. Tasmin Mahmud, being a successful women business entrepreneur is holding the position of Director of Cotton Dyeing & Finishing Mills Ltd., Cotton Line (BD) Ltd., Cotton N Cotton Garments Industries Ltd., Pacific Cotton Ltd., BG Tel Limited and Bigstar Solutions Ltd.

Mrs. Mahmud was born in a respected Muslim Zaminder family of Shibchor, Madaripur (Utrail Chowdhury Bari). She obtained her BSS and MSS from the University of Dhaka under the discipline of Public Administration. Mrs. Mahmud is passionate about social responsibility and Philanthropic services. She is currently an active member of Gulshan Ladies Community Club, Army Golf Club, Gulshan Club, Zonta Club of Dhaka and Baridhara Diplomatic Club. By personal level of known she is an affectionate mother of a daughter and a son.

Mrs. Mahmud is also discharging duties and responsibilities as a member of Executive Committee (EC) of the Bank.



Mr SM Faruqi Hasan

Director

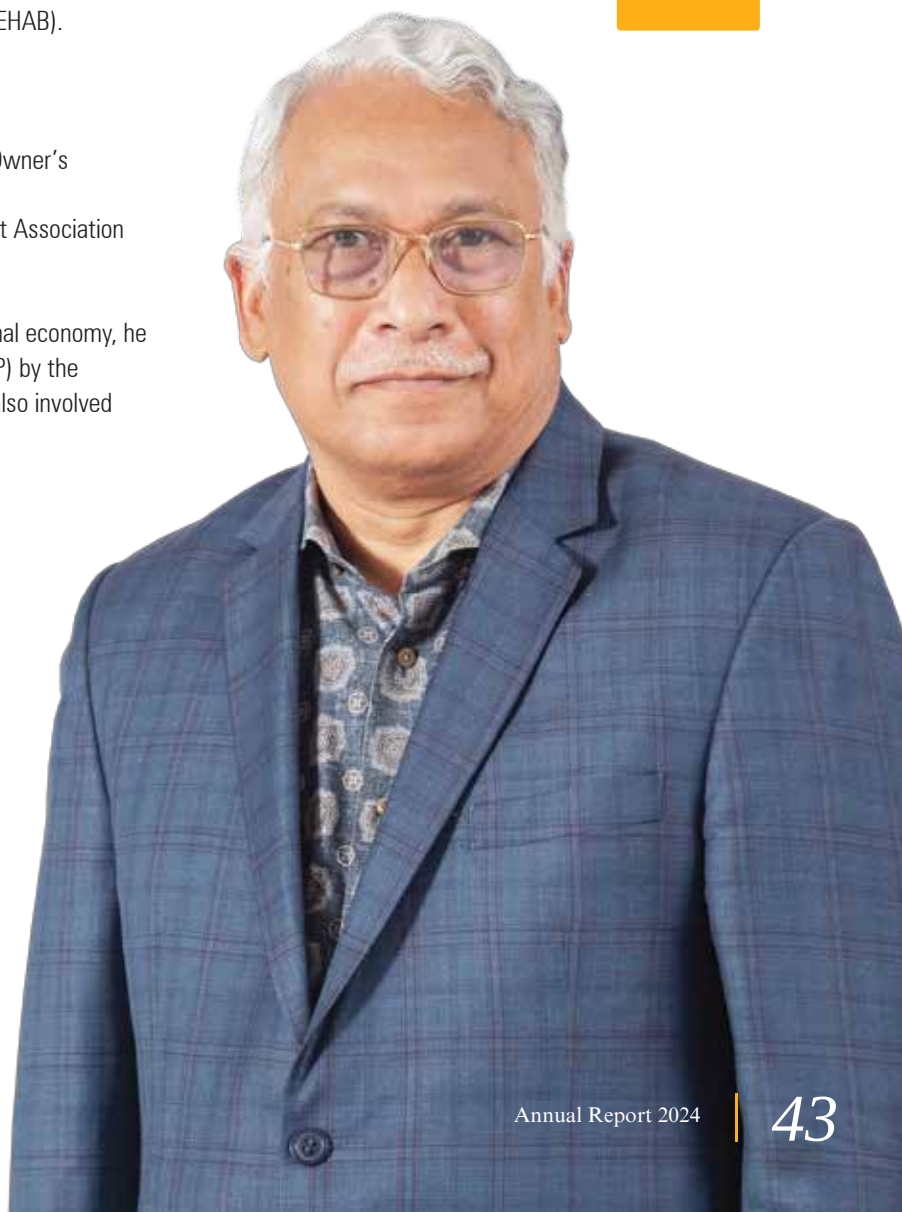
Mr. S. M. Faruqi Hasan, is a sponsor Director of Bengal Commercial Bank PLC. He has completed his Master's Degree from Dhaka University in 1983. During the mid eighties he started his own construction business. Since then, he has de-centralized his business into few other areas and became a renowned business icon within a short span of time in Bangladesh. Currently, he is the Chairman of Protik Group. He also holds ownership in different business enterprises like:

Position		Name of Company
a) Chairman & CEO	01	Protik Developers Ltd.
	02	Protik Bone China Ltd.
	03	Protik Food and Allied Ltd.
	04	Protik Trade International
	05	Protik Energy & Refinery Ltd.
	06	Protik Logistics Ltd.
	07	Hotel Lake Castle Ltd.
b) Managing Director & CEO	01	Protik Ceramics Ltd.

In addition, Mr. S. M. Faruqi Hasan, is an active member of different business reputed organizations such as:

- Dhaka Club Limited.
- Real Estate and Housing Association of Bangladesh (REHAB).
- Dhaka Chamber of Commerce & Industry (DCCI).
- Bangladesh Indenting Agent Association (BIAA).
- Chattagram Boat Club.
- Vice president of Bangladesh Hotel and Guest House Owner's Association (BHGHOA).
- Advisor of Bangladesh Ceramic Manufacturers & Export Association (BCMEA).

As recognition of his outstanding contribution towards the national economy, he was accepted the reward as Commercially Important Person (CIP) by the government of Bangladesh. He is a widely travelled person and also involved with different social activities and social responsibility.



Director

Mr Md Iqbal Hossain Chowdhury

Director

Mr. Md. Iqbal Hossain Chowdhury came from a distinguished Muslim family of Lakshmipur. He is currently serving as a Representative Director in the Board of Directors of Bengal Commercial Bank PLC. on behalf of B. Dash Japan Co. Ltd.

Mr. Chowdhury is widely recognized as one of the country's prominent figures in the real estate sector. He is the Managing Director of JCX Development Ltd., JCX Trading Ltd., and JCX Enterprise Ltd., all of which have earned strong reputations in the respective industry. Notably, he played a pioneering role in attracting Foreign Direct Investment (FDI) by initiating a landmark joint venture with CREED Group, Japan's largest real estate development company—marking the first collaboration of its kind in Bangladesh.

A seasoned entrepreneur, Mr. Chowdhury leads a dynamic business conglomerate with diverse interests spanning the jewelry, energy, automobile, tourism, and hospitality industries. He also holds directorships in Moonlight Shipping, Napier Homes Ltd., and JAPASTY Co. Ltd. In the lifestyle and dining sector, he is the founder and owner of the Beyond Buffet and Brew Splash—two of Dhaka's most popular restaurant chains. Most recently, he expanded his footprint into the luxury retail sector by launching JCX Gold & Diamond, a premier jewelry brand specializing in high-end gold and diamond collections.

Beyond his business ventures, Mr. Chowdhury is deeply committed to social responsibility and is widely respected for his philanthropic initiatives. He was elected as a Director of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) for two terms. Additionally, he is the Vice Chairman of the Bashundhara Kings Football Team, and is active member of several esteemed regional and international business forums, including the SAARC Chamber of Commerce and Industry (SCCI), Japan-Bangladesh Chamber of Commerce and Industry (JBCCI), and the Australian Chamber of Commerce and Industry (ACCI).

Mr. Md. Iqbal Hossain Chowdhury is a Member of the Executive Committee of the Board of Directors of Bengal Commercial Bank PLC, where his extensive business acumen and global perspective continue to enrich the Bank's strategic vision.



Mr Muhammad Jamaluddin

Director

Mr. Muhammad Jamaluddin is a representative director in the Board of Directors of Bengal Commercial Bank PLC. on behalf of KDS Textile Mills Ltd. He was born in a prominent Muslim family of Chittagong in the year 1950. He earned both his Bachelor of Science (Honours) and Master of Science degrees in Physics from the University of Dhaka.

Mr. Jamaluddin stepped in his professional journey in June 1975, joining Petrobangla as a Geophysicist and embarking on a distinguished career in oil and gas exploration in Bangladesh. He retired in August 2007 as the Managing Director of Bangladesh Petroleum Exploration and Production Company Limited (BAPEX). Throughout his tenure at Petrobangla, he played an instrumental role in key national initiatives. He was a valued member of Bangladesh Gas Act Preparation Committee, the Steering Committee for the Gas Sector Master Plan and Strategy for Bangladesh Project, and the Expert Committee for the Petroleum Potential and Resource Assessment Project 2001.

In addition to his executive role at BAPEX, Mr. Jamaluddin served on the Board of Directors of both BAPEX and Pashchimanchal Gas Company Limited (PGCL). He is also currently holding the position of Independent Director on the Board of KDS Accessories Ltd., and served as Director of Grameen Shakti. Furthermore, he is a Board Member of the Centre for Mass Education in Science (CMES), a notable NGO that focuses on delivering non-formal and hands-on technical education to underprivileged children in rural Bangladesh.

In recognition of his extensive expertise in the energy sector, Mr. Jamaluddin has been appointed as a consultant for several high-profile gas-sector projects by different renowned organizations like the Asian Development Bank (ADB), SAARC Energy Centre, Islamabad, Gustavson Associates, USA (for the implementation of an ADB-funded project), Keystone Business Support Company Ltd., and IUCN. He is also widely reputed for his insightful contributions to national discourse through his writings in various national dailies on critical energy sector issues in Bangladesh.

As part of his expertise in diversified fields, Mr. Muhammad Jamaluddin is currently serving as a member of the Risk Management Committee and the Shariah Supervisory Committee of the Bank.



Mrs Rokeya Khatun, FCA Director

Mrs. Rokeya Khatun, FCA is a Representative Director in the Board of Directors of Bengal Commercial Bank PLC. on behalf of Ilmeeyat Apparels Limited, a concern of Sharmin Group.

She was born in 1976 in respected Muslim family in Khulna, the city of Mangrove forest. Mrs. Khatun holds a Bachelor of Business Studies (Honours) and a Master of Business Studies in Economics from Government Girls' University College, Khulna. She is a qualified Chartered Accountant of the Institute of Chartered Accountants of Bangladesh (ICAB) in 2009 and became a Fellow member of the ICAB in 2015.

Currently, she is serving as the Executive Director (Accounts and Finance) of Sharmin Group, one of the largest export-oriented garment manufacturing conglomerates in Bangladesh. Prior to this, she acted as the Group General Manager (Accounts & Finance) of Anwar Group of Companies.

Mrs. Rokeya Khatun also contributing her expertise as a member of the Board Audit Committee of the Board of Directors of Bengal Commercial Bank PLC.



Mr Khawja Mahtab Uddin

Director

Khawja Mahtab Uddin is a Representative Director in the Board of Directors of Bengal Commercial Bank PLC. on behalf of Starlight Sweaters Ltd., concern of renowned Labib Group (an Export, Import & General Business Conglomerate involved in the businesses of Yarn Dyeing, Sweater, Telecom, Bank, Lease Finance, IT, Agro, Poultry, Fisheries, Packaging etc.).

Mr. Mahtab obtained his B. Com degree from reputed Dhaka City College. Mr. Mahtab is discharging his responsibilities as the Marketing Director of reputed Starlight Sweaters Ltd. He is vastly experienced in modern marketing-based business policy especially in the Readymade Garments sector. Mr. Mahtab by person is a man of good manner and good leader to motivate the co-workers. He is well travelled in different countries of Europe, Asia and America.

Mr. Khawja Mahtab Uddin is discharging his responsibilities as a member of the Executive Committee (EC) of the Board of Directors of the Bank.



Mr Golam Nasir
Director

Mr. Golam Nasir is a Representative Director in the Board of Directors of Bengal Commercial Bank PLC. on behalf of Bengal Plastics Ltd. (a concern of Bengal Group of Industries). He came from a very respectable Muslim family of Noakhali, Bangladesh. He has completed his Graduation from the University of Dhaka in Management. He is the sole proprietor of Accurate Steel, a business concern of his family.

Mr. Nasir is a philanthropic and kind hearted person by instinct. He is an affectionate father of a daughter and a son. Mr. Golam Nasir is discharging his responsibility as a member of Risk Management Committee of the Board of Directors of the Bank.

Director



Dr Md Iftekharul Amin, PhD Independent Director

Dr. Md. Iftekharul Amin, Professor at the Institute of Business Administration (IBA), University of Dhaka, is a distinguished academician and a recognized expert in quantitative research and analysis. He holds a Bachelor's degree in Computer Science and Engineering from the University of Dhaka and an MBA from IBA, University of Dhaka. He earned his Ph.D. from the Institute of Information Technology (IIT), University of Dhaka, with a specialization in e-commerce adoption within the context of Bangladesh. Throughout his academic journey, Dr. Amin has consistently demonstrated outstanding academic performance.

Currently, he serves as a faculty member at IBA, University of Dhaka, where he also holds the roles of Coordinator of the MBA Program and Warden of the IBA Hostel. Prior to joining IBA, Dr. Amin served as an Assistant Commissioner and Executive Magistrate, contributing to various administrative departments of the Government of Bangladesh in multiple capacities.

As a quantitative researcher, Dr. Amin has actively participated in numerous research initiatives. He has been engaged in projects supported by notable international development organizations such as the World Bank (WB), United Nations Population Fund (UNFPA), CARE, and the World Health Organization (WHO). He was a contributing team member in the development of the Strategic Plan (2011–2013) for the Bangladesh Police. Additionally, as a lead researcher, he has directed multiple marketing research projects for private sector organizations.

Dr. Amin has been extensively involved in recruitment assessments and selection processes, acting as both coordinator and evaluator for numerous private and public sector institutions. As part of IBA's Management Development Program (MDP), he coordinates and facilitates various business courses, and contributes as a trainer. He is also an expert member of several committees across ministries and autonomous bodies of the Government of Bangladesh.

His scholarly contributions include numerous research publications in both national and international journals, and he has presented papers at several international academic conferences. His areas of expertise span Marketing Research, Consumer Behavior, E-Commerce, Women Empowerment, Small and Medium Enterprises (SME), and Marketing Communication. Since April 20, 2016, he has been an Associate Member of the Australian Academy of Business Leadership (AABL), Australia.

Dr. Amin is also actively involved in social development initiatives. He is the Founder and Co-Chairperson of Protissruti Residential School and College, Rangpur, a Member of the Executive Committee and former General Secretary of the Center for Men and Masculinity Studies (CMMS)-a research-based NGO registered with the Ministry of Social Welfare and the NGO Affairs Bureau, Government of Bangladesh. Furthermore, he serves as a Trustee Board Member of the United Nations Youth and Students Association of Bangladesh (UNYSAB).

Currently, Dr. Md. Iftekharul Amin is serving as the Chairman of the Board Audit Committee of the Board of Directors of the Bank, where he continues to contribute with his academic insight and governance expertise.



ANM Abul Kashem Independent Director

Mr. A.N.M. Abul Kashem serves as an Independent Director in the Board of Directors of Bengal Commercial Bank PLC. He was Born in 1959 in a respected Muslim family in Noakhali, and obtained both B.Sc. (Hons.) and M.Sc. in Geology from the University of Dhaka.

He stepped in his professional journey in the year 1988 as a Senior Officer in the Loans and Advances Division of Agrani Bank. Subsequently, he joined Bangladesh Bank, and retired as Executive Director of the Central Bank. During his tenure at Bangladesh Bank, Mr. Kashem held significant responsibilities including oversights of Khulna Office, Foreign Exchange Investment Department and Human Resources Department, Head Office, Bangladesh Bank.

Mr. Kashem, during his rendering of services to Central Bank acquired extensive expertise in banking supervision and inspection, expenditure management & accounting and Central Bank Strengthen Project (CBSP). His multifaceted experience across various department of the Central Bank has equipped him with a comprehensive understanding of the financial and regulatory landscape-expertise that significantly enriches the governance capacity of the Board of Bengal Commercial Bank PLC. being an Independent Director.

In addition to his domestic experience, Mr. Kashem has participated in numerous international trainings and high-level meetings. His global exposure includes programs on Credit Risk Management, Core Banking Solution Modules, Export Credit Agency (ECA) Modules, Foreign Investment Roadshows in UK and Japan, joint meetings with European Credit Agencies, and strategic discussions on Bangladesh's foreign investment climate.

Mr. Kashem is currently serving as a member of Board Audit Committee of the Bank and continuing his insights as a member of Risk Management Committee of the Bank as well for ensuring good governance and strategic directions.



Mr Tarik Morshed

Managing Director & CEO

Mr. Tarik Morshed is a seasoned banker with over 30 years of diverse experience in the banking and financial services industry. He joined Bengal Commercial Bank PLC (BGCB) as the founding Managing Director & CEO on April 1, 2020.

Before joining BGCB, he served as the Managing Director & CEO of Bangladesh Finance and Investment Company Limited (BD Finance). Earlier, he held the position of Additional Managing Director at Social Islami Bank Limited (SIBL), where he led various organizational restructuring initiatives to strengthen SME-focused banking. Mr. Morshed began his professional career at BRAC, where he served as Regional Manager (Credit Program). He transitioned himself to banking in 1995, joining SIBL, where he worked for 22 years. During this time, he held several leadership roles, including Branch Manager of both the Gulshan Branch and Principal Branch for over a decade. Under his management, the Principal Branch achieved the highest profitability in its history. For his outstanding contributions, he was honored and awarded by INDUSTRY magazine as one of the Top 10 Best Bank Managers.

He earned both his Honors and master's degrees in management from Rajshahi University. Throughout his career, Mr. Morshed has actively participated in numerous seminars, workshops, and training programs on banking and finance, both in Bangladesh and abroad. He also served as a Nominated Director in the Board of SIBL Securities Ltd. and SIBL Investment Ltd. and was the Head of the Asset-Liability Committee (ALCO) at SIBL. At BGCB, Mr. Morshed leads several key committees, including:

- ❖ Chairman of the Senior Management Team, Management Committee, Credit Committee, Strategic Vision Committee, and Asset Liability Committee
- ❖ Member of the Shariah Supervisory Committee

His leadership continues to guide the bank's strategic direction and operational excellence.

MD & CEO



Other Sponsors



Mr Dilip Kumar Agarwala
Sponsor



Engr Abu Noman Howlader
Sponsor



Mr Alamgir Parvez
Sponsor



Mr Mahmud Habib-E-Akbar
Sponsor



Mr Mohammad Akram Hossain
Sponsor



Ms Tasfia Jashim
Sponsor



Mr Taseen Jashim
Sponsor



Ramisha BD Limited
Sponsor

Sub-Committees of the Board of Directors of the Bank

Executive Committee



Mr Md Shahabuddin
Chairman



Mrs Jesmin Akhter
Member



Mr Firoz Alam
Member



**Mr Iqbal Hossain
Chowdhury**
Member



Ms Tasmin Mahmud
Member



Mr Khawja Mahtab Uddin
Member

Audit Committee



Prof. Md Iftekharul Amin, Ph.D
Chairman



Mr A N M Abul Kashem
Member



Mr Shamsul Alam
Member



Ms Rokeya Khatun, FCA
Member

Risk Management Committee



**Engr Ghulam
Mohammed Alomgir**
Chairman



Mr Firoz Alam
Member



**Mr Muhammad
Jamaluddin**
Member



Mr A N M Abul Kashem
Member



Mr Golam Nasir
Member



DIRECTORS' **REPORT**

Report of the Board of Directors

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Bismillahir Rahmanir Rahim

I, on behalf of the Board of Directors, with great pleasure welcome you all to the 5th Annual General Meeting (AGM) of Bengal Commercial Bank PLC (BGCB). As we mark the successful completion of **04 years of operations**, I extend my heartfelt gratitude to all of you for unwavering trust and support. Your confidence on us, even during challenging times, has been instrumental in our growth and resilience.

Bengal Commercial Bank PLC. remains committed on delivering excellence, ensuring financial stability, and contributing to the economic development of Bangladesh. I am honored to present you the **Directors' Report 2024**, along with the **Audited Financial Statements** and Auditors' Report for the financial year ended on **December 31, 2024**. This report highlights financial performance, recommendation of dividend, overall business changes, key strategic initiatives of the Bank, and an overview of the global and domestic economic landscape.

We are confident that this report will provide valuable insights into the bank's performance over the year-2024.

Global Economic Outlook-2024

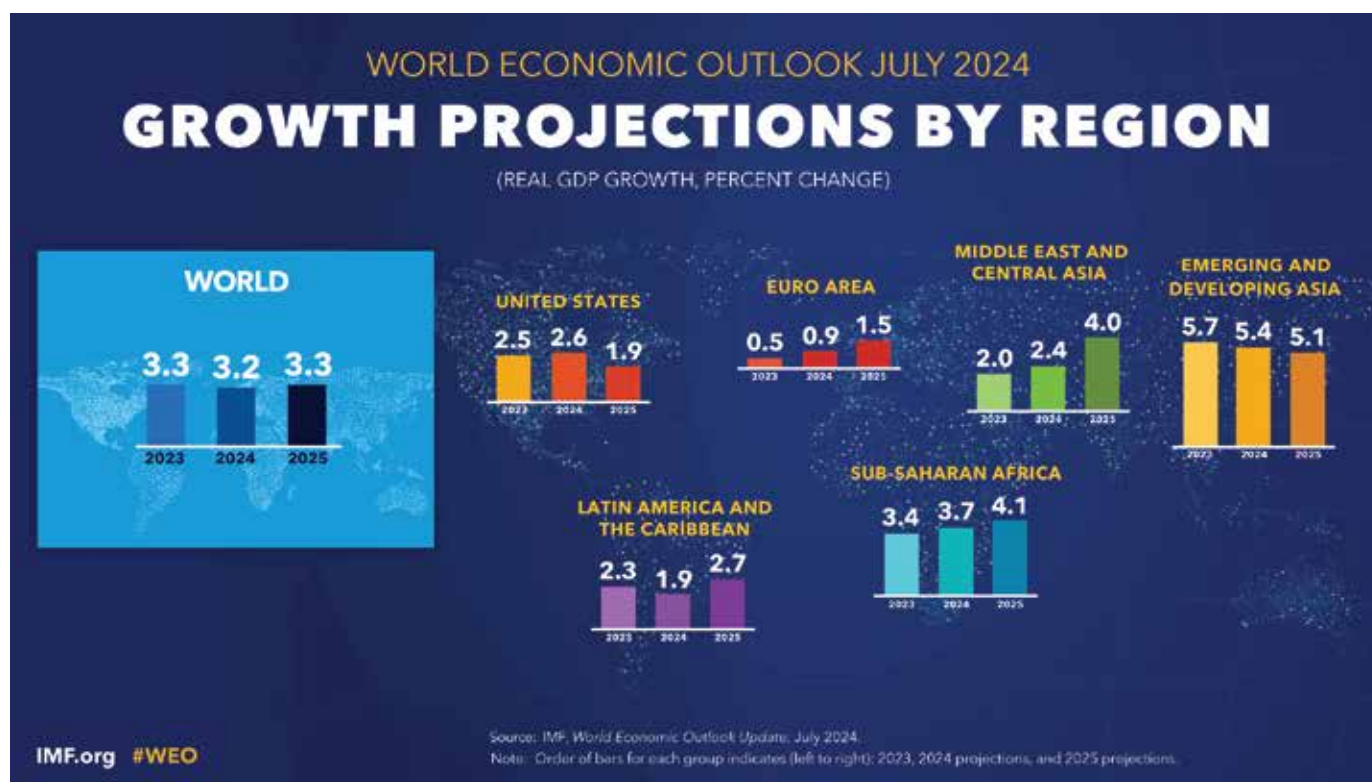


Fig: 1. Growth Projections

*Data Source: IMF World Economic Outlook

The global economic 2024 was shaped by a mix of ongoing trends, post-pandemic recovery, geopolitical tensions, and global policy shifting. In 2024, the persisting tensions of geopolitical unrest in different peninsulas especially Russia-Ukraine war remains in the core for world's leaders' matter of contentions both economic and political. In the post recovery era of Covid Pandemic, the economy of the countries of Asia during the last year-2024 remained hanged with the diplomacy of China and India with the globe. Taking consideration, the GDP growth, inflation rate and labor market growth, the Asian country hovered a significant advancement in economy but still remains lower that of pandemic era. Though, Global Economy experienced financial markets exhibited volatility and energy price fluctuations, digital finance and renewable energy

saw significant growth across the world. Overall, the year-2024 underscored the need for economic adaptability and policy coordination to navigate an evolving financial environment for the countries of the globe.

Global GDP Growth:

According to International Monetary Fund (IMF), the World Economy registered a 3.2% growth in 2024 which is consistent with the level of growth for the year 2023. This rate of growth is slightly below of the pre-pandemic average of 3.8%, reflecting ongoing challenges such as restrictive monetary policies and low productivity growth. However, this growth is insufficient to

significantly reduce poverty levels, particularly in developing economies.

Global Trade:

In 2024, global trade reached an unprecedented \$33 trillion, marking a 3.3% annual growth. This surge was primarily driven by a robust 7% increase in services trade, contributing \$500 billion to the total expansion, while goods trade grew by 2%, remaining below its 2022 peak. Developed economies led this growth, with Japan's goods exports rising by 5% and services exports by 13% annually. The United States saw a 4% increase in merchandise imports both quarterly and annually. Conversely, developing economies faced challenges; China's goods exports declined by 2% in the third quarter, although its services exports grew by 9% annually. India experienced a 3% quarterly drop in goods exports but reported a 2% annual increase.

Sector-wise, information and communications technology (ICT) products and apparel led growth with quarterly increases of 13% and 14% respectively. In contrast, the energy sector's trade value decreased by 2% in the third quarter and 7% over the year, while metals trade contracted by 3% both quarterly and annually.

Global Commodity Markets 2024:

Global commodity markets experienced notable fluctuations across various sectors. Energy prices declined by approximately 3%, driven by an oversupply in oil production and reduced demand from major economies like China. This surplus led to a projected decrease in Brent crude prices from \$80 per barrel in 2024 to \$73 in 2025 and \$72 in 2026. Agricultural commodities presented a mixed picture: cocoa prices nearly tripled due to supply deficits and adverse weather conditions in West Africa, while other staples such as soybeans, corn, and wheat faced losses. Metal markets remained relatively stable, with copper and aluminum prices ending higher, supported by tight supplies and the ongoing energy transition. However, the steel-making coal sector struggled amid economic challenges in China, marking it as one of the worst-performing commodities.

Overall, while commodity prices softened, they remained about 30% higher than pre-pandemic levels, reflecting the complex interplay of supply dynamics, geopolitical factors, and shifting demand patterns.

Inflation Outlook:

Global inflation is estimated 5.8 percent in the year 2024 which is down trending comparing to the previous year. Advanced economies are expected to see faster disinflation, with inflation falling by 2.00% points in 2024 to 2.6%, than are emerging market and developing economies, where inflation is projected to decline

by just 0.3% point to 8.1%. The drivers of declining inflation differ by country but generally reflect lower core inflation as a result of still-tight monetary policies, a related softening in labor markets, and pass-through effects from earlier and ongoing declines in relative energy prices.

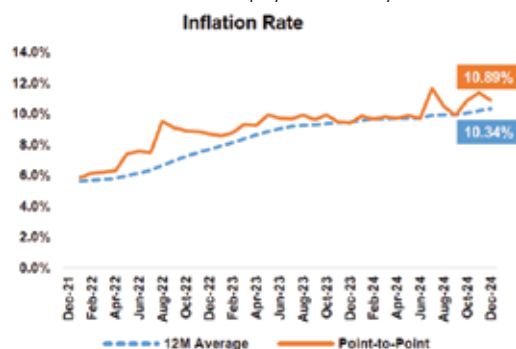
Overall, about 80% of the world's economies are expected to see lower annual average of inflation in the coming years. In 2024, among economies with an inflation target, headline inflation is projected to be 0.6% point above target for the median economy by the fourth quarter of 2024, down from an estimated gap of 1.7% points at the end of 2023. Most of these economies are expected to reach their targets (or target range midpoints) by 2025. In several major economies, the downward revision to the projected path of inflation, combined with a modest upgrade to economic activity, implies a softer-than-expected landing.

Bangladesh Economic outlook 2024:

As the nation embarks on a new chapter, it offers chances for essential changes within the financial sector that can help in the rejuvenation of the economy. In this situation, Bangladesh Bank (BB) has commenced vital reforms aimed at addressing long-standing structural issues in the banking sector and restoring confidence in the industry. The main areas of emphasis in the reforms involve reinstating macro-economic stability by addressing the inherited imbalances in both external and domestic sectors while reestablishing price stability through reducing inflation.

In the first half of FY25, the growth rate of money supply was subdued, with private sector credit growth decelerating to 7.3 percent in December 2024, marking the lowest growth rate since October 2021. Considering the global and local circumstances, BB continues to uphold a strict monetary policy approach for the latter half of FY25. The economy of Bangladesh is set to face significant challenges.

High inflation has squeezed margins and raised operating costs for banks, putting additional pressure on profitability. The rise in inflation is also affecting consumer purchasing power, impacting the demand for loans and the repayment ability of borrowers. With

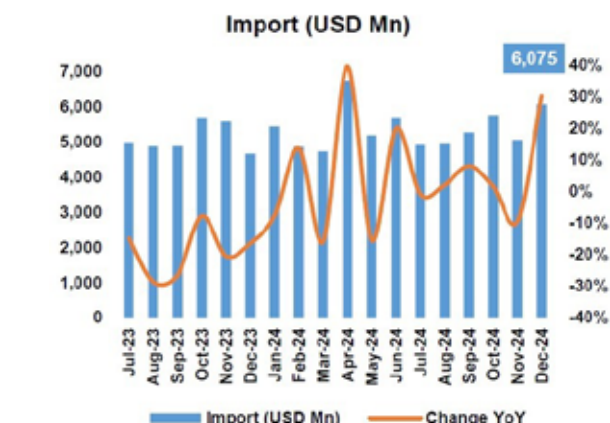


GDP growth projections revised downwards, the banking sector faces a slower growth trajectory. Lower consumption, weaker exports, and political instability are contributing to the slowdown, which impacts the loan market and banking operations.

However, during the last fiscal year 2023-24, Bangladesh's economic growth was projected between 3.76% and 5.7%, depending on the source. While the World Bank initially predicted a growth of 4.1%, it has since downgraded its forecast to 3.3%. The Asian Development Bank (ADB) also projected a growth of 3.9% for the same period.

The sluggishness in Bangladesh's economic growth has three dimensions- impact of global occurrences over the past few years, recent developments in the Bangladeshi economy, and ongoing situations in the nation. In this context, it is important to highlight that non-economic elements significantly influence economic growth, despite being primarily driven by economic forces, and future growth possibilities should be considered alongside existing growth trends.

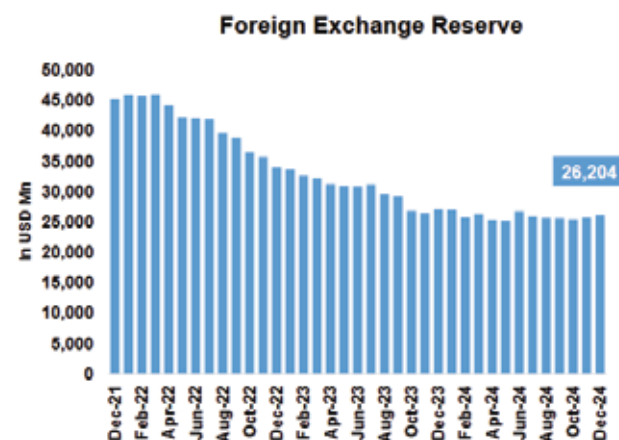
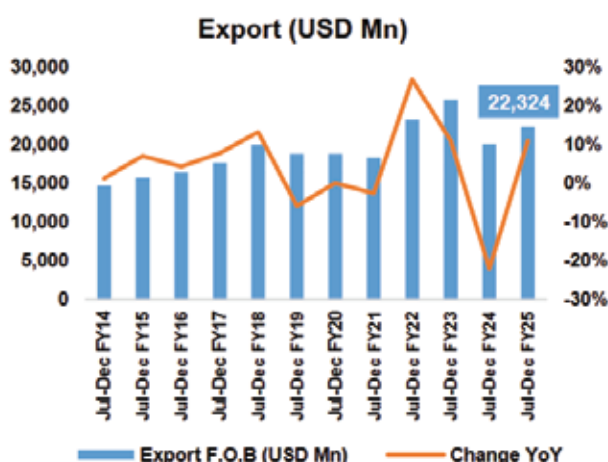
It is undeniable that, similar to other countries' economies, global occurrences in the last four to five years have impacted Bangladesh's growth potential. Covid has immobilized the worldwide economy alongside Bangladesh. It affected the local



Source: National Board of Revenue, compiled by Statistics Department, Bangladesh Bank.

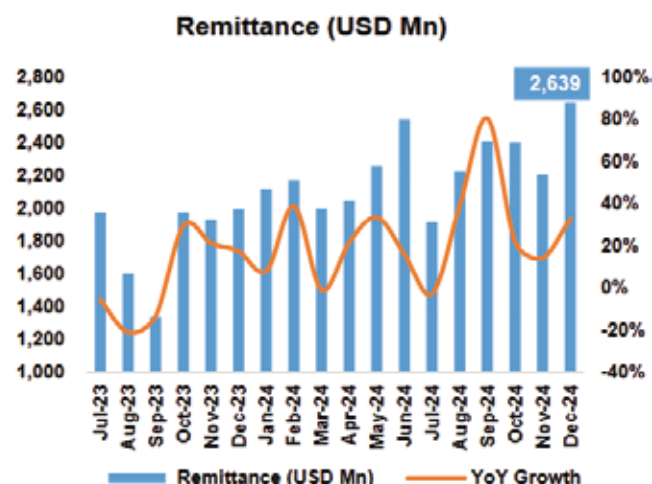
energy, the increases in global commodity prices have added to domestic inflationary pressures, negatively impacting the country's growth potential.

The current political structure has inherited an economy with huge challenges. Fortunately, some negative trends have gotten better while some are worsened. For instance, remittance inflows have increased, foreign currency reserves have risen, money laundering has largely ceased, and exchange rates have become stable on the other hand many garments are forced to shut down.



economy, putting the lives and livelihoods of individuals in jeopardy. The redirection of public funds to address the pandemic reduced resources for both economic and social sectors, and Covid impacted Bangladeshi exports globally. For instance, Bangladesh's RMG sector the most highlighted sector was impacted due to political overturn.

All of these elements influenced the nation's growth pattern. Then followed by the Ukraine and Palestine conflict, which unsettled the worldwide supply chain. Consequently, the prices of food and energy increased significantly. As Bangladesh imports food and



The economy of Bangladesh is set to face significant challenges in the latter part of FY25 as it faces the urgent requirement to control inflation, stabilize the currency evaluate, replenish foreign currency reserves, and regain public trust in the banking sector. The landscape is increasingly complicated by the rising worry over non-performing loans (NPLs) and slow economic activity, along with a deceleration in deposit and credit expansion, all of which pose significant obstacles facing the banking industry. To address these increasing concerns, the interim government and BB have initiated a range of bold reform efforts aimed at preventing any possible crisis in the banking system and lay the groundwork for implication of governance to endure economic stability. By implementing these initiatives, government aims to reinstate effective governance methods and improve stakeholder engagement assurance in the banking system, which in turn encourages a sturdier and more reliable financial setting for upcoming development.

Global Banking Sector

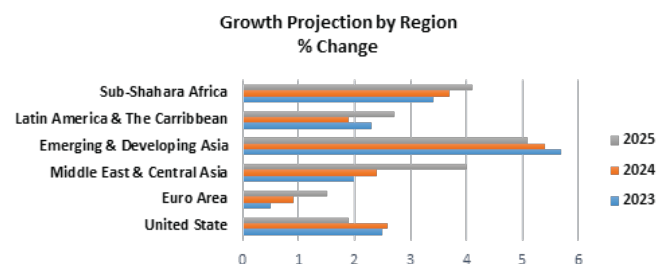
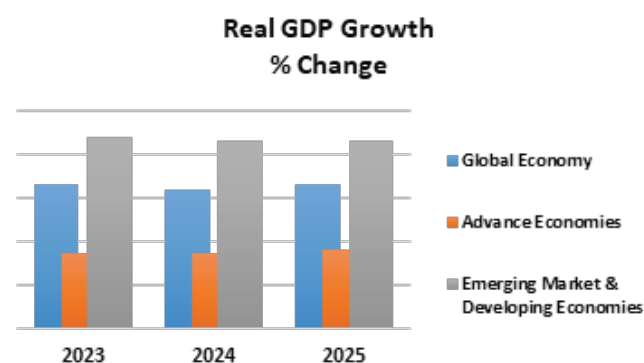
The global banking market is a highly competitive and dynamic industry that is constantly evolving to meet the changing needs of communities and businesses. In 2024, in face of the shift in monetary policies and changes in political landscapes, the global banking industry has witnessed growing uncertainties in its operating environment, challenges in its profit growth and continued divergence of expansion. Different regions experienced different rates of economic recovery in 2024, with the east clearly outperforming the west. As a result, while the banking sector in Asia Pacific economies increased business operations, the banking sector in the US and Europe slowed its rate of growth.

The banking sector is likely to face several difficulties in 2025 as a result of the anticipated significant changes in global financial and economic policies. Profit growth may be hampered by the operating environment's rising unpredictability. Nonetheless, it is anticipated that capital adequacy will stay largely constant. According to the latest forecast IMF Global GDP growth is projected to strengthen slightly to 3.3% in 2025 and remain stable at this level through 2026. The World Bank said in 2025–2026, global growth is

predicted to remain stable at 2.7 percent. The world economy, however, seems to be stabilizing at a slow growth rate that will not be enough to support long-term economic growth. In OECD economies, GDP growth is projected to be modest relative to the pre-pandemic period, at 1.9% in both 2025 and 2026. In non-OECD economies, aggregate growth is also anticipated to remain broadly stable around its current pace with emerging Asia continuing to be the biggest contributor to global growth.

The European economies and the US kickstarted the phase of rate reduction, weighing on banking asset and liability management. Since the start of 2024, major economies have embarked on rate cuts, pushing some developing economies to follow suit. The US Federal Reserve reduced the target range of the federal funds rate between 4.50%-4.75% and cut interest rates twice by a total of 75 basis points. The European Central Bank reduced interest rates three times: by 75 basis points to 3.25% for the deposit facility rate (DF), and by 110 basis points to 3.40% and 3.65% for the main refinancing operations (MRO) and marginal lending facility rate (MLF), respectively. The benchmark rate dropped by 50 basis points to 4.75% as a result of two interest rate reductions by the Bank of England.

The benchmark rate dropped by 125 basis points to 3.75% as a result of the Bank of Canada's four interest rate cuts. The yields of banking assets continued to fall during the rate-cutting phase, whilst the cost of liabilities remained high, reducing the net interest margin, impacting on interest revenue, and exposing net profits to slide risk. The yields of banking assets were more susceptible to changes in benchmark rates than the cost of liabilities. The monetary policies of emerging economies differed. During this time, the global banking sector experienced a declining net interest margin, difficulties with profitability, and pressure on its ability to manage active assets and liabilities. Inflation has continued to ease in most countries through 2024, led by further falls in food, energy and goods price inflation. However, services price inflation is still proving persistent, and was approximately 4% in the median economy in September. Looking ahead, annual consumer price inflation in the G20 countries is expected to decline further and, by the end of 2025 or early 2026, inflation is projected to be back to target in almost all remaining major economies.



Source: IMF, World Economic Updated Outlook. July-2024

However, A phase of more cautious and thorough regulation is expected to begin in 2025 as major economies continue to enforce strict regulations on banking and non-banking institutions, especially with regard to risk management and fintech innovation. It is presumed that the quality and effectiveness of banking services will be enhanced by the fintech boom.

The central scenario in the world economy portrays a picture of resilience. However, this optimism is tempered by significant uncertainties. Elevated geopolitical tensions risk disrupting energy markets and supply chains, potentially driving inflation higher and dampening economic activity. More broadly, these tensions have created headwinds for trade in both advanced and emerging markets, heightening uncertainty over the future course of global trade.

Banking Sector in Bangladesh:

The banking sector of Bangladesh in 2024 navigated a series of challenges while undergoing significant reforms and adjustments due to economic pressures, regulatory changes, and unveiling the truth of siphoned off 17 billions of dollars in 2024. Furthermore, the banking sector is grappling with a severe liquidity crisis, with some banks facing difficulties in meeting deposit withdrawal demands from their customers. This has raised concerns about the stability and resilience of the banking system. Non-performing loans (NPLs) have also been a major concern, with a rising number of loans turning bad, particularly in the wake of economic uncertainty.

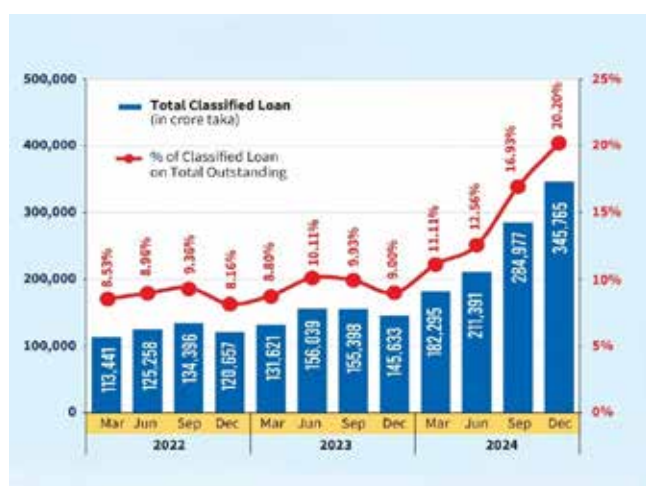
As of December 2024, the total distressed assets in Bangladesh's banking sector amounted to approximately Tk 6.75 lakh crore, representing about 31.7% of the total bank loans. Total outstanding loans in the banking sector reached Tk. 17,11,402 Crore as of 2024.

- Non-Performing Loans (NPLs): Tk 3.45 lakh crore
- Rescheduled and Restructured Loans: Tk 2.73 lakh crore
- Written-Off Loans: Tk 81,578 crore
- Special Mention Accounts (SMAs): Tk 39,209 crore
- Loans under Court Stay Orders: Tk 76,185 crore

These figures highlight a significant deterioration in asset quality, with NPLs alone constituting over 20% of the total outstanding loans. From manufacturing Sector approximately 55% of the defaulted loans have originated. 12 Banks have a combined recognized provisioning shortfall of Tk 1,06,130 crore as of December 2024. The CAR has declined to 3.08%, well below the international standard of 10%, indicating a severe capital crisis. The escalating distressed assets and capital shortfalls pose significant risks to the stability of the banking sector and the broader economy. Immediate reforms are necessary to address regulatory supervisions, enhance provisioning practices, and strengthen legal frameworks to manage non-performing loans effectively. Despite facing challenges, banking sector is well-positioned for growth, with opportunities emerging in digital banking, SME financing, green finance, and foreign investment. The rise of fintech in Bangladesh has created substantial opportunities for banks to modernize their services. Digital banking, mobile financial services, and e-commerce payments are expanding rapidly, opening up avenues for innovation and collaboration between banks and tech startups. Bangladesh has one of the highest mobile penetration rates in South Asia, with mobile banking services. Banks can leverage mobile technology to offer more inclusive financial services, reaching underbanked populations in rural areas. By innovating and adapting to market needs, banks can expand their customer base, improve financial inclusion, and contribute to the country's economic development.

Overview Bengal Commercial Bank PLC. 2024

Bengal Commercial Bank PLC. (BGCB) is celebrating a successful fifth years journey, marked by impressive growth and development. The bank has focused on expanding its operations through a robust network and a strong human resource base, ensuring secure deposits and smooth business operations for its valued customers. Bengal Commercial Bank PLC. is established with an authorized capital of Tk.15,000.00 million, with a paid-up capital of Tk.4,905.30 million at the end of year 2024. This solid capital base helped the bank maintain an excellent Capital to Risk Weighted Assets Ratio (CRAR) of 35.29% in 2024, though it was 30.98% in 2023. BGCB's total assets grew significantly, reaching 27,690.63 million in 2024, a



22.01% increase from 22,694.52 million in 2023. Total deposits also reached a significant rise, reaching 20,983.74 million in 2024, marking a 27.51% growth compared to 16,456.05 million in 2023. The bank's total loan and advances/ investments grew by 13.60% from 14,256.40 million in 2023 to 16,195.32 million in 2024. Notably, BGCB turned around with its performance with an operational profit of 755.95 million in 2024, compared to 271.59 million in 2023. The bank has expanded its customer service facilities, with a total of 21 branches, 11 sub-branches, and 7 ATMs in 2024. Additionally, BGCB has enhanced its cash withdrawal services through over 26,000+ shared ATMs across the country.

Overview of Divisional Activities of BGCB

Corporate Business Division

The global economy, particularly the banking sector, continues to face significant headwinds following the COVID-19 recovery. The Russia-Ukraine war has disrupted global trade, triggered inflation, and destabilized commodity markets, prompting downward revisions in global growth forecasts. For import-dependent countries like Bangladesh, surging oil and commodity prices, coupled with the depreciation of the Taka since mid-2022, have added pressure on foreign reserves and export earnings especially in the ready-made garment (RMG) sector impacted by Europe's economic slowdown.

Despite the challenges rooted from Russia-Ukraine war, Palestine-Israel tensions in the Middle East countries and uncertainty in exporting ready-made garments (RMG) sector, Bangladesh's economy has shown some turn back in remittance income. A pivotal political transformation on August 5, 2024, has created momentum



Figure: Corporate Business

for far-reaching reforms across the financial and legal sectors. The Bangladesh Bank has responded with a reform agenda focused on addressing structural weaknesses, restoring macroeconomic balance, and lowering inflation to reinforce confidence in the banking system.

In this evolving environment, the Corporate Business Division (CBD) of Bengal Commercial Bank (BGCB) has delivered strong performance in 2023–2024. As the primary revenue and portfolio driver of the bank, CBD has navigated economic uncertainty through commitment, professionalism, and strategic vision. Operating as a centralized unit, CBD offers a wide range of tailored corporate banking solutions, including:



Depending on a focused and disciplined risk management and customer-centric solutions, the division continues to play a critical role in BGCB's growth trajectory and is contributing to national economic resilience. Within few past years, Corporate Business Division has successfully established business relationship with a number of large Corporate Groups in Bangladesh in line with risk appetite of BGCB. Despite the challenges in 2024, BGCB managed to make way through the difficulties and achieved significant growth. Our Business Team put all of their effort towards Bank's asset growth cautiously so that Bank can maintain a healthy portfolio and till date, the Bank have been maintaining zero classification. With a view to bloom as a whole, the CBD has initiated a new business wing named Buying House operation to boost up forex. inflow into the bank. In this context, the CBD successfully on-boarded more than 50 buying houses in the year 2024.

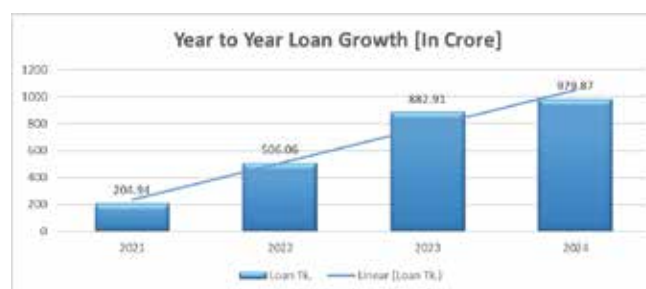


Figure: Year to Year Loan Growth

Despite having national and international instability, corporate business division registered corporate loan outstanding in 2024 amounting to Tk.979.87 crore compare to previous year's loan outstanding of Tk.882.91 crore with an annual growth rate of around 11.00% when industry average loan growth rate was 7.30% marking the lowest growth rate since October 2021. Considering recent political instability, Corporate Business Division has an extensive plan for the year 2025 and onward. In addition to large number of corporate clients, CBD has a plan to book a number of emerging corporate clients especially export oriented customers with a target to achieve significant portfolio growth compare to the similar rated institution. 2025 will be a milestone for CBD in booking of export-oriented customers. More collateral based clients will be incorporated with the current portfolio to mitigate credit risk. We have strong corporate set up similar to industry and are in the process of recruiting more experienced and efficient manpower in order to deliver the service as committed.



As BGCB enters 2025, Five years in Banking Industry the Corporate Business Division (CBD) is preparing to navigate a dynamic and evolving financial landscape. With an ambitious target of Tk 1,319.80 crore for 2025, representing a 36% growth rate, CBD is focused on sustainable expansion while maintaining a strong risk management framework.

The broader economic environment presents some challenges. As of December 2024, private sector credit growth had gradually slowed since November 2022, reaching 7.30%, falling short of Bangladesh Bank's projected 10.90%. This deceleration is influenced by multiple factors, including:

- » Slower deposit growth, recorded at 7.40% in December 2024.
- » Increased government borrowing from commercial banks, which has limited credit availability for the private sector.

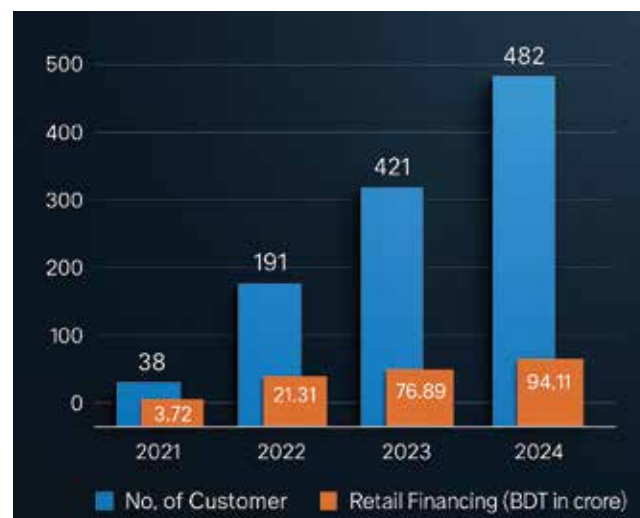
Looking ahead, CBD is focused on client diversification, growing its export-oriented portfolio, and enhancing structured finance solutions. The division is also strengthening its corporate banking framework and bringing in experienced professionals to support its strategic goals.

With a strong foundation and a forward-looking approach, CBD is well-positioned to seize new opportunities, reinforce its market presence, and contribute meaningfully to BGCB's long-term success.

Retail Business Division

The Retail Banking Division of Bengal Commercial Bank PLC. continues to play an effective role in addressing the evolving financial needs of urban consumers. With increasing purchasing power and a growing preference for "consume now, pay later" financial behavior, more individuals are seeking accessible and flexible financing solutions to enhance their quality of life.

To meet this demand, the Bank offers a diverse suite of retail financing products including Personal Loans, Auto Loans, Home Loans, Secured Overdrafts, Bengal Student Loans, and Bengal Prottasha Student Loans. These products are tailored to support clients at various life stages and empower them to achieve their personal and professional goals.



One of the key drivers behind the popularity of retail financing is the relatively low interest rates, coupled with the convenience of quick processing times. In alignment with this, the Bank has established a comprehensive guideline to ensure responsible lending and effective risk management in its consumer financing portfolio. A team of trained and dedicated professionals operates across branches nationwide, delivering efficient and personalized service to valued clients.

In 2024, the Bank’s retail financing portfolio experienced significant growth, reaching to Tk. 94.11 Crore, with a customer base of 482 individuals. This represents a strong upward trend, reflecting the trust and confidence clients place in Bengal Commercial Bank’s retail offerings.

Micro Credit Division

Empowering Entrepreneurs and Expanding Financial Inclusion

Micro-credit continues to be a powerful tool for poverty alleviation and job creation through promoting entrepreneurship in Bangladesh. A significant portion of Bangladesh’s low-income population, particularly those involved in microenterprise, still rely on informal financial sources such as NGOs for their business financing needs. Many remain unbanked and lack access to formal financial services. Recognizing this gap and immense potential within this underserved segment of people, Bengal Commercial Bank PLC. (BGCB) has strategically positioned itself to bridge between formal and informal financial ecosystems. Our flagship microcredit product, “Bengal Shonirbhor”, is specifically designed to cater fulfillment of needs of marginal and low-income people, with a focus on women entrepreneurs.

Specialized Support for Sustainable Growth

BGCB has established a dedicated and experienced Microcredit Team that works closely with microenterprises. Acting as personalized financial advisors, our team identifies actual business needs, provides tailored financial guidance, and helps entrepreneurs adapt to evolving market dynamics. The goal is not just to provide loans, but to nurture sustainable business growth and develop long-term banking relationships.

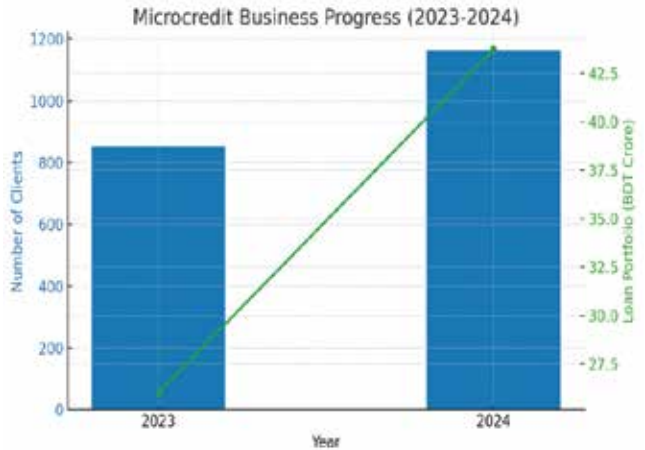
Diversified Loan Facilities

Having understood the diverse needs of our microcredit clients, the Bank has introduced several customized loan products:

- **Remittance Loan:** Targeted at nominees of overseas remittance earners, this facility supports business development, home renovation, or construction activities in Bangladesh. It also encourages remittance inflow through formal banking channels, positively impacting the national GDP.
- **Short-Term Loan:** Designed to meet urgent working capital needs during peak seasonal or festival-based business cycles, helping entrepreneurs seize timely opportunities.

These tailored products are complemented by a mobile banking platform, which has significantly enhanced transactional ease and accessibility for our microcredit clients.

Program Highlights



SN	Indicator	2024	2023
1	Number of Clients	1164	853
2	Outstanding Loan Portfolio	BDT 43.73 Crore	BDT 26.04 Crore
3	Overdue Amount	Nil	Nil

SME/ CMSME Division

Commercial & Rural Banking – Supporting CMSMEs for Inclusive Growth

Bengal Commercial Bank PLC. (BGCB) commenced its journey with a core mission to support the growth of Cottage, Micro, Small, and Medium Enterprises (CMSMEs), thereby contributing to the country’s overall economic development. As of end of 2024, BGCB operates with 32 branches, actively serving over 495 outstanding SME clients. The Bank’s trained Relationship Managers and Branch Managers maintain regular engagement with SME customers, addressing their banking needs while also cross-selling various financial products to meet personal banking requirements of the entrepreneurs and their families.

CMSME Lending Growth

BGCB’s business banking portfolio predominantly comprises small business clients, with an average loan size of BDT 1.00 crore+. The SME portfolio has witnessed remarkable growth, standing at BDT 450.35 crore by the end of 2024 reflecting a 34.54% increase from BDT 334.74 crore in 2023, which itself had grown by 90.54% from BDT 175.65 crore in 2022. The Bank’s overall business banking portfolio increased by 14%, to BDT1619.53 crore in 2024 from BDT 1,425.64 crore in 2023. CMSME loans now account for 27.81% of the total business banking portfolio.

Expanding Financial Inclusion through Rural Banking

Recognizing the potential of rural economies, BGCB has expanded its footprint by opening 14 rural branches. The Bank provides credit not only for traditional agriculture but also allied rural activities. It actively supports Government-led refinance schemes and extends loans to small and marginal farmers, furthering national financial inclusion goals.

The rural loan portfolio reached BDT 123.07 crore as of December 31, 2024, marking a 22% growth compared to 2023. This significant expansion demonstrates BGCB's commitment to supporting rural entrepreneurship and agricultural transformation.

Commitment to Responsible and Inclusive Lending

Bengal Commercial Bank continues to focus on refinance and pre-finance-based lending, emphasizing secured and well-collateralized credit. The Bank employs a blend of qualitative and quantitative tools for robust credit assessment, ensuring sound financial decisions that support sustainable enterprise growth.

In both its Commercial and Rural Banking operations, BGCB remains committed to overcoming key barriers such as limited credit access, high borrowing costs, and collateral challenges empowering CMSMEs across sectors including manufacturing, exports, retail, trade, infrastructure, healthcare, and commercial agriculture.

International Division

Despite geopolitical tensions between Russia-Ukraine and the Israel-Gaza Bangladesh achieved a growth of 5.82 percent in FY 2023-24. According to Ministry of Finance, Export earnings and Import payment in FY 2023-24 decreased by 4.34% and 11.1% respectively. Highlight of the year was the remittance inflow, which increased 10.65% in comparison to previous fiscal year.

The banking industry of Bangladesh is also suffering a major setback and intense instability due to the massive accumulation of non-performing loans, tight liquidity conditions, absence of

transparency and accountability in economic decisions and implementation that have led to widespread corruption, economic uncertainties and different instabilities in the economy.

Despite these challenges, Bengal Commercial Bank PLC has been maintaining a steady growth during this unstable political and economic regime. In comparison to year 2023, the Bank has achieved a growth of 134% in import payment, 69% in Export receipts and 96% in Remittance inflow. To cater the needs of our valuable clients, the Bank has already obtained Offshore Banking License and expecting to commence immediately.

Achievements 2024

- » Obtained License for opening Offshore Banking Unit (OBU) in Bengal Commercial Bank PLC.
- » Opened Nostro Accounts with Aktif Yatirim Bankasi A.S. Turkey, Zhejiang Chouzhou Commercial Bank Co.,Ltd, China & Mashreqbank PSC, Dubai in Euro, USD, RMB & AED respectively.
- » 86 SWIFT RMA by year end (notably Byblos Bank Europe S.a. Belgium, Banca Ubae Spa, Italy, Bhutan National Bank Limited, Bhutan, Banque Cantonale De Genève, Switzerland, CQUR bank LLC, Qatar and others) to maintain correspondent relationships.
- » Arranged agreement with Credilit Limited, Credence, MNS Credit Management Group Private Limited (India) and Chenkun Credit Rating Service Co., Limited (China), leading providers of comprehensive business and credit information services with our Bank for collection of Business Credit Reports on Business entity.

Plans for 2025

- » Establish additional correspondent banking relationship through with renowned multinational Banks.
- » Arrange Credit Limit with Correspondent Banks for accommodating import transactions
- » Obtain external borrowing for Offshore Banking Unit.
- » Arrange AD license for other branches

Nostro Accounts:

The Bank has been maintaining 10 (Ten) Nostro accounts in major international currencies - US Dollar (USD), Pound Sterling (GBP), Euro (EUR), ACUD (Asian Clearing Union Dollar), CNY (Chinese Yuan Renminbi) & AED (United Arab Emirates Dirham) with different Correspondent Banks as at the end of December 2024 as below:

SL No.	Name of Correspondent Banks	City, Country of Correspondent Banks	Currency of Nostro Account
01.	AB Bank Ltd. Mumbai	Mumbai, India	ACU DOLLAR
02.	AXIS Bank Ltd. Mumbai	Mumbai, India	ACU DOLLAR
03.	Mashreq Bank Psc	New York, U.S.A	U.S. Dollar
04.	Sonali Bank Ltd London, UK	London United Kingdom	USD
05.	Sonali Bank Ltd London, UK	London United Kingdom	GBP
06.	Sonali Bank Ltd London, UK	London United Kingdom	EUR
07.	Mashreq Bank Psc	Dubai, UAE	AED
08.	Aktif Bank	Istanbul, Turkey	EUR
09.	Zhejiang Chouzhou Commercial Bank Co. Ltd	China	USD
10.	Zhejiang Chouzhou Commercial Bank Co. Ltd	China	RMB

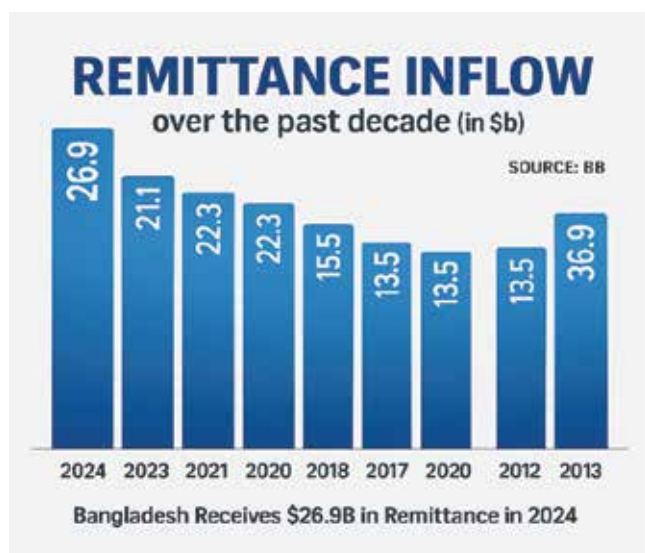
SWIFT Operations:

Bengal Commercial Bank PLC. has started SWIFT Operation in 05 June 2021 to undertake foreign exchange and trade finance transactions smoothly, reliably and securely. By 2025, Bengal Commercial Bank PLC. plans to complete SWIFT ISO 20022 migration process. The Bank has also successfully completed mandatory requirements under Customer Security Program (CSP) 2024, and other projects of SWIFT.

Remittance:

According to Bangladesh Bank's latest statistics, expatriate Bangladeshis sent over US\$26,889.54 million remittances from January 01 to December 31 in 2024. It is said remittance inflow in the country is witnessed a robust growth this year as Bangladesh's gross foreign exchange reserves has crossed US\$26 billion now. According to data from Bangladesh Bank, remittances through formal channels totaled \$26.67 billion from January to 28 December, an increase of about \$4.7 billion from \$21.92 billion in 2023.





Throughout the year 2024, the commitment of the Remittance Department of the Bank remained as before to achieve excellence, bringing innovations, and ensuring customer satisfaction. Despite the challenges of global economic turmoil and fluctuating remittance flows, we continued to uphold our standards of service delivery and operational efficiency. Our strategic focus on digitalization, expanded global partnerships, and inclusive financial services enabled us to enhance the remittance experience for both senders and recipients. By leveraging technology and fostering collaboration, we can now claim ourselves as a trusted partner in facilitating seamless cross-border transaction. So far, we made agreement with 12 renowned Remittance Exchange Houses and the Bank is looking to expand our remittance network further this year.

Key Milestones 2024

Remittance Department exhibited continuous as well as consistent growth compared to the previous year, with wage earners' remittance disbursements increasing from BDT 150 Crore BDT in 2023 to BDT 327 Crore BDT in 2024, recording an increase of approximately 118%.

- I. Introduction of Innovative Online Remittance Payment through RMS.
- II. Successfully on-boarded Western Union Money Transfer & Al Mulla International Exchange, Kuwait.

Sl. No	Name of Exchange Houses	Country
1	Western Union Money Transfer.	Worldwide
2	Continental Exchange Solution Inc. (RIA)	Worldwide
3	Placid NK Corporation, USA	Worldwide
4	Instant Cash World Wide, UAE	Worldwide
5	National Exchange Company	Italy
6	Merchantrade Asia	Malaysia
7	Prabhu Money Transfer	USA
8	NBL Money Transfer	Malaysia
9	NEC Money Transfer Limited	Worldwide
10	Japan Remit Finance Co. Ltd.	Japan
11	Brac Saajan Exchange Limited	UK
12	Al Mulla Exchange	Kuwait

Plans for 2025

- On boarding other reputed exchange houses & Drawing Arrangement with 1. MoneyGram 2. Al-Zaman Exchange, Qatar 3. Al Mirqab Exchange, Qatar 4. Aman Exchange, Kuwait
- API integration with the onboarded MTO's.
- MFS integration through different MTO's/ Exchange houses.
- Appointing sub-agents (NGOs/Retail Shop) to disburse Remittance payment.
- Drawing Arrangement with FinTech Company.
- Organizing training on Compliance (AML & CFT) Training and foreign remittance operation in BGCB Branch.
- Marketing in different countries for business growth, searching new Hub & NRB deposit Account.

Treasury Division

Treasury management of a bank is responsible for optimizing the bank's overall assets and liabilities in a targeted level, including investment, trading and risk management functions. Through efficient and prudent fund management such as trading, asset management, investment banking etc., Treasury Division generates higher profit for the bank.

Foreign Exchange:

Foreign exchange risk is the potential risk for earning capital due to adverse currency exchange rate fluctuations. The prudent management decision pertaining to holding of foreign currency position is playing a crucial role in ensuring the safety and soundness of the bank. Treasury Division works meticulously to mitigate the foreign exchange risk of the bank. Our bank has well-defined rules and standards that comply with the central bank's Foreign Exchange Risk Directives. Moreover, to adopt the changing environment, Bengal Commercial Bank PLC. established dealing room and centralized foreign exchange and money activities under a single functional area, which is functioning under Treasury Division.

Bengal Commercial Bank PLC. has implemented suitable operational guidelines, internal controls, and foreign currency risk management systems to detect and reduce any possible loss resulting from foreign exchange risk. These measures include routinely checking the following:

Exchange Position	Stop loss limit
Counterparty Limit	Single day limit FC spot & Forward buy-sell
Position Reconciliation	FC SWAP
NOSTRO Account Reconciliation	Foreign currency lending/borrowing
Dealing Limit	(Overnight/Short Notice)
Intra Day/Intraday/trading dealing	Cross Currency Dealings etc.
Limit per day	

To control the Foreign Exchange Risk Treasury Division has prepared a Foreign Exchange Dealing Manual which has covered such risk areas on up-to-date international trade and commerce.

ALM (Asset-Liability Management):

The broad and dynamic framework for measuring, tracking, and managing the financial risks related to fluctuating interest rates, foreign exchange rates, and other variables that may have an impact on an organization's liquidity and profitability is known as Asset Liability Management (ALM). It is an integral part of bank management and so, it is essential to have a planned and systematic process for management of the Balance Sheet. The Asset and Liability Management Committee (ALCO) of Bengal Commercial Bank Ltd. reflects key responsibility for balance sheet risk management.

To ensure highest level of structural balance sheet stability and optimum profitability is another important responsibility of the ALCO for managing assets and liabilities. Besides, for the strategic management of interest rate and liquidity risk, ALCO of the bank plays the vital role. At present Treasury Division of Bengal Commercial Bank Limited is working thoroughly for Asset and Liability Management. In the meanwhile, BGCB established Treasury Front Office, Back Office and Mid Office as per Bangladesh Bank Guideline to reduce this level of risk.

Asset and Liability Management Committee (ALCO)

- » Bengal Commercial Bank already established an Asset and Liability Management Committee (ALCO) with the following roles to appease Liquidity and Market Risk: ALCO closely monitors the liquidity position of the bank
- » ALCO facilitate, coordinate, communicate and control balance sheet planning with regards to risks inherent in managing liquidity and convergences in interest rates
- » Monitor the structure and composition of bank's asset and liabilities and identify balance sheet management issues that are leading to underperformance.
- » Decide on the major aspects of balance sheet structure, such as maturity and currency mix of assets and liabilities, mix of wholesale versus retail funding, deposit mix, etc.
- » Decide on how to respond to significant, actual and expected increases and decreases in required funding.
- » Review maturity profile and mix of assets and liabilities.
- » Articulate interest rate views of the bank and decide on balance sheet strategy.
- » Approve and periodically review the transfer pricing policy of the bank.
- » Evaluate market risk involved in launching of new products.
- » Review deposit-pricing strategy.
- » Review contingency funding plan for the bank.

Fixed Security Income & Primary Dealer

As a PD (Primary Dealer) bank, Bengal Commercial Bank actively participates in the primary auction and secondary trading of fixed income instruments issued by the government. BGCB's Treasury proactively conducts its role as a PD & makes an impressive profit along with Capital Gain in 2024. It also maintains the required liquidity reserve in approved securities which is 13% as SLR. BGCB fixed income desk maintained a sizable number of securities in its trading book and has been successful in utilizing the market

potential to book gain. BGCB also invested in other fixed income instruments (Corporate Bond, Sub-ordinate Bond, Perpetual Bond etc.) considering higher returns with minimum risks. Overall investments were planned in a way to provide sufficient liquidity and flexibility in treasury operations and to boost the income from investments as well as total profitability of the Bank.

Card Division

Bengal Commercial Bank PLC. (BGCB) remains dedicated to providing secure, seamless, and convenient payment solutions through its full range of card and digital banking services. To enhance customer satisfaction, BGCB offers 24/7 call center support, EMV-compliant ATMs, and a variety of card products, including debit, credit, and prepaid cards.

Innovative Card Services:

BGCB has introduced internationally recognized EMV Dual Interface VISA Cards (Debit, Credit, and Prepaid), equipped with advanced security features such as EMV chip technology and 3D Secure (2FA) for online transactions. These modern solutions enable secure, fraud-resistant transactions both locally and globally.

Types	Credit Limit
VISA Platinum Credit Card	Unsecured credit limit from BDT 200,000-1,000,000
VISA Gold Credit Card	Unsecured credit limit from BDT 20,000-199,999
VISA Prothoma Credit Card	A premium, multicurrency card tailored for women in the upper income bracket
VISA Global Debit Card	Supports secure, real-time transactions with direct account deductions.
VISA Prepaid Card	A multicurrency, reloadable, contactless card available to both BGCB and non-BGCB customers.



Security & Innovation:

All cards are EMV Chip and PIN enabled. The bank's ATMs are upgraded to support chip-based transactions, minimizing risks like skimming and duplication. Real-time SMS and email alerts offer enhanced customer control, while PIN-based POS transactions and transaction monitoring systems provide additional layers of fraud protection.

ATM & Network Reach:

BGCB operates its own EMV-compliant ATM network and offers access to over 26,000+ shared ATMs through NPSB, VISA Network and Q-Cash. Services include cash withdrawals, balance inquiries, mini statements, mobile top-ups, and bKash withdrawals.

Digital & Mobile Integration:

BGCB has partnered with leading mobile financial services like bKash and Nagad to facilitate convenient fund transfers and digital payments, ensuring comprehensive financial inclusion.

Customer Engagement & Offers:

BGCB has built strong partnerships with various discount merchants, offering cardholders exclusive deals and benefits across categories such as lifestyle, healthcare, hospitality, and travel. Notable partners include SaRa Lifestyle, Chuti Resort, and AMZ Hospital.

24/7 Call Center Support:

A dedicated and fully functional call center (16796) provides round-the-clock customer service, handling inquiries related to transactions, cards, fraud prevention, technical support, and general banking needs, with a focus on maintaining confidentiality and satisfaction.



Credit Risk Management Division (CRM)

In 2024, the Credit Risk Management Division of Bengal Commercial Bank PLC achieved unprecedented success by maintaining more than 99.20% performing loans and driving toward minimal level of non-performing loans (NPL) through rigorous assessment frameworks, digitized processes, and proactive portfolio management. Amidst Bangladesh's economic challenges—including inflation, currency fluctuations, and sectoral vulnerabilities the division demonstrated how strategic risk analytics, regulatory alignment, and innovation can foster a resilient loan portfolio while supporting Banks's growth appetite and national development goals. The division successfully sustained its commitment to keep healthy credit portfolio, contribute towards wholesome business growth, enhanced recovery rates, and embedded micro and macro resilience into credit frameworks to support sustainable growth.

Key Challenges we faced in 2024:

- » **Macroeconomic Pressures:**
 - a) Inflation averaged 9.5%, driven by food and energy imports.
 - b) Taka depreciation increased repayment burdens for USD-linked loans.
- » **Sectoral Vulnerabilities:**
 - a) Stress in RMG (Ready-Made Garments) due to global demand slowdown.
 - b) Agricultural sector disruptions from erratic monsoons and input cost inflation.
- » **Regulatory Shifts:**
 - a) Stricter enforcement of BB's Prudential Guidelines and Basel III adoption.
 - b) Political environment instability and changes in Geo-political environment
- » **Rising Defaults in industry:** Banking Industry faced rising defaults and incidents of big scams
- » **Interest rate changes:** Both of borrowing and lending rate changes

Key Achievements in 2024

- » **Minimal Level of NPL:** Bengal Commercial Bank PLC has NPL below 0.80% in 2024, outperforming the banking sector average of Bangladesh.

- » **Keeping Overdue Low:** Bank achieved success of maintaining less overdue through constant monitoring, real time identification and restructuring of high-risk exposures.
- » **Special Credit Scheme:** Successfully participated in various special credit policy of Bangladesh Bank, SME Foundation for various sectors and projects
- » **SME Empowerment:** Disbursed significant amount to SMEs (Men & Women led) under BB's inclusive financing guidelines.
- » **Technology Adoption:** Adopted various online processing systems for organization of credit, reporting, monitoring which resulted in reducing response time and faster delivery.
- » **Regulatory Compliance:** Achieved satisfactory marks in compliance with policy and guidelines of stakeholder.
- » **Data Silos:** Implemented cross-departmental data integration to improve risk visibility.

Pillars of Success

» Advanced Assessment & Analysis

- Data-Driven Credit Appraisal: Deployed credit scoring models integrated with Bangladesh Bank's prescribed Risk Grading System, in depth analysis of historical performance, need assessment, performance monitoring, external output, mining of available credit information to properly address borrower creditworthiness.
- Conducted sector-specific risk analysis (e.g., RMG, agriculture, SMEs), factoring in macroeconomic trends, climate risks, and global supply chain dynamics.
- Stress Testing: Simulated scenarios including exchange rate fluctuation, inflationary shocks, interest rate burden, leverage and other economic factors to validate portfolio resilience.

» Higher Rate of Performing Loans

- Portfolio Quality: Maintained more than 99.20% of performing loans through pre-emptive monitoring and dynamic risk categorization.
- Achieved a higher percentage repayment rate in SME and agri-loans via structured repayment schedules aligned with cash flow cycles.
- Early Warning Systems (EWS): Flagged significant number of at-risk accounts using predictive analytics, enabling timely restructuring and preventing slippage to NPL.

» Efficient Process Automation

- Loan Lifecycle Management: Reduced approval times by 40% via end-to-end procedure development of loan origination, collateral valuation, and documentation.
- Recovery Efficiency: Leveraged mobile financial services (bKash, Nagad) for seamless recovery, achieving a significant reduction in administrative costs.

» Low NPL Strategy

Proactive Measures to Sustain Minimal Level of NPL and more of Performing Loans:

1. Pre-Disbursement Rigor:

- Enhanced due diligence with biometric KYC, social media profiling, and cross-verification of borrower data via National ID systems.
- Rigorous Past Performance Analysis
- Mandatory CIB checking and exposure calculation.

2. Post-Disbursement Vigilance:

- Periodically borrower health checks via transaction, financial and cash flow analysis.
- Frequent site visits for loans and advances to keep continuous monitoring and regular repayments).
- Restructuring & Recovery - Restructured number of accounts of potential NPLs through tailored solutions (e.g., grace periods).

» Alignment with Bangladesh Bank's Priorities

- Supporting SMEs & Financial Inclusion: Disbursed wholesome amount of fund to women entrepreneurs and micro-enterprises under Bangladesh Bank's Refinancing Scheme.
- Green Finance: Approved significant amount of loans and advances to solar energy, eco-friendly textiles, and climate-resilient farming.

» Collateral Optimization: Increased collateral coverage for high-risk sectors.

» Diversification: Reduced concentration risk by expanding SME lending.

CRM Roadmap for 2025

- Minimal NPL Sustainability: Strengthen predictive analytics and expand EWS coverage to keep minimum level of NPL of the portfolio.
- Faster Automation: Adoption of generative models for loan covenant drafting and regulatory reporting.
- Faster Loan processing: Reduced turn out time for proposal processing and approval.

- **BB Compliance:** Full adoption of Central Bank Policy for Single Borrower exposure, Large Loan, Risk Diversification and Sectoral Concentration.
- **Agricultural Focus:** Scale partnerships with NGOs for farmer credit literacy programs.

In 2024, our division redefined excellence in credit risk management, proving that minutest level of NPL is achievable in Bangladesh's complex environment through innovation, discipline, and stakeholder collaboration. As we advance, we remain committed to sustaining this milestone while empowering businesses and communities to thrive. As economic headwinds persist, our commitment to innovation, compliance, and inclusivity will remain unwavering. The division already demonstrated agility and innovation in balancing risk and growth. As we advance, embedding resilience into every credit decision remains our north star.

Information Technology Division

Bengal Commercial Bank PLC. has undertaken significant initiatives to strengthen its digital infrastructure, information security, and customer service capabilities in alignment with global standards and regulatory directives.

- » **ISO/IEC 27001:2022 Certification – Information Security Management System (ISMS):** The bank has implemented ISO/IEC 27001:2022 to protect sensitive data, manage security risks, ensure regulatory compliance (e.g., GDPR, HIPAA), and enhance customer trust. This process-driven framework addresses threats such as data breaches, cybercrime, and malware, promoting a proactive and holistic approach to information security.
- » **Extended Detection and Response (XDR):** XDR integrates various security layers (endpoints, networks, cloud, etc.) into a unified platform, enabling advanced threat detection, real-time response, and centralized security management. It enhances fraud prevention, reduces operational costs, and bolsters cybersecurity resilience, particularly critical for the financial sector.
- » **Nikash System Upgrade – Enhanced BEFTN Integration:** The upgraded Nikash system supports seamless integration with BACH and BEFTN, boosting the security, efficiency, and reliability of electronic fund transfers. This upgrade ensures faster transactions, regulatory compliance, and improved infrastructure for digital banking.

- » **BD-RTGS System Upgrade – Real-Time Settlement Modernization:** Aligned with PSD Circular No. 01/2025, the BD-RTGS upgrade facilitates secure, real-time interbank payments, supports multi-currency transactions, and improves liquidity management. It also ensures compliance with the Bangladesh Payment and Settlement System Act, 2024, and global standards.
- » **Mobile Application Development:** The bank's advanced mobile banking application enables secure and convenient digital transactions, including account transfers, BEFTN transactions, mobile recharges, card bill payments, QR code-based payments, and FDR/DPS account openings. It supports fund transfers to popular mobile wallets (bKash, Nagad, Rocket), aligning with the national financial inclusion and digital transformation agenda.

Islami Banking Division

Islamic financial sector is now considered as a global financial industry considering its assets like Islamic banks, Islamic bonds, Islamic mutual fund and Islamic insurance etc. The sector is growing globally based on its risk sharing optimism, inclusiveness and real asset backed transaction features. In line with global trends, Islami Shariah based banking in Bangladesh has also been witnessing a robust growth due to strong public demand and policy supports from Bangladesh Bank.

Bengal Commercial Bank PLC. (BGCB) has set its' objectives of Islami Banking system for not only to provide religiously acceptable financial products and services as alternatives to conventional financial structures but also aims to contribute to the economic development, facilitate the allocation of resources efficiently and ultimately attaining social welfare. To achieve these objectives, BGCB has started its Islami Banking Operations by opening three (03) full-fledged Islami Banking Branches & one (1) Sub-Branch i.e., Dilkusha Islami Banking Branch, Dhaka, Agrabad Islami Banking Branch, Chattogram. Kashinathpur Islami Banking Branch, Pabna. & Khatunganj sub-branch, Chattogram.

Islami Banking Operations is totally different & separated from the Conventional Banking Operations since it is abided by the rules and regulations of Islami Shariah Principles. Since inception, the Bank has been maintaining separate system for Islami Banking Operations from Conventional Banking following the standards adopted by "Accounting and Auditing Organization for Islamic Financial Institutions-AAOIFI".

Activities of Islamic Banking Division

Islami Banking has significant contributions towards the growth and economic development of Bangladesh. The system seems progressively more attractive and profitable than conventional banks which allows lower Statutory Liquidity Ratio (SLR) and higher Investment-Deposit Ratio (IDR). It is evident that, the system has experienced phenomenal growth and expansion in the country as the deposits and investments have increased significantly over the time. As per Instruction mentioned in the Guidelines for Islami Banking issued by Bangladesh Bank vide BRPD Circular No.15 dated 09.11.2009, a separate "Islami Banking Division" in Corporate Head Office has been formed for taking up the duties & responsibilities of all works & day to day activities, formulation of required various Standard Operation Procedures - SOPs & Guidelines related to the Islami Banking Business, Marketing, Product Development, Training of Islami Banking & Finance, Islami Treasury, Regulatory issues, Functioning of Shari'ah Supervisory Committee, Inter Divisional activities, communications & liaison with various regulatory bodies of Islami Banking.

Shariah Supervisory Committee

Islami Banking Operations of Bengal commercial Bank PLC. is conducted under keen supervision of Shariah Supervisory Committee. Shariah Supervisory Committee of BGCB consists of a team of Shariah scholars & experts along with personalities having outstanding strength in Qur'an, Hadith & Fiqh. The Shariah Supervisory Committee meeting held from time to time to review the Islamic Banking activities and provides their expert opinion on various Shariah related issues of Islamic Banking Operations. The Muraqib acts in the Shariah Supervisory Committee Secretariat (SSCS) and helps the Shariah Supervisory Committee for its regular activities. BGCB Shariah Supervisory Committee (SSC) consists of the following members:

SL No.	Name	Position In SSC
01	Janab Mufti Mohammad Muhibullahil Baqee	Chairman
02	Janab Mufti Dr Md Anwar Hossain Molla	Co-Chairman
03	Janab Shah Mohammad Wali Ullah	Member
04	Mr Md Jashim Uddin	Member
05	Mr Shamsul Alam	Member
06	Mr Muhammad Jamaluddin	Member
07	Mr Tarik Morshed	Member



Human Resource Division

Human Capital

At Bengal Commercial Bank PLC, we recognize that our people are our greatest asset and the foundation of our sustained growth and resilience. In an evolving global HR landscape shaped by digital transformation, growing employee expectations, and heightened competition for skilled talent, we remain steadfast in our commitment to building a dynamic, future-ready workforce. In the job market, we continue to navigate challenges such as skill mismatches, talent migration, and generational diversity.

To address these, we have taken deliberate steps to strengthen our human capital strategy through comprehensive employee engagement initiatives that foster deeper commitment and alignment with the Bank’s mission and values. Our structured-up skilling and reskilling programs are designed to equip employees with emerging skills in digital banking, compliance, risk management, and customer experience-enabling them to remain competitive and confident in a rapidly changing environment.

In 2024, we inaugurated a digitally enabled Training Center and conducted number of training program covering technical and behavioral competencies. We have digitized core HR processes to enhance service delivery and transparency, while placing strong emphasis on inclusion, meritocracy, and career development. Performance management is viewed not only as an evaluative tool but also as a platform to identify and nurture talent, and promote a culture of continuous improvement. As we look to the future, our focus will remain on attracting top talent, creating meaningful employee experiences, and cultivating a work culture driven by innovation, agility, and shared purpose solidifying Bengal Commercial Bank’s position as an employer of choice within Bangladesh’s competitive financial sector.

Talent Acquisition and Workforce Resourcing

In 2024, Bengal Commercial Bank PLC. continued to uphold its commitment to creating high-quality employment opportunities, in alignment with business priorities and the Bank’s long-term strategic vision. Despite a competitive labor market and evolving business needs, the Bank adopted a prudent and structured approach to talent acquisition. Workforce expansion was carried out with a focus on essential replacements, maintaining operational efficiency through a lean staffing model. A total of 176 new employees were recruited during the year, with 74% occupying entry-level positions and approximately 80% of the new recruits aged under 35 underscoring the Bank’s focus on building a dynamic and future-ready talent pool.



At the same time, the Bank experienced a voluntary turnover of 65 employees, amounting to around 5% of the total headcount. These vacancies were largely addressed through targeted recruitment efforts. To enhance its employer brand and attract top-tier candidates, the Bank actively engaged in university career events and implemented a series of internal initiatives including internal mobility, graduate internship programs, and the strategic outsourcing of non-core functions. These initiatives reflect Bengal Commercial Bank’s broader human capital strategy; one that emphasizes merit-based hiring, equal opportunity, and long-term career development to ensure sustainable organizational growth.

Particulars	2024	2023
Total Manpower	425	321
Permanent Employees	397	309
Contractual Employees	28	12
Female Employees	54	43
Male Employees	371	278

Advancement in Learning and Development

In 2024, Bengal Commercial Bank PLC. proudly inaugurated its own state-of-the-art Training Center, equipped with the latest digital technologies to foster an engaging and modern learning environment. This milestone highlights our dedication to continuous employee development and preparing a future-ready workforce. Over the year, the Training Center conducted 42 comprehensive training programs, benefiting 820 participants across various departments and functions of the bank. These programs leveraged both internal expertise and external qualified resource personnel, covering a wide range of topics including customer-centricity, credit and operational risk management, digital skills, compliance, cyber-security, banking operations and, personal development. This integrated approach ensures our employees remain equipped to meet the dynamic challenges of the banking sector and deliver outstanding service to our valuable customers and stakeholders

Advancement in Learning and Development

Total Number of Training Programs	42
External Training	26
Internal Training	16
On-line Training Programs	14
Total Participants	820

Performance Management

The year 2024 was a pivotal turning point for Bengal Commercial Bank PLC, marked by significant economic challenges that tested our resilience and unity. Through a strong team-oriented approach, we successfully navigated these obstacles, with performance management playing a crucial role in our success. We view performance management not only as an appraisal mechanism but as a vital tool to identify talent, nurture potential, and provide support where needed to help every employee achieve their best. Our annual appraisal process, grounded in the balanced scorecard framework and guided by clear KPIs, enabled constructive performance feedback that fostered growth and development across all levels. This collective commitment to continuous improvement and open communication helped us turn challenges into opportunities, reinforcing our belief that our people are at the heart of our progress.

Diversity, Equality, and Inclusion

At Bengal Commercial Bank PLC. (BGCB), we are committed to cultivating a workplace where diversity, equality, and inclusion are foundational values that drive innovation, engagement, and long-term sustainability. As a core component of our human resources strategy, DEI principles are thoughtfully embedded across every aspect of the employee lifecycle from recruitment and performance evaluation to leadership development and team engagement.

All employment decisions at BGCB are guided by fairness and transparency, ensuring a merit-based approach that is free from bias related to gender, ethnicity, religion, disability, or socio-economic status. Our dedication to gender equality is demonstrated through actionable initiatives, including a Gender Equality Awareness Session designed to foster inclusive thinking and empower employees to actively shape an equitable workplace.





In addition to structural integration of DEI, the Human Resources Division organized a range of employee engagement programs throughout the year to promote a positive and inclusive work culture. Key initiatives included the Employee Get-Together Program, Falgun & Pitha Utsob, International Women's Day celebration, and New Year Celebration. These events played a pivotal role in strengthening team spirit, cultural appreciation, and a sense of belonging among employees.

By consistently integrating DEI into our culture and operations, BGCB is building a future-ready workforce, one that reflects the diversity of the communities we serve and thrives on mutual respect, opportunity, and shared purpose.

Code of Conduct and Ethical Guidelines for Employees

At Bengal Commercial Bank PLC, we uphold the highest standards of integrity, professionalism, and ethical conduct across all levels of the organization. In line with our commitment to responsible banking, the Bank has adopted a comprehensive Code of Conduct that applies uniformly to Management, and all employees. This Code serves as a guiding framework for ethical decision-making, compliance, and responsible behavior in all business activities. Regular training programs and annual declarations ensure that every team member fully understands and adheres to these principles. To further reinforce a culture of accountability and transparency, reports on compliance and any breaches are closely monitored and reviewed by Senior Management. Bengal Commercial Bank PLC remains steadfast in fostering an ethical workplace environment that reflects our core values and commitment to sustainable growth.

Outlook 2025 and Beyond

As Bengal Commercial Bank PLC looks toward 2025 and beyond, we remain committed to shaping a future-ready organization anchored in talent, innovation, and resilience. In the context of Bangladesh's evolving human resource landscape marked by rapid digitization, rising competition for skilled professionals, and shifting workplace expectations -we recognize the urgent need to attract, retain, and empower a dynamic workforce. To address these challenges, the Bank is prioritizing strategic investments in digital upskilling, leadership development, and robust performance management systems. Our HR roadmap also emphasizes building an inclusive, agile, and employee-centric culture that promotes continuous learning, well-being, and long-term career development. With these initiatives, Bengal Commercial Bank PLC is well-positioned to not only adapt to industry shifts but to actively lead in delivering sustainable value for all stakeholders.

Internal Control & Compliance Division

Bengal Commercial Bank PLC has established an appropriate and effective internal control environment through the Board of Directors, Management, organizational and procedural controls and an independent audit mechanism in order to ensure that the Bank is managed and controlled in a sound and prudent manner. The Bank identifies its weakness through internal control system and takes appropriate measures to overcome the weaknesses. The Board of Directors of the Bank has formed an Audit Committee to monitor the effectiveness of internal control system of the Bank. The Audit Committee meets the senior management periodically to discuss the effectiveness of the internal control system of the Bank and ensure that the management has taken appropriate actions as per the recommendations of the Bangladesh Bank's Inspection Team, External Auditors and the Internal Control and Compliance Division (ICCD).

Structure of Internal Control & Compliance Division (ICCD)

As per the 'Guidelines on Internal Control & Compliance in Banks' issued by Bangladesh Bank vide BRPD Circular No. 03 dated 08 March 2016 and BRPD Circular No. 06 dated 04 September 2016, the Head of ICCD is reporting to the Senior Management. However, the Head of Audit, despite being a part of ICCD, is reporting directly to and is responsible to the Board Audit Committee. Depending on the size and complexity of operations of the Bank, ICCD of Bengal Commercial Bank PLC comprises of three departments namely: Audit & Inspection, Monitoring and Compliance.

Audit & Inspection Department

Through using risk-based audit methodology, the focus of audit shifted from full-scale transaction testing to risk assessment, identification, determination and prioritization of audit areas and allocation of audit resources in accordance with the same risk assessment. While focusing on effective risk management and controls, risk-based internal audit of Bengal Commercial Bank PLC. is not only offering suggestions for mitigating current risks but also anticipating areas of potential risks and playing an important role in protecting the bank from various risks to safeguard the bank's information and financial resources. Based on the approved Risk-based Audit Plan, the Audit & Inspection Department completed the audit and inspection tasks in all Branches, Divisions/Departments in 2024. Besides, comprehensive inspection the Audit & Inspection Department also conducted audit on Anti-money Laundering and Prevention of Terrorist Financing issues and the issues of Information and Communication Technology (ICT) relevant to the branch operations.

Monitoring Department

The Monitoring Department of ICCD monitors effectiveness of the Bank's internal control system on an ongoing basis through off-site supervision, follow-up of compliances and regularization of deficiencies that are detected through different off-site reports, on-site monitoring, scrutinizing QOR, LDCL, DCFCL, Half-yearly Self-Assessment of Anti-Fraud Internal Controls, Self-Assessment of AML etc. In the year 2024, the Monitoring Department monitored all the Branches through off-site review and reports. Besides, on-site monitoring was executed on the Branches and the respective exception reports on Control Mechanism were set and communicated with the Branches for compliance. This department also prepared Bank's Annual Health Report. All monitoring functions are adequately documented and reported in a timely manner to the appropriate level of Management and the Board Audit Committee based on the gravity of the subject matters.

Compliance Department

The Compliance Department of ICCD ensures timely and proper compliance (both internal & regulatory) with the relevant laws, regulatory instructions/circulars/guidelines and internal policies and procedures in banking operations. In fact, Compliance Department is entrusted to ensure that the Bank complies with all regulatory requirements while conducting its business. This Department also ensures adequate and effective oversight on evolving changes in business environment and increased requirement of regulators. In

the year 2024, the Compliance Department ensured compliance of all the Branches and Divisions/Departments through the respective compliance reports and returns. On the other hand, this department submitted required compliance reports to the Bangladesh Bank in a timely and efficient manner.

Effectiveness of Internal Control

The Senior Management Team (SMT) of the Bank reviews the overall effectiveness of the control system of the Bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice and procedure. Internal Auditors conduct comprehensive internal audit on the internal control systems of the Bank. The significant deficiencies identified by the internal audit team are reported to the Board Audit Committee on regular basis.

Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) represents a vital component of modern business strategy, emphasizing an organization's commitment to contribute positively to society while enhancing its public image and stakeholder relationships. CSR goes beyond mere compliance with legal and ethical standards—it embodies a proactive approach to social engagement and sustainable development.

The concept of Social Responsibility was spearheaded by Bangladesh Bank in 2008, urging banks and financial institutions to actively participate in the country's social and economic development. In response, institutions have undertaken various initiatives in areas such as disaster response, education, healthcare, and environmental sustainability.

In 2024, Bengal Commercial Bank PLC (BGCB) undertook several impactful CSR initiatives aimed at supporting vulnerable communities. The Directors of the Bank donated 15000 pcs. of blankets amongst the poorest cold stricken people across the country from their own arrangement under the banner of the Bank. The Bank contributed BDT 0.30 crore in humanitarian aid to support victims of the crisis in Palestine, and donated BDT 0.25 crore to the Chief Advisor's Relief Fund to assist those affected by devastating floods in Bangladesh. These efforts reflect BGCB's continued commitment to social responsibility and humanitarian support at both national and international levels.

Throughout the year 2024, the Bank remains dedicated to integrating social responsibility into its core business practices, striving to build a more resilient and inclusive society.

Going Concern

After reviewing the bank's present and potential business growth, annual budget, performance, liquidity position, and financing arrangements, the directors 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 the bank's going concern. For this reason, the directors will continue to adopt the going concern basis in preparing these financial statements. There are no significant doubts about the bank's ability to continue as a going concern.

Contribution to the National Exchequer

As a responsible and tax abiding corporate citizen, Bengal Commercial Bank PLC. consistently meets its fiscal obligations by paying corporate taxes on time and in many cases, even before the due date through withheld taxes and Value Added Tax (VAT) remitted to the government exchequer.

The Bank played a significant role in supporting the economy through the payment of source tax, salary tax, excise duty, and VAT realized from various services rendered amounting to Tk. 344.96 million in the year 2024. These payments demonstrate the Bank's alignment with regulatory frameworks and its proactive participation in national revenue generation.

Furthermore, Bengal Commercial Bank has contributed to socioeconomic development by generating employment for 425 full-time employees in 2024. This not only supports livelihood opportunities but also enhances financial sector capacity across the country.

Financial Inclusion

The Bank also provides consumption loans for low-income people. Financial solutions are offered to micro-finance institutions, self-help groups and corporations and small and medium enterprises engaged in agriculture-linked businesses. The Bank's rural portfolio grew to BDT 1290.65 million at December 31, 2024 with 815 nos borrower. The Bank has identified the rural market, which include farmers, dealers, self-employed persons and micro-entrepreneurs. Products offered include working capital loans and different term loans for farm equipment, dairy livestock

purchase and farm development. The self-employed businessman who are engaged in trading and manufacturing activities based on commercial and industrial areas in the rural market dealing with both Agri & non-Agri related products. Women from low-income rural households or those who are unemployed made up about half of the unbanked population. The micro-lending space includes women from the lower-income strata of the population, non-government organizations and other institutions working at the grassroots level in the rural economy. The Bank's reach in rural areas comprises a network of branches increased by 53% are in rural areas at December 31, 2024 comparing to the previous year.

Preparation of Financial Statements

The financial statements of the bank is prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity under the historical cost convention and following the First Schedule (Section-38) of the Bank Companies Act 1991 (as amended upto 2023), related Bangladesh Bank Circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Listing Regulations of the stock exchanges, the Securities and Exchange Rules 1987, the Financial Reporting Act 2015 and other laws and rules applicable in Bangladesh. The financial statements for 2024 have been reviewed by the Audit Committee of the Bank and then referred to the Board of Directors for its consideration. The External Auditor, M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants was appointed by the shareholders, has certified the fairness of the financial statements for the year ended December 31, 2024.

Maintaining Proper Books of Account

Bengal Commercial Bank PLC. maintained proper books of account for its financial transactions that executed during 2024. The books of account have also been reviewed by the External Auditor, M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants, with the opinion that proper books of account as required by the law have been maintained.

Appropriate Accounting policies

Appropriate accounting policies have been selected and applied consistently in the preparation of financial statements, and the accounting estimates are made based on reasonable and prudent judgment. The bank records the financial transactions on an accrual basis with the required disclosures and also prepares the financial statements accordingly.

Directors Responsibility on Financial Statements

The Directors also bear responsibility for preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRS). Their responsibility includes; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Credit Rating

Bengal Commercial Bank PLC. has been rated by Emerging Credit Rating Limited (ECRL). ECRL performed the rating as Initial Rating based on audited financial statements up to December 31, 2024 and other relevant information and the report was issued accordingly. They rated the bank as "AA-" under the "Long Term" category and "ST-2" under the "Short Term" category. An institution rated as "AA-" under the "long Term" category has a high capacity to meet its financial commitments. These institutions typically have a good track record and have no readily apparent weaknesses. An institution rated as "ST-2" under the "Short Term" category has a high capacity to meet its financial commitments in a timely manner.

Auditor's Report

The Board of Directors reviewed the Auditors' Report issued by the bank's External Auditor, M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants, based on their audit of the Financial Statements for the year ended December 31, 2024. The Auditor issued an unqualified audit report, which means no material misstatements exist in the financial statements or there is no disagreement with management regarding the selection and application of accounting policies. The Board also reviewed the auditors' suggestions, which they provided in a separate management report, and gave the strategic guidelines to the management for improvement.

Appointments of Auditors

M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants, was appointed as the auditor of the bank for the year 2024. However, Section 210 of the Companies Act of 1994 empowers shareholders to appoint the auditor and set their remuneration in the AGM. M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants as the Auditor of the bank for the year 2024, by the approval of the shareholders at the last Annual General Meeting.

Recommendation of Dividend

Bengal Commercial Bank secured a total operating income of Tk.158,55,08,915.00 and after deduction of operating expenses and provisions the net profit after Tax stood at Tk.63,02,82,790.00 in the year 2024. However, upon settlement of the statutory reserve @20% as per Section 24 of Bank Company Act, 1991 (as amended

upto 2023), and deducting of cumulative loss of previous years the Board of Directors of the Bank recommended 3% dividend (Cash) for the year 2024 to be distributed amongst the shareholders subject to approval in the upcoming AGM.

Acknowledgements

On the momentous occasion of the 5th Annual General Meeting (AGM), the Board of Directors is honored and privileged to convey its heartfelt appreciation and sincere gratitude to our shareholders, valued customers, respected patrons, and well-wishers both at home and abroad. Your unwavering trust, steadfast support, and continued cooperation have been fundamental in propelling the bank towards a trajectory of sustainable growth, innovation, and excellence. It is through Sponsors/Shareholders enduring encouragement and confidence that we have successfully navigated the dynamic landscape of the banking industry and secured a distinctive competitive edge. Your belief in our mission continues to serve as a driving force behind our achievements.

The Board also wishes to place on record its profound appreciation to the Government of the People's Republic of Bangladesh for its unwavering policy support. We extend our special thanks to Bangladesh Bank, Registrar of Joint Stock Companies & Firms (RJSC), and all other regulatory bodies and financial institutions for their invaluable guidance, vigilant oversight, and constructive counsel. Their continued engagement has played an instrumental role in the steady progress and institutional development of the bank.

Furthermore, the Board conveys its deep admiration and gratitude to the Management team and all employees across the organization. Their relentless dedication, professionalism, and resilience demonstrated even in the face of adversity have been integral in upholding the bank's vision, values, and reputation within the financial sector.

In conclusion, the Board of Directors reaffirms its unwavering commitment to pursuing operational excellence, fostering innovation, and promoting inclusive and sustainable growth. We remain steadfast in our resolve to uphold the highest standards of corporate governance, transparency, and stakeholder engagement in all aspects of our operations and shall be uncompromised on upholding it.

Ameen.

On behalf of the Board of Directors



Md Jasim Uddin
Chairman
Board of Directors

Investor's Relation

The Company Secretary is the Officer of the Board and the Chief Compliance Officer of the Company. He is administratively accountable to the MD & CEO and operationally responsible to the Board of Directors. He bears the responsibility of providing strategic and operational support to the Board of Directors, Management and the Shareholders of the Bank. He is also liable for maintaining effective working relationship with the Board of Directors, the Committee of the Directors and the Management as he acts in the capacity of Secretary to the Board and its Committees.



Md Humayun Kabir, FCS
company secretary

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Mr. Md. Humayun Kabir, FCS is the Company Secretary of Bengal Commercial Bank PLC. since inception of the Bank. Before joining in the services of Bengal Commercial Bank he was the Company Secretary of Social Islami Bank PLC. He also discharged the duties and responsibilities as Chief Executive Officer (CEO) of SIBL Securities Limited (a subsidiary of SIBL) in addition to his assignment in the Bank as Company Secretary of SIBL. Mr. Humayun bears an immense experience of more than 11 years as the Head of Share Department of Social Islami Bank PLC. before appointed as Company Secretary. He qualified 'Chartered Secretary' from the "Institute of Chartered Secretaries of Bangladesh (ICSB)" and became a Fellow member of the Institute. He is well conversant in Companies Act, 1994 and various Regulatory and Corporate Affairs relating to the Banks and Capital Market as well. Mr. Humayun attended different Seminars, Workshop and Training Programs on Banking, Corporate Governance and on Capital Market issues both at home and abroad. Apart from his diverse role as Company Secretary, he is also the Secretary of the Executive Committee, Board Audit Committee and the Risk Management Committee of the Board of Directors of the Bank. He is also discharging his responsibilities as member of Senior Management Team (SMT), Management Committee (MANCOM), Strategic Vision Committee (SVC), National Integrity Strategy (NIS) Committee of the Bank. He is also acting as the 'Focal Point' of Central Customer Services & Complaint Management Cell (CSS&CMC) of the Bank. Mr. Kabir also discharging his responsibilities as the cluster Head of General Service Division, Liability Department and acting as CAMELCO of the Bank.

BGCB Products and Services

At present BGCB offers almost all the Deposit, Loan & Advances Products from its branches for collecting and utilization of funds or in other words, pooling resources and deployment of the said resources. The following products are available now:

Deposit Products of BGCB

1. Bengal Corp. Current Account
2. Bengal SME Current Account
3. Bengal Universal Account
4. Bengal Universal Account Payroll
5. Bengal Universal Account Staff
6. Bengal General Savings Account
7. Bengal Staff Savings Account
8. Bengal School Savings Account
9. Bengal Supreme Savings Account
10. Bengal Fixed Deposit Account - 3 Months
11. Bengal Fixed Deposit Account - 6 Months
12. Bengal Fixed Deposit Account - 01 Year
13. Bengal Fixed Deposit Account - 02 Years
14. Bengal Fixed Deposit Account - 03 Years
15. Bengal Fixed Deposit Account - 1 Month
16. Bengal Double Benefit Fixed Deposit Account
17. Bengal Evergreen Savings Account
18. Bengal Pay-roll Account
19. Bengal Nabanno Savings Account
20. Bengal Prothoma Savings Account
21. Bengal Wage Earners Savings Account
22. Bengal Probashi Savings Account
23. Bengal Freelancer Account
24. Bengal Prottasha Savings Account
25. Bengal SND Account
26. Bengal Fixed Deposit Account-100 Days
27. Bengal Fixed Deposit Account-200 Days
28. Bengal Fixed Deposit Account-400 Days
29. Bengal Advance Earning Deposit Account-02 Years
30. Bengal Advance Earning Deposit Account - 03 Years
31. Bengal Advance Earning Deposit Account-01 Year
32. Bengal Fixed Deposit Account- 90 Days
33. Bengal Monthly Earning Fixed Deposit Account-01 Year
34. Bengal Monthly Earning Fixed Deposit Account-02 Years
35. Bengal Monthly Earning Fixed Deposit Account-03 Years
36. Bengal Monthly Earning Fixed Deposit Account-04 Years
37. Bengal Monthly Earning Fixed Deposit Account-05 Years

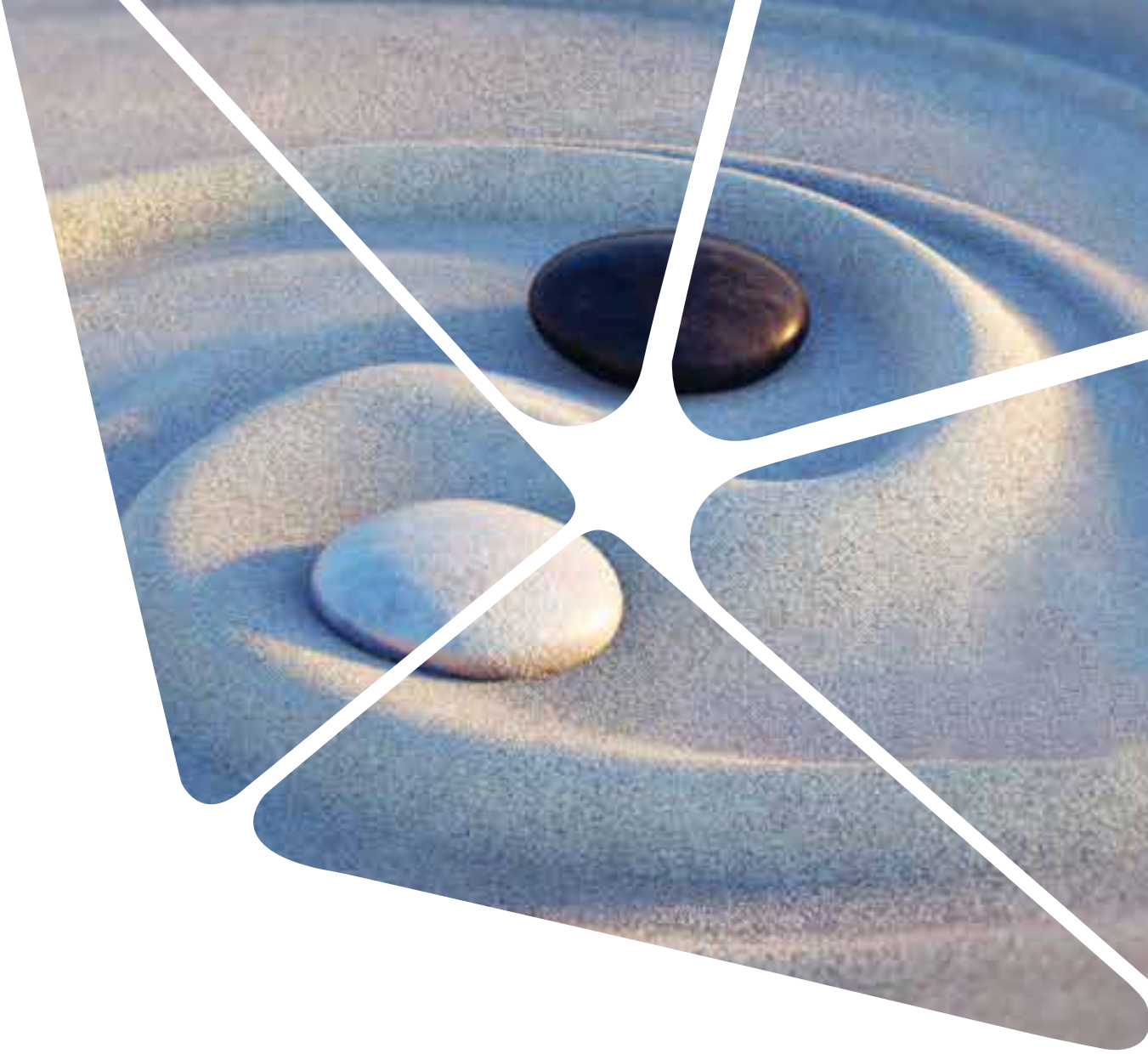
Loan/ advances Products

1. Loans & Advances Product
2. Bengal Corporate Loan
3. Bengal SME/ CMSME /Finance
4. Bengal Micro Credit Facilities
5. Bengal Student Loan
6. Bengal Home Loan
7. Bengal Personal Loan
8. Bengal Auto Loan
9. Bengal Shonirbhor Loan

Other Services of BGCB

Besides these Bengal Commercial Bank PLC. the services including issuance of Payment Order, Certificates, Remittance, Utility Bills Collection, School Banking, Payroll Account, Internet Banking, SMS Banking facility and other necessary Banking Services.





CORPORATE **GOVERNANCE**

Corporate Governance

Corporate Governance (CG) refers a set of principles, standards, or best practices by which companies are directed and controlled. It encompasses the mechanisms, processes, and relations by which corporations are regulated and operated. Corporate Governance implements balances of interests amongst the stakeholders of a particular company- including shareholders, senior management executives, customers, suppliers, financiers, the government, and the community.

Principles of Corporate Governance ensures equal treatment of shareholders and stakeholders equitably, transparency in the company's portfolios, accountability in the affairs and responsibilities of the company's leaders/Management.

Practicing strong Corporate Governance leads to improve the capability of making better decision- and operational efficiency within the organization. Good Governance helps identifying, managing, and mitigation of risk issues involved in the business of a company which encourage long-term strategic planning and sustainable business growth.

However, establishing Corporate Governance is important for ensuring that companies are running efficiently, transparently, and are working for the best interests of all of its stakeholders. Strong governance frameworks not only enhance corporate performance and accountability but also contribute to overall economic stability and growth. Bengal Commercial Bank believes in good governance that refers a harmony between agent and principal aiming to achieve a win-win situation from the both ends.

1. Corporate Governance Framework

Fairness, Independence, Accountability, Transparency and Responsibility are the minimum standard of acceptable corporate behavior today. The Board alongwith the Management endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders. In the sphere of Bengal Commercial Bank, due importance is given to all the parameters of corporate governance such as best Board Practice, Controlled Environment, Transparent disclosures, Well-defined Shareholders' Rights etc. All our Banking activities are guided by the key principles of good governance.

2. Vision, Mission, and Values of the Bank

The Vision, Mission, and Value statements are crucial to communicating with the three Ws (who, what and why) for organization to corporate management, employees and to the users of the services. These are developed by leaders with

inspiring words to convey the purpose, direction and driving forces of their organization clearly and concisely. By creating clear, meaningful and reflective statements, organizations powerfully communicate its intentions & motivate and inspire the employees to ensure proper understanding about the objectives of the organization, to the consistent everyday decisions and to step towards the new directions. Bengal Commercial Bank drives for being a bank of trust and reliability for ensuring sustainable economy promoting "Inspiring Growth".

3. Board of Directors

As a Banking Company Bengal Commercial Bank PLC. has been complied all sorts of Orders/ Directives/Circulars/ Notifications/ Rules issued by Bangladesh Bank from time to time. The Bank follows the provision of the Companies Act, 1994 (as amended upto 2020) and Bank Companies Act, 1991(as amended up to 2023) in respect of appointment of Directors, vacation of office of Director etc. At the time of appointment of directors, the knowledge, skills and experience in business and other areas are given priority as provided in the said Acts which are necessary to make the affairs functional of the Board.

Total number of Directors of Bengal Commercial Bank PLC. is 17 (Seventeen) including 2 (two) Independent Directors which is within the compliance limit of the provision of Bank Companies Act, 1991 (amended upto 2023) and all the Directors are holding sufficient number of shares of the total paid-up capital of the Bank. The Board members of Bengal Commercial Bank are highly competent and professional in the arena of Banking, Business and Industry.

The Board approves and reviews different policies and business plans in line with six core risk management guidelines with an ultimate target to achieve the goals whereas the administrative and execution powers lie with the management team of the bank which is headed by the Managing Director & CEO.

4. Director's Appointment, Election and Re-election

Directors including Independent Directors are appointed considering the relevant provision of the Companies Act, 1994, Bank Company Act, 1991 (amended up to 2023), Corporate Governance Code of BSEC, Guidelines/Circulars of Bangladesh Bank and Articles of Association of the Bank. The Managing Director & CEO is appointed for a minimum period of 03(three)

years subject to approval from Bangladesh Bank.

5. The Chairman of the Board of Directors

The Chairman of the Board of Directors of Bengal Commercial Bank has been elected through the direct participation of the members of the Board. The Chairman of the Board does not personally possess the jurisdiction to apply policy making or executive authority, he does not participate in or interfere into the administrative or operational and routine affairs of the Bank. The Chairman conducts on-site inspection of Bank branch(s) and look into different financing activities under the purview of the oversight responsibilities of the Board. He calls for any information relating to Bank's operation and asks for investigation into any such affairs; he submits such information or investigation report to the meeting of the Board or the Executive Committee, if deemed necessary. The Chairman with the approval of the Board, takes necessary actions thereon in accordance with the set rules through the Managing Director & CEO. However, any complain against the Managing Director & CEO is to be appraised to Bangladesh Bank through the Board along with the statement of the Managing Director & CEO. Besides this, the Chairman may assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Bank. The details responsibility of the Chairman is defined by the Board as directed by BRPD Circular No-02 dated 11th February, 2024. Md. Jashim Uddin, Sponsor Director is holding the position of the Chairman of the Board of Directors of the Bank who had been re-elected in 2023.

6. Non-Executive Director

All the Directors of Bengal Commercial Bank PLC. including the Chairman are Non-Executive Directors except the Managing Director & CEO. The Directors attend the Board meetings regularly and participate in the deliberation and discussions effectively. They actively involved in the matter of formulation of general strategies of the Bank.

7. Independent Directors and their independence

In compliance with the Corporate Governance Code issued by BSEC, Bank Company Act, 1991 (amended up to 2023) and BRPD Circular of Bangladesh Bank, the Board of Directors of Bengal Commercial Bank appointed 2 (two) Independent Directors in its Board and one of whom is the Chairman of the Boards' Audit Committee. The Independent Directors are conversant in the field of financial, regulatory and corporate laws; enjoy full freedom to carry out their assigned responsibilities. As per provisions of BRPD Circular No.03 dated 14th February, 2024, the Audit Committee is formed electing the Chair from Independent Directors. As an Independent Director, the Chairman of the Audit Committee

enjoys full freedom to carry out the Committees' assigned responsibilities.

8. Role of the Chairman and the Managing Director & CEO are separate

In compliance with the Corporate Governance Code- 2018 issued by BSEC, we report that the functional responsibilities of the Chairman of the Board and the Managing Director & CEO are kept separated and independent from each other.

9. Induction & Training of the Directors

New Directors and existing Directors are likely to have some key information in case of first and consecutive appointment. They should have updated knowledge about the latest position of the Bank and all related rules and regulations. They also participate in the programs and seminars organized by various professional bodies at home and abroad on business, economic, technical, professional and corporate governance issues.

10. Code of conduct of the Chairman

A Chairperson of the Board of Directors of the Bank holds the most power and authority in the Board of Directors and provides leadership to the Bank. The Chair of the Board ensures that the firm's duties to shareholders are being fulfilled by acting as a link between the Board and Senior management. The Chairman of the Board in compliance with the BRPD Circular No.02 dated 11th February, 2024 conducts the following Roles and Responsibilities of the Bank:

- a) Act as leader of Board and apply governance in the Board to ensure Director's effectiveness, and discussion are made in a timely manner for appropriate decision of any issues;
- b) Establish standard corporate governance practices and procedures and promotes the highest standards of integrity & probity particularly at Board activities.
- c) Ensures that there is effective communication with shareholders, and Director for developments of understanding of the stakeholders' views.
- d) Promotes effective relationships and open communication, and creates an environment that allows constructive debates regarding proposals apprised aiming to betterment of the Bank.
- e) As the Chairman of the Board of Directors does not personally possess the jurisdiction to apply policy making or executive authority, he does not participate in or interfere into the administrative or operational and routine affairs of the Bank.
- f) The Chairman establishes the environment to nourish the sense of Corporate Governance within the organization.

- g) The Chairman guides the Bank to appear as an organization valuing business ethics and social responsibilities.

11. Code of Conduct of Chief Executive Officer/ Managing Director.

The Chief Executive Officer/ Managing Director is an ex-officio Board member as provided under the Articles of Association of the Bank and the directives of Bangladesh Bank. In order to strengthen the financial base of the bank and obtain confidence of the depositors, appointment of an honest, efficient, experienced and suitable Chief Executive is one of the prior responsibilities of the Board of Directors. In order to ensure good governance, bank follows the guidelines enumerated below while appointing the MD/CEO and in devising the role-responsibilities and authorities of the CEO.

12. Rules and regulations for appointment of CEO/Managing Director

12.1 Qualification

Morality: In case of appointment to the post of Chief Executive Officer (CEO), satisfaction in respect of the concerned person should be ensured to the effect that -

- a) He has not been convicted by any Criminal Court of Law;
- b) He has not been punished for violating any rules, regulations or procedures/norms set by any Regulatory Authority;
- c) He was not associated with any such company/organization, registration or license of which has been revoked.

12.2 Experience and Suitability

- a) For appointment as Chief Executive, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years' experience in a post immediate below the Chief Executive Officer/Managing Director of a bank.
- b) He must have at least a Master's degree from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.
- c) In respect of service, the concerned person should have excellent record of performance.
- d) It must be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company;
- e) Any director of any bank or financial institution or any person

who has business interest in the bank concerned will not be eligible for appointment to the post of Chief Executive Officer/Managing Director.

- f) The concerned person was not involved in any illegal activity while performing duties in his own or banking profession;
- g) He has not suspended payment to creditors or has not compromised with his creditors to be relieved from debt or he is not a loan defaulter;
- h) He is not a tax defaulter;
- i) He has never been adjudicated as an insolvent.

12.3 Age Limit

No person crossing the age of 65 years shall hold the post of CEO of a bank.

12.4 Tenure

The tenure of the Chief Executive shall be for at least 03 (three) years, which is renewable. If the candidate has less than 03 years left to attain 65 years, he/she can be appointed for that particular period of time.

12.5 Duties and Responsibilities

The CEO of the Bank, whatever name called, shall discharge the responsibilities and affect the Authorities as follows:

- a) In terms of financial, business and administrative authorities vested upon him by the Board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.
- b) The CEO shall ensure compliance of the Bank Company Act 1991 and other relevant laws and regulations in discharging routine functions of the bank.
- c) At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO must point out if there is any deviation from the Bank Company Act and other relevant laws and regulations.
- d) The CEO shall report to Bangladesh Bank any violation of the Bank Company Act 1991 or of other laws/regulations.
- e) The authority for recruitment and promotion of all staff of the Bank except those in the two tiers below him shall rest on the CEO. He shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned strength of employees as approved by the Board.

- f) The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him, which he shall apply in accordance with the approved service rules.
- g) The Authority relating the preparation of financial statements along with different reports in line with the requirement of primary and related regulatory bodies lies on CEO/MD. He has the authority to ensure publishing Annual Report maintaining true picture of the company's performance.
- h) The Managing Director is an Executive ex-officio Director who can play a vital role to establish corporate governance within the organization by complying all respective rules and regulations. Bengal Commercial Bank PLC. has adopted the code of conducts of the Managing Director aiming to guide its Board of Directors in fulfilling their duties and responsibilities to the Bank. BGCB believes that the Board is co-operatively responsible for promoting the success of the Bank by directing and supervising the entire affairs of the Bank effectively.

13. Code of Conduct of the Board of Directors

In Banking affairs where Code of Conduct plays very significant role in broader aspect. This Code of Conduct is prepared in compliance with the guidelines of Bangladesh Bank and it is neither conclusive nor final document; in contradiction with any laws, guideline, notification, there will be scope of changing, altering and addition from time to time when it deems fit.

13.1 Formation of Board of Directors

As per Section 15 of the Bank Company Act, 1991 (Amended up to 2023) includes provisions for prior approval of Bangladesh Bank before appointment of new directors, as well as dismissal, termination or removal of any director from the post; director's fit & proper criteria; maximum number of directors; appointment of independent directors; appointment of maximum 03(three) members from a family as director; etc.

13.2 Appointment of New Director

The Bank shall appoint new director(s) under section 15(4) of the Bank Company Act 1991 (amended up to 2023) and prior approval shall be obtained from Bangladesh bank.

13.3 Vacation of Office of Director

The office of Director shall be vacated according to the provisions specified in section 108(1) of the Companies Act, 1994 (as amended upto 2020). Besides, when a Director of the Bank

becomes defaulter and does not repay the loan within two months after getting a notice under section 17 of the Bank Company Act 1991(as amended upto 2023); provides false statement at the time of appointment; or fails to fulfil the minimum eligibility criteria, the office of the Director will be vacated.

If the office of a Director is vacated by a notice under the section 17 of Banking Companies Act, 1991 the person will not be eligible to become a director of the bank for one year from the date of repayment of the total amount due to the bank.

Bangladesh Bank can remove a Director or Chairman of a Bank, for conducting any kind of activities that is detrimental to the interest of the Bank's depositors or against the public interest under Section 46 and can replace the Board of a Bank Company under Section 47 of Bank Company Act, 1991.

13.4 Removal of Directors from office

As per Section 15 of the Bank Company Act, 1991 (Amended up to 2023) and Bangladesh Bank's Circular include provisions and instructions for prior approval of Bangladesh Bank before appointment of new Directors, as well as dismissal, termination or removal of any Director from his/her office. In this case, the removal will be effective from the date of Bangladesh Bank's approval.

13.5 Retirement of Director

In compliance with Regulation 79 and 81 of Schedule-I of the Companies Act, 1994 one-third of the Directors of the Board (who are longest in office) retired from their office in the 4th Annual General Meeting (AGM) held on 15th July-2024 for retirement and re-election as per aforesaid provisions of law. Moreover, the provisions 119 & 120 of the Articles of Association of the Bank also describe the same in respect of retirement and re-election of the Directors in the AGM of the Bank.

13.6 Information Regarding Directors

In compliance with the BRPD Circular-02 dated 11th February, 2024 the Banks are advised to-

- a) Communicate an updated list of Bank's Directors to BRPD. The Banks are also advised to send a directors' list to other banks or financial institutions immediately after the appointment or release of Director.
- b) Banks should display a list of Directors in the website and update it on a regular basis.

14. Responsibilities of the Board of Directors

To ensure good governance in the Bank Management, the Bank Company Act, 1991 (amended up to 2023) under Section 15 (kha)

& (ga) and BRPD Circular No.02 dated 11th February, 2024 illustrated responsibility of the Board of Directors for establishing policies for the Bank Company, Risk Management, Internal Controls, Internal Audit and Compliance and for ensuring their implementation.

14.1 Authorities of the Board of Directors

- I. The Board shall determine the Objectives and Goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the Determined Objectives and Goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor the development of implementation of the Work-Plans on quarterly basis.
- II. The Board shall have its analytical review incorporated in the Annual Report as regards to the success/failure in achieving the business and other targets as set out in its annual workplan and shall apprise the Shareholders for their opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & Officers immediate two tiers below the CEO, and have it evaluated from time to time.

14.2 Credit and Risk

- i. The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the Board's approval under the purview of the existing laws, rules and regulations. The Board shall specifically distribute the Power of Sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No Director, however, shall interfere, direct or indirect, into the process of loan approval.
- ii. The Board shall frame policies for Risk Management and get them complied and shall monitor the compliance at quarter basis and review the concerned report of the Risk Management team and shall incorporate in the Minutes of the Board meeting. The Board shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management.

14.3 Internal Control

The Board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio.

The Board will establish such an internal control system so that the Internal Audit Process can be conducted independently from the management. It shall review the reports submitted by its audit committee on quarter breaks regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports. The Board Audit Committee ensures controlling different internal issues through proper supervision of ICCD of the Bank. Bengal Commercial Bank comprises a fully equipped ICCD for ensuring proper compliances.

14.4 Human Resources Management and Development

- i. Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules are framed and approved by the Board. The Chairman or the Directors are in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the Board of Directors is included in the selection committees for recruitment and promotion in different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below the CEO/MD however rest upon the Board. Such recruitment and promotion are carried out complying with the service rules i.e., policies for recruitment and promotion.
- ii. The Board focuses its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/ investment proposals, and to the adoption of modern electronic and information technologies and the Introduction of effective Management Information System (MIS).
- iii. The Board gets these programs incorporated in its annual work plan. The Board composes Code of Ethics for every tier and they follow it properly. The Board introduced healthy code of conducts for developing a compliance culture.

14.5 Financial Management

- i. The Board shall finalize the Annual Budget and statutory financial statements by the approval of the Board members. It shall on quarterly basis review/monitor the positions in respect of bank's income, expenditure, liquidity, nonperforming asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures;
- ii. The Board introduces policies and procedures for bank's purchase and procurement activities and accordingly approves the distribution of power for making such expenditures. The Maximum possible delegation of such

power of expenditures is rested on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the Board;

- iii. in Bengal Commercial Bank, the Board reviews whether an Asset-Liability Committee (ALCO) has been formed and is working according to Bangladesh Bank guidelines.

15. Meeting of the Board of Directors

As per requirement and desire of the Hon'ble Chairman of the Board of Directors, required number of Board Meeting were held in the year 2024 where discussion and approval were accorded on business proposals, review business strategy, different policy of the Bank, financial performance, compliance and governance, risk management issues etc. as well as reports on matters deliberated by the respective committees.

Meeting papers on the proposals and reports are delivered to the Directors well ahead of the meetings, giving them sufficient time to evaluate the proposals and if necessary, request additional information. This enables the Board to function and discharge their responsibilities effectively. The minimum information required for the Board to make an informed and effective decision includes background, objective, key issues, rationale, financial and non-financial impact of the proposal. Proceedings and resolutions taken by the Board are recorded as Minutes of the meeting signed by the Chairman of the meeting and is sent to Bangladesh Bank within the stipulated time of 07 (Seven) days of holding the meeting.

The decisions taken or the resolution adopted by the Board are disseminated by the Company Secretary to whom such decision relates, for its onward implementation. As per Companies Act 1994, every company is required to hold minimum 4 (four) Board of Directors meeting in a year wherein they shall meet at least once in every three months. Board of Directors may meet once or more than once in a month if necessary. A total 12 (twelve) numbers of Board meetings were held during the period under report all such meeting related papers, documents, memo, attendance & honorarium registers, minutes etc. are being maintained in good condition by the Board Secretariat of the Bank.

15.1 Attendance of BOD Meeting

During the year 2024 total 12 (twelve) nos. of Meeting of Board of Directors were held. The details of the attendance of Board meeting are shown at **Annexure-A** in the Report.

15.2 Duality of Chairperson of the Board of Directors and Director or Chief Executive Officer

- i. The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of Bengal Commercial Bank are filled by different individuals;
- ii. The Managing Director (MD) and/or Chief Executive Officer (CEO) of the Bank does not hold the same position in another Listed Company;
- iii. The Chairperson of the Board is elected from the non-executive directors of the Company;
- iv. The Board has clearly defined respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;
- v. In the absence of the Chairperson of the Board, the Vice-Chairman presided over the Board Meeting. If both of them remains absent in the meeting the remaining members elect one of themselves from non-executive Directors as Chairperson for that particular Board's Meeting; the reason of absence of the regular Chairperson is duly recorded in the minutes.

15.3 Confidentiality

Each Director, during his or her tenure as a director and after leaving the Board, must maintain the confidentiality of information entrusted to him or her by the Bank and its customers, except when disclosure is required by law or regulation, or is otherwise expressly authorized in advance by the Board or the Bank's Legal Department. Confidential information includes all non-public information that might be used by the Bank's competitors, or that, if disclosed, might be harmful or may affect the interests of the Bank and other parties who have business dealings with the Bank, or its customers. It also includes information that customers and vendors have entrusted to the Bank.

15.4 Independence of the Directors

There is broad consensus regarding the importance of active engagement of the Directors in guidance and formulation of policies for the Bank, independence does not lend itself to precise definition. It is in large part dependent on the particular governance function being performed by the Directors. A Director's role includes two principal functions: decision-making function and an oversight function. The decision-making function involves actions taken at a particular point of time, while the oversight function involves ongoing monitoring over a period of time. In the context of the Board's decision-making function, the question of independence necessarily requires a case-by-case evaluation based on the facts and circumstances surrounding the

particular subject before the Board. Generally, the analysis focuses on whether the Director is able to base his or her decision on the corporate merits of the subject rather than extraneous considerations or influences.

15.5 Conflicts of interest

Directors are expected to make business decisions on behalf of the Bank having free from conflicting outside interests. It is a violation of Code and Bank's policies to foster personal or business interests (or those of others with whom such persons have a personal or business relationship) at the expense of the Bank. Although it is impossible to cover every potential conflict of interest situation, a potential conflict exists whenever a Bank's Director has an outside interest, directly or indirectly, which conflicts with their duty to the Bank or adversely affects their judgment in discharging of their responsibilities at the Bank. The appearance of a conflict of interest may be just as damaging to the Bank's reputation as a real conflict of interest and may be difficult to discern. The Bank's Directors are expected to objectively assess their actions periodically to determine whether a reasonable, disinterested observer, a customer, a supplier, a shareholder, an acquaintance, or a government official would have grounds to believe a conflict of interest exists.

15.6 Independence of the Chairman of all Board Committees

All the Sub-Committees are formed consisting the members of the Board of Directors. The Chairman of the Committees are elected by the Board. Each Committee has full freedom to carry out their assigned responsibilities independently. The Chairman of the Committees, with their own jurisdiction with the support of the Committee members, takes the necessary decision regarding different agenda as they deem fit. But they do not participate in or interfere into the administrative or operational or routine affairs of the Bank. They strictly ensure confidentiality of the Bank's agenda papers, discussions at the Board/Committee Meetings, Notes and Minutes.

16. Directors' Remuneration

The Directors do not receive any type of remuneration and incentive from the Bank. They are only paid meeting attendance fees, travelling and living expenses incurred for attending in the Board meeting and other Sub-Committee meetings as per Circular of Bangladesh Bank.

Bengal Commercial Bank pays remuneration to its directors based on the guidelines of Bangladesh Bank and other applicable laws. The detail of Director's Remuneration is enclosed at **Annexure-B** in the Report.

17. Proposed Dividends and Appropriation of Profit

Bengal Commercial Bank secured a total net profit after Tax amounting to Tk.63,02,82,790/- The Board of Directors of the Bank recommended 3% dividend (Cash) for the year 2024 to be distributed amongst the shareholders subject to approval in the upcoming AGM.

18. Delegation of Power

The Board has delegated appropriate finance and business power to the Management. In order to ensure proper functioning and quick disposal of credit proposal, Board has delegated required authority to the Executive Committee of the Board to approve proposal within a certain limit.

19. Director's Shareholding Pattern

In compliance with BSEC Notifications dated 22 November 2011 and 07 December 2011, all the eligible Directors (other than Independent Directors) of BGCB have been holding required percentage of shares individually and jointly. A statement of shareholding of the sponsors is disclosed in the annual report at **Annexure-C** with the report.

19.1 Shareholding of CEO, CS, CFO, Head of ICC and top 5 salaried Executives

The CEO, CS, CFO and Head of ICCD do not hold any shares of Bengal Commercial Bank PLC.

20. Chief Financial Officer (CFO), Company Secretary (CS) and Head of ICC

Chief Financial Officer (CFO), Head of Internal Control & Compliance Division (ICCD) and Company Secretary (CS) are being appointed under the purview of rules and regulation of the policy of the Bank and other regulatory laws and regulations. They are well conversant in the field of finance, Regulatory and Corporate laws to carry out their assigned responsibilities properly. The Board of Directors of the Bank clearly defined and approved the respective roles, responsibilities and duties of Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Control & Compliance Division (ICCD). The CS of the Bank remains present in the meetings of the Board of Directors as Circular of Bangladesh Bank, provided that the other concerned officials attend the meeting on particular issue upon requirement of the Board.

21. Management and its Committees

Management Team of the Bank is formed headed by the Managing Director & CEO. Several Management Committees

have also been formed to handle the Banking operation and identify and manage the risk associated issues with the affairs of the Bank. The following are the Key Management Committees: Senior Management Team, Management Committee, Credit/Investment Committee, Central Complaint Committee, Central Customer Service & Complaint Management Cell, Asset Liability Committee, Purchase Committee, Shariah Supervisory Committee, Senior Management Team (SMT), Asset Liability Committee (ALCO), Credit Committee, Anti-Money Laundering Committee, Investment Committee, Basel Implementation Committee, and so on.

22. Board of Director's Meeting

The Board of Directors holds meeting on a regular basis. In each meeting, management provides information, references, and detailed working papers for each agenda to all the Directors well ahead of the meeting. The Chairman of the Board of Directors allocates sufficient time for the Directors to consider each agenda in a prudent way and allows other members to discuss, inquire, and express opinions on the agenda. Directors who cannot attend the meeting(s) are granted leave of absence by the Board, if applied.

23. Board committees

As per instruction of BRPD Circular No.02 date: 11th February 2024 of Bangladesh Bank, the Board constituted 03(three) sub-committees which is enclosed at **Annexure-D** with the Annual Report-2024.

23.1 Executive Committee (EC)

The Board constituted the Executive Committee (EC) which conducts their responsibility as per Terms of Reference (TOR) determined by the Board of Directors of the Bank.

The Executive Committee of the Board approves credit proposals as per approved policy of the Board. The management ensures due diligence of the credit policy and Risk Management guidelines at the time of submitting the credit proposals.

23.2 Audit Committee of the Board

Audit Committee is one of the sub-Committees of the Board which plays a pivotal role in assisting the Board to perform its responsibilities. The Committee is guided by the TOR as set by the Board of Directors of the Bank in line with the BPRD Circular-02 dated 11th February, 2024 of Bangladesh Bank. The Audit committee is chaired by an Independent Director. The Company Secretary acts as the secretary of the Committee. The role of the Audit Committee of the Bank includes the following:

- Oversee the financial reporting process.

- Monitor Internal Control Risk Management process.
- Oversee hiring and performance of external auditors. Meeting with the external auditors to discuss about the audit plan.
- Review the annual financial statements along with the management, before submission to the Board for approval.
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function.

23.2.1 Report of the Board Audit committee

A report of the Board Audit Committee is attached with the Annual Report separately.

23.3 Risk Management Committee of the Board

Apart from the Executive Committee and Audit Committee of the Board, a Risk Management Committee has constituted which is responsible for planning and guiding on overall Risk Management of the Bank. Key areas of responsibilities of the Committee are as under:

- Risk identification and control policy;
- Designing the organizational structure to manage risk within the Bank;
- Construction of organizational structure;
- Review, analysis and recommendation for approval of Risk Management Policy;
- Monitoring the implementation of overall Risk;
- Enforcing and using adequate record keeping and reporting systems;

24. Regulatory Compliance/Disclosure

The primary regulator of the Bank is Bangladesh Bank. Besides, Registrar of Joint Stock Companies and Firms (RJSC&F) also act as Regulator for Bengal Commercial Bank PLC. Bengal Commercial Bank ensures guidelines on submission of Financial Statements and other reports ensuring timeliness, completeness, transparency, accountability, accuracy on timely basis. Board of Directors of the Bank ensures disclosures for the shareholders through Annual Report or other special disclosures if required.

25. Report on Business Concern

A Statement of Business concerns wherein the Directors have got interest is attached with this Report at **Annexure-E**. The related party doesn't enjoy any preferred facility or concession from the viewpoint of approval process, rate or cost charged; action taken

for any non-compliance etc. A statement of business concerns of the directors is disclosed in the annual report.

26. External Audits

The External Auditors are appointed by the shareholders with the recommendation of the Board of Directors. External Auditor audited sufficient number of branches and Head Office as part of the annual audit program. Auditors covered 80% of risk weighted assets of the Bank. They have also discussed with the Management and Audit Committee of the Board on various issues including Internal Control and Compliance issues. Suggestions of the auditors are given due consideration and are implemented by the Management. Before presenting to the shareholders, the report is reviewed by the Audit Committee and by the Board. Before recommending to the shareholders for appointment as auditors, the Board considers the level of independence and integrity of the external auditors. Complying with provision of Corporate Governance Code-2018 issued by BSEC, we declare that M/s Hoda Vasi Chowdhury & Co., Chartered Accountants, involved in statutory audit and was not engaged in any of following services during 2024:

Appraisal or valuation services or fairness opinions.

- Financial information system design and implementation.
- Book keeping or other services related to accounting records financial statements.
- Broker-dealer service.
- Actuarial services.
- Internal audit services.
- Audit/certification services on compliance of corporate governance guidelines issued by BSEC.

M/s Kazi Zahid Khan & Co., Chartered Accountants was recommended for appointment as the External Auditor of the Bank by the Board of Directors in its 42nd Board of Directors Meeting held on 29th May 2025 till holding the 5th AGM of the Bank. Section 210 of the Companies Act of 1994 empowers shareholders to appoint the auditor and set their remuneration in the AGM.

27. Information Availability website

The full text of the Annual Report 2024 including other financial reports are available in the company's website www.bgcb.com.bd

28. Review of internal Control & Compliance System

BGCB has a sound system of internal control to safeguard the stakeholders' interest. The Board of Directors retains the ultimate

responsibility for its operations. The authority has been delegated to the Audit Committee for the review of the adequacy and effectiveness of the system of internal controls. Bank has a separate Division for Internal Control and Compliance. This division operates independently and has given responsibilities by the Board in line with the Bangladesh Bank guidelines. Under Internal Control & Compliance Division, there are three major units:

- (1) Audit & Inspection Unit
- (2) Compliance Unit and
- (3) Monitoring Unit.

A detail review of internal control system has been presented in "Directors' Report" of the Annual Report.

29. Risk Management

The Risk Management Division (RMD) of Bengal Commercial Bank is responsible for management, integration and monitoring of all risks within the risk appetite set by the Risk Management Committee (RMC). The Risk Management Committee (RMC) of the Board reviews and monitors the overall Risk Management system of the Bank and updates to the Board from time to time. A complete Division namely Risk Management Division headed by the Chief Risk Officer (CRO) is functioning to response any sorts of risks arises in the Banks' affairs.

30. Decision Making Process for Approving Related-party Transactions

The Bank disclosed the related party transaction in its financial statement. For making decision of related party transaction, the process is same as applicable to the other stakeholders. Same process of selection is applied to related party for Bengal Commercial Bank PLC.

31. Rules and Procedures Governing Extraordinary Transactions

For making decision for extraordinary transaction, the Management takes the approval from the Board of Directors, if not covered within the Board approved financial delegation. In such cases, the Bank discloses the impact of extraordinary transaction (if any).

32. Process for Holding Annual General Meetings

Process for holding Annual General Meeting (AGM) is guided by the statute and regulatory guidelines of the country. All applicable guidelines are duly followed for holding Annual General Meeting of

the Bank. In an AGM, generally some key decisions are approved by the shareholders i.e., financial statements, dividend, appointment of Directors, appointment of statutory auditors and fixation of their remuneration etc. In compliance with the provisions of Company Act, 1994, the Bank is going to hold its 5th Annual General Meeting (AGM) on 29th June, 2025.

33. A code of Conduct for Company Employees

For eminence corporate culture, all the employees should believe in same Code of Conduct. Bengal Commercial Bank follows a standard Code of Conduct for its employees (guided by Bangladesh Bank) which are also abide by the employees. By any means, no employee will play a role detrimental to the interest of the business, society and the country as a whole as set in the Code of Conduct and Ethics. For more on Code of Ethics, a separate report has been enclosed with the Annual Report.

34. Rules and Procedures Governing the Acquisition of Corporate control in Capital Markets.

Investment in Capital Market by the Bank is regulated by the Bank Company Act, 1991 (amended up to 2023). For acquisition of corporate control in Capital Market, Bank follows internal investment policy within the regulatory framework. Bank also discloses the details of investment made in the Capital Market in its financial statements every year.

35 Communication to Shareholders and other Stakeholders

- Policy on Communication with Shareholders and Other Stakeholders: The Company Secretary of the Bank plays an instrumental role to make effective communication with its shareholders and other stakeholders. Shareholders and other stakeholders of the Bank may contact with Board Secretariat/Share Department during office hour for any sort of information and queries. Furthermore, BGCB provides updated and required information in its website from time to time for the shareholders and other stakeholders of the Bank;
- Mechanism to Provide Opinion, Recommendation by the Shareholder: The Bank publishes Annual/Half Yearly Reports, quarterly financials in newspapers for its stakeholders in a complete, fair, accurate, timely and understandable manner. Shareholders can also exercise their query rights or can provide any recommendations or direction to the Board of Directors at the Annual General Meeting and the Board remains open to answer all the queries of shareholders.
- Policy on ensuring Participation of Shareholders at AGM: To ensure effective and efficient participation of shareholders in AGM, the Bank circulates notice of AGM with necessary details within allotted timeframe of at least 21(twenty-one) days before of AGM date. Annual Reports are circulated as per provision of Companies Act 1994, so that shareholders would get sufficient time to go through the report and freely provide their valuable comments and suggestions in the AGM.

Attendance of the Directors present in the Board Meeting

Total 12 (Twelve) Meetings of the Board of Directors were held in the year 2024. Attendance details of the Directors for year 2024 are as under:

Sl	Name of the Directors	Designation	No. of Meeting held	No. of Meeting Attended	Remarks
01.	Md Jashim Uddin	Chairman	12	12	-
02.	Engr Ghulam Mohammed Alomgir [Representative of Max Infrastructure Limited.]	Vice- Chairman	12	11	Leave of absence was granted by the Board
03.	Jesmin Akhter	Director	12	12	-
04.	Alhaj Mahbubul Alam	Director	12	06	Leave of absence was granted by the Board
05.	Firoz Alam	Director	12	10	Leave of absence was granted by the Board
06.	Shamsul Alam	Director	12	11	Leave of absence was granted by the Board
07.	Md Shahabuddin	Director	12	08	Leave of absence was granted by the Board
08.	Dr. Subrata Ranjan Das [Representative of Technomedia Limited]	Director	12	05	Leave of absence was granted by the Board
09.	Tasmin Mahmud	Director	12	08	Leave of absence was granted by the Board
10.	S M Faruqi Hasan	Director	12	04	Leave of absence was granted by the Board
11.	Md Iqbal Hossain Chowdhury [Representative of B. Dash Japan Co. Limited]	Director	12	08	Leave of absence was granted by the Board
12.	Muhammad Jamaluddin [Representative of KDS Textile Mills Limited]	Director	12	11	Leave of absence was granted by the Board
13.	Rokeya Khatun, FCA [Representative of Ilmeeyat Apparels Limited]	Director	12	12	-
14.	Khawja Mahtab Uddin [Representative of Starlight Sweaters Limited]	Director	12	12	-
15.	Mr Golam Nasir [Representative of Bengal Plastics Ltd.]	Director	12	09	Leave of absence was granted by the Board
16.	Prof Mr Md Iftekharul Amin, Ph.D	Independent Director	12	09	Leave of absence was granted by the Board
17.	Mr ANM Abul Kashem	Independent Director	12	11	Leave of absence was granted by the Board

Attendance Fee paid to the Directors of Bengal Commercial Bank PLC.

Total 12 (Twelve) Meetings of the Board of Directors were held in the year 2024. The details of attendance fee paid to the Directors are as under:

SL	Name of the Directors	Designation	No. of Meeting Attended	Total amount @Tk.9,000/- per meeting
01.	Md Jashim Uddin	Chairman	12	1,08,000
02.	Engr Ghulam Mohammed Alomgir [Representative of Max Infrastructure Limited.]	Vice- Chairman	11	99,000
03.	Jesmin Akhter	Director	12	1,08,000
04.	Alhaj Mahbubul Alam	Director	06	54,000
05.	Firoz Alam	Director	10	90,000
06.	Shamsul Alam	Director	11	99,000
07.	Md Shahabuddin	Director	08	72,000
08.	Dr. Subrata Ranjan Das [Representative of Technomedia Limited]	Director	05	45,000
09.	Tasmin Mahmud	Director	08	72,000
10.	S M Faruqi Hasan	Director	04	36,000
11.	Md Iqbal Hossain Chowdhury [Representative of B. Dash Japan Co. Limited]	Director	08	72,000
12.	Muhammad Jamaluddin [Representative of KDS Textile Mills Limited]	Director	11	99,000
13.	Rokeya Khatun, FCA [Representative of Ilmeeyat Apparels Limited]	Director	12	1,08,000
14.	Khawja Mahtab Uddin [Representative of Starlight Sweaters Limited]	Director	12	1,08,000
15.	Mr Golam Nasir [Representative of Bengal Plastics Ltd.]	Director	09	81,000
16.	Prof Mr Md Iftekharul Amin, Ph.D	Independent Director	09	81,000
17.	Mr ANM Abul Kashem	Independent Director	11	99,000

PAID UP AND SHAREHOLDING POSITION AS ON 31.12.2024						
Sl.	Name of Sponsor	Designation	Total Paid up amount (Tk)	Total no. of Paid up Shares	Holding of Shares by each Sponsor/Director	Percentage(%)
1	Mr. Md. Jashim Uddin	Chairman	4,905,300,000	490,530,000	25,000,000	5.00
2	Max Infrastructure Ltd. (Represented by Engr. Ghulam Mohammed Alomgir)	Vice-Chairman	4,905,300,000	490,530,000	25,000,000	5.00
3	Mrs. Jesmin Akter	Director	4,905,300,000	490,530,000	20,000,000	4.00
4	Mr. Firoz Alam	Director	4,905,300,000	490,530,000	21,250,000	4.25
5	Mr. Shamsul Alam	Director	4,905,300,000	490,530,000	21,250,000	4.25
6	Alhaj Mahbubul Alam	Director	4,905,300,000	490,530,000	25,000,000	5.00
7	Mr. Md. Shahabuddin	Director	4,905,300,000	490,530,000	25,000,000	5.00
8	Technomedia Ltd. (Represented by Dr. Subrata Ranjan Das)	Director	4,905,300,000	490,530,000	23,750,000	4.75
9	Mrs. Tasmin Mahmud	Director	4,905,300,000	490,530,000	25,000,000	5.00
10	Mr. S.M Faruqi Hasan	Director	4,905,300,000	490,530,000	17,300,000	3.46
11	B. Dash Japan Co. Ltd. (Represented by Mr. Md. Iqbal Hossain Chowdhury)	Director	4,905,300,000	490,530,000	25,000,000	5.00
12	KDS Textile Mills Ltd. (Represented by Mr. Muhammad Jamaluddin)	Director	4,905,300,000	490,530,000	25,000,000	5.00
13	Ilmeeyat Apparels Ltd. (Represented by Mrs. Rokeya Khatun, FCA)	Director	4,905,300,000	490,530,000	25,000,000	5.00
14	Starlight Sweaters Ltd. (Represented by Mr. Khaiwa Mahtab Uddin)	Director	4,905,300,000	490,530,000	25,000,000	5.00
15	Mr Golam Nasir [Represented by Bengal Plastics Ltd.]	Director	4,905,300,000	490,530,000	21,250,000	4.25
16	Mr Dilip Kumar Agarwala	Sponsor	4,905,300,000	490,530,000	25,000,000	5.00
17	Ramisha BD Ltd.	Sponsor	4,905,300,000	490,530,000	25,000,000	5.00
18	Engr. Md Abu Noman Howlader	Sponsor	4,905,300,000	490,530,000	22,430,000	4.49
19	Mr. Md. Alomgir Parvez	Sponsor	4,905,300,000	490,530,000	25,000,000	5.00
20	Mr. Mahmud Habib-E-Akbar	Sponsor	4,905,300,000	490,530,000	23,600,000	4.72
21	Mr. Mohammad Akram Hossain	Sponsor	4,905,300,000	490,530,000	11,000,000	2.20
22	Mr. Golam Nasir	Sponsor	4,905,300,000	490,530,000	3,700,000	0.74
23	Mrs. Tasfia Jashim	Sponsor	4,905,300,000	490,530,000	2,500,000	0.50
24	Mr. Taseen Jashim	Sponsor	4,905,300,000	490,530,000	2,500,000	0.50
	Unsubscribed amount of Tk.9.47 crore to be raised within 30.06.2025				9,470,000	1.89
	Total				500,000,000	100

Sub-Committees of the Board of Directors of the Bank

1. EXECUTIVE COMMITTEE (EC):

Sl.	Name of the Directors	Designation
1.	Mr. Md. Shahabuddin	Chairman
2.	Mrs. Jesmin Akhter	Member
3.	Mr. Firoz Alam	Member
4.	Mr. Md. Iqbal Hossain Chowdhury	Member
5.	Ms. Tasmin Mahmud	Member
6.	Mr. Khawja Mahtab Uddin	Member

2. BOARD AUDIT COMMITTEE (BAC):

Sl.	Name of the Directors	Designation
1.	Prof. Md. Iftekharul Amin, Ph.D	Chairman
2.	Mr. A.N.M. Abul Kashem	Member
3.	Mr. Shamsul Alam	Member
4.	Mrs. Rokeya Khatun, FCA	Member

3. RISK MANAGEMENT COMMITTEE (RMC):

Sl.	Name of the Directors	Designation
1.	Engr. Ghulam Mohammed Alomgir	Chairman
2.	Mr. Firoz Alam	Member
3.	Mr. Muhammad Jamaluddin	Member
4.	Mr. A.N.M. Abul Kashem	Member
5.	Mr. Golam Nasir	Member

Business concern of the Directors:

SL	Name of the Subscribers	Position/ Designation	Business Concern
01.	Md. Jashim Uddin	Chairman	1. Vice-Chairman of Bengal Group of Industries; 2. Vice-Chairman – Bengal Media Corporation Limited (RTV) 3. Director- Bengal Windsor Thermoplastics Limited 4. Director-Romania Food and Beverage Ltd. 5. Director- Bengal Cement Limited 6. Managing Director- Bengal Plastics Limited 7. Managing Director- Power Utility Bangladesh Limited. 8. Managing Director- Bengal Renewable Energy Limited. 9. Managing Director- Bengal Agro Industries Limited
02.	Engr. Ghulam Mohammed Alomgir [Representative of Max Infrastructure Limited]	Vice Chairman	1. Chairman- MAX GROUP, one of the largest engineering conglomerates of Bangladesh; 2. Chairman- Max Industries Limited; 3. Chairman- Max Building Technologies Limited; 4. Managing Director- Max Power Limited; 5. Managing Director- Kushiara Power Company Ltd. 6. Managing Director-Max Electricity Generation Ltd.;
03.	Alhaj Mahbubul Alam	Director	1. Chairman - M. Alam Gas Station Ltd., 2. Chairman - Anowara Alam Foundation, 3. Chairman - Surgescope Hospital Ltd. 4. Managing Director - Alam Trading Corporation, 5. Managing Director – R.M. Enterprise, 6. Managing Director - M.M. Trading.
04.	Jesmin Akhter	Director	1. Director - Bengal Plastic Pipes Limited; 2. Director - Bengal Agro Industries Limited; 3. Director - Bengal Melamine Limited; 4. Director- Designer Washing and Dyeing Ltd.
05.	Firoz Alam	Director	1. Director - Bengal Group of Industries; 2. Managing Director - Bengal Cement Ltd.; 3. Managing Director - Bengal LPG Ltd.; 4. Managing Director - Bengal Flexipak Ltd.; 5. Director - Bengal Plastics Ltd.; 6. Director – Bengal Media Corporation Limited (RTV); 7. Director – Bengal Windsor Thermoplastics Limited; 8. Director- Bengal Concept & Holdings Ltd.; 9. Director- Bengal Agro Industries Limited.

Business concern of the Directors...

SL	Name of the Subscribers	Position/ Designation	Business Concern
06.	Shamsul Alam	Director	1. Director - Bengal Group of Companies; 2. Director- Bengal Plastics Limited; 3. Director- Bengal Media Corporation Limited (RTV); 4. Director- Romania Food and Beverage Ltd.; 5. Director- Bengal Agro Industries Limited; 6. Director- Bengal Cement Limited; 7. Managing Director - Bengal Adhesive and Chemicals Products Ltd.
07.	Md. Shahabuddin	Director	1. Founder and Managing Director of Pacific Associates Ltd.; 2. Managing Director- Shahabuddin Textile Ltd.; 3. Managing Director- Asiatic Spinning Ltd.
08.	Dr. Subrata Ranjan Das [Representative of Technomedia Limited]	Director	1. Executive Director - Technomedia LTD, one of the advanced IT supporting companies of Bangladesh;
09.	Tasmin Mahmud	Director	1. Director - Cotton Dyeing & Finishing Mills Ltd.; 2. Director - Cotton Line (BD) Ltd.; 3. Director - Cotton N Cotton Garments Industries Ltd.; 4. Director - Pacific Cotton Ltd.; 5. Director - BG Tel Limited.
10.	S.M. Faruqi Hasan	Director	1. Chairman & CEO - Protik Developers Ltd.; 2. Chairman & CEO - Protik Bone China Ltd.; 3. Chairman & CEO - Protik Energy & Refinery Ltd.; 4. Chairman & CEO - Protik Logistics Ltd.; 5. Chairman & CEO - Hotel Lake Castle Ltd.; 6. Managing Director & CEO - Protik Ceramics Ltd.
11.	Mr. Md. Iqbal Hossain Chowdhury [Representative of B. Dash Japan Co., Limited.]	Director	1. Chairman- Jams Trading Ltd.; 2. Director- B.Dash Japan Co. Ltd.; 3. Director - JAPASTY Co. Ltd.; 4. Managing Director- Creed Asia BD Co. Ltd.; 5. Managing Director- JCX Gold & Diamond
12.	Mr. Muhammad Jamaluddin [Representative of KDS Textile Mills Limited]	Director	1. Ex- Managing Director – BAPEX; 2. Ex-Member of Board of Directors - Bangladesh Petroleum Exploration & Production Company Ltd.; (BAPEX); 3. Ex-Director - Grameen Shakti.

Business concern of the Directors...

SL	Name of the Subscribers	Position/ Designation	Business Concern
13.	Rokeya Khatun, FCA [Representative of Imeeyat Apparels Limited]	Director	Ilmeeyat Apparels Ltd. is a concern of Sharmin Group under which the following major companies are operating- 1. Sharmin Apparels Ltd; 2. Sharmin Fashions Ltd.; 3. Sharaf Embroidery & Printing Ltd.; 4. A M Design Ltd.; 5. A.M. Fashions Ltd.; 6. Ishayat Fashions Ltd.; 7. Sharaf Washing & Dyeing Ind. Ltd.;
14.	Khawja Mahtab Uddin [Representative of Starlight Sweaters Limited]	Director	Starlight Sweaters Ltd. is a concern of Labib Group under which the following major companies are operating- 1. Matrix Sweaters Ltd.; 2. Sultana Sweaters Ltd.; 3. Labib Dyeing Mills Ltd.; 4. R & R Agro Complex Ltd.; 5. Nice Cotton Ltd.; 6. Labib Poultry & Fisheries Ltd.
15.	Golam Nasir [Representative of Bengal Plastics Limited]	Director	Proprietor: Accurate Steel.
16.	Prof. Dr. Md. Iftekharul Amin	Independent Director	N/A
17.	ANM Abul Kashem	Independent Director	N/A
18.	Tarik Morshed	Managing Director & CEO	N/A

Compliance Status of Bangladesh Bank's Guidelines on Corporate Governance

To ensure good governance i.e. corporate governance in bank management, Bangladesh Bank (BB) issued different circulars in 2024 covering the broad areas as follows:

1. BRPD Circular No.02 dated 11 February 2024: Formation and responsibilities of Board of Directors (BoD).
2. BRPD Circular Letter No. 03 dated 14 February 2024: Appointment and Responsibilities of Independent Directors.
3. BRPD Circular Letter No. 05 dated 25 February 2024: Appointment and Responsibilities of Chief Executive Officer (CEO).
4. BRPD Circular Letter No. 19 dated 27 October 2013: Contractual appointment of Advisor and consultant. The summary of the BB guidelines and BGCB compliance thereto are presented below:

1. Formation and responsibilities of Board of Directors (BoD)

SN	Particulars	Compliance Status
1.0	Formation of Board of Directors: Prior approval of Bangladesh Bank before the appointment of new bank directors, as well as dismissal, termination or removal of any director from the post; director's fit & proper criteria; maximum number of directors; appointment of independent directors; appointment of maximum 3(three) members from a family as director.	Complied
1.1	Appointment of New Directors: Every banking company, other than specialized banks, at the time of taking prior approval from Bangladesh Bank for appointing/reappointing directors should furnish the following documents along with the application:	
	a. Personal information of the nominated person	Complied
	b. Nominated person's declaration	Complied
	c. 'Declaration for confidentiality' by the nominated person	Complied
	d. In case of Independent director, a declaration of the directors concern	Complied
	e. CIB report of the nominated person	Complied
	f. Updated list of Directors	Complied
1.2	Vacation of office of Director:	
	(a) The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfill the minimum eligibility criteria, the office of the director will be vacated.	No such case
	(b) If the office of a director is vacated by a notice under the section 17 of the Bank Company Act, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of the Bank Company Act, 1991, he/she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution.	No such case
	(c) Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the Board of a banking company under Section 47 of Bank Company Act, 1991.	No such case
1.3	Removal of Directors from office: With the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.	No such case
1.4	Appointment of Alternate Director: An alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the following instructions should be followed:	No such case
	(a) Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director. If there is any exception, the chief executive officer should immediately inform it to Bangladesh Bank.	N/A

SN	Particulars	Compliance Status
	(b) The copy of the decision of the board regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to Bangladesh Bank within 7 days of taking the decision and the director's arrival date must be intimated to Bangladesh Bank immediately after his return.	N/A
	(c) Any loan defaulter or any person who is not eligible to become a director as per any rules & regulation will not be appointed as an alternate director.	N/A
	(d) As appointment of alternate director is a temporary measure; therefore, he/she will not be included in any kind of committee constituted by the board.	N/A
	(e) While in the office, an alternate director or his/her affiliated organization will not get any kind of loan facilities from his bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules & regulations will also be applicable to the alternate director.	N/A
2	Depositor Director: As per appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the Bank Company Act, 1991 (amended up to 2018) bank can consider the tenure of existing depositor director or may appoint them as independent director.	No such case
3	Information regarding Directors: Banks are advised to take the following steps regarding directors information:	
	(a) Every bank should keep an updated list of bank directors.	Complied
	(b) Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director.	Complied
	(c) Banks should display a list of directors on the website and update it on a regular basis.	Complied
4	Responsibilities of the Board of Directors (Board)	
4.1	Responsibilities and Authorities of the Board:	
a)	Work planning and strategic management	
	(i) The board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor, at quarterly rests, the development of implementation of the work-plans.	Complied
	(ii) The board shall have its analytical review incorporated in the Annual Report as regards to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/ recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & officers immediate two tiers below the CEO, and have it evaluated from time to time.	
b)	Credit and risk management	
	(i) The board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor, at quarterly rests, the development of implementation of the work-plans.	Complied
	(ii) The board shall have its analytical review incorporated in the Annual Report as regards to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/ recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & officers immediate two tiers below the CEO, and have it evaluated from time to time.	

SN	Particulars	Compliance Status
c)	Internal Control Management	
	The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.	Complied
d)	Human Resources (HR) Management and Development	
	(i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the Board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below the CEO shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion. (ii) The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board shall get these programs incorporated in its annual work plan. (iii) The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture.	Complied. The Board does not interfere in the internal issues of Management rather reviews the HR Policy from time to time.
e)	Financial Management	
	(i) The annual budget and the statutory financial statements shall be finalized with the approval of the Board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures. (ii) The Board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board. (iii) The Board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines.	Complied
f)	Appointment of Chief Executive Officer (CEO): In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the Board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The Board of directors will appoint a suitable CEO with the approval of Bangladesh Bank.	Complied
g)	Other responsibilities of the Board: The board should follow and comply with the responsibilities assigned by Bangladesh Bank.	Complied. The Board of Directors comply with the required instruction Circulated by Bangladesh Bank.

SN	Particulars	Compliance Status
4.2	Meetings of the Board of Directors: Board of Directors may meet once or more than once in a month upon necessity and shall meet at least once in every three months. Excessive meetings are discouraged.	Complied
4.3	Responsibilities of the Chairman of the Board:	
	(a) As the Chairman of the Board of Directors or Chairman of any committee formed by the Board or any Director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.	Complied
	(b) The Chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; He may submit such information or investigation report to the meeting of the Board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the Board along with the statement of the CEO.	Complied
	(c) The Chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business-interest of the bank subject to the approval of the board.	Complied
5	Formation of Supportive Committees of the Board: Each bank company can form 1(one) executive committee, 1(one) audit committee and 1(one) risk management committee with the directors. Board can't form any other permanent, temporary or sub-committee except the above mentioned three committees.	Complied
5.1	Executive Committee (EC): Executive committee should be formed with the members of the Board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the Board of Directors.	Complied
a)	Organizational structure:	
	i. Members of the committee will be nominated by the Board of Directors from themselves;	Complied
	ii. The Executive Committee (EC) will comprise of maximum 07 (seven) members;	
	iii. Members may be appointed for a 03 (three)-year term of office;	
	iv. Chairman of the Board of Directors can be the chairman of executive committee;	
	v. Company Secretary of the bank will be the Secretary of the executive committee.	
b)	Qualifications of the Members:	
	i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;	Complied
	ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee;	
	iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	

SN	Particulars	Compliance Status
c)	Roles and Responsibilities of the Executive Committee(EC):	
	i. The executive committee can decide or can act in those cases as instructed by the Board of Directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations.	Complied
	ii. The Executive Committee can take all necessary decision or can approve cases within power delegated by the Board of Directors.	
	iii. All decisions taken in the Executive Committee should be ratified in the next Board meeting.	
d)	Meetings	
	i. The Executive Committee can sit any time as it may deem fit.	Complied.
	ii. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary;	
	iii. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;	
	iv. All decisions/observations of the committee should be noted in minutes.	
5.2	Audit Committee: The Board will approve the objectives, strategies and overall business plans of the bank and the Audit Committee will assist the Board in fulfilling its oversight responsibilities. The Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.	Complied
a)	Organizational structure:	
	i. Members of the committee will be nominated by the Board of Directors from the directors;	Complied.
	ii. The Audit Committee will comprise of maximum 05 (five) members, with minimum 2(two) Independent Directors;	
	iii. Audit committee will comprise with Directors who are not Executive Committee members;	
	iv. Members may be appointed for a 03 (three) years term of office;	
	v. Company secretary of the bank will be the secretary of the audit committee.	
b)	Qualifications of the Member:	
	i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;	Complied.
	ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee;	
	iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	
	iv. Professionally Experienced persons in banking/financial institutions specially having educational qualification in Finance, Banking, Management, Economics, Accounting will get preference informing the committee.	
c)	Roles and Responsibilities of the Audit Committee	
	i) Internal Control:	
	1. 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;	Complied.

SN	Particulars	Compliance Status
	2. Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);	
	3. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;	
	4. 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.	
	(ii) Financial Reporting:	
	1. 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;	Complied
	2. Discuss with management and the external auditors to review the financial statements before its finalization.	
	(iii) Internal Audit:	
	1. Audit Committee will monitor whether internal audit working independently from the management.	Complied
	2. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;	
	3. Examine the efficiency and effectiveness of internal audit function;	
	4. Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.	
	(iv) External Audit	
	1. Review the performance of the external auditors and their audit reports;	Complied
	2. Examine whether the findings and recommendations made by the External Auditors are duly considered by the management or not.	
	3. Make recommendations to the Board regarding the appointment of the External Auditors.	
	(v) 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.	Complied
	(vi) Other Responsibilities:	
	1. Submit compliance report to the Board on quarterly basis on regularization of the mission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;	Complied
	2. External and internal auditors will submit their related assessment report, if the committee solicit;	
	3. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.	
d)	Meetings:	
	1. The Audit Committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit;	Complied
	2. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary	

SN	Particulars	Compliance Status
	3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;	
	4. All decisions/observations of the committee should be noted in minutes.	
5.3	Risk Management Committee: To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a risk management committee will be formed. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks etc.; the risk management 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.	Complied.
a)	Organizational Structure:	
	1. Members of the committee will be nominated by the Board of Directors from themselves;	Complied.
	2. The Risk Management Committee will comprise of maximum 05 (five) members;	
	3. Members may be appointed for a 03 (three) year term of office;	
	4. Company secretary of the bank will be the Secretary of the Risk Management Committee.	
b)	Qualifications of the Member:	
	1. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;	Complied.
	2. Each member should be capable of making valuable and effective contributions in the functioning of the committee;	
	3. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	
c)	Roles and Responsibilities of the Risk Management Committee:	
	i) 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.	Complied.
	ii) 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.	Complied.
	iii) 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.	Complied.
	iv) 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.	Complied.
	v) Monitoring the implementation of overall Risk Management Policy:	

SN	Particulars	Compliance Status
	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.	Complied
	vi) Other responsibilities:	
	1. Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form;	Complied
	2. Comply instructions issued time to time by the controlling Body;	
	3. Internal & external auditor will submit respective evaluation report whenever required by the committee.	
	d) Meetings:	
	1. The risk management committee should hold at least 4 meetings in a year and it can sit any time as it may deem fit;	Complied
	2. The committee may invite Chief Executive Officer, Chief Risk Officer and any other Officer to its meetings, if it deems necessary;	
	3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting;	
	4. All decisions/observations of the committee should be noted in minutes.	
6	Training of the Directors: The Directors of the Board will acquire appropriate knowledge of the Banking laws and other relevant laws, rules and regulations to effectively discharge the responsibilities as a director of the bank.	Complied
7	Intimation of the Circular to the Board and related persons by CEO: The CEO will inform about this Circular to the directors and other related persons.	Complied

2. Appointment and responsibilities of Chief Executive Officer (CEO)

SN	Particulars	Compliance Status
A	Rules and regulations for appointment of the CEO	
1	Moral Integrity: In case of appointment to the post of CEO, satisfaction in respect of the concerned person should be ensured to the effects that:	
	a) He has not been convicted by any Criminal Court of Law.	Complied
	b) He has not been punished for violating any rules, regulations or procedures/ norms set by any regulatory authority.	
	c) He was not associated with any such company/organization; registration or license of which has been cancelled.	
2	Experience and Suitability:	
	a) For appointment as a CEO, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years' experience in a post immediate below the CEO of a bank.	Complied
	b) He must have a Master's degree at minimum from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.	
	c) In respect of service, the concerned person should have excellent track record of performance.	

SN	Particulars	Compliance Status
	d) Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/ director/official of any company.	Complied
	e) Any director of any bank or financial institution or any person who has business interest in the concerned bank will not be eligible for appointment to the post of the CEO.	
3	Transparency and financial integrity: Before making appointment as a CEO, satisfaction should be ensured to the effects that:	
	a. The concerned person was not involved in any illegal activity while performing duties in his own or banking profession.	Complied
	b. He has not deferred payment to creditors or has not compromised with his creditors to be relieved from debts or he is not a loan defaulter.	
	c. He is not a tax defaulter.	
	d. He has never been adjudicated a bankrupt by the Court.	
4	Age Limit: No person crossing the age of 65 years shall hold the post of CEO of a bank.	Complied
5	Tenure: The tenure of the CEO shall not be more than 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that shorter period	Complied
6	Guidelines in fixing the salary and allowances: Banks are required to follow the guidelines stated below while determining the salary and allowances of the CEO and submitting such proposal to Bangladesh Bank:	
	a. In fixing the salary and allowances of the CEO, financial condition, scope of operation, business-volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration.	Complied
	b. Total salary shall be comprised of direct salary covering 'Basic Salary' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be converted in the monetary value and thus determining monthly total salary, it shall have to be mentioned in the proposal submitted to Bangladesh Bank. In the proposal, Basic Salary, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount.	
	c. Without improving the bank's major financial indicator like- CAMELS, annual salary increment will not be payable.	
	d. Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the work performance of the current CEO.	
	e. The CEO so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above.	
	f. The bank shall not pay any income tax for the CEO, i.e., the CEO so appointed shall have to pay it.	
7	Incentive Bonus: The CEO will get incentive bonus subject to paying incentive bonus to all executives/officers/workers of the bank and the said bonus amount will not exceed BDT 15,00,000 in a year.	Complied
8	Honorarium for attending the Board Meeting: Being a salaried executive, CEO will not get any honorarium for attending the Board meeting or Board formed Committee meeting.	Complied
9	Evaluation Report: For reappointment of the CEO, the Chairman of the bank shall have to submit a Board approved evaluation report to Bangladesh Bank.	Complied
10	Prior Approval from Bangladesh Bank: Prior approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) & (5) of Bank Company Act 1991 (amended up to 2023). For processing such approval, along with the proposal signed by the Chairman of the Board, the selected person's complete resume, offer letter (mentioning the direct & indirect remuneration and facilities) and copy of Board's approval must be submitted to Bangladesh Bank. The selected person must also submit declarations as per Annexure Ka & Annexure Kha to Bangladesh Bank.	Complied

SN	Particulars	Compliance Status
11	Decision of Bangladesh Bank is final: The decision of Bangladesh Bank regarding appointment of the CEO will be treated as final and such appointed CEO cannot be dismissed, released or removed from his/her office without prior approval from Bangladesh Bank.	Complied
B	Responsibilities and Authorities of the CEO: The CEO of the bank, whatever name called, shall discharge the responsibilities and exercise the authorities as follows:	
	a. In terms of the financial, business and administrative authorities vested upon him by the Board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.	Complied
	b. The CEO shall ensure compliance of the Bank Company Act 1991 and other relevant laws and regulations in discharging of routine functions of the bank.	Complied
	c. The CEO shall include clearly any violation from Bank Company Act 1991 and/or other relevant laws and regulations in the "Memo" presented to the meeting of the Board or any other Committee (s) engaged by the Board.	Complied
	d. The CEO shall report to Bangladesh Bank of issues in violation of the Bank Company Act 1991 or of other laws/regulations.	Complied
	e. The recruitment and promotion of all staffs of the bank except those in the two tiers below him/her shall rest on the CEO. He/she shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and approved delegation of employees as approved by the Board.	Complied
	f. The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him/her, which he/she shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he/she shall nominate officers for training etc.	Complied

3. Contractual appointment of Advisor and Consultant

SN	Particulars	Compliance Status
A	Rules and regulations for appointment of an Advisor	
1	Experience and Suitability: For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications:	No Such Case
	a. Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities.	
	b. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.	
	c. Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/ Director/ Executive of any company.	
	d. The person who is working in any bank or financial institution or who has business interest in that bank will not be eligible for appointment to the post of Advisor.	
	e. Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated a bankrupt by the Court.	

3. Contractual appointment of Advisor and Consultant

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

Report on the activities of the Audit Committee

Board Audit Committee (the 'Committee') is one of the prime sub-committees of the Board of Directors (the 'Board') of Bengal Commercial Bank PLC. The purpose of the committee is to assist the Board in fulfilling its oversight responsibilities relating to (i) the integrity of the Bank's financial statements and internal control systems (including the implementation and effectiveness of internal control over financial reporting); (ii) the performance of the internal audit function (iii) the annual independent audit of the Bank's financial statements, engagement of independent auditors and evaluation of the independent auditors' qualifications, independence and performance; (iv) the compliance by the Bank with regards to legal and regulatory requirements; (v) the implementation and effectiveness of the Bank's disclosure controls and procedures; (vi) the evaluation of enterprise risk issues and (vii) the fulfillment of the other responsibilities set out by the regulators and the Board of Directors of the Bank.

Composition of Audit Committee

The Audit Committee of the Board of Directors of Bengal Commercial Bank PLC. was constituted in compliance with the Bangladesh Bank directives.

The Audit Committee of the Board is comprised of 04(four) Members of the Board of Directors including two Independent Directors having one Independent Director as Chairman in accordance with the Notification on Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) on June 03, 2018 (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80) and Bangladesh Bank's BRPD Circular No. 02 dated 11 February 2024.

The Audit Committee of Bengal Commercial Bank PLC. consist of the following members:

Names	Status with the Board	Status with the Audit Committee	Educational Qualification
Prof Dr Md Iftekharul Amin	Independent Director	Chairman	MBA, PhD
Mr A.N M Abul Kashem	Independent Director	Member	M.Sc
Mr Shamsul Alam	Director	Member	B.Com
Mrs.Rokeya Khatun, FCA	Director	Member	MSS, FCA

The Company Secretary of the Bank acts as Secretary of the Committee. The Head of Audit, although being a part of Internal Control & Compliance Division administratively, reports directly to the Chairman, Board Audit Committee (BAC) and responsible to the BAC. The Head of Internal Control & Compliance Division (ICCD) of the Bank reports his/her activities and findings to the Senior Management.

Access to the Audit Committee

On any matter within the Committee's Charter, the Head of Audit has direct access to the Audit Committee.

Roles and Responsibilities of the Audit Committee:

The roles and responsibilities of Audit Committee have been defined in line with the relevant provisions of Corporate Governance Guidelines/Notification of BSEC and circulars issued by Bangladesh Bank, two paramount regulators for the Bank and other best practices of governance. The following functions are common recurring activities for the Audit Committee of the Bank in carrying out its responsibilities in addition to any other responsibilities which may be assigned from time to time by the Board:

a. Internal Control

- The Audit Committee of the Bank evaluates whether management has been able to set the appropriate compliance culture, whether clear directives have been given to the Bank's officials/employees regarding their roles and responsibilities and whether there is full compliance and control over their work;
- Evaluate and provide necessary directives to review managements' actions for creating ICT platform and its applications and Management Information System (MIS) of the Bank;
- Review whether the recommendations made periodically by internal and external auditors on internal control strategies/-framework, have been implemented by the management and provide necessary guidance;
- Regularly update the board about irregularity, fraud, forgery and weaknesses in internal control detected by internal and external auditors and inspecting team of the regulatory authority or the corrective actions taken regarding similar issues detected by them.

b. Financial Reporting

- The Audit Committee check whether the Financial Statements reflect the comprehensive and concrete information and determine whether the country's prevailing rules & regulations and accounting standards, as well as the relevant accounting standards prescribed by the Bangladesh Bank in this regard, have been followed in preparing the Financial Statements.

Discuss with the Inspection Team of the Bangladesh Bank, the external auditors and management to review the Financial Statements before its finalization.

c. Internal Audit

- The Audit Committee ensures whether internal audit working independently from the management.
- Reviews the activities and the organizational structure of the internal audit and ensure that no unjustified restriction or limitation hinders the internal audit process;
- Assess the efficiency and effectiveness of internal audit function and recommend necessary measures accordingly;
- Also verify whether the findings/recommendations made by the internal auditors regarding regularizing irregularities detected by them, management of the Bank's operations etc. are being properly addressed by the Bank management and provide necessary guidance.

d. External Audit

- The Audit Committee reviews audit activities conducted by the external auditors and their audit reports;
- Also verifies whether the findings/recommendations of the external auditors on regularizing irregularities, fraud and forgeries detected by them and the management of the Bank's operations are being properly considered by the management authorities or not.
- Recommends regarding the appointment of the external auditors from the list of external auditors announced by the Bangladesh Bank from time to time.

e. Compliance with existing laws and regulations

- The Committee reviews whether Banking Laws, Rules & Regulations, Policies and Guidelines issued by regulatory authorities (BSEC, Central Bank and other institutions) and internal policies approved by the Board are being properly complied with.

f. Other responsibilities

- The Committee submits compliance report to the Board on quarterly basis on regularization of the irregularity, fraud and forgeries detected by the internal and external auditors and inspection team of the Bangladesh Bank and directions described in any observation;
- External and Internal Auditors will submit their related assessment report, if the committee solicit;
- Evaluate any matter as desired lawfully by the Board of Directors and submit a report/ recommendation on it.

Reporting to the Board of Directors

The Audit Committee regularly reports its activities to the Board of Directors following each meeting.

The Audit Committee shall report immediately to the Board of Directors in case of any of the following findings are observed:

- Report on conflict of interests;
- Suspected or presumed fraud or irregularity or material weakness in the Bank's internal control system;
- Suspected infringement of laws, including securities related laws, rules and regulations;
- Any other matter which shall be disclosed to Board immediately.

Reporting to the Authorities

- Report anything which has material impact on the financial position and performance of operation.

Meetings of the Audit Committee

- Audit Committee Meetings were held regularly as per regulatory requirement.

Major issues reviewed by the Audit Committee during - 2024

In addition to regular concerns such as review of existing risks & mitigation measures, compliance culture of management, monitoring internal audit functions, financial statements, timely submission of returns, findings and recommendations of External Auditors & Bangladesh Bank auditors etc. were given special focus. In the year 2024, the Audit Committee reviewed, discussed and instructed (if required) the following issues, amongst others:

- Reviewed the ICC Policy of the bank as per guidelines of Bangladesh Bank and unanimously recommended the same for approval of the Board of Directors of the Bank;
- Reviewed and approved the Risk Based Audit/Inspection Plan and Process for the year 2024;
- BAC reviewed the Reconciliation status of the adjustment accounts on periodical basis and advised the bank management for ensuring timely reconciliation of all adjustment accounts to minimize the risk of wrongdoing;
- Reviewed the findings reported in the internal audit reports, its subsequent compliances and advised to ensure regular audit on the branches, divisions and to ensure timely compliance thereon. The committee also advised to ensure regular audit, monitoring and compliance especially Anti-Money Laundering & Prevention of Terrorist financing issues with utmost care;
- Recommended M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants for re-appointment as External Auditor of the Bank for the year 2024 i.e. upto holding the 5th AGM of the Bank;
- The Annual Financial Statements as on 31.12.2024 as audited by the External Auditors M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants was reviewed and recommended for placement before the Board of Directors meeting for their consideration;
- Appointment of External Auditor regarding audit on Health Report of Bengal Commercial Bank PLC. for the year 2023 and advised the Management to forward the recommendation of the Audit Committee for placement before the Board of Directors meeting for final approval;
- Perused and noted the indicators of the Annual Health Report of Bengal Commercial Bank PLC. for the year 2023 and expressed their satisfaction. The Committee also

advised the Management to forward the recommendation of the Audit Committee for placement before the meeting of the Board of Directors for approval and onward submission the same to Bangladesh Bank;

- Reviewed the compliance status of the inspection report carried out by the Bangladesh Bank's inspection team on the core risks of the bank and also advised to ensure meticulous compliance and timely reporting to the Bangladesh Bank on all types of inspection carried out by the Bangladesh Bank's inspection team.

The Audit Committee further affirmed that:

- The rules and regulations of Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board are duly complied with.
- Adequate internal control and security measures have been taken by the Bank facilitating Information Technology (IT) based banking including generation of proper Management Information System (MIS).
- The system of internal control and business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.
- Efforts shall be continued to keep the assets of the Bank safe along with liabilities and commitments being transparent.
- The Financial Statements of the Bank have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) which contained full disclosures.
- The good governance is in place in the Bank to ensure a strong sustainable position in the industry.

Acknowledgement

The Audit Committee expresses its sincere thanks to the members of the Board, Management and Auditors for their outstanding supports extended to the Committee. The Committee is also grateful to Bangladesh Bank and other regulators for their valuable direction and guidance, which facilitated discharging of its duties and responsibilities in an efficient and timely manner.

On behalf of the Board Audit Committee,

Prof. Md. Iftekharul Amin, Ph.D
Chairman
Board Audit Committee

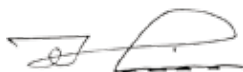
Directors Responsibility Statement to Establish Appropriate System of Internal Control

The Board of Directors of Bengal Commercial Bank PLC. acknowledges its responsibility to establish a robust internal control system and has delegated the overall supervision role to the Audit Committee of the Bank. The Board of Directors regularly reviews internal audit report, external auditor's report including management report and Bangladesh Bank's inspections report to ensure meticulous compliances and management of due diligence in the affairs of the Bank. It assesses the qualifications of external auditors and verifies the effectiveness of the Bank's internal control systems, emphasizing continuous risk identification and its management.

This control system not only helps the Bank to achieve its goals consistently but also ensures compliance with local laws, regulations, and internal/external policies, reducing the risk of unexpected threats, loss or damages. Additionally, Bengal Commercial Bank PLC. conducts anti-fraud control self-assessments twice a year, observing Bangladesh Bank's DOS Circular Letter No. 10 dated 09 May 2017. The results are shared with the respective department of Bangladesh Bank to appraise the compliance status of the Bank. The details of Directors responsibilities have been discussed in the Directors Report and Corporate Governance Report.

The Directors acknowledge their overall responsibility for the Bank's systems of Internal Control towards establishing, efficiency, effectiveness, reliability, timeliness, completeness, accountability and compliance with applicable laws and regulations.

On behalf of the Board of Directors.



Md Jashim Uddin
Chairman
Board of Directors

Directors Statement on Adequacy of Internal Control System

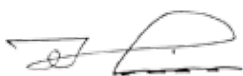
Bengal Commercial Bank PLC. has implemented a strong Internal Control System aimed at ensuring compliance with regulations for establishing sound Corporate Governance in the affairs of the Bank. The Internal Control and Compliance Division conducts periodic audits and ensures adherence to corporate and business laws, as well as established internal policies. The Board of Directors oversee the status of the Bank's governance practices using various tools, including a comprehensive internal control strategy and relevant legislations as provided in the Bank Company Act, 1991, Companies Act, 1994 and other applicable laws.

The Board of Directors has delegated appropriate responsibilities to three sub-committees namely the Executive Committee, Audit Committee and Risk Management Committee as described in the BRPD Circular No.02 dated 11th February, 2024. These Committees play a significant role in overseeing accounting records, ensuring accurate and fair financial representation, effective risk management and strengthening internal controls.

The Board of Directors also monitors the functions and effectiveness of the Internal Control System through Board Audit Committee. All the conditions depicted in the Bank Company Act 1991 (as amended up to 2023), Guidelines issued by Bangladesh Bank and Corporate Governance Code issued by Bangladesh Securities & Exchange Commission (BSEC) have been properly maintained at the time of formation of the Audit Committee. The principal activity of the Board Audit Committee was to review the financial reporting process, the system of internal control and management of financial risks, the audit process and the bank's process for monitoring compliance with applicable laws and regulations and its own code of business conduct as well as manage the core risks of the Bank.

The Board of Directors reviews internal control's soundness, does continuous monitoring and assures the accuracy of financial records on regular basis. The Board acknowledges that the Financial Statements are prepared on a going concern basis, and considered reliable as it was prepared complying with International Financial Reporting Standards (IFRS) and relevant regulatory guidelines.

On behalf of the Board of Directors.



Md Jashim Uddin
Chairman
Board of Directors

Directors Statement on Declaration by CEO and CFO

May 11, 2025
The Board of Directors
Bengal Commercial Bank Limited
Head Office
Khandker Tower
94, Gulshan Avenue, Dhaka -1212.

Subject: Declaration on Financial Statements for the year ended on 31st December 2024

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1) The Financial Statements of Bengal Commercial Bank Limited for the year ended on 31st December 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our Internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that;

- I. We have reviewed the financial statements for the year ended on 31st December 2024 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- II. There are, to the best of knowledge and belief no transaction entered into by the Company during the year which is fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Tarik Morshed
Managing Director & CEO



Mohammad Anisur Rahaman, FCA
VP & Chief Financial Officer

Credit Rating Reporting

Ratings	Year	
	2024	2023
Long Term	AA-	A+
Short Term	ST-2 (High Grade)	ST-3 (Good Grade)
Outlook	Stable	Stable
Valid From	June 04, 2025	June 09, 2024
Valid Till	June 03, 2026	June 08, 2025
Rating Action	Initial	Surveillance
Rated By	Emerging Credit Rating Ltd. (ECRL)	Credit Rating Information and Services Ltd. (CRISL)

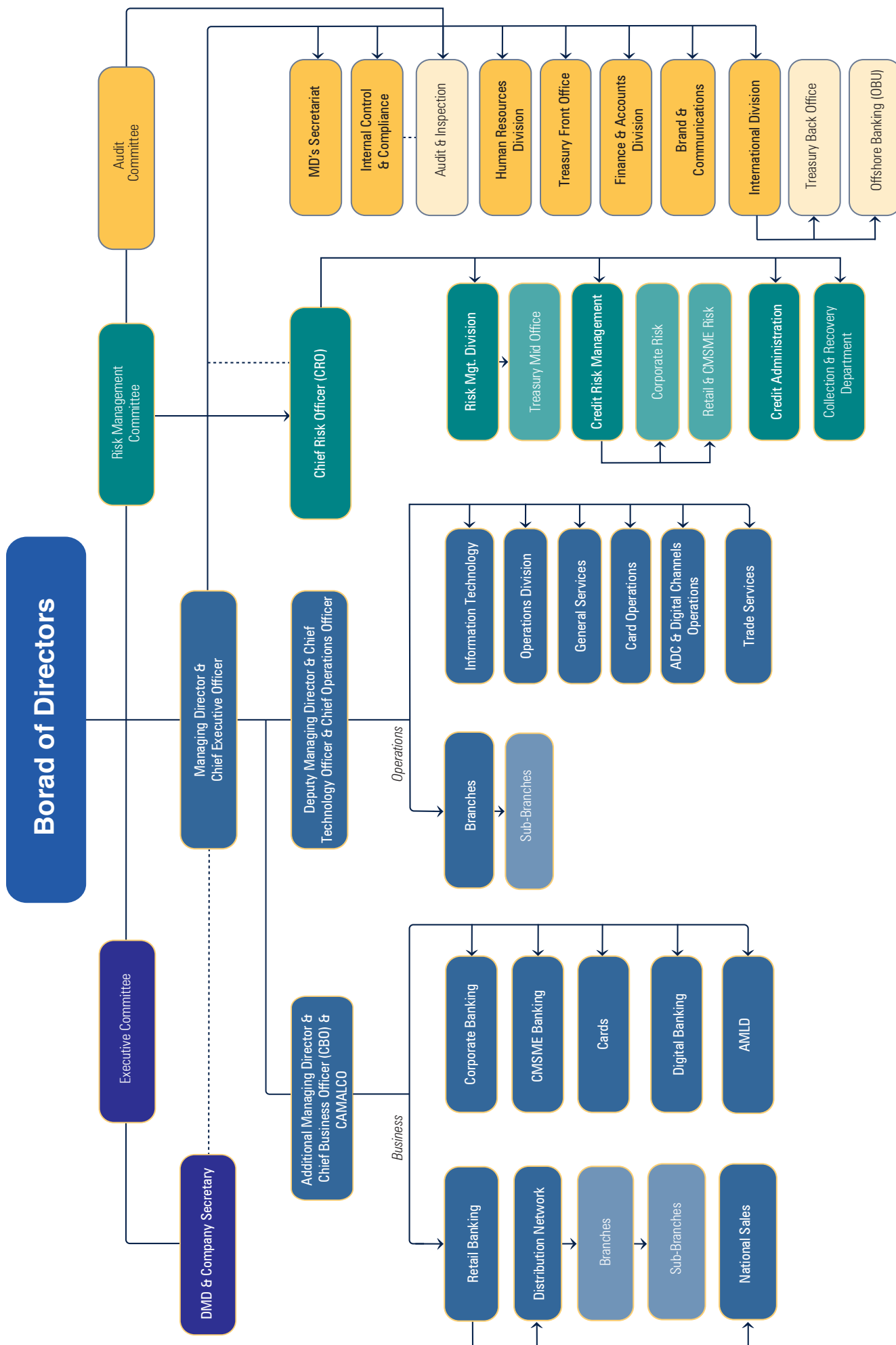
A Bank rated AA- in the long term is adjudged to be of High Quality safety & credit quality and rated "ST-2" in the short term indicates high certainty of timely payment, short-term liquidity is sound and safety is almost like very small short-term obligation. **Stable outlook** indicates the rating is likely to remain unchanged

AA-



MANAGEMENT **COMMITTEE**

HEAD OFFICE ORGANOGRAM



Senior Management Team



Sitting from Left

Engr Md Rafiqul Islam, Ph.D
DMD, COO & CTO
Member

Mr Tarik Morshed
Managing Director & CEO
Chairman

Mr KM Awlad Hossain
AMD & CBO
Member

Mr Md Humayun Kabir, FCS
DMD & Company Secretary
Member

Standing from Left

Mr Md Saiful Islam
SVP & Head of ITS
Member

Mr Md Rafiquzzaman
SVP & Head of Treasury
Member

Mr Md Anisur Rahaman, FCA
SVP & Chief Financial Officer
Member

Mr Pronab Kumar Roy
SVP & Chief Risk Officer
Member

Mr Rafiq Ahmad
VP & Head of HRD
Member Secretary

Management Committee



Sitting from Left

Mr Md Saiful Islam
SVP & Head of ITS
Member

Mr Pronab Kumar Roy
SVP & Chief Risk Officer
Member

Engr Md Rafiqul Islam, Ph.D
DMD, COO & CTO
Member

Mr Tarik Morshed
Managing Director & CEO
Chairman

Mr KM Awlad Hossain
AMD & CBO
Member

Mr Md Humayun Kabir, FCS
DMD & Company Secretary
Member

Standing from Left

Mr Md Majbah Uddin
SAVP, Corp. Business unit
Member

Mr Rafiq Ahmad
VP & Head of HRD
Member Secretary

Mr Md Rafiquzzaman
SVP & Head of Treasury
Member

Mr Md Habibullah Sharifi
SVP & Head of CAD
Member

Mr Mesbahuddin Ahmed
In-Charge, IT Division
Member

Mr Md Monzur-A-Moula
VP & Head of GSD
Member

Mr Johary Bin Akhter
AVP & DCAMLCO, AMLD
Member

Mr Khan Mohd. Rabbi Hasan
Head of Retail National Sales
Member

Mr Md Anisur Rahman, FCA
SVP & Chief Financial Officer
Member

Mr Mohammad Zakir Hossain
VP & Head of CRM
Member

Mr Md Khomeni Hossain Sabbir
In-Charge, ICCD
Member

Ms Navera Alam
SVP & Head of Retail
Member

Mr Md Anisur Rahman
SAVP & Head of Micro Credit
Member

Mr K M Zakir Hassan
In-Charge, Cards Operations
Member

Ms Nazia Khanom
EO & In-Charge, Brand & Com.
Member

Mr Jyotirmoy Chakraborty
VP & Head of SME Business
Member

Credit/Investment Committee



Sitting from Left

Mr Md Saiful Islam
SVP & Head of ITS
Member

Mr Pronab Kumar Roy
SVP & Chief Risk Officer
Member

Mr Md Rafiquzzaman
SVP & Head of Treasury
Member

Mr Tarik Morshed
Managing Director & CEO
Chairman

Mr KM Awlad Hossain
AMD & CBO
Member

Mr Mohammad Zakir Hossain
VP & Head of CRM
Member Secretary

Standing from Left

Mr Jyotirmoy Chakraborty
VP & Head of SME Business
Member

Mr Md Majbah Uddin
SAVP, Corp. Business unit
Member

Ms Navera Alam
SVP & Head of Retail
Member

Mr Md Habibullah Sharifi
SVP & Head of CAD
Member

Central Complaint Committee



Sitting from Left

Engr Md Rafiqul Islam, Ph.D
DMD, COO & CTO
Chairman

Mr KM Awlad Hossain
AMD & CBO
Member

Mr Md Humayun Kabir, FCS
DMD & Company Secretary
Member

Standing from Left

Mr Md Saiful Islam
SVP & Head of ITS
Member

Mr Md Habibullah Sharifi
SVP & Head of CAD
Member

Mr K M Zakir Hassan
In-Charge, Cards Operations
Member

Mr Pronab Kumar Roy
SVP & Chief Risk Officer
Member

Mr Mohammad Zakir Hossain
VP & Head of CRM
Member

Mr Rafiq Ahmad
VP & Head of HRD
Member

Ms Navera Alam
SVP & Head of Retail
Member

Mr Md Anisur Rahaman, FCA
SVP & Chief Financial Officer
Member

Mr Md Rafiquzzaman
SVP & Head of Treasury
Member

Mr Johary Bin Akhter
AVP & DCAMLCO, AMLD
Member

Central Customer Service & Complaint Management Cell



Sitting from Left

Mr Pronab Kumar Roy
SVP & Chief Risk Officer
Member

Engr Md Rafiqul Islam, Ph.D
DMD, COO & CTO
Head of the CELL

Mr Md Humayun Kabir, FCS
DMD & Company Secretary
Focal Point

Mr Md Monzur-A-Moula
VP & Head of GSD
Member

Standing from Left

Mr Md Khomeni Hossain Sabbir
In-Charge, ICCD
Member

Mr Rafiq Ahmad
VP & Head of HRD
Member

Asset Liability Committee



Sitting from Left

Engr Md Rafiqul Islam, Ph.D
DMD, COO & CTO
Member

Mr Tarik Morshed
Managing Director & CEO
Chairman

Mr KM Awlad Hossain
AMD & CBO
Member

Mr Md Humayun Kabir, FCS
DMD & Company Secretary
Member

Standing from Left

Mr Md Saiful Islam
SVP & Head of ITS
Member

Mr Md Anisur Rahaman, FCA
SVP & Chief Financial Officer
Member

Ms Navera Alam
SVP & Head of Retail
Member

Mr Md Rafiquzzaman
SVP & Head of Treasury
Member Secretary

Mr Pronab Kumar Roy
SVP & Chief Risk Officer
Member

Mr Mohammad Zakir Hossain
VP & Head of CRM
Member

Purchase Committee



Sitting from Left

Engr Md Rafiqul Islam, Ph.D
DMD, COO & CTO
Chairman

Mr KM Awlad Hossain
AMD & CBO
Member

Mr Md Humayun Kabir, FCS
DMD & Company Secretary
Member

Mr Md Anisur Rahaman, FCA
SVP & Chief Financial Officer
Member

Standing Behind

Mr Md Monzur-A-Moula
VP & Head of GSD
Member Secretary

Shariah Supervisory Committee



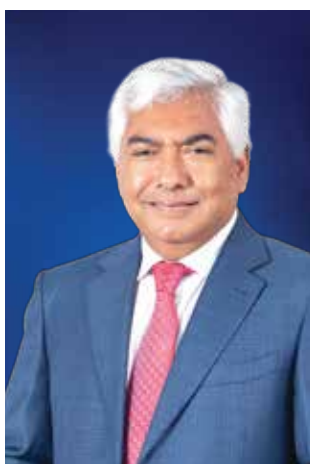
Janab Mufti Mohammad Muhibullahil Baqee
Chairman



**Janab Mufti Dr Md Anwar
Hosain Molla**
Co-Chairman



**Janab Shah Mohammad
Wali Ullah**
Member Secretary



Mr Md Jashim Uddin
Member



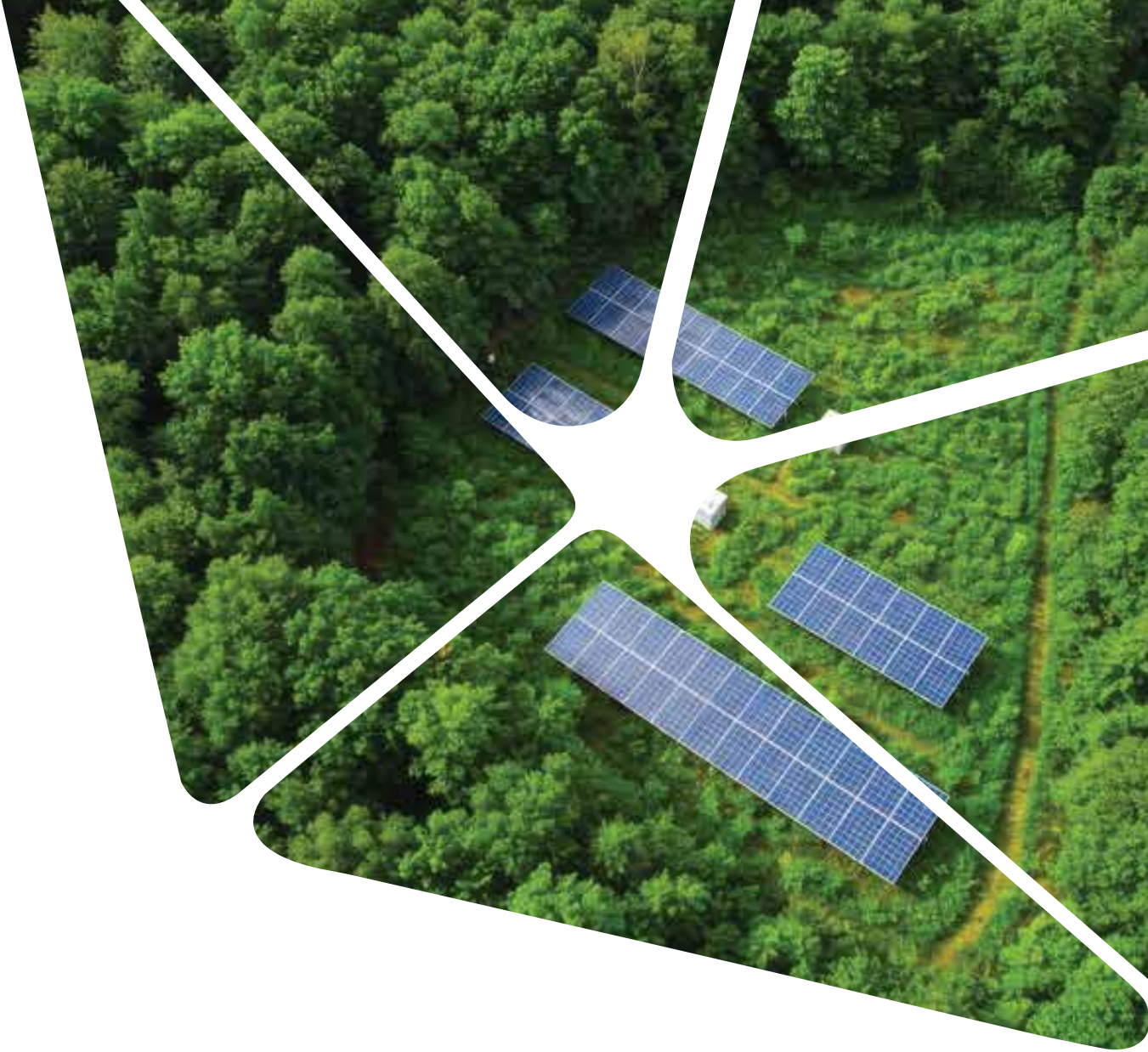
Mr Shamsul Alam
Member



**Mr Muhammad
Jamaluddin**
Member



Mr Tarik Morshed
Member



SUSTAINABILITY **REPORTING**

Sustainability Report 2024 of Bengal Commercial Bank PLC.

Global and National Context of Sustainable Finance (2024)

Since the adoption of the UN 2030 Agenda and the Paris Climate Agreement in 2015, the global financial ecosystem has been steadily evolving toward a low-carbon, climate-resilient model. The European Green Deal, announced in 2019 and updated through 2024, continues to drive major sustainability-focused investments, with over €1.3 trillion already mobilized for green and inclusive economic transformation. The EU's 2030 climate target cutting emissions by 55% compared to 1990 levels has spurred both regulatory reform and innovation in sustainable finance.

Bangladesh is strengthening its focus on climate resilience and inclusive development. The government's strategic efforts have received international recognition, particularly for attracting investments in renewable energy, sustainable infrastructure, and clean technology. Key national initiatives, such as the National Solar Energy Roadmap and the National Action Plan for Clean Cooking, are now in advanced stages of implementation.

In 2024, Bangladesh also made significant progress in:

- Expanding community-led adaptation programs in vulnerable coastal areas.
- Operationalizing climate budget tagging across all key ministries.
- Integrating climate-smart metrics into national development planning, including Vision 2041 and Delta Plan 2100.

As a key enabler in this transformation, Bangladesh Bank has further strengthened its Sustainable Finance Policy (SFD Circular No. 05, updated in 2024) to ensure ESG integration across all financial institutions. Banks are now mandated to screen projects against social and environmental thresholds, invest in climate-resilient sectors, and report transparently on their sustainability performance.

Bengal Commercial Bank PLC. (BGCB) has actively responded to this call. Building on a decade of green banking experience, BGCB has embraced its role as a financial catalyst in the transition to a sustainable economy. In 2024, the Bank:

- Scaled up green finance focusing on renewable energy, sustainable agriculture, and eco-friendly MSMEs.
- Fully implemented ESG screening tools across all credit operations.
- Enhanced digital banking services to minimize its carbon footprint and improve financial inclusion.

BGCB continues to align its strategy with both national directives and international standards, including the UN SDGs and the Paris Climate Agreement. The Bank views sustainability not just as compliance, but as a core business principle, essential for long-term value creation and responsible banking.

REPORT PARAMETER

Sustainability has continued to gain momentum as a central consideration in the global financial landscape, and 2024 was no exception. In this evolving context, Bengal Commercial Bank PLC. (BGCB) has reaffirmed its commitment to sustainable banking by integrating environmental, social, and governance (ESG) values across its operations. Sustainable banking at BGCB means delivering products and services that foster long-term positive impact for the institution, its customers, and society at large.

This Sustainability Report 2024 demonstrates BGCB's dedication to responsible banking practices, inclusive growth, and climate-resilient development. It captures the Bank's efforts throughout the year in aligning with both domestic policy frameworks and international goals such as the UN Sustainable Development Goals (SDGs). This report is built upon comprehensive research and assessment of BGCB's sustainability initiatives, using verified data and metrics from across the organization.

Scope of the Report

This report outlines all significant environmental, economic, and social impacts arising from BGCB's operations for the financial year ending December 31, 2024.

Boundary of the Report

The coverage of this report is limited to activities undertaken by BGCB's Head Office, Branches, Sub-Branches, and other direct banking outlets and networks operating within the geographical boundary of Bangladesh.

KEY HIGHLIGHTS 2024

- Significant growth in green financing disbursed Tk 30.00 million
- Expansion of BGCB i-Banking with over 5,634 active users
- Over Tk 55 million invested in CSR and community initiatives

STRATEGIC PLAN FOR SUSTAINABILITY

Green Banking Strategies

BGCB advanced its green banking goals by focusing on five key areas:

- Expanding Green Finance portfolios (renewables, eco-innovation)
- Promoting In-house sustainability such as paperless operations and branch-level carbon audits
- Strengthening ESG Integration into risk management
- Launching awareness campaigns through digital media
- Enhancing green reporting and disclosure standards

Customer Satisfaction

In 2024, BGCB further elevated its customer service by implementing IT based support systems and real-time feedback mechanisms. Man forces actively promoted financial literacy and BGCB’s innovative offerings via online platforms.

Digital Banking Strategies

The Bank continued to drive forward its digital transformation with:

- Enhanced features in the Bengal i-Banking App
- Launch of Smart Branches well equipped with service kiosks
- Introduction of online loan applications and real time KYC

Offering of Sustainable Products

BGCB expanded its line of green and socially responsible products in alignment with the UN SDGs. Financing was extended to solar power projects, clean water startups, and women-led green businesses. The Bank remained dedicated to realizing the vision of “Go Green Financing” by aligning its portfolio with Bangladesh Bank’s Sustainable Finance Taxonomy.

Stakeholders Of Bengal Commercial Bank Plc.

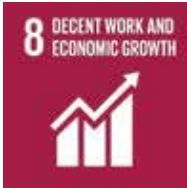
Internal Stakeholders	External Stakeholders
1. Employees 2. Board & Management	1. Customers 2. Local Communities 3. Government & Regulatory Authorities

Alignment with UN SDGs And UN Global Compact



BGCB's Responses to Key Stakeholder Groups and SDG Indicators - 2024

	SDG Indicators	BGCB's Responses
Customers	 	• Customer-Centric Approach: Frontline officers ensure high-quality service, with management actively addressing customer feedback, while ALCO maintains competitive deposit rates to enhance customer satisfaction and trust.
Employees	   	• Employee Capacity Development: Conducted in-house training programs. • Competitive Compensation: Introduced attractive salary packages aligned with market trends and inflation. • Employee Welfare: Provided medical and life insurance coverage for employees and their families. • Workplace Safety: Implemented fire safety systems to ensure employee protection. • Leave Policy: Offered sick and mandatory leave as per regulatory guidelines. • HR Digitalization: Launched the "Bengal HRM" portal for streamlined HR and payroll management.
Board & Management		• Board, Executive, and Audit Committee Meetings: Held regularly to ensure sound decision-making. • Management Committee Meetings: Convened as necessary to address operational issues. • Business Review Meetings: Conducted to assess performance and set strategic goals. • Policy Formulation: Management develops policies, which are approved by the Board for effective operations.
Local Communities	   	• Active Community Engagement: BGCB took part in various initiatives to support community welfare. • Donations: The bank provided financial assistance to support social causes. • CSR Participation: BGCB was involved in multiple Corporate Social Responsibility (CSR) activities to promote social and environmental well-being.

	SDG Indicators	BGCB's Responses
Local Communities	     	• Active Community Engagement: BGCB took part in various initiatives to support community welfare. • Donations: The bank provided financial assistance to support social causes. • CSR Participation: BGCB was involved in multiple Corporate Social Responsibility (CSR) activities to promote social and environmental well-being.
Government & Regulatory Authorities	 	• BGCB upholds the highest standards of regulatory compliance and national responsibility, demonstrating unwavering commitment through timely reporting and consistent contributions to the national exchequer.

Sustainable Finance Unit

In pursuit of transforming Bengal Commercial Bank PLC. into a greener and more sustainable financial institution, the Bank has established a Sustainable Finance Unit (SFU) comprising dedicated members responsible for championing environmentally and socially responsible initiatives across the organization.

Screening Process for Sustainable Finance

To ensure that financing activities do not cause undue harm to the environment or society, the Sustainable Finance Unit has developed a robust screening framework. This framework is guided by clearly defined technical screening criteria aimed at assessing whether a financial activity contributes meaningfully to one or more of the following six environmental objectives while ensuring it does not significantly harm the others:

1. Climate Change Mitigation
2. Climate Change Adaptation
3. Sustainable Use and Protection of Water and Marine Resources

4. Transition to a Circular Economy, Waste Prevention, and Recycling
5. Pollution Prevention and Control
6. Protection and Restoration of Biodiversity and Healthy Ecosystems

Performance Thresholds

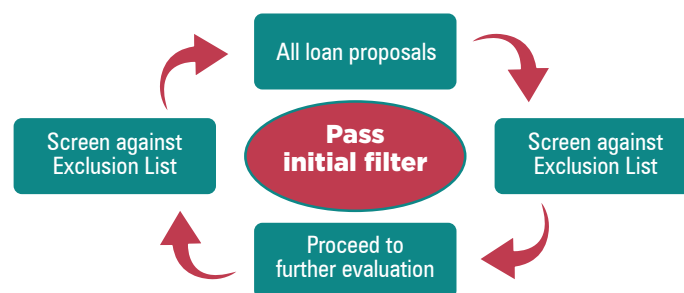
To qualify as sustainable, an activity must meet the following performance thresholds:

1. Substantive Contribution – Make a meaningful contribution to at least one of the six environmental objectives.
2. Do No Significant Harm (DNSH) – Avoid significant negative impact on the remaining five environmental objectives, where relevant.
3. Social and Governance Safeguards – Comply with minimum standards related to human rights, labor practices, and sound corporate governance.

This structured approach enables Bengal Commercial Bank PLC. to align its financing practices with national and global sustainability goals, promoting green growth and responsible banking.

Steps of Screening

As part of the sustainable finance framework, all loan proposals must undergo an initial screening against a predefined Exclusion List. This step ensures that the Bank does not finance activities that are inherently harmful to the environment, society, or that conflict with BGCB's sustainability commitments. Only those proposals that pass this initial filter proceed to further evaluation against the Bank's technical screening criteria and ESG performance thresholds.



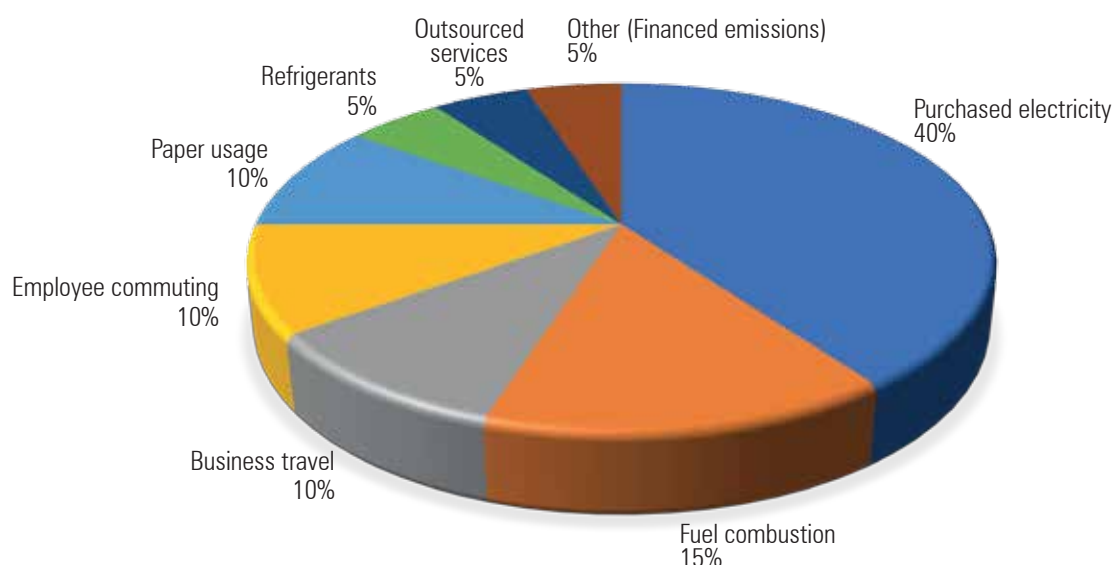
Monitoring and Carbon Footprint Minimization

Bengal Commercial Bank emphasizes structured monitoring following asset creation to maintain asset quality and ensure long-term sustainability. While Environmental, Social, and Governance (ESG) screening is critical during the project evaluation phase, consistent offsite and onsite monitoring is essential to uphold sustainability standards. Monitoring includes evaluating client compliance with ESG commitments, reviewing performance reports, conducting site visits, verifying permits, and tracking incidents, media coverage, and stakeholder complaints.

In line with SFD Circular no. 05 dated 30th December 2020, the Bank is also committed to minimizing its carbon footprint by supporting sustainable financing initiatives and activities that reduce greenhouse gas emissions. These efforts not only help mitigate environmental impact but also turn carbon reduction into a valuable economic asset through the creation of tradable financial instruments.

Key Sources of Carbon Emission (for a bank):

- A. **Scope 1 (Direct Emissions):**
 - Fuel combustion (generators, vehicles) Refrigerants leakage
- B. **Scope 2 (Indirect Emissions from energy use):**
 - Purchased electricity for branches and offices
- C. **Scope 3 (Other Indirect Emissions):**
 - Business travel
 - Employee commuting
 - Paper usage
 - Waste generation
 - Outsourced services
 - Financed emissions (if applicable)



BGCB Responses to Minimize Carbon Footprint

Bengal Commercial Bank PLC (BGCB) is committed to reducing its carbon footprint and supporting the transition to a low carbon economy. As part of our sustainability strategy, we are actively participating in carbon markets and promoting climate-resilient practices through the following key initiatives:

- **Advisory Services:** BGCB provides expert advisory services to clients engaged in or entering carbon markets. This includes assistance with the marketing, structuring, transaction, and sales of carbon credits.
- **Targeted Green Financing:** We offer dedicated financing solutions for companies implementing greenhouse gas (GHG) emission reduction projects and programs that are eligible to generate carbon finance revenues.
- **Aggregation and Sales of Emission Reductions:** BGCB facilitates the sale of emission reductions by aggregating and purchasing credits from portfolios of smaller-scale GHG emission reduction projects implemented by our clients.
- **Strategic Equity Investments:** We invest in companies that originate and manage GHG emission reduction projects and programs, contributing to the generation of carbon finance and supporting climate innovation.
- **Innovative Financing Models:** BGCB engages in performance-based financing models, receiving emission reductions in addition to interest payments as part of upside-sharing arrangements with clients producing verified carbon credits.

Through these multifaceted approaches, BGCB is not only minimizing its own environmental impact but also empowering businesses across sectors to participate in climate-positive activities and scale their decarbonization efforts.

Sustainable Finance Taxonomy

At BGCB, we align with the Sustainable Finance Policy of Bangladesh Bank by adopting a comprehensive Sustainable Finance Taxonomy a structured classification system that guides the identification, assessment, and promotion of finance aligned with environmental and social sustainability.

This taxonomy encompasses not only Green Taxonomy, but also includes aspects of Corporate Social Responsibility (CSR), Economic and Social Inclusion, and both Good Governance and Green Governance practices. It applies across sectors such as Agriculture, CMSME, and other socially responsible financing initiatives.

Key Features (as per Bangladesh Bank's Sustainable Finance Policy):

- Clear classification of sustainable finance activities and eligible sectors.
- Alignment with national sustainability goals and international environmental commitments.
- Support for inclusive and responsible economic growth.

Green Taxonomy

The Green Taxonomy is a core component, identifying environmentally sustainable investments and activities that contribute meaningfully to climate action and ecological resilience. It enables targeted climate finance and ensures capital is directed efficiently toward green transformation.

Purpose of Green Taxonomy:

- Support climate finance aimed at reducing GHG emissions and enhancing carbon sinks.
- Promote resilience of human and ecological systems against climate change impacts.
- Encourage the greening of polluting sectors through measurable environmental improvement.
- Recognize and support economic activities that have significantly reduced their negative environmental impacts.

BGCB is committed to integrating this taxonomy in all relevant financing decisions to promote long-term environmental sustainability and inclusive development.

Green Taxonomy is a classification system designed to provide clear criteria for identifying sustainable economic activities. It aims to direct investment toward projects that contribute to environmental sustainability and the transition to a green economy. Here's a summary of its key features:

1. **Environmental Objectives:** The Green Taxonomy outlines specific environmental objectives, such as climate change mitigation, climate change adaptation, sustainable use of water, protection of biodiversity, and pollution prevention.
2. **Eligibility Criteria:** It sets clear criteria for determining whether an activity is environmentally sustainable. Activities are assessed based on their environmental impact, whether they contribute to sustainability goals, and if they comply with minimum safeguards.
3. **Clear Definitions:** It provides standardized definitions and

categories for what qualifies as "green," making it easier for investors, policymakers, and businesses to understand and follow sustainability guidelines.

4. **Transparent Reporting:** Entities using the Green Taxonomy are required to disclose their activities' alignment with sustainability criteria, ensuring transparency and accountability.
5. **Investment Guidance:** It serves as a guide for financial institutions and investors to make informed decisions, encouraging investments in environmentally sustainable projects.

6. **Adaptable to Regional Contexts:** Although it provides a global framework, the taxonomy can be adapted to local contexts, ensuring it is relevant to different countries' sustainability goals.
7. **Scientific Basis:** The criteria are often rooted in scientific research and evidence, ensuring that the activities identified as green have a genuine positive environmental impact.

In essence, Green Taxonomy is a tool for streamlining green investments, ensuring they genuinely contribute to the planet's environmental and sustainability objectives.

Mapping the Activities of BGCBL with UN SDGs

Segment	Amount Disbursed	Client Segment	SDGs Mapping
Sustainable Agriculture	297.59 mn	✓ Fishery ✓ Poverty Alleviation	   
Sustainable CSME	450.00 mn	✓ Agro Equipment Manufacturing ✓ Production of Bio - pesticide, organic fertilizer	    

Executive Summary

In 2024, Bengal Commercial Bank PLC. (BGCB) solidified its position as a frontrunner in sustainable banking in Bangladesh. Through expanded green financing, innovative digital banking solutions, and strengthened environmental and social governance practices, BGCB made measurable progress toward both national development objectives and the UN Sustainable Development Goals (SDGs).

Key highlights of the year include disbursement of Tk 30.00 million in green financing, the launch of eco-conscious financial products, and widespread digital transformation with the Bengal i-banking app experiencing a 32% user increase. BGCB also took bold steps to minimize its carbon footprint and implemented a rigorous ESG screening process for all new financial proposals.

The Bank's comprehensive approach to sustainability is driven by strategic alignment with Bangladesh Bank guidelines and the Paris Climate Agreement, ensuring a resilient, inclusive, and environmentally responsible financial ecosystem for the future.



Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a self-regulating framework that enables organizations to remain accountable to themselves, their stakeholders, and the broader society. Since the commencement of its commercial operations, Bengal Commercial Bank PLC (BGCB) has actively engaged in CSR initiatives in compliance with regulatory guidelines.

BGCB recognizes the importance of understanding and addressing the social, economic, and environmental impacts of its operations. The Bank is committed to embedding CSR principles across all areas of its business, ensuring a responsible and sustainable approach to banking. At BGCB, CSR is not just a legal or ethical obligation it is a strategic imperative aligned with the Bank's mission to support the nation's development goals and maintain its social license to operate.

Our CSR strategy reflects a strong commitment to long-term, high-impact community engagement. Rather than focusing on isolated acts of charity, BGCB invests in initiatives that generate lasting social value. The Bank integrates CSR into its organizational culture, aligning business activities with community development efforts to create meaningful change.

BGCB's CSR programs are anchored in core areas such as education, environmental sustainability, and economic empowerment. These initiatives aim not only to provide immediate support but also to build the capacity of individuals and communities for a more inclusive and sustainable future.

As per the guidance of Bangladesh Bank, BGCB allocates its annual CSR expenditure based on the net profit after tax of the preceding year. The Bank's CSR policy has been formulated in accordance with various directives issued by the Department of Off-Site Supervision, Green Banking & CSR Department, and Sustainable Finance Department of Bangladesh Bank.

Through its proactive and structured approach to CSR, Bengal Commercial Bank PLC continues to strengthen its role as a responsible corporate citizen committed to the long-term welfare of society.

Purpose of Corporate Social Responsibility

For the welfare of the country Bengal Commercial Bank PLC. furnished its CSR activities by complying the instructions of Bangladesh Bank. To contribute in the socio-economic development of the country is the main goal of the Bank's CSR Unit. CSR requires engagement with internal and external stakeholders, it enables enterprises to better anticipate and take advantage of fast changing societal expectations and operating conditions. It can therefore drive the development of new markets and create opportunities for growth.

Responsibility for Corporate Social Responsibility

The concept of Corporate Social Responsibility (CSR) is so wide, it includes Human rights, good governance, health, education, security, balance in the environment etc. CSR activities is a social movement and it will help in the development of the backwards people of the country. The responsibilities of CSR are stated below:

- i. Ethical Responsibility;
- ii. Economical Responsibility;
- iii. Social Responsibility;
- iv. Humanitarian Responsibility;
- v. Environmental Responsibility.

Plan of Action for Corporate Social Responsibility

Bengal Commercial Bank PLC. may take the following actions for the CSR activities:

- i. Take action in the ground of Humanity;
- ii. Take action for the healthcare ground;
- iii. Development in the Sports sector,
- iv. Development in the Agricultural sector;
- v. Save the environment from different disaster by Tree Plantation program;
- vi. By constructing dam in the flood affected area,
- vii. Helping the poor people for accelerate their earning;
- vii. Development in the Human Resource Management.

Administrative infrastructure and Budget Process

The Board approved annual CSR activities of the Bank will be functioned by the CSR unit of Bengal Commercial Bank PLC. Internal audit division will follow-up the activities of the CSR Unit. Moreover, the Green Banking & CSR Department and Offsite Supervision Department of Bangladesh Bank will also oversight the overall activities of the CSR Unit.

The CSR unit of the Bank will present an Annual CSR Budget to its Board of Directors for approval and the Board will approve the same from the Banks after tax net profit. The proposals for board approval must scrupulously avoid any allocation in favor of any entity directly or indirectly connected with directors, senior management members of the bank or with the members of its CSR unit.

The Bank with no after tax net profit surplus may postpone making fresh CSR program expenditure commitments but should continue honoring previous commitments (like educational scholarship for a student's educational course period etc.). CSR engagements in priority sector lending (like agricultural, SME and green financing) should also remain undiminished scale.

The Bank shall exercise utmost care in ensuring that the CSR support allocations do not end up siding of abetting financing of militancy and terrorism. Any suspected event of such abuse of CSR assistance must be reported to law enforcement authorities, stopping the CSR assistance forthwith; failure to do so will attract penal proceedings under AMI CFT laws and regulations.

Sectors for CSR Expenditure

As per Bangladesh Bank's SFD circular no. 01, dated 09 January 2022, followings are the sectors for CSR expenditures by the Bank:

1. Education Sector:

Education and job focused vocational training being crucial in widening advancement opportunities for the underprivileged population segments, around 30% (Thirty percent) of total CSR expenditure may be used in the following fields:

- a. For scholarships/stipends for students from low income family in reputed academic and vocational training institutions, and
- b. For support towards upgrading of facilities in academic and vocational training institutions substantially engaged with students and trainees from the underprivileged rural and urban population segments Selection processes for scholarships and stipends should elicit enough information to preclude applicants from drawing benefits from multiple banks sources.

2. Healthcare Sector:

Preventive and curative healthcare support assistance for underprivileged population segments comes next in priority, around 30% (Thirty percent) of total CSR expenditure allocation in this area may be appropriate. Support assistances in this area would include direct grants towards costs of curative treatment of poor vulnerable individual patients for expensive treatments, costs of running hospitals and diagnostic centers engaged substantially in treatment of patients from underprivileged population segments, and towards costs of preventive public health and hygiene initiatives like provision of safe drinking water, hygienic toilet facilities for poor households and for floating population in urban areas, and so on.

3. Environment & Climate Change Mitigation & Adoption Sector:

As per circular of Bangladesh Bank at least 20% (Twenty percent) of budgeted CSR fund have to send in the sector of environmental and climate change mitigation & adoption sector, details are stated below:

- a. Tree plantation;
- b. Cyclone center for coastal areas and rehabilitation of the people of the affected area;
- c. Housing program for the affected people in coastal area;
- d. Placement of Solar panel / solar irrigation pump.

4. Other Sector:

The remainder of direct budgetary CSR expenditure allocations 20% (Twenty percent) may be used in such other areas as:

- a. Emergency disaster relief;
- b. Promoting adoption of environmentally sustainable output practices and lifestyles;
- c. Promoting artistic, cultural, literary;
- d. Upgrading facilities and lifesavings equipment's in emergency rescue services like the fire brigades etc;
- e. Infrastructure improvement for disadvantaged communities in remote far flung areas and so forth;
- f. Others: The CSR unit must have to ensure that the Bank did not approve any CSR amount in the following area:
 1. Terrorist Financing;
 2. Money laundering;
 3. Fund diversion;
 4. Controversial organizations;
 5. Illegal or Political purpose Fund use;
 6. Use of the Fund for Bank or Any employee of the Bank.

BGCB CSR Philosophy

Corporate Social Responsibility at Bengal Commercial Bank PLC. (BGCB) is not a mere regulatory obligation it is a core element of our business ethos. Since inception, we have aligned our CSR strategies with national development priorities and Bangladesh Bank's regulatory framework, aspiring to make a meaningful impact on society

Strategic Approach

Our CSR model goes beyond traditional charitable acts. It is anchored in:

- **Sustainable Impact:** Prioritizing long-term societal transformation over short-term aid.
- **Strategic Focus Areas:** Education, healthcare, environment, and economic empowerment.
- **Embedded Responsibility:** Integrating CSR into our organizational culture and day to day operations.

Key CSR Highlights – 2024

1. **Winter Relief:** Donated 15,000 pcs blankets to underprivileged communities in cold-affected regions.
2. **Humanitarian Support for Palestine:** Contributed BDT 0.30 crore to assist victims of the ongoing humanitarian crisis in Palestine.
3. **Flood Relief in Bangladesh:** Donated BDT 0.25 crore to the Chief Advisor's Relief Fund for flood-affected populations.

These initiatives reflect BGCB's unwavering commitment to social welfare and national development. The Bank remains dedicated to integrating social responsibility into its core business practices, striving to build a more resilient and inclusive society.



RISK **MANAGEMENT**

1. Risk Management Overview

Bengal Commercial Bank (BGCB) considers risk management as an integral part of its business, operations, and decision-making processes. BGCB has a comprehensive risk management process (including effective Board and senior management oversight) to identify, measure, evaluate, monitor, report and control or mitigate all material risks on a timely basis and to assess the adequacy of capital and liquidity in relation to risk profile, market and macroeconomic conditions. Objectives of risk management in Bengal Commercial Bank are:

- i. To Promote better risk culture.
- ii. To improve financial soundness and stability.
- iii. To adopt and implement a sound risk management framework.
- iv. To introduce important risk management tools and techniques.

2. Risk Management Framework

Bengal Commercial Bank has developed a Risk Management Framework as a standardized approach to manage its risks effectively. The Bank's Risk Management Framework provides its Board and Senior Management with tools to anticipate and manage both the existing and potential risks, taking into consideration changing risk profiles as dictated by changes in business strategies, the external environment and/or the regulatory environment. The key dimensions of the Bank's Risk Management Framework are:

i. Risk Culture

A sound and consistent risk culture throughout the bank is a key element of effective risk management. BGCB has established an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how they are managed, considering risk tolerance and appetite. The bank has developed its risk culture through policies, examples, communication, and training of staff regarding their responsibilities for risk. Every member of the bank is fully aware of his or her responsibility regarding risk management.

ii. Risk Strategy and Risk Appetite

Risk appetite plays an important role in cascading the risk strategy down through the bank. It is defined as the amount and type of risk that the bank is able and willing to accept in pursuit of its strategic and business objectives. Bengal Commercial Bank sets risk appetite, including tolerance and limit, every year to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and risk. The board of directors sets the strategies and the senior management takes responsibility for implementing those strategies and communicating them throughout the bank. It includes metrics and indicators in relation to specific risk types.

The risk appetite is well-embedded and consistent with the bank's capacity to take risk, taking into consideration the capital constraints, and potential profit and loss consequences.

iii. Risk Governance and Organization

Risk governance refers to the structure, rules, processes, and mechanisms by which decisions about risks are taken and implemented. It ensures what risk management responsibilities lie at what levels and the ways the board influences risk-related decisions; and the role, structure, and staffing of risk organization. A good practice in this dimension is where the board has regular involvement in managing key risk issues, and risk management responsibilities are proportionate to the risks assumed at a particular level or unit.

BGCB's Risk governance follows a three-lines-of-defense-model.

First line of defense: The business and operation units of the bank have in place effective processes to identify, assess, measure, monitor, mitigate, and report on their risks. Each unit operates in accordance with the risk policies and delegated mandates. The units are responsible for having skills, operating procedures, systems, and controls in place to ensure their compliance with risk policies and mandates.

Second line of defense: The Internal Control framework encompasses risk control function and compliance function, and cover the whole organization, including the activities of all business, support, and control units. The risk management division under the supervision of Chief Risk Officer (CRO) has the responsibility for recommending and monitoring the bank's risk appetite and policies, and for following up and reporting on risk related issues across all risk types. The second line of defense relates to the appropriate Internal Control framework put in place to ensure effective and efficient operations, including the following:

- a) adequate control of risks;
- b) prudent conduct of business;
- c) reliability of financial and non-financial information reported or disclosed (both internally and externally); and,
- d) compliance with laws, regulations, supervisory requirements, and the bank's internal policies and procedures.

Third line of defense: Bank's internal audit performs independent periodic reviews of the first two lines of defense, provides assurance and informs strengths and potential weaknesses of the two first lines.

iv. Risk Assessment and Treatment

Risk assessment is the process of risk identification, analysis, and evaluation. Risk identification is the starting point for understanding and managing risks and/or crucial activities. Bank identifies the nature of risk, sources of risk, cost of risk, areas of

impacts, events, their causes, and their potential consequences. Risk analysis involves developing an understanding of the risk. It provides an input to risk evaluation and to decisions on the most appropriate strategies and techniques for risk treatment. The bank's risk analysis involves measuring risk by considering consequences of an unfavorable event and likelihood of such event occurring. Risk evaluation is undertaken to assist in making decisions, based upon the outcomes of risk analysis, about which risks need treatment and the priority for treatment implementation. Some risks need to be immediately addressed and brought to the attention of the competent authority promptly. Risk evaluation mainly involves comparing the level of risk found during the analysis process with the bank's risk appetite, risk tolerance level and regulatory limits. Based on this comparison, the need for appropriate treatment should be considered.

After the exposed risks are assessed, bank chooses the best option to eliminate or mitigate unacceptable risks. Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. The options include the following and applied either individually or in combination:

- a) Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk.
- b) Accepting and retaining the risk by making informed decision and having plans for managing and funding the consequences of the risk if it occurs.
- c) Reducing the likelihood of the risk through staff training, changing procedures, or by reducing the impact through diversifying credit portfolio, setting up off-site data backup etc.
- d) Sharing the risk with another party or parties through insurance, consortium financing, etc

Selecting the most appropriate risk treatment option involves balancing the costs and efforts of implementation against the benefits derived, regarding legal, regulatory, and other requirements.

3. Risk Management Process

Risk Management is an iterative process that, with each cycle, contributes progressively to organizational improvement by providing management with a greater insight into risks and their impact. It is a series of multi-steps that, when undertaken in sequence, enables continual improvement in decision-making.

Bengal Commercial Bank adopts the following steps of the Risk Management Process:

- i. **Communication and consult:** This is the preparatory step that aims to identify the responsible persons involved in

risk assessment (including identification, analysis and evaluation) and also the persons engaged in the treatment, monitoring and review of risk.

- ii. **Establishment of the Context:** This is another preparatory stage that closes to starting the formal risk management process. Before risk is clearly understood and dealt with, it is important to understand the context in which it exists.
- iii. **Risk Identification:** The next step is to identify possible risks that may affect, either negatively or positively, the objectives of the business and the activity under analysis. The purpose of this step is to identify what could go wrong (likelihood) and what is the consequence (loss or damage) of it occurring.
- iv. **Analysis of the risks:** The risk analysis step assists in determining which risks have a greater consequence or impact than others. Thus, analyzing the likelihood and consequences of each identified risk and deciding which risk factors will potentially have the greatest effect and therefore, receive priority with regard to how they will be managed. The level of risk is analyzed by combining estimates of likelihood and consequences.
- v. **Evaluation of the risks:** Risk evaluation involves comparing the level of risk found during the analysis process with previously established risk criteria and deciding whether these risks require treatment. The result of a risk evaluation is a prioritized list of risks that require further action. This step is about deciding whether risks are acceptable or need treatment.
- vi. **Treatment of risks:** Risk treatment is about considering options for treating risks, evaluating those options, preparing the risk treatment plans and implementing those plans to achieve the desired outcome.
- vii. **Monitoring and review of risks:** Risks are monitored periodically to ensure that the changing circumstances do not alter the risk priorities. Very few risks remain static, therefore the risk management process needs to be regularly repeated, so that new risks are captured in the process and effectively managed.

Risk management plan at every business level are reviewed at least on annual basis. An effective way to ensure that is to combine risk planning or risk review with annual business planning.

Risk management is incorporated into the operational and management processes at every level of the bank and driven from the top down.

4. Risk Management System

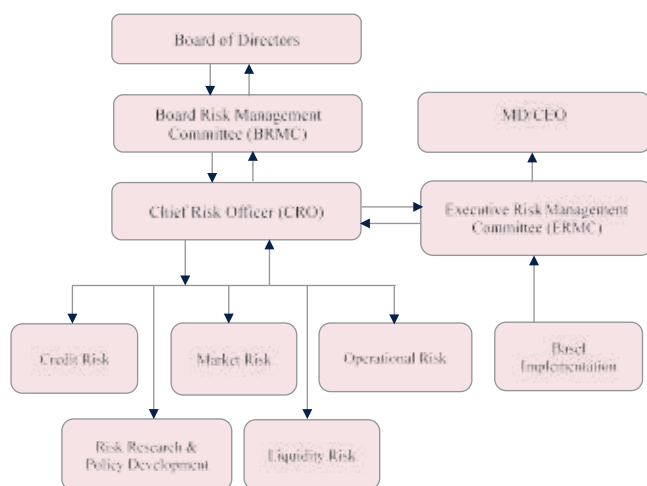
The success of risk management in bank depends on the effectiveness of the risk management system providing the foundation and arrangements that are put in place throughout the organization at all levels. Bengal Commercial Bank's risk management system includes policies, procedures, limits, and controls in its foundation. This foundation provides adequate, timely, and continuous identification, assessment, measurement, monitoring, mitigation, and reporting of risks posed by its activities at the business line and enterprise levels.

Bengal Commercial Bank's risk management system for effective business operations encompasses the following:

- Active involvement of board and senior management.
- Adequate organization, policies and procedures.
- Appropriate management information systems.
- Comprehensive internal controls and limits.

5. Risk Management Organogram

Bengal Commercial Bank PLC has formulated its organogram according to bank's capacity to absorb the risk management norms, scope of works, human resources and logistic support, size and age of business, philosophy of the board, board risk management committee and overall bank's management vision in line with the Risk Management Guideline of Bangladesh Bank. The risk management organogram of BGCB is as follows:



6. Risk Management Authorities of the Bank

6.1 Board of Directors

The key risk management reports/issues are placed before the board of directors on quarterly basis for review and perusal. Board

provides guidance against the identified/ mentionable risks and the same are communicated to responsible organs for taking corrective actions. Board of Directors will take every possible initiative to keep various risks (credit, market, liquidity, operational risks etc.) within tolerable level. For this purpose, the board plays the following role:

- Establishing organizational structure for enterprise risk management within the bank and ensuring that top management as well as staffs responsible for risk management possess sound expertise and knowledge to accomplish the risk management function properly;
- Assigning sufficient authority and responsibility to risk management related officials;
- Ensuring uninterrupted information flow to RMD for sound risk management;
- Continuously monitoring the bank's performance and overall risk profile through reviewing various reports;
- Ensuring the formulation, review (at least annually) and implementation of appropriate policies, plans and procedures for risk management;
- Defining and reviewing the risk appetite, risk tolerance, limit etc. in line with strategic planning;
- Ensuring maintenance of adequate capital and provision to absorb losses resulting from risk;
- Ensuring that internal audit reviews the credit operations, foreign exchange operations and securities portfolio management functions etc. to assess the effectiveness of internal control system;
- Monitoring the function of Board Risk Management Committee; etc.

6.2 Board Risk Management Committee (BRMC)

Board Risk Management Committee (BRMC) reviews the material risks related to credit, foreign exchange, internal control & compliance, money laundering & terrorist financing, information & communication technology, operation, profit rate, liquidity, capital management functions and provisioning (required & maintained); etc. on quarterly basis. The BRMC provides guidance against the identified risks for taking corrective actions by the management. 4 (four) meetings of the BRMC were held during the year 2024. Board Risk Management Committee (BRMC) of the bank will provide utmost importance on sound risk management practices. For this purpose the BRMC plays the following role:

- Formulating and reviewing (at least annually) risk management policies and strategies for sound risk management;
- Monitoring implementation of risk management policies & process to ensure effective prevention and control measures;
- Ensuring construction of adequate organizational structure for managing risks within the bank;
- Supervising the activities of Executive Risk Management Committee (ERMC);

- e) Ensuring compliance of BB instructions regarding implementation of core risk management;
- f) Ensuring formulation and review of risk appetite, limits and recommending these to Board of Directors for their review and approval;
- g) Approving adequate record keeping & reporting system and ensuring its proper use;
- h) Holding at least 4 meetings in a year (preferably one meeting in every quarter) and more if deemed necessary;
- i) Analyzing all existing and probable risk issues in the meeting, taking appropriate decisions for risk mitigation, incorporating the same in the meeting minutes and ensuring follow up of the decisions for proper implementation;
- j) Submitting proposal, suggestions & summary of BRMC meetings to board of directors at least on quarterly basis;
- k) Complying with instructions issued from time to time by the regulatory body;
- l) Ensuring appropriate knowledge, experience, and expertise of lower-level managers and staff involved in risk management;
- m) Ensuring sufficient & efficient staff resources for RMD;
- n) Establishing standards of ethics and integrity for staff and enforcing these standards;
- o) Assessing overall effectiveness of risk management functions on yearly basis.

6.3 Executive Risk Management Committee (ERMC)

Bank has formed ERMC comprising of divisional Heads of all concerned divisions and Executives from other divisions related to risk as deemed necessary. RMD act as secretariat of the committee. The ERMC, from time to time, invite top management (CEO, AMD, DMD or senior most executives), to attend the meetings so that they are well aware of risk management process.

The responsibilities/Terms of Reference of ERMC are as follows:

- a) Identifying, measuring and managing bank's existing and potential risks through detailed risk analysis;
- b) Holding meeting at least once in a month based on the findings of risk reports and taking appropriate decisions to minimize/control risks;
- c) Ensuring incorporation of all the decisions in the meeting minutes with proper dissemination of responsibilities to concerned divisions/departments;
- d) Minimizing/controlling risks through ensuring proper implementation of the decisions;
- e) Reviewing risks involved in new products and activities and ensuring that the risks can be measured, monitored, and controlled adequately;
- f) Submitting proposals, suggestions & summary of ERMC meetings to CEO, BRMC on regular basis;

- g) Implementing the decisions of BRMC and board meetings regarding risk issues;
- h) Assessing requirement of adequate capital in line with the risk exposures and ensuring maintenance of the same through persuading senior management and board;
- i) Determining risk appetite, limits in line with strategic planning through threadbare discussions among the members;
- j) Contributing to formulation of risk policies for business units;
- k) Handling "critical risks" (risks that require follow-up and further reporting);
- l) Following up reviews and reports from BB and informing BRMC the issues affecting the bank's operation.
- m) Ensuring arrangement of Annual Risk Conference in the bank.

6.4 Risk Management Division (RMD)

Bengal Commercial Bank has an independent full-fledged Risk Management Division (RMD) supervised by Chief Risk Officer. The main functions of the division includes, but not limited to, the following:

- a. Collecting and analyzing data/information for identifying risks and making appropriate recommendations for risk mitigation;
- b. Preparing risk management reports, arranging monthly meeting of ERMC and preparing meeting minutes, disseminating the decisions to the concerned departments/divisions, monitoring and follow up of implementation status;
- c. Ensuring timely submission of risk management reports, meeting minutes, compliance report and other documents to BB;
- d. Assisting BRMC/ERMC by providing risk issues that are needed to be addressed;
- e. Designing bank's overall risk management strategy;
- f. Ensuring significant contribution in establishing sophisticated risk management infrastructure with a sufficiently robust data-base, data architecture and information technology;
- g. Conducting, developing and overseeing Stress Testing activity;
- h. Utilizing the Stress Test result and scenario analysis to better understand potential risk exposures under a variety of adverse circumstances;
- i. Developing and testing different models and observe their use for measuring and monitoring risks;
- j. Assisting senior management in formulating strategic planning considering bank's risk exposures and industry as a whole;
- k. Supporting the Board, BRMC and ERMC in formulation,

review and approval of the enterprise-wide risk governance framework which includes the bank's risk culture, risk appetite, risk limits, and MAT;

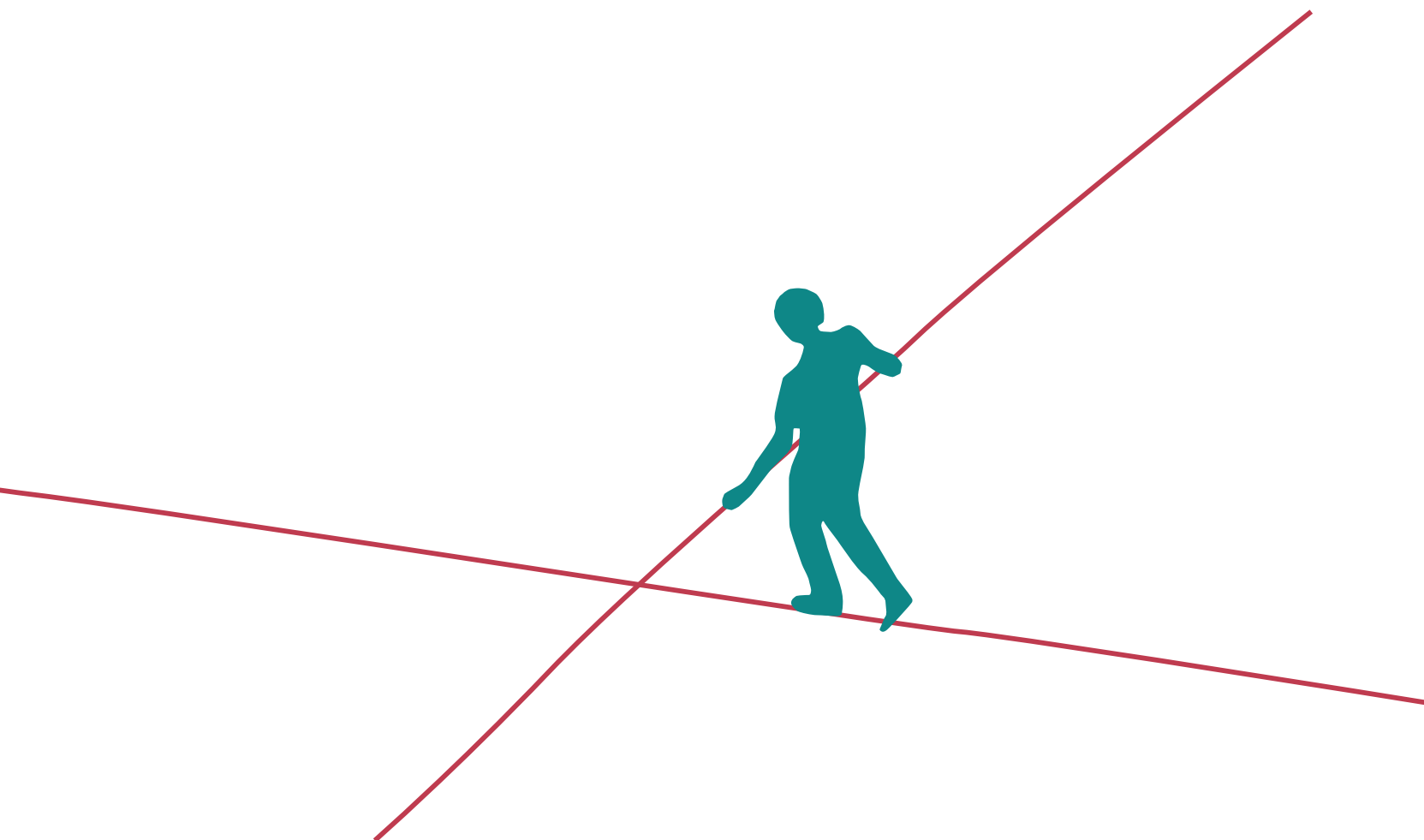
- l. Monitoring on ongoing basis the risk-taking activities and risk exposures in line with the board approved risk appetite, risk limit and corresponding capital or liquidity needs
- m. Taking initiatives for interim review of risk appetites on request of other related divisions and informing the Board of Directors and BRMC time to time about the status of risk exposures as compared to appetite;
- n. Establishing an early warning or trigger system for breaches of the bank's risk appetite or limits;
- o. Communicating views of the board and senior management throughout the bank;
- p. Taking initiatives for establishing enterprise/comprehensive risk management policies and procedures with the approval of the board;
- q. Monitoring concerned divisions in formulating and reviewing related risk management policies and procedures;
- r. Monitoring compliance of irregularities found in core risk inspection reports of BB;
- s. Adopting proper financial protection measures through risk

transfer, risk avoidance, and risk retention programs;

- t. Taking appropriate steps to control or mitigate risk exposures and ensure reporting the same to senior management and BRMC.

7. Conclusion

Bank aims to achieve an appropriate trade-off between risk and return to maximize shareholder value. Now-a-days, Banking business are struggling to recover with reducing scope of earnings and maintain regulatory requirements due to business devastation, dollar crunch, liquidity crisis, high inflation and price hikes. However, Bengal Commercial Bank PLC. managed the risk by taking proactive measures and good governance in its operational arena. Apart, the bank's risk management organs are working together for minimizing the identified and future potential risks with a view to sustainable growth of the bank in the long run and constantly taking forward looking initiatives by the all-responsible authorities of the bank considering the changing circumstances from time to time.



Disclosures on Risk Based Capital (Basel III)

For the Year Ended on 31 December 2024

1.00 Scope of Application:

Qualitative Disclosures		
a)	The name of the top corporate entity in the group to which this guideline applies.	Bengal Commercial Bank PLC.
b)	An outline of differences in the basis of consolidation for accounting & 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).	Bengal Commercial Bank PLC. was incorporated on 3 February 2020 as a Public Limited Company under the Companies Act, 1994. The Bank obtained license from Bangladesh Bank on 23 February 2020 as a scheduled commercial bank and started its commercial operation on 11 March 2021. The principal activities of the bank are to provide all types of commercial banking service to customers through branches, sub-branches, ATMs, corporate, retail and SME units in Bangladesh. As on 31 December 2024 bank had 20 branches (including 3 full fledge Islamic banking branches), 10 sub-branches (including 1 Islamic banking sub-branch) and 7 ATM booths. The Disclosures made in the following sections has addressed Bengal Commercial Bank PLC. as a single entity (Solo Basis) as there was no subsidiary as on the reporting date (31 December 2024).
c)	Any restrictions, or other major impediments, on 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.

2.00 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 Capital.	In terms of Section 13 of the Bank Company Act, 1991 (Amended up to date), the terms and conditions of the main features of all capital instruments have been segregated in line with the eligibility criteria set forth vide BRPD Circular No. 18 dated 21 December 2014 [Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel III)] and other relevant instructions given by Bangladesh Bank from time to time. The main features of the capital instruments are as follows: 1) Tier 1 Capital (going-concern capital) a) Common Equity Tier 1 (CET 1) b) Additional Tier 1 (AT 1) 2) Tier 2 Capital (gone-concern capital) Common Equity Tier 1 Capital Instruments of Bengal Commercial Bank consists of i) Paid-up Capital ii) Statutory Reserve iii) Retained Earnings Currently, bank has no Additional Tier 1 Capital instrument. Tier 2 Capital consists of general provision against unclassified loans and off-balance sheet exposures.

Quantitative Disclosures		
b) c) & d)	The amount of Regulatory Capital as per audited financial statements as of 31 December 2024 are as follows:	
	(BDT in crore)	
	Particulars	Amount
	Tier 1 Capital	
	Common Equity Tier 1 (CET 1) Capital	
	Paid-up Capital	490.53
	Statutory Reserve	16.83
	Retained Earnings	19.74
	Less: Deferred Tax Assets (DTAs)	0.91
	Total Common Equity Tier 1 (CET 1) Capital	525.58
	Additional Tier 1 (AT 1) Capital (ii)	0.0
	Total Tier 1 Capital	525.58
	Tier 2 Capital	
	General Provision against unclassified loans	12.67
	General Provision against off-balance sheet exposures	2.94
	Total Tier 2 Capital	15.61
Total Eligible Capital	541.19	

3.00 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.	Bengal Commercial Bank assesses the adequacy of its capital in terms of Section 13 (1) of the Bank Company Act, 1991 (Amended up to date) and instruction contained in BRPD Circular No. 18 dated 21 December 2014 [Guidelines on 'Risk Based Capital Adequacy for Banks' (Revised regulatory capital framework in line with Basel III)] and other relevant rules & regulations issued by Bangladesh Bank from time to time. The Bank computes the capital requirement on the basis of following approaches: i) Credit risk: Standardized Approach; ii) Market risk: Standardized Approach; iii) Operational risk: Basic Indicator Approach. The Bank assesses the capital requirement considering the existing size of portfolio, concentration of portfolio to different risk weight groups, asset quality, profit trend etc. The Bank also forecasts the adequacy of capital in terms of its capacity of internal capital generation, maintaining the size of the portfolio, asset quality, conducting credit rating of the borrowers, segregation of portfolio to different risk weight groups etc. Bangladesh Bank vide BRPD Circular Letter No. 18 dated 15 June 2023 instructed to maintain Taka 500 Crore as paid-up capital. As per audited financial statements as of 31 December 2024, Bank's paid-up capital came to Taka 490.53 crore. In reference to Bangladesh Bank Letter No. BRPD(LS-1)745(73)/2025-3477 dated 11 March 2025, Bangladesh Bank has granted an extension to BGCB to comply with this requirement by 30 June 2025. Bangladesh Bank vide DOS Circular Letter No. 20 dated 24 July 2023 instructed to maintain 10% of Risk Weighted Assets (RWA) or Taka 500 crore whichever is higher as Minimum Capital Requirement (MCR) of the bank. As per audited financial statements as on 31 December 2024, 10% of Bank's RWA came to Taka 153.37 crore. Hence, as per rule, Bank's MCR came to Taka 500 crore. Against that, as of 31 December 2024, Bank maintained total capital (CET 1/Tier 1 and Tier 2) of Taka 541.19 crore. As a result, as of the said date, there was a surplus of Taka 41.19 crore (i.e. Taka 541.19 crore minus Taka 500 crore). However, Bank's capital to risk-weighted asset ratio (CRAR) as of 31 December 2024 stood at 35.29% (consisting of 34.27% in CET 1 capital and 1.02% in Tier 2 capital) against the regulatory requirement of minimum 12.50% (including 2.5% of Capital Conservation Buffer -CCB).

Quantitative Disclosures

b)	Capital requirement for Credit Risk	(BDT in crore) <table> <tr> <th>Particulars</th><th>Risk Weighted Assets (RWA)</th><th>Minimum Capital Requirement (MCR)</th></tr> <tr> <td>Credit Risk</td><td></td><td></td></tr> <tr> <td>On-balance sheet</td><td>1,179.25</td><td>117.92</td></tr> <tr> <td>Off-balance sheet</td><td>125.96</td><td>12.60</td></tr> <tr> <td>Total</td><td>1,305.22</td><td>130.52</td></tr> </table>	Particulars	Risk Weighted Assets (RWA)	Minimum Capital Requirement (MCR)	Credit Risk			On-balance sheet	1,179.25	117.92	Off-balance sheet	125.96	12.60	Total	1,305.22	130.52						
Particulars	Risk Weighted Assets (RWA)	Minimum Capital Requirement (MCR)																					
Credit Risk																							
On-balance sheet	1,179.25	117.92																					
Off-balance sheet	125.96	12.60																					
Total	1,305.22	130.52																					
c)	Capital requirement for Market Risk	(BDT in crore) <table> <tr> <th>Particulars</th><th>Risk Weighted Assets (RWA)</th><th>Minimum Capital Requirement (MCR)</th></tr> <tr> <td>Market Risk</td><td></td><td></td></tr> <tr> <td>Interest Rate related instrument</td><td>6.25</td><td>0.62</td></tr> <tr> <td>Equities</td><td>70.14</td><td>7.01</td></tr> <tr> <td>Foreign exchange position</td><td>0.76</td><td>0.08</td></tr> <tr> <td>Commodities</td><td>0.00</td><td>0.00</td></tr> <tr> <td>Total</td><td>77.15</td><td>7.71</td></tr> </table>	Particulars	Risk Weighted Assets (RWA)	Minimum Capital Requirement (MCR)	Market Risk			Interest Rate related instrument	6.25	0.62	Equities	70.14	7.01	Foreign exchange position	0.76	0.08	Commodities	0.00	0.00	Total	77.15	7.71
Particulars	Risk Weighted Assets (RWA)	Minimum Capital Requirement (MCR)																					
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d)	Capital requirement for Operational Risk	(BDT in crore) <table> <tr> <th>Particulars</th><th>Risk Weighted Assets (RWA)</th><th>Minimum Capital Requirement (MCR)</th></tr> <tr> <td>Operational Risk</td><td>151.36</td><td>15.14</td></tr> <tr> <td>Total</td><td>151.36</td><td>15.14</td></tr> </table>	Particulars	Risk Weighted Assets (RWA)	Minimum Capital Requirement (MCR)	Operational Risk	151.36	15.14	Total	151.36	15.14												
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Total regulatory capital		541.19																					

Quantitative Disclosures

f)	Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio for both solo and consolidated basis.	<table><tr><th>Particulars</th><th>Ratio (%)</th></tr><tr><td>Capital to Risk-weighted Asset Ratio (CRAR)</td><td>35.29%</td></tr><tr><td>Common Equity Tier 1 Capital Ratio</td><td>34.27%</td></tr><tr><td>Total Tier 1 Capital Ratio</td><td>34.27%</td></tr><tr><td>Tier 2 Capital Ratio</td><td>1.02%</td></tr></table>	Particulars	Ratio (%)	Capital to Risk-weighted Asset Ratio (CRAR)	35.29%	Common Equity Tier 1 Capital Ratio	34.27%	Total Tier 1 Capital Ratio	34.27%	Tier 2 Capital Ratio	1.02%
Particulars	Ratio (%)											
Capital to Risk-weighted Asset Ratio (CRAR)	35.29%											
Common Equity Tier 1 Capital Ratio	34.27%											
Total Tier 1 Capital Ratio	34.27%											
Tier 2 Capital Ratio	1.02%											
g)	Capital Conservation Buffer (CCB)	<table><tr><th>Particulars</th><th>Ratio (%)</th></tr><tr><td>Required ratio of CCB</td><td>2.5%</td></tr><tr><td>CCB Maintained</td><td>25.29%</td></tr></table>	Particulars	Ratio (%)	Required ratio of CCB	2.5%	CCB Maintained	25.29%				
Particulars	Ratio (%)											
Required ratio of CCB	2.5%											
CCB Maintained	25.29%											
h)	Available Capital under Pillar 2 Requirement	(BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Total Eligible Capital [A]</td><td>541.19</td></tr><tr><td>Minimum Capital Requirement under Pillar 1 [B]</td><td>500.00</td></tr><tr><td>Available Capital for Pillar 2 requirement [C=A-B]</td><td>41.19</td></tr></table>	Particulars	Amount	Total Eligible Capital [A]	541.19	Minimum Capital Requirement under Pillar 1 [B]	500.00	Available Capital for Pillar 2 requirement [C=A-B]	41.19		
Particulars	Amount											
Total Eligible Capital [A]	541.19											
Minimum Capital Requirement under Pillar 1 [B]	500.00											
Available Capital for Pillar 2 requirement [C=A-B]	41.19											

4.00 Credit Risk:

Qualitative Disclosures

a) The general qualitative Disclosure requirement with respect to credit risk, including:		
i)	Definitions of past due and impaired (for accounting purposes)	As per relevant guidelines/circulars of Bangladesh Bank, the impaired loans and advances are defined on the basis of (i) Objective / Quantitative criteria and (ii) Qualitative judgment. For these purposes, all loans and advances are grouped into four (4) categories namely- (a) Continuous Loan (b) Demand Loan (c) Fixed Term Loan and (d) Short-term Agricultural & Micro Credit. Definition of past due/overdue: i. 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; ii. 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;

Qualitative Disclosures

iii. 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 after 3 (three) months of the expiry date;

iv. The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/ overdue after 3 (three) months of the expiry date.

However, a continuous loan, demand loan or a term loan which will remain overdue for a period of 2 (two) months or more, will be put into the “**Special Mention Account (SMA)**”, the prior status of becoming the Loan into impaired/ classified/ non-performing.

Definition of impaired / classified / non-performing loans and advances are as follows:

Continuous loans are classified as follows:

- **Substandard:** If it is past due/ overdue for 3 (three) months or beyond but less than 9 (nine) months;
- **Doubtful:** If it is past due/ overdue for 9 (nine) months or beyond but less than 12 (twelve) months; and
- **Bad/ Loss:** If it is past due/ overdue for 12 (twelve) months or beyond.

Demand loans are classified as follows:

- **Substandard:** If it remains past due/ overdue for 3 (three) months or beyond but not over 9 (nine) months from the date of expiry or claim by the Bank or from the date of creation of forced loan;
- **Doubtful:** If it remains past due/ overdue for 9 (nine) months or beyond but not over 12 (twelve) months from the date of expiry or claim by the Bank or from the date of creation of forced loan; and
- **Bad/ Loss:** If it remains past due/ overdue for 12 (twelve) months or beyond from the date of expiry or claim by the Bank or from the date of creation of forced loan.

Fixed Term Loans are classified as follows:

- **Substandard:** If the amount of past due installment is equal to or more than 3 (three) months but less than 9 (nine) months; the entire loan will be classified as ‘Sub-standard’;
- **Doubtful:** If the amount of past due installment is equal to or more than 9 (nine) months but less than 12 (twelve) months; the entire loan will be classified as ‘Doubtful’; and
- **Bad/ Loss:** If the amount of past due installment more than 12 (twelve) months, the entire loan will be classified as ‘Bad/Loss’;

Qualitative Disclosures

		Defaulted Loan: Loans have to be treated as defaulted loan as per section 5(GaGa) of the Bank Company Act, 1991 and to be reported accordingly as per formats given in BRPD Circular No. 8 dated 2 August 2015. In this regard, a portion of the “Sub-standard (SS)” loans will be reported as defaulted loan. Short-term Agricultural and Micro-credit: The Short-term Agricultural and Micro Credit will be considered irregular if not repaid within the due date as stipulated in the loan agreement. If the said irregular status continues, the credit will be classified as ‘Sub-standard’ after a period of 12 months, as ‘Doubtful’ after a period of 36 months and as ‘Bad/ Loss’ after a period of 60 months from the stipulated due date as per the loan Agreement. Cottage, Micro and Small Credits under CMSME: A Continuous Loan, Demand Loan and Fixed Term Loan will be classified are as under: • Substandard: If it is past due/ overdue for 6 (six) months or beyond but less than 18 (eighteen) months; • Doubtful: If it is past due/ overdue for 18 (eighteen) months or beyond but less than 30 (thirty) months; and • Bad/ Loss: If it is past due/ overdue for 30 (thirty) months or beyond.
ii)	Description of approaches followed for specific and general allowances and statistical methods	The Bank follows the relevant Bangladesh Bank guideline for determination of general and specific allowances for loans and advances. Firstly, the base for provision for the unclassified and classified loans are calculated as under: a) Calculation of base for provision for unclassified loans: For STD, Loan Outstanding amount only and for SMA, Loan Outstanding amount less suspended interest, if any; b) Calculation of base for provision for the classified loans, higher of the following two amounts: - Outstanding amount less suspended interest less value of eligible securities; or 15% of outstanding amount. Secondly, the following rates are applied on base for provision for determination of general and specific allowances for loans:

Qualitative Disclosures

Types of Loans and Advances	Rates of Provision				
	STD	SMA	SS	DF	BL
Consumer Financing (Housing Finance-HF)	1%	1%	20%	50%	100%
Consumer Financing (Professionals)	2%	2%	20%	50%	100%
Consumer Financing (Credit Card)	2%	2%	20%	50%	100%
Consumer Financing (other than HF, Professionals and Credit card)	2%	2%	20%	50%	100%
Loans to Brokerage House, Merchant Banks, Stock Dealers	1%	1%	20%	50%	100%
Small and Medium Enterprise (Medium)	0.25%	0.25%	20%	50%	100%
Small and Medium Enterprise (Cottage, Micro, Small)	0.25%	0.25%	5%	20%	100%
Short Term Agriculture and Micro Credit	1%	1%	5%	5%	100%
Others	1%	1%	20%	50%	100%
Off Balance Sheet Exposure (Other than bills for collection)	1%	N/A			
Off Balance Sheet Exposure (Bills for collection)	0%	N/A			

iii) Discussion of the bank's credit risk management policy

The salient features of the Bank credit risk management policy and procedures are as under:

- i) Credit policy approved by the Board;
- ii) Credit approval delegated properly;
- iii) Independent Credit Risk Management Division for Corporate, Retail and CMSME portfolio;
- iv) Separate Credit Administration Division;
- v) Credit operations subject to independent Internal Audit;
- vi) Reporting to Board/ Executive Committee/ Risk Management Committee.

Above all, the Risk Management Division is regularly coordinating with the Credit Risk Management Divisions and other Business Units/ Divisions on increasing the collateral coverage, product/ sector specific diversification of credit exposures, single borrower exposures limit, large loan portfolio ceiling as stipulated by Bangladesh Bank, improving the asset quality, conducting credit rating of the borrowers to minimize the capital charge against credit risk of the Bank. Adequate provision is being maintained as per the status of the loan. Status of loans is regularly reported to the Board of Directors/ Risk Management Committee of the Board.

Quantitative Disclosures

b)	Total gross credit risk exposures broken down by major types of credit exposures	Major types of credit exposure as per Disclosures in the audited financial statements as of 31 December 2024: (BDT in crore) <table> <tr> <th>Particulars</th><th>Outstanding</th><th>Mix (%)</th></tr> <tr> <td>Continuous Loan</td><td>781.24</td><td>48.24%</td></tr> <tr> <td>Term Loan</td><td>427.43</td><td>26.39%</td></tr> <tr> <td>Demand Loan</td><td>379.86</td><td>23.46%</td></tr> <tr> <td>Staff Loan</td><td>5.01</td><td>0.31%</td></tr> <tr> <td>Bill purchased and discounted</td><td>25.98</td><td>1.60%</td></tr> <tr> <td>Total Loans and Advances</td><td>1,619.53</td><td>100.00%</td></tr> </table>	Particulars	Outstanding	Mix (%)	Continuous Loan	781.24	48.24%	Term Loan	427.43	26.39%	Demand Loan	379.86	23.46%	Staff Loan	5.01	0.31%	Bill purchased and discounted	25.98	1.60%	Total Loans and Advances	1,619.53	100.00%																																													
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Total Loans and Advances	1,619.53	100.00%																																																																		
c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.	Geographical distribution of credit exposures as per the Disclosures in the audited financial statements as of 31 December 2024 are as follows: (BDT in crore) <table> <tr> <th>Particulars</th><th>Outstanding</th><th>Mix (%)</th></tr> <tr> <td>Urban</td><td></td><td></td></tr> <tr> <td>Dhaka</td><td>1,321.09</td><td>81.57%</td></tr> <tr> <td>Chattogram</td><td>133.35</td><td>8.23%</td></tr> <tr> <td>Khulna</td><td>-</td><td>-</td></tr> <tr> <td>Sylhet</td><td>-</td><td>-</td></tr> <tr> <td>Barishal</td><td>-</td><td>-</td></tr> <tr> <td>Rajshahi</td><td>22.16</td><td>1.37%</td></tr> <tr> <td>Rangpur</td><td>13.87</td><td>0.86%</td></tr> <tr> <td>Mymensingh</td><td>-</td><td>-</td></tr> <tr> <td>Sub-total</td><td>1,490.47</td><td>92.03%</td></tr> <tr> <td>Rural</td><td></td><td></td></tr> <tr> <td>Dhaka</td><td>104.73</td><td>6.47%</td></tr> <tr> <td>Chattogram</td><td>19.56</td><td>1.21%</td></tr> <tr> <td>Khulna</td><td>-</td><td>-</td></tr> <tr> <td>Sylhet</td><td>-</td><td>-</td></tr> <tr> <td>Barishal</td><td>-</td><td>-</td></tr> <tr> <td>Rajshahi</td><td>2.03</td><td>0.13%</td></tr> <tr> <td>Rangpur</td><td>2.75</td><td>0.17%</td></tr> <tr> <td>Mymensingh</td><td>-</td><td>-</td></tr> <tr> <td>Sub-total</td><td>129.07</td><td>7.97%</td></tr> <tr> <td>Total Loans and Advances</td><td>1,619.53</td><td>100.00%</td></tr> </table>	Particulars	Outstanding	Mix (%)	Urban			Dhaka	1,321.09	81.57%	Chattogram	133.35	8.23%	Khulna	-	-	Sylhet	-	-	Barishal	-	-	Rajshahi	22.16	1.37%	Rangpur	13.87	0.86%	Mymensingh	-	-	Sub-total	1,490.47	92.03%	Rural			Dhaka	104.73	6.47%	Chattogram	19.56	1.21%	Khulna	-	-	Sylhet	-	-	Barishal	-	-	Rajshahi	2.03	0.13%	Rangpur	2.75	0.17%	Mymensingh	-	-	Sub-total	129.07	7.97%	Total Loans and Advances	1,619.53	100.00%
Particulars	Outstanding	Mix (%)																																																																		
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Sub-total	129.07	7.97%																																																																		
Total Loans and Advances	1,619.53	100.00%																																																																		
d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposures.	Industry or counterparty type distribution of exposures, broken down by major types of credit exposures as per the Disclosures in the audited financial statements as of 31 December 2024 are as follows:																																																																		

Quantitative Disclosures

(BDT in crore)

Particulars	Outstanding	Mix (%)
i) Agriculture	47.50	2.93%
ii) Industry		
Food Manufacturing	199.08	12.29%
RMG Industry	101.74	6.28%
Textile Industry	91.38	5.64%
Furniture and Fixtures	0.38	0.02%
Paper and Paper Products	78.95	4.87%
Leather and Leather Products	32.02	1.98%
Rubber And Plastic Industries	34.63	2.14%
Chemical and Chemical Products	56.92	3.51%
Basic Metal Products	57.06	3.52%
Electrical Machinery and Apparatus	11.32	0.70%
Pharmaceutical	19.92	1.23%
Other Manufacturing Industries	287.13	17.73%
Others	166.56	10.28%
iii) Constructions	92.26	5.70%
iv) Power, Gas, Water and Sanitary Services	1.00	0.06%
v) Trade Services	166.05	10.25%
vi) Housing Services	25.24	1.56%
vii) Transport, Storage and Communication	1.82	0.11%
viii) Professional and Misc. Services	143.56	8.86%
ix) Staff Loan	5.01	0.31%
Total Loans and Advances	1,619.53	100.00%

e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Residual contractual maturity of exposures as per the Disclosures furnished in the audited financial statements as of 31 December 2024 are as follows:

(BDT in crore)

Particulars	Outstanding	Mix (%)
On demand	182.42	11.26%
Not more than three months	375.99	23.22%
Over three months but not more than one year	542.43	33.49%
Over one year but not more than five years	374.60	23.13%
Above five years	144.09	8.90%
Total Loans and Advances	1,619.53	100.00%

Quantitative Disclosures

f)	By major industry or counterparty type	i) Amount of impaired loans and if available, past due loans, provided separately (BDT in crore) <table><tr><th rowspan="2">Particulars</th><th colspan="2">Outstanding</th></tr><tr><th>NPL</th><th>SMA</th></tr><tr><td>Continuous Loan</td><td>7.47</td><td>7.82</td></tr><tr><td>Demand Loan</td><td>4.88</td><td>11.28</td></tr><tr><td>Term Loan</td><td>0.60</td><td>7.30</td></tr><tr><td>Short Term Agri and Micro Credit</td><td>0.00</td><td>0.00</td></tr><tr><td>Total</td><td>12.95</td><td>26.40</td></tr></table> ii) Specific and General Provision (BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Specific provision for loans and advances</td><td>0.77</td></tr><tr><td>General provision for loans and advances</td><td>12.67</td></tr><tr><td>General provision for off-balance sheet exposures</td><td>2.94</td></tr><tr><td>Total</td><td>16.38</td></tr></table> iii) Charges for specific allowances and charges-off during the year 2024 (BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Specific provision for loans and advances</td><td>0.77</td></tr><tr><td>General provision for loans and advances</td><td>0.96</td></tr><tr><td>General provision for off-balance sheet exposures</td><td>(1.10)</td></tr><tr><td>Total</td><td>0.63</td></tr></table>	Particulars	Outstanding		NPL	SMA	Continuous Loan	7.47	7.82	Demand Loan	4.88	11.28	Term Loan	0.60	7.30	Short Term Agri and Micro Credit	0.00	0.00	Total	12.95	26.40	Particulars	Amount	Specific provision for loans and advances	0.77	General provision for loans and advances	12.67	General provision for off-balance sheet exposures	2.94	Total	16.38	Particulars	Amount	Specific provision for loans and advances	0.77	General provision for loans and advances	0.96	General provision for off-balance sheet exposures	(1.10)	Total	0.63
Particulars	Outstanding																																									
	NPL	SMA																																								
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General provision for off-balance sheet exposures	(1.10)																																									
Total	0.63																																									
g)	Gross Non-Performing Assets (NPAs)	Position of Non-Performing Loans and Advances including bills purchased and discounted of the Bank as per audited financial statements for the year ended 31 December 2024 was as under: (BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Gross Non-Performing Assets (NPAs)</td><td>12.95</td></tr><tr><td>Non-Performing Assets (NPAs) to Outstanding Loans & advances</td><td>0.80%</td></tr><tr><td>Movement of Non-Performing Assets (NPAs)</td><td></td></tr><tr><td>Opening balance</td><td>0.00</td></tr><tr><td>Additions/ adjustment during the year (net)</td><td>12.95</td></tr><tr><td>Closing balance</td><td>12.95</td></tr><tr><td>Movement of specific provisions for NPAs</td><td></td></tr><tr><td>Opening balance</td><td>0.00</td></tr><tr><td>Add: Provision made during the year</td><td>0.77</td></tr><tr><td>Less: Write - off</td><td>0.00</td></tr><tr><td>Add: Recoveries of amounts previously written-off</td><td>0.00</td></tr><tr><td>Closing balance</td><td>0.77</td></tr></table>	Particulars	Amount	Gross Non-Performing Assets (NPAs)	12.95	Non-Performing Assets (NPAs) to Outstanding Loans & advances	0.80%	Movement of Non-Performing Assets (NPAs)		Opening balance	0.00	Additions/ adjustment during the year (net)	12.95	Closing balance	12.95	Movement of specific provisions for NPAs		Opening balance	0.00	Add: Provision made during the year	0.77	Less: Write - off	0.00	Add: Recoveries of amounts previously written-off	0.00	Closing balance	0.77														
Particulars	Amount																																									
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Closing balance	0.77																																									

5.00 Equities: Disclosures for Banking Book Positions:

Qualitative Disclosures																															
The general qualitative Disclosure requirement with respect to equity risk, including:																															
a)	i) 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 is broadly categorized into two parts: Quoted Securities: These securities are bought and held primarily for the purpose of selling in the future or holding for dividend income, which is reported at cost. Unrealized gains are not recognized in the profit and loss statement. But required provisions are kept for diminution in value of the investment. Unquoted Securities: Investment in non-listed securities is reported at a cost under the cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in non-listed securities.																													
	ii) 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.	As per Bangladesh Bank DOS Circular no. 5 dated 28 January 2009, HFT securities are revalued each week using the marked to market concept and the HTM securities are amortized once in a year according to Bangladesh Bank guidelines. HTM securities are also revaluated if they are reclassified to the HFT category with the Board approval.																													
	<table><tr><th colspan="4">VALUATION & ACCOUNTING OF INVESTMENT</th></tr><tr><th>Investment Class</th><th>Initial Recognition</th><th>Measurement after Recognition</th><th>Recording of changes</th></tr><tr><td>Treasury Bill/Bond (HFT)</td><td>Cost</td><td>Fair Value</td><td>Loss to profit and loss account, gain to revaluation reserve</td></tr><tr><td>Treasury Bill/Bond (HTM)</td><td>Cost</td><td>Amortized Value</td><td>Increase or decrease in value of equity</td></tr><tr><td>Debenture/Bond</td><td>Face Value</td><td>None</td><td>None</td></tr><tr><td>Shares (Quoted)</td><td>Cost</td><td>Lower of cost or market value</td><td>Loss (net) to profit and loss account but no unrealized gain booking</td></tr><tr><td>Prize Bond</td><td>Cost</td><td>None</td><td>None</td></tr></table>			VALUATION & ACCOUNTING OF INVESTMENT				Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes	Treasury Bill/Bond (HFT)	Cost	Fair Value	Loss to profit and loss account, gain to revaluation reserve	Treasury Bill/Bond (HTM)	Cost	Amortized Value	Increase or decrease in value of equity	Debenture/Bond	Face Value	None	None	Shares (Quoted)	Cost	Lower of cost or market value	Loss (net) to profit and loss account but no unrealized gain booking	Prize Bond	Cost	None	None
VALUATION & ACCOUNTING OF INVESTMENT																															
Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes																												
Treasury Bill/Bond (HFT)	Cost	Fair Value	Loss to profit and loss account, gain to revaluation reserve																												
Treasury Bill/Bond (HTM)	Cost	Amortized Value	Increase or decrease in value of equity																												
Debenture/Bond	Face Value	None	None																												
Shares (Quoted)	Cost	Lower of cost or market value	Loss (net) to profit and loss account but no unrealized gain booking																												
Prize Bond	Cost	None	None																												

Quantitative Disclosures											
b)	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	Values disclosed in balance sheet of investment in share as on 31 December 2024 was as under: (BDT in crore) <table><tr><th>Particulars</th><th>Cost Price</th><th>Market Price</th></tr><tr><td>Investment in quoted shares</td><td>45.01</td><td>34.05</td></tr><tr><td>Investment in unquoted shares</td><td>1.00</td><td>1.02</td></tr></table>	Particulars	Cost Price	Market Price	Investment in quoted shares	45.01	34.05	Investment in unquoted shares	1.00	1.02
Particulars	Cost Price	Market Price									
Investment in quoted shares	45.01	34.05									
Investment in unquoted shares	1.00	1.02									

Quantitative Disclosures										
c)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period	(BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Cumulative realized gains (Loss)</td><td>0.60</td></tr></table>	Particulars	Amount	Cumulative realized gains (Loss)	0.60				
Particulars	Amount									
Cumulative realized gains (Loss)	0.60									
d)	• Total unrealized gains (losses) • Total latent revaluation gains (losses) • Any amounts of the above included in Tier 2 capital.	(BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Total unrealized gain (loss)</td><td>(10.94)</td></tr><tr><td>Total latent revaluation gain (loss)</td><td>-</td></tr><tr><td>Any amounts of the above included in Tier 2 capital</td><td>-</td></tr></table>	Particulars	Amount	Total unrealized gain (loss)	(10.94)	Total latent revaluation gain (loss)	-	Any amounts of the above included in Tier 2 capital	-
Particulars	Amount									
Total unrealized gain (loss)	(10.94)									
Total latent revaluation gain (loss)	-									
Any amounts of the above included in Tier 2 capital	-									
e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.	(BDT in crore) <table><tr><th>Capital Charge for equities</th><th>Amount</th></tr><tr><td>For Specific Risk</td><td>3.51</td></tr><tr><td>For General Market Risk</td><td>3.51</td></tr><tr><td>Total capital charge</td><td>7.01</td></tr></table>	Capital Charge for equities	Amount	For Specific Risk	3.51	For General Market Risk	3.51	Total capital charge	7.01
Capital Charge for equities	Amount									
For Specific Risk	3.51									
For General Market Risk	3.51									
Total capital charge	7.01									

6.00 Interest Rate Risk in the Banking Book (IRRBB):

Qualitative Disclosures		
a)	The general qualitative Disclosures requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan repayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.	Interest rate risk has potential impact on the Bank's earnings (Net Interest Income- NII) and net asset values due to changes in market interest rates. Interest rate risk arises when the Bank's principal and interest cash flows (including final maturities), for both On and Off-balance sheet exposures, have mismatched re-pricing dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. The portfolio of assets and liabilities in the banking book sensitive to interest rate changes is the element of interest rate risk. The immediate impact of changes in interest rates is on the Bank's net interest income (difference between interest income accrued on rate sensitive asset portfolio and interest expenses accrued on rate sensitive liability portfolio) for a particular period of time, while the long-term impact is on the Bank's net worth since the economic value of the Bank's assets, liabilities and off-balance sheet exposures are affected. Key assumptions on loan prepayments and behavior of non-maturity deposits: a) Loans with defined contractual maturity are re-priced in the respective time buckets in which it falls as per the loan repayment schedule;

Qualitative Disclosures

		b) Loans without defined contractual maturity are segregated into different time buckets based on the past trend, seasonality, geographical perspective and re-priced accordingly; and c) Non-maturity deposits namely current, saving deposits are segregated into different time buckets on the basis of past trend of withdrawal, seasonality, religious festivals, geographical perspective and re-priced accordingly.
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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 for measuring IRRBB, broken down by currency (as relevant).	The impact of changes in interest rate for On-balance sheet rate sensitive assets and liabilities as per the audited financial statements as of 31 December 2024 is furnished below: (BDT in crore) <table><tr><th>Capital Charge for equities</th><th>3 Months</th><th>6 Months</th><th>1 Year</th></tr><tr><td>Rate sensitive assets [A]</td><td>1,037.35</td><td>480.22</td><td>255.61</td></tr><tr><td>Rate sensitive liabilities [B]</td><td>990.52</td><td>312.38</td><td>193.92</td></tr><tr><td>GAP [A-B]</td><td>46.83</td><td>167.84</td><td>61.69</td></tr><tr><td>Cumulative GAP</td><td>46.83</td><td>214.67</td><td>276.36</td></tr><tr><td>Interest rate change (IRC) [Note 1]</td><td>1%</td><td>1%</td><td>1%</td></tr><tr><td>Quarterly earnings impact [GAP x IRC]</td><td>0.47</td><td>2.15</td><td>2.76</td></tr><tr><td>Cumulative earnings impact</td><td>0.47</td><td>2.62</td><td>5.38</td></tr></table> Note 1: Assuming 1% rise in interest rates for both asset and liability portfolio of the Bank and vice-versa.	Capital Charge for equities	3 Months	6 Months	1 Year	Rate sensitive assets [A]	1,037.35	480.22	255.61	Rate sensitive liabilities [B]	990.52	312.38	193.92	GAP [A-B]	46.83	167.84	61.69	Cumulative GAP	46.83	214.67	276.36	Interest rate change (IRC) [Note 1]	1%	1%	1%	Quarterly earnings impact [GAP x IRC]	0.47	2.15	2.76	Cumulative earnings impact	0.47	2.62	5.38
Capital Charge for equities	3 Months	6 Months	1 Year																															
Rate sensitive assets [A]	1,037.35	480.22	255.61																															
Rate sensitive liabilities [B]	990.52	312.38	193.92																															
GAP [A-B]	46.83	167.84	61.69																															
Cumulative GAP	46.83	214.67	276.36																															
Interest rate change (IRC) [Note 1]	1%	1%	1%																															
Quarterly earnings impact [GAP x IRC]	0.47	2.15	2.76																															
Cumulative earnings impact	0.47	2.62	5.38																															

7.00 Market Risk:

Qualitative Disclosures

a)	i. Views of Board of Directors on trading/ investment activities	The Board approves all policies related to market risk, set limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance assets growth and trade related transactions. The market risk covers the followings risks of the Bank's balance sheet: i) Interest rate risk; ii) Equity price risk; iii) foreign exchange risk; iv) Commodity price risk.
	ii. Methods used to measure Market Risk	Standardized Approach has been followed to measure the Market Risk for capital requirement for trading book of the Bank. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for "specific risk" and "general market risk".

Qualitative Disclosures

	iii. Market Risk Management system	The Treasury Division of the Bank manages market risk covering liquidity, interest rate and foreign exchange risks with oversight from Assets-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director & CEO. ALCO meets at least once in a month. The Risk Management Division also reviews the market risk parameters on monthly basis and recommends on portfolio concentration for containing the RWA.
	iv. Policies and processes for mitigating market risk	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. The ALCO of the Bank meets on regular basis to review the prevailing market condition, exchange rate, foreign exchange position and transactions to mitigate foreign exchange risks.

Quantitative Disclosures

		(BDT in crore)												
b)	The capital requirements for market risk	<table><tr><th>The capital requirements for:</th><th>Amount</th></tr><tr><td>i) Interest rate risk</td><td>0.62</td></tr><tr><td>ii) Equity position risk</td><td>7.01</td></tr><tr><td>iii) Foreign exchange risk</td><td>0.08</td></tr><tr><td>iv) Commodity risk</td><td>0.00</td></tr><tr><td>Total capital requirement for Market risk</td><td>7.71</td></tr></table>	The capital requirements for:	Amount	i) Interest rate risk	0.62	ii) Equity position risk	7.01	iii) Foreign exchange risk	0.08	iv) Commodity risk	0.00	Total capital requirement for Market risk	7.71
The capital requirements for:	Amount													
i) Interest rate risk	0.62													
ii) Equity position risk	7.01													
iii) Foreign exchange risk	0.08													
iv) Commodity risk	0.00													
Total capital requirement for Market risk	7.71													

8.00 Operational Risk:

Qualitative Disclosures

a)	i. Views of Board of Directors on system to reduce Operational Risk	The policy for operational risks including internal control and compliance risk is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division (IC&CD) to protect against all operational risks. As a part of continued surveillance, the Senior Management Team (SMT), Executive Risk Management Committee (ERMC) and Risk Management Division regularly review different aspects of operational risk. The analytical assessment is reported to the Board/ Risk Management Committee/ Audit Committee of the Bank for review and formulating appropriate policies, tool & techniques for mitigation of operational risk.
	ii. Performance gap of executives and staffs	Bengal Commercial Bank has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. BGCB recognizes the importance of having the right people at right positions to achieve organizational goals.

Qualitative Disclosures

	iii. Potential external events	There are non-diversifiable external factors that can affect the operations of the business directly or indirectly. BGCB operates its banking business under an umbrella of interconnected socio-economic and political environment where macro-economic conditions, regulatory changes, change in demand, and the status of infrastructure significantly influence the Bank's performance. The Bank has a separate mechanism to address such kinds of events.
	iv. Policies and processes for mitigating operational risk	Internal Control and Compliance Division have a key role in identifying and mitigating operational risk. This division works relentlessly under the guidance of the Board Audit committee to manage operational risk issues of the Bank. The audit committee delivers policies and directions from time to time to keep the operational efficiency of the Bank up to the mark. In addition, Bank's Anti- Money laundering activities are headed by CAMLCO and their activities are devoted to protect against all money laundering and terrorist finance related activities. The Central Customer Service & Complaint Management Cell was also engaged in mitigating the operation risks of the Bank. Apart from that, 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.
	v. Approach for calculating capital charge for operational risk	The Bank follows the Basic Indicator Approach (BIA) in terms of BRPD Circular No. 18 dated 21 December 2014 [Guidelines on 'Risk Based Capital Adequacy for Banks' (revised regulatory capital framework in line with Basel III)]. The BIA stipulates the capital charge for operational risk as a fixed percentage, denoted by α (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula: $K = [(GI1 + GI2 + GI3) \alpha] / n$ Where: K = the capital charge under the Basic Indicator Approach GI = only positive annual gross income over the previous three years (i.e. negative or zero gross income if any shall be excluded) α = 15 percent n = number of the previous three years for which gross income is positive.

Quantitative Disclosures

b)	The capital requirements for operational risk	(BDT in crore)	
		Particulars	Amount
		Gross Income of last 3 years:	
		Year-1	48.21
		Year-2	95.93
		Year-3	158.58
		Average gross Income	100.91
		Capital Requirement for Operational Risk (15% of average gross income)	15.14

9.00 Liquidity Ratio:

Qualitative Disclosures		
a)	Views of BOD on system to reduce liquidity Risk	The Board of Directors reviews the liquidity risk of the Bank on quarterly basis while reviewing the Quarterly Financial Statements, Stress Testing Report etc. Besides, the Board also reviews the liquidity position while reviewing the management information system reports on monthly basis. Upon reviewing the overall liquidity position along with the outlook of the Bank funding need, investment opportunity, market/ industry trend, the Board takes its strategic decision regarding deposits, funding, investments, loans as well as interest rates policies etc. The Board of the Bank always strives to maintain adequate liquidity to meet up Bank's overall funding need for the retail depositors, borrowers' requirements as well as maintain regulatory requirements.
b)	Methods used to measure Liquidity Risk	The maintenance of Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) is considered as the fundamental methods/ tools to measure the liquidity position/ risk of the bank. However, under Basel III, the following methods and tools are mandated for measuring the liquidity risk. a) Liquidity Coverage Ratio (LCR): Liquidity Coverage Ratio ensures to maintain an adequate level of stock of high-quality liquid assets that can be converted into cash to meet its liquidity needs (i.e. total net cash outflows) over the next 30 calendar days. b) Net Stable Funding Ratio (NSFR): Net Stable Funding Ratio aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that, available stable funding (ASF) should be at least equal to required stable funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items also with percentage weights attached given the degree to which they are illiquid or "long-term" and therefore requires stable funding. In addition to the above, the following measures have been put in place to monitor the liquidity risk management position of the Bank on a continued manner: - Statutory Liquidity profile (SLP); - Advance Deposit Ratio (ADR); - Whole sale borrowing capacity; and - Maximum Cumulative Outflow (MCO). Besides the above, the following tools are also used for measuring liquidity risk: - Stress Testing (Liquidity Stress); and - Net open position limit

Qualitative Disclosures

c)	Liquidity Risk management system	The liquidity risk is primarily managed by the Treasury Division under oversight of ALCO which is headed by the Managing Director & CEO along with other members of the senior management team. Treasury Division upon reviewing the overall funding requirements on daily basis sets their strategy to maintain a comfortable/ adequate liquidity position taking into consideration of Bank's approved credit deposit ratio, liquid assets to total assets ratio, asset-liability maturity profile, Bank's earning/ profitability as well as overall market behavior and sentiment etc. Apart from the above, Risk Management Division (RMD) also monitors & measures the liquidity risk in line with the Basel III liquidity measurement tools, namely, LCR, NSFR, Leverage Ratio. RMD addresses the key issues and strategies to maintain the Basel III liquidity ratios to the respective division(s) on regular interval.
d)	Policies and processes for mitigating liquidity risk	The Asset-Liability (ALCO) policy leads the process & procedures for mitigation of liquidity risk of the Bank. ALCO works under specific Terms of References (functions) approved by the Board. Treasury Division and ALM desk under regular supervision of Top Management reviews the overall liquidity position of the Bank and takes appropriate strategy, process in line with the industry position for managing liquidity risk of the Bank.

Quantitative Disclosures

e)	(BDT in crore)	
Sl. No.	Particulars	As on 31 Dec 2024
i)	Liquidity Coverage Ratio (LCR) [%]	162.62%
ii)	Net Stable Funding Ratio (NSFR) [%]	135.60%
iii)	Stock of High-quality liquid assets (SHQLA)	461.05
iv)	Total net cash outflows over the next 30 calendar days	283.51
v)	Available Stable Funding (ASF)	2,373.30
vi)	Required Stable Funding (RSF)	1,750.25

10.00 Leverage Ratio

Qualitative Disclosures

a)	i) Views of Board of Directors on system to reduce excessive leverage	In order to avoid building-up of an excessive on and off-balance sheet leverage in the banking system, a simple, transparent and non-risk-based leverage ratio has been introduced under the Base III framework. Board of Directors of our Bank continuously monitoring the exposure limit of lending, capital strength of our Bank in order to avoid building-up excessive on- and off-balance sheet leverage. Besides, Board Risk Management Committee (BRMC) also reviews the leverage ratio and other liquidity position/ratios while reviewing the comprehensive risk management report on time-to-time.
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Qualitative Disclosures

ii) Policies and processes for managing excessive on and off-balance sheet leverage	To manage excessive leverage, the Bank follows all regulatory requirements for capital, liquidity, commitment, Advance Deposit Ratio (ADR), Maximum Cumulative Outflow (MCO), and other standards set by Bangladesh Bank. The aim is to ensure that the high leverage inherent in banking business models is carefully and prudently managed.
iii) Approach for calculating exposure	For calculating "leverage", the Bank follows the 'Leverage Ratio' approach/ method as suggested by Bangladesh Bank as under $\text{Leverage Ratio} = \frac{\text{Tier-1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$

Quantitative Disclosures

b)	(BDT in crore)	
	Sl. No.	As on 31 Dec 2024
	i)	525.58
	ii)	2,769.06
	iii)	0.77
	iv)	2,768.30
	v)	18.11%

11.00 Remuneration:

Qualitative Disclosures

a)	Information relating to the bodies that oversee remuneration	Managing Director, Senior Management Team (SMT) & Head of Human Resources Division govern the remuneration related policies and practices in alignment of the Bank's short- & long-term objectives. They play an independent role, operating as an overseer; and if required, makes recommendation to the Board of Directors of the Bank for its consideration and final approval for any remuneration related policy. The main work includes presenting recommendations to the Board regarding remuneration, compensation packages of senior management, incentive schemes and retirement benefits. They also assist the Board of Directors to ensure that all employees are remunerated fairly and get performance-based compensation by ensuring effective remuneration policy, procedures and practices aligned with the Banks' strategy and applied consistency for all employee levels.
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Qualitative Disclosures

b)	Information relating to the design and structure of remuneration processes	BGCB has a flexible compensation and benefits system that helps to ensure pay equity is linked with performance that is understood by employees, and keeps in touch with employee desires and what's converted in the market, while maintaining a balance with the business affordability. The compensation and benefits are regularly reviewed through market and peer group study. The well-crafted total rewards help the Bank to attract, motivate and retain talent that produces desired business results. The structure and level of remuneration are reviewed time to time based on Bank's business performance and affordability. Other than the regular monthly payments and a good number of allowances, BGCB has variety of market-competitive benefits schemes. The various cash and non-cash benefits include; Bank provided chauffeured car facility for top level executives, car maintenance allowance, leave fare assistance, employee car loan facility, festival bonus, noboborsho bonus etc. BGCB also provides long term as well as retirement benefits to employees, like leave encashment, provident fund, benefit under gratuity & superannuation fund etc. The overall objective of the Bank's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits.
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes;	The business risk including credit/default risk, compliance & reputational risk are mostly considered when implementing the remuneration measures for each employee/group of employees. Financial and liquidity risk are also considered. Different set of measures are in practice based on the nature & type of business lines/segments etc. These measures are primarily focused on the business target/goals set for each area of operation, branch vis-à-vis the actual results achieved as of the reporting date. The most vital tools & indicators used for measuring the risks are the asset quality (NPL ratio), Net Interest Margin (NIM), provision coverage ratio, credit deposit ratio, cost-income ratio, growth of net profit, as well the non-financial indicators, namely, the compliance status with the regulatory norms, instructions have been brought to all concerned of the Bank from time to time. While evaluating the performance of each employee annually, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly, the result of the performance varies from one to another and thus affect the remuneration as well. No material change has been made during the year 2024 that could the affect the remuneration.

Qualitative Disclosures

d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration;	The Board sets the Key Performance Indicators (KPIs) for the senior management while approving the business target/budget for each year for the Bank and business lines/segments. The management sets the appropriate tools, techniques and strategic planning (with due concurrence/approval of the Board) towards achieving those targets. The most common KPIs are the achievement of loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.
e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance;	The Bank pays variable remuneration i.e. annual increment on cash basis with the monthly pay. While the value of longer-term variable part of remuneration i.e. the amount of Provident Fund & Gratuity Fund is made provision on aggregate /individual employee basis; actual payment is made upon retirement, resignation etc. as the case may be, as per rule.
f)	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms;	A summary of Short-term and Long-term compensation plan are as follows: Total Compensation = Fixed Pay (Salary) + Variable Pay (Bonus) + Variable Pay (Long term incentive). Form of variable remuneration offered by Bengal Commercial Bank: Cash Form: Short-Term Incentive/Rewards 1. Yearly fixed and incentive bonus; 2. Yearly increment; 3. Business accomplishment financial award; 4. Car fuel and car maintenance allowance for executives; 5. Cash risk allowance for cashier; 6. Charge allowance for branch manager. Long-Term Incentive/Rewards 1. Provident fund; 2. Gratuity; 3. Employee house building loan with minimum interest rate; 4. Provident fund loan with minimum interest rate; 5. Periodically salary review (enhancement) 6. Furniture allowance for executives; Non-Cash Form: 1) Short-Term Incentives/Rewards: Accelerate promotion for top talents; 2) Long-Term Incentives/Rewards: Foreign training award;

Quantitative Disclosures

g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member	2 meetings												
h)	i) Number of employees having received a variable remuneration award during the financial year	Nil												
	ii) Number and total amount of guaranteed bonuses awarded during the financial year	Eid -UI-Fitr Bonus, 359 Employees, BDT. 1.35 Crore Eid-UI-Azha Bonus, 374 Employees, BDT. 1.40 Crore												
	iii) Number and total amount of sign-on awards made during the financial year	Nil												
	iv) Number and total amount of severance payments made during the financial year	Details of severance payments during the year 2024 are appended below: <table><tr><th>Type of Severance Payment</th><th>Nos. of employee</th><th>BDT in million</th></tr><tr><td>Leave encashment</td><td>33</td><td>0.29</td></tr></table>	Type of Severance Payment	Nos. of employee	BDT in million	Leave encashment	33	0.29						
Type of Severance Payment	Nos. of employee	BDT in million												
Leave encashment	33	0.29												
i)	i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms	Nil												
	ii)Total amount of deferred remuneration paid out in the financial year	Nil												
j)	Breakdown of amount of remuneration awards for the financial year to show:	i) Fixed and variable remuneration paid in 2023 are as follows: (BDT in crore) <table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>Basic salary</td><td>16.57</td></tr><tr><td>Allowances</td><td>18.69</td></tr><tr><td>Festival bonus</td><td>2.81</td></tr><tr><td>Provident fund contribution</td><td>1.49</td></tr><tr><td>Total</td><td>39.56</td></tr></table> ii) Deferred and non-deferred: Nil iii) Different forms used (cash, shares and share linked instruments, other forms): All the remunerations have provided in the form of cash.	Particulars	Amount	Basic salary	16.57	Allowances	18.69	Festival bonus	2.81	Provident fund contribution	1.49	Total	39.56
Particulars	Amount													
Basic salary	16.57													
Allowances	18.69													
Festival bonus	2.81													
Provident fund contribution	1.49													
Total	39.56													

Quantitative Disclosures

k)	Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration	
	i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments	Nil
	ii) Total amount of reductions during the financial year due to ex-posts explicit adjustments	Nil
	iii) Total amount of reductions during the financial year due to ex post implicit adjustments	Nil



ISLAMIC **BANKING**

Report On the Shariah Supervisory Committee For The Year Ended On 31st December, 2024:

In the Name of Allah, the Beneficent, the Merciful.

All praise is due to Almighty Allah, the Lord of the Universes and peace and blessing of Allah be upon the Prophet Muhammad (May Allah bless him and grant him peace) and upon his all-other descendants and companions

To the Shareholders of the Bengal Commercial Bank PLC.

لَسْلَامٌ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

(Assalamu alaikum wa rahmatullahi wa barakatuh).

We are pleased to express our appreciation to the Board of Directors, the Managing Director and all the members of the Management Team of Bengal Commercial Bank PLC. for their continuous support. We are grateful to our honorable shareholders and clients for their confidence reposed on us. Without their confidence and support, we would not be able to perform our duties properly. The Shari'ah Supervisory Committee has participated in different meetings and discussed various issues on Islami Banking activities of the Bank in respect of the Islami Shari'ah Principles & Regulations and provided opinion and necessary directives during the year 2024. Islami Banking Division of the Bank inspected three (3) Islami Banking Branches and one (1) Sub-Branch of the Bank during the year and submitted their reports to the Shari'ah Supervisory Committee. Irregularities/lapses as detected were reported directly to the Shari'ah Supervisory Committee for information and necessary guidance on remedial measures. Decision of the Committee was propagated accordingly to the respective branches for compliance / non-recurrence of the irregularities/ lapses.

Mentionable here, duty of the Shari'ah Supervisory Committee is to provide independent opinion & necessary guidelines upon observing and reviewing the activities of the Bank and to conduct Shari'ah related training for the human resources of the Bank and also to make the clients aware of the issues related to Shari'ah compliance.

On the other hand, the responsibility of the Islami Banking Branches is to ensure that the businesses are carried out in accordance with the rules and principles of Islami Shari'ah. As per recommendation of Shari'ah Supervisory Committee, Officials performing in Islamic Shari'ah based branches are also evaluated periodically based on their knowledge on basics and updates on Islami Banking. The Shari'ah Supervisory Committee had also discussed/ reviewed and opined on the following issues in their meetings at Bengal Commercial Bank PLC. during 2024:

In compliance with the terms of reference of the By Laws of the Bengal Commercial Bank Shari'ah Supervisory Committee (BGCB-SSC), BGCB's has taken various performance analysis of Islami Banking Branches & Sub-branches which is very sustainable for Bank's growth and developments. For the performance evaluation of the Islamic banking in BGCB, the "Banking Efficiency Model" has taken into consideration. Banking Efficiency Model criteria have been developed to measure the efficiency of the Islamic banking system. These five criteria are measured and expressed in terms of ratios for BGCB'S Islami Banking Branches/Sub-branches.

- A. Productive Efficiency.
- B. Operational Efficiency.
- C. Allocative Efficiency.
- D. Distributive Efficiency.
- E. Stabilization Efficiency.

On the Basis of above efficiency model, we are reviewing the principles and the contracts relating to the transactions and applications introduced by BGCB Islamic Banking during the period from 1st January, 2024 to 31st December, 2024. We have conducted our review on the basis of Shari'ah audit and inspection reports of the Shari'ah Audit team to form our opinion as to whether the BGCB, in its Islamic Banking operations, has complied with Shari'ah rules and principles and also with the specific fatwas, rulings and guidelines issued by us.

In addition to our fatwas, the Muraqibs also followed the Internal Control & Compliance guidelines on Islamic Banking issued by the Bangladesh Bank. Shari'ah non-compliance risk rating of concerned Branches and Sub-Branches were 'Low' during the year under report. The Shari'ah Supervisory Committee reviewed the Shari'ah Audit Reports and provided guidelines it deemed necessary for proper Shari'ah compliance.

We also conducted our review which included, on a test basis of each type of transaction, the relevant documentation and procedures adopted by the Bank BGCB Islamic Banking. We planned and performed the review so as to obtain the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that BGCB Islamic Banking has not violated Shari'ah rules and principles.

We are very happy to know that Bangladesh Bank has decided to introduce a separate Act for the banking operation under the principle of Islami shariah and already issued the draft of the Act under the caption "Islami Bank Company Act 2024" (Draft) which may be come into force soon. In this regard, as the board and management of the bank already showed their interest in converting the bank into a full-fledged Islami bank, the hon'ble Board of Directors in its 36th board meeting unanimously approved to Convert Conventional Operational mode of banking to full-fledged Shariah based Islamic banking. We forward our interest to the relative departments of Bangladesh bank.

In our opinion:

- a) The contracts, transactions and dealings entered into by the BGCB Islamic Banking during the year ended on 31st December, 2024 that we have reviewed are in compliance with the Shari'ah rules and principles.
- b) Distribution of profit to the Mudaraba Depositors conforms to the basis in agreed in this ratio the Mudarib (BGCB) & Sahib Al Mall (Amount Holds/ Depositors).
- c) All earnings that have been realized from sources or by means prohibited by Shari'ah rules and principles have not been included in Bank's income;
- d) Transactions with the conventional part of the Bank have been made complying Shari'ah principles.
- e) Bank don't pay Zakat on behalf of Depositors and Shareholders. But they pay it by themselves.

During the year under report, the BGCB-SSC has advised the Bank on the following Issues:

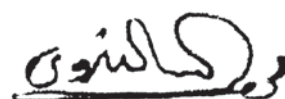
- a) To take effective steps aiming at creating awareness among the employees and the customers about Shari'ah compliance;

- b) To continue to arrange regular training & workshop on Is Banking for the officials of the Bank, for the owners of the Agents Banking and for their Customer Service Officers to increase professional skills for better Shari'ah compliance; And
- c) To continue the practice of obtaining 'Shari'ah clearance' from the Shari'ah division of the Corporate Office before disbursement of Investment Deals in order to maintain highest level of Shari'ah compliance.

The Shari'ah Supervisory Committee appreciated the following steps and initiatives of the Bank during the year for furtherance of Islamic Banking services for:

- a) Conducting sufficient numbers of Shari'ah audit programs as per guideline of Bangladesh Bank; And
- b) Fixing Islamic Banking logo in order to make the Islamic banking branding of BGCB attractive and customer friendly.

May Allah subahanahu wata'la give us strength to achieve His satisfaction through implementation of Shari'ah Principles in every sphere of our life.



Mufti Mohammad Muhibullahil Baqee
Chairman
Shari'ah Supervisory Committee

Islami Banking Maneuvers of Bengal Commercial Bank PLC. (BGCB)

Islamic financial sector is now considered as a global financial industry in terms of its assets like Islamic banks, Islamic bonds, Islamic mutual fund and Islamic insurance etc. The sector is growing globally based on its risk sharing optimism, inclusiveness and real asset backed transaction features. In line with global trends, Islamic banking in Bangladesh has also been witnessing a robust growth due to strong public demand and policy supports from the Bangladesh Bank.

Bengal Commercial Bank PLC. (BGCB) has set the objectives of the Islami Banking system for not only to provide religiously acceptable financial products and services as alternatives to conventional financial structures but it also aims to contribute to the economic development, facilitate the allocation of resources efficiently and ultimately attaining social welfare. To achieve these objectives, BGCB has started its Islami Banking Operations by opening three (03) full-fledged Islami Banking Branches & one (1) Sub-Branch i.e., Dilkusha Islami Banking Branch, Dhaka, Agrabad Islami Banking Branch, Chattogram. Kashinathpur Islami Banking Branch, Pabna. & Khatunganj sub branch, Chattogram.

Islami Banking Operations is totally different & separate from BGCB Conventional Banking Operations as they conduct their operation on the basis of Islami Shariah Principles. Since inception, the Bank has been maintaining separate system for Islami Banking Operations which is completely separate from Conventional Banking following the standards adopted by "Accounting and Auditing Organization for Islamic Financial Institutions-AAOIFI".

Activities of Islamic Banking Division (IBD):

Islamic Banking has significant contributions towards the growth and economic development of Bangladesh. The system seems progressively attractive and profitable to conventional banks for BGCB's lower Statutory Liquidity Ratio (SLR) and higher Investment-Deposit Ratio (IDR). It is evident that, the system has experienced phenomenal growth and expansion in the country as the deposits and investments have increased significantly over the time. As per Instruction mentioned in the Guidelines for Islami Banking issued by Bangladesh Bank vide BRPD Circular No.15 dated 09.11.2009, a separate "Islami Banking Division" in Corporate Head

Office has been taking up the duties & responsibilities of all works & day to day activities, formulation of required various Standard Operation Procedures - SOPs & Guidelines related to the Islami Banking Business, Marketing, Product Development, Training of Islami Banking & Finance, Islami Treasury, Regulatory issues, Functioning of Shari'ah Supervisory Committee, Inter Divisional activities, communications & liaison with various apex bodies of regulatory bodies and Islami Banking and any other Internal & External activities.

Shariah Supervisory Committee (SSC):

Islamic Banking Operations of BGCB is conducted under keen supervision of Shariah Supervisory Committee. Shariah Supervisory Committee of BGCB consists of a team of Shariah scholars & experts along with personalities having outstanding strength in Qur'an, Hadith & Fiqh. The Shariah Supervisory Committee meeting held from time to time to review the Islamic Banking activities and provides their expert opinion on various Shariah related issues of Islamic Banking Operations. The Muraqib acts in the Shariah Supervisory Committee Secretariat (SSCS) and helps the Shariah Supervisory Committee for its regular activities.

BGCB Shariah Supervisory Committee (SSC) consists of the following members:

SL	Name	Position In SSC
01	Janab Mufti Mohammad Muhibullahil Baqee	Chairman
02	Janab Mufti Dr. Md. Anwar Hossain Molla	Co-Chairman
03	Janab Shah Mohammad Wali Ullah	Member Secretary
04	Mr. Md Jashim Uddin	Member
05	Mr. Shamsul Alam	Member
06	Mr. Muhammad Jamaluddin	Member
07	Mr. Tarik Morshed	Member

During the year 2024, (03) Three meetings of the Shariah Supervisory Committee were held. The Members of Shariah Supervisory Committee delivered valuable speech and important suggestions to the bank management as following

- To take effective steps aiming at gradual development of the employees and customer's awareness about concept and operational methodology of Islamic banking & Shari'ah compliance in Islamic Banking;
- To organize in-depth training courses & workshop on Islami Banking for employees to increase their professional skills;
- To take effective steps aiming at gradual development of Islami Banking awareness among the customers about Shari'ah compliance;
- To continue close monitoring of all investment clients;
- To establish Islami Banking Service Desk at all Branches of the Bank;
- To keep the spirit of Shari'ah high in the days to come;
- To take effective steps for implementation of the recommendations given by the Shari'ah

Supervisory Committee

- In case of allowing investing in Bai-Sell mode (i.e., Bai-Muajjal & Bai-Salam) bank should ensure proper buying and selling. In case of appointing buying agent importance should be given in the Shariah principles;
- To face the current situation and to establish a partnership business model, Mudaraba and Musharaka investment should be introduced in the small scale.
- Investment focus should be given for the socio- economic development of the poor people of the rural area of the country in accordance with corporate, SME & retail clients.
- Conducting sufficient numbers of Shari'ah audit programs;
- Fixing Islamic Banking logo in order to make the Islamic banking branding of BGCB attractive and customer friendly;
- To take necessary steps to implement the 'Maqasid-e-Shari'ah' (i.e., goal and purpose of Islami Shari'ah) in over all activities of the Islami Banking to ensure common welfare of humanity.
- The distribution of profits among Mudarabah depositors must be strictly in accordance with the principles of Islamic Shari'ah.
- The Management and Shari'ah Supervisory Committee should improve their coordination to ensure effective implementation of Shari'ah principles.

- Finally, to take effective initiative for converting existing Bank's conventional activities into the full-fledged Islami Banking.

Activities of Year 2024

During the year 2024 various policy Guideline regarding Islami Banking have been formulated & updated in line with Bangladesh Bank's guidelines for Islami Banking with necessary approval of Management & Board of Directors. The Bank operates Islami Banking through three full functioning branches exclusively designated for this purpose, in compliance with the rules of Islami Shari'ah. Separate Financials have been prepared by following instruction of "Guidelines for Islamic Banking" issued by Bangladesh Bank, vide BRPD Circular No: 15 dated: 09 November, 2009. Islami Banking Division supervises, monitors and looks after all the activities of Islami Banking and comply with the Rules & Principles of Islami Shari'ah as well as those of Regulatory Authorities. Basic information on Islamic banking has briefly discussed below:

Total deposits in Islamic banking branches stood at BDT 671.78 crore at the end of December 2024 with an increase of BDT 153.09 Crore as compared to the end of December 2023.

Total investment of Islamic banking branches stood at BDT 495.08 Crore at the end of December 2024 which increased by BDT 34.65 Crore in comparison with December 31, 2023. Investment-Deposit ratio of the Islamic banks stood at 73.69% at the end of December 2024.

Total exports receipts by the Islamic banking branches stood at BDT 46.08 Crore at the end of December 2024, which was higher by BDT 19.43 Crore in comparison with December 31, 2023.

Total imports by the Islamic banking branches stood at BDT 72.06 Crore at the end of December 2024 which was increased by BDT 32.40 crore as comparison with December 31, 2023.

Strategic Plan for 2025

- To strengthen the Digital Financial Services and ensure diversification of products and services by introducing IT based innovative products and engaging alternate delivery channels.
- To emphasize on enhancement of Islamic Banking services through initiating Islamic Banking Branches and building trust on our Shariah practice within the Bank, so that we can fruitfully harvest the benefit of phenomenal growth and expansion of shariah Based banking in Bangladesh.

- To conduct Islamic banking operation in every branch and sub-branch of Bengal Commercial Bank PLC. under the guidelines of Bangladesh Bank.

We believe in compliance culture. Our philosophy is 'compliance first; profit is its logical consequence'. So, we are reaffirming our commitment towards doing business in compliance with all laws, rules, regulations related to banking as well as the laws of the Country and Shariah.

- To maintain highest quality of customer services by offering best products compatible with customers' need.
- To emphasize on continuation of diversification of credit portfolio in corporate exposure focusing on retail, SME, direct green finance and agriculture loans, SME segment and prioritizing on geographic dispersion.

- To formulate strategies and programs to develop our human resources more Professionally and skillfully to meet the challenges of ever-changing customer demands and attitudes in the service sector.
- To keep up our Continuous effort for improving internal Shariah governance through strengthening good corporate cultures, motivation, training and supervision at all levels of organization.
- To confirm efficient and effective Shariah risk management for sustainable business growth.
- Increasing Shariah brand visibility and creating favorable brand image of the bank through distinctive brand positioning in the minds of our prospects and customers is one of our significant priorities for the coming year.

BGCB Islami Banking Products and Services

At present BGCB Islami Banking offers almost all the Deposit & Investment Products from its Islami Banking Branches for collecting and utilization of funds or in other words, pooling resources and deployment of the said resources. The following products are available now:

Deposit Products of BGCB (Islamic)

1. Bengal Al-Wadiah Current Account
2. Bengal Al-Wadiah SME Current Account
3. Bengal Mudaraba General Savings Account
4. Bengal Mudaraba Staff Savings Account
5. Bengal Mudaraba School Savings Account
6. Bengal Mudaraba Supreme Savings Account
7. Bengal Mudaraba Evergreen Savings Account
8. Bengal Mudaraba Pay-roll Savings Account
9. Bengal Mudaraba Nabanno Savings Account
10. Bengal Mudaraba Prothoma Savings Account
11. Bengal Mudaraba Wage Earners Savings Account
12. Bengal Mudaraba Probashi Savings Account
13. Bengal Mudaraba Cash Waqf (General)
14. Bengal Mudaraba Universal Account
15. Bengal Mudaraba Universal Account Payroll
16. Bengal Mudaraba Universal Account Staff
17. Bengal Mudaraba Short Notice Deposit Account
18. Bengal Mudaraba Term Deposit Account-100 Days
19. Bengal Mudaraba Term Deposit Account-200 Days
20. Bengal Mudaraba Term Deposit Account-400 Days
21. Bengal Mudaraba Term Deposit Account - 1 Month
22. Bengal Mudaraba Term Deposit Account - 3 Months
23. Bengal Mudaraba Term Deposit Account - 6 Months
24. Bengal Mudaraba Term Deposit Account - 01 Year
25. Bengal Mudaraba Term Deposit Account - 02 Years
26. Bengal Mudaraba Term Deposit Account - 03 Years
27. Bengal Mudaraba Advance Earning Deposit Term Account-01 Year
28. Bengal Mudaraba Advance Earning Deposit Term Account-02 Years
29. Bengal Mudaraba Advance Earning Deposit Term Account-03 Years
30. Bengal Mudaraba Advance Earning Deposit Term Account-04 Years
31. Bengal Mudaraba Monthly Earning Term Deposit Ac-01 Year

32. Bengal Mudaraba Monthly Earning Term Deposit Ac-02 Years
33. Bengal Mudaraba Monthly Earning Term Deposit Ac-03 Years
34. Bengal Mudaraba Monthly Earning Term Deposit Ac-04 Years
35. Bengal Mudaraba Monthly Earning Term Deposit Ac-05 Years
36. Bengal Mudaraba Al-Wasiyyah Bil Cash Waqf
37. Bengal Mudaraba DPS
38. Bengal Mudaraba Prothoma DPS
39. Bengal Mudaraba Lakhopoti DPS
40. Bengal Mudaraba Millionaire DPS
41. Bengal Mudaraba Kotipoti DPS

Investment Products (Islamic)

1. Corporate Bai Muazzal
2. SME/ CMSME Bai-Muazzal
3. Corporate Bai-Salam
4. SME. Bai-Salam
5. Quard against MTDR
6. Quard against Scheme
7. Bengal Shonirbhor
8. Bengal Personal Finance
9. Bengal Auto Finance
10. Bengal Remittance Investment
11. Bengal Commercial Housing Investment
12. Bengal Home Finance.

Other Products and Services of BGCB

Besides these Bengal Commercial Bank PLC. Islami Banking Operations also providing the services including issuance of Payment Order, Certificates, Remittance, Utility Bills Collection, School Banking, Payroll Account, Internet Banking, SMS Banking facility and other necessary Banking Services.





INTEGRATED **REPORTING**

Integrated Business Model



01 Key Stakeholders

- Customers
- Shareholders
- Employees
- Regulators
- Society



02 Key Resources

- Financial
- Manufactured
- Intellectual
- Human
- Social & Relationship
- Natural



03 Support Activities

- Risk Management
- Corporate Governance
- Process Re-engineering
- Employee Training & Development
- Research & Development (R&D)



04 Customer Segments

- Corporate Clients
- SMEs
- Retail Customers
- High Net-Worth Individuals
- Individual Clients
- Institutional Clients



05 Channels

- Branches
- ATMs
- Internet Banking
- Mobile Apps
- Agent Banking
- Partnership with third party like MFS, NGOs etc.



06 Cost Structure

- Profit Expenses
- Operating Expenses
- Personnel Expenses
- Tax Expenses
- Defaulted Investments



07 Key Activities

- Deposits & Borrowings
- Investment & Financing
- Digital Banking Operations
- Treasury & Offshore Banking (OBU) Functions
- Network Expansion



08 Value Propositions

- Client centered innovation
- Expansion of business network
- Investment in Human Capital
- Strategic Partnerships with Regulators
- Fulfilment of Environmental & Social Responsibilities
- Maximization of Shareholder Value



09 Customer Relationships

- Need based product Marketing & Branding
- Customer Awareness Campaigns
- Active Customer Engagement
- Continuous Customer Feedback Mechanisms



10 Revenue Streams

- Income from Loan Investment
- Treasury Income
- Fees & Commissions
- Other Operating Income

Strategy for Key Business Line

Deposits Strategies

- Cross-sell a range of products and services, including retail offerings to corporate customers.
- Design and update deposit products to meet evolving customer needs.
- Conduct targeted deposit campaigns, such as CASA campaigns, to increase collection.
- Carry out surveys to identify target segments, particularly for low-cost and no-cost deposits (CASA), and onboard them to reduce overall deposit costs.
- Monitor competitors' deposit offerings, interest rates, and public communication-including their presence in media and on their websites.
- Promote micro-savings through zero-fee accounts like school banking, farmer accounts, and RMG worker accounts to support national financial inclusion.
- Tap into the growing rural deposit base by establishing smaller, cost-effective rural branches, sub-branches, and agent banking outlets.
- Collect short-term deposits to meet immediate funding needs and long-term deposits to match long-term loan/investment demands.
- Provide high-priority banking services tailored to premium customers' expectations.
- Encourage employee motivation through performance recognition, such as appreciation letters, cash rewards, and awards, for achieving deposit targets.
- Maintain a favourable deposit mix without compromising deposit growth.
- Utilize liability-related MIS tools for accurate forecasting of deposit growth.

Investment Strategies

- Continuously develop and adapt loan/investment products based on market demands and business objectives.
- Prioritize clients with strong credit histories and high ratings.
- Diversify loan/investment portfolios by segment and sector.
- Focus on retail and SME sectors to minimize risks associated with large loan defaults.
- Emphasize loan/investment in key thrust sectors such as SMEs, agro-based industries, leather, frozen foods, and RMG.
- Maintain strong relationships with large corporate borrowers.

- Regularly review and update loan/investment policies in response to economic and market trends.
- Enhance profitability by maintaining a healthy interest spread and expanding both new and existing client facilities.
- Grow non-funded income sources such as LCs, bank guarantees (BGs), etc.
- Use the Early Alert System to proactively identify problematic investments and initiate recovery measures.
- Support SME businesses by investing in backward linkage industries and supply chains.
- Invest in high-yield sectors with measured risk while maintaining a high-quality asset portfolio.
- Ensure diversification by exploring unconventional sectors to minimize risk.
- Prioritize emerging sectors such as pharmaceuticals, ICT, energy and power, healthcare, light engineering, and ceramics.

Import export strategies

- Offer LCs at lower margins for clients with proven track records to support import activities.
- Extend collateral-free export-import facilities to loyal and long-standing clients.
- Promote green imports (e.g., solar panels, ETP equipment) to support environmental sustainability.
- Engage reputable business houses and promising entrepreneurs with growth potential.
- Establish foreign currency credit lines from international agencies to support trade, especially for importers, at competitive rates.
- Diversify the trade finance portfolio by serving both established and emerging clients in the apparel sector.
- Expand support for service exports such as IT, education, and healthcare.
- Facilitate government and international funding schemes (e.g., Cash Incentive, LTFF, GTF, EDF, World Bank refinancing).
- Deliver export-import services to A-category industrial clients in EPZs and Economic Zones through Offshore Banking Units.
- Maintain full compliance with domestic and international trade regulations, including UCPDC, URC, URR, etc.

SWOT Analysis of BGCB – 2024



SWOT analysis is a strategic tool that helps to evaluate the strengths, weaknesses, opportunities, and threats of a business or organization. It provides a structured approach to identify and understand the internal and external factors that affect its performance and competitiveness.

Strength

Strong Financial Performance (2024)

- Maintained consistent year-on-year growth in net profit, loan portfolio, and deposits.
- Stable credit rating from Emerging Credit Rating Ltd, indicating a solid risk profile and financial discipline.
- High Capital Adequacy Ratio (CAR) supporting lending capacity and business expansion

Digital and Product Innovation

- Significant investment in digital banking channels, contributing to lower customer acquisition costs and improved customer experience.
- Broad product offering catering to retail, corporate, and SME sectors.

Experienced Governance and Skilled Workforce

- A seasoned and credible Board of Directors enhances investor and regulatory confidence.
- Strong internal governance framework and compliance culture.

Customer-Centric Strategy

- A growing digital-savvy customer base aligning with national financial inclusion goals

Opportunities

Expansion through Digital Channels

- Rapid adoption of digital banking creates avenues for scaling services, especially in underbanked regions.

Islamic Banking Segment

- Growing demand offers new market potential and product diversification.

Retail and CSME Lending

- Strategic focus shift towards retail and CSME financing amidst tightening competition in corporate banking can unlock new growth.

Inclusive Banking via Technology

- Initiatives like mobile apps, QR code payments, and e-KYC offer cost-effective means of financial inclusion.

Weaknesses

Limited Market Penetration

- Smaller branch and ATM network compared to larger competitors limits customer reach in rural or semi-urban areas.

Revenue Concentration Risks

- Heavy reliance on corporate lending poses credit concentration risk; limited diversification in revenue sources (e.g., capital market instruments, agency banking).

Operational Inefficiencies

- Relatively high operating costs impact net income margins.
- Still lacking diversified services like agent banking and mobile financial services (MFS), which restrict scalability in remote regions.

Regulatory Burden

- High tax rates due to non-listing in the capital market reduce post-tax profitability.

Threats

Technology-Driven Competition

- New fintech entrants and digital banks increase pressure on fees and customer loyalty.

Cybersecurity Risks

- Increased digitization heightens exposure to fraud and cyber-attacks.

Customer Adoption Lag

- Mass-market customers still show limited awareness and trust in digital banking, slowing scale-up efforts.

Regulatory & Political Uncertainty

- Constant changes in banking regulations can hinder strategic initiatives and increase compliance costs.

PESTEL



Political



Economic



Social

POLITICAL	ECONOMIC	SOCIAL
Key Factors Political stability, legislative reforms, corruption issues, political influences, fiscal measures, bank recapitalization, geopolitical tensions, changes in political leadership BGCB's Approaches BGCB plans and operates its business with stability, reducing risks from sudden political or regulatory changes.	Key Factors Interest rate fluctuations, GDP growth, employment levels, inflation trends, currency exchange variations, consumer trust, real estate dynamics, energy costs, wage trends, commodity price shifts, national debt burden BGCB's Approaches BGCB maintained a robust financial position with strong earnings, liquidity, and capital strength, confirmed by ECRL's 'AA-' long-term and 'ST-2' short-term ratings	Key Factors Shifting demographics, educational advancement, workforce trends, rising environmental consciousness, evolving family units, modern lifestyle patterns, influence of social media BGCB's Approaches BGCB is steadily expanding its network with more branches and sub-branches, ATMs and 26,000+ shared ATMs while prioritizing client data protection and swift issue resolution.



Technological



Environmental



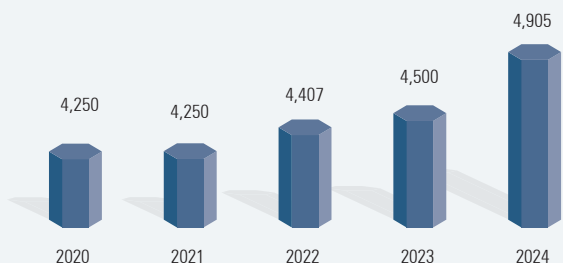
Legal

TECHNOLOGICAL	ENVIRONMENTAL	LEGAL
Key Factors Advancements in AI, blockchain, IoT, 5G networks, cloud systems, big data analytics, enhanced cybersecurity, smart wearable devices, biometric technologies, robotics. BGCB's Approaches BGCB enhances its IT infrastructure with advanced cybersecurity tools, including AI-driven antivirus, next-gen firewalls, ISO-27001:2022 certification, and privileged access management systems.	Key Factors Climate resilience, renewable energy projects, carbon footprint reduction plans, sustainable building practices, eco-conscious farming, energy conservation measures, eco-friendly consumer choices, corporate sustainability efforts, environmental advocacy, and innovations in green technology. BGCB's Approaches BGCB makes substantial investments in CSR activities, aiming to secure a position among the top 10 banks in sustainability rankings.	Key Factors Regulatory compliance, labor rights, consumer safeguards, environmental standards, data security laws, contractual obligations, competition law, securities regulation, insolvency law, financial governance, insurance regulations, cyber legislation BGCB's Approaches BGCB upholds strict adherence to central banking and regulatory norms, consistently adopting proactive compliance strategies.

Five Years' Financial Summary

Graphical Presentation

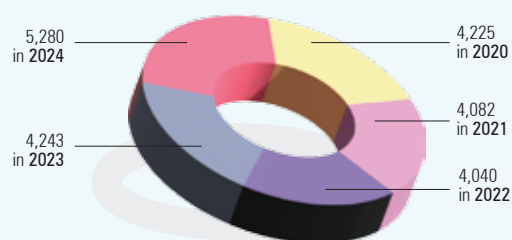
Total Paid-up Capital (Figure in Million)



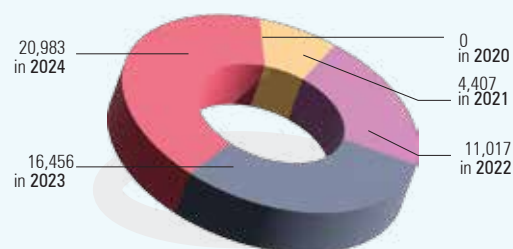
Total Eligible Capital (Figure in Million)



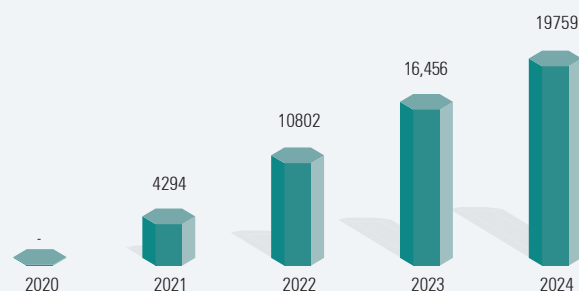
Total Share Holders' Equity (Taka in Million)



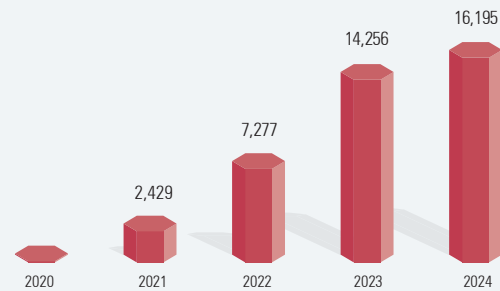
Total Deposits (Taka in Million)



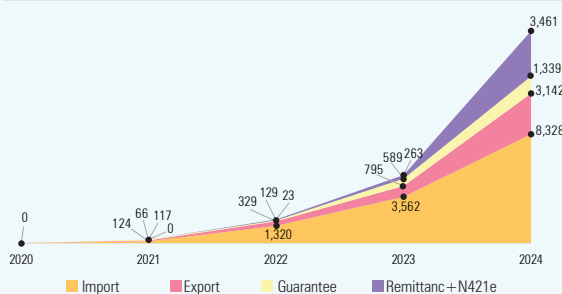
Total Clients Deposit (Figure in Million)



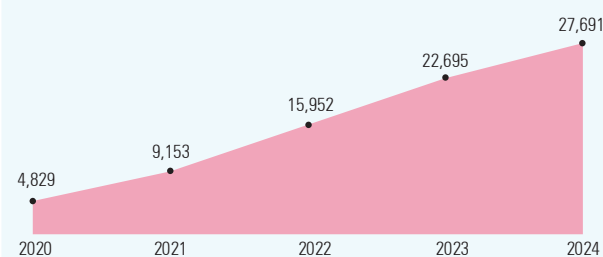
Loans & Advances (Figure in Million)



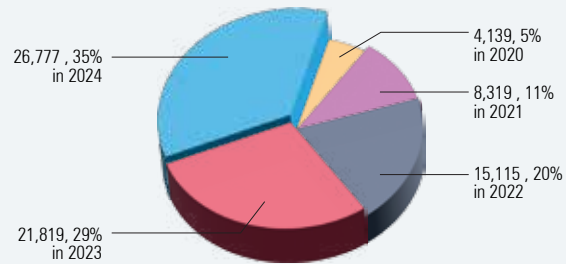
Foreign Exchange Business (Figure in Million)



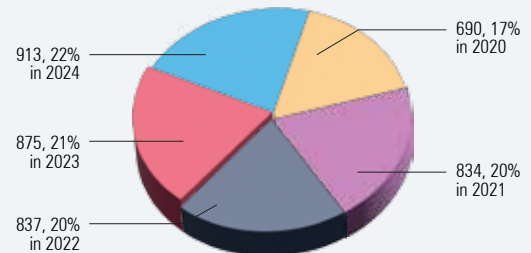
Total Assets (Figure in Million)



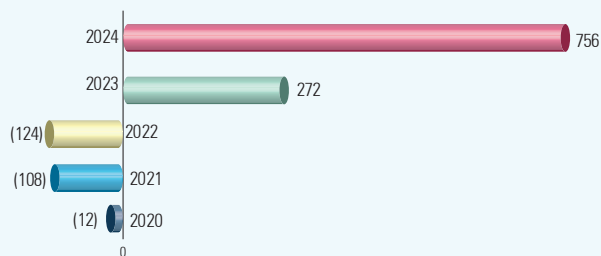
Interest Earning Assets (Figure in Million)



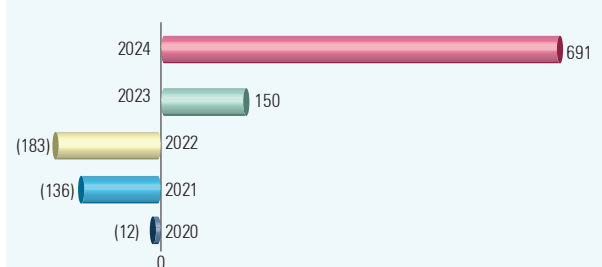
Non-Interest Earning Assets (Figure in Million)



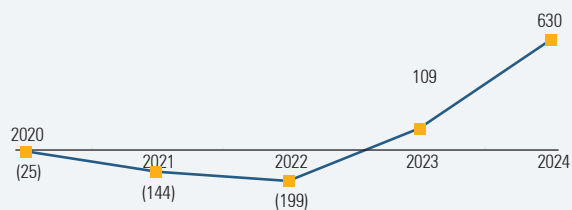
Operating Profit (Figure in Million)



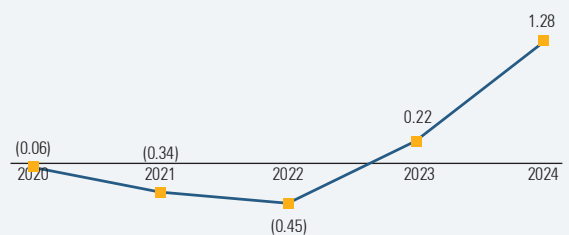
Profit Before Tax (Figure in Million)



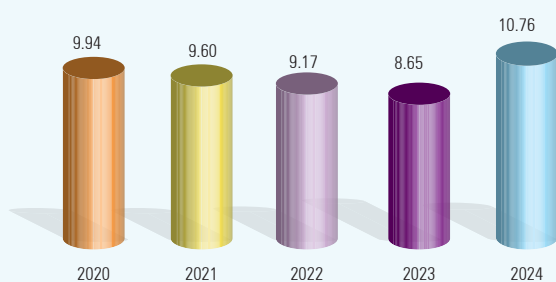
Profit after Tax (Figure in Million)



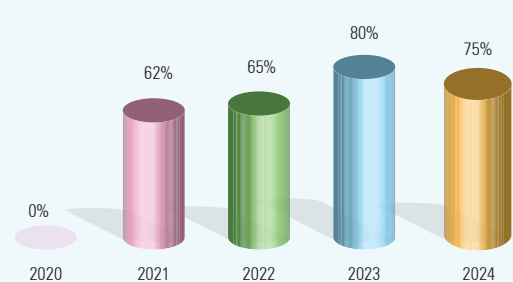
Earning per Share (Figure in TK)



Net Asset Value per Share (Figure in TK)

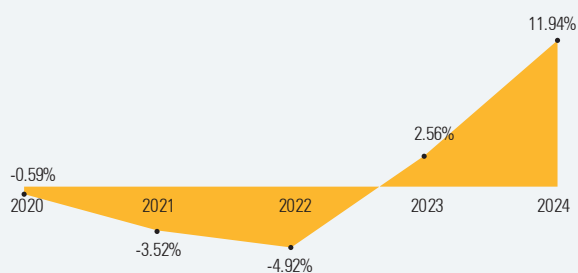


Advance Deposit Ratio (ADR) (Figure in %)



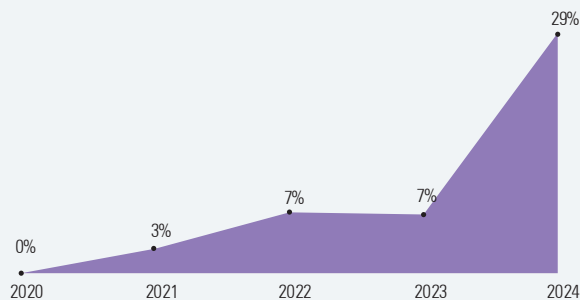
Return on Equity (ROE)

(Figure in %)



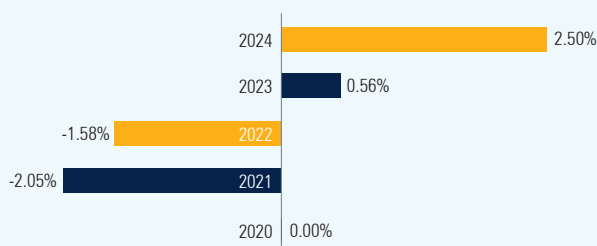
Return on Investment (ROI)

(Figure in %)



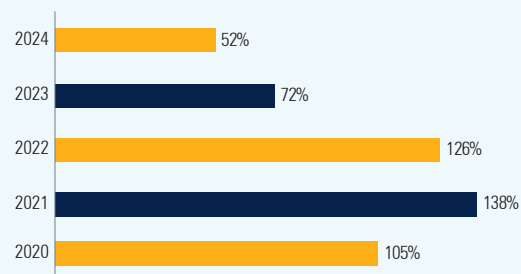
Return on Assets (ROA)

(Figure in %)



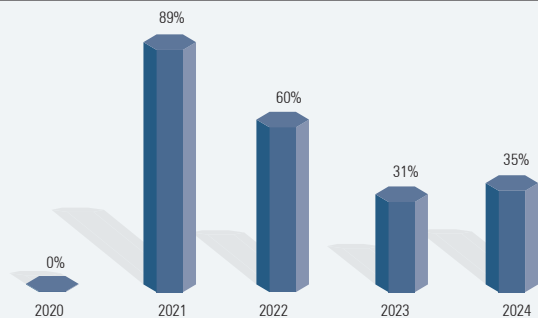
Cost-Income Ratio

(Figure in %)



Capital to Risk Weighted Assets (CRAR)

(Figure in %)



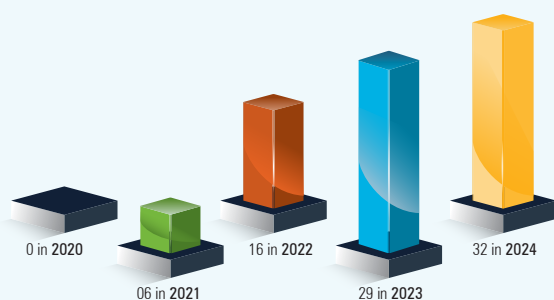
Non performing loans as % of Total Loans

(Figure in %)



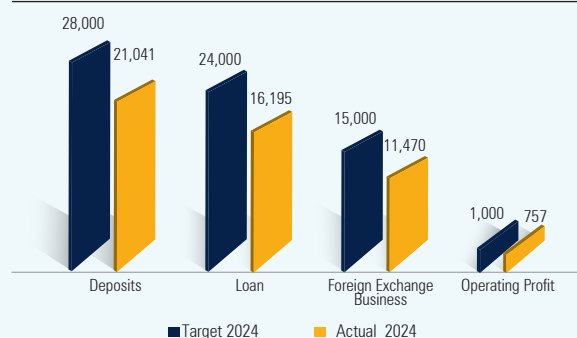
Branch Network

(Figure in Number)



Target-Achivement-2024

(Figure in Million)



BENGAL COMMERCIAL BANK PLC.

Five Years Performance at a Glance

Amount in Million

Particulars	2020	2021	2022	2023	2024
Balance Sheet Metrics					
Authorised Capital	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Paid-up Capital	4,250.00	4,250.00	4,406.68	4,500.00	4,905.30
Statutory reserve	-	-	-	30.09	168.24
Other reserve	-	0.03	0.30	1.77	9.35
Retained earnings	(24.79)	(168.35)	(367.00)	(288.41)	197.42
Shareholders' equity	4,225.21	4,081.69	4,039.97	4,243.45	5,280.31
Total Assets	4,829.32	9,152.69	15,951.93	22,694.53	27,690.64
Total Deposits	-	4,407.46	11,016.59	16,456.05	20,983.41
Total Loans & Advances	-	2,429.28	7,276.54	14,256.41	16,195.32
Total Contingent Liabilities & Commitments	-	261.40	931.77	4,157.44	3,685.21
Interest Earning Assets	4,138.95	8,318.53	15,114.80	21,819.34	26,777.23
Non-interest earning Assets	690.37	834.16	837.13	875.19	913.41
Fixed assets	636.90	709.24	713.87	612.21	509.60
Investments	-	1,034.04	2,151.37	2,832.16	4,146.72

Capital Metrics					
Total risk weighted assets (RWA)	-	4,595.87	6,871.24	14,167.23	15,337.28
Tier-I capital	-	4,055.31	4,023.93	4,231.21	5,278.36
Tier-II capital	-	24.57	69.96	157.47	156.12
Total capital	4,225.21	4,079.88	4,093.88	4,388.68	5,434.48
Tier-I capital adequacy ratio		88.24%	58.56%	29.87%	34.42%
Tier-II capital adequacy ratio		0.53%	1.02%	1.11%	1.03%
Capital to Risk Weighted Assets (CRAR)		88.77%	59.58%	30.98%	35.35%

Asset Quality					
Amount of non-performing loans (NPLs)	-	-	-	-	129.53
Non performing loans as % of total loans	0%	0%	0%	0%	0.80%
Specific provision against classified loans	-	-	-	-	7.68
General provision against un-classified loans	-	21.92	62.31	117.09	126.70
General provision against off-balance sheet items	-	2.61	7.65	40.38	29.42

Trade/Foreign Exchange Business Metrics					
Import	-	123.98	1,319.72	3,562.11	8,328.01
Export	-	65.90	329.45	794.65	3,141.73
Gurantee	-	117.04	128.95	588.75	1,338.97
Remittance	-	0.06	22.96	263.00	3,461.24

Amount in Million

Particulars	2020	2021	2022	2023	2024
Income Statement Metrics					
Interest Income on Loans & Advances/ Investments	-	50.06	405.14	974.03	1,814.33
Interest paid on deposits & borrowings	-	106.85	391.38	850.39	2,117.51
Non-interest income	-	35.51	194.39	348.89	1,449.22
Income from Investments	-	30.20	156.84	200.37	1,197.17
Total operating income	219.73	286.23	482.14	959.34	1,585.51
Non-interest/operating expenses	231.68	394.09	605.72	687.75	829.56
Total income	219.73	393.08	873.52	1,809.73	3,730.84
Total expenses	231.68	500.94	997.10	1,538.13	2,974.89
Operating profit	(11.96)	(107.86)	(123.58)	271.60	755.95
Specific provision against classified loans	-	-	-	-	7.68
General provision against UC Loans	-	21.92	40.38	54.78	9.61
General provision against Off- Balance Sheet	-	2.61	5.04	32.73	(10.97)
Provision for others	-	0.50	0.20	0.07	0.02
Provision for diminution in value of investments	-	3.58	13.39	33.57	58.85
Total Provision	-	28.62	59.01	121.16	65.19
Profit before tax	(11.96)	(136.48)	(182.59)	150.44	690.76
Provision for tax	12.83	7.08	16.06	41.75	60.48
Profit after tax	(24.79)	(143.56)	(198.66)	108.68	630.28
Profit available for distribution	-	-	-	-	197.42

Share Based Metrics					
Earnings per share (EPS)	(0.06)	(0.34)	(0.45)	0.22	1.28
Net asset value (NAV) per share	9.94	9.60	9.17	8.65	10.76
Number of shares (Nos.)	425,000,000	425,000,000	440,667,500	450,000,000	490,530,000
Number of shareholders (Nos.)	24	24	24	24	24

Financial Ratios					
Credit Deposit Ratio (CDR) (%)	-	62.29%	65.10%	80.15%	75.01%
Return on equity (ROE) (%)	-0.59%	-3.52%	-4.92%	2.56%	11.94%
Cost of fund (COF) (%)	-	6.29%	7.67%	7.83%	9.90%
Return on Investment (ROI) (%)	-	2.92%	7.29%	7.07%	28.87%
Return on assets (ROA) (%)	-	-2.05%	-1.58%	0.56%	2.50%
Net interest margin (%)	-	4.09%	3.84%	4.96%	6.29%
Cost income ratio (%)	105.44%	137.68%	125.63%	71.69%	52.32%
CASA deposits as % of total deposits		18.47%	20.59%	27.83%	25.57%

Other Information					
Number of branches	-	6	13	19	21
Number of sub-branches	-	1	3	10	11
Number of ATM	-	3	5	7	7
Number of employees	65	185	278	321	425
Number of foreign correspondents	-	5	6	6	7

Credit Ratings					
Long term	-	BBB+	BBB+	A+	AA-
Short term	-	ST-3	ST-3	ST-3	ST-2

Value Added Statement

For the year ended 31 December, 2024

Value added is the wealth accretion made by Bengal Commercial Bank PLC. through providing banking and other financial services in 2024 for its employees, directors, government and shareholders in the form of salaries & allowances, remuneration, duties & taxes, net profit after tax respectively and also indicates value of use of fixed assets through depreciation.

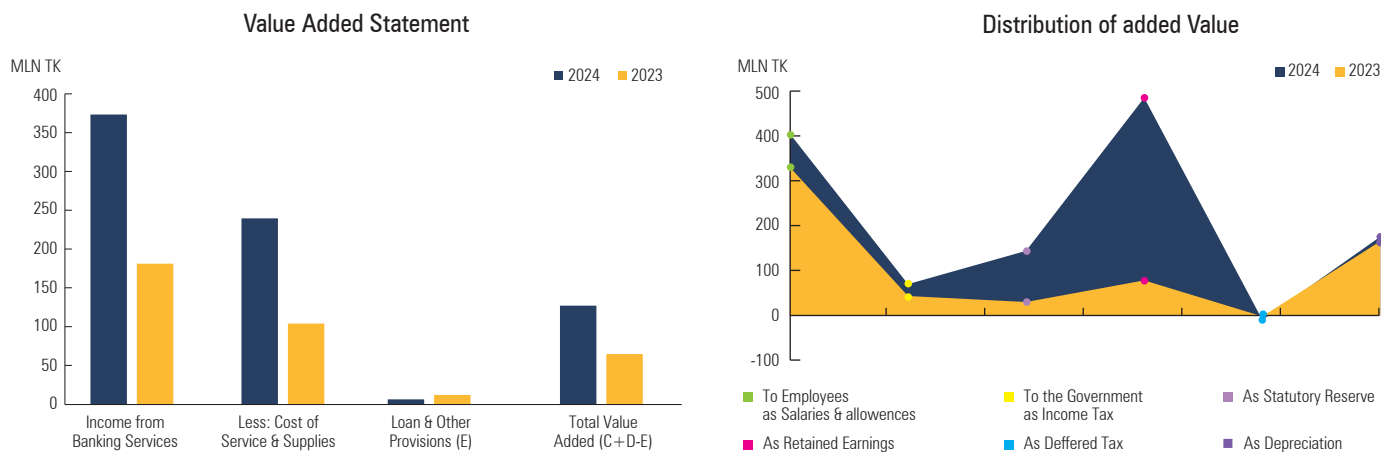
Amount in BDT

Particulars	2024	2023
Income from Banking Services (A)	3,730,844,639	1,809,731,250
Commission Exchange & Brokerage	208,893,201	113,120,183
Other operating Income	43,152,726	35,397,226
Interest Income	2,281,627,847	1,460,840,781
Investment Income	1,197,170,864	200,373,061
Less: Cost of Service & Supplies (B)	2,393,314,982	1,041,387,254
Interest Expenses	2,145,335,725	850,386,630
Rent, Taxes, Insurance	53,915,313	42,884,634
Legal Expenses	2,661,671	1,612,907
Postage, Stamp & Telecommunication	6,847,012	6,844,849
Stationery, Printing & Advertisement	13,853,053	8,401,798
Director's Fees	4,037,987	3,134,189
Auditors Fees	575,000	287,500
Repair & Maintenance	13,064,982	8,152,051
Other Expenses	153,024,238	119,682,697
Value added by the Banking Services (C = A-B)	1,337,529,658	768,343,996
Non- Banking Income (D)	-	-
Loan & Other Provisions (E)	65,189,187	121,160,649
Total Value Added (C + D + E)	1,272,340,470	647,183,347

Distribution of Added Value

Amount in BDT

Particulars	2024	%	2023	%
To Employees as Salaries & allowances	405,506,956	31.87%	330,952,865	51.14%
To the Government as Income Tax	70,097,308	5.51%	43,657,544	6.75%
To the growth of the entity	796,736,205	62.62%	272,572,938	42.12%
As Statutory Reserve	144,455,416	11.35%	30,087,256	4.65%
As Retained Earnings	485,827,375	38.18%	78,595,539	12.14%
As Deffered Tax	(9,617,159)	-0.76%	(1,904,058)	-0.29%
As Depreciation	176,070,575	13.84%	165,794,199	25.62%
	1,272,340,471	100.00%	647,183,346	100.00%



Economic Value Added Statement

For the year ended 31 December, 2024

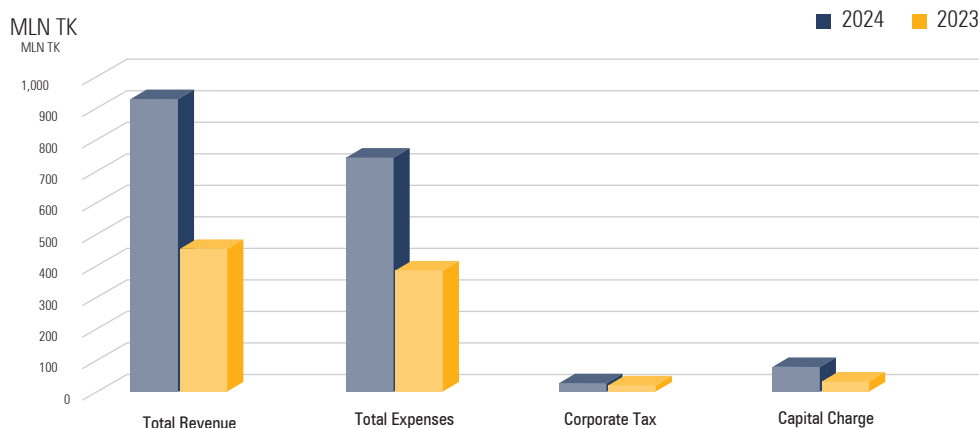
Economic Value Added (EVA) is the measure of financial performance of an organization. It is based on the principle that since a company's management employs equity capital to earn a profit; it must pay for the use of this equity capital. This management tool is useful to shareholders in particular and other stakeholders in general to take decision for increasing wealth.

EVA is equal to Profit after Tax (PAT) plus the provision for loans & other assets less written off (if any) during the year minus cost of equity where cost of equity is the opportunity cost that the shareholders forego. This cost of equity is calculated considering the risk free rate based on weighted average rate of 03 years Treasury bond issued by Bangladesh Government plus 2% risk premium. BGCB management is committed to maximize wealth of its shareholders and other equity providers.

Amount in BDT

Particulars	2024	2023
Total Revenue from Banking Services	3,730,844,639	1,809,731,250
(Less) Total expenses related to revenue	2,974,892,513	1,538,134,318
Operating profit	755,952,126	271,596,932
Less Provision for Loans/Investments	17,288,866	54,783,000
Less Corporate Tax	70,097,308	43,657,544
Net operating profit after tax	668,565,952	173,156,388
Shareholders' Equity	5,280,310,766	4,239,998,367
Average Shareholders' Equity	4,761,878,107	4,139,984,042
Capital Charges	283,910,508	97,371,955
Economic Value Added	384,655,444	75,784,433

Economic Value Added Statement (EVA)





FINANCIAL **STATEMENTS**

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditor's Report

To the Shareholders of Bengal Commercial Bank PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bengal Commercial Bank PLC. (the “Bank” or BGCB), which comprise the balance sheets as at 31 December 2024 and the profit or loss accounts, statement of changes in equity and cash flows statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements presents fairly, in all material respects, 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 and comply with the banking company act 1991, the rules and regulations issued by the Bangladesh Bank and other applicable laws and regulations.

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 Bangladesh Bank, and we have fulfilled our 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to those matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of key audit matters	Our response to key audit matter
Measurement of provision for loans, advances and investments	
See note no. 7 to the financial statements	



The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex. For the individual analysis for large exposure, these provisions consider the estimates of future business performance and the market value of the collateral provided for credit transactions. For the collective analysis of exposure on portfolio basis, these provision calculations and reporting are manually processed, which deal with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation. At year end the Bank reported total loans and advance of BDT 16,195 million (2023: BDT 14,256 million). We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias : • Completeness and timing of recognition of loss events in accordance with criteria set out in relevant BRPD Circulars issued by Bangladesh Bank; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows. • Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.	We tested the design and operating effectiveness of key controls focusing on the following: • Tested of the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Completeness of appropriate documentation before disbursement of loans as well as recording of loan balance; • Alternate procedures applied by management to assess new loan/renewal of existing loans where the latest audited financial statements of the borrower are not available • Identification of loss events, including early warning and default warning indicators; and • Reviewing the quarterly Classification of Loans (CL). Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the Bank's general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and • Compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained. • The Bank has calculated required provision as per Bangladesh Bank letter DBI-3/140/2025-619 dated 22 April 2025.
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Recognition of Interest Income from loans, advances and investments	
See note no. 19.1 and to the financial statements	
Recognition of interest income from loans and advances has a significant and wide influence on financial statements. Recognition and measurement of interest income has investment of complex IT environment as well as require critical estimates and judgment. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the bank and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations. At year end the Bank reported total interest income of BDT 1,814 million (2023: BDT 974 million).	We tested the design and operating effectiveness of key controls including automated control over recognition and measurement of interest on loans and advances. For selected customers and loan files on sample basis we have also performed substantive test of details including recalculation and cut-off testing to check accuracy of interest income. We assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. We also conducted substantive analytical procedures to assess the reasonableness of interest recognized during the year with reference to the product-wise outstanding loan balances. However, due to the current uncertainty of the overall economic situation, there are inherent risk that the judgment applied by Management in assessing recoverability of interest income from classified loans may be different from the actual situation in future.
Valuation of treasury bills and treasury bonds	
See note no. 6.1 and to the financial statements	
Investment in treasury bills and a portion of treasury bonds are classified as HFT and hence measured at mark-to-market/fair value	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds and corporate bonds.



On the other hand, a portion of treasury bills and a portfolio of corporate bonds are classified as HTM and measured at amortized cost. In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment. HTM securities, which have not matured as at the balance sheet date, are amortized at the year end and changes in amortization are recognized in other reserves as a part of equity. Similarly, impairment assessment of financial instruments measured at amortized cost also required mainly unobservable market data and assumptions	We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the corporate bonds, treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
Gain or loss on Foreign Exchange	
See note no. 22.1 and to the financial statements	
Recognition of gain or loss on foreign exchange has a significant and wide influence on financial statements. We identified the recognition and measurement of gain (net of loss) on foreign exchange as a key audit matter because this is one of the key performance indicators of the bank and therefore there is an inherent risk of fraud and error in recognition of gain or loss by management to meet specific targets or expectations. At the year-end of 2024, the Bank reported a total gain on foreign exchange of BDT 168 million (2023: BDT 93 million).	We tested the design and operating effectiveness of key controls focusing on foreign exchange transactions following disclosed foreign exchange rates. We performed procedures to check whether the bank has ensured appropriate measurement as per Bangladesh Bank regulations and the Bank's policy on foreign exchange transactions. In addition, we have performed procedures to check whether gain on foreign transactions is recorded completely and accurately as per IAS-21. Moreover, we also assessed the appropriateness and recognition criteria of foreign exchange gain as per Bangladesh Bank guidelines.
IT systems and controls	
Our audit procedures have been focused on IT systems and controls due to the pervasive nature and	We tested the design and operating effectiveness of the bank's IT access controls



complexity of the IT environment; the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring IT dependent and application-based controls are operating effectively.	over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.
Legal and regulatory matters	
We focused on this area because the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the financial position.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over compliance with various regulatory directives and process to create provision, if any. We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure.



Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' 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 the board of directors of the Bank.

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 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 or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement 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 Bank's internal control.
- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and



instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:

- a. internal audit, internal control and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate; and
 - b. 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;
- (iii) in our opinion, proper books of accounts as required by law have been kept by the Bank and the Bank so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not verified by us;
- (iv) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (v) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vi) The expenditures incurred were for the purpose of the bank's business for the year
- (vii) the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 1,500 person hours; and
- (xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by the Bangladesh Bank has been maintained adequately during the year.



Dhaka, 29 April 2025
DVC:2505041512AS130567

Shaikh Hasibur Rahman FCA
Enrolment no 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



Bengal Commercial Bank PLC.
Balance Sheet
As at 31 December 2024

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
Properties & Assets			
Cash	3		
Cash in hand (Including foreign currencies)		494,609,006	397,956,066
Balance with Bangladesh Bank and it's agent Bank(s) (including foreign Currency)		825,964,111	708,084,915
		1,320,573,117	1,106,040,981
Balance with other banks & financial institutions	4		
In Bangladesh		4,546,014,906	3,382,609,682
Outside Bangladesh		65,345,533	99,713,129
		4,611,360,439	3,482,322,811
Money at Call on short notice	5	300,000,000	-
Investments	6		
Government		3,308,027,389	2,026,694,292
Others		838,697,272	805,461,309
		4,146,724,661	2,832,155,601
Loans and Advances / Investments	7		
Loans, Cash Credits, Overdrafts etc/ Investments		15,935,488,300	14,224,313,381
Bills purchased and discounted		259,830,182	32,095,712
		16,195,318,482	14,256,409,093
Fixed Assets Including Premises, Furniture & Fixture	8	509,596,790	612,212,580
Other Assets	9	607,067,908	405,387,902
Non-Banking Assets	10	-	-
Total Assets		27,690,641,396	22,694,528,968
Liabilities & Capital			
Liabilities:			
Borrowings from Other Banks, Financial Institutions and Agents	11	673,581,076	1,295,405,738
Deposits and Other Accounts	12		
Current / Al-Wadiah current accounts & other accounts		3,200,512,463	2,942,544,584
Bills Payable		57,711,213	63,058,850
Savings Bank / Mudaraba Savings Deposits		2,654,081,767	1,636,704,583
Fixed Deposits / Mudaraba Term Deposits		14,673,430,229	11,488,957,511
Bearer Certificates of Deposits		-	-
Other Deposits	12.1.4	397,676,106	324,786,600
		20,983,411,778	16,456,052,128
Other Liabilities	13	753,337,776	699,625,654
Total Liabilities		22,410,330,630	18,451,083,520
Capital / Shareholders' Equity			
Paid up Capital	14	4,905,300,000	4,500,000,000
Share Premium		-	-
Statutory Reserve	15	168,239,844	30,087,256
General Reserve		-	-
Other Reserve	16	9,351,885	1,766,530
Retained Earnings	17	197,419,037	(288,408,338)
Total Shareholders' Equity		5,280,310,766	4,243,445,448
Non-Controlling Interest		-	-
Total Liabilities and Shareholder's Equity		27,690,641,396	22,694,528,968

Bengal Commercial Bank PLC.
Balance Sheet
As at 31 December 2024

Off Balance Sheet Items

Contingent Liabilities :

Acceptances & Endorsements

Letters of Guarantee

Irrevocable Letters of Credit

Bills for Collection

Other Contingent Liabilities

Total Contingent Liabilities

Other Commitments:

Documentary credit 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

Notes	31.12.2024 TAKA	31.12.2023 TAKA
18		
	650,642,900	116,296,038
	695,583,962	597,428,617
	1,595,002,468	1,133,028,767
	743,977,342	119,148,272
	-	2,191,540,800
	3,685,206,672	4,157,442,495
	-	-
	-	-
	-	-
	-	-
	-	-
	3,685,206,672	4,157,442,495

The annexed notes 01 to 49 form an integral part of these financial statements.


Managing Director & CEO


Director


Director


Chairman

Signed as per our report of same date

Dhaka, 29 April 2025
DVC: 2505041512AS130567


Shaikh Hasibur Rahman FCA
Enrolment No: 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Bengal Commercial Bank PLC.
Profit and Loss Account
For the Year ended on 31 December 2024

Operating Income

Interest Income / Profit on Investments
Interest / Profit paid on deposits and borrowings etc

Net Interest / Profit Income

Investment income
Commission, exchange and brokerage
Other Operating Income

Total Operating Income (A)

Operating Expenses

Salary and allowances
Rent, taxes, insurance, electricity etc.
Legal expenses
Postage, stamps, telecommunications etc.
Stationery, printing, advertisements etc.
MD & CEO's salary and allowances
Directors fees
Auditors' fees
Depreciation and repair of banks assets
Other expenses

Total Operating Expenses (B)

Profit/(Loss) before provision (C) = (A-B)

Provision for Loans & Advances / Investments
Provision on Off-Balance Sheet Exposures
Provision for diminution in value of investments
Other provisions

Total Provisions (D)

Total Profit/(Loss) before Taxes (C-D)

Provision for Taxation

Current Tax
Deferred Tax

Net Profit/(Loss) after Taxation

Appropriations

Statutory Reserve
Start Up Fund
Retained Surplus

Earning Per Share (EPS) (Prior Year Restated)

Notes	2024 TAKA	2023 TAKA
19.0	2,281,627,847	1,460,840,781
20.0	(2,145,335,725)	(850,386,630)
	136,292,122	610,454,151
21.0	1,197,170,864	200,373,061
22.0	208,893,201	113,120,183
23.0	43,152,726	35,397,226
	1,449,216,793	348,890,470
	1,585,508,915	959,344,621
25.0	395,606,956	321,117,865
26.0	53,915,313	42,884,634
27.0	2,661,671	1,612,907
28.0	6,847,012	6,844,849
29.0	13,853,053	8,401,798
30.0	9,900,000	9,835,000
31.0	4,037,987	3,134,189
32.0	575,000	287,500
33.0	189,135,557	173,946,250
34.0	153,024,238	119,682,697
	829,556,788	687,747,690
	755,952,127	271,596,932
35.1	17,288,866	54,783,000
35.2	(10,968,000)	32,733,000
35.3	58,847,759	33,571,498
36.0	20,563	73,151
	65,189,187	121,160,649
	690,762,940	150,436,282
37.0	70,097,308	43,657,544
38.0	(9,617,159)	(1,904,058)
	60,480,149	41,753,486
	630,282,790	108,682,796
15.0	138,152,588	30,087,256
13.3	6,302,828	-
17.0	485,827,375	78,595,539
	630,282,790	108,682,795
39.0	1.28	0.22

The annexed notes 01 to 49 form an integral part of these financial statements.


Managing Director & CEO


Director


Director


Chairman

Signed as per our report of same date

Dhaka, 29 April 2025
DVC: 2505041512AS130567


Shaikh Hasibur Rahman FCA
Enrolment No: 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Bengal Commercial Bank PLC.

Cash Flow Statement

For the Year ended on 31 December 2024

	Notes	2024 TAKA	2023 TAKA
A. Cash flows from Operating Activities			
Interest / Profit Receipts in cash		3,402,184,404	1,558,497,321
Interest / Profit Payments		(1,948,751,031)	(769,523,860)
Dividend Receipts		9,793,429	19,844,581
Fees & Commission Receipts in cash		41,091,124	20,472,352
Recoveries of loans Previously written off		-	-
Cash Payments to employees		(405,506,956)	(330,952,865)
Cash Payments to suppliers		(20,700,065)	(15,246,648)
Income taxes paid		(97,485,259)	(88,136,264)
Receipt from other operating activities	42	43,152,726	35,397,226
Payment for other operating activities	43	(227,279,192)	(175,753,977)
i. Operating profit before changes in operating assets and liabilities.		796,499,181	254,597,866
Increase/Decrease in operating assets and liabilities:			
(Purchase)/Sale of government securities		(1,281,306,196)	(680,896,267)
(Purchase)/Sales of trading Securities		(33,235,963)	165,621
Loans and advances / Investments to Customers		(1,938,909,390)	(6,979,866,827)
Other assets	44	(43,347,665)	(51,583,622)
Deposit from banks		200,000,000	(200,000,000)
Deposit from customers/Others		4,142,907,651	5,559,454,398
Other Liabilities	45	(78,260,042)	(65,608,269)
Cash flows from operating Assets and Liabilities		967,848,395	(2,418,334,966)
Net Cash from operating activities (A) = (i+ii)		1,764,347,576	(2,163,737,100)
B. Cash Flows from Investing Activities			
Proceeds from Sale of Securities		5,973,797	1,652,130
Purchase/Sale of property, plant & equipment		(73,454,785)	(64,134,178)
Net Cash from investing activities (B)		(67,480,987)	(62,482,049)
C. Cash Flows from Financing Activities			
Borrowing from Other Banks & Financial Institutions		(633,957,357)	1,001,500,401
Surplus/deficit on account of revaluation of investments		7,585,355	1,467,935
Sub-Ordinated Bond		-	-
Dividends Paid		-	-
Cash received from Issuance of ordinary shares		405,300,000	93,325,000
Net cash from financing activities (C)		(221,072,002)	1,096,293,336
D. Net Increase/(Decrease) in cash (A+B+C)		1,475,794,587	(1,129,925,813)
E. Effect of Exchange Rate Changes on Cash		167,802,077	92,647,831
F. Cash and Cash equivalents at beginning of the year		4,588,443,791	5,625,721,774
G. Cash and cash equivalents at the end of the year		6,232,040,455	4,588,443,791
Cash in hand (including foreign currencies)	3	494,609,006	397,956,066
Prize Bonds		106,900	80,000
Balance with Bangladesh bank and its agent bank		825,964,111	708,084,915
Balance with other banks & financial institution	4	4,611,360,439	3,482,322,811
Money at call on short notice		300,000,000	-
		6,232,040,455	4,588,443,791

The annexed notes 01 to 49 form an integral part of these financial statements.

Managing Director & CEO

Director

Director

Chairman

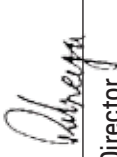
Dhaka
29 April 2025

Bengal Commercial Bank PLC.
Statement of Changes in Equity
As at 31 December 2024

Particulars	Paid-up capital	Statutory reserve	Dividend equalisation reserve	Revaluation reserve	General reserve	Foreign currency translation difference	Retained earnings	Total
Balance as at 31 December 2023	4,500,000,000	30,087,256	-	1,766,530	-	-	(288,408,338)	4,243,445,448
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Statutory Reserve	-	138,152,588	-	-	-	-	-	138,152,588
Surplus/Deficit on account of revaluation	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	7,585,355	-	-	-	7,585,355
Issuance of shares capital	405,300,000	-	-	-	-	-	-	405,300,000
Net Profit Transferred to Retained Earnings	-	-	-	-	-	-	485,827,375	485,827,375
Balance as at 31 December 2024	4,905,300,000	168,239,844	-	9,351,885	-	-	197,419,037	5,280,310,766
Balance as at 31 December 2023	4,500,000,000	30,087,256	-	1,766,530	-	-	(288,408,338)	4,243,445,448


Managing Director & CEO


Director


Director


Chairman

Dhaka
29 April 2025

Bengal Commercial Bank PLC.
Liquidity Statement
(Asset and Liability Maturity Analysis)

As at 31 December 2024

Amount in BDT

Particulars		Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
Assets							
Cash in hand (including balance with Bangladesh Bank and its agent Bank)		1,320,573,117	-	-	-	-	1,320,573,117
Balances with other banks and financial institutions		3,961,360,438	650,000,000	-	-	-	4,611,360,438
Money at call and short notice		300,000,000	-	-	-	-	300,000,000
Investment		458,804,172	-	-	765,240,446	1,978,515,044	3,202,559,661
Loans and Advances/ Investments		1,824,246,516	3,759,941,860	5,424,268,482	3,745,965,545	1,440,896,079	16,195,318,483
Fixed assets including land, building, furniture and fixtures		7,320,803	14,641,606	65,887,229	351,398,552	70,348,600	509,596,790
Other assets		114,563,795	43,697,604	96,624,656	296,428,955	-	551,315,010
Non-banking assets		-	-	-	-	-	-
Total Assets		7,986,868,842	4,468,281,071	5,586,780,366	5,159,033,498	3,489,759,723	26,690,723,499
Liabilities							
Borrowing from other banks, financial institutions and agents		-	-	571,935,103	-	-	571,935,103
Deposits and other accounts		4,890,465,393	411,775,887	9,341,667,917	5,257,558,592	881,943,989	20,783,411,778
Provisions & other liabilities		8,816,960	16,202,317	8,816,960	143,238,847	438,291,903	615,366,988
Deferred Tax Liability		-	-	-	138,206,461	-	138,206,461
Total Liabilities		4,899,282,353	427,978,204	9,922,419,981	5,539,003,900	1,320,235,892	22,108,920,330
Net Liquidity Gap		3,087,586,489	4,040,302,867	(4,335,639,615)	(379,970,403)	2,169,523,830	4,581,803,169
Cumulative Net Liquidity Gap		3,087,586,489	7,127,889,356	2,792,249,742	2,412,279,339	4,581,803,169	-

Net result of the liquidity statement represents the 'shareholders' equity' of the bank.



Managing Director & CEO



Director



Director



Chairman

Dhaka

29 April 2025

Bengal Commercial Bank PLC.

Notes to the Financial Statements

As at and for the year Ended 31 December 2023

1. Legal Status of the Bank and its Principal Activities

1.1 Legal form of the Bank

"Bengal Commercial Bank PLC. ("the Bank" or "BGCB") was incorporated in Bangladesh as a Public Limited Company on 03 February 2020 under the Companies Act, 1994 (As amended up to date) with Authorized Capital of Tk.15,000 million and paid up capital of Tk. 4,250 million which is increased to Tk. 4,905 million as on 31st December 2024. The Bank got Bangladesh Bank License vide Bangladesh Bank Letter ref no: BRPD (P-3)/745(60)/2013-1189 dated 23 February 2020 as per the Banking Companies Act, 1991 Section 31 and obtained licenced for establishing Head Office on 13 July 2020, also got licence for Commercial Operation on 18 February 2021. Eventually, the Bank started its commercial operation from 11 March 2021.

The Bank got its PLC registration from the office of the Registrar of Joint Stock Companies & Firms (RJSC) vide RJSC registration no. C-159135 on 10 October 2023. The registered address of the bank is at 94 Gulshan Avenue, Dhaka-1212, Bangladesh.

As on 31st December 2024, the bank has 20- (twenty) branches (2023: 19 branches) and 10-(ten) Sub-branches (2023: 9 sub-branches), 7 ATMs (2023: 7 ATMs). Out of the above, 3 branches and 1 sub branch of the Bank are run under Islamic Shariah, with a working method substantially different from conventional branches.

1.2 Nature of Business

The principle activities of the Bengal Commercial Bank PLC. (BGCB) are to provide all types of commercial banking services to customers through branches, ATMs, Sub branches, islami banking services through its Islamic Banking branches and Corporate, Retail and SME units in Bangladesh. The Bank is also entitled to provide money market operations, financial intermediary services and any related financial services. Provisions of the Bank Companies Act 1991 (as amended up to date), Bangladesh Bank Directives and directives of other regulatory authorities are followed for carrying out all types of activities.

1.3 Islamic Banking Unit

The bank obtained permission from Bangladesh Bank (The Central Bank of Bangladesh) to commence the operation of Dilkusha Branch as a Islamic Banking Branch vide Bangladesh Bank letter ref no: BRPD(LS-2)/745(73)/2021-994, dated: 28 October 2021, and subsequently the implemented Islamic banking operation from 01 January 2022. As on reporting date, 31 December 2024, the Bank is operating with 3 full-fledged islamic banking branches & 1 islami banking sub branch. (1 Branch in Dilkusha C/A (Dhaka), (1 Branch in Agrabad, Chottogram) and another in (Kashinathpur, Pabna). The sub-branch is located in Khatunganj, Chottogram. The Islamic Banking Operation is governed under the rules and regulations of Bangladesh Bank.

1.4 Sub-branches

As per BRPD Circular No. 28, dated 27 December 2018, the Central Bank allowed all schedule banks for expanding its banking business in Bangladesh and providing banking services to the disadvantaged/rural people by providing extended financial services through opening of sub-branches. The sub-branches are meant to operate within the limited expenditure under the supervision of a nearby full-fledged branch of the bank. Sub-branches are functioning as a new dimension to the banking sector of Bangladesh at minimum cost with the same services/transactions just like any operational branch except foreign exchange transactions. In addition, transactions of the sub-branches are reflected on the balance sheet of the attached/mother branches. A Bank has to take permission from Bangladesh Bank for opening each sub-branch. Bengal Commercial Bank PLC. has already opened 10 sub-branches as on 31 December 2024 and will expand its network in days to come.

2. Basis of Preparation and Significant Accounting Policies

2.1 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 adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020. The financial statements of the bank have been prepared in accordance with the IFRS adopted by FRC and in addition to this, the bank also complied with the requirements of the following laws and regulations from various government bodies:

- i) The Bank Company Act, 1991, and amendment thereon;
- ii) The Companies Act, 1994;
- iii) Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;
- iv) The Income Tax Act 2023, and amendments thereon;
- v) The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon;
- vi) Financial Reporting Act, 2015.

The Central Bank of Bangladesh ('Bangladesh Bank'), as primary regulator of the banking industry, has issued a number of circulars/directives which are not consistent with the requirements specified in IASs/IFRSs. In case any requirement of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act, 1991, and provisions and circulars issued by BB shall prevail. Bank has departed from certain contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i) **Presentation of Financial Statements**

IFRSs: As per IAS-1 "Presentation of Financial Statements", financial statements shall comprise balance sheet, profit or loss statement, statement of changes in equity, cash flow statement, adequate notes comprising summary of accounting policies and other explanatory information. As per IAS-1, the entity shall also present current and non-current assets and 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 or loss statement, statement of changes in equity, cash flow statement, liquidity statement) and certain disclosures therein are guided by the 'First Schedule' (section 38) of The Banking Companies Act 1991 (amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of BB. In the prescribed format of Bangladesh Bank there is no option of other comprehensive income and accordingly the elements of other comprehensive income and the tax thereon (if any) is recognised directly in the statement of changes in equity. The assets and liabilities are presented in accordance with the prescribed format of Bangladesh Bank and accordingly not classified as current and non-current classifications.

ii) **Investment in Shares and Securities**

IFRSs: As per requirements of IFRS 9 "Financial Instruments", investment in shares and securities are classified measured of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. It will be either at fair value through profit or loss or at fair value through other comprehensive income and measured initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial assets.

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

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

IFRSs: As per requirement of IFRS 9 "Financial Instruments: where securities will fall under the category of fair value through profit or loss account and any change in fair value of the asset is recognised through profit or loss account. 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 amortized cost are measured at effective interest rate method and interest income is recognized through the profit and loss account. At the same time, changes in the fair value of shares and securities measured at fair value through other comprehensive income is recognised in the other comprehensive income and are never reclassified to profit or loss.

Bangladesh Bank: According to DOS circular no. 5 dated 26 May 2008 and subsequent clarification in DOS circular no. 5 dated 28 January 2009, amortisation gain/loss is charged to profit and loss account, market-to-market loss on revaluation of government securities (T-bills/T-bonds) categorised as Held for Trading (HFT) is charged to profit and loss account, but any gain on revaluation of securities which have not matured as at the balance sheet date or unrealised trading gain on such revaluation is recognised to revaluation reserve account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method but income/gain is recognised through equity.

iv) **Provisions on Loans and Advances/Investments:**

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

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. 08 dated 02 August 2015, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 01 dated 20 February 2018, BRPD Circular No. 03 dated 21 April 2019 a general provision at 0.25% to 2% 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 has to be provided at 20%, 50% and 100% respectively (except CMSME's Cottage, Micro & Small loans where 5% for sub-standard, 20% for doubtful investments and 100% for bad & loss investments. Also short-term agricultural and micro-credits where 5% for sub-standard and doubtful investments and 100% for bad & loss investments) for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures (except LC issued against Fast Track Electricity Project, Bills for Collection according to BRPD circular letter no. 01 dated 03 January 2018. BRPD circular no. 07 dated 21 June 2018 respectively). Such provision policies are not specifically in line with those prescribed by IFRS 9 "Financial Instruments".

As per the Bangladesh Bank's BRPD Circular No. 15 dated 27 November 2024 and BRPD Circular No. 03 dated 23 January 2025—banks are set to transition from the traditional rule-based loan classification and provisioning system to an Expected Credit Loss (ECL) methodology compliant with International Financial Reporting Standard (IFRS) 9 by 2027. The ECL model enhances credit risk management by incorporating historical data, current conditions, and forward-looking information to estimate potential credit losses. This shift aims to bolster the banking sector's risk management capabilities and improve the transparency of financial reporting. The implementation process commences on 1 April 2025, following a structured roadmap outlined by Bangladesh Bank.

v) Other comprehensive income

IFRSs: As per IAS 1 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.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which are strictly 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

IFRSs: Some disclosure and presentation requirements of IFRS 7 Financial Instruments: Disclosures and IAS 32 Financial Instruments: Presentation cannot be made in the financial statements.

Bangladesh Bank: In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9.

vii) Non Banking Assets

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

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, BRPD 15 dated 09 November 2009, BRPD circular no. 22, dated 20 September 2021, there is a separate balance sheet item titled as nonbanking asset that exists in the standard format.

viii) Repo and reverse repo transactions

IFRSs: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a collateralised borrowing and the underlying asset continues to be recognised in the entity's financial statements. This transaction will be treated as borrowing and the difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS Circular letter no. 6, dated 15 July 2010, and subsequent clarification in DOS Circular no. 03, dated 30 January 2012 and DOS circular no. 2, dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction, and the financial assets are de-recognised in the seller's book and recognised in the buyer's book.

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

ix) Financial Guarantees

IFRSs: 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 the instrument. Financial guarantee liabilities are recognised initially at their fair value and is amortised over the life of the instrument. Any such liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. As per the principles of IFRS 15 the financial guarantees are prescribed to be included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as Letter of Credit and Letter of Guarantee should be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin and 1% general provision for all contingent liabilities.

x) Cash and Cash Equivalents:

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

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

xi) Cash flow statement

IFRSs: 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, the cash flow statement is a mix of both the direct and indirect methods.

xii) Balance with Bangladesh Bank (cash reserve requirement)

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

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

xiii) Off-Balance Sheet Items

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

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

xiv) Presentation of loans and advances/ investments net of provision

IFRSs: Loans and advances shall be presented at amortised cost net of any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instrument).

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.

xv) Recognition of interest in suspense

IFRSs: Loans and advances to customers are generally classified as “loans and receivables” as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

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

xvi) Disclosure of appropriation of Profit

IFRSs: There is no requirement to show appropriation of profit in the face of statement of comprehensive income

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed on the face of Profit and Loss Account.

xvii) Presentation of Intangible Asset

IFRSs: An intangible asset shall only be recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: Intangible Assets. Accordingly, these assets are stated in the Balance Sheet at cost less accumulated amortization.

Bangladesh Bank: Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

xviii) Uniform Accounting Policy

In several cases Bangladesh Bank and Bangladesh Securities and Exchange Commission guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 10. As such some disclosure, presentation Notes to the financial statements and measurement requirements of IFRS 10 cannot be made in financial statements.

2.2 Basis of Measurement

This financial statements have been prepared based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

Financial Statements have been prepared on the historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading' at present value using market to market with gains, if any credited to revaluation reserve.
- Government Treasury Bills and Bonds designated as 'Held for Maturity (HTM)' at present value using amortisation concept.

2.3 Going concern basis of accounting

These financial statements have been prepared on the basis of assessment of the Bank's ability to continue as a going concern. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

2.4 Use of Estimates and Judgements

The preparation of the financial statements of the Bank in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Provisions and accrued expenses are recognized in the financial statement in line with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. Significant areas where management requiring the use of estimate and judgment.

Key estimates include the following:

- Deferred tax assets/liabilities
- Useful lives of depreciable assets
- Provision on loans and Advances
- Gratuity Fund
- Right of use of assets (RoU) as per IFRS 16
- Lease liabilities
- Provision for taxation
- Fair value determination of unquoted investments/shares

2.5 Foreign Currency Transaction

The financial statements of the Bank are presented in Bangladesh Taka (BDT) which is the functional currency of the Bank. All financial information presented in BDT has been rounded off to the nearest integer except when otherwise indicated.

Foreign Currency Translation

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

Foreign currency differences arising on translation are recognised in the profit & loss statement. Foreign Currency Translation have been converted into equivalent Taka at the ruling exchange rates on the respective date of each transactions as per IAS 21 "The Effects of Changes in Foreign Exchange Rates"

In preparing solo financial statements, assets and liabilities in foreign currencies as at December 31, 2024 have been converted into Taka currency at the revaluation rate determined by the Bank and profit and loss accounts have been converted into monthly average rate

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account.

2.6 Cash Flow Statement

IFRS: Cash flow statement has been prepared in accordance with IAS 7 'Statement of Cash Flow' using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per Bangladesh Bank's BRPD circular no. 14 dated 25 June 2003. The cash flow statement is to be prepared following a mixture of direct and indirect methods. The statement shows the structure of changes in cash and cash equivalents during the financial year. Cash flow during the period have been classified as operating activities, investing activities and financing activities.

2.7 Reporting Period

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

2.8 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.

2.9 Liquidity Statement

The liquidity statement has been prepared mainly on the basis of remaining maturity grouping of assets and liabilities as at the close of the year as per following bases:

Particulars	Basis of use
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Maturity term.
Investments	Respective maturity terms
Loan and advances	Repayment/ maturity schedule
Fixed assets	Useful life.
Other assets	Realisation/amortisation
Deposits and other accounts	Maturity and behavioral trend (non-maturity products).
Other long term liability	Maturity term.
Provision and other liability	Payment/adjustment schedule basis.

2.10 Significant Accounting Policies

The accounting policies set out below have been applied in these financial statements, except otherwise instructed by Bangladesh Bank as the prime regulator.

A. Assets and Basis of their Valuation

i) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, balances with Bangladesh Bank and its agent banks, balance with other banks and financial institutions, money at call on short notice and prize bonds.

ii) Investments:

All investments (other than government treasury securities) are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accredited using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 05 dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009. Investments include investment in securities, Repo and reverse Repo, and investment in subsidiaries.

a) Investment in Securities

All investments in securities (bills and bonds) are initially recognized at purchase price excluding commission and accrued coupon interest. Investments are segregated in two broad categories. These are held to maturity (HTM) and held for trading (HFT).

a.i) Held to Maturity

Debt securities that a firm has intention to hold until maturity. These are reported at amortized cost and amortized cost is calculated by taking into account any discount or premium in acquisition. Premiums are amortized and discounts are accredited, using the effective or historical yield. Therefore, they are not affected by swings in the financial markets.

a.ii) Held for Trading

Held for trading securities are those which are held with intention of selling in order to generate profits. After initial recognition held for trading securities are revalued at market price.

b) REPO and Reverse REPO

REPO and Reverse REPO are recorded based on DOS Circular no. 06, dated 15 July 2010 of Bangladesh Bank and subsequent clarification in DOS Circular no 03 dated 30 January 2012 and DOS circular no. 2 dated 23 January 2013. In the case of REPO of both coupon and non-coupon bearing (Treasury bill) securities, the Bank adjusts the Revaluation Reserve Account for HFT securities and stops the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, the Bank fully accrues interest during REPO period.

c) Revaluation

As per Bangladesh Bank DOS circular letter no. 5 dated 28 January 2009, HFT securities are revalued each week using Marked to Market concept and HTM securities are amortized once a year according to Bangladesh Bank guidelines. The HTM securities are also revalued if these are reclassified to HFT category with the Board approval. Value of investment has been shown as under:

Investment Class	Initial Recognition	Measurement after initial Recognition	Recording of Changes
Treasury Bill/Bond (HFT)	Cost	Market to market/ fair	Loss to Profit & Loss Account, Gain to Revaluation Reserve through Profit and Loss Account
Treasury Bill/Bond (HTM)	Cost	Amortised Cost	Increase or decrease in value of securities is booked to equity but decreases to the profit or loss account
Debenture/Bond	Face Value	None	Profit or loss account
Shares (Quoted)*	Cost	Lower of cost or market value	Loss (net) to profit and Loss Account but no unrealised gain booking
Prize Bond	Cost	None	None

* Provision for shares against unrealised loss (net off gain) has been taken into account according to DOS circular no. 4 dated 24 May 2023 of Bangladesh Bank.

d) Investment in Quoted Securities

Quoted shares are bought and held primarily for the purpose of selling then in future or held for dividend income which are reported at cost and subsequently measured lower of cost or market price at balance sheet date. Unrealised gains are not recognized in the profit and loss statement. But provision was made for diminution in value of investment is charged to the profit or loss account.

e) Investment in Unquoted Securities

Investment in unlisted 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 unlisted securities.

As per Bangladesh Bank DOS Circular 04 dated 24 November 2011, provision for diminution in value of investment was made by netting off unrealised gain/ loss of shares from market price/ book value less cost price.

Besides, 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.

iii) Loans, Advances/Investments and Provisions

- A loan and advance is a financial facility provided by the banks and financial institutions to help their customers in financial need. Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognised at gross amount on the date on which they are originated.
- Interest/profit is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest/profit on classified loans and advances/investments is kept in interest suspense account as per BRPD circulars no. 14 dated September 23, 2012 on Master Circular: Loan Classification and Provisioning. Interest/ profit is not charged on bad and loss loans and advances/ investments as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.
- Commission and discounts on bill purchased and discounted are recognised at the time of realisation.
- Provision for loans and advances/investments is made based on the arrear in equivalent month and reviewed by the management following instructions contained in Bangladesh Bank BRPD circular no. 14 dated 23 September 2012, Bangladesh Bank BRPD circular no. 19 dated 27 December 2012, Bangladesh Bank BRPD circular no. 05 dated 29 May 2013, Bangladesh Bank BRPD circular no. 16 dated 18 November 2014, Bangladesh Bank BRPD circular no. 12 dated 20 August 2017, Bangladesh Bank BRPD circular no. 15 dated 27 September 2017, Bangladesh Bank BRPD circular no. 07 dated 21 June 2018, Bangladesh Bank BRPD circular no. 13 dated 18 October 2018, Bangladesh Bank BRPD circular no. 16 dated 21 July 2020, Bangladesh Bank BRPD circular no.52 dated 20 October 2020 and Bangladesh Bank BRPD circular no. 56 dated 10 December 2020

Provisions for Loans and Advances/Investments

Rates of Provision on Loans and Advances/Investments are given below:

Types of Loans and Advances	Provision				
	STD	SMA	SS	DF	BL
Consumer Financing-House Building	1%	1%	20%	50%	100%
Consumer Financing-Loans for Professionals	2%	2%	20%	50%	100%
Consumer Financing-Other than House Building and Profes	2%	2%	20%	50%	100%
Loans to Brokerage Houses, Merchant Banks, Stock Deale	2%	2%	20%	50%	100%
Small and Medium Enterprise (Medium)	0.25%	0.25%	20%	50%	100%
Small and Medium Enterprise (Cottage, Micro, Small)	0.25%	0.25%	5%	20%	100%
Short Term Agriculture/Micro Credit	1%	1%	5%	5%	100%
Others	1%	1%	20%	50%	100%
Off Balance Sheet Exposure	1%	N/A	N/A	N/A	N/A

iv) **Impairment of Financial Assets:**

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 "Impairment of Assets". At each balance sheet date, Bengal Commercial Bank PLC assesses whether there is objective evidence that a financial asset or a group of financial assets i.e, loans and advances, of balance sheet items and investments is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if -

In the event of impairment loss, the Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements.

- there is objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the asset up to the balance sheet date;
- the loss event had an impact on the estimated future cash flows of the financial asset or the group of financial assets; and a reliable estimate of the loss amount can be made.

The Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements.

v) **Fixed Assets (other than lease Items)**

The Bank applies the accounting requirements of IAS 16 'Property, Plant and Equipment' for its own assets which are held for current and future use in the business and are expected to be used for more than one year.

Recognition and Measurement

Fixed assets that qualify for recognition as an asset is measured at cost as per IAS 16. The cost of an item of fixed assets is the cash price equivalent at the recognition date. The cost of a self-constructed asset is determined using the same principles as for an acquired asset. An asset is recognized 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.

The cost of an item of fixed assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period

Subsequent Cost

Subsequent costs are capitalised 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 derecognised. The costs of day to day servicing of fixed assets, i.e. repairs and maintenance is charged to profit and loss account as expense when incurred.

vi) **Depreciation**

Depreciation is charged on all fixed assets using the straight-line method over their estimated useful lives as determined by the Bank's fixed asset policy. Depreciation commences when an asset is available for use and continues until the asset is derecognised or disposed of. Depreciation is provided for the period the asset is in use, with charges beginning from the date the asset is available for use and ceasing on the date of its disposal.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets have been capitalized as part of the cost of the assets and net sale proceeds (IAS 16)

Category	Rate of depreciation/ amortisation p.a.
Furnitures & Fixtures	10%
Machineries and equipment	15%
Digital Banking Equipment	10%
Computer and network equipment	15%
Vehicles	15%
Right of Use Asset*	Over the Lease Term
Intangible Assets: Software	20%

Repairs and maintenance are charged to profit and loss account as expense when incurred.

*Right of Use Asset is Depreciated over the lease term as per IFRS 16: Lease. (Note vii)

Cost model

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Revaluation model

The revaluation model requires an asset, after initial recognition, to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation and impairment accumulated losses.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in equity under the heading of revaluation surplus. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in equity to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in equity reduces the amount accumulated under the heading of revaluation surplus.

The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognized. However, some of the surplus may transfer as the asset is used by the Bank. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Impairment of Fixed Assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 'Impairment of Assets'. The bank has a policy to review the carrying value of financial and non-financial assets and assess whether there is any indication that an asset may be impaired and/or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, the bank will make an estimate of the recoverable amount of the asset. The carrying value of the asset will be reduced to its recoverable amount if the recoverable amount is less than its carrying amount with associated impairment losses recognised in the profit and loss account. However, impairment of any financial assets is guided by relevant BB circulars/instructions and IFRS 9. During the year there was no indication of impairment of fixed assets.

Derecognition of fixed assets

The carrying amount of an item of fixed assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of fixed assets is to be recorded in profit or loss when the item is derecognised.

No fixed asset was derecognized during the year. Details of fixed assets are presented in note 8 and 'Annexure - A' of these financial statements.

vii) Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are to be classified as per IAS 38 'Intangible Assets' which comprises the value of all licensed computer software including core banking software of the Bank, cards management software, cheque processing software (i.e. BEFTN), software of subsidiaries and other integrated customised software for call center, ATM service, Finance and HR operations i.e. PMS, FAR, HRMS, Payroll Management System etc.

Software: As per the approval of the Board, the Bank decided to purchase software from Flora Systems Limited and subsequently a work order has been issued. On 30th December 2020 software has become functional and recognized in the financial statements at cost less accumulated amortisation. Initial cost will be comprised of license fees paid at the time of purchase and other directly attributable costs incurred for customising the software for its intended use. The value of the software is amortised using the straight line method over the estimated useful life of 5 (five) years commencing from the date at which the application of the software is made available for use.

viii) Leases

IFRS 16: "Leases" is effective from 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Bengal Commercial Bank PLC. has applied IFRS 16 Leases through recognition, measurement and disclosure in the Financial Statements - 2024.

"At inception of a contract, the Bank assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The bank applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The bank recognises lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

Right-of-Use Assets (ROU)

The bank recognises the Right-of-Use assets at the date of contract with the lessor (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term.

Lease Liabilities

The lease liability is initially measured at present value of the lease payments to be made over the lease term from the date of contract with the lessor, discounted using the interest rate implicit in the lease or if that rate cannot be readily determine, Bengal Commercial Bank Plc's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in bank's estimate of the amount expected to be payable under a residual value guarantee, or if bank changes its assessment of whether it will exercise purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right to use asset has been reduced to zero.

ix) Other Assets

Other assets include mainly advance office rent, payment of advance income tax for which assessment of tax has not been completed yet and all other financial assets, fees and other unrealized income receivable, advance for operating and capital expenditures and stocks of stationery and stamps, etc.

x) Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity or person.

xi) Non-Banking Assets

Non-banking assets are usually acquired due to failure of borrowers to repay the loan in time taken against mortgaged properties. There was no assets acquired in exchange for loan during the period of financial statements.

B. Capital, Reserve, Liabilities and Provisions and Basis of their Valuation

i) Borrowing from other Banks, Financial Institutions and Agents

Borrowed funds include call money deposits, re-finance borrowings and other term borrowings from Banks, Financial Institutions and its Agents. These are stated in the balance sheet at the gross value of the outstanding balance which includes accrued interest. In line with International Accounting Standard (IAS) 23: Borrowing Cost, all borrowing cost are recognised in the profit and loss account in the period in which they are incurred.

ii) Deposits and other Accounts

Deposits and other accounts include non-interest bearing current deposits redeemable at call, interest bearing short-term deposits, savings deposits and fixed deposits which are initially measured at the consideration received. These items are subsequently measured and accounted for at the gross value of the outstanding balance in accordance with the contractual agreements with the counterparties.

iii) Other Liabilities

Other liabilities comprise items such as provision for accrued expenses. Individual item-wise liabilities are recognised as per the guidelines of Bangladesh Bank (BB) and International Financial Reporting Standards (IFRSs).

iv) Dividend Payments

Interim dividend is recognised only when the shareholders' right to receive payment is established. Final dividend is recognised when it is approved by the shareholders in AGM. Dividend payable to the Bank's shareholders is recognised as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

International Accounting Standard (IAS) 1: 'Presentation of Financial Statements', also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statements. Accordingly, the Company has disclosed the same in the notes to the financial statements.

v) Provision for Loans and Advances/Investments

As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 3 dated 21 April 2019 and BRPD circular no. 16 dated 21 July 2020, provisions for loans and advances is to be kept after each quarter end.

vi) Provision Against Investment in Capital Market:

For recognition of loss suffered from investment in capital market, provision is to be provided on unrealized loss (gain net off) according to DOS Circular No. 01 dated 24 May 2023 on portfolio. Provision for diminution of value of shares and mutual funds, placed under other liabilities.

vii) Provision for off-Balance Sheet Exposures

Off Balance Sheet Items include letter of credit (L/C), letter of guarantee (L/G), acceptance and endorsements, bills for collection etc. As per BRPD circular no. 07 dated 21 June 2018, BRPD circular no. 13 dated 18 October 2018 and BRPD circular no. 06 dated 25 April 2023, Banks need to maintain provision @0%, 1% (overdue 3 months to less than 12 months), 2% (overdue 12 months to less than 24 months), 5% (overdue 24 months and beyond) against off-balance sheet exposures.

viii) Provision for Nostro Accounts

According to guidelines of Foreign Exchange Policy Department of Bangladesh Bank, circular no. FEOD (FEMO)/01/2005-677 dated 13 September 2005, Bank is required to make provision regarding the un-reconciled debit balance of Nostro Account for more than three months as at balance sheet date.

Since there was no unreconciled entries which are outstanding for more than three months, thereafter no provision has been made.

ix) Provision for other Assets:

As per BRPD Circular No. 4 dated 12 April 2022 i.e. 100% provision is required on other assets which are outstanding for one year or more.

x) Provision for Liabilities and Accrued Expenses

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

xi) Retirement/post-employment Benefits

The retirement benefits accrued for the employees of the Bank as on reporting date has been accounted for in accordance with the provision of International Accounting Standard-19, "Employees Benefits". Various types retirement benefit schemes of the bank are as follows:

a) Provident Fund

A "Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone-5, Dhaka, has approved the Provident Fund as a recognised fund within the meaning of section 2(90) read with the provisions of part-3 of the 2nd Schedule of Income Tax Act 2023 effect on 01 July 2023. The Provident Fund is operated by a Board of Trustees consisting of 07 members of the Bank. Permanent employees of the bank are contributing 10% of their basic salary as provident fund. The bank also contributes equal amount of the employees contribution to the fund.

b) Gratuity

Gratuity is a form of monetary benefit paid to a worker upon being terminated or retired from employment. Gratuity is voluntarily given by way of favour and is an act of grace. Gratuity is not founded on any legal liability but a mere bounty stemming from appreciation and graciousness and therefore, it is capable of being given or withheld at the discretion of the giver. National Board of Revenue has approved the Gratuity Fund as a recognised gratuity fund with effect from 25 April 2006. The Gratuity Fund is operated by a Board of Trustee consists of 10 members of the Bank. Gratuity Fund benefits will be given to the staff of the Bank in accordance with the NBR approved Gratuity Fund Rules.

c) Life and Medical Insurance

The purpose of Social Insurance is to provide benefit to employees in several ways which includes death benefit, physical disability, etc. The Social Insurance Policy of the Bank has yet not been finalized by Board, hence, no provision for social insurance fund has been maintained.

C. Share Capital and Reserves

i) Authorized and Issued Capital

The authorized capital of the Bank is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association to issue (allocate) among shareholders. This amount can be changed by shareholders' approval upon fulfilment of relevant provisions of the Companies Act 1994. Part of the authorised capital usually remains unissued. The part of the authorised capital already issued to shareholders is referred to as the issued share capital of the Bank. Authorized Capital of the Bank as on 31 December 2024 was at BDT 15,000 million.

ii) Paid-up Capital

Paid-up Capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

iii) Share Premium

The Share premium represents the excess amount received by the Bank from its shareholders over the nominal/par value of its share. The amount of share premium can be utilised as per the provision of section 57 of the Companies Act 1994. Currently, the Bank does not have any share premium.

iv) Statutory Reserve

As per section 24(1) of the Bank company Act, 1991 (amendment upto date), an amount equivalent to 20% of the profit before taxes for the year has to be transferred to the statutory reserve fund.

v) Asset Revaluation Reserve

When an asset's carrying amount is increased as a result of revaluation, the increased amount (netting off deferred tax liability) which may arise against such revaluation gain as per IAS 12 'Income Tax', is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 'Property, Plant and Equipment'. During the financial year, the bank did not revalue of its any fixed asset.

Implementation of BASEL- III

To align with international best practices and enhance the bank's capacity to absorb financial shocks, Bangladesh Bank introduced the Guidelines on Risk-Based Capital Adequacy (RBCA) for banks under the BASEL III framework.

- i. Pillar I addresses minimum capital requirement;
- ii. Pillar II elaborates the process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan; and
- iii. Finally, Pillar III gives a framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system

According to the RBCA Guidelines, all scheduled banks must compute the Capital to Risk Weighted Asset Ratio (CRAR) on solo basis. The CRAR calculation under the Basel III framework follows the Guidelines on Risk-Based Capital Adequacy issued by Bangladesh Bank through BRPD Circular No. 18 dated December 21, 2014, along with other relevant circulars issued thereafter.

vi) Non-Controlling (Minority) Interest

Non-controlling (minority) interest in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company

vii) Contingent Liabilities

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; or any present obligation that arises from past events but is not recognised 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 recognised but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognised in the financial statements as this may result in the recognition of income which may never be realised.

D. Revenue Recognition

Revenue is recognized as per IFRS 15. IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a entity fulfills the performance obligations regarding the contract of supplying the goods or rendering of service. The standard replaces all existing requirements of IAS 18: Revenue and IAS 11: Construction contracts and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2019 thus the company adopted IFRS 15 with a date of the said initial application.

i) Interest / Profit income

Interest on unclassified loans and advances (except those of rescheduled and stay order accounts) is recognised as income on accrual basis, interest on classified loans and advances (including rescheduled and stay order accounts) 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, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 16 dated 18 November 2014 and BRPD circular no. 03 dated 21 April 2019

ii) Income from Investments (Interest/Profit and Others)

Income on investments in Government and other securities, debentures and bonds is required to account for on accrual basis as per the provisions of IFRS 15 'Revenue from Contracts with Customers' and relevant BB guidelines. Capital gain on investments in shares and dividends on investment in shares are included in investment income.

iii) Fees and Commission Income

The Bank earns fees and commissions from diverse range of services provided to its customers. This includes fees and commission income arising on financial and other services provided by the Bank including trade finance, debit cards, passport endorsement, loan processing, loan syndication and locker facilities, etc. Fees and commission income is recognised on the basis of realisation.

iv) Dividend Income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established. It is recognized when

- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The amount of the revenue can be measured reliably.

v) Interest/Profit Paid on Borrowing and Deposits

Interest expenses are recognized on accrual basis taking into account of daily balance outstanding at the rate applicable for respective deposits and interest on savings and SND accounts is credited to depositors account on half yearly basis. No interest is applicable on the balance lying in current deposit account. Interest on FDR accrued but not due to clients A/c was credited to 'Other Liability A/c - Interest Payable'.

vi) Other Operating Expense

Expenses incurred by the Bank are recognised on accrual basis when a performance obligation is satisfied by receiving a promised service by the bank as per IFRS 15 'Revenue from Contracts with Customers'.

viii) Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity.

a. Current Tax

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Provision for current income tax has been made as per prescribed rate in the Income Tax Ordinance 1984 on the accounting profit made by the Bank after considering some of the add-backs to income and disallowances of expenditure as per income tax laws with IAS 12 "Income Taxes". Tax Assets under the group head of other assets are recognized for payment of advance income tax, tax deducted at source and tax paid at the time of IT Return for the year/years for which assessment has not been yet finalized. On the other hand, the tax provision (estimated as per IAS 12, provision of latest Finance Act, related SROs/ Guidelines, etc., issued by National Board of Revenue-NBR) are recognized as tax liability under the head of other liability (note: 13.5) for the year/years for which assessment has not been yet finalized.

b. Deferred Tax

Deferred tax assets or liabilities are recognised by the Bank on deductible or taxable temporary differences between the carrying amount of assets and liabilities used for financial reporting and the amount used for taxation purpose as required by IAS 12 'Income Taxes' and BRPD circular no.11 dated 12 December 2011. Deferred tax assets is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which they can be used. Deferred tax assets and liabilities are reviewed at each reporting period and are measured at the applicable tax rate as per tax laws that are expected to be applied when the assets is realised and liability is settled. Any unrecognised deferred tax assets or liabilities are reassessed at each reporting period and recognised only if that has become probable that future taxable profit or loss will be available against which they can be used or settled.

Details of deferred tax assets or liabilities and amount recognised in profit and loss account for deferred tax income or expense are given in note 13.6 in the financial statements.

E. Others

i) Materiality and Aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 'Presentation of Financial Statements'.

ii) Earnings Per Share (EPS)

As per IAS 33 'Earnings per Share' the Bank has been reporting 'Basic EPS' as there has been no dilution possibilities during the year. Basic EPS is computed by dividing the profit or loss attributable to ordinary shareholders of the Bank by the number of ordinary shares outstanding during the period. This represents earnings for the year attributable to ordinary shareholders. Net profit after tax less preference dividend has been considered as fully attributable to the ordinary shareholders.

iii) Reconciliation of Books of Account

Books of accounts with regard to interbank (in Bangladesh and outside Bangladesh) are reconciled on a monthly basis, and there are no material differences which may affect the financial statements significantly.

iv) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24 'Related Party Disclosures', Bangladesh Bank & BSEC guidelines. Details of the related party transactions have been disclosed in Note 49.0

Related parties are identified and disclosed as per International Accounting Standard (IAS) 24: 'Related Party Disclosure'. Related party disclosures have been given in note- 49.5

Related Party is a party related to an entity if:

- i. Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has joint control over the company;
- ii. The party is an associate (as defined in IAS 28 Investment in Associates and Joint ventures);
- iii. The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);
- iv. The party is member of the key management of personal of the entity or its parent;
- v. The party is a close member of the family of any individual referred to in (i) or (iv);
- vi. The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- vii. The party is post-employment benefit plan for the benefit of employees of the entity. or of any entity that is related party of the entity.

v) 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 authorized for 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 events after reporting period can be found at note- 49.6

All the 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'.

Litigation

There is no litigation against the bank as on 31 December 2024

vi) Operating Segments

Business segments report consists of products and services whose risks and returns are different from those of other business segments. The Bank has a policy to establish reportable segments, as described below, which are the Bank's strategic business units. The strategic business units offers different products and services, and will be managed separately based on the Bank's management and internal reporting structure. Each of the strategic business units of the Bank will be periodically reviewed by the Management Committee. The following summary describes the operations in each of the Bank's reportable segments:

Segment Name	Description	Status
Corporate Banking	This unit focuses on large corporate groups including structured/syndicated finance with a variety of advances & deposit products and other transactions.	Operational
SME Banking	Includes loans, deposits and other transactions and balances with SME customers.	Operational
Consumer Banking	Includes loans, deposits and other transactions and balances with retail customers.	Operational
Treasury	Treasury unit undertakes the Bank's funding and maintenance of SLR, Asset-liability management through money market operation, Fx. Market dealings, investing in derivatives including forwards, futures and swaps	Operational
Investment Banking	Includes the Bank's trading, investment in equities and other capital market activities.	Operational
Card and Alternate Delivery Channel	This includes offering a variety of debit card and credit card to the customers according to their needs.	Operational
Mobile Financial Services	Mobile Financial Services came up with the aim to cover a large number of people under banking channel though mobile network facilitating convenient cash in/out, bill payment, POS purchase etc	Not Operational

vii) Risk Management and other Related Matters

Today's most risky nature of Banking business has caused the Central Banks of every country much concerned about the risk factors affecting the financial position of the banks. In this connection every Central Banks have come forwarded to establish a general framework to defeat the risk factors considering the laws of the land. Bangladesh Bank has also undertaken an overall core-risk management project under which every bank shall be bounded to the authoritative covenants to install risk management system. Bengal Commercial Bank PLC. has established approved policies covering major areas such as (a) Credit Risk Management, (b) Foreign Exchange Risk Management, (c) Asset Liability Management Risk (d) Money Laundering Risk (e) Internal Control & Compliance Risk and (f) Information & Communication Technology Security Risk (g) Internal Audit (h) Fraud and Forgeries to the DOS circular no: 02 (15 February 2012) regarding 'Risk Management Guidelines' for Banks, Bank Companies Act 1991 (as amended upto 2013) and other guidelines. of Bangladesh Bank.

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

The bank has established an independent Risk Management Division (RMD) as per DOS circular no:02 (15 February 2012). The RMD conducts stress testing as per DOS circular no: 01 (23 February 2011), for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

The prime objective of the risk management is that the bank takes well calculative business risks while safeguarding the bank's capital, its financial resources and profitability from various risks. In this context, the bank took steps to implement the guidelines of Bangladesh Bank as under:

a. Credit Risk

Credit risk can be defined as the risk of a potential loss to the Bank when a borrower or counterparty is either unable or unwilling to meet its financial obligations. Granting loans and advances is the core business of BGCB and as such credit risk is its most material risk. The credit risk arises primarily from Corporate Banking, SMEs and Retail loans and advances. Given the scale and materiality of Bank's loan book, managing the credit quality of the lending portfolio is a key focus area with the objective of minimizing probable losses and maintaining credit risk exposure within acceptable parameters.

BGCB's Credit Policy, which is approved by the Board of Directors, plays a central and strategic role in managing daily business activities. The policy defines the principles encompassing client selection, due diligence, early alert reporting, tolerable levels of concentration risk and portfolio monitoring, in line with the Bank's risk appetite. The approach is to avoid excessive credit risk on a counterparty or portfolio level by applying stringent underwriting standards combined with sound collateralization where feasible. The policy is reviewed regularly by the Board of Directors to ensure consistency with the Bank's business strategy.

b. Liquidity Risk

Liquidity risk arises when the Bank cannot maintain or generate sufficient funds to meet its payment obligations as they fall due or can only do so at a material loss. This can arise when counterparties who provide funding to the Bank withdraw or do not roll over a line of funding or as a result of a general disruption in financial markets which lead to normal liquid assets becoming illiquid. The main sources of the Bank's funding are capital, core deposits from retail and commercial clients, wholesale deposits and access to borrowed funds from the interbank money market. The Bank also maintains a portfolio of readily marketable securities to further strengthen its liquidity position. BGCB manages liquidity risk in accordance with regulatory guidelines internal benchmarks. Also, the Contractual maturity of assets and liabilities and liquidity ratios to include adherence to regulatory requirements and monthly liquidity forecasts are reviewed at ALCO meetings. Furthermore, liquidity stress tests is carried out quarterly to assess the impact of extreme events.

c. Asset Liability Management Risk

Asset Liability Management (ALM) has been defined as a planned, structured and systematic process of managing the asset and liability with a view to lead the Bank to a balanced and sustainable growth through minimizing various business risk factors - market risk and liquidity risk. According to the Bangladesh Bank guidelines and considering the most practical aspects of the Bank, an approved policy manual on ALM has been prepared so that it could be followed consistently every sphere of the management. To support the ALM process, the Bank has established a committee called "Asset Liability Committee (ALCO)" headed by the Managing Director and holds meeting at least one in every month. ALM Desk, an exclusive functional and operational desk for the asset liability management, is embodied herewith the ALCO to function under the direct control of Treasury Division.

d. Market Risk

Market Risk is the risk that changes in equity, bond and commodity prices, as well as movements in foreign exchange rates and interest rates that may adversely affect the Bank's trading and banking books. Market risk can be subdivided into three categories depending on risk factors: interest rate risk, foreign exchange risk, and equity price risk.

e. Interest/Profit Rate 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. The Bank has deployed 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.

f. Foreign Exchange Risk

Foreign exchange risk is defined as the potential change in earnings due to change in market price of foreign exchange. The foreign exchange risk of the bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. To Control risk, bank always keep its unhedged net open position within stipulated limit set by central bank.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. All Nostro accounts are reconciled on a monthly basis and outstanding entry beyond 30 days will be reviewed by the management for its settlement.

g. Equity Price Risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank subsidiary; changes in the value of listed shares used as collateral for loans whether the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares.

The risks will be monitored by Credit Committee under a well-designed policy framework.

h. Operational Risk

Operational Risk is the risk of losses incurring due to human errors, inadequate or failed internal processes or systems or external events including legal risk. Legal risk arises when the Bank's business is not conducted in accordance with applicable laws, when the Bank may be liable for damages to third parties or when contractual obligations may be enforced against the Bank resulting from legal proceedings. The objective of the Operational Risk Management (ORM) is to establish sound control practices to increase the effectiveness of the Bank's resources and minimize financial losses. BGCB is in process to establish operational risk management unit for management of and reporting of operational risk. Currently, Bank uses the Basel III defined event types for loss classification but a comprehensive loss reporting, recording and tracking database yet to establish.

The Operational Risk may arise from error and fraud due to lack of or failure of internal control and compliance. Management controls the operational procedure through various policy and operational guidelines in conformity with best practices and complying with regulators' instructions. Internal Control and Compliance Division (ICCD) of the Bank evaluates effectiveness of the Internal Control System of the Bank. The Audit Committee of the Board subsequently reviews the reports of ICCD and given their suggestions and guidelines time to time for strengthening the operational procedure of the Bank.

i. Prevention of Money Laundering and Terrorist Financing

Bengal Commercial Bank PLC (BGCB) has framed an approved Money Laundering Prevention Policy Guideline so that it could be sufficient enough to protect the bank from tribulations of money laundering.

As per Money Laundering Prevention Act, 2002 and Money Laundering Prevention circular, a Central Compliance Unit (CCU) has been formed at Head Office in BGCB and a designated person has been nominated to supply any information if required and report any abnormal and suspicious transactions to Bangladesh Bank through CCU. Chief Anti Money Laundering Compliance Officer (CAMALCO) has been designated at head office and Branch Anti Money Laundering Compliance Officers (BAMALCO) will be assigned at branches.

Know Your Customer (KYC) profile, Risk Rating and Assessment (RRA) profile and Transaction Profile (TP) have been introduced as per the direction of Bangladesh Bank. These profiles facilitate and ease the KYC procedures, risk categorization, transaction monitoring process, suspicious activity reporting process, self-assessment process, independent procedures testing system etc. Proper record keeping procedure has been established also.

Various types of statements such as Quarterly STR, Quarterly KYC statement for legacy accounts, Bi-monthly statements etc will be sent to the Bangladesh Bank properly as per the requirements.

The training procedure has been conforming as per the action plan, which was given to Bangladesh Bank. It provides significant role to develop and to aware the staffs of BGCB about Anti Money Laundering. The management of the Bank is committed to train all of its workforces regarding anti money laundering.

j. Information and Communication Technology Risk

BGCB adheres to the IT Security policies and procedures in line with ICT Security guideline of Bangladesh Bank. To prevent attack from Cyber criminals/fraudsters, BGCB IT has established standard physical and logical security measures for all sensitive IT infrastructures (e.g., Data Centre, Disaster Recovery Site, Power Rooms, Server Rooms, etc.). Besides, BGCB has standard logical IT security measures like access control system, intrusion detection, access log and periodic security assessment for all systems. Vulnerability assessment exercises, both internally and externally, are conducted regularly to identify security weakness and establish control for mitigation.

IT Security team has also taken initiatives to create awareness about cybersecurity among all BGCB employees and customers through retail and corporate channels. We have separate information system audit to identify control gaps and improve continually.

k. Internal Audit

The Bank has a plan to established an independent internal audit function with the head of Internal Control & Compliance (ICC). The internal audit team will performs risk based audit on various business and operational areas of the Bank on continuous basis. The audit committee and the Board will regularly reviews the internal audit reports as well as monitor progress of previous findings. However, the Head of Audit being part of internal control & compliance, will report to audit committee of the Board and is responsible to audit committee of the Board.

l. Prevention of Fraud

Fraud and Forgeries are a critical dimension, the banking industry is facing now a days. In order to safeguard the bank from all probable fraud and forgeries that may occur in any respect, the bank will take all possible safety security measures under direct supervision of ICCD. Concurrent audit, internal audit, Board audit etc. will be done periodically along with surprise audit from time to time. Moreover, there are a lot of safety measures initiated at the branch level also. The core banking solution Flora is designed to prevent IT related fraud and forgeries.

2B Compliance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The Bank has complied with following IASs & IFRSs as adopted by ICAB during the preparation of financial statements as at and for the year ended 31 December 2024.

Name of IAS/IFRSs	IAS/IFRSs	NO	Status
Presentation of Financial Statements	IAS	1	*Applied
Inventories	IAS	2	N/A
Statement of Cash Flows	IAS	7	*Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS	8	Applied
Events after the Reporting Period	IAS	10	Applied
Income Taxes	IAS	12	Applied
Property, Plant and Equipment	IAS	16	Applied
Employee Benefits	IAS	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS	20	N/A
The Effects of Changes in Foreign Exchange Rates	IAS	21	Applied
Borrowing Costs	IAS	23	N/A
Related Party Disclosures	IAS	24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS	26	N/A
Separate Financial Statements	IAS	27	Applied
Investments in Associates	IAS	28	N/A
Interests in Joint Ventures	IAS	31	N/A
Earnings per share	IAS	33	Applied
Interim Financial Reporting	IAS	34	Applied
Impairment of Assets	IAS	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS	37	*Applied

* Subject to departure described in note 2.1, N/A = Not Applicable

Name of IAS/IFRSs	IAS/IFRSs	NO	Status
Intangible Assets	IAS	38	Applied
Financial Instruments: Recognition and Measurement	IAS	39	*Applied
Investment Property	IAS	40	N/A
Agriculture	IAS	41	N/A
First-time Adoption of International Financial Reporting Standards	IFRS	1	Applied
Share-based Payment	IFRS	2	N/A
Business Combinations	IFRS	3	Applied
Insurance Contracts	IFRS	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS	5	*Applied
Exploration for and Evaluation of Mineral Resources	IFRS	6	N/A
Financial Instruments: Disclosures	IFRS	7	*Applied
Operating Segments	IFRS	8	Applied
Financial Instruments	IFRS	9	*Applied
Consolidated Financial Statements	IFRS	10	Applied
Joint Arrangements	IFRS	11	N/A
Disclosure of Interests in Other Entities	IFRS	12	Applied
Fair Value Measurement	IFRS	13	*Applied
Regulatory Deferral Accounts	IFRS	14	N/A
Revenue from Contracts with Customers	IFRS	15	Applied
Leases	IFRS	16	*Applied

* Subject to departure described in note 2.1, N/A = Not Applicable

Reporting Period

These financial statements cover the period from 1 January 2024 to 31 December 2024.

Approval of Financial Statements

The financial statements have been approved by the Board of Directors of the bank in its 41th meeting held on 29 April 2025

Changes in Accounting Policies

As per IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" Accounting Policies are applied consistently for comparability between financial statements of different accounting periods. Changes in Accounting Policies are applied retrospectively in the financial statements. Comparative amounts presented in the financial statements affected by the change in accounting policy for each prior period presented.

Disclosure on Credit Rating Information

In accordance with Bangladesh Bank's BRPD Circular No. 06, dated July 5, 2006, and to ensure confidence among investors and other stakeholders regarding the bank's stable operational standing, as well as to protect their interests, Bengal Commercial Bank Plc. undergoes credit assessments by well-recognized credit rating agencies.

A summary of the bank's credit rating as of December 31, 2024, is provided below:

Rating Agency	Long-term Rating	Short-term Rating	Outlook	Valid up to
Credit Rating Information and Services Limited	A+	ST-3	Stable	June 8, 2025

IFRS 15 - Revenue from Contract with Customers

IFRS 15 “Revenue from Contracts with Customers” replaces IAS 18 Revenue and IAS 11 Construction Contracts. IFRS 15 establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five-step model includes: 1) identifying the contract with the customer, 2) identifying each of the performance obligations included in the contract, 3) determining the amount of consideration in the contract, 4) allocating the consideration to each of the identified performance obligations and 5) recognising revenue as each performance obligation is satisfied. The Bank has consistently applied the accounting policies as set out in Note 3 to all periods presented in these financial statements.

General

- (i) Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year without, however, creating any impact on the operating result and value of assets and liabilities as reported in the financial statements for the current year.
- (ii) Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- (iii) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- (iv) These financial statements cover one calendar year from 01 January 2024 to 31 December 2024.

Bengal Commercial Bank PLC.

Notes to the Financial Statements

As at and for the Year ended on 31 December 2024

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
3.0 Cash in hand			
Conventional and Islamic Banking			
Cash in hand	3.1	494,609,006	397,956,066
Balance With Bangladesh Bank and its agent Banks	3.2	825,964,111	708,084,915
		1,320,573,117	1,106,040,981
3.1 Cash in hand			
Local Currency		486,954,075	395,809,575
Foreign Currency		7,654,931	2,146,491
		494,609,006	397,956,066
3.2 Balance with Bangladesh Bank and its agent Banks			
Conventional and Islamic Banking			
Bangladesh Bank			
Local currency		804,953,874	698,828,989
Foreign currencies		15,993,218	6,736,201
		820,947,093	705,565,190
Balance with agent banks		5,017,018	2,519,725
		825,964,111	708,084,915

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

The Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) are maintained in accordance with the section 25 and 33 of the Bank Companies Act 1991 (Amended 2023) and subsequent BRPD Circular No. 11 & 12 dated 25 August 2005, MPD circular no. 02 dated 10 December 2013, MPD circular No. 01 dated 23 June 2014 & DOS Circular Letter No. 23 dated. 07.10.2018, MPD circular No. 03 dated 9 April 2020. Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) and deposits there against with Bangladesh Bank at 31 December 2024 are as follows:

Conventional:

A. Cash Reserve Requirement (CRR)

As per Bangladesh Bank MPD circular no. 03 dated 09 April, 2020 and BRPD(P-3)/744(27)/2020-4086 dated 18 June, 2020, Bank has to maintain 3.50% CRR on daily basis for Domestic Banking Operation (DBO) and 4.00% on bi-weekly basis for Domestic Banking Operation (DBO). CRR requirement is calculated on the basis of weekly Average of Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. The reserve maintained by the Bank as at 31 December 2024 are as follows:

Daily Basis

Average Total Demand and Time Liabilities

Required Reserve

DBO (3.5% of of ATDTL) (A)

Actual Reserved Maintained as Per Bangladesh Bank Statement (B)

Surplus (B-A)

Bi-Weekly Bank's CRR Maintenance

Required Reserve

DBO (4% of of ATDTL) (A)

Actual Reserved Maintained as Per Bangladesh Bank Statement (B)

Surplus (B-A)

	13,520,773,031	10,792,719,927
	13,520,773,031	10,792,719,927
	447,117,000	407,065,000
	447,117,000	407,065,000
	559,343,310	502,172,020
	559,343,310	502,172,020
	112,226,310	95,107,020
	510,990,000	465,217,000
	510,990,000	465,217,000
	559,343,310	502,172,020
	559,343,310	502,172,020
	48,353,310	36,955,020

Notes	31.12.2024 TAKA	31.12.2023 TAKA
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B. Statutory Liquidity Ratio (SLR)

As per Section 33 of the Bank Company Act, 1991 (Amended upto 2023) & MPD circular no. 02 dated December 10, 2013 issued by Bangladesh Bank with effect from February 1, 2014, Bank has to maintain SLR of minimum 13.00% based on weekly Average Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. (i.e. SLR of December 2023 is based on weekly ATDTL of October 2023), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 respectively for DBO. SLR maintained by the Bank as at 31 December 2024 are as follows:

Required Reserve (13% of ATDTL) for DBO (A)

Actual Reserve Maintained (B)

Surplus(B-A)

C. Components of Statutory Liquidity Ratio (SLR)

Cash in hand

Balance with Agent Bank

Held to Maturity (HTM) Securities

Held for Trading (HFT) Securities

Excess From CRR (4%)

Other Eligible Securities

1,660,719,000	1,511,955,000
1,660,719,000	1,511,955,000
3,449,818,500	2,089,125,000
3,449,818,500	2,089,125,000
1,789,099,500	577,170,000
443,611,690	397,956,066
5,017,020	-
1,956,141,299	1,316,170,690
996,695,190	392,853,600
48,353,308	36,955,017
-	-
3,449,818,507	2,143,935,373

As per Bangladesh Bank DOS Circular no. 26 dated 19 August, 2019, cash reserve (if any) in excess of required CRR calculated on bi-weekly basis is considered as an eligible component of Statutory Liquidity Reserve for that particular day.

Islamic:

A. Cash Reserve Requirement (CRR)

As per Bangladesh Bank MPD circular no. 03 dated 09 April, 2020 and BRPD(P-3)/744(27)/2020-4086 dated 18 June, 2020, Bank has to maintain 3.50% CRR on daily basis for Domestic Banking Operation (DBO) and 4.00% on bi-weekly basis for Domestic Banking Operation (DBO). CRR requirement is calculated on the basis of weekly Average of Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. The reserve maintained by the Bank as at 31 December 2024 are as follows:

Daily Basis

Average Total Demand and Time Liabilities

Required Reserve

DBO (3.5% of of ATDTL) (A)

Actual Reserved Maintained as Per Bangladesh Bank Statement (B)

Surplus (B-A)

Bi-Weekly Bank's CRR Maintenance

Required Reserve

DBO (4% of of ATDTL) (A)

Actual Reserved Maintained as Per Bangladesh Bank Statement (B)

Surplus (B-A)

5,755,727,653	4,856,552,139
5,755,727,653	4,856,552,139
197,835,000	174,193,000
197,835,000	174,193,000
232,750,350	200,770,090
232,750,350	200,770,090
34,915,350	26,577,090
226,097,000	199,077,000
226,097,000	199,077,000
232,750,350	200,770,090
232,750,350	200,770,090
6,653,350	1,693,090

Notes	31.12.2024 TAKA	31.12.2023 TAKA
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B. Statutory Liquidity Ratio (SLR)

As per Section 33 of the Bank Company Act, 1991 (Amended upto 2023) & MPD circular no. 02 dated December 10, 2013 issued by Bangladesh Bank with effect from February 1, 2014, Bank has to maintain SLR of minimum 5.50% based on weekly Average Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. SLR maintained by the Bank as at 31 December 2024 are as follows:

Required Reserve (5.5% of ATDTL) for DBO (A)

Actual Reserve Maintained (B)

Surplus (B-A)

C. Components of Statutory Liquidity Ratio (SLR)

Cash in hand
Balance with Agent Bank
Held to Maturity (HTM) Securities
Held for Trading (HFT) Securities
Excess From CRR (4%)
Other Eligible Securities

310,883,000	273,731,000
310,883,000	273,731,000
412,734,670	374,093,460
412,734,670	2,089,125,000
101,851,670	1,815,394,000
50,997,320	54,810,380
-	-
-	-
-	-
6,653,353	1,693,088
355,084,000	317,590,000
412,734,673	374,093,468

As per Bangladesh Bank DOS Circular no. 26 dated 19 August, 2019, cash reserve (if any) in excess of required CRR calculated on bi-weekly basis is considered as an eligible component of Statutory Liquidity Reserve for that particular day.

4.0 Balance with other banks and financial institutions Conventional and Islamic Banking

Balance In Bangladesh

Balance outside Bangladesh

4.1 In Bangladesh

A. SND/STD Account

Mercantile Bank PLC.
Agrani Bank PLC.
EXIM Bank PLC.
Standard Bank PLC.
NCC Bank PLC.

B. CD Account

Trust Bank PLC.
Jamuna Bank PLC.

C. Term Deposit

Southeast Bank PLC.
National Bank Ltd.
Citizen Bank PLC.
Meghna Bank PLC.

SBAC Bank PLC.

4.1	4,546,014,906	3,382,609,682
4.2	65,345,533	99,713,129
	4,611,360,439	3,482,322,811
	1,854,903,434	9,379,530
	3,024,268	1,022,189
	257,266,227	120,068,211
	1,775,677,056	2,243,277,165
	200,000	
	3,891,070,984	2,373,747,096
	4,492,226	8,395,553
	451,695	467,033
	4,943,921	8,862,586
	-	1,000,000,000
	200,000,000	-
	100,000,000	-
	250,000,000	-
	-	-
	100,000,000	-
	650,000,000	1,000,000,000
	4,546,014,906	3,382,609,682
	4,386,273	4,697,162
	10,234,019	542,245
	47,888,156	92,624,859
	770,434	-
	653,864	957,789
	418,283	-
	994,503	891,073
	65,345,533	99,713,129

4.2 Outside Bangladesh (NOSTRO Accounts)

AB Bank Limited, Mumbai, India
Axis Bank Limited, Mumbai, India
Mashreq Bank PSC, New York, USA
Sonali Bank (GBP)
Sonali Bank (EURO)
AKTIF YATIRIM BANKASI A.S TURKEY (EURO)
Sonali Bank (USD)

Details of NOSTRO Accounts are shown in Annexure-A.

Details of statement of unreconciled entries of Nostro Accounts are shown in Annexure-A-1

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
4.3 Maturity grouping of balance with other banks & financial institutions			
On demand		3,961,360,438	117,488,212
Not more than three months		650,000,000	1,000,000,000
More than three months but less than one year		-	-
More than one year but less than five years		-	-
More than five years		-	-
		4,611,360,438	1,117,488,212
5.0 Money at Call and Short Notice			
Call money Lending		300,000,000	-
Short Notice Lending		-	-
		300,000,000	-
5.1 Call Money Lending-To Bank			
Call Money Lending To Bank		300,000,000	-
		300,000,000	-
5.2 Short Notice Lending			
Short Notice Lending to Bank		-	-
Short Notice Lending to NBFIs		-	-
		-	-
6.0 Investment Conventional and Islamic Banking			
(a) Nature Wise			
Held for Trading		996,695,191	392,853,600
Held for Maturity		1,956,141,298	1,316,170,692
Others		1,193,888,172	1,123,131,309
		4,146,724,661	2,832,155,601
(b) Claim Wise			
Government Securities	6.1	3,308,027,389	2,026,694,292
Others	6.2	838,697,272	805,461,309
		4,146,724,661	2,832,155,601
6.1 Government Securities			
Treasury Bond	6.1.1	2,952,836,489	1,709,024,292
Sukuk Islami Bond		355,084,000	267,590,000
Islami Investment Bond (BGIIIB)		-	50,000,000
Prize Bond		106,900	80,000
		3,308,027,389	2,026,694,292
6.1.1 Treasury Bond			
Held for Maturity			
Treasury Bond (1 year to 5 years)		410,156,446	199,416,418
Treasury Bond (10 years)		215,410,144	225,713,674
Treasury Bond (15 years)		828,367,977	386,232,736
Treasury Bond (20 years)		502,206,731	504,807,864
		1,956,141,298	1,316,170,692
Held for Trading			
Treasury Bill (182 Days)		944,165,000	392,853,600
Treasury Bill (2 Years)		-	-
Treasury Bond (15 years)		29,882,340	-
Treasury Bond (20 years)		22,647,851	-
		996,695,191	392,853,600
		2,952,836,489	1,709,024,292

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
6.2 Others (Investment in Other than Govt. Securities)			
Conventional and Islamic Banking			
Corporate Bond	6.2 (a)	160,000,000	200,000,000
Subordinate Bond	6.2 (b)	120,000,000	150,000,000
Perpetual Bond	6.2 (c)	100,000,000	100,000,000
Ordinary Shares & Mututal Funds		458,697,272	355,461,309
		838,697,272	805,461,309
Investment in ordinary shares, mututal funds and preference shares are detailed in Annexure-B			
6.2 (a) Corporate Bond			
Unquoted			
North West Power Generation Company		160,000,000	200,000,000
Jamuna Bank Limited Subordinated Bond-IV		-	-
		160,000,000	200,000,000
6.2 (b) Subordinate Bond			
Unquoted			
Jamuna Bank Limited Sub Bond		120,000,000	150,000,000
		-	-
		120,000,000	150,000,000
6.2 (c) Perpetual Bond			
Unquoted			
Mercantile bank		100,000,000	100,000,000
		-	-
		100,000,000	100,000,000
6.2 (d) Islami Investment Bond (BGIIB)			
Unquoted			
Bangladesh Government Islami Investment Bond (BGIIB)		-	50,000,000
		-	-
		-	50,000,000
6.3 Maturity-Wise Grouping			
On Demad		458,804,172	355,541,309
Up to 3 months		944,165,000.00	442,853,600
More than 3 months but not more than 1 year		-	-
More than 1 year but not more than 5 year		765,240,446	467,006,418
More than 5 years		1,978,515,044	1,566,754,274
		4,146,724,661	2,832,155,601
7.0 Loans & Advances / Investment			
Conventional and Islamic Banking			
Loans, Cash credit & overdraft etc / Investments	7.1	15,935,488,300	14,224,313,381
Bills purchased and discounted		259,830,182	32,095,712
		16,195,318,483	14,256,409,093
7.1 Product Wise Loans and Advances / Investments			
Continuous Loan / Investment		7,812,439,423	6,791,720,546
Term Loan / Investments		4,274,340,631	3,586,583,513
Demand Loan / Investments		3,798,631,085	3,800,553,018
Auto Loan / Investments Staff		50,077,161	45,456,304
		15,935,488,300	14,224,313,381
7.2 Loans, Cash Credits, Overdraft etc.			
Overdrafts		5,512,861,957	5,424,097,826
Demand Loans		3,194,686,042	3,219,417,984
Term Loans		1,834,382,721	1,875,936,427
Staff Loans		50,077,161	45,456,304
Hire Purchase		100,426,329	35,587,842
Cash Credit		180,871,635	79,872,709
Loan Under COVID-19 stimulus Package		-	-
		10,873,305,847	10,680,369,092

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
7.3 Small and Medium Enterprise			
Overdrafts		2,150,315,054	1,284,718,121
Demand Loans		832,166,002	613,230,746
Term Loans		2,326,993,275	1,550,025,794
Loan Under COVID-19		12,538,306	128,065,341
		5,322,012,636	3,576,040,001
7.4 Net Loans and Advances/Investments			
Gross Loans and Advances/Investments		16,195,318,483	14,256,409,093
Less: Interest Suspense		259,217	-
Less: Provision for Loans and Advances/Investments		134,378,866	117,090,000
		16,060,680,400	14,139,319,093

Classified loans and advances of the banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Interest accrued on Sub-Standard (SS), doubtful and bad/loss loans is recorded as 'interest suspense' and not taken to income. This interest is recognized as income as and when it is realized by the bank.

7.5 Loans and Advances/Investments under the following Broad Categories

Inside Bangladesh

Cash Credits	689,175,671	421,969,922
Overdrafts	7,154,872,976	6,369,750,624
Term Loan	4,183,248,130	3,550,995,671
Hire Purchase	141,169,663	81,044,146
Demand Loans	4,026,852,044	3,832,648,730
	16,195,318,483	14,256,409,093

Outside Bangladesh

Cash Credits	-	-
Overdrafts	-	-
Hire Purchase	-	-
Term Loan	-	-
Time Loan	-	-
	-	-

7.6 Geographic Location wise Portfolio grouping

Urban

Dhaka Division	13,210,855,249	11,953,330,014
Chattogram Division	1,333,514,818	898,279,657
Khulan Division	-	-
Sylhet Division	-	-
Barisal Division	-	-
Rajshahi Division	221,634,540	10,645,457
Rangpur Division	138,658,732	-
Mymensingh Division	-	-
	14,904,663,339	12,862,255,128

Rural

Dhaka Division	1,047,291,100	1,094,350,008
Chattogram Division	195,568,069	210,118,842
Khulan Division	-	-
Sylhet Division	-	-
Barisal Division	-	-
Rajshahi Division	20,270,402	8,600,063
Rangpur Division	27,525,573	81,085,053
Mymensingh Division	-	-
	1,290,655,144	1,394,153,965

7.7 Loans and Advances/Investments on the basis of significant concentration

7.7.1 Loans and Advances/Investments to Directors, Executives and Others

a) Directors		
Credit Cards	-	-
Others	-	-
	-	-
b) Staff		
Managing Director and CEO	-	-
Executives and Staffs	50,077,161	45,456,304
	50,077,161	45,456,304

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
c) Agriculture		475,046,559	170,926,777
d) Industry			
Food Manufacturing		1,990,786,005	1,885,329,013
Bevarage and Industry		-	-
RMG Industry		1,017,388,210	427,919,799
Textile Industry		913,798,113	806,466,439
Wood Cork and Allied Products		-	-
Furniture and Fixtures		3,840,089	3,995,295
Paper and Paper Products		789,484,104	5,041,969
Leather and Leather Products		320,238,476	349,439,327
Rubber And Plastic Industries		346,338,613	192,488,807
Chemical and Chemical Products		569,192,161	557,322,529
Basic Metal Products		570,545,345	519,771,606
Electrical Machinery and Apparatus		113,169,259	33,199,510
Pharmaceutical		199,165,000	211,488,761
Ship Building		-	-
Ship Breaking		-	-
Other Manufacturing Industries		2,871,303,344	3,069,332,508
Others		1,665,621,356	1,141,841,461
		11,370,870,075	9,203,637,025
e) Constructions		922,624,933	828,306,606
f) Power, Gas, Water and Sanitary Services		9,971,012	1,251,836,640
g) Trade Services		1,660,538,810	1,037,123,522
h) Housing Services		252,412,149	274,595,155
i) Transport, Storage and Communication		18,206,820	13,560,691
j) Banking and Insurance		-	-
k) Professional and Misc. Services		1,435,570,964	1,430,966,372
		16,195,318,483	14,256,409,093

7.8 Detail of Large Loan/Investments

Number of clients with amount outstanding (Funded and Non Funded) and classification status to whom loans and advances sanctioned are 10% or more of the total regulatory capital of the Bank. Total capital of the bank was Taka 4,079,877,050.

Number of Clients

Amount of Outstanding loans and Advances

	33	24
	5,490,220,644	6,030,616,155

Client Wise Details are Given Below:

Amount in Million

Name of the Client	Sanction Limit	Outstanding		Total	Classification Status
		Funded	Non-Funded		
MUTUAL FOOD PRODUCTS LTD.	57.50	0.81	-	0.81	STD
MUTUAL MILK PRODUCTS LIMITED	100.00	89.93	-	89.93	STD
MUTUAL TRADING COMPANY LTD	50.00	49.65	-	49.65	STD
AZIM UDDIN AHMED	270.00	231.72	-	231.72	STD
ARLA FOODS BANGLADESH LIMITED	980.00	294.66	134.47	429.12	STD
ALPHA CARBON TECHNOLOGY LTD.	410.00	154.23	94.48	248.71	STD
MEGHNA INNOVA RUBBER CO. LTD.	210.00	102.59	-	102.59	STD
ALCA INDUSTRIES LTD.	164.80	20.79	9.82	30.61	STD
MEGHNA AUTOMOBILES LIMITED	250.00	-	9.72	9.72	STD
MEGHNA CAR MANUFACTURING LIMITED	300.00	150.09	82.01	232.10	STD
M & U CYCLES LIMITED	105.00	-	-	-	STD
DBL CERAMICS LIMITED	600.00	643.55	-	643.55	STD
MYMENSINGH AGRO LIMITED	200.00	210.25	-	210.25	STD
HABIGANJ AGRO LIMITED	400.00	419.72	-	419.72	STD

				Notes	31.12.2024 TAKA	31.12.2023 TAKA
Name of the Client	Sanction Limit	Outstanding		Total	Classification Status	
		Funded	Non-Funded			
PRAN DAIRY LIMITED	-	-	-	-	STD	
ACI FORMULATIONS LIMITED	750.00	569.19	110.58	679.78	STD	
GOLAM RABBANI CONSTRUCTION LTD.	850.50	449.56	165.42	614.99	STD	
SHAH CEMENT INDUSTRIES LTD.	850.00	518.65	-	518.65	STD	
AKIJ POLY FIBRE INDUSTRIES LIMITED	1,535.08	615.57	-	615.57	STD	
AKIJ SHIPPING LINE LIMITED	-	-	-	-	STD	
BONGO TRADERS LTD	-	-	-	-	STD	
M/S THE SUCCESSORS	-	-	-	-	STD	
AKIJ CEMENT COMPANY LIMITED	1.56	-	1.56	1.56	STD	
AKIJ ISPAT LIMITED	173.36	27.60	145.76	173.36	STD	
NITOL MOTORS LTD.	400.00	360.63	-	360.63	STD	
NITA COMPANY LIMITED	400.00	-	342.67	342.67	STD	
J.L. FASHIONS LIMITED	640.00	-	-	-	STD	
J.L. FASHIONS LIMITED	-	-	-	-	STD	
SPARROW GREENTECH PVT LTD	870.00	-	-	-	STD	
CITY SUGAR INDUSTRIES LIMITED.	1,050.00	268.18	-	268.18	STD	
HOSHENDI ECONOMIC ZONE LIMITED		312.85	-	312.85	STD	
CITY POLYMERS LIMITED		-	-	-	STD	
RUPSHI FOODS LIMITED		-	-	-	STD	

Note: Large exposures has been calculated on the basis of BRPD Circular No 01, dated 16 January 2022.

7.9 Classified and Unclassified Loans and Advances

Unclassified

Standard

Special Mentioned Accounts (SMA)

Classified

Sub-Standard

Doubtful

Bad/Loss

16,065,793,318

14,256,409,093

15,801,753,017

14,256,409,093

264,040,301

-

129,525,165

-

85,658,377

-

38,703,059

-

5,163,730

-

16,195,318,483

14,256,409,093

7.10 Sector-Wise Allocation of Loans and Advances/Investments

Government

Private

Agriculture

Industry

Service Industry

Agro-Based Industry

Commerce and Trade

Consumer Credit

Others

Total

176,445,479

170,926,777

7,749,557,496

7,633,129,697

2,606,453,108

2,067,076,632

1,907,036,361

1,680,502,508

1,660,538,810

1,037,123,522

861,560,896

758,993,473

1,233,726,334

908,656,484

16,195,318,483

14,256,409,093

7.11 Securities Wise Loans and Advances/Investments Including Bills Purchased and Discounted

Collateral of Moveable/Immoveable Assets

Local Banks and Financial Institutions Gurantee

Fixed Deposit Receipts (FDR)

FDR of Other Banks

Personal Gurantee and Other Securities

Other Securities

Without Securities

5,311,536,801

3,570,413,081

-

-

2,587,282,730

1,949,802,996

-

-

4,396,706,952

3,208,142,255

3,851,687,492

5,502,033,629

48,104,508

26,017,132

16,195,318,483

14,256,409,093

7.12 Particulars of Loans and Advances/Investments

Loans considered good in respect of which the banking company is fully & partly secured.
Loans considered good against which the banking company holds no security than the debtors personal guarantee.
Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor.
Loans adversely classified, provision not maintained there against.

Loans due by directors or officers of the banking company or any of them either separately or jointly with any other person
Loans due by companies or firms in which the directors of the banking
Maximum total amount of advances including temporary advances made at any
Maximum total amount of Investments including temporary Investment granted
Due from banking companies
Amount of Classified Loan on which interest has not been
a) (Decrease)/ Increase in provision
Amount of Debts written off
Amount realised against loan previously written off
c) Interest creditable to the interest suspense account.
Cumulative amount of the written off loan
Opening Balance
Amount Written off during the year
The amount of written off loans for which law suits have been filed

Notes	31.12.2024 TAKA	31.12.2023 TAKA
	7,898,819,531	5,520,216,077
	48,104,508	26,017,132
	8,248,394,444	8,710,175,884
	-	-
	16,195,318,483	14,256,409,093
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	16,195,318,483	14,256,409,093

7.13 Particulars of Required Provisions for Loans and Advances

Status	Base for Provision	Percentage (%) of required Provision	Required Provision 2024	Required Provision 2023
Unclassified				
All Unclassified Loans (Other than Small and Medium Enterprise Financing, Consumer Financing, Housing and Loans for Professionals)	10,486,817,046	1.00%	104,868,170	99,720,666
Small and Medium Enterprise	4,550,115,802	0.25%	11,702,255	8,940,100
Housing Finance	230,928,299	1.00%	2,309,283	1,912,273
Loans to Professionals	-	2.00%	-	-
Loans to BHs/MBs/SDs against Shares	312,243,104	1.00%	3,122,431	3,156,616
Consumer Finance	158,736,911	2.00%	3,174,738	2,957,032
Staff Loan	-	0.00%	-	-
SMA (Same as UC i.e. 0.25%, 1% to 2%)	264,040,301	0.25%, 1% to 2%	1,397,919	-
Sub Total	16,002,881,462		126,574,798	116,686,687

As the bank was incorporated after the COVID-19, special general provision COVID-19 is not maintained in this regard.

Classified

Substandard	14,894,773	5%, 20%	2,282,843	-
Doubtful	23,091,598	20%, 50%	4,618,320	-
Bad Loan	774,559	100%	774,559	-
Sub Total			7,675,722	

Provision Required (Short Term Agricultural & Micro Credit)

Unclassified				
Standard (Short Term Agri/ Micro Credit)	12,834,695	1%	128,347	81,057

Classified

SubStandard (Short Term)			-	-
Doubtful (Short Term Agri/Micro Credit)			-	-
Bad Loan (Short Term Agri/Micro Credit)			-	-
Sub Total				

Total Required Provision for			134,378,866	
Total Provision maintained (Note: 13.1.1)			134,378,866	116,767,744
				117,090,000
Excess Provision over minimum required provision prescribed by Bangladesh Bank			-	322,256

Provision for loans and advances is created for covering the bank for possible loan losses in the future. General provision is made on outstanding loans and advances without considering the quality of loans and advances according to the prescribed rate of Bangladesh Bank. Classified loans and advances of the banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank.

Provision for off-balance sheet items is made as per BRPD circular No. 8 of 7 August 2007 and 18 September 2007 for covering the bank for possible losses on off-balance sheet items in the future.

7.14 Provision made for funded exposures only (Other than short term Agriculture & Micro Credit)

Unclassified

Standard		125,176,878	62,302,000
SMA		1,397,919	-

Classified

Substandard		2,282,843	-
Doubtful		4,618,320	-
Bad or Loss		774,559	-
Provision made for funded exposures only (Other than short term Agriculture & Micro Credit (Note # 13.1.1))		134,250,519	62,302,000

Provision Made : (Short Term Agriculture & Micro Credit)

SubStandard (Short Term Agri/Micro Credit)		128,347	5,000
Doubtful (Short Term Agri/Micro Credit)			-
Bad or Loss (Short Term Agri/Micro Credit)			-

Grand Total

134,378,866

62,307,000

7.15 Particulars of provision for Off-Balance Sheet items

Particulars	Base for Provision	Required Provision (%)	Required Provision 2024 (Amount)	Required Provision 2023 (Amount)
Acceptance & Endorsement	650,642,900	1%	6,506,429	1,162,960
Letter of Guarantee	695,583,962	1%	6,955,840	5,974,286
Irrevocable Letters of Credit	1,595,002,468	1%	15,950,025	11,330,288
Bill for Collection	743,977,342	0%	-	-
Other Commitment	-	1%	-	21,915,408
Required Provision for Off-Balance Sheet Items	-	-	29,412,293	40,382,942
Provision Maintained (Note: 13.1.3)	-	-	29,415,000	40,383,000
Excess Provision over minimum required provision prescribed by Bangladesh Bank			2,707	58

7.16 Disclosure of Document Verification System:

As per Bangladesh Bank BRPD circular No: 04 and 35, dated January 04, 2021 and July 06, 2021 respectively instructions have been given to verify the audited financial statements of loan applicants through Document Verification System (DVS), a system developed by Institute of Chartered Accounts of Bangladesh (ICAB). Financial Reporting Council (FRC) also vide letter No: 178/FRC/APR/2021/27(10) dated 5th December given the same instruction. Bengal Commercial Bank PLC. has taken necessary initiatives to comply with the instruction of Bangladesh Bank and FRC and the implementation of the system is in progress.

7.17 Bill Purchased and Discounted under the following board categories

Inside Bangladesh	259,830,182	32,095,712
Outside Bangladesh	-	-
	259,830,182	32,095,712

7.18 Maturity wise grouping of loans and Advances

Payable on Demand	1,824,246,516	622,970,395
Not More than 3 Months	3,759,941,860	3,705,560,497
More than 3 month but not more than 1 year	5,424,268,482	6,271,752,208
More than 1 year but not more than 5 year	3,745,965,545	2,228,708,259
More than 5 Years	1,440,896,079	1,427,417,733
	16,195,318,483	14,256,409,093

Notes	31.12.2024 TAKA	31.12.2023 TAKA
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7.19 Disclosure of willful defaulters

In compliance with BRPD Circular No. 06, dated 12 March 2024, BGCB confirms that there are no willful defaulters as of 31 December 2024.

8.0 Fixed assets including premises, furniture & fixture.

Conventional and Islamic Banking

A Cost

Furniture and fixtures

Office Equipment

Computer & equipments

Vehicles

B Intangible Assets

Software

Total Cost of Tangible and Intangible Assets

Less: Accumulated depreciation & amortization

Written down value at the end of the year

Lease Assets-Premises

Right of use Assets

Less: Accumulated Depreciation

Net Book Value at the end of the year

8.1

Fixed assets schedules on standalone basis are shown in Annexure-C.

The bank's management has chosen to adopt a straight-line depreciation approach for its fixed assets, utilizing specific fixed rates. In response to the current condition of the bank's fixed assets, management has opted to amend the depreciation rate within the financial year, adhering to the straight-line method for fixed assets. Comprehensive details regarding this revision are outlined in the policy note- 2.10.

8.1 Right of use of assets (Lease assets)

Present value of Lease liabilities (obligation)

Initial payment (advance rent)

The Cost of the Right of Use Assets includes the Lease Liability which is the present value of Lease Payments less incentive, plus initial direct payments and dismantling cost etc. The Right of Use Assets measured at Cost less Accumulated Depreciation. IFRS 16 Leases is complied at the time of calculation of Right of Use of Assets.

9.0 Other assets

Conventional and Islamic Banking

Income Generating

Interest/Profit Receivable

Profit Receivable from Govt. Securities

Non-Income Generating

Stock of Stationery & Stamps

Account with Stock Broker

Advance Rent

Security Deposit

Suspense Account

Advance to Vendors

Other Prepayment (Staff)

Advance Insurance

EFTN Inward Receivable

Advance Tax

9.3

9.1

9.2

9.1 Suspense accounts

Advance against expenses

9.1.1

Notes	31.12.2024 TAKA	31.12.2023 TAKA
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9.1.1 The Detail Breakup of unadjusted suspense accounts are given below:

Less than 03 Months	10,698,704	15,525,129
03 Months to Less than 06 Months	799,055	5,069,715
06 Months to Less than 09 Months	116,247	258,602
12 Months and above	196,240	143,500
	11,810,246	20,996,946

9.2 Advance tax paid

Conventional and Islamic Banking

Balance at the beginning of the year

Paid during the year

181,186,573	93,050,309
97,485,259	88,136,264
278,671,832	181,186,573

Advance income tax represents the tax payment to the government exchequer. Advance income tax was not adjusted against provision for taxation for the year because the tax assessments have been not been finalized till 31 December 2023.

9.3 Interest/Profit Receivable

Interest Receivable on Subsidiary Receivable Account

Interest Receivable on Balance with Other Banks

Interest Receivable on Other than Government Securities

Interest Receivable on Treasury Bond

9.3 (a)	8,794,944	8,785,067
9.3 (b)	115,611,282	90,161,803
9.3 (c)	2,618,542	13,369,784
	74,989,909	26,173,975
	202,014,677	138,490,628

9.3 (a) Interest Receivable on Subsidiary Receivable Account

Interest Recv. Under SME Stimulus Finance

Interest Receivable under Working Capital Stimulus Package

Subsidiary Recv. on Agri Short-Term Loan Import Substitute Crop

Interest Recv. on COVID19 Special loan package

1,646,970	1,646,970
2,463	2,463
15,717	5,838
7,129,795	7,129,796
8,794,944	8,785,067

9.3 (b) Interest Receivable on Balance with Other Banks

SND Account

FDR Account

FCY

Int. Receivable on Short Notice Lending to Banks

107,058,720	62,200,295
8,509,721.75	27,666,667
42,840	-
-	294,840
115,611,282	90,161,803

9.3 (c) Interest Receivable on Other than Government Securities

Int. Receivable on Subordinate Bond

Int. Receivable on Corporate Bond

Interest Receivable on Call Lending

Int Receivable from Perpetual Bond

-	6,060,000
2,328,262	2,309,783
290,278	-
2	5,000,001
2,618,542	13,369,784

9.4 Maturity Wise Grouping of Other Assets

Up to 6 Months

Over 6 Months to 1 Year

Over 1 Year to 4 Years

Above 4 Years

283,116,677	168,278,266
21,866,288	24,908,322
302,034,818	212,153,340
50,125	47,975
607,067,908	405,387,902

9.5 Classification Status of Other Assets

Unclassified

Doubtful

Bad/Loss

606,755,421	404,985,800
116,247	258,602
196,240	143,500
607,067,908	405,387,902

10.0 Non-Banking Assets

Non-banking assets are those acquired by the banks in settlement of their debts. When a borrower express his inability to repay the loan in cash, and instead offers to the bank an asset including an asset given as collateral security like property to the bank to purchase in settlement of their dues, such assets when purchased by the banks are called as non banking assets. As on 31.12.2024 there was no Non-Banking assets.

11.0 Borrowings from other banks, financial institutions & agent.

Conventional and Islamic Banking

In Bangladesh

Out Side Bangladesh

11.1	673,581,076	1,295,405,738
	-	-
	673,581,076	1,295,405,738

		Notes	31.12.2024 TAKA	31.12.2023 TAKA
11.1 In Bangladesh				
11.1.A Borrowing from Bangladesh Bank				
BB Refinance agst. Stimulus - Corporate			-	-
BB Refinance agst. Stimulus - SME			561,935,103	1,295,036,643
Bangladesh Bank EDF Deposit-USD			-	-
Int. payable on Borrowing from BB & Others			10,000,000	369,094
			571,935,103	1,295,405,738
11.1.B Borrowing from Bangladesh Bank				
Term Borrowings from Banks			100,000,000	-
CITIZENS BANK PLC.			100,000,000	-
Shimanto Bank PLC.			-	-
Int. payable on Term Borrowing			1,645,972	-
			101,645,972	-
11.1.1 Int. payable on BB Refinance agst. Stimulus				
Borrowing from Bangladesh Bank			-	-
Int. payable on BB Refinance agst. Stimulus - Corporate			10,000,000	439,094
Int. payable on BB Refinance agst. Stimulus - SME			10,000,000	439,094
			10,000,000	439,094
11.2 Security Against Borrowing from Other Banks and Financial Institutions and Agents				
Secured (Treasury Bill)			-	-
Unsecured			571,935,103	1,295,405,738
			571,935,103	1,295,405,738
11.3 Maturity Grouping of Borrowings from other banks, financial institutions & agent.				
Payable on demand			-	-
Payable within one month			-	-
Over one month but within six months			571,935,103	1,295,405,738
Over six month but within one year			-	-
Over one year but within five years			-	-
Over five years but within ten years			-	-
			571,935,103	1,295,405,738
11.4 Disclosure Regarding REPO				
Disclosure Regarding REPO Transaction of the bank are given as per Bangladesh Bank DOS Circular No. 6, dated July 15, 2010				
a. (i) Disclosure Regarding REPO Outstanding REPO as on 31 December - 2024				
SL #	Counter Party Name	Agreement Date	Reversal Date	Amount (Taka)
1	Bangladesh Bank	24.12.2024	01.01.2025	1,987,798,000
2	Bangladesh Bank	17.12.2024	01.01.2025	496,916,000
3	Bangladesh Bank	17.12.2024	01.01.2025	991,674,000
4	Bangladesh Bank	10.12.2024	07.01.2025	1,014,385,486
5	Bangladesh Bank	10.12.2024	07.01.2025	387,970,800
6	Bangladesh Bank	10.12.2024	07.01.2025	290,332,500
7	Bangladesh Bank	10.12.2024	07.01.2025	930,115,000
8	Bangladesh Bank	10.12.2024	07.01.2025	944,290,000
9	Bangladesh Bank	17.12.2024	14.01.2025	510,496,637
10	Bangladesh Bank	17.12.2024	14.01.2025	936,226,000
11	Bangladesh Bank	17.12.2024	14.01.2025	512,124,763
12	Bangladesh Bank	17.12.2024	14.01.2025	303,803,657
13	Bangladesh Bank	11.11.2024	10.05.2025	1,209,512,000
(ii) Disclosure Regarding Outstanding Reverse REPO as on 31 December				
SL #	Counter Party Name	Agreement Date	Reversal Date	Amount (Taka)
-	-	-	-	-
b. Disclosure Regarding Overall Transaction of REPO & Reverse REPO				
Particulars	Minimum Outstanding During the Year	Maximum Outstanding During the Year	Daily Average Outstanding During the Year	
Securities Sold Under Repo				
i. With Bangladesh Bank	393,324,800	13,008,011,681	6,921,247,770	
ii. With Other Bank & FIS				
Securities Purchased under Reverse Repo				
i. With Bangladesh Bank				
ii. With Other Bank & FIS				
12.0 Deposits and other accounts				
Conventional and Islamic Banking				
Deposit from Customers	12.1	20,783,411,778	16,456,052,128	
Deposit from Banks & NBFIs	12.2	200,000,000	-	
		20,983,411,778	16,456,052,128	

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
12.1 Deposit from Customers			
Current / Al-Wadiah current Deposit and other accounts	12.1.1	3,200,512,463	2,942,544,584
Bills Payable		57,711,213	63,058,850
Savings / Mudaraba Savings Bank Deposit	12.1.2	2,654,081,767	1,636,704,583
Fixed / Mudaraba Term Deposits	12.1.3	14,473,430,229	11,488,957,511
Other Deposit	12.1.4	397,676,106	324,786,600
		20,783,411,778	16,456,052,128
12.1.1 Current / Al-Wadiah current Deposit and other accounts			
Current / Al-Wadiah current Deposit		2,147,280,774	1,697,270,439
Positive Balance On OD		8,293,068	2,347,333
Accrued Interest/Profit	12.1.1 (a)	96,599	1,572
Margin on Facilities		439,516,124	255,064,125
FC Held		537,369,041	924,403,591
		67,956,857	63,457,525
		3,200,512,463	2,942,544,584
12.1.1 (a) Accrued Interest/Profit			
Int.Payable on Bengal Fixed Deposit-100 Days		405,669	372,617
Int.Payable on Bengal Fixed Deposit Account-200 Days		-	144,475
Int.Payable on Bengal Fixed Deposit Account - 3 Months		90,935,273	37,809,006
Int.Payable on Bengal Fixed Deposit Account - 6 Months		39,456,797	33,030,047
Int.Payable on Bengal Fixed Deposit Account - 01 Year		237,723,782	178,345,312
Int.Payable on Bengal Fixed Deposit Account - 02 Years		76,482	63,880
Int.Payable on Bengal Fixed Deposit Account - 03 Years		78,160	67,619
Int. Payable on Bengal Monthly Earning Fixed Deposit Ac-01 Year		3,473,212	631,199
Int. Payable on Bengal Monthly Earning Fixed Deposit Ac-02 Year		5,200	-
Int.Payable on Bengal Double Benefit Fixed Deposit Account		54,695,802	2,391,789
Int. Payable on Bengal Advance Earning Deposit Ac-01 Years		1,050	-
Interest/Profit Payable on SND/MSND		-	-
Interest/Profit Payable on Savings Deposit		8,883	-
Interest Payable on FCY Deposit		-	-
Int. Payable on Bengal Monthly Earning Fixed Deposit Ac-02 Years		70,572	52,832
Int. Payable on Bengal Monthly Earning Fixed Deposit Ac-03 Years		617,967	29,300
Int. Payable on Bengal Monthly Earning Fixed Deposit Ac-05 Years		712,881	4,300
Profit Payable on Mudaraba Waqf Deposit		20,005	20,003
Profit on Cash Waqf		531,808	197,008
Interest Payable on FCY		486,723	486,723
Int. Payable on Bengal Fixed Deposit- 90 Days		-	-
Interest Payable On Repo		9,941,195	-
Int. Payable on Bengal Fixed Deposit- 1 Month		274,666	1,418,015
		439,516,124	255,064,125
12.1.2 Saving Bank Deposit			
Saving Bank Deposit		772,533,274	688,401,195
Special Notice Deposit		1,873,930,075	940,692,513
Mudaraba Waqf Deposit		7,618,418	7,610,875
		2,654,081,767	1,636,704,583
12.1.3 Fixed Deposit			
Fixed Deposit		14,145,971,290	11,275,640,450
Deposit Under Scheme		327,458,939	213,317,061
		14,473,430,229	11,488,957,511
12.1.4 Other Deposit			
Sundry Deposit	12.1.4 (a)	193,599,325	153,977,955
Settlement Account		10,303,093	7,253,330
Others		193,773,688	163,555,315
		397,676,106	324,786,600
12.1.4 (a) Sundry deposits			
SME Foundation Pre-finance Scheme		81,537,155	68,939,880
Security Deposit		9,903,908	10,570,300
Withholding Tax Payable		31,282,446	20,725,026
Withholding VAT Payable		7,402,065	5,942,815
Excise Duty		23,067,150	16,566,450
Others		40,406,600	31,233,484
		193,599,325	153,977,955
12.2 Deposit from Inter Bank			
Fixed Deposit			
Jamuna bank Ltd.		200,000,000	-
Uttara Bank Limited		-	-
Mercantile Bank Limited		-	-
South East Bank Limited		-	-
Bank Asia Limited		-	-
		200,000,000	-

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
12.3 Demand and Time Deposits			
A. Demand Deposits			
Current / Al-Wadiah current Deposits		3,200,512,463	2,942,544,584
Saving / Mudaraba Savings Deposits (10% of Total Saving Deposit)		78,015,169	69,601,207
Sundry Deposit		102,158,262	74,467,776
Bills Payable		57,711,213	63,058,850
Other Demand Deposit		204,076,781	170,808,644
		3,642,473,888	3,320,481,061
B. Time Deposits			
Saving / Mudaraba Savings Deposits (90% of Total Saving Deposit)		702,136,523	626,410,863
Fixed / Mudaraba Term Deposit		14,345,971,290	11,275,640,450
Deposit Pension Scheme		327,458,939	213,317,061
Speical Notice Deposit		1,873,930,075	940,692,513
Security Deposit		9,903,908	10,570,300
Others Time Deposit		81,537,155	68,939,880
		17,340,937,890	13,135,571,067
Total Demand and Time Deposit		20,983,411,778	16,456,052,128
12.4 Maturity wise Grouping of Deposits and Other Accounts			
Inter- Bank Deposits			
Payable on demand		200,000,000	-
Payable within one month		-	-
Over one month but within six months		-	-
Over six month but within one year		-	-
Over one year but within five years		-	-
Over five years but within ten years		-	-
		200,000,000	-
Other Deposits			
Payable on demand		4,890,465,393	3,399,781,452
Payable within one month		411,775,887	693,568,003
Over one month but within six months		9,341,667,917	7,834,118,684
Over six month but within one year		4,758,981,051	4,180,027,687
Over one year but within five years		498,577,541	260,790,829
Over five years but within ten years		881,943,989	87,765,474
		20,783,411,778	16,456,052,128
		20,983,411,778	16,456,052,128
12.5 Sector-wise deposits			
Government		479,289,513	244,661,079
Semi-Government		-	-
Deposit from Banks		200,000,000	-
Other Public		1,290,875,367	872,677,612
Foreign Currency Deposits		10,359,283	63,457,525
Private		19,002,887,616	15,275,255,912
		20,983,411,778	16,456,052,128
13.0 Other Liabilities			
Conventional and Islamic Banking			
Provision for Loans and Advances / Investments	13.1.1	134,378,866	117,090,000
Provision for Off Balance Sheet Items	13.1.3	29,415,000	40,383,000
Provision for diminution in value of Investment	13.1.4	109,392,285	50,544,527
Payable to Vendors		7,158,019	8,435,795
Payable Others		-	-
Adjusting Account Credit Balance		73,853,564	68,320,203
Provision for Climate Risk Fund	13.2	500,000	500,000

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
Provision for Other Assets	36.1	293,364	272,801
Provision for Start-up Fund	13.3	6,302,828	-
Lease Liabilities (IFRS 16)	13.4	253,578,172	336,353,016
Interest suspense account	13.5	259,217	-
Provision for Tax	13.6	147,329,183	77,231,875
Deferred Tax Liability/(Assets)	13.7	(9,122,722)	494,437
		<u>753,337,776.14</u>	<u>699,625,654</u>

13.1 Provisions for Loans and Advances / Investments

Conventional and Islamic Banking

Provisions for loans and advances in based on instructions contained in Bangladesh Bank BRPD circulars/letters no. 16 dated 06 December 1998, 9 dated 14 May 2001, 9 and 10 dated 20 August 2005, 8 dated 07 August 2007, 10 dated 18 September 2007, 14 dated 23 September 2012, 19 dated 27 December 2012, 5 dated 29 May 2013, 16 dated 18 November 2014, 8 dated 02 August 2015, 12 dated 20 August 2017, 15 dated 27 September 2017, 01 dated 03 January 2018, 01 dated 20 February 2018, 01 dated 06 February 2019, 03 dated 21 April 2019, 05 dated 16 May 2019 and BRPD Circular No. 09 dated 08 April 2024.

13.1.1 General Provision

Balance as at 1st January

Add: Provision made during the year

117,090,000	62,307,000
9,613,145	54,783,000
<u>126,703,145</u>	<u>117,090,000</u>

13.1.2 Specific Provision

Balance as at 1st January

Add: Provision made during the year

-	-
7,675,722	-
<u>7,675,722</u>	<u>-</u>

13.1.3 Provision on Off-Balance Sheet Exposures

Balance as at 1st January

Add: Provision made during the year

40,383,000	7,650,000
(10,968,000)	32,733,000
<u>29,415,000</u>	<u>40,383,000</u>

Total Provision for loans and Advance/Investments and Off-Balance Sheet Exposures

<u>156,118,145</u>	<u>157,473,000</u>
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13.1.4 Provision for Diminution of value of Shares and Securities

Balance as at 1st January

Add: Provision made during the year

50,544,527	16,973,028
58,847,759	33,571,498
<u>109,392,285</u>	<u>50,544,527</u>

Provision for diminution (gain net off) of value of quoted Shares has been made as per DOS Circular No: 04, Dated November 2011 and provision for mutual fund (close-end) has been calculated as per DOS circular no. 03, dated 12 March 2015 of Bangladesh Bank.

13.2 Provision for Climate Risk Fund

Climate Risk Fund was maintained in compliance with the Bangladesh Bank GBSRD Circular NO: 04 dated 09.07.2015. There is no additional provision for Climate Risk Fund in the year 2024.

Opening Balance

Add: Provision made during the year

Closing Balance

500,000	500,000
-	-
<u>500,000</u>	<u>500,000</u>

13.3 Provision for Start-Up Fund

According to SMESPD Circular no. 04 dated March 29, 2021 and SMESPD Circular letter no. 05, Dated April 26, 2021, Schedule Bank will form start Up fund for extending Loan/Refinance facilities view to creation of New Entrepreneur and self-employment in the country. The basis of Start Up is the 1% of net profit of that concern year and Bank will extend credit to that amount for prospective client as mentioned in the circular.

Opening Balance

Add: Provision made during the year

Closing Balance

-	-
6,302,828	-
<u>6,302,828</u>	<u>-</u>

Notes	31.12.2024 TAKA	31.12.2023 TAKA
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13.4 Lease Liabilities (Present value of lease payments)

The bank recognised lease liabilities which is present value of lease payments to be made over the lease term from the date of Contract with the Lessor. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. The lease payment has been discounted using maximum deposit rate fixed by the Government of Bangladesh which is 6% per annum. The amount of VAT and TAX due is included in Withholding VAT Payable and Withholding TAX Payable and deducted from Lease Liability.

Opening Balance	336,353,016	407,786,519
Add: Addition During the Year	-	-
Add: Interest Charge during the year	17,530,414	22,076,266
Less: Payment made during the year	99,810,369	93,509,769
Balance as at 31 December	254,073,061	336,353,016
Lease Liabilities - Non Current Portion	254,073,061	336,353,016
Lease Liabilities - Current Portion	-	-
	254,073,061	336,353,016

The Lease Liabilities - Current Portion comprises Lease Liability payable in the next Twelve (12) months, plus any interest accrued, plus any unpaid rent and unpaid advance rent to lessor.

13.5 Total Provision for Current Tax

Opening Balance	-	-
Add: Provision made during the year	259,217	-
Less: Adjustment made during the year	-	-
Balance as at 31 December	259,217	-

13.6 Provision for Current Tax

Opening Balance	77,231,875	33,574,331
Add: Provision made during the year	70,097,308	43,657,544
	147,329,183	77,231,875
Less: Adjustment made during the year	-	-
Balance as at 31 December	147,329,183	77,231,875
Income Tax Paid During the Year		
Advance Tax paid in Cash	761,500	270,000
Advance Tax Paid at Sources	147,096,410	85,052,784
Advance Tax on Treasury Bonds	39,805,476	5,319,987
	187,663,386	90,642,772

The Bank's income tax assessments remain pending since the commencement of its operations in the financial year 2020. Upon final settlement of these pending assessments, any excess or shortfall in the provision for current tax will be adjusted in the year of settlement. All decisions regarding the recognition and measurement of income tax provisions have been made using the best judgment available at the time, taking into account applicable tax laws and available information. These provisions may be subject to adjustment upon final settlement of the pending tax assessments.

Corporate tax position of the Bank has been presented in Annexure D.

13.6.1 Provision for Current Tax Made during the year

Estimated total provision required during the year	70,097,308	43,657,544
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13.7 Deferred Tax Liability (Net of Asset)

Balance at the beginning of the year	494,437	2,398,495
Add: Provision made during the year	(9,617,159)	(1,904,058)
	(9,122,722)	494,437

13.7.1 Deferred Tax Liability

Deferred Tax Liability	13.7.1.1	11,053,780	11,555,180
Deferred Tax Asset	13.7.1.2	20,670,939	13,459,238
		(9,617,159)	(1,904,058)

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
13.7.1.1 Deferred Tax Liability			
Opening Balance		29,687,975	18,132,794
Addition During the Year		(18,634,194)	11,555,180
Closing Balance		11,053,780	29,687,975
13.7.1.2 Deferred Tax Asset			
Opening Balance		29,193,537	15,734,299
Addition During the Year		(8,522,598)	13,459,238
Closing Balance		20,670,939	29,193,537

Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12: Income Taxes.

As per Bangladesh Bank, BRPD circular no. 11 dated December 12, 2011 deferred tax assets may be recognized but restrictions are to be followed if deferred tax assets is calculated and recognized based on the provisions against classified loan, advances. A description should be provided regarding deferred tax assets recognized on loan loss provision in the notes to the financial statements. Significant judgment is involved in the recognition of deferred tax assets, as their recoverability depends on projections of future taxable profits over multiple years. The assumptions, estimates, and forecasts used in determining deferred tax positions are based on future business performance and relevant tax regulations. The components used in calculating deferred tax have been considered appropriate based on the available information and applicable tax laws. These estimations may change in the future due to variations in actual performance or changes in tax laws, which could impact the recoverability of recognized deferred tax assets. On the other hand, deferred tax liabilities must be recognized for those items which are mentioned to recognize in IAS-12.

Deferred tax on Specific provision on loans and advances

Specific provisions for loans are not tax allowable under local tax regulations. So, when calculating taxable income, the loan loss provision charged to the profit and loss account is added back to income. The loan recovery or write-off, however, will be accepted by the tax office as a legitimate tax expense. The Bank will either make a recovery or write off the loans at some point in the future; thus, this item only makes a transitory effect. According to IAS 12, the Bank recognizes the deferred tax on this particular provision, creating a deductible temporary difference to the degree that it can be applied as a credit. Once the underlying bad debt is either repaid or cancelled, the deferred tax will be reversed.

Deferred tax on Fixed assets including intangible assets

Accounting depreciation is not taken into consideration when determining the tax obligation according to local tax regulations. The tax authorities permit tax depreciation at various rates as per third schedule of ITA 2023 & Finance Act 2023 which is different from accounting depreciation rate in many cases. Hence transitory differences are created due to the varying depreciation rates and methodology against which the Bank recognises deferred tax. This is a common occurrence since the accounting depreciation rate and the tax depreciation rate differ from one another. The remaining amount of deferred tax will be released when the assets' useful economic life has passed, though.

14.0 Share Capital

Opening balance	4,500,000,000	4,406,675,000
Add: Issuance of 40,530,000 nos of ordinary shares @ Tk. 10 each	405,300,000	93,325,000
	4,905,300,000	4,500,000,000

As per BRPD Circular Letter No. 18 dated 15 June 2023, all commercial banks are required to maintain a minimum paid-up capital of BDT 500 crore. In reference to Bangladesh Bank Letter No. BRPD (LS-1)/745(73)/2025-3477 dated 11 March 2025, Bangladesh Bank has granted an extension to BGCB to comply with this requirement by 30 June 2025.

14.1 Authorized Capital

15,000,000 ordinary shares of Tk. 10.00 each	15,000,000,000	15,000,000,000
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14.2 History of Paid Up Capital

Year	Number of Shares Issued	Cumulative Number of Shares	Cumulative Paid
2024	40,530,000	490,530,000	4,905,300,000
2023	9,332,500	450,000,000	4,500,000,000
2022	15,667,500	440,667,500	4,406,675,000
2021	0	425,000,000	4,250,000,000
2020	425,000,000	425,000,000	4,250,000,000

14.3 Percentage of Shareholdings at the closing date

As per clause (VI) of the Memorandum of Association and Article of Association the authorized capital of the Bank is BDT 15,000,000,000 and issued fully paid up capital is BDT 490,530,000 denominated by BDT 10 per share. Detail break-up capital as on 31st December 2024 is as follows:

Shareholders group	No. of Shares	% of Share Holdings	BDT
Directors & Sponsors	490,530,000	100%	4,905,300,000
General Public	-	-	-
Financial Institutions	-	-	-

Sl	Name of the Directors	Status	No. of Shares at 31st December 2024
1	Mr. Md. Jashim Uddin	Chairman	25,000,000
2	Engr. Ghulam Mohammed Alomgir (Representative of Max Infrastructure Limited)	Vice Chairman	25,000,000
3	Mrs. Jesmin Akhter	Director	20,000,000
4	Mr. Firoz Alam	Director	21,250,000
5	Mr. Shamsul Alam	Director	21,250,000

Sl	Name of the Directors	Status	No. of Shares at
6	Mr. Md. Shahabuddin	Director	25,000,000
7	Mr. Joshoda Jibon Debnath (Representative of Technomedia Limited)	Director	23,750,000
8	Mrs. Tasmin Mahmud	Director	25,000,000
9	Mr. S.M. Faruqi Hasan	Director	17,300,000
10	Mr. Md. Iqbal Hossain Chowdhury (Representative of B. Dash Japan Co. Limited)	Director	25,000,000
11	Mr. Muhammad Jamaluddin (Representative of KDS Textile Mills Limited)	Director	25,000,000
12	Mrs. Rokeya Khatun. FCA (Representative of limeeyat Apparels Limited)	Director	25,000,000
13	Mr. Khawja Mahtab Uddin (Representative of Starlight Sweaters Limited)	Director	25,000,000
14	Engr. Md. Abu Noman Howlader	Director	22,430,000
15	Mr. Golam Nasir (Representative of Bengal Plastics Limited)	Director	21,250,000
16	Alhaj Mahbubul Alam	Director	25,000,000
17	Mr. Dilip Kumar Agarwala	Sponsor	25,000,000
18	Ramisha BD Ltd.	Sponsor	25,000,000
19	Mr. Md. Alomgir Parvez	Sponsor	25,000,000
20	Mr. Mahmud Habib-E-Akbar	Sponsor	23,600,000
21	Mr. Mohammad Akram Hossain	Sponsor	11,000,000
22	Mr. Golam Nasir	Sponsor	3,700,000
23	Mrs. Tasfia Jashim	Sponsor	2,500,000
24	Mr. Taseen Jashim	Sponsor	2,500,000
Total			490,530,000

Notes	31.12.2024 TAKA	31.12.2023 TAKA
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14.4 Capital to Risk-Weighted Asset Ratio (CRAR)

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

A) Common Equity Tier 1 (CET 1) Capital		
Paid-up Capital	4,905,300,000	4,500,000,000
Statutory Reserve	168,239,844	30,087,256
General Reserve	-	-
Retained Earnings	197,419,037	(288,408,339)
Subtotal	5,270,958,881	4,241,678,917
Less: Regulatory Adjustments		
Goodwill and all other intangible assets	6,086,143	10,468,695
Deferred Tax Assets (DTAs)	9,122,722	-
Total Common Equity Tier 1 (CET 1) Capital	5,255,750,016	4,231,210,222
B) Additional Tier I Capital		
C) Tier 1 Capital [A + B]	5,255,750,016	4,231,210,222
D) Tier 2 Capital		
General Provision against unclassified loans	126,703,145	117,090,000
General Provision against off-balance sheet exposures	29,415,000	40,383,000
Total Tier 2 Capital	156,118,145	157,473,000
E) Total Eligible Capital/ Regulatory Capital (C + D)	5,411,868,161	4,388,683,222
F) Risk Weighted Assets (RWA)		
i) Credit Risk		
On-balance Sheet	11,792,518,698	9,358,095,512
Off-balance Sheet	1,259,637,581	3,274,977,029
Subtotal	13,052,156,279	12,633,072,542
ii) Market Risk	771,492,126	670,298,531
iii) Operational Risk	1,513,626,962	863,857,021
Total Risk Weighted Assets (RWA) [i + ii + iii]	15,337,275,367	14,167,228,093

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
G) Minimum Capital Requirement (MCR) (10% of RWA i.e. Taka 153.02 Crore (RWA, Taka 1,530.21 Crore x 10%) or 500 Crore, whichever is higher) Capital Surplus/(Deficit) [E-G]		5,000,000,000	5,000,000,000
		411,868,161	(611,316,778)
H) Capital to Risk Weighted Assets Ratio (CRAR)			
i) Common Equity Tier 1 (CET 1) Capital to RWA [A/F] (Regulatory minimum requirement: 4.50%)		34.27%	29.87%
ii) Additional Tier 1 (AT 1) Capital to RWA [B/F] (Regulatory maximum requirement: 1.50%)		0.00%	0.00%
iii) Tier 1 Capital to RWA [C/F] (Regulatory minimum requirement: 6.0%)		34.27%	29.87%
iv) Tier 2 Capital to RWA [D/F] (Regulatory maximum requirement: 4.0%)		1.02%	1.11%
v) Capital to Risk Weighted Assets Ratio (CRAR) [E/F] (Regulatory minimum requirement 12.50% (including 2.50% of CCB)		35.29%	30.98%
vi) Capital Conservation Buffer (CCB) (Regulatory minimum requirement: 2.50%)		18.11%	20.98%
14.6 Composition of Shareholder's Equity			
Paid up Capital		4,905,300,000	4,500,000,000
Statutory Reserve		168,239,844	30,087,256
General Reserve		-	-
Other Reserve Including Assets Revaluation Reserve		9,351,885	1,766,530
Retained Earnings		197,419,037	(288,408,338)
		5,280,310,766	4,243,445,448
15.0 Statutory and Other Reserve			
As per section 24(1) of the Bank company Act, 1991 (amendment upto date), an amount equivalent to 20% of the profit before taxes for the year has to be transferred to the statutory reserve fund. As on 31.12.2024 the bank incurred Pre-tax profit of Tk 690,762,940 and hence 20% Statutory reserve has been maintained in following mannar;			
Opening Balance		30,087,256	-
Add : Transferred during the year (20% pre-tax profit)		138,152,588	30,087,256
		168,239,844	30,087,256
16.0 Other Reserve			
General Reserve		-	-
Asset Revaluation Reserve		-	-
Investment Revaluation Reserve		9,351,885	1,766,530
		9,351,885	1,766,530
17.0 Retained Earnings			
Opening Balance		(288,408,338)	(367,003,877)
Add: Post Tax Profit during the period		630,282,790	108,682,796
Less: Transfer to Statutory Reserve		138,152,588	30,087,256
Less: Transfer to Start up Fund		6,302,828	-
		197,419,037	(288,408,338)
18.0 Contingent Liabilities			
Conventional and Islamic Banking			
Acceptances and endorsements		650,642,900	116,296,038
Letters of guarantees		695,583,962	597,428,617
Irrevocable letters of credit		1,595,002,468	1,133,028,767
Bills for collection		743,977,342	119,148,272
Others		-	2,191,540,800
		3,685,206,672	4,157,442,495

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
18.1 Letters of Guarantees			
Bid Bond		105,732,500	209,135,000
Performance Gurantee		293,020,036	202,761,071
Advance Payment Gurantee		16,472,026	4,605,026
Payment Gurantee		244,687,100	157,627,100
Custom Gurantee		14,314,800	7,442,919
Other Bank Gurantee		7,100,000	1,600,000
Bank Gurantee BGCB		14,257,500	14,257,500
		695,583,962	597,428,617
Balance for Which The Bank is Contingently Liable in respect of Gurantee Issued Favouring:			
Directors or Officers		-	-
Government		-	-
Bank and Other Financial Institution		-	-
Others		695,583,962	597,428,617
		695,583,962	597,428,617
18.2 Letter of Credit			
Letter of Credit (General)		1,448,083,544	1,074,870,488
Letter of Credit Back to Bank (Inland)		146,918,924	58,158,279
		1,595,002,468	1,133,028,767

	Notes	2024 TAKA	2023 TAKA
Conventional and Islamic Banking Income			
Interest / Profit, discount and Similar Income	19.0	2,281,627,847	1,460,840,781
Investment Income	21.0	1,197,170,864	200,373,061
Fees, Commission and brokerage	22.0	208,893,201	113,120,183
Other Operating Income	23.0	43,152,726	35,397,226
		3,730,844,639	1,809,731,250
Expenses			
Interest / Profit Paid on Deposits, Borrowings, etc	20.0	2,145,335,725	850,386,630
Administrative expenses	24.0	487,396,992	394,118,743
Other operating expenses	34.0	153,024,238	119,682,697
Depreciation on banks assets	33.0	189,135,557	173,946,250
		2,974,892,513	1,538,134,320
		755,952,126	271,596,931
19.0 Interest / Profit, discount and similar income			
Interest / Profit on loans and advances / Investments	19.1	1,814,328,996	974,030,721
Interest / Profit on money at call and short notice		204,159,535	34,779,601
Interest / Profit on placement with banks and Financial Institutions		260,797,916	450,691,019
Interest / Profit on foreign currency balances		2,341,400	1,339,440
		2,281,627,847	1,460,840,781
19.1 Product Wise Interest:			
Continuous Loan / Investmnet		812,355,170	415,130,958
Term Loan / Investmnet		474,906,311	256,881,226
Demand Loan / Investmnet		527,067,515	302,018,537
		1,814,328,996	974,030,721
20.0 Interest / Profit Paid on Deposits, Borrowing and Others			
Interest / Profit on deposits	20.1	1,407,360,054	745,273,521
Interest / Profit on borrowings from Banks & Fls		53,399,303	76,180,762
Interest / Profit on borrowings from BB & others		656,746,636	28,911,491
Interest / Profit on Treasury Bond	20.2	27,829,732	20,856
		2,145,335,725	850,386,630

	Notes	2024 TAKA	2023 TAKA
20.1 Interest/Profit on deposits			
Fixed / Mudaraba Term Deposit		1,292,237,245	663,163,180
Scheme / Mudaraba Deposit		14,592,964	9,238,770
Short Notice Deposit / Mudaraba Short Notice Deposit		47,790,033	41,456,158
Savings / Mudaraba Savings Deposit		52,739,812	31,415,413
		1,407,360,054	745,273,521
20.2 Interest on Treasury Bond (Net)			
Coupon Interest Expense		182,238,854	20,856
Less : Coupon Interest Income		(154,409,122)	-
		27,829,732	20,856
21.0 Investment Income			
Investment Income			
Capital Gain on sale of shares (Net)		5,973,797	1,652,130
Dividend Income		9,793,429	19,844,581
Income from Subordinate Bond		13,387,159	12,018,713
Income from Corporate Bond		18,168,479	16,691,848
Income from Govt Sukuk Bond	21.1	24,297,363	6,608,173
Income from Perpetual Bond		10,000,001	12,016,395
Income from Treasury Bills / Bond	21.2	383,011,976	94,437,378
Gain / (Loss) on Sale of Govt Securities		747,538,005	39,858,110
Gain / (Loss) On Revaluation of HFT-T Bond		(15,758,917)	(2,754,267)
Interest on Reverse Repo		759,572	-
		1,197,170,864	200,373,061
21.1 Interest on Govt. Sukuk Bond (Net)			
Income from Govt Sukuk Bond		24,297,363	7,646,123
Less: Coupon expenses for Govt Sukuk Bond		-	(1,037,951)
		24,297,363	6,608,173
21.2 Interest on Treasury Bills / Bond (Net)			
Interest Income on Treasury Bills		34,154,077	5,393,283
Interest Income on Treasury Bond		366,346,425	90,336,071
Less: Interest Paid on Secondary Secuirty Purchase (T-Bond)		(17,488,527)	(1,291,977)
		383,011,976	94,437,378
22.0 Commission Exchange & Brokerage			
Exchange Gain (Net) on Foreign Exchange	22.1	167,802,077	92,647,831
Commission of DD, TT, PO		205,145	174,546
Other Commission Income	22.2	40,885,979	20,297,806
		208,893,201	113,120,183
22.1 Exchange Gain/(Loss)			
Exchange Gain		407,770,562	364,519,398
Less: Exchange Loss		(239,968,485)	(271,871,568)
		167,802,077	92,647,831
22.2 Fees, Commission and Brokerage			
Commission on L/C		27,154,360	13,471,340
Commission on L/G		12,581,151	5,860,056
Other Commission		1,150,468	966,411
		40,885,979	20,297,806

	Notes	2024 TAKA	2023 TAKA
23.0 Other Operating Income			
Loan Processing Fees		5,631,154	4,233,989
Trade Finance (LC Advising/Discrepancy/ Amendment, Swift Charge & Others)		9,754,971	4,717,551
E-Gp Income		21,900	19,290
Card Fees and Charges		8,529,872	3,773,485
SMS Charge		4,557,120	3,987,577
Batch & RTGS settlement Charge		1,342,307	795,166
Account Service Charge		5,897,993	3,831,192
Locker Charge		202,000	148,000
Other Service Charge		7,215,409	13,890,976
		43,152,726	35,397,226
24.0 Administrative expenses			
Conventional and Islamic Banking			
Salary and allowances	25.0	395,606,956	320,197,865
Rent, taxes, insurance, electricity etc.	26.0	53,915,313	42,884,634
Legal expenses	27.0	2,661,671	1,612,907
Postage, stamps, telecommunications etc.	28.0	6,847,012	6,844,849
Stationery, printing, advertisements etc.	29.0	13,853,053	8,401,798
MD & CEO's salary and allowances	30.0	9,900,000	10,755,000
Directors' fees	31.0	4,037,987	3,134,189
Auditors' fees	32.0	575,000	287,500
		487,396,992	394,118,743
25.0 Salary and allowances			
Basic Salary		165,659,606	135,546,661
Allowances		186,888,592	151,630,414
Bonus		28,148,276	22,250,174
Bank's Contribution to Provident fund		14,910,482	11,690,616
		395,606,956	321,117,865
26.0 Rent, taxes, insurance, electricity etc.			
Rent (Garage)		49,026	61,989
Other rental charges		32,016,980	19,281,206
Rates & Taxes		527,704	592,984
Insurance charge	26.1	7,638,845	12,389,328
Electricity, Water & Gas		13,682,758	10,559,128
		53,915,313	42,884,634

While Implementing IFRS 16 leases, the Bank recognized Interest Expense on Lease Liabilities and depreciation on Right of Use Assets instead of Rental expenses of BDT 167,931,392 (Including VAT) incurred as on 31 December 2024.

26.1 Insurance charge			
Central Insurance Policy (Cash in Safe, Counter and Transit)		1,790,550	1,235,602
Insurance of Fixed Asset		129,578	-
Desposit Money Insurance to Bangladesh Bank		4,848,819	7,891,420
Insurance Premium – Life & Medical		869,899	3,262,306
		7,638,845	12,389,328
27.0 Legal & Professional Expenses			
Professional fees		563,500	1,092,500
Other legal charges		-	-
Stamp, power of attorney & notary public		6,950	17,410
Credit Rating Agency Fees		-	134,375
Other Professional fees		2,091,221	368,622
		2,661,671	1,612,907

	Notes	2024 TAKA	2023 TAKA
28.0 Postage, stamps, telecommunications etc.			
Postage		361,879	372,156
Telecommunication charges		236,963	181,684
Mobile Bills		1,625,813	1,252,208
Swift Charge		-	2,554,111
SMS Service Charges		870,849	145,033
Internet Banking Transaction Fees		5,583	23,168
Network Connectivity Charge		3,716,905	2,302,200
Stamps		29,020	14,289
		6,847,012	6,844,849
29.0 Stationery, printing & advertisements etc.			
Computer Stationery		1,410,785	1,232,202
Printing Stationery		5,448,574	1,163,000
Security Stationery		60,000	-
Office Stationery		3,029,576	2,895,635
		9,948,934	5,290,837
Advertisement			
News paper		1,009,138	1,060,427
Electronic and Social Media		342,125	1,138,792
Other Advertisement		2,552,855	911,743
		3,904,118	3,110,962
Total Stationery, Printing & Advertisement		13,853,053	8,401,798
30.0 MD & CEO's salary and allowances			
Basic salary		6,000,000	5,850,000
Allowances		2,900,000	2,985,000
Festival Bonus		1,000,000	1,000,000
		9,900,000	9,835,000
31.0 Directors Fees & Meeting Expenses			
Directors Fees		4,037,987	3,134,189
		4,037,987	3,134,189
Each director of the Bank is paid for Tk. 10,000 as per BRPD circular letter no.02 dated 11 February 2024 Clause 12.2 (Ka) per Board or Board Committee Meeting attended in 2024.			
32.0 Auditors fees			
Statutory		575,000	287,500
Others		-	-
		575,000	287,500
33.0 Depreciation and repair of bank's assets			
Conventional and Islamic Banking			
Depreciation			
Furniture/fixtures		18,598,366	15,888,496
Vehicles		5,224,467	4,386,463
Office equipments		13,478,076	10,160,702
Computer equipments		17,965,510	14,872,032
Computer software		5,592,552	5,274,900
Total Depreciation on Fixed Assets		60,858,971	50,582,593
Repair of bank's assets		13,064,982	8,152,051
Right-of-Use assets		115,211,604	115,211,606
Total Depreciation and repair of bank's assets		189,135,557	173,946,250

	Notes	2024 TAKA	2023 TAKA
34.0 Other expenses			
Conventional and Islamic Banking			
Entertainment		6,626,742	4,880,260
Business Development Expenses		1,180,682	945,224
Fuel & Other Expenses for Car and Generator		19,169,122	15,384,680
Cleaning & Sanitizing Expenses		722,056	446,462
Crockeries & Cutleries		211,101	503,435
Business Traveling		5,085,030	3,056,606
Cleaning & Security Services		32,892,852	22,016,047
Books, Newspaper & Periodicals		111,890	65,074
Bank Charges		15,265,887	9,665,028
Excise Duty		200,000	1,250,000
Finance Cost - Lease Liability		17,530,414	22,076,266
Commission & Discount		294,316	113,656
Recruitment & Training Expense		677,109	199,793
Subscription		4,254,256	7,702,201
CSR (Donation To Govt & Others)		5,625,000	5,000,000
Other expenses		43,177,783	26,377,965
		153,024,238	119,682,697
35.0 Provisions Against Loans & Advances / Invesments, Off-balance Sheet Items & Others of the Bank			
35.1 Provisions for Loans and Advances / Invesments		9,613,145	54,783,000
General Provision		7,675,722	-
Specific Provision		(10,968,000)	32,733,000
35.2 Provisions on Off-Balance Sheet Items		58,847,759	33,571,498
35.3 Provisions for Investment on Shares and Securities		-	-
35.4 Others		65,168,625	121,087,498
36.0 Other Provisions			
36.1 Provisions for Other Assets	36.1	293,364	272,801
Balance As at 1 January		272,801	199,650
Add: Provision Made during the year		20,563	73,151
Balance As at 31 December		293,364	272,801
Provision Required		254,364	272,801
Provision Maintained		293,364	272,801
Surplus		(39,000)	-
Provision for others made for expenditure related unreconciled entries and other assets that classified as Doubtful and bad and loss as per Bangladesh Bank BRPD Circular 4 dated April 12, 2022			
37.0 Tax Expense of the Bank			
Current Tax	15.2	70,097,308	43,657,544
Deferred Tax	38.0	(9,617,159)	(1,904,058)
		60,480,149	41,753,486
38.0 Deferred Tax Expenses/(Income) of the Bank			
Closing Deferred Tax Liability		(9,122,722)	494,437
Less: Opening Deferred Tax Liability		494,437	2,398,495
		(9,617,159)	(1,904,058)
39.0 Earning Per Share			
Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as per IAS- 33 "Earnings Per Share". Diluted EPS was not required to calculate as there was no dilution possibilities during the year. Total number of shares were 450,000,000 in the year 2023. In the year 2024 new 40,530,000 number of shares issued. Thus total number of shares at the end of December 2024 was 490,530,000.			
Net profit attributable to the shareholders of BGCB		630,282,790	108,682,796
Number of ordinary shares outstanding :		490,530,000	490,530,000
Earnings per share (EPS) (Restated)		1.28	0.22
40.0 Net Asset Value (NAV) Per Share			
Net Asset Value of the Bank		5,280,310,766	4,243,445,448
Number of Ordinary Shares		490,530,000	490,530,000
Net Asset Value Per Share (Restated)		10.76	8.65
41.0 Net Operating Cash Flows Per Share			
Net Cash Flows from Operating Activities		1,764,347,576	(2,163,737,100)
No. of Outstanding Shares		490,530,000	490,530,000
		3.60	(4.81)

	Notes	2024 TAKA	2023 TAKA
42.0 Receipt from Other Operating Activities			
Capital Gain on sale of shares		5,973,797	1,652,130
Service Charge		7,215,409	13,890,976
Others		35,937,317	21,506,249
		49,126,523	37,049,355
43.0 Payment for Other Operating Activities			
Rent, insurance, electricity etc.		53,915,313	42,884,634
Legal expenses		2,661,671	1,612,907
Directors' fees		4,037,987	3,134,189
Auditors' fees		575,000	287,500
Repair of Fixed Assets		13,064,982	8,152,051
Other expenses		153,024,238	119,682,697
		227,279,192	175,753,977
44.0 Cash Increase/Decrease in Other assets			
Stock of Stationery & Stamps		1,474,947	1,202,087
Account with Stock Broker		5,809,117	1,641,777
Advance Rent		23,166,746	30,823,267
Security Deposit		50,125	47,975
Suspense Account		67,510,404	20,996,946
EFTN Inward Adjustment		188,439	3,000
Adjusting A/C Debit Balance		15,411,197	16,591,459
Advance to Vendors		5,306,380	7,216,800
Advance Tax		278,671,832	181,186,573
Others		-	-
Advance Insurance		6,223,215	3,269,594
		403,812,402	262,979,478
Less: Advance Tax Paid		(97,485,259)	(88,136,264)
Less: Interest Receivable on Balance with Other Bank		-	-
Less: Interest Receivable on Treasury Bond		-	-
Less: Openign Balance of Other Assets		(262,979,478)	(123,259,592)
		43,347,665	51,583,622
45.0 Cash Increase/Decrease in Other Liabilities			
Payable to Vendors		7,158,019	8,435,795
Adjusting Account Credit Balance		73,853,564	68,320,203
Provision for Climate Risk Fund		500,000	500,000
Interest suspense account		259,217	-
Provisions - Others		-	-
Lease Liabilities (IFRS 16)		253,578,172	336,353,016
		335,348,972	413,609,015
Less Opening Balance of Other Liabilities		(413,609,015)	(479,217,283)
		(78,260,042)	(65,608,269)
46.0 Reconciliation of Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities			
Net Profit After Tax		630,282,790	108,682,796
Provision for Tax		60,480,149	41,753,486
Provision for Loans & Advances & Contingent Liabilities		6,320,866	87,516,000
Provision for diminution in value of investments		58,847,759	33,571,498
Other Provision		20,563	73,151
(Increase)/ Decrease of Interest Receivable		(60,847,081)	(81,219,810)
Increase/(Decrease) of Interest Payable		194,012,905	74,870,658
Depreciation & Amortization of Fixed Assets		176,070,575	165,794,199
Income Tax Paid		(97,485,259)	(88,136,264)
(Capital gain)/ Loss on shares & mutual funds		(5,973,797)	(1,652,130)
Exchange Gain		(167,802,077)	(92,647,831)
Operating Profit before changes in operating assets & liabilities		793,927,392	248,605,755
47.0 Number of Employees			
Number of employees at 31 December 2024 was 425 (Four hundred and twenty five) who were in receipt of remuneration for that year which in the aggregate was not less than Tk. 36,000 per annum.			

48.0 Audit Committee

The Audit Committee of the Bank was constituted in the 1st meeting of the Board of Directors held on in compliance with the BRPD Circular No. 11, Dated 27 October, 2013. The Audit Committee was formed to assist the Board in Fulfilling its oversight responsibilities. The present Audit Committee consists of following members:

SL	Name of Directors	Status with the Committee	Status with the Bank	Educational
1	Mr. Md. Iftekharul Amin	Chairman	Independent Director	MBA, Ph.D.
2	Mr. A.N.M. Abul Kashem	Member	Independent Director	MSc
3	Mr. Shamsul Alam	Member	Director	B.Com
4	Mrs. Rokeya Khatun, FCA	Member	Director	MSS
5	Engr. Md. Abu Noman Howlader	Member	Director	BSc

Details of Audit Committee Meeting held in 2024

Particulars of the Meeting	No. of Meeting	Date of Meeting
Board Audit Committee Meeting	4	27.03.2024 27.06.2024 23.09.2024 29.12.2024

Directors Fee: Each director of the Bank was paid Tk. 10,000 as per BRPD circular letter no. 02 dated 11 February 2024 clause 12.2 (Ka) per Board or Audit committee meeting attended in 2024. Other Benefits: N/A

Disclosure by Audit Committee

- 1) The Committee reviewed the integrity of the Financial Statement of the Bank to ensure that these reflect a true and fair view of the Bank's state of affairs.
- 2) The committee while reviewing the financial statements ensured that the propoer disclosure required International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act nad various other rules and regulations applicable for banking business.
- 3) The Committee recommended The External Auditor to the Board for presenting the proposal before the shareholder in the upcoming AGM for approval.

49.0 Related Party Disclosure of the Bank

The key management personnel of the Bank for the purposes of IAS 24 are defined as those persons having authority and responsibility for planning, directing and controlling the Bank, being members of the Board of Directors of the Group, Group Managing Directors, and close members of their families and companies they control, or significantly influence, or for which significant voting power is held.

49.1 Name of the Directors and their interest in different entities:

SL	Name of Directors	Status with	Name of the Firms/Companies in Which they have interest
1	Md. Jashim Uddin	Chairman	1. Vice-Chairman of Bengal Group of Industries; 2. Vice-Chairman – Bengal Media Corporation Limited (RTV) 3. Director- Bengal Windsor Thermoplastics Limited 4. Director-Romania Food and Beverage Ltd. 5. Director- Bengal Cement Limited 6. Managing Director- Bengal Plastics Limited 7. Managing Director- Power Utility Bangladesh Limited. 8. Managing Director- Bengal Renewable Energy Limited. 9. Managing Director- Bengal Agro Industries Limited
2	Engr. Ghulam Mohammed Alomgir [Representative of Max Infrastructure Limited]	Vice-Chairman	1. Chairman- MAX GROUP, one of the largest engineering conglomerates of Bangladesh; 2. Chairman- Max Industries Limited; 3. Chairman- Max Building Technologies Limited; 4. Managing Director- Max Power Limited; 5. Managing Director- Kushiara Power Company Ltd. 6. Managing Director-Max Electricity Generation Ltd.;
3	Jesmin Akhter	Director	1. Director - Bengal Plastic Pipes Limited; 2. Director - Bengal Agro Industries Limited; 3. Director - Bengal Melamine Limited; 4. Director- Designer Washing and Dyeing Ltd.
4	Firoz Alam	Director	1. Director - Bengal Group of Industries; 2. Managing Director - Bengal Cement Ltd.; 3. Managing Director - Bengal Flexipak Ltd.; 4. Director - Bengal Plastics Ltd.; 5. Director – Bengal Media Corporation Ltd. (RTV); 6. Director – Bengal Windsor Thermoplastics Limited; 7. Director- Bengal Concept & Holdings Ltd.; 8. Director- Bengal Agro Industries Limited.

SL	Name of Directors	Status with	Name of the Firms/Companies in Which they have interest
5	Shamsul Alam	Director	1. Director - Bengal Group of Companies; 2. Director- Bengal Plastics Limited; 3. Director- Bengal Media Corporation Limited (RTV); 4. Director- Romania Food and Beverage Ltd.; 5. Director- Bengal Agro Industries Limited; 6. Director- Bengal Cement Limited; 7. Managing Director - Bengal Adhesive and Chemicals Products Ltd.
6	Alhaj Mahbubul Alam	Director	1. Chairman M. Alam Gas Station Ltd., 2. Chairman Anowara Alam Foundation, 3. Chairman - Surgescope Hospital Ltd. 4. Managing Director Alam Trading Corporation. 5. Managing Director - R.M. Enterprise, 6. Managing Director - M.M. Trading.
7	Md. Shahabuddin	Director	1. Founder and Managing Director of Pacific Associates Ltd.; 2. Managing Director- Shahabuddin Textile Ltd.; 3. Managing Director- Asiatic Spinning Ltd.
8	Dr. Subrata Ranjan Das (Representative of Technomedia Limited)	Director	1. Founder - Technomedia LTD, one of the advanced IT supporting companies of Bangladesh; 2. Chairman - Protection One (Pvt.) Ltd.; 3. Chairman - Lenden BD Ltd.; 4. Director - Bangladesh Chamber of Industries (BCI), 5. Director - Plastic Card ID Ltd.; 6. Director - Rajendra ECO Resort; 7. Director - Vibrant Software BD Ltd.; 8. Independent Director - Shampur Sugar Mill Ltd.; 9. Managing Director - Delta Force Ltd.; 10. Managing Director - Pay Union BD Ltd.
9	Tasmin Mahmud	Director	1. Director - Cotton Dyeing & Finishing Mills Ltd.; 2. Director - Cotton Line (BD) Ltd.; 3. Director - Cotton N Cotton Garments Industries Ltd.; 4. Director - Pacific Cotton Ltd.; 5. Director - BG Tel Limited.
10	S.M. Faruqi Hasan	Director	1. Chairman & CEO - Protik Developers Ltd.; 2. Chairman & CEO - Protik Bone China Ltd.; 3. Chairman & CEO - Protik Energy & Refinery Ltd.; 4. Chairman & CEO - Protik Logistics Ltd.; 5. Chairman & CEO - Hotel Lake Castle Ltd.; 6. Managing Director & CEO - Protik Ceramics Ltd.
11	Md. Iqbal Hossain Chowdhury (Representative of B. Dash Japan Co., Limited)	Director	1. Chairman- Jams Trading Ltd.; 2. Director- B.Dash Japan Co. Ltd.; 3. Director - JAPASTY Co. Ltd.; 4. Managing Director- Creed Asia BD Co. Ltd.;
12	Mr. Muhammad Jamaluddin (Representative of KDS Textile Mills Limited)	Director	1. Ex- Managing Director – BAPEX; 2. Ex-Member of Board of Directors - Bangladesh Petroleum Exploration & Production Company Ltd.; (BAPEX); 3. Director - Grameen Shakti.
13	Mrs. Rokeya Khatun, FCA (Representative of Ilmeeyat Apparels Limited)	Sponsor Shareholder	1. Sharmin Apparels Ltd; 2. Sharmin Fashions Ltd.; 3. Sharaf Embroidery & Printing Ltd.; 4. A M Design Ltd.; 5. A.M. Fashions Ltd.; 6. Ilmeeyat Washing & Dyeing Ind. Ltd.; 7. Ishayat Apparels Ltd.; 8. Ishayat Fashions Ltd.; 9. Sharaf Washing & Dyeing Ind. Ltd.; 10. Sharaf Apparels Ltd.
14	Khawja Mahatab Uddin (Representative Of Starlight Sweaters Limited)	Director	1. Matrix Sweaters Ltd.; 2. Raidha Collections Ltd.; 3. Sultana Sweaters Ltd.; 4. Labib Dyeing Mills Ltd.; 5. Juthi Packaging Industries Ltd.; 6. R & R Agro Complex Ltd.; 7. Nice Cotton Ltd.; 8. Labib Poultry & Fisheries Ltd.

SL	Name of Directors	Status with	Name of the Firms/Companies in Which they have interest
15	Golam Nasir [Representative of Bengal Plastics Limited]	Director	Proprietor: Accurate Steel.
16	Prof. Dr. Md. Iftekharul Amin	Independent	N/A
17	Mr ANM Abul Kashem	Independent	N/A
18	Mr. Tarik Morshed	Managing Director & CEO	N/A

49.2 Significant Contracts where Bank is a party and wherein Directors have interest: Nil NIL

49.3 Shares issued to Directors & Executives without consideration or exercise at discount: Nil NIL

49.4 Lending Policies to related parties:

Lending to related parties are effected as per requirement of section 27(1) of the Banking Companies Act, 1991 (as amended up to date)

49.5 Related Party Transaction

SL NO.	Name of the related parties	Relationship with BGCB PLC.	Balance Type	Closing balance on 31 December 2023
1	MD. JASHIM UDDIN	Director	Deposit	92,303,850
2	GHULAM MOHAMMED	Director	Deposit	2,955,951
3	JESMIN AKHTER	Director	Deposit	112,075,922
4	FIROZ ALAM	Director	Deposit	4,059,079
5	SHAMSUL ALAM	Director	Deposit	107,248
6	MD. SHAHABUDDIN	Director	Deposit	393,956,425
7	JOSHODA JIBON DEBNATH	Director	Deposit	2,828,001
8	TASMIN MAHMUD	Director	Deposit	80
9	MD.IQBAL HOSSAIN CHOWDHURY	Director	Deposit	33,437
10	S.M. FARUQI HASAN	Director	Deposit	1,255,951,306
11	M. JAMALUDDIN	Director	Deposit	50,769
12	MRS. ROKEYA KHATUN	Director	Deposit	115
13	KHAWJA MAHTAB UDDIN	Director	Deposit	5,500
14	MD. ABU NOMAN HOWLADER	Director	Deposit	21,853,589
15	GOLAM NASIR	Director	Deposit	291,419
16	MD IFTEKHARUL AMIN	Director	Deposit	451,571
17	A.N.M. ABUL KASHEM	Director	Deposit	242,171
18	TARIK MORSHED	Managing Director	Deposit	7,465,585
19	Bengal Plastics Limited	Common Director	Deposit	17,318,354
20	Bengal Renewable Energy Limited	Common Director	Deposit	1,279,409
21	BENGAL PLASTIC PIPES LIMITED	Common Director	Deposit	14,943
22	BENGAL FLEXIPAK LIMITED	Common Director	Deposit	29,193

SL NO.	Name of the related parties	Relationship with BGCB PLC.	Balance Type	Closing balance on 31 December 2023
22	BENGAL FLEXIPAK LIMITED	Common Director	Deposit	29,193
23	BENGAL DIAMOND LIMITED	Common Director	Deposit	2,140
24	Bengal Windsor Thermoplastics Limited	Common Director	Deposit	951,842
25	BENGAL POLYMER WARES LIMITED	Common Director	Deposit	1,106,183
26	BENGAL HOTELS AND RESORTS LIMITED	Common Director	Deposit	3,343
27	BENGAL PROPACK LIMITED	Common Director	Deposit	101,013
28	BENGAL FEED & FISHERIES LIMITED	Common Director	Deposit	107,697
29	BENGAL POLY AND PAPER SACK LIMITED	Common Director	Deposit	45,227
30	BENGAL ADHESIVE AND CHEMICALS PRODUCTS LTD	Common Director	Deposit	22,341,693
31	BENGAL MELAMINE LIMITED	Common Director	Deposit	533,907
32	BENGAL RETAILS LIMITED	Common Director	Deposit	946,117
33	BENGAL STRUCTURE DEVELOPMENT LIMITED-EPF	Common Director	Deposit	704,425
34	BENGAL CEMENT LIMITED	Common Director	Deposit	22,441,061
35	ROMANIA FOOD & BEVERAGE LIMITED	Common Director	Deposit	11,332
36	POWER UTILITY BANGLADESH LIMITED	Common Director	Deposit	805,565
37	MAX BUILDING TECHNOLOGIES LTD.	Common Director	Deposit	283,951
38	DESIGNER WASHING AND DYEING LTD	Common Director	Deposit	20,901
39	BENGAL CONCEPT AND HOLDINGS LIMITED	Common Director	Deposit	47,140
40	PACIFIC ASSOCIATES LTD	Common Director	Deposit	126,397
41	PROTECTION ONE (PVT) LTD.	Common Director	Deposit	1,665
42	LENDEN (BD) LIMITED	Common Director	Deposit	815
43	BANGLADESH CHAMBER OF INDUSTRIES	Common Director	Deposit	330
44	PROTIK FINE CERAMICS LIMITED	Common Director	Deposit	12,332,505
45	PROTIK CERAMICS LIMITED	Common Director	Deposit	1,294,055
46	PROTIK DEVELOPERS LTD.	Common Director	Deposit	2,202,964
47	M. MAHBUBUR RAHMAN PROTIK	Common Director	Deposit	11
48	HOTEL LAKE CASTLE LIMITED	Common Director	Deposit	504,761
49	CREED ASIA BD COMPANY LTD.	Common Director	Deposit	4,722,206
50	SHARMIN APPARELS LIMITED	Common Director	Deposit	93,665
51	ISHAYAT APPARELS LIMITED	Common Director	Deposit	31,680
			Total Amount	1,985,038,505

49.6 Post Balance Sheet events (IAS-10)

The Board of Directors in its 41st Board Meeting held on 29 April, 2025 has proposed total 3% dividend (Cash) subject to the approval of the shareholders at the next Annual General Meeting.

49.7 Business other than Banking business with any related concern of the Directors as per Section 18 (2) of the Bank Companies Act 1991 (as amended up to 2018)

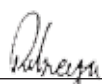
NIL

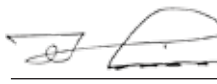
49.8 Investments in Securities of Directors and their related concern:

NIL


Managing Director & CEO


Director


Director


Chairman

Dhaka, 29 April 2025

Bengal Commercial Bank PLC.
Balance With Other Banks-Outside Bangladesh (Nostro Account)
As at 31 December 2024

Annexure- A

Name of the Bank	Account Type	Currency Type	2024			2023		
			FC Amount	Exchange Rate	Eqvvt. Taka	FC Amount	Exchange Rate	Eqvvt. Taka
AB Bank Limited, Mumbai, India	CD	USD	36,705.21	119.50	4,386,272.60	42,798.74	109.75	4,697,161.72
Axis Bank Limited, Mumbai, India	CD	USD	85,640.33	119.50	10,234,019.44	4,940.73	109.75	542,245.12
Mashreq Bank PSC , New York, USA	CD	USD	400,737.71	119.50	47,888,156.35	843,962.27	109.75	92,624,859.13
Sonali Bank	CD	GBP	8,322.20	119.50	994,502.90	8,119.12	109.75	891,073.42
Sonali Bank	CD	USD	5,075.00	151.81	770,433.72	-	-	-
AKTIF YATIRIM BANKASI A.S TURKEY	CD	EURO	3,263.89	128.15	418,283.50	-	-	-
Sonali Bank	CD	EURO	5,102.14	128.15	653,864.24	7,781.08	123.09	957,789.48
					65,345,533			99,713,129

Bengal Commercial Bank PLC.

Statement of Unreconciled Entries (Nostro Accounts)

As at 31 December 2024

Annexure-A1

Figur in USD

SL No.	Period of un-reconciliation	As per Local Book			As per Correspondents' Book		
		Debit Entries		Credit Entries	Dedit Entries		Credit Entries
		No	Amount	No	Amount	No	Amount
01	Less than 1 month					27	2,796.82
02	1 month or more but less than 3 month					9	102,385.84
03	3 months or more but less than 6 months						
04	6 months or more but less than 9 months						
05	9 months or more but less than 12 months						
06	12 months or more						
	Total		-	0	-	27	2,797
						9	102,385.84

Date upto which reconciliation (wash out) is completed - all entries: 31st december, 2024

Date upto which reconciliation (wash out) is completed - other than cr. entries of local book and entries against which 100% provision have been made: 31st December, 2024

Bengal Commercial Bank PLC.
Investment in Shares
As at 31 December 2024

Annexure-B

SL No.	Name of the Company	Face Value	No. of Shares Including Bonus Shares	Cost of Holding	Cost of Per Share (Average)	Quoted rate per Share as at 31 Dec 2024	Total Market Value as at 31 Dec 2024
Quoted Shares							
1	BATBC	10	123,558	62,317,738	504.36	367.60	45,419,921
2	BSRMLTD	10	62,880	4,640,170	73.79	76.00	4,778,880
3	Jamuna Oil	10	9,000	1,553,348	172.59	171.40	1,542,600
4	MPETROLEUM	10	58,025	12,725,182	219.31	196.30	11,390,308
	Sub-Total			81,236,438			63,131,708
Mutual Fund (Quoted)							
1	ABBASTMF	10	710,361	3,298,868	4.64	3.30	2,344,191
2	FBFF	10	17,716,527	112,685,670	6.36	3.40	60,236,192
3	Grameen S2	10	12,730,690	198,138,874	15.56	14.40	183,321,936
4	Popular1MF	10	6,241,373	34,335,697	5.50	3.10	19,348,256
5	TrustB1MF	10	3,473,402	20,405,875	5.87	3.50	12,156,907
	Sub-Total	10		368,864,984			277,407,482
Mutual Fund (Un-Quoted)							
1	SAMLSLICH		894,454	9,999,996	11.18	11.37	10,169,942
	Grand Total			460,101,418			350,709,133

Calculation of Required Provision against Investment in Shares

SL No	Particulars	Cost Value	Value Considered for maintaining Provision	Required Provision	Remarks
1	Quoted	81,236,438	99,341,167	18,104,729	Provision was made as per Bangladesh Bank, DOS
2	Quoted (Mutual Fund)	368,864,984	460,152,540	91,287,556	Circular No. 1, dated: 25 May 2023
	Grand Total	450,101,422	559,493,707	109,392,285	

Bengal Commercial Bank PLC.
Schedule of Fixed Assets

As at 31 December 2024

Annexure-C

Particulars	COST				Rate	DEPRECIATION				Written down value as on 31 Dec 2024
	Opening Balance at Cost as on 01 Jan 2024	Addition during the year	Adjustment during the year	Total Cost as on 31 Dec 2024		Charged up to 31 Dec 2023	Adjustment during the year	Charged during the year	Total Depreciation as on 31 Dec 2024	
Land	-	-	-	-		-	-	-	-	-
Building	-	-	-	-		-	-	-	-	-
Furniture & Fixtures	163,162,105	18,628,799	674,559	181,116,345	10%	52,502,803	152,228	18,598,366	70,948,941	110,167,404
Office Equipment	76,673,370	13,521,682	-	90,195,052	15%	26,669,487	-	13,478,076	40,147,563	50,047,489
Computer Equipment	99,210,091	30,666,635	-	129,876,727	15%	42,628,915	-	17,965,510	60,594,425	69,282,302
Motor Vehicles	29,243,086	9,950,000	-	39,193,086	15%	17,197,123	-	5,224,467	22,421,590	16,771,496
Computer Software	26,374,500	1,210,000	-	27,584,500	20%	15,905,805	-	5,592,552	21,498,357	6,153,339
Right of use Assets (Lease assets)	770,262,311	-	-	770,262,311	-	397,875,946	-	115,211,604	513,087,550	257,174,761
Total as on	1,164,925,463	73,977,116	674,559	1,238,228,020		552,780,080	152,228	176,070,575	728,698,427	509,596,790

Bengal Commercial Bank PLC. Statement of Tax Position of the Bank

As at 31 December 2024

Annexure-D
(Amt in Taka)

Accounting Year	Assessment Year	Tax Provision as per Financial Statements	Tax as per Assessment Order / Income Tax Return	Excess / (Shortage) provision as per latest assessment order / Income Tax Return	Advance Income Tax Paid	Refund / (Due)	Present Status
1	2	3	4	5 = (3 - 4)	6	7 = (6-4)	8
2020	2021-2022	10,035,711	25,496,723	(15,461,012)	21,972,506	(3,524,217)	Appeal filed before the appellate tribunal
2021	2022-2023	4,707,546	-	4,707,546	29,121,936	-	Return filed u/s 82-BB but assesment order yet to receive
2022	2023-2024	18,831,074	-	18,831,074	41,955,867	-	Return filed u/s 82-BB but assesment order yet to receive
2023	2024-2025	43,657,544	-	43,657,544	88,136,264	-	Return filed u/s 180 of Income Tax Act 202 but assesment order yet to receive
2024	2025-2026	70,097,308	-	70,097,308	97,485,259	-	Deadline for submission of Tax Return is 15 September 2025
Total		147,329,183	25,496,723	121,832,460	278,671,832	(3,524,217)	

Bengal Commercial Bank PLC.
Islamic Banking Branch
Balance Sheet
As at 31 December 2024

Annexure-E

Properties & Assets

Cash

Cash in hand (Including foreign currencies)
Balance with Bangladesh Bank and Its agent Bank(s)
(including foreign Currency)

Balance with other banks & financial institutions

In Bangladesh
Outside Bangladesh

Placement with banks & other financial institutions

Investments in share & securities

Government
Others

Investments

General investments etc
Bills purchased and discounted

Fixed assets including premises, furniture & fixture

Other assets

Non-banking assets

Total Assets

Liabilities and Capital

Liabilities:

Placements from other banks, financial institutions and
and agents

Deposits and other accounts

Al-Wadiah current deposits & other deposit accounts
Bills Payable
Mudaraba Savings Deposits
Mudaraba Term Deposits
Other Deposits

Other Liabilities

Total Liabilities

Capital / Shareholders' Equity

Paid up Capital
Share Premium
Statutory Reserve
General Reserve
Other Reserve

Retained Earnings

Total Shareholders' Equity

Non-Controlling Interest

Total Liabilities and Shareholders Equity

Notes	31.12.2024 TAKA	31.12.2023 TAKA
3		
	50,997,319	54,810,376
	233,580,622	206,770,088
	284,577,941	261,580,464
4		
	26,542,512	3,871,296
	26,542,512	3,871,296
5	-	-
6		
	355,084,000	267,591,000
	-	50,000,000
	355,084,000	317,591,000
7		
	4,896,257,984	4,584,125,320
	54,510,157	20,264,075
	4,950,768,141	4,604,389,395
8	36,123,614	33,023,802
9	1,473,557,978	124,287,623
	-	-
	7,126,654,186	5,344,743,580
10		-
11		
	418,136,673	281,654,871
	8,528,482	8,558,704
	1,401,642,494	499,059,745
	4,690,797,137	4,235,303,149
12.2	194,886,992	162,311,162
	6,713,991,776	5,186,887,631
14	418,857,975	134,512,351
	7,132,849,751	5,321,399,982
15		
	-	-
	-	-
	-	-
	-	-
	-	-
	(6,195,565)	23,343,597
	(6,195,565)	23,343,597
	-	-
	7,126,654,186	5,344,743,580

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
Off Balance Sheet Items			
Contingent Liabilities :	16		
Acceptances & Endorsements		21,591,105	90,887,105
Letters of Guarantee		24,220,000	280,185,898
Irrevocable Letters of Credit		285,927,019	32,130,885
Bills for Collection		210,438,273	95,875,665
Other Contingent Liabilities		-	-
Total Contingent Liabilities		542,176,397	499,079,553
Other Commitments:			
Documentary credit 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		-	-
Other commitments		-	-
Total Off-Balance sheet Items Including Contingent Liabilities		542,176,397	499,079,553

The annexed notes 01 to 39 form an integral part of these financial statements.

Bengal Commercial Bank PLC.
Islamic Banking Branch
Profit and Loss Account
For the Period ended 31 December 2024

	Notes	2024 TAKA	2023 TAKA
Operating Income			
Profit on Investments	21.1	533,200,382	392,025,286
Profit paid on deposits	22.0	(482,647,410)	(285,501,690)
Net Investments Income		50,552,972	106,523,596
Income from Investments in share & securities	21.2	24,297,363	6,608,173
Commission, exchange and brokerage	21.3	10,982,880	8,627,232
Other Operating Income	21.4	3,999,991	4,333,890
Total Operating Income (A)		89,833,206	126,092,890
OPERATING EXPENSES			
Salary and allowances	24.0	45,070,727	37,486,459
Rent, taxes, insurance, electricity etc.	25.0	2,069,697	1,424,228
Legal expenses	26.0	-	-
Postage, stamps, telecommunications etc.	27.0	298,761	239,298
Stationery, printing, advertisements etc.	28.0	453,392	592,949
Chief Executive's salary and fees		-	-
Directors fees	29.0	-	-
Auditors' fees		-	-
Depreciation and repair of banks assets	30.0	4,590,092	3,668,869
Other expenses	31.0	20,536,072	15,480,777
Total Operating Expenses (B)		73,018,740	58,892,580
Profit/(Loss) before provision (C) = (A-B)		16,814,466	67,200,310
Provision for Investments	32.1	41,239,523	41,471,346
Provision on Off-Balance Sheet Exposures	32.2	5,114,104	4,032,039
Provision for diminution in value of investments	32.3	-	-
Other provisions	35.0	-	-
Total Provisions (D)		46,353,628	45,503,385
Total Profit/(Loss) before Taxes (C-D)		(29,539,162)	21,696,925

The annexed notes 01 to 39 form an integral part of these financial statements.

Bengal Commercial Bank PLC.
Islamic Banking Branch
Notes to the Financial Statements
as at and for the Period ended 31 December 2024

	Notes	2024 TAKA	2023 TAKA
A. Cash flows from operating activities			
Profit Receipts in cash		561,753,635	397,134,063
Profit Payments		(426,744,711)	(222,461,754)
Dividend Receipts		-	-
Fees & Commission Receipts in cash		5,644,070	4,384,406
Recoveries of loans Previously written off		-	-
Cash Payments to employees		(45,070,727)	(37,486,459)
Cash Payments to suppliers		(752,153)	(832,247)
Income taxes paid		(4,348,469)	(22,389,799)
Receipt from other operating activities	35	3,999,991	4,333,890
Payment for other operating activities	36	(23,082,957)	(16,972,848)
Operating profit before changes in operating assets and liabilities.		71,398,679	105,709,251
Increase/Decrease in operating assets and liabilities:			
(Purchase)/Sale of government securities		(87,493,000)	(150,000,000)
(Purchase)/Sales of trading Securities		50,000,000	(50,000,000)
Investments to Customers		(346,378,746)	(3,054,110,776)
Other assets	37	(1,395,531,403)	(84,871,916)
Deposit from banks		-	-
Deposit from customers/Others		1,471,201,446	1,758,732,880
Other Liabilities	38	284,345,624	7,377,898
Net Cash from operating activities (A)		(23,856,080)	(1,572,871,914)
B. Cash flows from investing activities			
Proceeds from Sale of Securities		-	-
Purchase/Sale of property, plant & equipment		(7,212,716)	(9,417,645)
Net Cash from investing activities (B)		(7,212,716)	(9,417,645)
C. Cash flows from financing activities			
Borrowing from Other Banks & Financial Institutions		-	-
Surplus/deficit on account of revaluation of investments		-	-
Sub-Ordinated Bond		-	-
Dividends Paid		-	-
Cash received from Issuance of ordinary shares		-	-
Net cash from financing activities (C)		-	-
D. Net Increase/(Decrease) in cash (A+B+C)		40,329,883	(1,476,580,308)
E. Effect of Exchange Rate Changes on Cash		5,338,810	4,242,826
F. Cash and Cash equivalents at beginning of the year		265,451,760	1,737,790,243
G. Cash and cash equivalents at the end of the year		311,120,453	265,452,760
Cash in hand (including foreign currencies)	3	50,997,319	54,810,376
Prize Bonds		-	1,000
Balance with Bangladesh bank and its agent bank		233,580,622	206,770,088
Balance with other banks & financial institution	4	26,542,512	3,871,296
Money at call on short notice		-	-
		311,120,453	265,452,760

The annexed notes 01 to 39 form an integral part of these financial statements.

Bengal Commercial Bank PLC.
Islamic Banking Branch
Notes to the Financial Statements
as at and for the Period ended 31 December 2024

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
3.0 Cash in hand			
Cash in hand	3.1	50,997,319	54,810,376
Balance With Bangladesh Bank and its agent Banks	3.2	233,580,622	206,770,088
		284,577,941	261,580,464
3.1 Cash in hand			
Local Currency		50,172,769	53,778,726
Foreign Currency		824,550	1,031,650
		50,997,319	54,810,376
3.2 Balance with Bangladesh Bank and its agent Banks			
Bangladesh Bank			
Local currency		233,580,622	206,770,088
Foreign currencies		-	-
		233,580,622	206,770,088
Balance with agent banks		-	-
		233,580,622	206,770,088
4.0 Balance with other banks and financial institutions			
Balance In Bangladesh	4.1	26,542,512	3,871,296
Balance outside Bangladesh	4.2	-	-
		26,542,512	3,871,296
4.1 In Bangladesh			
A. SND account			
Mercantile Bank Limited.		26,542,512	3,871,296
		26,542,512	3,871,296
5.0 Placement with banks & other financial institutions			
Call money Lending		-	-
Short Notice Lending		-	-
		-	-
6.0 Investments in share & securities			
(a) Nature Wise			
Held for Trading		-	-
Held for Maturity		-	-
Others		-	-
		-	-
(b) Claim Wise			
Government Securities	6.1	355,084,000	267,591,000
Others	6.2	-	50,000,000
		355,084,000	317,591,000
6.1 Government Securities			
Treasury Bond		-	-
Sukuk Islami Bond		355,084,000	267,590,000
Prize Bond		-	1,000
		355,084,000	267,591,000
6.2 Government Securities			
Bangladesh Government Islami Investment Bond (BGIIIB)		-	50,000,000
		-	50,000,000

7.0 Investment

General investments etc
Bills purchased and discounted

7.1 Product Wise Investments

Continuous Investment
Term Investments
Demand Investments

8.0 Fixed assets including premises, furniture & fixture.

A Cost

Furniture and fixtures
Office Equipment
Computer & equipments

B Intangible Assets

Software

Total Cost of Tangible and Intangible Assets

Less: Accumulated depreciation & amortization

Written down value at the end of the year

Lease Assets-Premises

Right of use Assets

Less: Accumulated Depreciation

Net Book Value at the end of the year

9.0 Other assets

Income Generating

Profit Receivable
Profit Receivable from Govt. Securities

Non-Income Generating

Stock of Stationery & Stamps
Advance Rent
Security Deposit
Suspense Account
Advance to Vendors
Inter Transaction Between Conventional Banking
Advance Insurance
Advance Tax

9.1 Suspense accounts

Advance against expenses

9.2 Advance tax paid

Balance at the beginning of the year
Paid during the year

Notes	31.12.2024 TAKA	31.12.2023 TAKA
7.1	4,896,257,984	4,584,125,320
	54,510,157	20,264,075
	4,950,768,141	4,604,389,395
	4,181,311,459	4,314,941,872
	496,610,583	237,060,314
	218,335,943	32,123,134
	4,896,257,984	4,584,125,320
	25,558,167	23,101,824
	9,369,586	8,977,869
	1,195,861	944,109
	36,123,614	33,023,802
	-	-
	36,123,614	33,023,802
	-	-
	36,123,614	33,023,802
	-	-
	-	-
	-	-
	36,123,614	33,023,802
	2,371,404	3,950,326
	1,231,225	3,908,192
	3,602,629	7,858,518
	193,995	180,995
9.1	137,955	191,005
	690,000	690,000
	1,433,224,006	84,006,181
	-	-
9.2	35,709,393	31,360,924
	1,469,955,349	116,429,105
	1,473,557,978	124,287,623
	137,955	191,005
	137,955	191,005
	31,360,924	8,971,124
	4,348,469	22,389,799
	35,709,393	31,360,924

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
10.0 Placements from other banks, financial institutions & agent.			
In Bangladesh		-	-
Out Side Bangladesh		-	-
		-	-
11.0 Deposits and other accounts			
Deposit from Customers	12.0	6,713,991,776	5,186,887,631
Deposit from Banks	13.0	-	-
		6,713,991,776	5,186,887,631
12.0 Deposit from Customers			
Al-Wadiah current Deposit and other accounts	12.1	418,136,673	281,654,871
Bills Payable		8,528,482	8,558,704
Mudaraba Savings Bank Deposit		1,401,642,494	499,059,745
Mudaraba Term Deposits		4,690,797,137	4,235,303,149
Other Deposit	12.2	194,886,992	162,311,162
		6,713,991,776	5,186,887,631
12.1 Al-Wadiah current Deposit and other accounts			
Al-Wadiah current Deposit		166,789,764	105,153,906
Positive Balance On OD		-	-
Accrued Profit		176,642,633	120,739,934
Margin on Facilities		74,704,276	55,761,032
FC Held		-	-
		418,136,673	281,654,871
12.2 Other Deposit			
Sundry Deposit	12.2.1	3,412,104	932,768
Settlement Account		-	-
Others		191,474,888	161,378,394
		194,886,992	162,311,162
12.2.1 Sundry deposits			
Security Deposit		-	-
Withholding Tax Payable		45,797	5,045
Withholding VAT Payable		-	-
Excise Duty		-	-
Others		3,366,307	927,723
		3,412,104	932,768
13.0 Demand and Time Deposits			
A. Demand Deposits			
Al-Wadiah current Deposits		418,136,673	281,654,871
Mudaraba Savings Deposits (10% of Total Saving Deposit)		19,426,698	19,329,202
Sundry Deposit		3,412,104	932,768
Bills Payable		8,528,482	8,558,704
Other Demand Deposit		191,474,888	161,378,394
		640,978,844	471,853,939
B. Time Deposits			
Mudaraba Savings Deposits (90% of Total Saving Deposit)		174,840,281	173,962,814
Mudaraba Term Deposit		4,627,573,889	4,191,506,802
Deposit Pension Scheme		55,604,830	36,185,472
Speical Notice Deposit		1,207,375,515	305,767,729
Security Deposit		-	-
Others Time Deposit		7,618,418	7,610,875
		6,073,012,932	4,715,033,693
Total Demand and Time Deposit		6,713,991,776	5,186,887,631

	Notes	31.12.2024 TAKA	31.12.2023 TAKA
14.0 Other Liabilities			
Provision for Investments		-	-
Provision for Off Balance Sheet Items		-	-
Provision for diminution in value of Investment		-	-
Payable to Vendors		-	-
Inter Transaction Between Conventional Banking		419,068,315	134,312,351
Adjusting Account Credit Balance		(210,340)	200,000
Lease Liabilities (IFRS 16)		-	-
Provision for Tax		-	-
Deferred Tax Liability		-	-
		418,857,975	134,512,351
15.1 Provisions for Investments			
Provisions for investments will be based on instructions contained in Bangladesh Bank BRPD circulars/letters no. 16 dated 06 December 1998, 9 dated 14 May 2001, 9 and 10 dated 20 August 2005, 8 dated 07 August 2007, 10 dated 18 September 2007, 14 dated 23 September 2012, 19 dated 27 December 2012, 5 dated 29 May 2013, 16 dated 18 November 2014, 8 dated 02 August 2015, 12 dated 20 August 2017, 15 dated 27 September 2017, 01 dated 03 January 2018, 01 dated 20 February 2018, 01 dated 06 February 2019, 03 dated 21 April 2019 and 05 dated 16 May 2019.			
15.1.1 General Provision			
Balance as at 1st January 2024		-	-
Add: Provision made during the year		-	-
		-	-
15.1.2 Specific Provision			
Balance as at 1st January 2024		-	-
Add: Provision made during the year		-	-
		-	-
15.1.3 Provision on Off-Balance Sheet Exposures			
Balance as at 1st January 2024		-	-
Add: Provision made during the year		-	-
		-	-
Total Provision for investments and Off-Balance Sheet Exposures		-	-
15.0 Retained Earnings			
Opening Balance		23,343,597	(43,856,713)
Add: Post Tax Profit during the period		(29,539,162)	67,200,310
Less: Transfer to Statutory Reserve		-	-
		(6,195,565)	23,343,597
16.0 Contingent Liabilities			
Acceptances and endorsements		21,591,105	90,887,105
Letters of guarantees		24,220,000	280,185,898
Irrevocable letters of credit		285,927,019	32,130,885
Bills for collection		210,438,273	95,875,665
Others		-	-
		542,176,397	499,079,553
21.0 Income Statement			
Income			
Profit, discount and Similar Income	21.1	533,200,382	392,025,286
Fees, Commission and brokerage	21.3	10,982,880	8,627,232
Gains/(Loss) arising from investment	21.2	24,297,363	6,608,173
Other Operating Income	21.4	3,999,991	4,333,890
		572,480,616	411,594,581
Expenses			
Profit Paid on Deposits, placement, etc	22.0	482,647,410	285,501,690
Administrative expenses	23.0	47,892,577	39,742,934
Other operating expenses	31.0	20,536,072	15,480,777
Depreciation on banks assets	30.0	4,590,092	3,668,869
		555,666,150	344,394,271
21.1 Profit, discount and similar income			
Profit on Investments	21.1(a)	511,491,542	287,643,446
Profit on placement with banks and Financial Institutions		21,708,840	104,381,841
Profit on foreign currency balances		-	-
		533,200,382	392,025,286

	Notes	2024 TAKA	2023 TAKA
21.1(a) Product Wise Profit:			
Profit:			
Overdraft		457,056,401	268,648,361
Term Investment		39,440,003	15,793,916
Demand Investment		14,995,138	3,201,168
		511,491,542	287,643,446
21.2 Investment Income			
Capital Gain on sale of shares (Net)		-	-
Dividend Income		-	-
Income from Subordinate Bond		-	-
Income from Corporate Bond		-	-
Income from Govt Sukuk Bond (Net)		24,297,363	6,608,173
Income from Perpetual Bond		-	-
Income from Treasury Bond		-	-
Gain on Sale of Govt Securities		-	-
Loss On Revaluation of HFT-T Bond		-	-
Profit on Reverse Repo		-	-
		24,297,363	6,608,173
21.3 Commission Exchange & Brokerage			
Exchange Gain (Net)		5,338,810	4,242,826
Commission of DD, TT, PO		53,620	43,700
Other Commission Income		5,590,450	4,340,706
		10,982,880	8,627,232
21.4 Other Operating Income			
Service Charge		3,669,577	3,875,955
Others		330,414	457,935
		3,999,991	4,333,890
22.0 Profit Paid on Deposits, Borrowing and Others			
Profit on deposits	22.1	482,647,410	285,501,690
Profit on Placement from Banks & Fls		-	-
Profit on borrowings from BB & others		-	-
Profit on Treasury Bond		-	-
		482,647,410	285,501,690
22.1 Profit on deposits			
Mudaraba Term Deposit		451,022,075	268,820,426
Mudaraba Deposit		2,696,141	1,479,105
Mudaraba Short Notice Deposit		21,885,029	11,830,211
Mudaraba Savings Deposit		7,044,165	3,371,949
		482,647,410	285,501,690
23.0 Administrative expenses			
Salary and allowances	24.0	45,070,727	37,486,459
Rent, taxes, insurance, electricity etc.	25.0	2,069,697	1,424,228
Legal expenses	26.0	-	-
Postage, stamps, telecommunications etc.	27.0	298,761	239,298
Stationery, printing, advertisements etc.	28.0	453,392	592,949
Chief Executive's salary and fees		-	-
Directors' fees	29.0	-	-
Auditors' fees		-	-
		47,892,577	39,742,934
24.0 Salary and allowances			
Basic Salary		18,926,824	15,823,818
Allowances		19,145,160	15,935,169
Bonus		3,336,058	2,711,690
L/E Salary & Allowances		1,892,682	1,582,382
Bank's Contribution to Provident fund		1,770,003	1,433,401
		45,070,727	37,486,459

	Notes	2024 TAKA	2023 TAKA
31.0 Other expenses			
Entertainment		620,546	448,155
Business Development Expenses		124,671	94,521
Car and Generator Expenses		153,722	94,830
Other Car Expenses		1,546,412	1,294,100
Cleaning & Sanitizing Expenses		131,971	76,275
Crockeries & Cutleries		60,779	31,575
Business Traveling		382,788	213,765
Misc expenditure		16,002	31,425
Cleaning & Security Services		4,171,186	2,820,371
Books, Newspaper & Periodicals		17,729	11,607
Inter Transaction Between Conventional Banking		12,811,915	9,855,787
Excise Duty		291,677	100,000
Finance Cost - Lease Liability		-	-
Donation/Subscription & Others		-	-
Gift Items		14,603	3,259
Leave Encashment Expense		-	-
Other expenses		192,071	405,108
		20,536,072	15,480,777
32.0 Provisions Against Invesments, Off-balance Sheet Items & Others of the Bank			
32.1 Provisions on General Invesments		41,239,523	41,471,346
32.2 Provisions on Off-Balance Sheet Items		5,114,104	4,032,039
32.3 Provisions on Investment on Shares and Securities		-	-
Others		-	-
		46,353,628	45,503,385
33.0 Net Asset Value (NAV) Per Share			
Net Asset Value of the Bank		(6,195,565)	23,343,597
Number of Ordinary Shares		-	-
Net Asset Value Per Share			
34.0 Net Operating Cash Flows Per Share			
Net Cash Flows from Operating Activities		47,542,599	(1,467,162,663)
No. of Outstanding Shares		-	-
35.0 Receipt for Other Operating Activities			
Capital Gain on sale of shares		-	-
Service Charge		3,669,577	3,875,955
Others		330,414	457,935
		3,999,991	4,333,890
36.0 Payment for Other Operating Activities			
Rent, insurance, electricity etc.		2,069,697	1,424,228
Legal expenses		-	-
Directors' fees		-	-
Auditors' fees		-	-
Repair of Fixed Assets		477,188	67,843
Other expenses		20,536,072	15,480,777
		23,082,957	16,972,848
37.0 Cash Increase/Decrease in Other assets			
Stock of Stationery & Stamps		193,995	180,995
Advance Rent		-	-
Security Deposit		-	-
Suspense Account		137,955	191,005
Advance to Vendors		690,000	690,000
Advance Tax		35,709,393	31,360,924
Others		1,479,577,634	84,006,181
Advance Insurance		-	-
		1,516,308,977	116,429,105
Less: Advance Tax Paid		(4,348,469)	(22,389,799)
Less: Profit Receivable on Balance with Other Bank		-	-
Less: Profit Receivable on Treasury Bond		-	-
Less: Opening Balance of Other Assets		(116,429,105)	(9,167,389)
		1,395,531,403	84,871,916

38.0 Cash Increase/Decrease in Other Liabilities

Payable to Vendors
 Payable Others
 Adjusting Account Credit Balance
 Provisions
 Lease Liabilities (IFRS 16)

 Less Opening Balance of Other Liabilities

Notes	2024 TAKA	2023 TAKA
	-	-
	419,068,315	134,312,351
	(210,340)	200,000
	-	-
	-	-
	418,857,975	134,512,351
	(134,512,351)	(127,134,453)
	284,345,624	7,377,898

39.0 Reconciliation of Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities

Net Profit After Tax
 Provision for Tax
 Provision for Investment & Contingent Liabilities
 Provision for diminution in value of investments
 (Increase)/ Decrease of Profit Receivable
 Increase/(Decrease) of Profit Payable
 Depreciation & Amortization of Fixed Assets
 Income Tax Paid
 (Capital gain)/ Loss on shares & mutual funds
 Exchange Gain
 Operating Profit before changes in operating assets & liabilities

	(29,539,162)	67,200,310
	-	-
	46,353,628	-
	-	-
	4,255,889	(1,499,396)
	55,902,699	63,039,936
	4,112,904	3,601,026
	(4,348,469)	(22,389,799)
	-	-
	(5,338,810)	(4,242,826)
	71,398,679	105,709,251

Bengal Commercial Bank PLC.
Highlights on Overall Activities

Annexure-F

Particulars	Amount in BDT	
	31 Dec 2024	31 Dec 2023
Paid-up Capital	4,905,300,000	4,500,000,000
Total Assets	27,690,641,396	22,694,528,968
Total Deposits	20,983,411,778	16,456,052,128
Total Loans & Advances	16,195,318,483	14,256,409,093
Total Contingent Liabilities & Commitments	3,685,206,672	4,157,442,495
Credit Deposit Ratio (%)	75.01%	80.15%
Percentage of Classified Loans against Total Loans and Advances (NPL)	0.80%	0%
Operating Profit	755,952,127	271,596,932
Profit after Tax & Provision	630,282,790	108,682,796
Amount of Classified Loans during the year	129,525,165	-
Provision kept against Classified Loans	7,675,722	-
Provision Surplus/(Deficit)	-	-
Cost of Fund (%)	9.90%	7.83%
Interest Earning Assets	26,777,232,205	21,819,336,910
Non-interest earning Assets	913,409,192	875,192,058
Return on Investment (ROI) (%)	28.87%	7.07%
Return on Assets (ROA) (%)	2.50%	0.56%
Net Asset value per share	10.76	8.65
Income from Investments	1,197,170,864	200,373,061
Earning per share (Taka)	1.28	0.22
Net Interest Margin (NIM)	6.29%	4.96%

OTHER
INFORMATION

Branch Location

1. Corporate Branch

Manager Name : Mr Istiak Uddin Ahmad
Branch Location : Khandker Tower (Ground Floor), 94
Gulshan Avenue, Gulshan, Dhaka-1212
Email : corporate.branch@bgcb.com.bd
Routing Number : 315260856
Mobile : +88 01755558445

6. Agrabad Islami Banking Branch

Manager Name : Mr Mohammed Ayub Ali
Branch Location : Chamber House 38, Agrabad C/A,
Chattogram.
Email : agrabad.branch@bgcb.com.bd
Routing Number : 315150137
Mobile : +8801401155709

2. Dilkusha Islami Banking Branch

Manager Name : Mr Md. Abdus Salam
Branch Location : Rahmat Tower (1st & 2nd Floor), Holding
No-19, Dilkusha C/A, Motijheel,
Dhaka-1000
Email : dilkusha.branch@bgcb.com.bd
Routing Number : 315271908
Mobile : +88 01755590617

7. Zirabo Branch

Manager Name : Mr Md. Shafiqul Islam
Branch Location : Hazi Chan Miah Tower, Village: Zirabo,
Ashulia, Dhaka.
Email : zirabo.branch@bgcb.com.bd
Routing Number : 315264810
Mobile : +8801401155704

3. Imamgonj Branch

Manager Name : Mr Khandker Moniruzzaman
Branch Location : Mashallah Complex, 10 No, Biren Bosh
Street (Old), Mitford Road (New),
Imamgonj, Chawk Bazar, Dhaka
Email : imamgonj.branch@bgcb.com.bd
Routing Number : 315272802
Mobile : +88 01786563608

8. Gorai Branch

Manager Name : Mr Md. Noor Hossain
Branch Location : Shikdar Plaza, Village: Gorai, Mouza:
Mamin Nagar, Mirzapur, Tangail.
Email : gorai.branch@bgcb.com.bd
Routing Number : 315931035
Mobile : +8801401155710

4. Chowmuhani Branch

Manager Name : Mr Mohammad Moshir Rahman
Branch Location : Morshed Alam Complex, Holding
Number:0001-01, Rail Gate,
Chowmuhani, Begumganj, Noakhali.
Email : chowmuhani.branch@bgcb.com.bd
Routing Number : 315750340
Mobile : +8801401155705

9. Eliotganj Branch

Manager Name : Mr Md. Sakhawat Hossain
Branch Location : Village: Eliotganj, Mouza: Mobarakpur,
Daudkandi, Cumilla.
Email : eliotganj.branch@bgcb.com.bd
Routing Number : 315191909
Mobile : +8801401155708

5. Sonargaon Janapath Branch

Manager Name : Mr Md Nazmul Haque
Branch Location : Plot # 32, Sector 11 Sonargaon
Janapath Road, Uttara Model Town,
Uttara (West), Dhaka.
Email : sonargaon.branch@bgcb.com.bd
Routing Number : 315260243
Mobile : +8801401155707

10. Hemayetpur Branch

Manager Name : Mr Md Delwar Hasan Joy
Branch Location : Horindhara, Padmar More Hemayetpur,
Savar, Dhaka
Email : hemayetpur.branch@bgcb.com.bd
Routing Number : 315260135
Mobile : +8801711116028

Branch Location...

11. Anowara Branch

Manager Name : Mr S M Obidul Kader
Branch Location : J S Plaza, Kalabibir Digi, Balcura,
Anowara, Chattogram
Email : anowara.branch@bgcb.com.bd
Routing Number : 315150524
Mobile : +8801817713223

16. Kashinathpur Islami Banking Branch

Manager Name : Mr Mahmud-UI-Hasan Khan
Branch Location : London Tower, Kashinathpur, Santhia,
Pabna 6670.
Email : kashinathpur.branch@bgcb.com.bd
Routing Number : 315760172
Mobile : +8801772810665

12. Hasnabad Branch

Manager Name : Mr Anisur Rahman
Branch Location : Nazim Uddin Complex, Hasnabad Ekuria,
South Keraniganj, Keraniganj, Dhaka.
Email : hasnabad.branch@bgcb.com.bd
Routing Number : 315272565
Mobile : +8801795204347

17. Bogura Branch

Manager Name : Mr Md Abu Toyub
Branch Location : Bhandari Monzil, Holding: 0775, Rangpur
Road, Borogola, Bogura 5800.
Email : bogura.branch@bgcb.com.bd
Routing Number : 315100374
Mobile : +8801747906923

13. Rangpur Branch

Manager Name : Mr Md Ahasan UI Firoz
Branch Location : Holding: 001-00, Suruj Tower (1st & 2nd),
Suruj Tower, G.L. Roy Road (Jahaj
Company Moor), Rangpur.
Email : rangpur.branch@bgcb.com.bd
Routing Number : 315851452
Mobile : +8801717424975

18. Banani Branch

Manager Name : Mr Mohammad Tofazzal Hossain
Branch Location : South Brezee Center, Holding No: 05,
Section: G, Road: 11, Banani, Dhaka
1213
Email : banani.branch@bgcb.com.bd
Routing Number : 315260430
Mobile : +8801840666915

14. Satmasjid Road Branch

Manager Name : Mr Mohammed Jahir Uddin
Branch Location : Rangs Eminance, Holding No: 779 (Old),
79 (New), Satmasjid Road, Dhanmondi,
Dhaka 1209
Email : satmasjid.branch@bgcb.com.bd
Routing Number : 315276079
Mobile : +8801678166669

19. Ati Bazar Branch

Manager Name : Mohammad Azizur Rahman
Branch Location : Islam Plaza, 459/1, Ati Bazar Main Road,
Ati Bazar, Keraniganj, Dhaka 1312.
Email : atibazar.branch@bgcb.com.bd
Routing Number : 315270341
Mobile : +8801735954026

15. Velanagar Branch

Manager Name : Mr Mohammad Ruhul Amin
Branch Location : Madina Tower, Holding No: 1005/1,
Velanagar Bus Stand, Chinishpur,
Narsigndi Sadar, Narsigndi.
Email : velanagar.branch@bgcb.com.bd
Routing Number : 315681398
Mobile : +8801717297269

20. Mirpur Branch

Manager Name : Mr Md Nasir Uddin Ahmed
Branch Location : 8, Darus Salam Road, Mirpur 1, Dhaka
1216
Email : mirpur.branch@bgcb.com.bd
Routing Number : 315262988
Mobile : +8801712180722

Branch Location...

21. Narayanganj Branch

Manager Name : Mr S. M. Syed-Al-Islam
Branch Location : Aman Bhaban, Holding No 119(Old),
155 (New) Bangabandhu Road,
Narayanganj Sadar, Narayanganj
Email : narayanganj.branch@bgcb.com.bd
Routing Number : 315671182
Mobile : +8801985700290

Sub Branch Location...

5. Tongi Sub-Branch

In-charge Name : Mr Muhammad Al Amin
Location : Mahadi Tarif Complex, Holding No: 75,
Anarkoli Road, Tongi Bazar, Tongi,
Gazipur
Email : tongi.branch@bgcb.com.bd
Routing Number : 315260243
Mobile : +8801818350818

Sub Branch Location

1. Karwan Bazar Sub-Branch

In-charge Name : Mr Md Mubarak Hossain
Location : NLI Tower(1st floor), 54-55, Kazi
Nazrul Islam Avenue, Karwan Bazar,
Tejgaon, Dhaka 1215
Email : karwan.branch@bgcb.com.bd
Routing Number : 315260856
Mobile : +8801401155703

6. Kamrangirchar Sub-Branch

In-charge Name : Mr Muhammad Mahmudur Rahaman Faisal
Location : Shajahan Super Market, Holding No:
49, Ashrafabad Main Road,
Kamrangirchar, Dhaka,
Email : kamrangirchar.branch@bgcb.com.bd
Routing Number : 315272802
Mobile : +8801836199480

2. Savar Nama Bazar Sub-Branch

In-charge Name : Mr Abul Kalam Azad
Location : Bandhan Mansion, Holding No: D-191,
D-191/1, D-191/2, Nama Bazar, Savar,
Dhaka.
Email : namabazar.branch@bgcb.com.bd
Routing Number : 315260135
Mobile : +8801813181537

7. Haragach Sub-Branch

In-charge Name : Mr Md Jamal Hossain
Location : Malia Market, Holding No: 392,
Haragach Road, Haragach Pourashava,
Haragach, Rangpur
Email : haragach.branch@bgcb.com.bd
Routing Number : 315851452
Mobile : +8801717465262

3. Ashkona Sub-Branch

In-charge Name : Mr Md Rajib Ahmed
Location : MG Abed Tower, Holding No: 373, Ward
No: 49, Ashkona, Dakshinkhan, Dhaka
Email : ashkona.branch@bgcb.com.bd
Routing Number : 315260243
Mobile : +8801728888408

8. Ashulia Sub-Branch

In-charge Name : Mr Md Mokbul Hossain
Location : AR Ahsan Tower, Holding No: 121/42,
Bogabari Bazar Bus Stand, Baipail,
Ashulia, Savar, Dhaka
Email : ashulia.branch@bgcb.com.bd
Routing Number : 315264810
Mobile : +8801718908010

4. Rampura Sub-Branch

In-charge Name : Mr Md Hafizur Rahman
Location : Mia Bhaban, 64, DIT Road, East
Hazipara, Khilgaon, Rampura, Dhaka.
Email : rampura.branch@bgcb.com
Routing Number : 315260856
Mobile : +8801611425257

9. Poddar Bazar Sub-Branch

In-charge Name : Mr Abul Khair
Location : Barek Ali Super Market, Poddar Bazar,
Shibrampur, Nandigram, Lakshmipur
Sadar, Lakshmipur
Email : poddarbazar.branch@bgcb.com.bd
Routing Number : 315750340
Mobile : +8801720980532

Sub Branch Location...

10. Khatunganj Sub-Branch

In-charge Name : Mr Mohammed Abul Hashem
Location : BSP Bhaban, 260 Khatunganj,
Chattogram
Email : khatunganj.branch@bgcb.com.bd
Routing Number : 315150137
Mobile : +8801730597269

11. Dupchanchia Sub-Branch

In-charge Name : Mr Md Hashanul Banna Masum
Location : Mou Plaza, Holding No: 010700, CO
Office Bus Stand, Bogura-Naogaon Main
Road, Dupchanchia, Bogura.
Email : dupchanchia.branch@bgcb.com
Routing Number : 315100374
Mobile : +8801710437518

ATM Booth Location

1. Corporate Branch ATM

Location : Khandker Tower (Ground Floor) , 94, Gulshan Avenue,
Gulshan, Dhaka 1212

2. Zirabo Branch ATM

Location : Hazi Chan Mia Tower, Vill: Zirabo, Ashulia, Dhaka

3. Eliotganj Branch ATM

Location : Vill: Eliotganj, Mouza: Mobarakpur, Daudkandi,
Cumilla

4. Sonargaon Janapath Branch ATM

Location : Plot # 32, Sector 11 Sonargaon Janapath Road,
Uttara Model Town, Uttara (West), Dhaka.

5. Agrabad Islami Banking Branch ATM

Location : Chamber House 38, Agrabad C/A, Chattogram.

6. Karwan Bazar Sub-Branch ATM

Location : National Life Insurance Tower, 54-55, Kazi Nazrul
Islam Avenue, Karwan Bazar, Tejgaon, Dhaka

7. BGCB Bashundhara R/A ATM

Location : JCX Business Tower, Plot: 1136/A, Japan Street,
Block: I, Bashundhara R/A, Dhaka-1229





PHOTO **GALLERY**

Branch Inauguration



Bengal Commercial Bank opened its 30th Branch at Narayanganj on Thursday, 17 October 2024. Mr. Md. Jashim Uddin, Chairman of the Bank inaugurated the Branch as Chief Guest. Amongst others Engr. Ghulam Mohammed Alomgir, Vice Chairman of the Bank and Mr. Mohammad Hatem, President of BKMEA, were present in the said program as Special Guests. Mr. Tarik Morshed, Managing Director & CEO of the Bank presided over the inaugural program alongwith other High Officials of the Bank, reputed clients, distinguished businessmen were also present in the program.



Bengal Commercial Bank opened Poddar Bazar Sub-branch at Lakshmipur. Mr. Md. Jashim Uddin, Chairman of the Bank and President, SAARC Chamber of Commerce & Industry (SCCI), inaugurated the Branch on Monday, the 29 January 2024 as Chief Guest. Mr. Tarik Morshed, Managing Director & CEO of the Bank, presided over the inaugural ceremony while K. M. Awlad Hossain, Additional Managing Director & CBO, distinguished clients, renowned local businessmen and local elites were also present in the event.

Board Meeting Up

Bengal Commercial Bank PLC. held 12 (twelve) meetings of the Board of Directors in the year 2024 at its Head Office, 94, Gulshan Avenue, Dhaka-1212 of the Bank. Mr. Md. Jashim Uddin, Chairman of the Board, presided over the meetings. Along with other Directors; Mr. Tarik Morshed, Managing Director & CEO; Mr. K. M. Awlad Hossain, Additional Managing Director & CBO, Deputy Managing Director and Company Secretary were also present in the meeting.



EC, Audit & Risk Management Committee Meeting

Bengal Commercial Bank PLC. held its' Executive Committee (EC) meeting in the Board Room, Khandker Tower (Level-6), Head Office, 94 Gulshan Avenue, Dhaka. Mr. Md. Shahabuddin, Chairman of the Committee presided over the meeting while other Members of the Executive Committee were present in the Meeting. Mr. Tarik Morshed, Managing Director & CEO; Mr. K. M. Awlad Hossain, Additional Managing Director & CBO; Mr. Md. Humayun Kabir, Deputy Managing Director & Company Secretary remained present in the meeting.



Bengal Commercial Bank PLC. held its Board Audit Committee Meeting in the Board Room, Khandker Tower (Level-6), Head Office, 94 Gulshan Avenue, Dhaka. Professor Md. Iftekharul Amin, PhD. Chairman of the Committee presided over the meeting. Engr. Md. Abu Noman Howlader, Mrs. Rokeya Khatun, FCA; Mr. A.N.M. Abul Kashem and Mr. Shamsul Alam joined the meeting as the member of the Committee. Mr. Tarik Morshed, Managing Director & CEO; Mr. K. M. Awlad Hossain, Additional Managing Director & CBO; Mr. Md. Humayun Kabir, Deputy Managing Director & Company Secretary were also present in the meeting.



Bengal Commercial Bank held the meeting of the Risk Management Committee in the Board Room at the Bank's Head Office, Khandker Tower (Level-6), 94, Gulshan Avenue, Gulshan, Dhaka. Mr. S.M. Faruqi Hasan, Chairman of the Committee presided over the meeting. Mr. Tarik Morshed, Managing Director & CEO; Additional Managing Director, Deputy Managing Director & Company Secretary were also present in the meeting.



Conference & Business Review Meeting

Bengal Commercial Bank organized its “Annual Business Conference-2024” successfully on Thursday the 18th January 2024 at “Amari Dhaka” Gulshan, Dhaka. Mr. Md. Jashim Uddin, Chairman of the Bank attended the said conference to encourage the Management and Managers of the Bank for achieving the targets as set out for the year. Among others Engr. Ghulam Mohammed Alomgir, Vice-Chairman, Alhaj Mahbubul Alam, Director were also present the meeting. Mr. Tarik Morshed, Managing Director & CEO presided over the conference. Mr. K. M. Awlad Hossain, Additional Managing Director & CBO, Engr. Md. Rafiqul Islam, DMD alongside all the Managers of Branches and Sub-Branches were present in the conference.



Bengal Commercial Bank organized its Half Yearly Business Review Meeting successfully on Thursday, the 11th July, 2024 at the Bank's Head Office, Gulshan, Dhaka. Mr. Md. Jashim Uddin, Chairman of the Bank and President of SAARC Chamber of Commerce & Industry (SCCI) was also present in the meeting. Mr. Tarik Morshed, Managing Director & CEO of the Bank presided over the meeting. Mr. K. M. Awlad Hossain, AMD & CBO; Mr. Md. Rafiqul Islam, DMD & CTO; Mr. Md. Humayun Kabir, DMD & Company Secretary alongwith the Divisional Heads and all Branch Managers of the Bank were also present in the Business Review Meeting.



Bengal Commercial Bank held its 4th Annual General Meeting (AGM) on Monday, the 15th July, 2024 at Pan Pacific Sonargaon, Dhaka. Mr. Md. Jashim Uddin, Chairman of the Board of Directors of the Bank presided over the meeting. Alhaj Mahbubul Alam and Engr. Ghulam Mohammed Alomgir, Vice-Chairmen alongwith Shareholders of the Bank were also present in the meeting.



Bengal Commercial Bank organized “Annual Risk Conference 2024” on 30 November 2024 at the Bank’s Head Office in Gulshan, Dhaka to ensure proper risk management, regulatory compliances and to create awareness on risk management. Mr. Tarik Morshed, Managing Director & CEO of the Bank, reiterated Bank’s commitment to build a strong risk management culture at in the affairs of the Bank.



Bengal Commercial Bank held Business Meeting with Mashreqbank PSC, Dubai on 10th January 2024 at the Head Office premises, Gulshan, Dhaka.



Bengal Commercial Bank held Business Meeting with Japan Remit Finance Co. Ltd. on 15th January 2024 at the Head Office of the Bank.



Bengal Commercial Bank held Managers’ Night Program on 24th October 2024 at Lake Castle Hotel, Dhaka.



Event Celebration

Falgun is the first day of spring and eleventh month in the Bengali calendar that falls on 14 February every year. The Bank celebrated Pohela Falgun Uthsob (ফাল্গুন উৎসব ১৪২৯) at it's Head Office premises by celebrating various types of festivals like other parts of the country.



The Bank celebrated "International Women's Day 2024" at the Head office of the Bank to encourage the female employees for their more participation in the Bank's affairs..



The Bank celebrated its 3rd Anniversary with a commitment to elevate customer's trust and confidence into a higher level. A program was arranged to celebrate the occasion on Sunday, the 10th March 2024 at the Head Office of the Bank, Gulshan, Dhaka. Mr. Md. Jashim Uddin, Chairman of the Bank & President of SAARC Chamber of Commerce & Industry (SCCI), Alhaj Mahbubul Alam, Vice Chairman inaugurated the Anniversary program by cutting a cake. Alongwith other Directors of the Board, Mr. Tarik Morshed, Managing Director & CEO of the Bank were also present in the ceremony.



Bengal Commercial Bank organized "Annual Get Together-2024" on 08 March 2024 at Barnochata Resort located at Zirabo, Savar, Dhaka.





The Bank launched Bengal Cards (Debit, Credit, Pre-paid) with VISA network on 10th March 2024 at Head Office premises of the Bank. Mr. Md. Jashim Uddin, Chairman of the Bank & President of SAARC Chamber of Commerce and Industry (SCCI), Alhaj Mahbubul Alam, Vice Chairman, Mr. Md. Iqbal Hossain Chowdhury, Director and Mr. S M Faruqi Hasan, Director, Mr. Tarik Morshed, Managing Director & CEO of the Bank, Ashish Chakraborty, Director-Business Development (South Asia) of VISA, Deputy Managing Directors of the Bank and other high officials were also present at the launching ceremony.



Bengal Commercial Bank introduced “**Bangla QR Code**” services with a view to provide advanced and easiest services to its Customers. Clients of the Bank now can make various purchases using Bangla QR Code through Bengal App without using any cards or cheques. Mr. Tarik Morshed, Managing Director & CEO of the Bank, inaugurated the technology driven Bangla QR Code payment service at the Head Office of the Bank. Mr. K. M. Awlad Hossain, Additional Managing Director & CBO; Dr. Md Rafiqul Islam, Deputy Managing Director & CTO; Mr. Md. Humayun Kabir, FCS, Deputy Managing Director & Company Secretary were also present in the said launching program along with Divisional Heads of the Bank.

Bengal Commercial Bank PLC. launched “Summer Campaign 2024” on 16.05.2024. The program was inaugurated by Mr Tarik Morshed, Managing Director & CEO of the Bank.



Mr. Tarik Morshed, Managing Director & CEO, handed over the Appreciation Letters to the employees for outstanding performance during the said “Summer Campaign 2024”.



CSR Activities 2024

Employees of Bengal Commercial Bank donated an amount equivalent to one day's salary in August 2024 to stand by the flood affected people of Northeastern and Southeastern areas of Bangladesh. The Bank also distributed Relief which included dry foods like Biscuits, puffed rice, mineral water etc. among the distressed people of the said region.



Miscellaneous

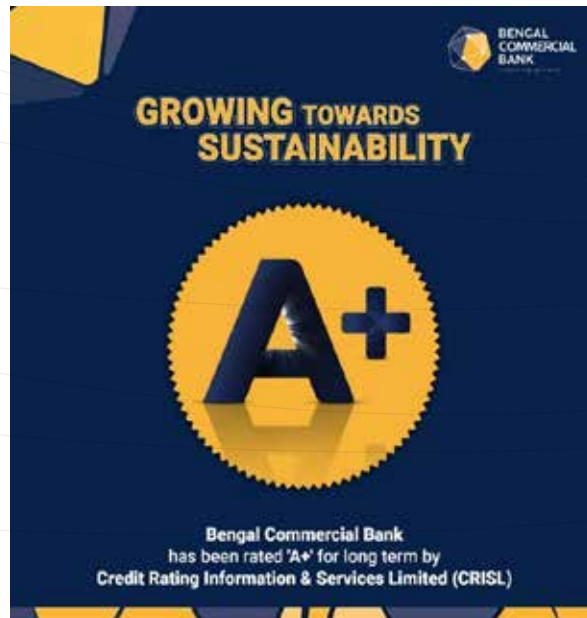
Mr. Tarik Morshed, Managing Director & CEO of Bengal Commercial Bank congratulated Mr. K. M. Awlad Hossain on his promotion to the rank of Additional Managing Director of the Bank.



Bengal Commercial Bank signed an agreement with SME Foundation over disbursing loans to CMSME entrepreneurs (Third Phase) from the revolving fund facilitated by the government under Credit Wholesaling Program. The agreement was signed on 11 June 2024 at a hotel in Tejgaon, Dhaka. Mr. Tarik Morshed, Managing Director & CEO signed the said agreement on behalf of the Bank.



Bengal Commercial Bank is rated 'A+' for long term by esteemed rating agency **Credit Rating Information & Services Limited (CRISL)** which indicates strong stability of the Bank.



Bengal Commercial Bank organized a workshop for the Managers and Executives of the Bank on SME Business on 26 October 2024. Mr. K. M. Awlad Hossain, Additional Managing Director & CBO and Dr. Md. Rafiqul Islam, Deputy Managing Director & CTO of the Bank were present at the workshop. The workshop was conducted by Mr. M. Khurshed Alam, DMD & CRO of Eastern Bank PLC. and Dr. Md. Mosharref Hossain, Associate Professor, Bangladesh Institute of Bank Management (BIBM).



The Bank successfully arranged the “Customer Awareness Week” as per instructions of Financial Integrity and Customer Services Department of Bangladesh Bank with a view to aware of financial safety.



Bengal Commercial Bank attended 02 (two) Job Fairs in December 2024, organized by Jahangirnagar University and American International University-Bangladesh (AIUB) to motivate the freshers for joining in the services of the Bank.



Notes

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