

Bangladesh Finance And Investment Company Limited
Consolidated Balance Sheet
As at 31 December 2017

	Note	31-Dec-17 BDT	31-Dec-16 BDT
PROPERTY AND ASSETS			
Cash			
Cash in hand	3.a	62,819	75,057
Balance with Bangladesh Bank		148,797,583	161,998,454
		148,860,402	162,073,512
Balance with other Banks and Financial Institutions			
Inside Bangladesh	4.a	1,003,397,898	452,902,547
Outside Bangladesh		-	-
		1,003,397,898	452,902,547
Money at call and short notice			
		-	-
Investment in Securities			
Government	5.a	-	-
Others		1,123,847,266	825,437,144
		1,123,847,266	825,437,144
Lease, Loans and Advances			
In Bangladesh	6.a	14,225,910,307	13,880,049,696
Outside Bangladesh		-	-
		14,225,910,307	13,880,049,696
Fixed Assets including Premises, Furniture and Fixtures			
	7.a	412,298,454	411,923,877
Other Assets			
	8.a	2,192,511,779	2,048,818,469
Non Banking Assets			
	9	212,121,062	212,121,062
Total Assets		<u>19,318,947,168</u>	<u>17,993,326,305</u>
LIABILITIES AND CAPITAL			
Liabilities			
Financing (Borrowings) from other Banks, Financial Institutions and Agents	10.a	4,069,958,239	4,281,399,455
Deposits and other Accounts	11.a	10,192,102,183	9,014,858,577
Other Liabilities	12.a	2,295,384,834	2,222,303,962
Total Liabilities		<u>16,557,445,256</u>	<u>15,518,561,993</u>
Capital/ Shareholders' Equity			
Share Capital	13.2	1,384,542,220	1,258,674,750
Statutory Reserve	14	264,563,582	222,607,589
General Reserve	15	-	-
Capital Reserve	16.1	33,744,750	33,744,750
Revaluation Surplus on Land & Building	7.b	295,243,020	295,243,020
Retained Earnings	16.a	294,227,574	196,542,722
Total Shareholders' Equity		2,272,321,146	2,006,812,831
Non Controlling Interest	16.b	489,180,767	467,951,480
Total Liabilities & Shareholders' Equity		<u>19,318,947,168</u>	<u>17,993,326,305</u>
Net Asset Value per share (NAV)		16.41	15.94

Bangladesh Finance And Investment Company Limited
Consolidated Balance Sheet
As at 31 December 2017

	<u>Note</u>	<u>31-Dec-17</u> BDT	<u>31-Dec-16</u> BDT
OFF BALANCE SHEET EXPOSURES			
CONTINGENT LIABILITIES			
Acceptances and Endorsements		-	-
Letters of Guarantee	17	100,000,000	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Total		100,000,000	-
OTHER COMMITMENTS			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claims against the Bank not acknowledged as debts		-	-
Total		-	-
Total Off-Balance Sheet items including contingent liabilities		100,000,000	-

These financial statements should be read in conjunction with the annexed notes 1 to 44.

Company Secretary

Director

Director

Managing Director

This is the consolidated Balance Sheet referred to in our separate report of even date.

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Consolidated Profit and Loss Account
For the period ended 31 December 2017

	Note	31-Dec-17 BDT	31-Dec-16 BDT
Interest Income	19.a	1,619,839,090	1,777,649,345
Less: Interest paid on Deposits & Borrowings etc.	20.a	1,199,694,273	1,362,279,370
Net Interest Income		420,144,817	415,369,975
Income from Investment in securities	21.a	168,407,759	130,187,706
Commission, Exchange and Brokerage	21.b	92,220,928	50,076,660
Other Operating Income	22.a	123,443,059	52,791,066
		384,071,746	233,055,431
Total Operating Income		804,216,563	648,425,406
Salaries and Allowances	23.a	117,147,693	92,961,984
Rent, Taxes, Insurances, Electricity etc.	24.a	24,866,045	21,290,561
Legal & Professional Fees	25.a	2,117,155	3,067,958
Postage, Stamps, Telecommunication etc.	26.a	2,818,469	2,554,308
Stationery, Printings, Advertisements etc.	27.a	3,946,876	4,094,758
Managing Director's Salary and Allowances	28	6,858,065	5,600,000
Directors' Fees and Conveyance	29.a	1,572,250	1,288,750
Auditors' Fees	29.b	292,139	348,306
Depreciation & Repairs of Assets	30.a	34,478,523	24,341,589
Other Expenses	31.a	63,739,228	52,153,625
Total Operating Expenses		257,836,442	207,701,838
Profit before Provision		546,380,121	440,723,568
Specific provisions for Classified Investment	32	98,200,818	130,498,166
General Provisions for Unclassified Investment	32	6,781,288	(8,744,669)
Provisions for Other Receivables	32	92,000	(1,975,000)
Provisions for Investment in Securities	32.a	82,785,012	3,416,454
Total Provision		187,859,118	123,194,951
Total Profit before Provisions for Taxation		358,521,003	317,528,617
Deferred Tax Expenses/(benefit)		(2,565,669)	(5,278,841)
Current Tax Expenses-BD Finance		33,120,379	139,067,124
Current Tax Expenses-BD Securities Ltd.		19,381,146	11,367,627
Current Tax Expenses-BD Capital Holdings Ltd.		8,410,046	3,675,970
		58,345,902	148,831,880
Net Profit after Taxation		300,175,101	168,696,737
Attributable to		300,175,101	168,696,737
Shareholder of the Company		278,942,052	165,737,704
Non-controlling Interest		21,233,049	2,959,033
Net Profit available for distribution		278,942,052	165,737,704

Bangladesh Finance And Investment Company Limited
Consolidated Profit and Loss Account
For the period ended 31 December 2017

	Note	31-Dec-17 BDT	31-Dec-16 BDT
Appropriations			
Statutory Reserve	14	41,955,994	28,024,732
General Reserve	15	-	-
Retained Earnings		236,986,058	137,712,972
		<u>278,942,052</u>	<u>165,737,704</u>
Earnings Per Share (Re-stated 2016)	33a	2.01	1.20

These financial statements should be read in conjunction with the annexed notes 1 to 44.

Company Secretary

Director

Director

Managing Director

This is the consolidated Profit and Loss account referred to in our separate report of even date.

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Consolidated Cash Flow Statement
For the period ended 31 December 2017

	31-Dec-17 BDT	31-Dec-16 BDT
Cash Flow from Operating Activities		
Interest received	1,544,925,122	1,845,772,818
Interest paid	(1,250,992,665)	(1,339,340,206)
Dividend received	47,594,282	38,319,394
Fees & Commission received	90,270,185	48,788,496
Cash Payments to Employees	(124,492,342)	(96,020,691)
Cash Payments to Suppliers	(4,524,142)	(6,529,575)
Income Tax Paid	(126,807,764)	(162,852,536)
Received from other Operating activities	248,974,952	144,066,174
Payments for other Operating activities	(113,199,863)	(82,923,001)
Cash generated from operating activities before changes in Operating Assets & Liabilities	311,747,766	389,280,873
Changes in Operating Assets and Liabilities		
Purchases/Sale of Trading Securities	(298,410,122)	(214,786,636)
Loans and Lease Finance to Customers	(479,812,045)	(321,642,670)
Other Assets	38,904,467	4,386,476
Deposits	1,177,243,606	(792,805,918)
Other Liabilities	37,596,417	176,735,049
Sub Total	475,522,324	(1,148,113,698)
A) Net Cash flows from Operating Activities	787,270,090	(758,832,826)
Cash flows from Investing Activities		
Purchase/sale of non trading securities	-	-
Proceeds from Sale of fixed assets	-	1,980,000
Purchases/sale of Property, Plant & Equipment	(22,268,718)	(21,439,577)
B) Net Cash flows from Investing Activities	(22,268,718)	(19,459,577)
Cash flows from Financing Activities		
Increase/(decrease) of borrowings	(214,281,630)	901,958,897
Share Capital - Right Issue	-	-
Dividend Paid	(13,437,500)	-
C) Net Cash flows from Financing Activities	(227,719,130)	901,958,897
D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	537,282,241	123,666,494
E) Cash & Cash Equivalents at the beginning of the period	614,976,059	491,309,565
F) Cash & Cash Equivalents at the end of the period(D+E)	1,152,258,300	614,976,059
Net Operating Cash Flows per share (NOCFPS)	5.69	(6.03)

These financial statements should be read in conjunction with the annexed notes 1 to 44

Company Secretary

Director

Director

Managing Director

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Consolidated Statement of Changes in Shareholders' Equity
For the period ended 31 December 2017

Particulars	Share capital BDT	Statutory reserve BDT	General reserve BDT	Capital reserve BDT	Revaluation Surplus BDT	Retained earnings BDT	Total BDT	Non Controlling Interest BDT	Total Equity BDT
Balance as at 01 January 2017	1,258,674,750	222,607,589	-	33,744,750	295,243,020	196,542,723	2,006,812,831	467,951,480	2,474,764,312
Changes during the period 2017									
Issue of Bonus Share	125,867,470	-	-	-	-	(125,867,470)	-	-	-
Right Share Issue	-	-	-	-	-	-	-	-	-
Cash Dividend	-	-	-	-	-	(13,433,738)	(13,433,738)	(3,763)	(13,437,501)
Profit/(Loss) for the period	-	-	-	-	-	278,942,052	278,942,052	21,233,049	300,175,101
Capital Reserve	-	-	-	-	-	-	-	-	-
Deferred Tax adjustment	-	-	-	-	-	-	-	-	-
Revaluation Surplus	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	41,955,994	-	-	-	(41,955,994)	-	-	-
	125,867,470	41,955,994	-	-	-	97,684,851	265,508,314	21,229,286	286,737,601
Balance as at 31 December 2017	1,384,542,220	264,563,582	-	33,744,750	295,243,020	294,227,574	2,272,321,146	489,180,767	2,761,501,913
Balance as at 1 January 2016	1,144,249,780	194,582,857	-	33,744,750	239,686,658	173,254,720	1,785,518,766	464,992,446	2,250,511,213
Changes during the period 2016									
Issue of Bonus Share	114,424,970	-	-	-	-	(114,424,970)	-	-	-
Right Share Issue	-	-	-	-	-	-	-	-	-
Cash Dividend	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	-	165,737,704	165,737,704	2,959,033	168,696,737
Capital Reserve	-	-	-	-	-	-	-	-	-
Deferred Tax adjustment	-	-	-	-	(2,314,848)	-	(2,314,848)	-	(2,314,848)
Revaluation Surplus	-	-	-	-	57,871,210	-	57,871,210	-	57,871,210
Transfer to statutory reserve	-	28,024,732	-	-	-	(28,024,732)	-	-	-
	114,424,970	28,024,732	-	-	55,556,362	23,288,002	221,294,066	2,959,033	224,253,099
Balance as at 31 December 2016	1,258,674,750	222,607,589	-	33,744,750	295,243,020	196,542,723	2,006,812,831	467,951,480	2,474,764,312

These financial statements should be read in conjunction with the annexed notes 1 to 44.

Company Secretary

Director

Director

Managing Director

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited

Balance Sheet As at 31 December 2017

	Note	31-Dec-17 BDT	31-Dec-16 BDT
PROPERTY AND ASSETS			
Cash	3		
Cash in hand		55,714	48,130
Balance with Bangladesh Bank		148,797,583	161,998,454
		148,853,297	162,046,585
Balance with other Banks and Financial Institutions	4		
Inside Bangladesh		960,040,271	271,938,816
Outside Bangladesh		-	-
		960,040,271	271,938,816
Money at call and short notice		-	-
Investment in Securities	5		
Government		-	-
Others		488,255,822	274,788,322
		488,255,822	274,788,322
Lease, Loans and Advances	6		
In Bangladesh		14,009,168,768	13,891,813,341
Outside Bangladesh		-	-
		14,009,168,768	13,891,813,341
Fixed Assets including Premises, Furniture and Fixtures	7	403,671,878	398,660,398
Other Assets	8	1,889,227,111	1,694,262,943
Non Banking Assets	9	212,121,062	212,121,062
Total Assets		18,111,338,209	16,905,631,466
LIABILITIES AND CAPITAL			
Liabilities			
Financing (Borrowings) from other Banks financial Institutions and Agents	10	3,756,814,603	4,076,684,063
Deposits and other Accounts	11	10,192,102,183	9,014,858,577
Term Deposits		9,907,425,372	8,589,367,036
Other Deposits		58,902,497	118,582,499
Advance Rent & Installments		225,774,314	306,909,042
Bills Payable		-	-
Other Liabilities	12	2,046,476,291	1,907,923,663
Total Liabilities		15,995,393,077	14,999,466,302
Capital/ Shareholders' Equity			
Share Capital	13.2	1,384,542,220	1,258,674,750
Statutory Reserve	14	264,563,582	222,607,589
General Reserve	15	-	-
Revaluation Surplus on Land & Building	7.1	295,243,020	295,243,020
Retained earnings	16	171,596,309	129,639,805
Total Shareholders' Equity		2,115,945,132	1,906,165,164
Total Liabilities & Shareholders' Equity		18,111,338,209	16,905,631,466
Net Asset Value per share (NAV)		15.28	15.14

Bangladesh Finance And Investment Company Limited
Balance Sheet
As at 31 December 2017

	<u>Note</u>	<u>31-Dec-17 BDT</u>	<u>31-Dec-16 BDT</u>
OFF BALANCE SHEET EXPOSURES			
CONTINGENT LIABILITIES			
Acceptances and Endorsements		-	-
Letters of Guarantee	17	100,000,000	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Total		100,000,000	-
OTHER COMMITMENTS			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claims against the Bank not acknowledged as debts		-	-
Total		-	-
Total Off-Balance Sheet items including contingent liabilities		100,000,000	-

These financial statements should be read in conjunction with the annexed notes 1 to 44

Company Secretary

Director

Director

Managing Director

This is the Balance Sheet referred to in our separate report of even date.

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Profit and Loss Account
For the period ended 31 December 2017

	Note	31-Dec-17 BDT	31-Dec-16 BDT
Interest Income	19	1,592,255,704	1,760,435,258
Less: Interest paid on Deposits & Borrowings etc.	20	1,166,234,103	1,337,901,289
Net Interest Income		426,021,601	422,533,969
Income from Investment in securities	21	39,619,578	71,380,748
Commission, Exchange and Brokerage		400,000	576,000
Other Operating Income	22	125,869,858	54,174,557
		165,889,436	126,131,306
Total Operating Income		591,911,037	548,665,274
Salaries and Allowances	23	92,834,575	73,484,744
Rent, Taxes, Insurances, Electricity etc.	24	21,379,769	18,884,145
Legal & Professional Fees	25	1,518,585	2,201,948
Postage, Stamps, Telecommunication etc.	26	1,957,492	1,795,308
Stationery, Printings, Advertisements etc.	27	3,582,557	3,790,705
Managing Director's Salary and Allowances	28	6,858,065	5,600,000
Directors' Fees and Conveyance	29	1,256,000	984,000
Auditors' Fees		203,333	241,500
Depreciation & Repairs of NBFIs' Assets	30	28,787,344	17,819,810
Other Expenses	31	28,124,533	30,172,677
Total Operating Expenses		186,502,253	154,974,836
Profit before Provision		405,408,784	393,690,438
Specific provisions for Classified Investment		98,200,818	130,498,166
General Provisions for Unclassified Investment		6,781,288	(8,744,669)
Provisions for Other Receivables		92,000	(1,975,000)
Provisions for Investment in Securities		60,000,000	-
Total Provision	32	165,074,106	119,778,497
Total Profit before Provisions for Taxation		240,334,678	273,911,941
Deferred Tax Expenses/(benefit)		(2,565,669)	(5,278,841)
Current Tax Expenses		33,120,379	139,067,124
		30,554,710	133,788,283
Net Profit after Taxation		209,779,968	140,123,659
Appropriations			
Statutory Reserve	14	41,955,994	28,024,732
General Reserve	15	-	-
Retained Earnings	16	167,823,975	112,098,927
		209,779,968	140,123,659
Earnings Per Share (Re-stated 2016)	33	1.52	1.01

These financial statements should be read in conjunction with the annexed notes 1 to 44

Company Secretary

Director

Director

Managing Director

This is the consolidated Profit and Loss account referred to in our separate report of even date.

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Cash Flow Statement
For the period ended 31 December 2017

	<u>Note</u>	<u>31-Dec-17</u> <u>BDT</u>	<u>31-Dec-16</u> <u>BDT</u>
Cash Flow from Operating Activities			
Interest received	34	1,517,249,400	1,825,273,809
Interest paid	35	(1,218,974,142)	(1,311,667,417)
Dividend received		34,836,144	18,535,610
Fees & Commission received		400,000	576,000
Cash Payments to Employees		(99,692,640)	(79,084,744)
Cash Payments to Suppliers		(3,582,557)	(5,770,705)
Income Tax Paid		(107,535,834)	(153,711,496)
Received from other Operating activities	36	130,653,291	107,019,695
Payments for other Operating activities	37	(67,024,096)	(57,505,396)
Cash generated from operating activities before changes in Operating Assets & Liabilities		186,329,567	343,665,356
Changes in Operating Assets and Liabilities			
Purchases/Sale of Trading Securities		(213,467,499)	29,675,929
Loans and Lease Finance to Customers		(291,268,515)	(609,649,922)
Other Assets	38	16,287,119	63,047,270
Deposits		1,177,243,606	(705,016,397)
Other Liabilities	39	140,867,790	24,704,494
Sub Total		829,662,501	(1,197,238,626)
A) Net Cash from Operating Activities		1,015,992,068	(853,573,270)
Cash flows from Investing Activities			
Purchase/sale of non trading securities		-	-
Proceeds from Sale of fixed assets		-	1,980,000
Purchase/sale of Property, Plant & Equipments		(21,214,440)	(21,126,146)
B) Net Cash from Investing Activities		(21,214,440)	(19,146,146)
Cash flows from Financing Activities			
Increase/(decrease) of borrowings		(319,869,460)	859,342,879
Dividend Paid		-	-
C) Net Cash from Financing Activities		(319,869,460)	859,342,879
D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		674,908,169	(13,376,537)
E) Cash and cash equivalents at the beginning of the period		433,985,401	447,361,938
F) Cash and cash equivalents at the end of the period (D+E)	40	1,108,893,568	433,985,401
Net Operating Cash Flow per share		7.34	(6.78)

These financial statements should be read in conjunction with the annexed notes 1 to 44

Company Secretary

Director

Director

Managing Director

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Statement of Changes in Shareholders' Equity
For the period ended 31 December 2017

Particular	Share capital BDT	Statutory reserve BDT	General reserve BDT	Revaluation Surplus BDT	Retained earnings BDT	Total BDT
Balance as at 01 January 2017	1,258,674,750	222,607,589	-	295,243,020	129,639,805	1,906,165,164
Changes during the period 2017						
Issue of Bonus Share	125,867,470	-	-	-	(125,867,470)	-
Profit/(Loss) for the period	-	-	-	-	209,779,968	209,779,968
Transfer to statutory reserve	-	41,955,994	-	-	(41,955,994)	-
Revaluation of Land	-	-	-	-	-	-
	125,867,470	41,955,994	-	-	41,956,505	209,779,968
Balance as at 31 December 2017	1,384,542,220	264,563,582	-	295,243,020	171,596,309	2,115,945,132
Balance as at 1 January 2016	1,144,249,780	194,582,857	-	239,686,658	131,965,848	1,710,485,143
Changes during the period 2016						
Issue of Bonus Share	114,424,970	-	-	-	(114,424,970)	-
Cash Dividend	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	-	140,123,659	140,123,659
Transfer to statutory reserve	-	28,024,732	-	-	(28,024,732)	-
Deferred Tax adjustment	-	-	-	(2,314,848)	-	(2,314,848)
Revaluation of Land	-	-	-	57,871,210	-	57,871,210
	114,424,970	28,024,732	-	55,556,362	(2,326,043)	195,680,021
Balance as at 31 December 2016	1,258,674,750	222,607,589	-	295,243,020	129,639,805	1,906,165,164

These financial statements should be read in conjunction with the annexed notes 1 to 44

Company Secretary

Director

Director

Managing Director

Dhaka, 18 April 2018

MABS & J Partners
Chartered Accountants

Bangladesh Finance And Investment Company Limited
Liquidity Statement
Assets and Liabilities Maturities Analysis
As at 31 December 2017

Particulars	Up to 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total
	BDT	BDT	BDT	BDT	BDT	BDT
Assets						
Cash in hand	55,714					55,714
Balance with Bangladesh Bank	148,797,583					148,797,583
Balance with other banks and financial institutions	113,770	109,313,770	850,612,731			960,040,271
Money at Call and Short Notice						-
Investment in securities	478,255,822	-	-	10,000,000		488,255,822
Investment (Loans and Advances)	923,308,860	1,363,043,705	2,121,739,509	7,949,982,822	1,651,093,872	14,009,168,768
Fixed Assets including premises, furniture and fixtures etc.				104,852,247	298,819,631	403,671,878
Other Assets	145,459,444	283,408,201	397,428,563	11,478,190	1,051,452,714	1,889,227,111
Non-banking Assets				212,121,062		212,121,062
Total Assets (i)	1,695,991,191	1,755,765,677	3,369,780,803	8,288,434,321	3,001,366,217	18,111,338,209
Liabilities						
Financing (Borrowing) from other banks, financial institutions and agents	519,203,524	372,013,214	856,726,509	2,008,871,356	-	3,756,814,603
Deposits and other accounts	327,859,031	900,964,969	2,300,409,308	5,771,742,626	891,126,250	10,192,102,183
Provision and other liabilities	240,894,461	43,596,466	119,890,282	326,973,496	1,315,121,587	2,046,476,291
Total Liabilities (ii)	1,087,957,015	1,316,574,649	3,277,026,099	8,107,587,477	2,206,247,836	15,995,393,077
Net Liquidity Gap (i-ii)	608,034,176	439,191,027	92,754,704	180,846,843	795,118,380	2,115,945,132

These financial statements should be read in conjunction with the annexed notes 1 to 44

Dhaka, 18 April 2018

Company Secretary

Director

Director

Managing Director

Bangladesh Finance And Investment Company Limited
Notes to the consolidated and separate financial statements
For the period ended 31 December 2017

1. Legal status and nature of the company

1.1 Domicile, legal form and country of incorporation

Bangladesh Finance and Investment Company Limited (BD Finance) is a Non-Banking Financial Institution engaged in lease, loan and investment financing operation. The Company having its registered office at Baitul Hossain Building, 27 Dilkusha C/A (2nd Floor) , Dhaka-1000, Bangladesh, was incorporated in Bangladesh on 10 May 1999 as a Public Limited Company under the Companies Act 1994. The license was issued from Bangladesh Bank on 22 December 1999 under the Financial Institutions Act 1993. The operational activities was started on 15 February 2000 through signing the first lease agreement on that day. Presently the Company is operating through Six branch offices at Dhaka, Chattagram, Sylhet and Gazipur district. The Company went for Initial Public Offering on 14.06.2007 and its shares were listed in both Dhaka Stock Exchange and Chittagong Stock Exchange on 06.09.2007 & 28.08.2007 respectively .

1.2 Principal activities and nature of operation

The Company provides lease finance for capital machinery to various industries including construction equipment, energy generating equipment, office equipment, medical equipment, transport etc. The company also provides term finance, short term finance, syndication finance, working capital finance, SME loan, women entrepreneur loan, factoring of accounts receivables, bill discounting, distributor finance, work order finance, assignment base finance, home loan, loan against deposit and personal loan to the enterprises, professionals and others.

1.3 Subsidiary companies

1.3.1 BD Finance Securities Limited

BD Finance Securities Limited, a 57.36% owned subsidiary company of Bangladesh Finance And Investment Company Limited was incorporated on 28 December 2010 as a public limited company under Companies Act 1994 with authorized share capital of Tk. 500 crore. The main objective of the Company is to act as a member of stock exchanges, operate the Central Depository System (CDS) and to carry on the business of brokers, jobbers or dealers in stocks, shares, securities, commodities, commercial papers, bonds, obligations, debentures etc.

1.3.2 BD Finance Capital Holdings Limited

BD Finance Capital Holdings Limited, a 99.93% owned subsidiary company of Bangladesh Finance And Investment Company Limited was incorporated on 10 August 2011 as a public limited company under Companies Act 1994 with authorized share capital of Tk. 200 crore. The main objective of the Company is to carry on the business of Merchant Banking, fund management, managing portfolio investments, financial consultancy services etc.

2. Significant accounting policies

2.1 Basis of preparation of the financial statements

The financial statements of company are made up to 31 December each year and are prepared under the historical cost convention and in accordance with the Financial Institution Act 1993 and Bangladesh Bank Circular DFIM circular No. 11 dated 23 December, 2009. Bangladesh Financial Reporting Standards (BFRS) covering Bangladesh Accounting Standard (BAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act. 1994, the Securities & Exchange Rules 1987 and other laws & regulations applicable in Bangladesh.

All figures appeared in the Financial Statements are rounded off to the nearest Taka.

2.1.1 Basis of consolidation of operations of subsidiary

The financial statements of the Company and its subsidiary, as mentioned in note no. 1.3, have been consolidated in accordance with Bangladesh Financial Reporting Standard 10 "Consolidated Financial Statements". The consolidation of the financial statement has been made after eliminating all material inter company balances, income and expenses arising from inter company transactions.

The total profits of the Company and its subsidiary are shown in the Consolidated Profit and Loss Account with the proportion of profit after taxation pertaining to non-controlling shareholders being deducted as 'Non-controlling Interest'.

All assets and liabilities of the Company and of its subsidiary are shown in the consolidated balance sheet. The interest of non-controlling shareholder of the subsidiary are shown separately in the consolidated balance sheet under the heading 'Non-controlling Interest'.

2.2 Basis of measurement

This financial statements have been prepared based on Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

2.3 Disclosure of deviations from few requirements of BAS/BFRS due to mandatory compliance of Bangladesh Bank's requirements

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Non-Banking Financial Institutions (NBFI) in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of BAS and BFRS. As such the Company has departed from those contradictory requirements of BAS/BFRS in order to comply with the rules and regulations of Bangladesh Bank.

Bangladesh Bank has issued templates for financial statements which shall strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to be included in the Single Comprehensive Income (SCI) Statement. As such the company does not prepare the other comprehensive income statement.

As per Bangladesh Bank guidelines financial instruments are categorized, recognized and measured differently from those prescribed in BAS 39. As such some disclosures and presentation requirements of BFRS 7 and BAS 32 have not been made in the accounts.

2.4 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.5 Comparative Information

As guided in paragraph 36 and 38 of BAS 1 Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

Previous year/period figures has been rearranged to conform with the current year/period presentation.

2.6 Reporting period

These financial statements cover from 01 January 2017 to 31 December 2017

2.7 Functional and presentation currency

These financial statements are presented in company's functional currency i.e. in Bangladeshi Taka.

2.8 Cash flow statements

Paragraph 102 of BAS 1 presentation of financial statements requires that a cash flow statements are to be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with a basis to asses the ability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows.

Cash flow statements has been prepared under the Direct method, classified by Operating, Investing and Financing activities as prescribed in paragraph 10 and 18 (a) of BAS 7 Statement of Cash Flows and in accordance with the instruction of Bangladesh Bank.

2.9 Statement of Changes in Equity

The Statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

2.10 Accounting for leases

Lease transactions are accounted for under finance method as per BAS 17 since assets leased to customer under agreements transfer substantially all the risk and rewards associated with ownership, other than legal title, to the customer.

As per BAS 17, in case of finance lease, the aggregate lease rental receivables including unguaranteed residual value throughout the lease term are recorded as gross rental receivables while the excess of gross rental receivables over the total acquisition cost including interest during the period of acquiring the lease equipment constitutes the unearned interest income. The unearned interest income is amortized to revenue on a monthly basis over the lease term yielding a constant rate of return over the period.

Unrealized income is suspended where necessary in accordance with the requirements of relevant circular issued by the Department of Financial Institutions & Market (DFIM) of Bangladesh Bank.

2.11 Accounting for term finance & other finances

Books of accounts for term finance operation are maintained based on the accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for short-term finance, and unrealized principal for long-term finance, real estate finance, car loans and other finances are accounted for as term finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.12 Recognition of Property, Plant and Equipment and Depreciation

- 2.12.1** i) Property, plant and equipment are stated at cost less accumulated depreciation. The cost of the assets is the cost of acquisition or construction together with purchase price and other directly attributable costs for bringing the assets to working conditions for their intended use inclusive of inward freight , duties and non refundable taxes as per Bangladesh Accounting Standard (BAS) 16: Property, Plant and Equipment.

ii) Subsequent expenditure on fixed assets

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

2.12.2 Depreciation is provided on a new asset for the period in use in the year of purchase. Full month's depreciation has been charged on additions irrespective of date when the related assets are put into use. Depreciation is calculated on the cost of the assets in order to write-off such amounts over the estimated useful life of such assets. BD Finance followed the Straight-line method of depreciation and annual rates are as under:

Building	10%
Office equipment	25%
Office Renovation	20%
Furniture and fixtures	20%
Motor vehicles	20%
Other assets	20%

2.12.3 On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Income Statement, which is determined with reference to the net book value of the assets and net sales proceeds.

2.13 Intangible Assets

i) Components

The main item included in intangible asset is software.

ii) Basis of recognition

An Intangible Asset shall only be recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with BAS 38: Intangible Assets. Accordingly, this asset is stated in the Balance Sheet at cost less accumulated amortization and accumulated impairment losses, if any.

iii) Subsequent expenditure

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

iv) Amortization

Intangible asset is amortized on straight line basis at 25% to write off the cost of intangible assets.

2.14 Cash & Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, term deposits and investment in call loan that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

2.15 Investments in Securities

Investments are valued in compliance with FID Circular no .08, dated 03 august, 2002 in lieu of BAS-39. All investment securities are initially recognized at cost.

Investment in securities are classified broadly in two categories and accounted for as under:

a. Investment in quoted securities:

These securities are bought and held primarily for the purpose of selling them in near term. These are reported at cost. Adequate provision is made for excess of cost over market value.

b. Investment in un-quoted securities:

Investment in un-quoted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities

2.16 Statutory reserve

NBFIs are required to transfer 20% of the profit to statutory reserve before declaration of dividend as per Financial Institutions Regulations, 1994. Bangladesh Finance And Investment Company Limited (BD Finance) transfers 20% on post tax profit in compliance with the regulation.

2.17 General Reserve

Generally fund from Retained Earnings is transferred to General Reserve once in a year with the consent of the Board of Directors.

2.18 Retirement Benefit

(a) Provident Fund

The company has introduced recognized contributory provident fund scheme effective from March 2008 for its permanent employees. The Provident fund is administered by a Board of Trustees and is funded by contribution partly from the employees and partly from the Company at a predetermined rate.

(b) Gratuity

Gratuity fund benefit are given to the staff of BD Finance in accordance with the company's service rules. The gratuity is calculated on the basis of sum equal to 30 (thirty) days basic pay for every confirmed employee who completed his continuous service for Five (5) years and 60 (sixty) days basic for employees whose service is completed for 10 (ten) years or more and as per BAS-19 "Employee Benefits" and payable as per the modalities of the rules. Gratuity so calculated are transfer to the Gratuity fund and charged to expenses of the Company.

2.19 Provision for investments and advances

Provision for investments and advances is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) Bangladesh Accounting Standards (BAS) 37; Provisions, contingent liabilities and contingent assets, and (2) Bangladesh Bank guidelines.

BD Finance's methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank Guidelines. Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank FID Circular no. 06 dated 20 August 2006. The classification rates are given below:

Particulars	Rate
General provision on:	
Unclassified loans and advances-Non-SME	1%
Unclassified loans and advances-SME	0.25%
Special mention account	5%

Specific provision on:

Substandard loans and advances	20%
Doubtful loans and advances	50%
Bad/loss loans and advances	100%

2.20 Income Tax

2.20.1 Current tax

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereto from time to time.

2.20.2 Deferred tax

Pursuant to Bangladesh Accounting Standard (BAS) 12: Income Taxes, deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Adequate provision has been made in calculating temporary timing differences.

2.21 Accrued expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.22 Revenue recognition

Revenue is recognized only when it is measurable and probable that the economic benefits associated with the transaction will follow to the company and in accordance with Bangladesh Accounting Standard (BAS) 18: "Revenue" unless otherwise mentioned or otherwise guided by the separate BAS/BFRS.

Interest income from loans and other sources is recognized on an accrual basis of accounting on effective interest method.

2.22.1 Lease income

The excess of aggregate rental receivable over the cost of lease constitutes the total unearned interest income at the commencement of the contract. This income is allocated over the period of lease that reflect a constant periodic return on net investment.

2.22.2 Income from Term Finance

Interest income on Term Finance is recognized on Accrual Basis. Interest portion of the installments that become receivable is credited to the Profit and Loss Account.

2.22.3 Fees base income, etc.

Fees base income, etc. are taken to income on realization basis.

2.22.4 Dividend income

Dividend income from shares is recognized when the shareholders' legal rights to receive payments have been established i.e. during the period in which dividend is declared in the Annual General Meeting. Dividend declared but not received is recognized as deemed dividend.

2.22.5 Gain on Sale of Securities

Capital gain on sale of securities listed in the stock exchanges is recognized only when the securities are sold in the market.

2.23 Borrowing Costs

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under Bangladesh Accounting Standard (BAS) 23: "Borrowing Costs".

2.24 Interest Suspense Account

Accrued interest on lease, term finance, real estate finance, hire purchase agreement classified as Special Mentioned Account, Sub-Standard, Doubtful and Bad loan are not recognized as income rather transferred to interest suspense accounts as complied with Bangladesh Bank guidelines. Recovery of overdue credited to interest suspense account is recognized as income on realization basis.

2.25 Litigation

The Company has no party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loan/lease repayment. The Company, however, provides adequate provision against such doubtful finance.

2.26 Proposed dividend

Proposed dividend has been shown separately under the shareholders' equity in accordance with Bangladesh Accounting Standards (BAS)-10 " Events After the Reporting Period".

BAS 1: Presentation of Financial Statements, also requires the dividend proposed after the reporting period but before the financial statements are authorized for issue, be disclosed in the notes to the financial statement. Accordingly, the Company has disclosed the amount of proposed dividend in notes .

2.27 Earnings Per Share (EPS)

The Company calculates Earnings Per Share (EPS) in accordance with BAS 33: Earnings Per Share, which has been shown on the face of Profit and Loss Account, and the computation of EPS is stated in Note 33.

Basic Earnings

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Weighted average number of Ordinary Shares outstanding during the period

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the period.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the period.

Diluted Earnings Per Share

No diluted EPS is required to be calculated for the period, as there was no scope for dilution during the period under review.

2.28 Contingent liabilities and contingent assets

The Company does not recognize contingent liability and contingent asset but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the Company or a present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably.

2.29 Risk and uncertainty for use of estimates (Provisions)

The preparation of Financial Statements in conformity with Bangladesh Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities during the reporting period and on the dates of the financial statements. Due to inherent uncertainty involved in making estimates, actual results reported could differ from those estimates.

In accordance with the guidelines as prescribed by Bangladesh Accounting Standards (BAS) 37: Provisions, contingent liabilities and contingent assets, provisions are recognized in the following situations:

- a. When the Company has an obligation as a result of past events;
- b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. Reliable estimate can be made of the amount of the obligation.

2.30 BASEL II & its implementation

To cope with the international best practices and to make the capital more risks sensitive as well as more shock resilient, guidelines on 'Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance. As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10%. In line with CAMD guideline's requirement, BD Finance has already formed BASEL Implementation Committee to ensure timely implementation of BASEL II accord.

2.31 Status of compliance of Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, BD Finance applied following BAS and BFRS:

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 and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied

Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyper-inflationary Economics	29	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
Share Base payment	2	N/A
Business combination	3	N/A
Insurance Contracts	4	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied

N/A= Not Applicable

* As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements (please see note 2.3).

ANNEXURE-A

Bangladesh Finance And Investment Company Limited
Fixed Asset Schedule
For the year ended 31 December 2017

Particulars	C O S T					Rate of Depreciation	D E P R E C I A T I O N				Written Down Value at 31 December 2017
	Balance as on 1 January 2017	Revaluation Surplus	Addition during the year	Disposal/ Transfer during the period	Balance at 31 December 2017		Balance as on 1 January 2017	Transfer/ Adjustment during the year	Charge for the year	Balance at 31 December 2017	
Land	355,071,210		-	-	355,071,210	-	-	-	-	-	355,071,210
Building	5,398,790		-	-	5,398,790	10%	3,779,159	-	539,880	4,319,039	1,079,751
Furniture & Fixture	28,190,049		133,201	-	28,323,250	20%	16,707,523	-	4,341,378	21,048,901	7,274,349
Office Equipment	22,010,264		3,274,989	-	25,285,253	25%	13,807,394	-	3,399,829	17,207,222	8,078,031
Office Renovation	10,002,631			-	10,002,631	20%	5,902,916	-	1,077,578	6,980,494	3,022,137
Motor Vehicle	36,054,414			-	36,054,414	20%	17,979,125	-	5,656,397	23,635,522	12,418,892
Other Assets	182,667			-	182,667	20%	182,667	-	-	182,667	-
System and Software	1,820,000		17,806,250	-	19,626,250	25%	1,710,844	-	1,187,898	2,898,742	16,727,508
31 December 2017	458,730,026	-	21,214,440	-	479,944,466		60,069,628	-	16,202,960	76,272,588	403,671,878
31 December 2016	383,258,943	57,871,210	21,126,144	3,526,272	458,730,026		49,001,909	3,526,272	14,593,991	60,069,628	398,660,398

		31-Dec-17	31-Dec-16
		BDT	BDT
3 Cash			
Cash in hand	(Notes :3.1)	55,714	48,130
Balance with Bangladesh Bank	(Notes : 3.2)	148,797,583	161,998,454
		148,853,297	162,046,585
3.a Cash in Hand (Consolidated)			
BD Finance		55,714	48,130
BD Finance Securities Limited		1,252	20,000
BD Finance Capital Holdings Limited		5,853	6,927
		62,819	75,057
3.1 Cash In hand (including foreign currencies)			
In local currency		55,714	48,130
In foreign currency		-	-
		55,714	48,130
3.2 Balance with Bangladesh Bank (including foreign currencies)			
In local currency		148,797,583	161,998,454
In foreign currency		-	-
		148,797,583	161,998,454
3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)			
Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the 5th schedule of the Financial Institutions Act, 1993 and subsequent FID Circular # 06, dated November 06, 2003, FID Circular # 02 dated November 10, 2004 respectively.			
3.4 Cash Reserve Ratio (CRR): 2.5% of Average Demand and Time Liabilities			
Required Reserve		141,016,901	145,378,622
Actual Reserve held with Bangladesh Bank (local currency)		148,842,583	161,998,454
Surplus		7,825,682	16,619,832
3.5 Statutory Liquidity Ratio (SLR): 5% (including 2.5% CRR) of Average Demand and Time Liabilities			
Required Reserve		687,906,327	406,041,963
Actual Reserve held (Note- 3.6)		1,108,893,568	433,985,401
Surplus		420,987,241	27,943,438
3.6 Held for Statutory Liquidity Ratio			
Cash in hand		55,714	48,130
Balance with Bangladesh Bank		148,797,583	161,998,454
Balance with other bank and Financial Institutions	(Note-4)	960,040,271	271,938,816
		1,108,893,568	433,985,401
4 Balance with other Banks and Financial Institutions			
Inside Bangladesh (Note - 4.1)		960,040,271	271,938,816
Outside Bangladesh (Note - 4.2)		-	-
		960,040,271	271,938,816
4.a Balance with other Banks and Financial Institutions (Consolidated)			
BD Finance		960,040,271	271,938,816
BD Finance Securities Limited		34,910,518	164,143,845
BD Finance Capital Holdings Limited.		8,447,108	16,819,886
		1,003,397,898	452,902,547

	31-Dec-17 BDT	31-Dec-16 BDT
4.1 Inside Bangladesh		
Current Account		
Dhaka Bank Limited	4,401	286,684
Midland Bank Limited	1,080	719
NCC Bank Ltd	77,315	-
Premier Bank Ltd.	10,117	-
Prime Bank Limited	17,880	50,357
Social Investment Bank Limited	2,976	422,021
	113,770	759,780
STD Account		
Bank Asia Limited	44,555	1,976,588
BRAC Bank Limited	-	809
Dutch Bangla Bank Limited	1,227,112	703,340
Islami Bank BD Ltd.	21,887	-
Jamuna Bank Limited	4	4
Modhumoti Bank Limited	6,240	7,201
Mutual Trust Bank Limited	73,175,765	1,019,481
NRB Commercial Bank Limited	1,962	3,987
Southeast Bank Limited	12,682,533	12,695,148
The City Bank Limited	22,153,712	1,551,388
	109,313,770	17,957,946
FDR with Banks	750,612,731	253,221,090
FDR with NBFIs	100,000,000	-
Total Balance with other Banks and Financial Institutions	960,040,271	271,938,816
4.2 Outside Bangladesh		
Cash at Foreign Bank	-	-
Total Cash at Bank (Bangladesh & Foreign)	960,040,271	271,938,816
4.3 Maturity-wise groupings of balance with other banks and FI's		
On Demand	113,770	759,780
Not more than 3 months	109,313,770	17,957,946
More than 3 months but less than 1 year	850,612,731	253,221,090
More than 1 year but less than 5 years	-	-
More than 5 years	-	-
	960,040,271	271,938,816
5 Investment in Securities		
i) Government	-	-
ii) Others	488,255,822	274,788,322
	488,255,822	274,788,322
5.a Investment in Securities (Consolidated)		
BD Finance	488,255,822	274,788,322
BD Finance Securities Limited	229,729,934	213,215,721
BD Finance Capital Holdings Limited	405,861,511	337,433,100
	1,123,847,266	825,437,144
5.ii. Investment in Securities-Others		
Investment in shares (in quoted companies) (Note 5.1)	478,255,822	264,788,322
Investment in shares (in un-quoted companies) (Note 5.2)	10,000,000	10,000,000
	488,255,822	274,788,322
Maturity-wise Grouping of Investment in Securities:		
On demand	478,255,822	264,788,322
Not more than 3 months	-	-
More than 3 months but less than 1 year	-	-
More than 1 year but less than 5 years	10,000,000	10,000,000
More than 5 years	-	-
	488,255,822	274,788,322

5.1	Name of the Institution	Cost Price 2017	31-Dec-17	31-Dec-16
			BDT	BDT
		Market Price 2017	Cost Price 2016	
	Aman Cotton Fibrous Ltd.	1,255,360	1,255,360	-
	Beximco Ltd.	-	-	10,590,326
	Beximco Pharma	1,967,750	2,595,000	28,252,516
	Bashundhara Paper Mills Ltd.	3,458,080	3,458,080	-
	City General Insurance Co. Ltd.	12,073,100	9,216,098	12,979,096
	Eastland Insurance	5,302,002	2,161,992	3,541,909
	Exim Bank	-	-	3,198,893
	GRAMEENS2	-	-	1,412,137
	International Leasing & Fin. Ser. Ltd.	-	-	1,051,145
	IT Consultants Ltd.	3,698,119	3,322,800	-
	Jamuna Oil	20,687,170	20,630,000	-
	Lafarge Holcim (BD) Ltd.	185,003,987	140,692,274	-
	Nahee Aluminium Composite Panel Ltd.	62,246	502,570	-
	Northern Insurance	64,436,851	44,052,324	71,574,764
	One Bank Limited	17,287,508	16,484,016	27,012,990
	Oimex Electrode Ltd.	64,800	464,746	-
	PADMALIFE	99,152,599	82,931,203	-
	Peoples Leasing & Financial Ser. Ltd.	-	-	20,621,408
	Prime Islami Life	-	-	4,438,391
	Rupali General Insurance	-	-	4,539,914
	Southeast Bank Ltd.	-	-	21,085,411
	Summit Power	23,497,316	13,415,579	19,146,185
	The City Bank	4,965,696	5,586,798	-
	United Finance	35,343,238	14,314,201	35,343,238
		478,255,822	361,083,040	264,788,322

5.2 Unquoted

Name of the Institution	Cost Price 2017	Market Price 2017	Cost Price 2016
Bangladesh Commerce Bank Limited.	-	-	-
GMG Airlines Limited.	10,000,000	-	10,000,000
	10,000,000	-	10,000,000
	488,255,822	361,083,040	274,788,322

6 Lease, Loans and Advances

a) Inside Bangladesh

Investment in Lease Finance		
Gross lease rental receivable	2,315,566,081	2,148,825,058
Less: Unearned interest income	489,950,325	375,855,258
i) Net Investment in Lease Finance	1,825,615,756	1,772,969,800
ii) Term Finance	10,461,031,456	10,098,996,804
iii) House Building Finance	1,722,521,556	2,019,846,736
Total Loans and Lease inside Bangladesh (i+ii+iii)	14,009,168,768	13,891,813,341

b) Outside Bangladesh

	-	-
Total Loans and Lease Finance (a+b)	14,009,168,768	13,891,813,341

6.a Lease, Loans and Advances (Consolidated)

BD Finance	14,009,168,768	13,891,813,341
BD Finance Securities Limited	638,580,233	360,722,060
BD Finance Capital Holdings Limited.	15,160,844	27,978,329
Loan to BD Finance Securities Limited	(347,626,954)	(301,683,700)
Loan to BD Finance Capital Holdings Limited.	(89,372,583)	(98,780,333)
	14,225,910,307	13,880,049,696

	31-Dec-17 BDT	31-Dec-16 BDT
6.1 Maturity wise Classification of Investments:		
With a residual maturity of		
Receivable on Demand	923,308,860	407,539,443
Not more than 3 months	1,363,043,705	971,909,760
Over 3 months but not more than 1 year	2,121,739,509	1,833,834,280
Over 1 year but not more than 5 years	7,949,982,822	8,951,842,403
Over 5 years	1,651,093,872	1,726,687,455
	14,009,168,768	13,891,813,341
6.2 Investments on the basis of significant concentration:		
Investments to allied concern of Directors (Note: 43.5)	486,412,126	449,666,369
Investments to Executives/Officers	25,589,935	858,699
Investments to Customer Groups	7,018,852,968	5,125,822,787
Industrial Investment	5,831,267,609	5,771,704,508
Others	647,046,130	2,543,760,979
	14,009,168,768	13,891,813,341
6.3 Number of client's with amount of outstanding and classified loans, to whom loans and advances sanctioned more than 15% of total capital:		
Total outstanding amount to such customers at end of the year	5,969,124,913	4,866,632,840
Number of such types of customers	14	13
Amount of Classified Investments thereon	216,092,703	211,740,598
Measures taken for recovery		
6.4 Sector-wise Classification of Investment:		

Sector	As at 31 December 2017		As at 31 December 2016	
	Amount	Composition	Amount	Composition
Agriculture	586,084,461	4.18%	216,563,868	1.56%
Chemical & Pharmaceuticals	269,902,753	1.93%	485,962,788	3.50%
Electronics and Electrical Products	366,390,500	2.62%	26,398,965	0.19%
Food Production/Processing Ind.	191,596,145	1.37%	766,519,743	5.52%
Garments	757,327,772	5.41%	451,546,188	3.25%
Glass & Ceramic Industries	884,395	0.01%	1,620,795	0.01%
Iron, Steel & Engineering	1,225,012,509	8.74%	1,270,917,432	9.15%
Jute & Jute Allied Industries	693,339	0.00%	-	0.00%
Merchant Banking	1,794,485,031	12.81%	1,549,447,836	11.15%
Others	647,046,130	4.62%	2,543,760,979	18.31%
Paper, Printing and Packaging	135,734,949	0.97%	134,152,010	0.97%
Plastic Industries	555,252,507	3.96%	17,568,761	0.13%
Power, Gas, Water and Sanitary	1,021,726,527	7.29%	1,084,551,079	7.81%
Real Estate & Housing	640,628,499	4.57%	215,776,235	1.55%
SME	1,869,530,067	13.35%	-	0.00%
Telecom./Information Technology	108,347,519	0.77%	353,686,876	2.55%
Textile	980,282,467	7.00%	990,235,764	7.13%
Trading	2,144,696,373	15.31%	2,764,306,885	19.90%
Transport & Communication	713,546,823	5.09%	1,018,797,139	7.33%
	14,009,168,768	100.00%	13,891,813,341	100.00%

			31-Dec-17 BDT	31-Dec-16 BDT
6.5 Geographical Location-wise loans and lease Finance:				
Location	As at 31 December 2017		As at 31 December 2016	
	Amount	Composition	Amount	Composition
Dhaka	11,139,756,636	79.52%	10,590,423,391	76.23%
Chittagong	2,773,341,352	19.80%	3,174,846,919	22.85%
Sylhet	96,070,780	0.69%	126,543,031	0.91%
	14,009,168,768	100.00%	13,891,813,341	100.00%

6.6 Grouping of Investment as per Classification Rules of Bangladesh Bank:

Particulars	As at 31 December 2017		As at 31 December 2016	
	Amount	Composition	Amount	Composition
Unclassified				
Standard	12,737,105,609	90.92%	12,419,669,321	89.40%
Special Mention Account (SMA)	419,679,594	3.00%	384,267,007	2.77%
	13,156,785,203		12,803,936,328	
Classified				
Substandard	73,147,659	0.52%	383,664,196	2.76%
Doubtful	333,925,666	2.38%	354,710,169	2.55%
Bad or loss	445,310,240	3.18%	349,502,647	2.52%
	852,383,565		1,087,877,013	
	14,009,168,768	100.00%	13,891,813,341	100.00%

6.7 Particulars of provision for Loans and lease Finance

Status	Rate	Basis for Provision	Amount	Amount
			2017	2016
General Provision (for Unclassified portion)				
Standard Non-SME	1%	10,867,575,542	108,675,755	115,095,780
Standard-SME	0.25%	1,869,530,067	4,673,825	2,275,228
Special Mention Account	5%	372,635,256	18,631,763	17,102,236
			131,981,343	134,473,244
Specific Provision				
Substandard	20%	47,437,033	9,487,407	40,574,170
Doubtful	50%	88,094,484	44,047,242	146,037,468
Bad or loss	100%	203,789,909	203,789,909	146,089,654
			257,324,557	332,701,293
Required provision for Loans & Lease Finance			389,305,901	467,174,537
Required provision for Other Receivables			9,117,000	9,025,000
Total provision required			398,422,901	476,199,537
Total provision maintained {note # 12.1(a) & (b)}			408,838,908	477,677,889
Surplus Provision			10,416,007	1,478,353

BD Finance has maintained provision on unclassified investment amounting to Tk. 142,397,350 (note # 12.1.b) and for classified Loan & Lease Finance Tk. 257,324,557 (note # 12.1.a) totaling Tk. 408,838,908. Surplus provision against unclassified loan/lease is Tk. 10,416,007.

	31-Dec-17 BDT	31-Dec-16 BDT
6.8 Particulars of Investments:		
(i) Debts considered good in respect of which the NBFi is fully secured	1,402,020,822	1,959,879,207
(ii) Debts considered good for which the NBFi holds no other security other than the debtor's personal guarantee	5,918,955,842	9,293,979,863
(iii) Debts considered good and secured by personal security of one or more parties in addition to the personal security of the debtors	6,688,192,103	2,637,954,270
	<u>14,009,168,768</u>	<u>13,891,813,341</u>
(iv) Amount of classified loan in which no provision has been maintained	<u>71,088,050</u>	<u>176,075,521</u>
(v) Debts due by directors or officers of the NBFi or any of them either severally or jointly with any other person	<u>25,589,935</u>	<u>18,638,925</u>
(vi) Debts due by companies or firms in which the directors of the NBFi are interested as directors, partners or managing agents or, in the case of private companies as members (Note 43.5).	<u>486,412,126</u>	<u>449,666,369</u>
(vii) Maximum total amount of investments, including temporary investments made at any time during the period to directors or managers or officers of the NBFi's or any of them either severally or jointly with any other persons.	<u>12,432,450</u>	<u>20,172,680</u>
(viii) Maximum total amount of advances including temporary advances granted during the period to the companies or Firms in which the directors of the NBFi are interested as directors, partners or managing agents or in the case of private companies as members	<u>-</u>	<u>-</u>
(ix) Receivable from other NBFi's	<u>-</u>	<u>-</u>
(x) Total amount of advance on which Profit is not credited:	<u>1,272,063,159</u>	<u>1,472,144,020</u>
A. Increase/decrease of provision (specific)		
Amount of debts written off	<u>241,024,124</u>	<u>-</u>
Amount realized against the debts previously written off	<u>404,000</u>	<u>-</u>
B. Provision kept against the debt classified as bad/loss at the date of balance sheet	<u>203,789,909</u>	<u>146,089,654</u>
C. Interest credited to Interest Suspense Account	<u>200,383,099</u>	<u>174,239,619</u>
(xi) Cumulative amount of written off Investments	<u>252,518,441</u>	<u>11,494,317</u>
7 Fixed Assets including Premises, Furniture & Fixtures		
A. Cost:		
Opening balance	458,730,026	383,258,943
Addition during the year	21,214,440	21,126,145
Add: Revaluation During the year	-	57,871,210
Less: Disposal during the year	-	(3,526,272)
Closing balance at cost	479,944,466	458,730,026
B. Depreciation:		
Opening balance	60,069,628	49,001,909
Addition during the year	16,202,960	14,593,991
Less: Adjustment on disposal during the year	-	(3,526,272)
Accumulated Depreciation	76,272,588	60,069,628
Carrying value	403,671,878	398,660,398

*Details are given in Annexure-A

	31-Dec-17 BDT	31-Dec-16 BDT
7.a Fixed Assets including Premises, Furniture and Fixtures (Consolidated)		
BD Finance	403,671,878	398,660,398
BD Finance Securities Limited - PPE	7,406,891	9,176,010
BD Finance Capital Holdings Limited.	1,219,685	4,087,469
	412,298,454	411,923,877
7.1 Revaluation Surplus on Land And Building		
Revalued Amount	360,470,000	360,470,000
Less: Acquisition Value	52,925,188	52,925,188
Less: Deferred Tax Adjustment	12,301,792	12,301,792
Revaluation Surplus	295,243,020	295,243,020
 Note: BD Finance has got ownership stake to the extent of 50% of a four-storied commercial building situated at prime location of 64 Motijheel, Dhaka on the land area measuring 12.76 Decimals. It was acquired way back in the year 2009 at cost price of Tk. Tk. 52,925,188 and for the first time it was revalued on December 31, 2010 for Tk. 191,148,790. Afterward in the year of 2013 it was revalued for Tk. 302,598,790. The earlier revaluation in two phases was conducted by Axis Resources Limited having it's registered office at Property Heights (1st Floor) 12, R.K. Mission Road, Dhaka. It was again revalued on December 2016 for Tk. 360,470,000. The las revaluation was conducted by M/s. Emerging Resources Ltd. having their registered office at Valentine Palace, Road 96, House 4/A, 2nd Floor, Gulshan-2, Dhaka. As a result of revaluation, the Revaluation Surplus stands at Tk. 295,243,020 up from Tk. 239,686,658 appreciating by Tk. 55,556,362 after adjustment of Deferred Tax liability. It is noteworthy that, the valuation report was also counter certified by M/s. MARHK & CO. (Chartered Accountants).		
7.b Revaluation Reserve (Consolidated)		
BD Finance	295,243,020	295,243,020
BD Finance Securities Limited	-	-
BD Finance Capital Holdings Limited	-	-
	295,243,020	295,243,020
8 Other Assets		
Investment in Subsidiaries (Note: 8.1)	849,930,000	849,930,000
Investment in BD Finance Vanguard Mutual Fund One	200,000,000	200,000,000
Receivables, Advances & Deposits (Note 8.2)	839,297,111	644,332,943
	1,889,227,111	1,694,262,943
8.a Other Assets (Consolidated)		
BD Finance	1,039,297,111	844,332,943
BD Finance Securities Limited	1,100,721,452	1,133,137,327
BD Finance Capital Holdings Limited	52,493,216	71,348,199
	2,192,511,779	2,048,818,469

	31-Dec-17 BDT	31-Dec-16 BDT
8.1 Investment In Subsidiaries		
Investment In paid up capital (BD Finance Capital Holdings Limited)	249,930,000	249,930,000
Investment In paid up capital (BD Finance Securities Limited)	600,000,000	600,000,000
	849,930,000	849,930,000
8.2 Receivables, Advances & Deposits		
a) Other receivables		
Interest on investment in FDR	15,323,705	9,653,388
Re-imbursable expenses	6,471,004	6,641,749
Receivable Grace Period Interest	5,456,849	85,456
Receivable Delinquent Charge	3,728,499	16,846,328
Receivable Penal Interest	108,516,825	5,290,923
Receivable Excise Duty	777,220	784,720
Receivable-Others	5,161,233	14,078,231
Stock of Stamp	24,108	53,658
	145,459,444	53,434,452
b) Advance Income Tax		
Opening Balance	559,388,434	405,676,938
Add: Addition during the year	107,535,834	153,711,496
	666,924,268	559,388,434
Less: Adjustment during the year	-	-
Closing balance	666,924,268	559,388,434
Break-up of Advance Tax		
Advance Tax u/s 64 and 74 of ITO 1984		
Assessment Year 2010-2011	4,853,000	4,853,000
Assessment Year 2011-2012	48,800,405	48,800,405
Assessment Year 2012-2013	8,500,000	8,500,000
Assessment Year 2013-2014	-	-
Assessment Year 2014-2015	145,450,872	145,450,872
Assessment Year 2015-2016	103,446,000	103,446,000
Assessment Year 2016-2017	145,527,974	145,527,974
Assessment Year 2017-2018	95,237,421	-
	551,815,672	456,578,251
Advance Tax Deduction at Source		
Assessment Year 2008-2009	19,521,061	19,521,061
Assessment Year 2009-2010	10,730,354	10,730,354
Assessment Year 2010-2011	10,535,623	10,535,623
Assessment Year 2011-2012	4,004,590	4,004,590
Assessment Year 2012-2013	2,187,932	2,187,932
Assessment Year 2013-2014	38,462,728	38,462,728
Assessment Year 2014-2015	4,646,023	4,646,023
Assessment Year 2015-2016	4,538,350	4,538,350
Assessment Year 2016-2017	8,183,522	8,183,522
Assessment Year 2017-2018	12,298,413	-
	115,108,596	102,810,183
	666,924,268	559,388,434
c) Deferred Tax Asset		
Balance at the beginning of the period	11,346,826	6,067,985
Adjustment during the period	2,565,669	5,278,841
Balance at the end of the period	13,912,495	11,346,826

	31-Dec-17 BDT	31-Dec-16 BDT
d) Advance, deposits and prepayments		
Advance Office Rent	4,504,694	1,068,126
Advance against salary	386,451	62,082
Advance others	6,587,045	17,421,008
Advance against 64 Motijheel	-	97,300
	11,478,190	18,648,516
e) Deposits with others		
Deposits with BTTB & Mobile	89,200	89,200
Deposits with Baitul Hossain Building	203,814	203,814
Deposit with Land Lord Bangshal Branch	814,700	814,700
Deposit with CDBL	400,000	400,000
Deposit with Sadharan Bima	15,000	7,000
	1,522,714	1,514,714
Other Assets (a+b+c+d+e)	839,297,111	644,332,942
8.3 Maturity wise classification of other assets		
Receivable on Demand	145,459,444	53,434,452
Not more than 3 months	283,408,201	313,161,817
Over 3 months but not more than 1 year	397,428,563	257,573,443
Over 1 year but not more than 5 years	11,478,190	18,648,516
Over 5 years	1,051,452,714	1,051,444,714
	1,889,227,111	1,694,262,943
9. Non-Banking Assets		
Income Generating	-	-
Non-Income Generating	212,121,062	212,121,062
	212,121,062	212,121,062
BD Finance has been awarded absolute ownership on seven mortgaged property (Land) in the year of 2015 through verdict of honourable court under section 33 (7) of Artha Rin Adalat Ain, 2003. These have been recorded at Taka 212,121,062 as non-banking assets.		
10. Borrowing from other banks, Financial Institutions and agents		
Secured	254,694,343	400,019,477
Un secured	3,502,120,260	3,676,664,586
	3,756,814,603	4,076,684,063
In Bangladesh	3,756,814,603	4,076,684,063
Outside Bangladesh	-	-
	3,756,814,603	4,076,684,063
10.a Borrowing from other banks, Financial Institutions and agents		
BD Finance	3,756,814,603	4,076,684,063
BD Finance Securities Limited	313,143,636	202,157,502
BD Finance Capital Holdings Limited	-	2,557,890
	4,069,958,239	4,281,399,455
10.1 In Bangladesh		
Refinance against SME loan from Bangladesh Bank	13,160,053	18,315,833
Refinance against Housing loan from Bangladesh Bank	1,170,532	1,449,990
Refinance against SME loan from JICA	127,713,813	136,822,707
Term Loan from other Banks	2,338,043,696	2,461,043,473
Short term loan from other banks	856,726,509	999,052,059
Short Term Borrowing	-	80,000,000
Call Loan	420,000,000	380,000,000
	3,756,814,603	4,076,684,063

	31-Dec-17 BDT	31-Dec-16 BDT
10.2 Term loan from Other Banks		
Bank Asia Ltd.	109,648,429	147,785,477
Basic Bank Ltd.	246,706,506	300,015,000
Jamuna Bank Ltd	302,331,500	225,848,732
Midland Bank Ltd.	223,970,009	274,157,420
Mutual Trust Bank Ltd.	213,766,420	316,108,319
NCC Bank Ltd.	303,747,964	154,295,882
Prime Bank Ltd.	71,192,150	100,378,950
Shahjalal Islami Bank Ltd.	275,406,659	356,506,152
Social Islami Bank Ltd.	200,000,000	-
Southeast Bank Ltd.	137,522,373	67,625,550
Standard Bank Ltd.	134,502,626	211,296,603
United Commercial Bank Ltd.	119,249,059	152,796,802
Uttara Bank Ltd.	-	154,228,587
	2,338,043,696	2,461,043,473
10.3 Short Term Loan from Other Banks		
Basic Bank Ltd.	111,278,740	102,527,523
Jamuna Bank Ltd.	52,400,808	101,714,826
Mercantile Bank Ltd.	146,463,018	100,092,297
Midland Bank limited	98,228,589	102,311,733
Mutual Trust Bank Ltd.	22,544,726	183,484,840
NRB Commercial Bank Ltd.	120,870,877	114,007,114
Premier Bank Ltd.	12,118	94,950,851
Southeast Bank Ltd.	99,746,866	99,208,900
South Bangla Agriculture & Commerce Bank Ltd.	102,191,529	-
Standard Bank Limited	47,420,946	71,362,575
United Commercial Bank Ltd.	5,991,529	(20,992,957)
Uttara Bank Ltd.	49,576,763	50,384,357
	856,726,509	999,052,059
10.4 Maturity wise classification of loan		
Repayable on demand	420,000,000	380,000,000
Within 1 month	99,203,524	111,473,343
Over 1 months but not more than 3 months	372,013,214	388,669,528
Over 3 months but not more than 1 year	856,726,509	999,052,059
Over 1 year but not more than 5 years	2,008,871,356	2,197,489,133
Over 5 years	-	-
	3,756,814,603	4,076,684,063
Notes: Loans are secured by way of first charge on all fixed and floating assets of the company, ranking pari passu among all the lenders. The period of the loans are ranging from three to five years term.		
11. Deposits and Other Accounts:		
Term Deposits	8,950,925,640	8,580,576,955
Scheme Deposits	956,499,731	8,790,081
Other Deposits	58,902,497	118,582,499
Advance Rent and Installments	225,774,314	306,909,042
	10,192,102,183	9,014,858,577
11.a Deposits and Other Accounts (Consolidated)		
BD Finance	10,192,102,183	9,014,858,577
BD Finance Securities Limited	-	-
BD Finance Capital Holdings Limited	-	-
	10,192,102,183	9,014,858,577
11.1 Term Deposits		
General Deposits	4,610,925,640	5,540,576,955
Deposit from Other Banks and FI's (Note-11.4)	4,340,000,000	3,040,000,000
	8,950,925,640	8,580,576,955
11.2 Scheme Deposits		

	31-Dec-17	31-Dec-16
	BDT	BDT
General Deposits	956,499,731	8,790,081
Deposit from Other Banks and FI's	-	-
	956,499,731	8,790,081
11.3 Other Deposits		
Lease deposits	23,020,434	59,576,264
Security deposits	244,170	244,170
Sundry creditors	35,637,893	58,762,064
	58,902,497	118,582,499
11.4 Term Deposits from other bank and FI's		
Term Deposits from Banks	3,790,000,000	2,850,000,000
Term Deposits from NBFIs	550,000,000	190,000,000
	4,340,000,000	3,040,000,000
11.5 Term and Other Deposits		
General Deposits	5,626,327,868	5,667,949,535
Deposit from Other Banks and Financial Institutions	4,340,000,000	3,040,000,000
	9,966,327,868	8,707,949,535
11.6 Advance Rent and Installments		
Advance Lease Rental	39,143,987	34,076,401
Advance Term Loan Installments	186,630,328	272,832,641
	225,774,314	306,909,042
11.7 Maturity wise classification of Deposits		
Repayable on demand	-	-
Within 1 month	327,859,031	289,989,518
Over 1 months but not more than 3 months	900,964,969	796,898,582
Over 3 months but not more than 1 year	2,300,409,308	1,150,204,913
Over 1 year but not more than 5 years	5,771,742,626	6,608,715,443
Over 5 year to 10 years	891,126,250	169,050,121
Over 10 years	-	-
	10,192,102,183	9,014,858,577
12. Other Liabilities		
Provision for Loans and Lease Finance (Note 12.1)	408,838,908	477,677,889
Provisions for Investment in Securities (Note 12.2)	128,067,968	68,067,968
Interest Suspense (Note 12.3)	200,383,099	174,239,619
Provision for Taxation (Note 12.4)	765,912,919	732,792,541
Deferred Tax (Note 12.5)	12,301,792	12,301,792
Interest payable on Borrowing and Deposits (Note 12.6)	301,776,917	354,516,956
Payable & Provision against expenditure (Note 12.7)	186,398,878	60,696,855
Advance Rent Received	9,016,000	682,830
Margin on Guarantee	-	2,880,000
Advance Excise Duty Received	10,100,050	9,547,100
Gratuity Fund	18,654,649	13,589,014
Dividend payable	5,025,112	931,100
	2,046,476,291	1,907,923,663
12.a Other Liabilities (Consolidated)		
BD Finance	2,046,476,291	1,907,923,663
BD Finance Securities Limited	204,375,240	276,467,602
BD Finance Capital Holdings Limited	45,403,290	39,654,272
BD Finance Capital Holdings Limited - Adjustment	(869,986)	(1,741,574)
	2,295,384,834	2,222,303,962
12.1 Provision for Investment:		
(a) Provision on Classified Investment:		
Provision held at the beginning of the period	333,036,827	202,538,661
Provision adjustment for Loan/Lease written off during the year	(173,913,088)	-
Net charge to Profit & Loss Account (Note - 32)	98,200,818	130,498,166
Provision held at the end of the period	257,324,557	333,036,827
(b) General Provision on Unclassified Investment:		

	31-Dec-17 BDT	31-Dec-16 BDT
Provision held at the beginning of the period	135,616,062	144,360,731
Net charge to Profit & Loss Account (Note - 32)	6,781,288	(8,744,669)
Balance at the end of the period	142,397,350	135,616,062
(c) Provision on Other Receivables:		
Provision held at the beginning of the period	9,025,000	11,000,000
Net charge to Profit & Loss Account (Note - 32)	92,000	(1,975,000)
Balance at the end of the period	9,117,000	9,025,000
Total Provision for Investments	408,838,908	477,677,889
12.2 Provision for Investment in Securities:		
Provision held at the beginning of the period	68,067,968	68,067,968
Addition/(Adjustment) during the year (note-32)	60,000,000	-
Balance at the end of the period	128,067,968	68,067,968
The total provisions for diminution in value of investment includes Tk. 10,000,000 against GMG Airlines which was maintained as per Bangladesh Bank observation on 30.06.2013		
12.3 Interest Suspense Account:		
Balance at the beginning of the period	174,239,619	117,845,541
Amount transferred to suspense account during the period	26,143,480	56,394,078
Balance at the end of the period	200,383,099	174,239,619
12.4 Provision for Taxation		
Balance at the beginning of the period	732,792,541	593,725,417
Provision made during the period	33,120,379	139,067,124
Balance at the end of the period	765,912,919	732,792,541
12.5 Deferred Tax		
Balance at the beginning of the period	12,301,792	9,986,944
Adjustment during the period		2,314,848
Balance at the end of the period	12,301,792	12,301,792
12.6 Interest payable on Borrowing and Deposits		
Interest payable on TDR and other deposits	246,999,621	292,311,769
Interest payable on term loan	53,480,405	60,582,926
Interest payable on Refinancing loan from BB (SME)	186,209	320,874
Interest payable on Refinancing loan from BB (Housing)	14,711	16,994
Interest payable on Refinancing loan from JICA	817,780	1,220,647
Interest Payable on Call loan	210,000	(4,444)
Interest payable on Security Deposit	68,190	68,190
Balance at the end of the period	301,776,917	354,516,956
12.7 Payable & Provision against expenditure		
Advance transfer price	3,001	3,001
Payable others	137,425,706	21,693,910
Payable to BD Finance Foundation	29,323,209	25,859,486
Withholding Excise Duty	9,721,730	7,552,374
Withholding tax	9,537,710	5,166,899
Withholding VAT	387,523	421,185
Balance at the end of the period	186,398,878	60,696,855
12.8 Maturity wise classification of other liabilities		
Repayable on demand	186,398,878	60,696,855
Within 1 month	54,495,583	44,576,683
Over 1 months but not more than 3 months	43,596,466	66,043,100
Over 3 months but not more than 1 year	119,890,282	124,814,714
Over 1 year but not more than 5 years	326,973,496	320,952,121
Over 5 years	1,315,121,587	1,290,840,190
Balance at the end of the period	2,046,476,291	1,907,923,663
13. Capital		

	31-Dec-17 BDT	31-Dec-16 BDT
13.1 Authorized Capital:		
200,000,000 ordinary shares of Tk. 10 each	2,000,000,000	2,000,000,000
13.2 Issued, Subscribed and Paid up Capital:		
138,454,222 fully paid ordinary shares of Tk. 10 each subscribed and paid up by the sponsor Shareholders & General Shareholders	1,384,542,220	1,258,674,750
Sponsor Shareholders Group	349,682,660	316,828,590
General Shareholders Group	1,034,859,560	941,846,160
	1,384,542,220	1,258,674,750
General Shareholders Group:		
General Public (Individuals)	726,000,800	672,664,750
Financial Institutions	308,639,960	268,619,690
Unit fund	-	-
Investors Account	218,800	561,720
Mutual Fund	-	-
	1,034,859,560	941,846,160

Classification of Shareholders by holding:	No. of Shareholders	No. of Shares	Percentage of Share Holding
Less than 500 shares	6,292	891,184	0.64%
501 to 5,000 shares	4,532	7,791,588	5.63%
5,001 to 10,000 shares	575	4,335,003	3.13%
10,001 to 20,000 shares	346	5,053,165	3.65%
20,001 to 30,000 shares	100	2,483,975	1.79%
30,001 to 40,000 shares	67	2,331,199	1.68%
40,001 to 50,000 shares	39	1,822,020	1.32%
50,001 to 1,00,000 shares	68	5,220,369	3.77%
1,00,001 to 10,00,000 shares	81	27,492,940	19.86%
10,00,001 to 99,99,999 shares	32	81,032,779	58.53%
Total	12,132	138,454,222	100.00%

Year	Declaration	No of Shares	Value of Shares	Cumulative no. of shares
1999	Sponsored Share	500,000	5,000,000	5,000,000
1999	Allotment Share	4,500,000	45,000,000	50,000,000
2003	Bonus Share	500,000	5,000,000	55,000,000
2003	Right Share	1,000,000	10,000,000	65,000,000
2004	Right Share	7,506,000	75,060,000	140,060,000
2004	Bonus Share	780,000	7,800,000	147,860,000
2005	Right Share	4,201,800	42,018,000	189,878,000
2005	Bonus Share	1,478,600	14,786,000	204,664,000
2006	Bonus Share	2,865,290	28,652,900	233,316,900
2007	IPO	7,000,000	70,000,000	303,316,900
2008	Bonus Share	3,033,160	30,331,600	333,648,500
2009	Bonus Share	3,336,480	33,364,800	367,013,300
2010	Bonus Share	7,340,260	73,402,600	440,415,900
2011	Bonus Share	9,689,149	96,891,490	537,307,390
2012	Bonus Share	5,373,073	53,730,730	591,038,120
2013	Bonus Share	5,910,380	59,103,800	650,141,920
2013	Right Share	39,008,515	390,085,150	1,040,227,070
2014	Bonus Share	10,402,270	104,022,700	1,144,249,770
2015	Bonus Share	11,442,497	114,424,970	1,258,674,740
2016	Bonus Share	12,586,748	125,867,480	1,384,542,220

13.3 Capital under Capital Adequacy and Market Discipline (CAMD)

31-Dec-17
BDT

31-Dec-16
BDT

As per the section 4 (GHA) of the Financial institutions rule, 1994 and subsequently updated vide DFIM circular no. 05, dated July 24, 2011, the minimum paid-up capital of the Financial Institution (FI) shall be Taka 100 crore; provided that the sum of paid-up capital and reserves shall not be less than the minimum capital required under the Risk-Based Assets of the company, criteria determined by the Bangladesh Bank.

The Surplus eligible capital of the company solo and consolidated at the close of business on December 31, 2017 were Taka 58.82 crore and Taka 120.27 crore respectively.

Details are as follows:

	BD Finance		BD Finance Group	
	31.12.2017 Taka	31.12.2016 Taka	31.12.2017 Taka	31.12.2016 Taka
a) Core Capital (Tier - I):				
i) Paid-up Capital	1,384,542,220	1,258,674,750	1,384,542,220	1,258,674,750
ii) Statutory Reserve (Note # 14)	264,563,582	222,607,589	264,563,582	222,607,589
iii) General Reserve (Note # 15)	-	-	-	-
iv) Retained Earnings (Note # 16)	171,596,309	129,639,805	294,227,574	196,542,722
v) Minority interest (Note # 16.b)	-	-	489,180,767	467,951,480
vi) Others (If any approved by Bangladesh Bank)	-	-	33,744,750	33,744,750
	1,820,702,112	1,610,922,144	2,466,258,893	2,179,521,292
b) Supplementary Capital (Tier-II):	418,086,828	351,305,540	418,086,828	351,305,540
c) Total eligible capital (a +b)	2,238,788,940	1,962,227,684	2,884,345,721	2,530,826,832
Total Assets Including off-balance sheet exposer	18,211,338,209	16,905,631,466	19,318,947,168	17,993,326,305
D) Total risk weighted Assets	16,505,788,034	14,903,291,795	16,816,948,506	16,141,005,976
E) Required Capital Based on risk weighted Assets (10% of D)	1,650,578,803	1,490,329,179	1,681,694,851	1,614,100,598
F) Surplus (C-E)	588,210,137	471,898,504	1,202,650,870	916,726,234
Capital adequacy Ratio (%)	13.56%	13.17%	17.15%	15.68%
14. Statutory Reserve				
Opening balance			222,607,589	194,582,857
Add: Addition during the period			41,955,994	28,024,732
			264,563,582	222,607,589
15. General Reserve				
Opening balance			-	-
Add: Transfer from Retained Earning			-	-
Less: Distribution During the period			-	-
			-	-
16. Retained Earnings				
Opening balance			129,639,805	131,965,848
Add: Profit after Tax during the period			209,779,968	140,123,659
Less: Transfer to Statutory Reserve			(41,955,994)	(28,024,732)
Less: Issue of Bonus Shares			(125,867,470)	(114,424,970)
			171,596,309	129,639,805
16.a Retained Earnings (Consolidated)				
BD Finance			171,596,309	129,639,805
BD Finance Securities Limited			74,890,247	25,120,844
BD Finance Capital Holdings Limited			79,696,533	52,508,304
Adjustment for Non-Controlling Interest			(31,955,517)	(10,726,230)
			294,227,574	196,542,722
16.b Non Controlling Interest (Consolidated)				
BD Finance Securities Limited				
Paid up Capital			457,150,000	457,150,000
Retained Profit/(Loss)			31,933,202	10,711,528
			489,083,202	467,861,528
BD Finance Capital Holdings Limited.				

	31-Dec-17	31-Dec-16
	BDT	BDT
Paid up Capital	75,250	75,250
Retained Profit/(Loss)	22,315	14,702
	97,565	89,952
	489,180,767	467,951,480

16.1 Capital Reserve

Stock Dividend from BD Finance Securities Ltd.	15,000,000	15,000,000
Stock Dividend from Capital Holdings Ltd.	18,744,750	18,744,750
	33,744,750	33,744,750

Capital reserve created for interim Stock Dividend received from the Subsidiary companies in the year 2014.

17. Letters of Guarantees

Letters of guarantee	100,000,000	-
Less: Margin	-	-
	100,000,000	-

	31-Dec-17 BDT	31-Dec-16 BDT
18. Profit and Loss Account		
Income		
Interest, discount and similar income (Note-19)	1,592,255,704	1,760,435,258
Dividend income {Note-21}	34,836,144	18,535,610
Commission, Exchange and Brokerage	400,000	576,000
Gains less losses arising from investment securities {Note-21}	4,783,433	52,845,138
Other operating income (Note-22)	125,869,858	54,174,557
	1,758,145,140	1,886,566,564
Expenses:		
Interest paid on Deposits & Borrowing (Note-20)	1,166,234,103	1,337,901,289
Administrative expenses	129,590,376	106,982,350
Other operating expenses (Note-31)	28,124,533	30,172,677
Depreciation on Fixed assets {Note-30(a)+30(b)+Note-30(c)}	28,787,344	17,819,810
	1,352,736,356	1,492,876,126
Income over expenditure	405,408,784	393,690,438
19. Interest income		
Interest income on Loans & Lease Finance (Note-19.1)	1,556,679,341	1,741,648,691
Interest on placement with other Banks & FIS (Note-19.2)	35,576,363	18,786,567
	1,592,255,704	1,760,435,258
19.a Interest Income (Consolidated)		
BD Finance	1,592,255,704	1,760,435,258
BD Finance Securities Limited	69,366,174	42,843,043
BD Finance Capital Holdings Limited	2,469,025	16,214,155
BD Finance Securities Limited-Adjustment	(35,951,941)	(34,837,628)
BD Finance Capital Holdings Limited.-Adjustment	(8,299,873)	(7,005,483)
	1,619,839,090	1,777,649,345
19.1 Interest on Loans & Lease Finance		
Interest income on lease finance	191,287,208	195,349,888
Interest income on term finance	1,162,069,305	1,323,532,843
Interest on housing finance	203,322,828	222,765,960
	1,556,679,341	1,741,648,691
19.2 Interest on placement with other Banks & FIS		
Interest on FDR	34,573,042	18,309,577
Interest on STD accounts	1,003,321	476,990
Interest on fund placements	-	-
	35,576,363	18,786,567
20. Interest paid on deposits & borrowing		
Interest paid on deposits	861,625,182	995,039,485
Interest paid on borrowings (Note-20.1)	304,608,921	342,861,805
	1,166,234,103	1,337,901,289
20.a Interest Expenses (Consolidated)		
BD Finance	1,166,234,103	1,337,901,289
BD Finance Securities Limited	33,439,275	22,420,020
BD Finance Capital Holdings Limited	20,895	1,958,061
BD Finance Securities Limited-Adjustment	-	-
BD Finance Capital Holdings Limited.-Adjustment	-	-
	1,199,694,273	1,362,279,370

	31-Dec-17 BDT	31-Dec-16 BDT
20.1 Interest paid on borrowing		
Interest Expenses on Term Loan	233,973,379	251,946,315
Interest Expenses on SOD Loan	41,738,453	49,544,154
Interest Expenses on Call Loan	21,354,625	36,579,625
Interest Expenses on Re financing loan	7,542,464	4,791,710
	304,608,921	342,861,805
21. Income from Investment in Securities		
Income from Investment in Shares	4,783,433	52,845,138
Dividend Income	34,836,144	18,535,610
	39,619,578	71,380,748
21.a Income from Investment in Securities (Consolidated)		
BD Finance	39,619,578	71,380,748
BD Finance Securities Limited	55,716,129	32,048,454
BD Finance Capital Holdings Limited	73,072,053	26,758,503
BD Finance Securities Limited-Adjustment	-	-
BD Finance Capital Holdings Limited.-Adjustment	-	-
	168,407,759	130,187,706
21.b Commission, Exchange and Brokerage (Consolidated)		
BD Finance	400,000	576,000
BD Finance Securities Limited	89,870,185	48,212,496
BD Finance Capital Holdings Limited	1,950,743	1,288,163
BD Finance Securities Limited-Adjustment	-	-
BD Finance Capital Holdings Limited.-Adjustment	-	-
	92,220,928	50,076,660
22. Other Operating Income:		
Penal Interest	91,687,389	17,513,122
Loan Settlement & Others	15,256,841	9,544,967
Contact point verification (CPV)	2,634,969	3,353,217
Ledger management (LM)	405,000	417,050
Transfer Price	113,500	354,497
Processing fees	3,355,177	5,448,418
Legal & Documentation charge	1,300,007	1,988,635
Office Rent (64 Motijheel)	10,694,000	13,497,000
Other Income (Note-22.1)	422,974	2,057,652
	125,869,858	54,174,557
22.a Other Operating Income (Consolidated)		
BD Finance	125,869,858	54,174,557
BD Finance Securities Limited	224,080	282,888
BD Finance Capital Holdings Limited	144,770	107,701
BD Finance Securities Limited-Adjustment	(2,063,100)	(1,249,920)
BD Finance Capital Holdings Limited.-Adjustment	(732,550)	(524,160)
	123,443,059	52,791,066
22.1 Other Income		
Gain/(loss) on sale of fixed assets	-	1,980,000
Miscellaneous income	422,974	77,652
	422,974	2,057,652
23. Salary & Allowances		
Basic Salary	41,891,939	33,142,063
Allowances	36,856,717	27,794,420
Bonus	10,089,750	9,725,774
BD Finance's Contribution to Provident fund	3,402,469	2,158,331
Wages	593,700	664,156
	92,834,575	73,484,744
23.a Salary & Allowances (Consolidated)		
BD Finance	92,834,575	73,484,744
BD Finance Securities Limited	17,610,865	14,212,075
BD Finance Capital Holdings Limited	6,702,253	5,265,165
	117,147,693	92,961,984

	31-Dec-17 BDT	31-Dec-16 BDT
24. Rent, Taxes, Insurance, Electricity etc.		
Rent, Rates & Taxes	18,520,721	16,545,352
Insurance	844,514	535,449
Electricity & Lighting, WASA, Gas etc.	2,014,534	1,803,344
	21,379,769	18,884,145
24.a Rent, Taxes, Insurance, Electricity etc.(Consolidated)		
BD Finance	21,379,769	18,884,145
BD Finance Securities Limited	4,545,134	2,902,374
BD Finance Capital Holdings Limited	1,736,792	1,278,122
BD Finance Securities Limited-Adjustment	(2,063,100)	(1,249,920)
BD Finance Capital Holdings Limited-Adjustment	(732,550)	(524,160)
	24,866,045	21,290,561
25. Legal & Professional Fees		
Legal Fees & Charge	1,511,585	2,201,948
Other Legal Expenses	7,000	-
	1,518,585	2,201,948
25.a Legal & Professional Fees (Consolidated)		
BD Finance	1,518,585	2,201,948
BD Finance Securities Limited	469,237	334,260
BD Finance Capital Holdings Limited	129,333	531,750
	2,117,155	3,067,958
26. Postage, Stamps, Telecommunication etc.		
Stamp & Court Fees	647,263	796,225
Internet expenses	518,517	283,150
Postage & Courier Expenses	48,312	40,864
Telephone & Fax Expenses	152,093	193,254
Mobile Expenses	591,307	481,815
	1,957,492	1,795,308
26.a Postage, Stamps, Telecommunication (Consolidated)		
BD Finance	1,957,492	1,795,308
BD Finance Securities Limited	632,270	553,841
BD Finance Capital Holdings Limited	228,707	205,159
	2,818,469	2,554,308
27. Stationery, Printing, Advertisements etc.		
Stationary-Toner & Cartridge	230,065	230,200
Stationary Expenses	458,091	481,837
Printing Expenses	986,879	1,147,375
Advertisement and Publicity	1,907,522	1,931,293
	3,582,557	3,790,705
27.a Stationery, Printing, Advertisements etc.(Consolidated)		
BD Finance	3,582,557	3,790,705
BD Finance Securities Limited	309,315	205,029
BD Finance Capital Holdings Limited	55,004	99,024
	3,946,876	4,094,758
28. Managing Director's Salary and Allowances		
Basic Salary	3,454,839	2,700,000
Allowances	2,803,226	2,300,000
Bonus	600,000	600,000
	6,858,065	5,600,000
29. Directors' Fees & Conveyance		
Director Fees	1,256,000	984,000
	1,256,000	984,000

Total 16 nos. of Board Meeting and 4 nos of Audit Committee Meeting were held during the period ended on 31 December 2017. Each Director was paid Tk. 8,000 for attending in the meeting as per Bangladesh Bank DFIM Circular No. 13 Dated 30 November, 2015

	31-Dec-17 BDT	31-Dec-16 BDT
29.a Directors' Fees & Conveyance (Consolidated)		
BD Finance	1,256,000	984,000
BD Finance Securities Limited	207,000	195,500
BD Finance Capital Holdings Limited	109,250	109,250
	1,572,250	1,288,750
29.b Audit Fees (Consolidated)		
BD Finance	203,333	241,500
BD Finance Securities Limited	63,250	81,250
BD Finance Capital Holdings Limited	25,556	25,556
	292,139	348,306
30. Depreciation and Repair of Assets		
a) Depreciation of Assets		
Building	539,880	539,880
Furniture & Fixtures	4,341,378	4,062,039
Office Equipment	3,399,829	3,692,892
Motor Vehicles	5,656,397	5,223,601
	13,937,484	13,518,411
b) Amortization Expenses		
System & Software	1,187,898	100,008
Office Renovation	1,077,578	975,572
	2,265,476	1,075,580
c) Repair of Assets		
Office Equipment	2,339,958	412,983
Office Furniture & Fixtures	24,550	4,000
Motor Vehicles	10,219,876	2,808,835
	12,584,384	3,225,818
	28,787,344	17,819,810
30.a Depreciation and Repair of Assets (Consolidated)		
BD Finance	28,787,344	17,819,810
BD Finance Securities Limited	2,823,395	2,629,264
BD Finance Capital Holdings Limited	2,867,784	3,892,515
	34,478,523	24,341,589
31. Other Expenses		
Petrol, Oil, Lubricants, CNG & others	2,659,893	1,985,522
Entertainment	3,511,836	2,160,501
Donation and Subscription	2,662,007	2,039,058
Donation to BD Finance Foundation	6,162,428	7,049,024
Traveling and Conveyance	1,239,058	660,085
Training Expenses	343,950	276,366
Retirement benefits and gratuity	5,065,635	9,569,122
Registration & Renewal Expenses	1,262,199	1,919,559
Papers & Periodicals	78,599	48,008
Office Maintenance	591,614	579,674
Office Supplies	286,553	279,595
Uniform & Liveries	200,330	155,770
Bank Charges & Excise Duty	1,293,846	2,268,737
Business development & Promotion	510,672	44,184
Security Service-Outsourcing	1,092,366	654,162
AGM & Meeting expenses	357,850	448,810
Miscellaneous Expenses	805,697	34,500
	28,124,533	30,172,677
31.a Other Expenses (Consolidated)		
BD Finance	28,124,533	30,172,677
BD Finance Securities Limited-DSE charges	32,454,877	18,663,855
BD Finance Securities Limited	2,062,278	2,074,518
BD Finance Capital Holdings Limited	1,097,539	1,242,575
	63,739,228	52,153,625
32. Provision against loans, lease finance & Others		

	31-Dec-17	31-Dec-16
	BDT	BDT
Provision on classified loans {Note-12.1(a)}	98,200,818	130,498,166
Loan/Lease written off during the year	-	
Provision on unclassified Loans & Advances {Note-12.1(b)}	6,781,288	(8,744,669)
Provision on other receivables {Note-12.1(c)}	92,000	(1,975,000)
Provisions on Investment in Securities (Note - 12.2)	60,000,000	-
	165,074,106	119,778,497
32.a Provision on Investment in Securities (Consolidated)		
BD Finance	60,000,000	-
BD Finance Securities Limited	15,457,182	5,984,284
BD Finance Capital Holdings Limited	7,327,830	(2,567,830)
	82,785,012	3,416,454
33. Earning Per Share (EPS)		
Calculation of Earning Per Share (Note - 2.27):		
Net Profit after Tax	209,779,968	140,123,659
Number of Ordinary Shares outstanding (Denominator)	138,454,222	138,454,222
Earning Per Share (Re-stated 2016)	1.52	1.01
33.a Earning Per Share (EPS) (Consolidated)		
Calculation of Earning Per Share (Note - 2.27):		
Net Profit after Tax	278,942,052	165,737,704
Number of Ordinary Shares outstanding (Denominator)	138,454,222	138,454,222
Earning Per Share (Re-stated 2016)	2.01	1.20
34. Interest received		
Interest received (Note-19)	1,592,255,704	1,760,435,258
Add: Opening interest Receivable on TDR	9,653,388	12,435,896
Less: Closing interest receivable on TDR	(15,323,705)	(9,653,388)
Add: Opening Receivable of Delinquent Charges & Penal Interest	22,137,251	27,875,919
Less: Closing Receivable of Delinquent Charges & Penal Interest	(112,245,324)	(22,137,251)
Add: Closing interest suspense account	200,383,099	174,239,619
Less: Opening Interest Suspense Account	(174,239,619)	(117,845,541)
Add: Opening Receivable of Grace Period Interest	85,456	8,752
Less: Closing Receivable Grace Period Interest	(5,456,849)	(85,456)
	1,517,249,400	1,825,273,809
35. Interest Paid on Deposits & Borrowings		
Interest Paid on Deposits & Borrowings (Note-20)	1,166,234,103	1,337,901,289
Add: Opening interest payable on deposit & borrowings	354,516,956	328,283,083
Less: Closing interest payable on deposit & borrowings	(301,776,917)	(354,516,956)
	1,218,974,142	1,311,667,417
36. Cash Received from other Operating activities		
Income from investment in shares (Note 21)	4,783,433	52,845,138
Other operating income (except gain/(loss) on sales of fixed assets)	125,869,858	54,174,557
	130,653,291	107,019,695
37. Cash Payments for other Operating activities		
Rent, Taxes, Insurance, Lighting etc.	21,379,769	18,884,145
Legal & Professional Fees	1,518,585	2,201,948
Postage, Stamp, Telegram & Telephone	1,957,492	1,795,308
Directors' Fee & Expenses	1,256,000	984,000
Auditors' Fee	203,333	241,500
Repair, Maintenance of NBF's Assets	12,584,384	3,225,818
Other Expenses	28,124,533	30,172,677
	67,024,096	57,505,396

	31-Dec-17 BDT	31-Dec-16 BDT
38. Cash Increase/ Decrease in Other Assets		
Re-imbursable Expenses	6,471,004	6,641,749
Receivable Others	5,161,233	14,078,231
Receivable Excise Duty	777,220	784,720
Investment In Subsidiaries	849,930,000	849,930,000
Investment in BD Finance Vanguard Mutual Fund One	200,000,000	200,000,000
Advance against expenditure {Note-8.2(d)}	11,478,190	18,648,516
Deposits {with other organization Note-8.2(e)}	1,522,714	1,514,714
Stock of Stamp	24,108	53,658
	1,075,364,469	1,091,651,588
Cash (Increase)/ Decrease in Other Assets	16,287,119	63,047,270
39. Cash Increase/ (Decrease) in Other Liabilities		
Payable others	186,398,878	60,696,855
Advance Rent (against 64 Motijheel)	9,016,000	682,830
Advance Excise Duty	10,100,050	9,547,100
Margin on Guarantee	-	2,880,000
Gratuity Fund	18,654,649	13,589,014
Dividend payable	5,025,112	931,100
	229,194,689	88,326,898
Cash Increase/ (Decrease) in Other Liabilities	140,867,790	24,704,494
40. Cash and Cash Equivalents		
Cash in Hand	55,714	48,130
Balance with Bangladesh Bank & Sonali Bank Limited	148,797,583	161,998,454
Balance with Other Banks & Financial Institutions	960,040,271	271,938,816
	1,108,893,568	433,985,401

41. Number of Employees

The number of employees engaged for the whole period or part thereof who received a total remuneration of Tk. 36,000 or above were 112 (In the year 2016 it was 97).

42. Audit Committee

a) Particulars of Audit Committee

Pursuant to the Condition no 3 of the notifications no SEC/CMRRCD/2006-158/Admin/02-08 dated 20 February, 2006 of Securities Exchange Commission the Board of Director's of BD Finance formed a four members Audit Committee named "Board Audit Committee".

Name	Status with BD Finance	Status with the Committee	Educational Qualification
Mr. Haider Ahmed Khan FCA	Independent Director	Chairman	M.Com
Mr. Ansar Uddin Ahmed	Director	Member	MA, M.sc
Mr. Imtiyaj Yousuf	Director	Member	HSC
Mrs. Shahnaz Rashid	Director	Member	BA

The members of the Board Audit Committee are all having good exposure in the NBFIs business. They are all playing active role in the Committee Meeting.

b) Meeting of Audit Committee

During 1 January to 31 December 2017, the Audit Committee of the Board conducted 04 meetings in which among others, the following issues were discussed:-

i) Regular review of the Internal and External (including Bangladesh Bank) Inspection & Audit Report with a view to implementing the suggestion of Internal and External Auditors in respect of Internal Control structure and techniques.

ii) Minimize expenditure in all operational activities where possible.

iii) Reviewing the Accounting procedure with a view to ascertain that the Bangladesh Financial Reporting Standard (BFRS) covering Bangladesh Accounting Standards (BAS) has been applied in maintaining books and records of the company.

c) Internal Control:

The following steps have been taken for implementation of Internal Control Procedure of the company :

- i) Audit & Inspection division of the company carried out Internal Audit with a view to enrich the compliance culture and full control on the exertion of the BD Finance's operations. The division directly report simultaneously to the Board Audit Committee, and
- ii) Regular monitoring has been done for the effectiveness of the quality control policies and procedures with the effect to evaluate the application of internal Control System and Internal Audit Policy, Policy for financial risk, existing rules and regulation.
- iii) To establish Planning, Organizing and Supervising culture and monitoring of Audit and Inspection of the Branches and different divisions of Head Office and surprise inspection of the Branches.

43. Related Party Disclosures:**43.1 Name of the Directors and their interest in different entities:**

Name of the Directors of BD Finance	Firms/Companies related to the Director	Nature and Value of interest in the firm/companies
Mr. Manwar Hossain Chairman	Anwar Silk Mills Limited. Anwar Integrated Steel Plant Anwar Landmark Limited. Anwar Galvanizing Limited. Anwar Jute Spinning Mills Limited. Anwar Cement Limited. Anwar Ispat Limited. AG Automobiles Limited. A One Polymer Limited. BD Finance Capital Holdings BD Finance Securities Limited. Hossain Dyeing & Printing Mills Mehmud Industries (Pvt.) Limited. Modhumoti Bank Limited.	Director Director Director Director Director Director Director Director Director Director Director Director Director Director
Mr. Golam Hafiz Ahmed Director	Nil	Nil
Mr. Geasuddin Ahmed Director	BD Finance Securities Limited. Dhaka Complex (Pvt) Limited. Momota Enterprise	Director Director Owner
Mrs. Shahnaz Rashid Director	Anwar Cement Limited. Anwar Landmark Limited. Anwar Galvanizing Limited. BD Finance Securities Limited.	Shareholder Shareholder Shareholder Director
Mr. Imtiyaj Yousuf Director	Imtiyaj Steel Precious Steel Corporation	Owner Owner
Mr. Haider Ahmed Khan, FCA Independent Director	Ahmed Khan & Co. Flower Faisons Limited. MM Agro Enterprises Limited. Mifkif Apparel Limited. Seasons Aid Limited. Seasons Dresses Limited.	Owner Director Director Director Director Director
Mr. Khondker Fazle Rashid Director	Nil	Nil
Mr. Yousuf Aman Director	Nil	Nil
Mr. Ihtiaz Yousuf Director	Nil	Nil
Mr. Ansar Uddin Ahmed Independent Director	Nil	Nil
Mr. Humayun Shoab Managing Director & CEO (CC)	Nil	Nil

43.2 Significant Contracts where BD Finance is a party and wherein Directors have interest:

Nil

	<u>31-Dec-17</u> <u>BDT</u>	<u>31-Dec-16</u> <u>BDT</u>
43.3 Shares issued to Directors & Executives without consideration or exercise at discount:		Nil

43.4 Lending Policies to related parties:

Lending to related parties is effected as per requirements of 4th Schedule, Section 14 of the Financial Institutions Act, 1993

43.5 Investment (Lease, Loan and Advances) to Directors and their related Concern (Note-6.2):

	Related By	Nature of transaction	Amount in Tk.	Status
i)	City General Insurance Co. Ltd.	Common	49,412,589	Standard
ii)	BD Finance Securities Limited.	Common Director	347,626,954	Standard
iii)	BD Finance Capital Holdings Limited.	Common Director	89,372,583	Standard
			<u>486,412,126</u>	

44. Events after the Reporting Period

The Board of Directors of BD Finance has recommended 10% Stock Dividend for the year 2017.

Company Secretary

Director

Director

Managing Director