

Financial Statements 2014



BASIC Bank Limited

Serving people for progress

A STATE OWNED SCHEDULED BANK

HEAD OFFICE, Sena Kalyan Bhaban (5th Floor), 195 Motijheel C/A, Dhaka-1000, Tel: 02-9568190, 9564830, 9590548, 9590549, 9556616, Fax: 88-02-9564829, www.basicbanklimited.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BASIC BANK LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of BASIC Bank Limited ("the Bank"), which comprise the balance sheet as at 31 December 2014, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note # 2.1 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (amended in 2013) and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditor's Responsibility

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

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

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

Basis for Adverse Opinion

- As on 31 December 2014 the Bank had total classified loans and advances amounting to Tk.8,108 crore, out of which an amount of Tk.2,999 crore has been transferred to Classified Block Assets as per permission of Bangladesh Bank. Accordingly, the amount of classified loans and advances as disclosed in Note # 7.7 to the financial statements as on the balance sheet date has stood at Tk.5,109 crore. The required provision for these classified loans and advances as on the said date was Tk.2,363.77 crore against which the Bank has kept only Tk.430.64 crore as provision. As such a provision of Tk.1,933.13 crore for classified loans & advances remained short in the financial statements as on 31 December 2014. However, Bangladesh Bank has given permission to the Bank to provide the above mentioned entire amount over a period of 5 (five) years from 2015.
- As disclosed in note # 9.1 the Bank has reported Classified Block Assets of Tk.2,999 crore as on the balance sheet date. This amount has actually been transferred from classified loans and advances considering the uncertainty of recovery thereof. The Bank has not provided any amount for these bad/doubtful assets. As on 31 December 2014 required provision against these assets has been calculated at Tk.1,933 crore after consideration of the value of eligible securities. However, the Bank has obtained permission from Bangladesh Bank vide their letter # BRPD(P-1)/661/13/2015-3159 dated 27 April 2015 to make provision for the above mentioned entire amount of Tk.1,933 crore over a period of 10 (ten) years from 2015.
- Interest on classified loans and advances amounting to Tk.312.61 crore has been credited to income instead of crediting the same to interest suspense account during the year 2014. Thus interest income has been overstated by the said amount.
- Advances given for purchasing floor spaces for Tk.91.98 crore which are required to be provided for as per BRPD circular # 14 dated 15 June 2001. But no provision has been made by the Bank. The Bank has taken permission from Bangladesh Bank to provide the said amount over a period of 5 (five) years from 2015.
- As per section 13 (2) of Bank Company Act 1991 (amended in 2013) and BRPD Circular No. 35 dated 29 December 2010 to fulfill the Basel-II requirement, the required capital of the Bank as on 31 December 2014 was Tk.923.64 crore against which the bank's capital was negative to the tune of Tk.2,685.49 crore as reported by the Bank. Thus the Bank's reported capital shortfall was Tk.3,609.13 crore as on the balance sheet date. But if the matters as discussed in paragraph 1 above have been considered in the accounts the actual shortfall of capital would have been Tk.3,921.74 crore on the balance sheet date.
- As per section 13 (2) of The Bank Company Act, 1991 (amended in 2013) and BRPD Circular No. 35 dated 29 December 2010 to fulfill the Basel-II requirement, the required Capital Adequacy Ratio (CAR) of the Bank should have been 10% of Risk Weighted Assets but the Bank has reported the same to be maintained as negative to the extent of (29.08)%. But if the matters as discussed in paragraph 1 above have been accounted for the actual Capital Adequacy Ratio (CAR) of the Bank would have been (32.46)%.

However, as disclosed in note # 13.3 to the financial statements, the Bank is likely to receive an amount of Tk.3,000 crore from the Government as recapitalization. If the said amount is received the overall capital position of the Bank will be significantly improved and the capital shortfall will be reduced substantially.

- Most of the reported loans and advances of the Bank were sanctioned and disbursed during the period from 2010 to June 2014. In relation to these loans and advances there were significant weaknesses in the Bank's internal control regarding loans and advances management, specially loans were renewed having excess over limit and poor or nil turnover, unauthorized excess overdrawn in Cash Credit account, Temporary Overdraft was given in Current Deposit account, loan was approved before getting CLP from branches, loans were sanctioned having observations in credit line proposal (CLP), grace period extended frequently to avoid classification of loan accounts, incomplete sanction advice of loans issued by Head Office, unauthorized decrease of instalment size, unauthorized changes in first repayment and expiry dates by branches, showing same assets as collateral security of more than one loan, loan was given without security or having shortfall of security, significant over valuation of collateral security was done, loan sanctioned/rescheduled/renewed/dischursed without CRG or having manipulated CRG and less than acceptable limit, significant weaknesses in loan documentation, the utilization of loan facilities was not ensured by the Bank etc.

Adverse Opinion

In our opinion, because of the significance of the matters described in the Basis for Adverse Opinion paragraph, the financial statements of the Bank do not give a true and fair view of the financial position of the Bank as at 31 December 2014, and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note # 2.1. However, the cash flows of the Bank have been reflected fairly in the Cash Flow Statement.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, The Bank Company Act, (Amendment up to 2013) 1991 and the rules and regulations issued by Bangladesh Bank, we except for as mentioned above also report the following:

- we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- 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 except for the matters described in the Basis for Adverse Opinion paragraph:
 - internal audit, internal control and risk management arrangements of the Bank as disclosed in note # 2.16 to the financial statements appeared to be adequate;
 - nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities except for the matters described in point # 3 under the Basis for Adverse Opinion paragraph;
- in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- the expenditure incurred was for the purposes of the Bank's business;
- the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and Bangladesh Financial Reporting Standards (BFRSs) as explained in note # 2.1 as well as with related guidance issued by Bangladesh Bank;
- adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- the information and explanation required by us have been received and found satisfactory; and
- we have reviewed over 80% of the risk weighted assets and we have spent around 6,590 person hours for the audit of the books and accounts of the Bank.

Dhaka,
27 April 2015

ACNABIN
Chartered Accountants

BASIC Bank Limited Balance Sheet As at 31 December 2014

Note	31.12.2014 Taka	31.12.2013 Taka
PROPERTY AND ASSETS		
Cash		
3	10,215,714,009	8,136,217,578
	Cash in hand (including foreign currencies) 514,589,933	662,693,500
	Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies) 9,701,124,076	7,473,524,078
4	2,078,779,132	2,841,160,815
	Balance with other banks & financial institutions In Bangladesh 1,168,373,653	2,587,734,580
	Outside Bangladesh 910,405,479	253,426,235
5	4,540,000,000	4,980,000,000
	Money at Call on Short Notice	
6	30,680,554,273	27,663,726,114
	Investments Government 30,258,473,101	27,361,324,378
	Others 422,081,172	302,401,736
7	89,392,858,838	109,428,439,155
	Loans & Advances Loans, Cash Credit & Overdraft etc. 88,480,971,622	108,007,688,524
	Bills purchased & discounted 911,887,216	1,420,750,631
8	649,682,167	723,081,527
	Fixed assets including premises, furniture and fixtures	
9	33,560,937,978	3,299,568,639
	Other assets	
Non-banking Assets		
	-	-
	171,118,526,397	157,072,193,828
LIABILITIES AND CAPITAL		
Borrowings from other banks, financial institutions and agents		
10	2,673,974,322	2,805,859,259
Deposits and other accounts		
11	139,934,056,098	134,493,447,522
	Current Accounts and other Accounts 3,588,638,795	3,722,816,032
	Bills Payable 1,036,757,426	760,140,535
	Savings Bank Deposits 2,490,512,578	2,035,729,490
	Fixed Deposits 132,818,147,299	127,974,761,465
	Bearer Certificates of Deposit -	-
	Other Deposits -	-
12	15,496,574,197	13,733,710,510
	Other liabilities	
Total Liabilities		
	158,104,604,617	151,033,017,291
Capital/Shareholders' Equity		
13	2,946,982,500	2,946,982,500
	Paid up Capital	
14	2,224,690,642	2,224,690,642
	Statutory Reserve	
15	9,422,270,022	1,347,364,606
	Other Reserve	
16	(1,580,021,384)	(479,861,211)
	Retained (Loss)	
Total Shareholders' Equity		
	13,013,921,780	6,039,176,537
Total Liabilities and Shareholders' Equity		
	171,118,526,397	157,072,193,828
OFF-BALANCE SHEET ITEMS		
CONTINGENT LIABILITIES		
17	2,553,659,286	4,120,925,246
	Acceptances and Endorsements 2,352,400,296	2,532,628,058
	Letters of Guarantee 9,577,460,909	7,586,157,868
	Irrevocable Letters of Credit 281,448,977	384,207,849
	Bills for Collection 503,786,515	323,099,425
	Other Contingent Liabilities -	-
	Total 15,268,755,983	14,947,018,446
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 -	-
Total Off-Balance Sheet Items including contingent liabilities		
	15,268,755,983	14,947,018,446

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

ACNABIN
Chartered Accountants

Dhaka,
27 April 2015

BASIC Bank Limited Profit & Loss Account For the year ended 31 December 2014

Note	2014 Taka	2013 Taka
18	12,070,318,759	14,808,958,707
19	(13,466,228,473)	(13,107,954,540)
	Net interest income (1,395,909,714)	1,701,004,167
20	2,259,108,190	1,672,850,726
21	658,524,734	737,205,721
22	125,607,548	119,729,733
	Total operating income 1,647,330,758	4,230,790,347
23	1,855,358,487	1,767,827,961
24	304,448,876	291,333,265
25	11,349,435	13,737,975
26	62,836,177	58,820,829
27	74,816,184	82,424,685
28	3,332,193	6,224,000
29	1,220,710	936,493
30	181,716,223	152,692,022
31	34,893,976	36,642,569
32	240,961,559	349,028,347
	Total operating expenses 2,771,708,320	2,760,588,146
	(Loss)/Profit before provision (1,124,377,562)	1,470,202,201
33	-	1,338,516,767
34	(9,142,148)	13,197,112
	Total provision (9,142,148)	1,351,713,879
	Total (Loss)/Profit before taxes (1,115,235,414)	118,488,322
35	45,340,678	732,123,676
36	(60,315,919)	(82,102,024)
	Net (Loss) after Taxation (1,100,160,173)	(631,533,330)
Appropriations:		
	-	-
	-	-
	-	-
	-	-
	Retained (Deficit) (1,100,160,173)	(631,533,330)
Earning Per Share (EPS)		
38	(37.33)	(18.04)

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

Managing Director

Director

Director

Director

Dhaka,
27 April 2015

BASIC Bank Limited Cash Flow Statement For the year ended 31 December 2014

	2014 Taka	2013 Taka
Cash flows from operating activities		
Interest receipts in cash	13,666,838,128	16,072,872,578
Interest payments	(14,150,491,832)	(12,005,690,969)
Dividends receipts	20,578,916	21,263,848
Fee and commission receipts in cash	658,524,734	737,205,721
Recoveries of loans previously written off	8,323,440	3,804,496
Cash payments to employees	(1,762,070,126)	(1,650,539,707)
Cash payments to suppliers	(74,816,184)	(82,424,685)
Income taxes paid	(357,935,126)	(798,097,051)
Receipts from other operating activities (Item-wise)	114,455,901	115,855,273
Payments from other operating activities (Item-wise)	(656,485,233)	(751,419,478)
Operating (loss)/profit before changes in operating assets and liabilities	(2,533,077,382)	1,662,830,026
(Increase)/Decrease in operating assets and liabilities		
Statutory deposits	(4,252,434,278)	8,636,902,612
Purchase/sale of trading securities	(2,841,922,743)	(15,846,238,886)
Loans & advances to customers	20,035,580,317	(23,472,676,744)
Other assets (Item-wise)	(29,789,464,957)	(192,565,407)
Deposits from other banks	2,238,836,847	802,961,536
Deposits from customers	3,201,771,729	45,997,254,306
Other liabilities (Item-wise)	2,902,764,529	1,348,167,807
Net cash (used in)/flow from operating activities	(6,785,511,660)	10,299,732,638
Cash flows from investing activities		
Proceeds from Sale of Securities	-	-
Cash Payments for Purchase of Securities	(108,753,953)	(350,765,326)
Purchase of property, plant & equipment	3,265,297	1,884,519
Net cash used in investing activities	(105,488,656)	(348,880,807)
Cash flows from financing activities		
Increase/(Decrease) of Long Term Borrowing	(131,884,937)	(2,687,075,292)
Receipt from Government	7,900,000,000	-
Conversion of borrowing into reserve	-	-
Payment of Dividend	7,768,115,063	(2,687,075,292)
Net cash flow from/(used in) financing activities	7,768,115,063	(2,687,075,292)
Net increase/decreasing cash	877,114,748	7,263,776,538
Effects of Exchange Rate Changes on Cash and Cash Equivalent	-	-
Cash and cash equivalents at beginning period	15,957,378,393	8,693,601,854
Cash and cash equivalents at end of year	16,834,493,141	15,957,378,393
Analysis of cash and cash equivalents at end of year		
Cash	10,215,714,009	8,136,217,578
Balance with other banks & financial institutions	2,078,779,132	2,841,160,815
Money at call on Short Notice	4,540,000,000	4,980,000,000
	16,834,493,141	15,957,378,393

Dhaka,
27 April 2015

Managing Director

Dhaka,
27 April 2015

Managing Director

Director

Director

Director



BASIC Bank Limited

Serving people for progress

A STATE OWNED SCHEDULED BANK

Financial Statements 2014

HEAD OFFICE, Sena Kalyan Bhaban (5th Floor), 195 Motijheel C/A, Dhaka-1000, Tel: 02-9568190, 9564830, 9590548, 9590549, 9556616, Fax: 88-02-9564829, www.basicbanklimited.com

BASIC Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2014

(Amount in Taka)

Particulars	Up to 01 month	1 - 3 months	3 - 12 months	1 - 5 years	More than 5 years	Total
Assets						
Cash in hand	1,044,441,799	-	671,500,000	-	8,499,772,210	10,215,714,009
Balance with other banks and financial institutions	1,693,354,902	33,812,358	200,000,000	151,611,872	-	2,078,779,132
Money at call on short notice	4,540,000,000	-	-	-	-	4,540,000,000
Investment	10,791,718,674	286,696,037	1,355,801,486	10,999,451,193	7,246,886,883	30,680,554,273
Loans and Advances	19,514,071,655	7,953,782,218	37,250,768,711	19,058,372,741	5,615,863,513	89,392,859,838
Fixed assets including premises, furniture & fixtures	15,182,061	27,327,712	113,865,464	379,551,549	113,755,381	649,682,167
Other assets	-	-	2,987,237,387	21,573,700,591	9,000,000,000	33,560,937,978
Non-banking assets	-	-	-	-	-	-
Total Assets	37,598,769,091	8,301,618,325	42,579,173,048	52,162,687,946	30,476,277,987	171,118,526,397
Liabilities						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	400,000	2,500,000	7,900,000	54,000,000	2,608,774,322	2,673,974,322
Deposits & Other accounts	22,872,577,182	13,119,706,749	88,875,308,587	11,012,054,860	4,054,408,720	139,934,056,098
Provision and other liabilities	418,902,063	360,007,056	6,562,283,077	1,561,791,815	6,593,596,186	15,496,574,197
Total Liabilities	23,291,879,245	13,882,207,805	95,445,491,664	12,628,246,675	13,256,779,228	158,104,604,617
Net Liquidity Gap	14,306,889,846	(5,180,589,480)	(52,866,318,616)	39,534,441,271	17,219,498,759	13,013,921,780

Dhaka,
27 April 2015

[Signatures]
Managing Director Director Director Director

BASIC Bank Limited

Notes to the Financial Statements For the year ended 31 December 2014

1. The Bank and its activities

1.1 The BASIC Bank Limited ("the Bank") was incorporated as a banking company under the eastwhile Companies Act, 1913. In 2001 the Bank changed its earlier name 'Bank of Small Industries and Commerce Bangladesh Limited' and registered the new name with the Registrar of Joint Stock Companies and Firms. Initially the Bank started its operation as a joint venture organization of the then BCC foundation, a welfare trust in Bangladesh and the Government of the People's Republic of Bangladesh. On 4 June 1992 the Government of Bangladesh took over 70% shares held by the then BCC Foundation and became the sole owner of the bank. It operates with 68 branches in Bangladesh. The registered office of the bank is located at 73 Motijheel C/A, Dhaka-1000.

1.2 Objectives

The Memorandum and Articles of Association of BASIC Bank Limited stipulate that at least fifty percent of its loanable fund shall be used for financing Small and Medium Scale Industries. The principle activities of the bank is unique in blending development financing and commercial banking.

2. Basis of preparation and significant accounting policies

Basis of preparation

2.1 Statement of compliance

The financial statements of the Bank are prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and the requirements of the Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank and the Companies Act 1994. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

i) Investment in shares and securities

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

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

ii) Revaluation gains/losses on Government securities

BFRS: As per requirement of BAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market at every week end and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on loans and advances/investments

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

Bangladesh Bank: As per BRPD Circular No. 14 (23 September 2012), BRPD Circular No. 19 (27 December 2012), BRPD Circular No. 05 (29 May 2013) and BRPD Circular No. 16 (18 November 2014) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 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 the balance sheet.

v) Other comprehensive income

BFRS: As per BAS 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 will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare 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

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

vii) Financial guarantees

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

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

viii) Cash and cash equivalents

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

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

ix) Non-banking asset

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

Bangladesh Bank: As per BRPD 14, there must exist a face item named non-banking asset.

x) Cash flow statement

BFRS: The cash flow statement can be prepared 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 BRPD 14, cash flow is the mixture of direct and indirect methods.

xi) Balance with Bangladesh Bank (Cash Reserve Requirement)

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

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

xii) Presentation of intangible asset

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

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiii) Off-balance sheet items

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

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of Credit, Letter of Guarantee, Acceptance, etc.) must be disclosed separately on the face of the balance sheet.

xiv) Loans and advances net of provision

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

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

Use of estimates and judgments

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

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

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized and presented in the financial statements of the Bank are included in following notes/statements:

- Note 12.1 & 12.2 Provision for loans and advances and off balance sheet exposure
- Note 30 Depreciation
- Note 35 Current tax liabilities
- Note 36 Deferred tax asset
- Liquidity statement

2.3 Foreign currency transaction

a) Foreign currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates, i.e. the functional currency. The financial statements of the Bank are presented in Taka which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are initially translated into equivalent US Dollar at buying rates taken from Reuters and then retranslated from US Dollar into equivalent Taka in the same specified above.

c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rate of exchange ruling on the date of giving commitment or taking liability.

d) Transaction gains and losses

Foreign exchange differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) of the monetary items are recognized in the profit and loss account.

2.4 Cash flow Statement

Statements of Cash flow has been prepared in accordance with Bangladesh Accounting Standard (BAS) 7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.5 Liquidity statement

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

- Balance with other Banks and financial institutions, money at call on short notice, etc. are on the basis of their maturity term;
- Investments are on the basis of their respective maturity;
- Loans and advances are on the basis of their repayment schedule;
- Fixed assets are on the basis of their useful lives;
- Other assets are on the basis of their realization/amortization;
- Borrowing from other Banks, financial institutions & agents, etc. are as per their maturity/ repayment terms;
- Deposits & other accounts are on the basis of their maturity term & past trend of withdrawal by the depositors; and
- Provisions and other liabilities are on the basis of their payment/adjustments schedule.

2.6 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with BAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25th June 2003.

2.7 Reporting period

These financial statements cover one calendar year from 01 January 2014 to 31 December 2014.

2.8 Offsetting

Financial assets and financial liabilities are offsetted and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.9 Assets and basis of their valuation

2.9.1 Cash and cash equivalents

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

2.9.2 Loans, advances and provisions

Loans and advances are stated in the balance sheet on gross basis. General provisions on unclassified loans and contingent assets, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012, BRPD Circular No. 05 dated 29 May 2013 and BRPD Circular No. 16 dated 18 November 2014. The rates for provisions are stated below:

Particulars	Provision Rate
General provision on	
a. Consumer Financing (House Financing)	2%
b. Consumer Financing (Loans to Professional)	2%
c. Consumer Financing (Other than house finance and loans to professional)	5%
d. Small and Medium Enterprise Financing (SMEF)	0.25%
e. Short Term Agriculture & Micro Credit	2.50%
f. Loans to BFR/ MBS/ Sds against Shares etc	2%
g. All other Credit	1%
h. Special Mention Account	0.25% to 5%
Specific provision on	
a. Substandard Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
b. Doubtful Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	50%
c. Bad & Loss Loans and Advances	100%

2.9.3 Investments

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premiums have been amortised and discount accreted, using the effective or historical yield method. The investment in government securities (Treasury bills & bonds) are classified into Held to Maturity (HTM) & Held for Trading (HFT) as per Bangladesh Bank's guidelines contained in DOS Circular Letter No. 05 dated 26 May 2008, DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular No. 06 dated 15 July 2010 & under reference Letter No. DOS (SR) 1153/120-A/2011-746 dated 29 December 2011. Reclassification of HTM securities into HFT securities are also done in compliance with Bangladesh Bank's guidelines.

Held to Maturity (HTM)

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the entity has the positive intent and ability to hold to maturity, and which are not designated as at fair value through profit or loss or as available for sale. These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Any increase or decrease in value of such investments is credited to revaluation reserve account and shown in the equity. Such gains/losses are credited to income account at the time of maturity or sale of the security.

Held for Trading (HFT)

The government securities under "Held for Trading" category are valued at present value on basis of marking to market method. The resulting gains are transferred to other reserve account & losses are transferred to profit and loss account. The gains/losses arising on maturity or sale of such securities are credited to income.

Value of investments has been enumerated as per DOS Circular no. 05 dated 26 May 2008 as follows:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Treasury Bill / Bond (HFT)	Cost	Market value	Loss to profit and loss account (P&L), gain to revaluation reserve
Treasury Bill / Bond (HTM)	Cost	Amortised value	Increase in value to equity and decrease in value to P&L account
Debtenture	Face value	None	None
Prize bond	Cost	None	None
Shares	Cost	Lower of cost and market value	Any loss, charged in P&L account Unrealized gain, not recognize in accounts

Investment in listed (quoted) securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment has been made properly.

Investment in unlisted (unquoted) securities

Investment in unlisted securities is reported at cost under cost method.

Other Investments

Other investments like HBFC debenture & prize bond are also eligible for SLR. HBFC debentures are valued at redeemed value & prize bond are shown at purchase value or face value.

2.9.4 Fixed assets

Recognition and measurement

Items of fixed assets are measured at cost less accumulated depreciation as per BAS 16 "Property, Plant and Equipment". Cost includes expenditures that are directly attributable to the acquisition of assets. Subsequent costs is capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity. Ongoing repairs and maintenance is expensed as incurred.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Depreciation

Items of fixed assets are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets other than vehicles, software and all fixed assets of ATM related on which straight line depreciation method is followed:

Category of fixed assets	Rate	Method of Depreciation
Furniture and fixtures	10%	Reducing balance method
Machinery and Equipment*	20%	Reducing balance method
Computer and Copier**	20%	Straight line method
Vehicles (straight line)	25%	Straight line method
Leasehold buildings	1%	Straight line method over the lease hold period

* In the schedule of fixed assets both machinery and equipment and computer and copier are shown under the head of equipment and computer.

For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sale proceeds.

2.9.5 Intangible assets

a) An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with BAS 38: "Intangible Assets".

Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are incurred in customizing the software for its intended use. Subsequent expenditure on intangible asset is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses.

c) Software is amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the date of the application software is available for use over the best estimate of its useful economic life.

2.9.6 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the Bank.

2.9.7 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial



BASIC Bank Limited

Serving people for progress

A STATE OWNED SCHEDULED BANK

Financial Statements 2014



HEAD OFFICE, Sena Kalyan Bhaban (5th Floor), 195 Motijheel C/A, Dhaka-1000, Tel: 02-9568190, 9564830, 9590548, 9590549, 9556616, Fax: 88-02-9564829, www.basicbanklimited.com

2.10 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.11 Statutory reserve

Bank Companies Act, 1991 requires the Bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital and share premium account.

2.12 Deposits and other accounts

Deposits by customers & banks are recognized when the Bank enters into contractual provisions of arrangements with the counterparties, which is generally on trade date, & initially measured at the consideration received.

2.13 Borrowings from other banks, financial institutions and agents

Borrowed funds include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks. They are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the income statements.

2.14 Basis for valuation of liabilities and provisions

2.14.1 Provision for current taxation

Provision for current income tax has been made as per prescribed rate in the Finance Ordinance, 2014 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 in compliance with BAS-12 "Income Taxes".

2.14.2 Provision for deferred taxation

Deferred tax is recognized in compliance with BAS 12 "Income Taxes" and BRPD Circular no. 11 dated 12 December 2011, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of balance sheet. Deferred tax assets and liabilities are offset as there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each date of balance sheet and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.14.3 Benefits to the employees

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with the provisions of Bangladesh Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident Fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone - 8, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from 30 September 1995. The Fund is operated by a Board of Trustees consisting of at least five members. Usually all confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members' account on yearly basis.

b) Gratuity Fund

The Bank made provision of gratuity fund at discretion of the management to provide an employee with financial benefit on his ceasing to work for the Bank or in the event of his death to his legal heirs/nominees or successors, in respect of which provision is made annually covering all its permanent eligible employees who have completed at least eight years of service.

c) Benevolent Fund

The benevolent fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund @ 0.5% of profit at the end of the year. The fund is established to sanction grant in event of death on duty or permanent disabilities of the employees & to provide financial assistance for marriage of the employees dependants.

d) Superannuation Fund

The Bank operates a contributory superannuation fund to give benefit to employees at the time of retirement and also cover group term life insurance. Employees are contributing to the fund monthly and the Bank also contributes a lump sum amount from the profit at the end of each year.

e) Welfare Fund

The Bank has been maintaining a welfare fund created from profit. This fund is utilized for various social activities as part of corporate social responsibility of the Bank.

2.14.4 Provision for liabilities

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.14.5 Provision for Off-balance sheet exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. In accordance with BRPD circular no.14 dated 23 September 2012, general provision @ 1% has been made on the outstanding balances of Off-Balance Sheet exposure of the Bank as at 31 December 2014. Provision is made on the total exposure and amount of cash margin or value of eligible collateral is not deducted while computing Off-Balance sheet exposure.

2.14.6 Provision for nostro accounts

As per instructions contained in the circular letter no. FPD (FEMO)/01/2005-677 dated 13 Sep 05 issued by Foreign Exchange Policy Department of BB, Banks are required to make provision regarding the un-reconciled debit balance of nostro account for more than 3 months as on the reporting date in these financials. Since there is no unreconciled entries which are outstanding more than 3 months then Bank's are not required to make provision.

2.15 Revenue recognition

2.15.1 Interest income

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense. After the loan is classified as bad and loss, interest ceases to apply and recorded in a memorandum account. Interest on classified advances is accounted for on a cash receipt basis.

2.15.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain is recognized when it is realized.

2.15.3 Fees and commission income

Fees, Commission and Exchange Income on services provided by the Bank are recognized as and when the related services are performed. Commission charged to customers on letter of credit and letter of guarantee are credited to income at the time of effecting the transactions.

2.15.4 Dividend income on shares

Dividend income from investment in shares is recognized when the Bank's right to receive dividend is established as per BAS 18 "Revenue".

2.15.5 Interest paid and other expenses

In terms of the provisions of BAS-1 "Presentation of Financial Statements" Interest and other expenses are recognized on accrual basis.

2.16 Risk management

The risk of BASIC Bank Limited is defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers core risk areas of banking viz. credit risk, liquidity risk, market risk that includes foreign exchange risk, interest rate risk, equity risk, operational risk & reputation risk arising from money laundering incidences. The prime objective of the risk management is that the Bank evaluates & takes well calculative business risks & thereby safeguards the Bank's capital, its financial resources & profitability from various business risks through its own measures & through implementing Bangladesh Bank guidelines & following some best practices as under:

a) Credit Risk

It arises mainly from lending, trade finance, leasing and treasury businesses. It can be described as the potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counterparty or deterioration in his or her financial condition.

The bank has six credit divisions namely Industrial Credit Division (ICD), Commercial Credit Division (CCD), Micro Credit and Special Finance Division (MCSFD), Small Enterprise Division (SED), Consumer Finance Division (CFD) and Trade Finance Division (TFD) focused on different areas/sectors of the economy and entrusted with the duties of Credit Appraisal to ensure the merit of loan proposals. The Bank ensures strict management of credit quality by analyzing/assessing borrower risk a historical repayment performance of the borrower, historical and projected financial statements, industry outlook, collateral coverage of the proposed credit facility, market reputation of the borrower and any other relevant aspects. To manage its credit risk at a tolerable level, the Bank prepares an Annual Credit Budget where the amount of loan to each sector is allocated on yearly basis. Budgeted allocation to each sector is monitored or adjusted periodically on the basis of national economic trends, business or sector viability, the bank's credit position and profitability, the central bank's regulations and guidelines, availability of investable fund and so on. Moreover, total aggregate loan and advances of branches are allocated and controlled on the basis of the credit budget. The bank also has a Credit Administration Division (CAD) that oversees and ensures proper documentation pertaining to the approved credit facilities.

The Bank takes its lending decision based on the credit risk assessment report by the appraisal team. In determining single borrower / large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodical intervals to ensure compliance of Bank's & Regulatory policies. Loans are classified as per BB guidelines. Concentration of single borrower/large loan limit is shown in the notes to the financial statements.

b) Liquidity Risk

The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury Division under approved policy guidelines. Treasury Front Office is supported by a very structured Back Office. A Mid Office Division has also been created as per requirement of Bangladesh Bank. The liquidity management is monitored by Asset Liability Committee (ALCO) on a regular basis. A written contingency plan is in place to manage extreme situation.

c) Market Risk

The exposure of market risk of the Bank is restricted to foreign exchange risk, interest rate risk & equity risk.

Foreign Exchange Risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. 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. No foreign exchange dealing on Bank's account was conducted during the year.

Treasury Division independently conducts the transactions. Back Office of Treasury is responsible for verification of the deals & passing of their entries in the books of account and Mid Office of Treasury monitors dealer's adherence to various internal, regulatory and counter party limits. All foreign exchange transactions are evaluated at Mark-to-Market rate as determined by the bank as mid rate at the month end & the mid rate is being published by the Treasury Division of the bank as per approved policy. All Nostro accounts are reconciled on a monthly basis & outstanding entry beyond 30 days is reviewed by the management for its settlement. The position maintained by bank at the end of day was within the stipulated limit prescribed by the Bangladesh Bank.

Interest Rate Risk

Interest rate risk may arise either from trading portfolio or non-trading portfolio. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between future yield of an asset & its funding cost. Asset Liability Committee monitors interest rate movement on a regular basis.

Equity Risk

Equity risk arises from movement in market value of equities held. The risks are monitored by Investment Committee under a well designed policy framework. The market value of equities held was however higher than the cost price at the balance sheet date.

d) Reputation risk arising from money laundering incidences

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. Money Laundering and Terrorist Financing has been identified as a major threat to the financial services community. The management of the Bank has taken prevention of money laundering and terrorist financing as part of the Bank's risk management strategies. Anti-Money Laundering Guideline and Prevention of Terrorist Financing Policy of the Bank was approved by the Board of Directors of the Bank in its 188th meeting held on 31 Jan 2006 & subsequently revised by the Board of Directors of the Bank in its 318th meeting held on 27 Dec 2012.

The Bank has established a separate division namely Anti-Money Laundering Division (AML/D) for mitigating Money Laundering and Terrorist Financing related risks. One of the Deputy Managing Directors is acting as the Chief Anti-Money Laundering Compliance Officer (CAM/CO) of the Bank. In addition, Central Compliance Unit (CCU) has been formed to develop and review institutional strategy and program for preventing money laundering and terrorist financing of the Bank. Our Audit and Inspection Division conducts audit for an effective Anti Money Laundering System Check throughout the year. Moreover, members of CCU and employees of AML/D pay visit to Branches to supervise the AML procedures and functions at branch level as and when required. AML/D is continuously monitoring and reviewing overall Bank's compliance to prevent ML/TF risks. A draft "Money Laundering and Terrorist Financing Risk Assessment Guidelines" have been prepared for assessing and mitigating ML/TF risks of the Bank. Besides, a senior level executive from each Branch is working as a Branch Anti-Money Laundering Compliance Officer (BAM/CO). Sound Know Your Customer (KYC) and Transaction Monitoring Policies are in place to recognize the risk associated with accounts.

Bangladesh Bank has implemented goAML software for CTR and STR reporting purpose. Bank is providing CTR/STR data through goAML software on regular basis. It is the requirement of Bangladesh Bank to report cash transaction of BDT 10 Lac and above in a single day in a single account and suspicious transaction as and when detected.

BASIC Bank Training Institute arranges training programme throughout the year to develop awareness and skill for identifying suspicious activities/transactions.

e) Operational Risk

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Compliance Division controls operational procedure of the Bank. Compliance Division undertakes periodical and special audit of the branches and divisions at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Compliance Division.

f) Asset Liability Management

Asset Liability Management (ALM) is a risk management technique designed to earn an adequate return while maintaining a comfortable surplus of assets beyond liabilities. The scope of ALM function can be described as liquidity risk management, management of market risks, trading risk management, funding and capital planning, profit planning, growth projection, etc.

The ALM committee usually makes decisions on financial direction of the Bank. The ALCO's goal is to manage the sources and uses of funds, identify balance sheet management issues like balance sheet gap, interest rate gap etc. ALCO also reviews liquidity contingency plan and implements asset and liability pricing strategy for the Bank.

g) ICT Risk Management

ICT risk refers to the potential of ensuring harmful effects that an organization may suffer from intentional or unintentional threats to information and information technology systems. Managing ICT risk is part of running regular operation of the Bank now a days. Failure to manage ICT risk may lead to serious security breaches, financial losses & even business discontinuity. Hence, it is imperative that there should be a mechanism to identify, assess and mitigate ICT risk. BASIC Bank Limited, with the approval of the Board, has adopted an ICT policy in compliance with ICT security guidelines of Bangladesh Bank covering various aspects of ICT risk management. Based on the policy the Bank has taken necessary measures for mitigating ICT risk and impending hazards through implementing proper strategies and processes of identifying, appreciating, analyzing and assessing the same. The Bank has also taken necessary initiatives which would make a positive impact on lowering ICT segment of core risks management. All observations by Bangladesh Bank, related to ICT segment of core risks management are being complied in time. Necessary measures are also being taken to minimize manual intervention, as much as possible, by implementing automatic handling of network level and server level failure. Moreover, necessary initiatives are also being taken to comply with the ICT related issues mentioned in the circular of Bangladesh Bank regarding Self-Assessment of Anti Fraud Internal Controls. Internal ICT audit by Audit and Inspection Division of Head Office in different branches of the Bank are being carried out regularly.

h) Internal Control and Compliance

The primary objectives of Internal Control and Compliance are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations. Internal Control and Compliance of the Bank includes three fold functions viz. Internal Audit of Branches and Divisions of Head Office, Monitoring of operational activity of the bank to assess the risk of individual Branches/Divisions and Compliance of Internal Audit of Branches & Divisions and Bangladesh Bank Audit Reports including Bangladesh Bank Special Audit Reports on Core Risks & Cash Incentive and Government Audit Reports. These functions are being carried out by 03 (three) divisions namely Audit & Inspection Division, Audit Findings Monitoring Division and Compliance Division. The Audit Committee of the Board subsequently reviews the lapses identified by Audit and Inspection Division as well as compliance of these lapses. The Audit Committee also reviews Bangladesh Bank Inspection Reports and other issues indicated in the Bangladesh Bank Guidelines. Necessary steps/measures are taken on the basis of observation & suggestion of the Committee.

i) Fraud & Forgeries

The term 'Fraud' commonly includes activities such as theft, corruption, conspiracy, embezzlement, money laundering, bribery & extortion. Fraud risk is one of the components of Operational risk. Operational risk focuses on the risks associated with errors or events in transaction processing or other operations. We are absolutely committed to maintain an honest, open & well intentioned atmosphere within the organization. We are also committed to prevent fraud and detection of fraud. Fraud & Forgery has emerged as one of the major threats in banking sector with regular development of avenues by the fraudsters.

In the year 2014, ICC Division of the bank has started to further develop the Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in the Bank. Audit Division of BASIC Bank Limited has arranged to conduct Spot Inspection on Anti Fraud Internal Control (AFIC) systems to protect the bank from anticipated fraud & forgery in addition to regular comprehensive Audit & Inspection in the branches. In 2014, ICC Division has conducted 29 spot inspections and 68 regular spot inspections.

In connection with dealing with the situation and ensuring safety checking measures against fraud & forgery related issues, ICC Division has developed a questionnaire/ checklist to perform spot AFIC, which will continue through regular review, up-grading & improvisation.

2.17 Earnings per share (EPS)

The Bank presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares in accordance with BAS 33 "Earnings per Share". Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank with the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods. Hence no Diluted EPS has been calculated.

2.18 Events after the reporting period

All material events after the reporting period that provide additional information about the Company's/Bank's position at the balance sheet date are reflected in the financial statements as per BAS 10 "Events after the Reporting Period". Events after the reporting period that are not adjusting events are disclosed in the notes when material.

2.19 Directors' responsibility on statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

Memorandum Items

Memorandum items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Stock of travelers cheques, savings certificates, wage earners bonds and other fall under the memorandum items.

Capital Expenditure Commitment

There was no capital expenditure contracted but incurred or provided for at 31 December 2014. Besides, there was no material capital expenditure authorized by the Board but not contracted for at 31 December 2014.

2.20 Related party disclosures

As per BAS 24 "Related Party Disclosures", a related party is a person or entity that is related to the entity (i.e. BASIC Bank Limited) that is preparing its financial statements. Related party transaction is a transfer of resources, services, or obligations between a reporting entity and a related party, regardless of whether a price is charged as per BAS 24.

Related Parties include the Bank's Directors, key management personnel, associates, companies under common directorship etc. as per BAS 24 "Related Party Disclosures". All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible.

2.21 Board of Directors

Name	Status	Other Position
Mr. Alauddin A. Majid	Chairman	Ex-Chairman, BKB, Ex-Director, BKB, Ex-Independent Director, IPDC, Ex-Managing Director, BASIC Bank Limited
Ms. Parag	Director	Additional Secretary, Ministry of Industries
Mr. Hasan Mahmood, FCA	Director	Partner, M. J. Abedin & Co., Chartered Accountants
Ms. Raihana Aneesa Yusuf Ali	Director	Ex-Managing Director, Bangladesh House Building Finance Corporation
Mr. Md. Mamun-Ai-Rashid	Director	Joint Secretary, Bank and Financial Institutions Division, Ministry of Finance
Mr. Khondoker Md. Iqbal	Managing Director	Ex-Managing Director, Karmasangstan Bank

The present BOD was reconstituted by the BFID, MoF in the first week of July 2014. As such, the present Board convened 14 (fourteen) meetings in 2014. However, a total of 19 (nineteen) meetings were held in the year 2014 by the Board of Directors of the Bank.

2.22 Audit Committee

Members of the Audit Committee of the Board of Directors:

Name	Status with the Committee	Educational Qualification
Mr. Hasan Mahmood, FCA	Chairman	FCA, M.Com
Ms. Parag	Member	Master of Social Science in Development Administration, M.A in English

Audit Committee conducted 05 (five) meetings during the year.

2.23 Risk Management Committee

Name	Status	Educational Qualification
Ms. Raihana Aneesa Yusuf Ali	Chairman	M.A. (Economics)
Mr. Md. Mamun-Ai-Rashid	Member	M.Com in Management, M.A in Government Finance

Risk Management Committee conducted 05 (five) meetings during the year.

2.24 Executive Committee

Name	Status	Educational Qualification
Mr. Alauddin A. Majid	Chairman	Master of Agricultural Economics
Ms. Raihana Aneesa Yusuf Ali	Member	M.A. (Economics)
Mr. Md. Mamun-Ai-Rashid	Member	M.Com in Management, M.A in Government Finance
Mr. Khondoker Md. Iqbal	Member	B.Com (Hons), M.Com in Accounting

2.25 Head Office Management Committee

Members of the Head Office Management Committee

Sl #	Name	Designation	Status with the Committee
1	Mr. Khondoker Md. Iqbal	Managing Director	Chairman
2	Mr. Fazlul Sobhan	Deputy Managing Director	Member
3	Mr. Kanak Kumar Purkayastha	Deputy Managing Director	Member
4	Mr. A. Q. M. Kibriya	Deputy Managing Director	Member
5	Mr. Md. Ruhul Alam	Deputy Managing Director	Member
6	Mr. Shahadat Hossain	General Manager	Member
7	Mr. Md. Wahidul Alam	General Manager	Member
8	Mr. Hasan Tarvit	General Manager	Member
9	Mr. Md. Moniruzzaman	General Manager	Member
10	Mr. Md. Mahbulul Alam	General Manager	Member
11	Mr. Md. Hasan Imam	Company Secretary & Member Secretary, HOMC	Member
12	Mr. Md. Abul Hashem	Compliance Division	Member
13	Mr. Md. Emdadul Hoque	DGM, HRD	Member
14	Mr. Mahabubul Alam	DGM, BCD	Member
15	Mr. Md. Omar Faruque	DGM, AID	Member
16	Mr. Md. Ismail	DGM, Treasury Division	Member
17	Mr. Niranjan Chandrab Debnath	DGM, FAD	Member
18	Mrs. Helena Perveen	DGM, Consumer Finance Division	Member
19	Mr. B. M. Kamruzzaman	DGM, RRD	Member
20	Mr. Niaz Musawwir Shah	DGM, Establishment Division	Member
21	Mr. Abu Md. Mofazzal	DGM, ICTD	Member
22	Mr. Mohammed Ali	DGM, ICD	Member
23	Mr. Md. Masudul Alam	DGM, CCD	Member
24	Mr. Jan F. Alam	DGM, Mid Office Division	Member
25	Mr. Md. Humayun Kabir	DGM, Capital Market Services Division	Member
26	Mr. Md. Masum Uddin Khan	DGM, Recovery Division	Member
27	Mr. Md. Saifur Rahman	DGM, AFMD	Member

The Head Office Management committee conducted 12 (twelve) meetings during the year.

2.26 Compliance report on Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, BASIC Bank applied all the applicable IAS and IFRS as adopted by ICAB. Details are given below:

Name of the BAS	BAS no.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants & Disclosure of Govt. Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	N/A
Investments in Associates	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied*
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied*
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	N/A
Agriculture	41	N/A

Name of the BFRS	BFRS no.	Status
First Time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied*



BASIC Bank Limited

Serving people for progress

A STATE OWNED SCHEDULED BANK

Financial Statements 2014

HEAD OFFICE, Sena Kalyan Bhaban (5th Floor), 195 Motijheel C/A, Dhaka-1000, Tel: 02-9568190, 9564830, 9590548, 9590549, 9556616, Fax: 88-02-9564829, www.basicbanklimited.com

	31.12.2014 Taka	31.12.2013 Taka		31.12.2014 Taka	31.12.2013 Taka		31.12.2014 Taka	31.12.2013 Taka
3. Cash			6. Investments			7.4.1 Advances to Industrial sector		
Cash in hand (including foreign currencies)	514,589,933	662,693,500	Government Securities	30,258,473,101	27,361,324,378	Food and Allied Ind.	9,400,700,784	11,205,865,922
Balance with Bangladesh Bank & its agent bank(s)	9,701,124,076	7,473,524,078	Other Investments	422,081,172	302,401,736	Textile	5,698,355,005	6,678,512,720
	10,215,714,009	8,136,217,578		30,680,554,273	27,663,726,114	ERCM	8,673,733,411	7,231,228,792
3.1 Cash in Hand (including foreign currencies)			6.1 Government Securities			Accessories	1,798,431,742	1,782,500,685
In Local Currency (3.1.a)	505,164,941	654,747,709	Treasury Bills and Reserve Repo	11,968,330,182	10,438,297,623	Jute Prod. and Allied Ind.	3,942,363,732	3,904,564,308
In Foreign Currencies	9,424,992	7,945,791	Treasury Bonds	18,285,147,719	16,916,030,155	Forest Prod. and Allied Ind.	50,719,676	73,002,000
	514,589,933	662,693,500	Prize Bond	2,475,200	1,996,600	Paper, Board, Printing, Pub. and Packaging	2,632,361,202	2,812,615,783
3.1(a) In Local Currency			Debtenture	2,500,000	5,000,000	Tannery Leather and Rubber Prod.	1,485,690,640	1,195,549,900
In Hand	495,354,941	649,979,909		30,258,473,101	27,361,324,378	Chem. Pharm. and Allied Ind.	4,689,877,075	4,041,909,173
In ATM	9,810,000	4,767,800	6.1.1 a) Treasury Bills (at revalued Amount)			Plastic Ind.	571,042,103	547,139,236
	505,164,941	654,747,709	364 Days Government Treasury Bills	776,319,038	2,273,455,935	Glass, Cerm. and Other non Metal. Pr.	147,509,000	216,691,619
3.2 Balance with Bangladesh Bank & its agent bank(s)			364 Days Reverse Repo	-	-	Engineering	1,803,718,344	1,448,453,160
In Local Currency	9,387,622,091	7,086,532,290	182 Days Government Treasury Bills	334,331,228	859,537,841	Electrical and Electronics Ind.	552,150,816	619,462,239
In Foreign Currencies	313,501,985	386,991,788	91 Days Government Treasury Bills	238,909,085	405,303,847	Real Estate & Housing	6,577,154,871	8,847,155,000
	9,701,124,076	7,473,524,078	28 Days Government Treasury Bills	-	-	Transport and Communication	1,539,725,366	1,498,234,000
3.2.1 In Local Currency			01 Day Reverse Repo-Bangladesh Bank	-	6,900,000,000	Ship, Ship building and Breaking	1,146,667,000	4,377,807,000
Bangladesh Bank	9,300,830,839	6,996,151,039		1,349,559,351	10,438,297,623	Power, Gas and Water	542,981,569	1,192,174,691
Sonali Bank (acting as agent of Bangladesh Bank)	86,791,252	90,381,251	b) Reverse Repo			Hotel and Restaurant	616,991,000	545,437,619
	9,387,622,091	7,086,532,290	Reverse Repo-Banks and NBFIs	10,618,770,831	-	Hospital and Clinic	284,708,683	447,628,241
3.2.2 In Foreign Currencies			Reverse Repo-Bangladesh Bank	-	-	Brick Kiln	2,194,918,012	2,494,446,466
Bangladesh Bank - US\$	305,407,141	380,356,918	Total	10,618,770,831	-	Telecommunication & IT	113,492,155	140,789,000
Bangladesh Bank - GBP	2,236,349	3,907,756	Grand Total (a+b)	11,968,330,182	10,438,297,623	Other Service Ind.	391,165,753	681,315,339
Bangladesh Bank - EURO	5,858,495	2,727,114				Industries Not Elsewhere Classified	87,999,094	268,930,669
	313,501,985	386,991,788	6.1.2 Treasury Bonds (at revalued Amount)				54,862,457,033	62,251,412,922
3.2.2.1 Balance with Bangladesh Bank as per DB-5	8,597,746,484	7,247,972,278	02 Years Government Treasury Bond	496,765,694	-	7.5 Loans & Advances allowed to each customer exceeding 10% of Bank's total Equity		
			05 Years Government Treasury Bond	9,429,758,664	10,052,788,384	Number of Customers	20	20
			10 Years Government Treasury Bond	7,394,874,410	6,017,472,401	Amount of outstanding loans*	27,099,900,000	23,054,700,000
			15 Years Government Treasury Bond	740,408,218	691,989,433			
			20 Years Government Treasury Bond	223,360,733	153,779,937			
				18,285,147,719	16,916,030,155			
			6.1.3 Debentures					
			20 years HBF Debenture - 5.5%	2,500,000	5,000,000			
			6.2 Other Investments					
			Shares	352,032,172	232,352,736			
			Investment others (Memorial Coin)	49,000	49,000			
			Mutual Trust Bank Bond	70,000,000	70,000,000			
				422,081,172	302,401,736			
			6.2.1 Shares					
			Quoted companies	312,297,272	191,112,086			
			Shares in listed companies	-	-			
			Unquoted companies	15,000,000	15,000,000			
			Share of Karmasangsthan Bank	17,393,750	18,900,000			
			Preference Share of BDCL	4,201,760	4,201,760			
			Equity Of Grameen I. T. Park	3,138,890	3,138,890			
			Share of CDB Ltd.	-	-			
				352,032,172	232,352,736			
			A Schedule of Investment in Share is given in Annex - B.					
			6.3 Investment in Securities are classified as per Bangladesh Bank Circular					
			Held To Maturity (HTM)	1,349,559,351	13,180,767,185			
			Held For Trading (HFT)	1,349,559,351	14,173,560,594			
				1,349,559,351	27,354,327,779			
			Treasury bond and treasury bills are categorized into HTM and HFT as per Bangladesh Bank Circular. HTM securities are revalued at the end of the year and revaluation loss/gain is shown in capital account. HFT securities are revalued weekly and loss on revaluation is shown in P/L account and gain is shown as Revaluation Reserve under capital account. Securities are shown at revalued amount.					
			6.4 Assets pledged as security					
			Assets in the amounts shown below were pledged as security for the following liabilities					
			Liabilities to bank	-	-			
			Liabilities to customers	-	-			
				-	-			
			We have no assets pledged, mortgaged or hypothecated against bank's borrowings.					
			6.5 Maturity Grouping of Investments					
			On demand	2,475,200	6,351,937,578			
			Upto 1 month	10,789,243,474	1,446,569,405			
			Over 1 month but not more than 3 months	286,696,037	821,006,138			
			Over 3 months but not more than 1 year	1,355,801,486	2,513,514,968			
			Over 1 year but not more than 5 years	10,999,451,194	10,658,500,556			
			Over 5 years	7,246,886,883	5,872,192,470			
				30,680,554,273	27,663,726,115			
			7. Loans & Advances					
			Loans, Cash Credit & Overdraft etc.	88,480,971,622	108,007,688,524			
			Bills purchased & discounted	911,887,216	1,420,750,631			
				89,392,858,838	109,428,439,155			
			Classified Blocked Assets: Some classified loans, recovery of which are uncertain have been transferred to Classified Blocked Assets after getting approval from Bangladesh Bank vide its letter No. BRPD(P-1)/661/13/2015-3159 dated 27 April 2015 with a condition that the required provision after considering eligible securities of Tk. 1,933 crore against these Classified Block assets to be provided in 10 years starting from 2015. All out and utmost efforts will be made to realize and regularize these loan accounts. As soon as any of these loans included in this Blocked Assets is regularized will instantly be transferred back to Loans and Advance.					
			7.1 Loans, Cash Credit & Overdraft etc.					
			In Bangladesh					
			Loans	27,602,545,292	31,810,846,800			
			Cash credit	26,207,124,141	33,217,768,428			
			Overdraft	12,240,255,205	20,753,953,061			
			Others	22,431,046,984	22,225,120,235			
				88,480,971,622	108,007,688,524			
			Outside Bangladesh					
			Loan General	3,247,550,751	3,306,085,716			
			Term Loan	24,354,094,541	28,524,761,084			
				27,602,545,292	31,810,846,800			
			7.1.1 Loans					
			Loan General	3,247,550,751	3,306,085,716			
			Term Loan	24,354,094,541	28,524,761,084			
				27,602,545,292	31,810,846,800			
			7.1.2 Overdraft					
			Overdraft agst Bank's Own FDR	281,993,727	249,177,437			
			Overdraft agst Other Bank's FDR	2,653,603	2,244,009			
			Overdraft agst Bank's Own DPS	164,905,430	47,496,418			
			SOD for issuance of CDR/SDR/PO	32,332,879	31,732,755			
			Temporary Overdraft	208,557,150	496,661,817			
			Overdraft Secured Mortgage	7,909,247,557	16,139,664,934			
			Overdraft Secured (Other Securities)	1,876,482,385	2,115,708,480			
			Overdraft (Clean)	1,784,982,474	1,671,267,211			
				12,240,255,205	20,753,953,061			
			7.1.3 Others					
			Loan Against Foreign Bill	-	-			
			Export Credit/Loan Against Packing Credit	497,126,837	1,027,322,190			
			Payment Against Documents	121,618,008	89,829,204			
			Loan Against Trust Receipt	5,803,057,430	6,182,730,818			
			Real Estate Loan	4,923,329,146	5,390,178,869			
			Other short term advance	71,615,529	26,555,277			
			Transport loan	6,257,475,622	5,676,701,955			
			Loan against Gov. Fund and other scheme	82,734,757	82,315,734			
			Micro Credit Financing	1,641,159,296	1,383,454,987			
			Work order financing	522,800,851	552,226,188			
			Staff Loan	1,041,717,984	922,654,274			
			Credit to NBFIs	100,144,444	-			
			Sundry/Misc. Loan	1,368,267,080	881,390,718			
			Loan Against Import Merchandise	-	9,760,021			
				22,431,046,984	22,225,120,235			
			7.2 Bills purchased & discounted					
			Payable in Bangladesh	722,956,657	1,052,595,162			
			Local bills purchased/LADB	-	-			
			Payable outside Bangladesh	188,930,559	368,155,469			
			Foreign bills purchased and discounted	-	-			
				911,887,216	1,420,750,631			
			7.3 Residual maturity grouping of loans including bills purchased and discounted					
			Payable on demand	630,469,055	1,330,509,495			
			Not more than 3 months	24,837,384,818	48,952,438,855			
			Above 3 months but not more than 1 year	37,250,768,711	24,570,269,709			
			Over 1 year but not more than 5 years	19,058,372,741	23,969,751,489			
			Above 5 years	5,615,863,513	10,605,469,607			
				89,392,858,838	109,428,439,155			
			7.4 Loans on the basis of significant concentration including bills purchased & discounted					
			a. Advances to Directors	-	-			
			b. Advances to MD and other Senior Executives	1,041,717,984	922,654,274			
		</						



BASIC Bank Limited

Serving people for progress

A STATE OWNED SCHEDULED BANK

Financial Statements 2014

HEAD OFFICE, Sena Kalyan Bhaban (5th Floor), 195 Motijheel C/A, Dhaka-1000, Tel: 02-9568190, 9564830, 9590548, 9590549, 9556616, Fax: 88-02-9564829, www.basicbanklimited.com

	31.12.2014 Taka	31.12.2013 Taka
9. Other assets		
i) Income generating		
ii) Non-income generating		
a) Stationery, stamps, printing materials etc.	21,385,701	17,121,726
b) Classified block assets (Note 9.1)	29,991,965,730	-
c) Advance rent	309,770,388	332,072,215
d) Income receivable (Note 9.2)	1,575,196,740	933,186,835
e) Advance income tax	88,902,999	319,424,440
f) Security deposits (Note 9.3)	10,660,539	2,695,519
g) Suspense account (Note 9.4)	30,664,945	33,919,661
h) Other prepayments	592,260	263,513
i) Advances/expenditures incurred against proposed branches	9,405	24,721,828
j) Advance for space of HO and Main Branch	919,839,993	893,173,327
k) Balance with Fakrul Islam securities	20	1,020
l) ICB Securities Trading Co. Ltd.	512,333	60,040,029
m) Branch adjustment account	-	267,420,641
n) Sundry debtors (Note 9.5)	81,755,762	51,674,235
o) Deferred Tax Assets (Note 36)	357,642,997	297,227,519
p) Position Clearing(Net)	172,037,666	66,626,071
q) Position General Ledger (Net)	-	-
Total (i+ii)	33,560,937,978	3,299,568,639

9.1 Classified Block Assets: Some classified loans, recovery of which are uncertain have been transferred to Classified Block Assets after getting approval from Bangladesh Bank vide its letter No. BRPD(P-1)/661/13/2015-3159 dated 27 April 2015 with a condition that the required provision after considering eligible securities of Tk. 1,933 crore against these Classified Block assets to be provided in 10 years starting from 2015. All out and utmost efforts will be made to realize and regularize these loan accounts. As soon as any of these loans included in this Blocked Assets is regularized will instantly be transferred back to Loans and Advances.

9.2 Income receivable
Income receivable consists of interest income receivable from various investments and Loans have been verified and considered good.

9.3 Security deposits
Security deposits, rent and other prepayments made to statutory authorities, other institutions and individuals are considered good.

9.4 Suspense account
Suspense account consists of DD paid without advice, clearing, petty cash etc.

9.5 Sundry Debtors

1) Protested Bill (a)BCCI:

	31.12.2014	31.12.2013
Protested bill, Main branch	6,535,880	6,535,881
Protested bill, Khalungoni branch	244,800	244,800
Protested bill, Khulna branch	416,367	416,367
BCCI-Bombay	1,399,580	1,399,580
BCCI-London	674	713
b)Protested bill for SWIFT	20,244,921	20,244,921
c) Protested Bill -Lawyers' Fee	3,940,000	-
Total	32,782,222	28,842,262

2)Other Sundry Debtors

	31.12.2014	31.12.2013
3) Encashment of Sanchaya Patra	19,433	789,748
4)Encashment of Bond	48,259,598	21,244,973
5)Cash Shortage	674,509	537,252
6)Encashment of Other Instrument	20,000	20,000
	20,000	240,000
Total	81,755,762	51,674,235

Full provision for the protested bill of BCCI & SWIFT charges has been made in the account.

10. Borrowings from other banks, financial institutions and agents

	31.12.2014	31.12.2013
In Bangladesh (Note 10.1)	189,993,932	716,818,901
Out Bangladesh (Note 10.2)	2,483,980,390	2,089,040,358
Total	2,673,974,322	2,805,859,259

10.1 In Bangladesh(a+b)

a) Term Borrowing

	31.12.2014	31.12.2013
Bangladesh Bank Refinance Loan for House building	94,548,323	100,920,660
Bangladesh Bank Refinance Loan for Solar, Bio-gas, ETP, BANECO	95,445,608	145,591,980
Sub-total	189,993,932	216,818,901

b) Other borrowing

	31.12.2014	31.12.2013
Sonal Bank Limited	-	500,000,000
Sub-total	-	500,000,000
Grand Total (a+b)	189,993,932	716,818,901

10.2 Outside Bangladesh

a)Demand Borrowing

	31.12.2014	31.12.2013
Demand Borrowing- Foreign Currency	-	25,360,991

b)Term Borrowing

	31.12.2014	31.12.2013
Loan for Micro Credit and Small Scale Industries (KIW, Germany)	153,379,147	153,379,147
SME Refinance-ADB Fund-2	126,212,887	145,591,980
Second Crop Diversification Project	1,019,369,000	515,086,000
Agro business Development Project of ADB	1,185,016,356	1,249,622,240
Grand Total	2,483,980,390	2,063,679,367

Secured and unsecured borrowing from other banks

	31.12.2014	31.12.2013
Secured (Assets pledged as security for liabilities)	-	-
Unsecured	2,673,974,322	2,805,859,259

10.3 Overall transaction of Reverse Repo:

	2014	2013
Minimum outstanding during the year	-	-
Maximum outstanding during the year	-	-

Securities bought under repo:

	2014	2013
i) with Bangladesh Bank	-	6,000,000,000
ii) with other banks & FIs	38,560,961	1,903,654,000

10.4 Overall transaction of Repo:

	2014	2013
Minimum outstanding during the year	-	-
Maximum outstanding during the year	-	-

Securities sold under repo:

	2014	2013
i) with Bangladesh Bank	-	-
ii) with other banks & FIs	-	-

11. Deposits & Other Accounts

	31.12.2014	31.12.2013
Non-Interest bearing Accounts (Note 11.1)	4,479,438,664	4,368,572,163
Interest bearing Account (Note 11.2)	135,454,617,434	130,124,875,359
Total	139,934,056,098	134,493,447,522

11.1 Non-Interest bearing Accounts

	31.12.2014	31.12.2013
Current and Other Accounts (Note 11.1.1)	3,442,681,238	3,608,431,628
Bills Payable (Note 11.1.2)	1,036,757,426	760,140,535
Total	4,479,438,664	4,368,572,163

11.1.1 Current and Other Accounts

	31.12.2014	31.12.2013
Current Account	1,836,176,833	2,151,605,361
Margin Deposit	1,345,850,145	1,284,339,377
Sundry/Other Deposit	260,654,260	172,486,890
Total	3,442,681,238	3,608,431,628

11.1.2 Bills Payable

	31.12.2014	31.12.2013
Payment Order	1,024,868,335	740,110,192
Demand Draft	11,889,091	20,030,343
Total	1,036,757,426	760,140,535

11.2 Interest bearing Account

	31.12.2014	31.12.2013
Savings Bank Deposits (Note 11.2.1)	2,490,512,578	2,035,729,490
Fixed Deposits, SND, Other Deposit Scheme (Note 11.2.2)	132,818,147,299	127,974,761,445
Current Deposit	145,957,557	114,384,404
Total	135,454,617,434	130,124,875,359

11.2.1 Savings Bank Deposits

	31.12.2014	31.12.2013
Savings Account	2,490,512,578	2,035,729,490

11.2.2 Fixed Deposits

	31.12.2014	31.12.2013
Short Notice Deposits	15,638,838,658	7,436,594,224
Term Deposits	111,794,656,352	119,706,418,102
Other Deposit Scheme	5,384,652,289	831,749,139
Total	132,818,147,299	127,974,761,465

11.3 Maturity Grouping of other deposits & inter-bank deposits

	31.12.2014	31.12.2013
Deposit from Bank		
Repayable on demand	1,506,489	2,969,305
Repayable within 1 month	1,000,343,649	950,043,986
Above 01 Month but not more than 6 Months	2,840,000,000	650,000,000
Above 6 Month but not more than 1 Year	-	-
Above 01 Year but not more than 05 Years	-	-
Above 05 Years but not more than 10 Years	-	-
Total	3,841,850,138	1,603,013,291

Other Deposits

	31.12.2014	31.12.2013
Payable on Demand	1,160,133,299	1,131,607,013
Less than 01 Month	20,210,593,745	22,254,303,421
Above 01 Months but not more than 6 Months	50,237,161,652	52,885,308,477
Above 06 Months but not more than 01 Year	48,917,853,685	47,558,843,613
Above 01 year but not more than 05 Years	11,012,054,860	5,957,496,262
Above 05 years but not more than 10 years	4,054,408,720	3,102,875,445
Total	136,092,205,960	132,890,434,231

	31.12.2014 Taka	31.12.2013 Taka
12. Other liabilities		
Interest Payable on Borrowing	88,415,832	95,022,067
Interest Payable on Deposits	4,017,724,085	4,695,381,209
Provision for classified Loan and Advances (Note 12.1)	3,964,654,319	3,979,185,319
Provision for unclassified Loan and Advances (Note 12.2)	341,731,723	341,731,723
Provision for Off Balance Sheet Exposures (Note 12.3)	142,397,112	142,397,112
Provision for Other assets (Note 12.4)	-	-
Interest Suspense Account (Note 12.5)	4,186,936,536	1,729,159,357
Privileged Creditors	188,028,308	377,585,331
Provision for Ex-gratia/Incentive Bonus	92,886,426	94,196,236
Benevolent Fund	2,500,000	8,884,312
Provision for Gratuity	790,670,582	691,355,316
Provision of salary of reinstated employees	16,466,840	-
Sundry Creditors	35,930,201	41,769,327
Provision for Expenses Payable	6,462,698	7,037,147
Provision for Taxes (Note 35)	836,312,062	1,379,427,951
Miscellaneous Creditors	1,806,743	816,191
Provision for protested bill-Sundry Debtors	7,782,258	7,782,258
Deposit Insurance Premium Payable	7,898,393	9,801,372
Provision for Investment	9,142,148	-
Amount kept for Loan installment repayment	946,000	6,700,000
Excess Cash	69,000	87,033
Other provision	1,872,199	8,968,755
Provision for protested bill-SWIFT	21,063,039	21,063,039
Provision for Superannuation Fund	10,000,000	5,000,590
Provision for Welfare Fund	14,253,367	14,253,367
Provision for electricity expenses	-	1,100,068
Clearing Adjustment	-	256,735
Provision for stationary	6,399,002	-
Branch Adjustments Account	542,334,335	-
Various Audit and Rating Fees	977,500	977,500
Position General Ledger(Net)*	170,055,637	-
Position Clearing (Net)*	-	64,629,047
Total	15,496,574,197	13,733,710,510

*Under multi currency concept an organization maintains different statement of affairs for each currency it deals in including base(BDT) currency and one consolidated statement of affairs of all currencies converted into base currency. In the consolidated affairs all the assets and liabilities in foreign currencies are converted in base currency and presented with other assets and liabilities in base currency. This consolidated affairs reflects the overall position of the bank in base base currency. Two GL are maintained in the bank to account any foreign currency transaction. These GLs are Position GL for foreign currency position and Position Clearing GL. Position GL, accounts for original currency units other than base currency and Position Clearing GL accounts for corresponding value of foreign currency converted into base currency. Position, from the treasury point of view, means the available funds in different currencies with which the bank can trade. As value of any currency undergo change, Position in that currency need to be evaluated from time to time and necessary adjustments are made through these GLs.

12.1 Provision for Classified Loan (A)

	31.12.2014	31.12.2013
Provision held at beginning of the year	3,979,185,319	2,565,312,341
Fully Provided Debt Written off/Interest Waived (Note 12.1.1)	(14,531,000)	(2,048,862)
Special Provision for Current Year	-	-
Provision not Required	-	-
Specific Provision for the year	-	1,415,921,840
Provision held at the end of the year	3,964,654,319	3,979,185,319

12.2 Provision for Unclassified Loan (B)

	31.12.2014	31.12.2013
Provision held at beginning of the year	341,731,723	419,698,841
Recoveries and provisions no longer required/(adjusted)	-	(562,045)
Specific Provision for the year	-	(77,468,073)
Provision held at the end of the year	341,731,723	341,731,723

12.3 Provision for off Balance Sheet Items (C)

	31.12.2014	31.12.2013
Provision held at beginning of the year	142,397,112	129,200,000
Recoveries and provisions no longer required	-	-
Specific Provision for the year	-	13,197,112
Provision held at the end of the year	142,397,112	142,397,112

12.4 Provision for other assets

	31.12.2014	31.12.2013
Provision for Classified Block Account	19,330,000,000	-
Zaman Tower	949,599,993	-
Banani Branch	159,840,000	-
Unadjusted suspense account-Gulshan Branch	2,300,000	-
Investment in Grameen IT park	4,201,760	-
Provision for protested bill legal fee	3,840,000	-
Provision required for other asset	20,260,281,753	-
Provision kept	-	-
Provision shortfall	(20,260,281,753)	-

Classified Block Assets: Some classified loans, recovery of which are uncertain have been transferred to Classified Block Assets after getting approval from Bangladesh Bank vide its letter No. BRPD(P-1)/661/13/2015-3159 dated 27 April 2015 with a condition that the required provision after considering eligible securities of Tk. 1,933 crore against these Classified Block assets to be provided in 10 years starting from 2015. All out and utmost efforts will be made to realize and regularize these loan accounts. As soon as any of these loans included in this Blocked Assets is regularized will instantly be transferred back to Loans and Advances.

Bangladesh Bank vide its letter No. BRPD(P-1)/661/13/2015-3159 dated 27 April 2015 has permitted the Bank to provide provision for other asset other than classified block asset to Tk.137crore within 5 years from 2015.

12.5 Interest Suspense Account

	31.12.2014	31.12.2013
Balance at the beginning of the year	1,729,159,357	609,822,351
Transferred During the Year	2,698,386,890	1,350,167,669
Recovery During the Year	(240,204,458)	(230,573,346)
Suspense Written off/Waived During the Year	(887,253)	(257,317)
Balance at the end of the year	4,186,936,536	1,729,159,357

12.5a Segregation of Interest Suspense Account



BASIC Bank Limited

Serving people for progress

A STATE OWNED SCHEDULED BANK

Financial Statements 2014



HEAD OFFICE, Sena Kalyan Bhaban (5th Floor), 195 Motijheel C/A, Dhaka-1000, Tel: 02-9568190, 9564830, 9590548, 9590549, 9556616, Fax: 88-02-9564829, www.basicbanklimited.com

	2014 Taka	2013 Taka
27. Stationery, Printing, Advertisement Etc.		
Security Stationery	3,653,742	3,527,777
Printing Stationery	8,483,491	14,360,543
Other Stationery	24,304,424	30,779,309
Publicity, Advertisement and publication	38,374,527	33,757,056
	74,816,184	82,424,685

	2014 Taka	2013 Taka
28. Managing Director's Salary		
Basic Salary	1,561,290	2,400,000
Allowances	1,770,903	2,424,000
Bonus	-	1,400,000
	3,332,193	6,224,000

	2014 Taka	2013 Taka
29. Directors' Fees & Meeting Expenses		
Directors Honorarium	685,000	460,000
Directors Remuneration	50,000	50,000
VAT on directors fee	110,250	76,500
Travel Expenses (transferred to Travel Local)	-	4,600
Entertainment	329,423	345,933
Other expenses	46,037	-
	1,220,710	936,493

	2014 Taka	2013 Taka
30. Depreciation of Bank's Assets		
Depreciation on own Assets		
Furniture and Fixture	6,772,764	22,810,453
Interior Decoration	23,339,550	-
Computer Hardware and Peripherals	30,452,566	-
Computer Software	12,903,319	-
Machinery and Equipment	34,021,211	68,041,331
Vehicles	74,180,812	61,794,110
	181,670,222	152,645,894
Lease Equipment/ Assets	46,001	46,128
	181,716,223	152,692,022

	2014 Taka	2013 Taka
31. Repair of Bank's Assets		
Furniture and Fixture	1,413,305	2,714,881
Interior Decoration	902,827	-
Machinery and Equipment	15,520,567	15,593,507
Vehicles	10,297,794	12,279,390
Rented Premises	6,759,483	6,054,791
	34,893,767	36,642,569

	2014 Taka	2013 Taka
32. Other Expenses		
Commission and Brokerage	7,295	951,587
Entertainment	46,216,510	57,952,190
Information and Communication (ICT) expenses	10,203,013	16,662,457
Car Expenses	22,531,630	22,839,108
Fuel and Lubricant Expenses-Generator	4,909,005	5,320,993
Subscription	3,122,831	3,354,631
Travelling	11,575,122	13,838,789
Cartage and Freight	-	229,828
Computer Consumables and Accessories	12,447,311	11,120,997
Card Related Expenses	6,679,500	6,678,063
Uniform and Livers	209,163	3,337,409
Service charge paid to clearing house, Banks etc	2,014,674	-
Staff Training and HR development Expenses	6,259,829	10,883,163
Donation	2,119,264	10,566,767
Loss on revaluation of HFT securities	71,443,854	131,432,338
Other Audit Fee	-	391,000
Corporate Social Responsibility Expenses	30,489,456	38,042,681
Non-operating loss (loss on sale of investment and fixed assets)	1,256,286	2,224,573
Miscellaneous	9,476,816	13,201,773
	240,961,559	349,028,347

	2014 Taka	2013 Taka
33. Provision for Loans		
On Classified Loans & Advances As Per Bangladesh Bank Circular	(Note 12.1)	1,415,921,840
On Unclassified Loans & Advances	(Note 12.2)	(77,405,073)
		1,338,516,767

	2014 Taka	2013 Taka
34. Provision for Off Balance Sheet Exposures		
		13,197,112

	2014 Taka	2013 Taka
35. Provision for Current Tax		
Opening balance	1,379,427,951	1,606,803,499
Add: Provision made for current years tax	45,340,678	732,123,676
	1,424,768,629	2,338,927,175
Less: Adjustment made during the year	588,456,567	959,499,224
	836,312,062	1,379,427,951

	2014 Taka	2013 Taka
36. Deferred Tax		
a) Computation of Deferred Tax		
Tax Base of Depreciable Fixed Assets	632,786,315	671,527,337
Less: Carrying Amount	646,417,974	719,771,332
Deductible/(Taxable) Temporary Difference (A)	(13,631,659)	(48,243,995)
Carrying Amount of Provision for Gratuity/Benevolent/Superannuation Fund:		
Provision for Gratuity	790,670,582	691,355,316
Provision for Benevolent Fund (Provision - actual payment)	46,500,188	45,269,355
Provision for Superannuation Fund (Provision - actual payment)	17,975,000	10,978,333
	855,145,770	747,603,004
Less: Tax Base	91,626,586	259,290,290
Deductible Temporary Difference (B)	855,145,770	747,603,004
Total Deductible Temporary Difference (A+B)	841,514,111	699,359,009
Effective Tax Rate	42.50%	42.50%
Deferred Tax Assets	357,643,497	297,227,579
b) Deferred Tax (Expenses)/Income		
Closing Deferred Tax Assets	357,643,497	297,227,578
Opening Deferred Tax Assets	297,227,578	215,125,554
Deferred Tax (Expenses)/Income	60,415,919	82,102,024

	2014 Taka	2013 Taka
37. Analysis of Closing Cash and Cash Equivalent		
Cash in hand and balance with Bangladesh Bank and Sonali Bank	10,215,714,009	8,136,217,578
Balance with other banks & financial institutions	2,078,779,132	2,841,160,815
Money at Call on Short Notice	4,540,000,000	4,980,000,000
	16,834,493,141	15,957,378,393

	2014 Taka	2013 Taka
38. Earning Per Share (EPS)		
Net (Loss) after Tax (Numerator)	(1,100,160,173)	(531,533,330)
Number of Ordinary Share Outstanding (Denominator)	29,469,825	29,469,825
Earning Per Share (EPS)	(37.33)	(18.04)

	2014 Taka	2013 Taka
39. Coverage of External Audit		
The external auditor has covered 80% of the risk-weighted assets and have spent around 5,500 man hours to complete the audit as per Bangladesh Standards on Auditing (BSA). The external auditor has audited 30 branches and Head office of the Bank.		

BASIC Bank Limited									
Schedule of Balance with other banks-Outside Bangladesh (Nostro Accounts)									
Sl #	Name of the Bank	A/C Type	Currency name	31.12.2014			31.12.2013		
				Amount in FC	Conv. Rate per unit FC	Amount in BDT	Amount in FC	Conv. Rate per unit FC	Amount in BDT
1	BOTM, London	CD	GBP	37,890.87	120.99	4,584,534	19,372.42	128.11	2,481,776
2	AB Bank Mumbai	CD	ACU\$	5,600.73	77.95	436,574	30,446.88	77.75	2,367,245
3	Summit(Arif Habib)-Rupali- Bank Karachi	CD	ACU\$	1,103.25	77.95	85,998	1,103.25	77.75	85,778
4	Habib Metropolitan Bank Ltd.	CD	ACU\$	7,807.10	77.95	608,559	2,083.17	77.75	161,966
5	BOTM, Tokyo	CD	JAPY	1,145,894.28	0.65	741,623	230,325.78	0.74	170,096
6	Mashreq Bank, NY	CD	USD	372,100.00	77.95	29,004,972	75,967.70	77.75	5,906,489
7	CITI Bank Mumbai	CD	ACU\$	-	77.95	-	750.14	77.75	58,323
8	Sonali Bank, Kol.	CD	ACU\$	273,497.37	77.95	21,318,956	38,163.20	77.75	2,967,189
9	Bank of Ceylon	CD	ACU\$	2,425.70	77.95	189,082	5,390.04	77.75	419,076
10	Citibank NA, NY(Exp)	CD	USD	8,371,331.26	77.95	652,540,249	1,057,080.21	77.75	82,187,986
11	SCB, Newyork	CD	USD	-	77.95	-	363,873.83	77.75	28,291,190
13	SCB, Mumbai	CD	ACU\$	1,583.00	77.95	123,394	265,646.08	77.75	20,653,983
14	BSP, Geneva	CD	CHF	3,556.45	78.68	279,825	378.70	87.14	33,001
18	ICICI Mumbai	CD	ACU\$	48,239.63	77.95	3,760,250	19,351.25	77.75	1,504,560
19	Sonali Bank Kol ACU/EUR	CD	ACU/EUR	810.53	94.63	76,701	935.00	106.87	99,521
20	Mashreq Bank, Mumbai	CD	ACU\$	615.13	77.95	47,949	26,158.25	77.75	2,033,804
21	SCB Frankfurt	CD	EURO	94.63	94.63	12,144.605	347,435.94	106.87	37,129,576
22	Sonali, London EUR	CD	EURO	128,336.98	94.63	12,144.605	-	106.87	-
23	Sonali Bank London	CD	GBP	9,713.32	120.99	1,175,245	3,968.33	128.11	508,378
24	Sonali Bank London	CD	USD	244,683.64	77.95	19,072,943	228,580.70	77.75	17,772,149
25	HDFC Bank Ltd	CD	USD	5,674.61	77.95	442,332	-	77.75	-
26	Habib Bank AG, Zurich (Dubai)	CD	USD	2,101,000.00	77.95	163,771,689	-	77.75	-
	Sub-total					910,405,479			204,832,485
27	Sonali, London EUR	CD	EURO	-	-	-	(237,312.70)	106.87	(25,360,991)
	Grand Total					910,405,479			179,471,493

BASIC Bank Limited									
Investment in Shares as on 31 December 2014									
Sl #	Name of the company	Date of Purchase	No of shares	Face Value Taka	Cost Price Taka	Market Value as on 31.12.2014 Taka	Market Value as on 31.12.2013 Taka	Gain/(Loss) Taka	Dividend Received in 2014 Taka
1	AB BANK 1ST MUTUAL FUND	10-Dec-13	788,150	7,881,500	5,488,586	4,965,345	300,000	(533,251)	33,600
2	ASIA PACIFIC GENERAL INSURANCE CO. LTD.	10-Dec-13	28,000	280,000	420,253	537,600	300,000	(82,353)	-
3	BEACON PHARMACEUTICALS LTD.	22-Dec-10	25,200	252,000	2,150,131	472,500	384,500	(1,677,631)	-
4	BEKINDO LTD.	20-Nov-14	99,070	990,700	15,837,819	3,606,155	2,733,966	(12,213,644)	-
5	BEMCO PHARMACEUTICALS LTD.	23-Dec-12	77,728	777,280	4,888,854	4,377,414	3,073,788	(860,400)	100,723
6	BIRAC BANK LTD.	8-Dec-10	200,584	2,005,840	7,008,028	7,461,125	2,448,423	(253,697)	109,740
7	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
8	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
9	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
10	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
11	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
12	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
13	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
14	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
15	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
16	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
17	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
18	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
19	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
20	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400	(217,995)	60,000
21	BIRAC STEELS LTD.	10-Dec-13	25,000	250,000	1,974,505	2,192,500	824,400		