

FINANCIAL STATEMENTS (UNAUDITED)

OF

TRUST BANK LIMITED

FOR THE FIRST QUARTER ENDED 31 MARCH 2018

**TRUST BANK LIMITED**  
**and its subsidiaries**  
**Consolidated Balance Sheet (Unaudited)**  
**As at 31 March 2018**

	<b>31.03.2018</b> <b>(Unaudited)</b> <b>Taka</b>	<b>31.12.2017</b> <b>(Audited)</b> <b>Taka</b>
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>		
Cash in hand (including foreign currencies)	3,411,111,879	3,200,839,875
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	13,882,673,557	12,533,909,320
	17,293,785,436	15,734,749,195
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	376,629,652	2,401,769,977
Outside Bangladesh	1,046,090,580	1,647,171,366
	1,422,720,232	4,048,941,343
<b>Money at call and short notice</b>		
	-	-
<b>Investments</b>		
Government	22,685,754,232	25,596,870,065
Others	5,094,926,652	5,018,363,741
	27,780,680,884	30,615,233,806
<b>Loans and Advances/Islami Banking Investments</b>		
Loans, Cash Credit, Overdrafts etc./ Investment	188,301,066,822	182,876,655,537
Bills purchased and discounted	3,640,948,141	4,369,853,447
	191,942,014,963	187,246,508,984
<b>Fixed assets including premises, furniture and fixtures</b>		
	711,827,476	712,868,478
<b>Other assets</b>		
	4,368,637,694	2,960,877,649
<b>Non-banking assets</b>		
	-	-
<b>Total Assets</b>	<b>243,519,666,685</b>	<b>241,319,179,455</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities</b>		
Borrowings from other banks, financial institutions and agents	17,703,854,738	16,565,960,958
<b>Deposits and other accounts</b>		
Current / Al-wadeeah Current Accounts and other Accounts	29,186,810,654	28,172,405,389
Bills Payable	2,307,110,613	2,685,106,501
Savings Bank / Mudaraba Savings Deposits	27,905,969,539	28,898,709,201
Fixed Deposits / Mudaraba Term Deposits	139,745,102,485	140,517,973,798
Bearer Certificates of Deposit	-	-
Other Deposits	-	-
	199,144,993,291	200,274,194,889
<b>Other liabilities</b>		
	13,719,864,955	12,004,121,227
<b>Total Liabilities</b>	<b>230,568,712,984</b>	<b>228,844,277,074</b>
<b>Capital/Shareholders' Equity</b>		
Paid up Capital	5,569,662,160	5,569,662,160
Minority Interest	793	789
Foreign Currency Translation Reserve	1,804,817	1,780,871
Statutory Reserve	5,027,443,088	4,815,477,540
Other Reserve	20,828,738	5,447,527
Retained Earnings	2,331,214,105	2,082,533,494
<b>Total Shareholders' Equity</b>	<b>12,950,953,701</b>	<b>12,474,902,381</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>243,519,666,685</b>	<b>241,319,179,455</b>

31.03.2018 (Uaudited) Taka	31.12.2017 (Audited) Taka
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**OFF-BALANCE SHEET ITEMS**

**Contingent Liabilities**

Acceptances and endorsements	24,481,578,064	17,979,437,869
Letter of Guarantees	34,324,427,755	32,341,290,473
Irrevocable Letter of Credits	29,130,907,587	37,093,735,397
Bills for collection	3,127,545,727	3,706,832,462
	<b>91,064,459,133</b>	<b>91,121,296,201</b>

**Other Contingent Liabilities**

Value of travelers' cheques in hand	-	-
<b>Total:</b>	<b>91,064,459,133</b>	<b>91,121,296,201</b>

**Other commitments**

Documentary Credit and short term trade -related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	-	-


<b>Total Off-Balance Sheet items including contingent liabilities</b>	<b>91,064,459,133</b>	<b>91,121,296,201</b>
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Chief Financial Officer



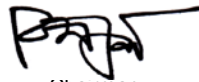
Company Secretary



Managing Director



Vice Chairman



Chairman

**TRUST BANK LIMITED**  
**and its subsidiaries**  
**Consolidated Profit and Loss Account**  
**For the period from January to March 31, 2018 ( First Quarter)**

	January to March 31, 2018 Taka	January to March 31, 2017 Taka
Interest income / Profit on Investment	4,021,122,570	3,242,394,577
Interest / Profit paid on deposits and borrowings etc.	2,458,394,542	2,122,660,619
<b>Net interest income</b>	<b>1,562,728,028</b>	<b>1,119,733,958</b>
Income from investments	513,437,104	618,616,455
Commission, exchange and brokerage	249,635,713	298,237,262
Other operating income	85,472,360	101,360,106
	848,545,177	1,018,213,823
<b>Total operating income</b>	<b>2,411,273,205</b>	<b>2,137,947,781</b>
Salaries and allowances	446,052,883	430,180,800
Rent, taxes, insurance, electricity, etc.	186,056,178	169,947,157
Legal expenses	349,784	43,550
Postage, stamps, telecommunications, etc.	16,622,042	27,902,234
Stationery, printing, advertisement etc.	11,696,559	9,708,079
Managing Director's salary and benefits	2,119,459	3,102,900
Directors' fees	710,000	748,000
Auditors' fee	-	-
Charges on loan losses	-	-
Depreciation and repair of bank's assets	61,676,300	54,916,336
Other expenses	141,368,382	140,935,914
<b>Total operating expenses</b>	<b>866,651,587</b>	<b>837,484,970</b>
<b>Profit before provision</b>	<b>1,544,621,618</b>	<b>1,300,462,811</b>
Provision for loans & advances / Investments	462,969,000	193,427,500
Provision for Diminution in value of Investment	131,592	(4,891,398)
Other provision	(2,480,900)	36,851,814
	460,619,692	225,387,916
<b>Total Profit before Taxes</b>	<b>1,084,001,926</b>	<b>1,075,074,895</b>
Provision for Taxation		
Current tax	629,397,568	498,028,590
Deferred tax	(6,041,805)	(7,220,424)
	623,355,763	490,808,166
<b>Net Profit after Taxation</b>	<b>460,646,163</b>	<b>584,266,729</b>
<b>Appropriations</b>		
Statutory Reserve	211,965,548	190,552,974
General reserve	-	-
	211,965,548	190,552,974
<b>Retained surplus</b>	<b>248,680,615</b>	<b>393,713,755</b>
Earning per share (EPS)	0.83	1.05



Chief Financial Officer



Company Secretary



Managing Director



Vice Chairman



Chairman

**TRUST BANK LIMITED**  
and its subsidiaries  
**Consolidated Statements of Cash Flow**  
For the period from January to March 31, 2018 ( First Quarter)

	Notes	January to March 31, 2018 Taka	January to March 31, 2017 Taka
<b>A. Cash flow from operating activities</b>			
Interest received in cash		3,436,117,874	2,797,090,886
Interest payments		(1,921,114,263)	(1,962,367,697)
Dividend receipts		-	12,936
Fees and commission receipts in cash		260,258,735	269,102,949
Recoveries of loans previously written off		-	-
Cash paid to employees		(432,132,716)	(677,166,141)
Cash paid to suppliers		(8,385,700)	(4,133,843)
Income Taxes paid		(325,285,972)	(340,791,090)
Received from other operating activities (item-wise)	36 (a)	656,061,670	896,596,114
Payments for other operating activities (item-wise)	37 (a)	(353,875,272)	(312,951,861)
<b>Operating profit before changes in operating Assets and Liabilities</b>		<b>1,311,644,356</b>	<b>665,392,253</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>			
Statutory Deposits		-	-
Net Investment in trading securities		(76,562,911)	(24,929,530)
Loan & advance to other banks		-	-
Loan & advance to customers		(4,552,343,317)	(12,284,224,660)
Other assets (item-wise)	38 (a)	(858,041,935)	(84,156,442)
Deposits from other banks		(308,397,657)	621,087,901
Deposits from customers		(1,309,592,279)	(6,584,685,351)
Other liabilities account of customers	-	-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39 (a)	700,536,291	(183,074,516)
<b>Net cash from operating activities (A)</b>		<b>(5,092,757,452)</b>	<b>(17,874,590,344)</b>
<b>B. Cash flow from investing activities</b>			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		2,926,739,944	7,182,622,547
Purchase of property, plant & equipment		(43,622,384)	(10,287,797)
Purchase of intangible assets		(687,425)	(5,924)
Sale of property, plant & equipment		16,393	49,500
Purchase/ Sale of Subsidiary		-	-
<b>Net cash from investing activities (B)</b>		<b>2,882,446,528</b>	<b>7,172,378,326</b>
<b>C. Cash flow from financing activities</b>			
Increase/(Decrease) in Borrowing:			
Call loan		2,240,000,000	-
Other borrowings		(1,102,136,956)	407,876,886
Dividend paid in cash		-	-
<b>Net cash from financing activities (C)</b>		<b>1,137,863,044</b>	<b>407,876,886</b>
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>		<b>(1,072,447,880)</b>	<b>(10,294,335,132)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>		<b>5,505,910</b>	<b>26,269,453</b>
<b>F. Opening Cash and Cash Equivalent</b>		<b>19,788,044,938</b>	<b>31,424,380,197</b>
<b>G. Cash and cash equivalents at end of year (D+E+F)</b>		<b>18,721,102,968</b>	<b>21,156,314,518</b>
<b>Consolidated Cash and Cash Equivalents at the end of the year</b>			
Cash in hand (including foreign currencies)	3.1	3,411,111,879	3,275,615,920
Balance with Bangladesh Bank & Sonali Bank (Incl. FC)	3.2	13,882,673,557	12,157,262,279
Balance with Other Bank and Financial Institutions	4(a)	1,422,720,232	4,758,687,719
Money at call and short notice	5	-	960,000,000
Prize Bond	6	4,597,300	4,748,600
<b>Total</b>		<b>18,721,102,968</b>	<b>21,156,314,518</b>

**TRUST BANK LIMITED**  
and its subsidiaries  
**Consolidated Statement of changes in Equity (Unaudited)**  
For the period from January to March 31, 2018 (First Quarter)

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 01 January 2018</b>	5,569,662,160	-	789	1,780,871	4,815,477,540	5,447,527	2,082,533,494	12,474,902,381
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	15,381,211	-	15,381,211
Currency transaction difference	-	-	-	23,946	-	-	-	23,946
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	4	-	-	-	460,646,159	460,646,163
Statutory reserve	-	-	-	-	211,965,548	-	(211,965,548)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>5,569,662,160</b>	<b>-</b>	<b>793</b>	<b>1,804,817</b>	<b>5,027,443,088</b>	<b>20,828,738</b>	<b>2,331,214,105</b>	<b>12,950,953,701</b>

**TRUST BANK LIMITED**  
and its subsidiaries  
**Consolidated Statement of changes in Equity (Unaudited)**  
For the period from January to March 31, 2017 (First Quarter)

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 01 January 2017</b>	5,063,329,240	-	789	452,615	4,027,401,519	39,863,658	2,385,582,491	11,516,630,312
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	(16,146,152)	-	(16,146,152)
Currency transaction difference	-	-	-	134,876	-	-	-	134,876
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	22	-	-	-	584,266,707	584,266,729
Statutory reserve	-	-	-	-	190,552,974	-	(190,552,974)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	<b>5,063,329,240</b>	<b>-</b>	<b>811</b>	<b>587,491</b>	<b>4,217,954,493</b>	<b>23,717,506</b>	<b>2,779,296,224</b>	<b>12,084,885,765</b>

TRUST BANK LIMITED

Balance Sheet (Unaudited)  
As at 31 March 2018

	Notes	31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3		
Cash in hand (including foreign currencies)		3,411,111,879	3,200,839,875
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		13,882,673,557	12,533,909,320
		17,293,785,436	15,734,749,195
<b>Balance with other banks and financial institutions</b>	4		
In Bangladesh		309,089,002	2,319,551,445
Outside Bangladesh		1,046,090,580	1,647,171,366
		1,355,179,582	3,966,722,811
<b>Money at call and short notice</b>	5	-	-
<b>Investments</b>	6		
Government		22,685,754,232	25,596,870,065
Others		2,948,588,873	2,948,592,453
		25,634,343,105	28,545,462,518
<b>Loans and Advances/islami Banking Investments</b>	7		
Loans, Cash Credit, Overdrafts etc./ Investment		185,951,869,151	180,540,849,907
Bills purchased and discounted		3,640,948,141	4,369,853,447
		189,592,817,292	184,910,703,354
<b>Fixed assets including premises, furniture and fixtures</b>	8	703,365,828	704,060,104
<b>Other assets</b>	9	7,323,300,794	5,908,931,354
<b>Non-banking assets</b>		-	-
<b>Total Assets</b>		<b>241,902,792,037</b>	<b>239,770,629,336</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	10	17,693,305,169	16,536,740,374
<b>Deposits and other accounts</b>	11		
Current / Al-wadeeah Current Accounts and other Accounts		29,318,824,056	28,351,664,343
Bills Payable		2,307,110,613	2,685,106,501
Savings Bank / Mudaraba Savings Deposits		27,905,969,539	28,898,709,201
Fixed Deposits / Mudaraba Term Deposits		139,745,102,485	140,517,973,798
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		199,277,006,693	200,453,453,843
<b>Other liabilities</b>	12	12,360,017,714	10,668,251,948
<b>Total Liabilities</b>		<b>229,330,329,576</b>	<b>227,658,446,165</b>
<b>Capital/Shareholders' Equity</b>			
Paid up Capital	13.2	5,569,662,160	5,569,662,160
Foreign Currency Translation Reserve		1,804,817	1,780,871
Statutory Reserve	14	5,027,443,088	4,815,477,540
Other Reserve	15	20,828,738	5,447,527
Retained Earnings	16	1,952,723,658	1,719,815,073
<b>Total Shareholders' Equity</b>		<b>12,572,462,461</b>	<b>12,112,183,171</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>241,902,792,037</b>	<b>239,770,629,336</b>

Notes	31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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**OFF-BALANCE SHEET ITEMS**

**Contingent Liabilities**

17

Acceptances and endorsements	24,481,578,064	17,979,437,869
Letter of Guarantees	34,263,897,755	32,341,290,473
Irrevocable Letter of Credits	29,130,907,587	37,093,735,397
Bills for collection	3,127,545,727	3,706,832,462
	<b>91,003,929,133</b>	<b>91,121,296,201</b>

**Other Contingent Liabilities**

Value of travelers' cheques in hand

**Total:**

-	-
<b>91,003,929,133</b>	<b>91,121,296,201</b>

**Other commitments**


Documentary Credit and short term trade -related transactions  
 Forward assets purchased and forward deposits placed  
 Undrawn note issuance and revolving facilities  
 Undrawn formal standby facilities, credit lines and other commitments

-	-
-	-
-	-
-	-
-	-

**Total Off-Balance Sheet items including contingent liabilities**


<b>91,003,929,133</b>	<b>91,121,296,201</b>
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Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Vice Chairman

  
Chairman



TRUST BANK LIMITED

Profit and Loss Account  
For the period from January to March 31, 2018 ( First Quarter)

	Notes	January to March 31, 2018 Taka	January to March 31, 2017 Taka
Interest income / Profit on Investment	19	3,996,109,035	3,231,261,282
Interest / Profit paid on deposits and borrowings etc.	20	2,458,473,504	2,122,239,645
<b>Net interest income</b>		<b>1,537,635,531</b>	<b>1,109,021,637</b>
Income from investments	21	505,721,453	518,099,570
Commission, exchange and brokerage	22	247,781,041	283,086,270
Other operating income	23	79,970,967	88,339,572
		833,473,461	889,525,412
<b>Total operating income</b>		<b>2,371,108,992</b>	<b>1,998,547,049</b>
Salaries and allowances	24	438,213,723	422,534,647
Rent, taxes, insurance, electricity, etc.	25	182,035,489	166,521,634
Legal expenses		348,084	43,550
Postage, stamps, telecommunications, etc.	26	16,454,734	27,200,237
Stationery, printing, advertisement etc.	27	11,624,923	9,633,233
Managing Director's salary and benefits		1,572,409	2,557,500
Directors' fees	28	695,000	655,000
Auditors' fee		-	-
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29	61,198,227	54,329,674
Other expenses	30	138,650,564	135,963,202
<b>Total operating expenses</b>		<b>850,793,153</b>	<b>819,438,677</b>
<b>Profit before provision</b>		<b>1,520,315,839</b>	<b>1,179,108,372</b>
Provision for loans & advances / Investments	31	462,969,000	193,427,500
Provision for Diminution in value of Investment	32	-	(3,935,812)
Other provision	33	(2,480,900)	36,851,814
		460,488,100	226,343,502
<b>Total Profit before Taxes</b>		<b>1,059,827,739</b>	<b>952,764,870</b>
Provision for Taxation			
Current tax	12.5.1	621,000,000	481,000,000
Deferred tax		(6,046,394)	(7,220,380)
		614,953,606	473,779,620
<b>Net Profit after Taxation</b>		<b>444,874,133</b>	<b>478,985,250</b>
<b>Appropriations</b>			
Statutory Reserve	14.1	211,965,548	190,552,974
General reserve		-	-
		211,965,548	190,552,974
<b>Retained surplus</b>		<b>232,908,585</b>	<b>288,432,276</b>
Earning per share (EPS)	35	0.80	0.86



Chief Financial Officer



Company Secretary



Managing Director



Vice Chairman



Chairman

TRUST BANK LIMITED

Cash Flow Statements

For the period from January to March 31, 2018 ( First Quarter)

	Notes	January to March 31, 2018 Taka	January to March 31, 2017 Taka
<b>A. Cash flow from operating activities</b>			
Interest received in cash		3,411,104,339	2,785,957,591
Interest payments		(1,921,193,225)	(1,961,946,723)
Dividend receipts		-	12,936
Fees and commission receipts in cash		260,258,735	269,102,949
Recoveries of loans previously written off		-	-
Cash paid to employees		(426,057,951)	(671,121,081)
Cash paid to suppliers		(8,327,901)	(4,084,053)
Income Taxes paid		(312,173,403)	(324,682,015)
Received from other operating activities (item-wise)	36	640,993,521	767,907,702
Payments for other operating activities (item-wise)	37	(344,464,896)	(301,896,486)
<b>Operating profit before changes in operating Assets and Liabilities</b>		<b>1,300,139,219</b>	<b>559,250,820</b>
<b>Increase/(Decrease) in operating assets &amp; liabilities</b>			
Statutory Deposits		-	-
Net Investment in trading securities		3,580	158,083,157
Loan & advance to other banks		-	-
Loan & advance to customers		(4,537,995,715)	(12,414,377,186)
Other assets (item-wise)	38	(866,032,891)	(53,978,900)
Deposits from other banks		(308,397,657)	621,087,901
Deposits from customers		(1,356,837,831)	(6,728,402,102)
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39	672,233,644	(101,600,025)
<b>Net cash from operating activities (A)</b>		<b>(5,096,887,651)</b>	<b>(17,959,936,335)</b>
<b>B. Cash flow from investing activities</b>			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		2,926,739,944	7,182,622,547
Purchase of property, plant & equipment		(43,516,054)	(10,287,797)
Purchase of intangible assets		(687,425)	(5,924)
Sale of property, plant & equipment		16,393	49,500
Purchase/ Sale of Subsidiary		-	-
<b>Net cash from investing activities (B)</b>		<b>2,882,552,858</b>	<b>7,172,378,326</b>
<b>C. Cash flow from financing activities</b>			
Increase/(Decrease) in Borrowing:		-	-
Call loan		2,240,000,000	-
Other borrowings		(1,083,435,205)	424,490,762
Dividend paid in cash		-	-
<b>Net cash from financing activities (C )</b>		<b>1,156,564,795</b>	<b>424,490,762</b>
<b>D. Net increase in Cash and Cash Equivalent (A+B+C)</b>		<b>(1,057,769,998)</b>	<b>(10,363,067,247)</b>
<b>E. Effects of exchange rate changes on cash and cash equivalents</b>			
		<b>5,505,910</b>	<b>26,269,453</b>
<b>F. Opening Cash and Cash Equivalent</b>		<b>19,705,826,406</b>	<b>31,354,042,840</b>
<b>G. Cash and cash equivalents at end of year (D+E+F)</b>	40	<b>18,653,562,318</b>	<b>21,017,245,046</b>
<b>Cash and Cash Equivalents at the end of the year</b>			
Cash in hand (including foreign currencies)	3.1	3,411,111,879	3,275,615,920
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	3.2	13,882,673,557	12,018,192,807
Balance with Other Bank and Financial Institutions	4	1,355,179,582	4,758,687,719
Money at call and short notice	5	-	960,000,000
Prize Bond	6	4,597,300	4,748,600
<b>Total</b>		<b>18,653,562,318</b>	<b>21,017,245,046</b>

**TRUST BANK LIMITED**

**Statement of changes in Equity (Unaudited)  
For the period from January to March 31, 2018 (First Quarter)**

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 01 Jan 2018</b>	5,569,662,160	-	1,780,871	4,815,477,540	5,447,527	1,719,815,073	12,112,183,171
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	15,381,211	-	15,381,211
Currency transaction difference	-	-	23,946	-	-	-	23,946
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	444,874,133	444,874,133
Statutory reserve	-	-	-	211,965,548	-	(211,965,548)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>5,569,662,160</b>	<b>-</b>	<b>1,804,817</b>	<b>5,027,443,088</b>	<b>20,828,738</b>	<b>1,952,723,658</b>	<b>12,572,462,461</b>

**TRUST BANK LIMITED**

**Statement of changes in Equity  
For the period from January to March 31, 2017 (First Quarter)**

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b>Balance as at 01 Jan 2017</b>	5,063,329,240	-	452,615	4,027,401,519	39,863,658	2,044,117,600	11,175,164,632
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	(16,146,152)	-	(16,146,152)
Currency transaction difference	-	-	134,876	-	-	-	134,876
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	478,985,250	478,985,250
Statutory reserve	-	-	-	190,552,974	-	(190,552,974)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	<b>5,063,329,240</b>	<b>-</b>	<b>587,491</b>	<b>4,217,954,493</b>	<b>23,717,506</b>	<b>2,332,549,876</b>	<b>11,638,138,606</b>

**TRUST BANK LIMITED**  
**Liquidity Statement**  
**(Asset and Liability Maturity Analysis)**  
**As at 31 March 2018**

Amount in Taka

Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
<b>Assets:</b>						
Cash in Hand	3,411,111,879	-	-	-	-	3,411,111,879
Balance with Bangladesh Bank and Sonali Bank	1,935,657,502	-	-	-	11,947,016,055	13,882,673,557
Balance with other banks and financial institutions	1,355,179,582	-	-	-	-	1,355,179,582
Money at call and short notice	-	-	-	-	-	-
Investments	304,597,300	3,786,965,645	2,948,770,793	10,128,603,640	8,465,405,727	25,634,343,105
Loans and Advances	13,920,315,594	72,666,305,923	53,377,980,011	35,323,747,466	14,304,468,298	189,592,817,292
Fixed Assets including premises, furniture and fixtures	-	-	-	-	703,365,828	703,365,828
Other assets	2,000,103,148	755,022,045	1,001,768,456	191,710,085	3,374,697,060	7,323,300,794
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>22,926,965,005</b>	<b>77,208,293,613</b>	<b>57,328,519,260</b>	<b>45,644,061,191</b>	<b>38,794,952,968</b>	<b>241,902,792,037</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	4,896,827,784	3,450,720,006	5,188,882,862	3,356,874,517	800,000,000	17,693,305,169
Deposits	60,750,974,066	23,342,700,467	46,476,747,654	25,066,577,690	33,325,975,437	188,962,975,314
Other accounts	10,314,031,379	-	-	-	-	10,314,031,379
Provision and other liabilities	865,947,265	2,873,219,338	6,375,056,438	1,655,751,884	590,042,789	12,360,017,714
<b>Total Liabilities</b>	<b>76,827,780,494</b>	<b>29,666,639,811</b>	<b>58,040,686,954</b>	<b>30,079,204,091</b>	<b>34,716,018,226</b>	<b>229,330,329,576</b>
<b>Net Liquidity Gap</b>	<b>(53,900,815,489)</b>	<b>47,541,653,802</b>	<b>(712,167,694)</b>	<b>15,564,857,100</b>	<b>4,078,934,742</b>	<b>12,572,462,461</b>

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank

**TRUST BANK LIMITED**  
**Notes to the Financial Statements**  
**For the Period from January to March 31, 2018 ( First Quarter)**

**1 The Bank & it's activities:**

Trust Bank Limited is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank has One Hundred Two (104) branches and six (6) SME Service Centers/Krishi Branch are operating in Bangladesh as at 31 March 2018. The Bank has no overseas branches as at 31 March 2018. The bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

The registered office of the Bank is located at Shadhinata Tower, Shaheed Jahangir Gate, Dhaka Cantt., Dhaka-1206.

Initially the bank has started its operation in the name of "The Trust Bank Limited" but on 12 November 2006 it was renamed as "Trust Bank Limited" by the Registrar of Joint Stock Companies. The new name of the bank was approved by Bangladesh Bank on 03 December 2006.

The Principal activities of the Bank to provide full range of banking services that include deposit banking, loans & advances, export, import and financing national and international remittance facilities etc.

**1.1 Off-shore Banking Unit**

The Bank obtained Off-shore Banking Unit Permission vide letter no. BRPB(P-3)744(116)/2010-2462 dated 2 June 2010. The Bank commenced its operation from 24 October 2013 through our Dilkusha Corporate Branch, Gulshan Corporate & CDA Avenue Branch. The Off-shore banking units are governed under the rules and guidelines of Bangladesh Bank. Separate financial statements of Off-shore banking are shown in Annex-G

**1.1.1 Subsidiaries of the Bank**

The Bank has 2 (Two) Subsidiaries details of which are given below:

**1.1.2 Trust Bank Investment Limited**

Trust Bank Investments Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 9 September 2010 with an initial paid up capital of Taka 3000 million upon receiving consent from SEC on 25 October 2010 having registered office is located at 36 Dilkusha Commercial Area, Dhaka - 1000.

Trust Bank Investment Limited offers full range of Merchant Banking Services that include Issue Management, Underwriting, Portfolio Management etc.

**1.1.3 Trust Bank Securities Limited**

Trust Bank Securities Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 7 February 2013 with an initial paid up capital of Taka 350 million having registered office is located at 28, Kafrul, Dhaka - 1206.

Trust Bank Securities Limited offers full range of Business of Stock Brokers that includes buy and sell of shares & securities, fixed income securities, Bonds Debenture etc.

**1.2 Islamic Banking Activities**

The defining characteristic of Islamic banking is Shariah compliance with special reference to the prohibition of interest (Riba) from all transactions and dealing in businesses that are allowed (halal) in shariah. Islamic banking is governed by a set of strict rules derived from the holy book, the Qur'an & Sunnah of Prophet (PBUH).

Trust Bank Ltd. started its Islamic banking operations through 'window' mechanism as per Bangladesh Bank approval. Trust Islamic Banking (TIB), the brand name of the operation, has started its operation from latter part of 2008 through 5 (five) Islamic banking windows at the TBL-Principal Br., Millennium Br., Dilkusha Br. in Dhaka, CDA Br. in Chittagong & Sylhet Corporate branch in Sylhet.

In addition to the Shariah guidelines, Trust Islamic Banking operations are strictly complied with the Bangladesh Bank instructions regarding Islamic banking operations and adheres to the followings:

- Completely Separate Fund management – no mingling of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit & Loss Account and daily affairs are prepared by Islamic banking module of Bank's CBS in each window.
- TIB has a Shariah Supervisory Committee (SSC) with distinguished shariah scholars for guidance on Shariah related issues.
- Profit sharing ratio (Depositor: Bank) is 65:35 for the year 2017.
- Profit distributions are executed as per approved weightage table.

A dedicated team of resources with skill & commitment in Islamic finance & banking at Head Office closely monitors and supervises the entire operations of TIB to ensure compliance, development and growth of Islamic Banking business. TIB offers the full range deposit & investment products & services for corporate, retail & SME sectors.

A separate Balance-sheet, Profits & Loss account and Cash-Flow Statements are shown in the Annexure D, E & F of this report.

The figures appears in the Annexures have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

## **2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of preparation**

#### **2.1 Statement of Compliance**

The consolidated financial statements of the group (comprising the Bank and its subsidiaries) and the financial statements of Trust Bank Limited as at and for the year ended 31 March 2018 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the First Schedule (Section 38) of the Bank Companies Act 1991, as amended by the BRPD Circular 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987, Stock Exchanges' listing regulations and other rules and regulations are applicable in Bangladesh. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

#### **i) Investment in shares and securities**

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

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

#### **ii) Revaluation gains/losses on Government securities**

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

**Bangladesh Bank:** According to DOS Circular 05 dated 26 May 2008 and subsequently clarification in DOS Circular 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.

#### **iii) Provision on loans and advances/investments**

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

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

#### **iv) Recognition of interest in suspense**

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

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

#### **v) Other comprehensive income**

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

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

**vi) REPO and Reverse REPO Transaction**

**BFRS:** When an entity sells a financial assets and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is treated as a loan and the underlying assets continues to be recognized in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. Same rule applies to the opposite side of the transaction (Reverse REPO).

**Bangladesh Bank:** As per DOS Circular Letter no. 6 dated 15 July 2010 and subsequent clarification in DOS Circular No. 2 dated 23 January 2013, when a Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial assets should be derecognized in the seller's book and recognized in the buyer's book.

**vii) Financial instruments – presentation and disclosure**

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

**viii) Financial guarantees**

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

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

**ix) Cash and cash equivalent**

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

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

**x) Non-banking asset**

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

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

**xi) Cash flow statement**

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

**Bangladesh Bank:** As per BRPD 14, cash flow is the mixture of direct and indirect methods.

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

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

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

**xiii) Presentation of intangible asset**

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

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

**xiv) Off-balance sheet items**

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

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

**xv) Loans and advances/Investments net of provision**

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

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

**2.2 Basis of Consolidation**

The consolidated financial statements include the financial statements of Trust Bank Limited and its subsidiary Trust Bank Investment Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with BFRS 10: *Consolidated Financial Statements*.

**2.3 Subsidiary**

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary companies are consolidated using the purchase method of accounting.

**2.4 Use of estimates and judgments**

The preparation of consolidated financial statements of the Bank requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

**2.5 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities.

**2.6 Transactions eliminated on consolidation**

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions between Group are also eliminated on consolidation.

**2.7 Foreign currency transaction**

**a) Foreign currency**

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

**b) Foreign currencies translation**

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per BAS-21, "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT.

Assets and liabilities & income and expenses of Off-shore Banking Units have been converted into BDT currency @ US\$1 = Taka 83.45 (closing rate as at 31 March 2018) and Tk.83.33 (average rate at quarter-end).

**c) Commitments**

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at rates mentioned in contracts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT terms at the rates of exchange prevailing on the balance sheet date.

**d) Translation gains and losses**

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign subsidiary.

**e) Foreign operations**

The results and financial position of the Group's operations whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

i) Assets and liabilities are translated at the exchange rate prevailing at the balance sheet date.



ii) Income and expenses in the income statement are translated at an average rate approximating the exchange rates at the year end;

iii) Resulting exchange differences are recognized as a separate component of equity.

iv) As per BAS 21, 'Foreign Currency Transactions' i.e. foreign currency denominated both monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

**f) Consolidation of Financial Statements of foreign operations**

In Consolidation, foreign exchange differences arising from the translation of net investments in foreign entities, as well as any borrowings are taken into capital reserve. When a foreign operation is disposed of, such currency translation differences are recognized in the income statement as part of the gain or loss on disposal.

**2.8 Reporting Period**

These financial statements of the Bank and its subsidiaries cover the first quarter from 1 January to 31 March 2018.

**2.9 Events after the reporting period**

Where necessary, all the material events after the reporting period have been considered and appropriate adjustment / disclosures have been made in the financial statements.

**2.10 Statements of Cash Flows**

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

**2.11 Statements of Changes in equity**

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

**2.12 Statement of liquidity**

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

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

**2.13 Taxation**

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

**2.13.1 Current Tax**

In compliance with BAS-12 "Income Taxes", provision for current income tax has been made @ 40% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the N.B.R.

**2.13.2 Deferred taxation**

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per BAS-12 "Income Taxes".

**2.14 Provision and accrued expenses**

In compliance with BAS-37, provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to

settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### 2.15 Provision for off-balance sheet exposures

In compliance with Bangladesh Bank guidelines, off-balance sheet items have been disclosed under contingent liabilities. As per BRPD Circular no.10, dated 18 September 2007, the bank is required to maintain provision @ 1% against off-balance sheet exposures

#### 2.16 Provision for nostro accounts

The Bank does not required to maintain provision for nostro accounts for the year 2012 in accordance with the guideline of Foreign Exchange Policy Department of Bangladesh Bank, FEPD Circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005.

#### 2.17 Assets and basis of their valuation

##### 2.17.1 Cash and cash equivalents

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

##### 2.17.2 Loans and advances / Investments

For stability and sustainable development, Bank's careful and continuous effort in credit operation, attempt for sustainable growth of loans and advances with inclusion of new reputed companies in the client list also continued in 2016. This upholds the total loans and advances as on December 31, 2016 at BDT 141,987.43 million as against BDT 130,848.96 million of December, 2015 representing growth of 8.51% over the year. During extending new credit to any entrepreneur, selection and assessment with professional skill were most pertinent issues considering future condition. However, in all steps compliance issues were never compromised.

During the period, Bank has concentrated to explore new and diversified avenues for financing with the aim of developing and maintaining a sound & sustainable portfolio keeping the issue of risk mitigation at the apex. Our extensive work was also continued in Agriculture, Retail and SME sectors, but intensive efforts in Corporate Credit were still in effect. While providing every type of facility, Bangladesh Bank's regulations and necessary due diligence have been firmly followed. Bank has always remained vigilant to its risk assessment and appropriate arrangement for risk mitigation. Facilities have been given to the new and existing customers on the basis of merit through visiting the concerns, fixing the purpose of facilities and assessing the assets quality. Moreover, for all the cases Bank was fully compliant as per its culture.

##### 2.17.3 Loan Classification and Provisioning

TBL always maintains its loan portfolio with proper classification provisioning complying rules & regulations set by Bangladesh Bank. Required provision is kept to minimize future risk. Bank classifies loan on the basis of objective criteria & qualitative judgment. Special care & initiatives are taken to keep the loans standard & strong drives are given to reduce the percentage of Nonperforming Loans by way of cash recovery & regularization through rescheduling. Like the every year, TBL has appropriately classified its loans & advances and maintained adequate provision against those following the Bangladesh Bank's rules, regulations & respective circulars to safeguard the Bank and the share-holders' long-term interest mitigating future risk. While classifying, Bank strictly follows subjective as well as objective criteria fixed by the Bangladesh Bank. Laterally, effort for retaining the loan as standard and restoring the classified loans to unclassified through recovery & regularization was continued.

General provision on	Provision Rate
a. Consumer Financing (House Financing)	1%
b. Consumer Financing (Loans to Professional)	2%
c. Consumer Financing ( Other than a & b)	5%
d. Small and Medium Enterprise Financing (SMEF)	0.25%
e. Short Term Agriculture & Micro Credit	2.50%
f. Loans to BHs/ MBs/ Sds against Shares etc	2%
g. All other Credit	1%
h. Special Mention Account	0.25% to 5%

##### Specific provision on

a. Substandard Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
b. Doubtful Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	50%
c. Bad/Loss Loans and Advances	100%

#### 2.17.4 Provision for off balance sheet exposures

General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank.

#### 2.18 Investments

Investments have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accreted, using the effective or historical yield method. Government treasury Bills and Bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no.05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The valuation methods of investment used are:

##### 2.18.1 Held to maturity

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity. The securities in HTM are to be held up till maturity. These securities in HTM must be amortized at the end of the year before maturity and the increase/decrease is to be accounted in the 'statement of changes in equity' (as Revaluation Reserve-HTM). According to Bangladesh Bank DOS Circular Letter No. 01 dated January 19, 2014 a bank can only hold securities of maximum 110% of the total SLR requirement (usually kept as approved government securities) as HTM category the compliance of which came into effect from February 01, 2014. These investment securities can be transferred to and/or re-categorized as HFT any time after getting approval from the Board of Directors of the Bank.

##### 2.18.2 Held for trading

Investments classified in this category are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week and any change in the fair value is recognized in the statement of capital (as Revaluation Reserve-HFT) for the period before next appreciation. According to Bangladesh Bank DOS Circular Letter No. 05 dated May 26, 2008, no dividend will be allowed to pay to its shareholders on the amount of increase and/or decrease in income generated out of revaluation of securities held for trading.

Value of investments has been enumerated as follows :

Investment Class	Initial recognition	Subsequent Measurement	Recording of changes
Treasury Bill/Bond(HFT)	At Present Value	Market Value	Loss to Profit & Loss Account, gain to revaluation reserve
Treasury Bill/Bond(HTM)	At Present Value	Amortized Value	Increase in value to equity and decrease in value to Profit & Loss Account
Debenture	At cost	None	None
Prize bond	At cost	None	None
Shares	At cost	Cost	Any loss, charged in Profit & Loss,

##### Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future, or held for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements where market price is below the cost price of investments as per Bangladesh Bank guideline.

##### Investment in unquoted securities

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

##### Investments in subsidiary

Investment in subsidiaries is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the BFRS-10. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses (if any).

## 2.19 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per BAS-16 " Property, Plant and Equipment".

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

Category of fixed assets	Rate
Land	Nil
Building	2.5% p.a.
Furniture & Fixtures	10% p.a.
Office Equipment	20% p.a.
Motor Vehicles	20% p.a.
Office Decoration	12% p.a.

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their use and in case of sale upto the earlier of the date that asset is classified as held for sale in accordance with BFRS 5 and the date that the asset is derecognized.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

## 2.20 Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with BAS 38: "Intangible Assets".

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.

The software used by TBL represents the value of computer application software licensed for the use of the bank. Software is carried at cost less accumulated amortization and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customizing the software for its intended use. Software is amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the month at which the application software is made available for use.

## 2.21 Impairment of Assets:

The policy for all assets or cash-generating units for the purpose of assessing such assets for impairment is as follows:

The Bank assesses at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the bank makes an estimate of the asset's recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered as impaired and is written down to its recoverable amount by debiting to profit & loss account.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may be impaired.

## 2.22 Other assets

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

## 2.23 Non-Banking Assets

As on balance sheet date TBL has not arisen any Non-Banking Assets failure from borrower to repay the loan/Investments.

## 2.24 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the bank is presented on net basis as a liability item if the liability is higher than asset and as an asset item if the asset is higher than liability.

## 2.25 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

## 2.26 Inventories

Inventories measured at the lower of cost and net realizable value.

#### **2.27 Leasing**

Leases are classified as finance leases whenever the 'terms of the lease' transfer substantially all the risks and rewards of ownership to the lessee as per BAS-17 "Leases". All other leases are classified as operating leases as per BAS-17 "Leases".

#### **2.28 Share Capital**

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

##### **2.28.1 Authorized Capital**

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association. Details are shown in note 13.1.

##### **2.28.2 Paid up Capital**

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders are ranked after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in note 13.2.

#### **2.29 Statutory reserve**

As per Bank Companies Act, the Bank requires to transfer 20% of its current year's profit before tax to statutory reserve until such reserve equals to its paid up capital. The Bank does comply with this requirement of law every year.

#### **2.30 Liabilities and Provisions**

##### **2.30.1 Retirement benefits to the employees**

###### **i) Provident fund**

Provident fund benefits are given to the confirmed staffs of the Bank in accordance with the locally registered Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone - 6, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of sub-section 1 of section 2 read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984 w.e.f. 27 February 2003. The Fund is operated by a Board of Trustees consisting seven members from the employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount. Interest earned from the investments is credited to the members' account on yearly basis.

###### **ii) Gratuity fund**

The Bank has started making provision for liabilities of its employees' gratuity as per gratuity scheme of the Bank from the year 2004. Subsequently National Board of Revenue has approved the fund as recognized within the meaning of sections 2 and 3 read with the provision of part - C of the First Schedule of Income Tax Ordinance 1984 w.e.f. 20 November 2006. The Bank contributes to the Fund as per Gratuity Fund Rules as well as Service Rule of the bank.

###### **iii) Super annuation fund**

The Bank has also introduced a "Superannuation Fund" instead of group life insurance policy for the employees. Those employees, who will be able to fulfill the specific criteria mentioned in the policy of the fund, will be entitled to get the benefit of "Superannuation Fund". National Board of Revenue has approved the fund as recognized within the meaning of section 3 read with the provision of part - A of the First Schedule of Income Tax Ordinance 1984 w.e.f. 22 December 2004.

##### **2.30.2 Minority interest in subsidiaries**

Minority interest in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the minority interest in the subsidiary company is always less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Minority interest belongs to other investors and is reported on the consolidated balance sheet of the owning company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

#### **2.31 Revenue recognition**

##### **i) Interest income/Profit on TIB Investment**

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

##### **ii) Investment income/TIB Investment Income**

Income on investments is recognized on accrual basis except from Government Securities which are recognized on the basis of

BRPD Circular 15 Dated 31 October 2005 issued by Bangladesh Bank.

**iii) Fees and commission income**

Fees and commission income arises on services provided by the Bank are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

**iv) Dividend income**

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established.

**v) Interest paid on borrowings and deposits**

Interest paid on borrowings and deposits are calculated on 360 days in a year and recognized on accrual basis

**vi) Dividend payments**

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed dividend for the year 2016 has not been recognized as a liability in the balance sheet in accordance with the BAS-10 : Events After the Reporting Period.

Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

**vii) Management and other expenses**

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

**2.32 Reconciliation of inter-bank and inter-branch account**

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Un-reconciled entries / balances in case of inter-branch transactions as on the reporting date are not material.

**2.33 Risk Management**

Risk management policy or process of Trust Bank encompasses risk appreciation basing on the risk appetite for the particular sector/segment of the customers and subsequent risk identification, measurement and controlling of risk components to safeguard the interest of the bank and to keep the business portfolio performing to the maximum extent.

We always prioritize to ensure risk–return tradeoff on all business transactions. The focus group as constituted by Bangladesh Bank has selected 06 core risks namely (a) Credit Risk (b) Asset liability/Balance sheet Risk (c) Foreign Exchange Risk (d) Internal control and compliance Risk (e) Money laundering Risk and (f) IT risk management in order to impart internationally accepted best practices in the Banking and Financial system. Banks as a financial intermediary (ies) are exposed to multidimensional risks but those risks are to be examined and quantified for acceptance in line with the risk appetite and credit policy of our bank.

**2.33.1 Credit risk management**

The bank believes that risk management is the core area of concern that makes its business sustainable. Ability to produce profit consistently and sustainably is a function of risk management and the bank is breaklessly pursuing nonstop development in this vicinity. One of the key risks the bank is uncovered, arises from credit facility allowed to customers. In this regard, objective of risk management is to maximize risk-adjusted returns durable within own risk appetite. TBL Risk management approach is based on a transparent understanding of various risk, regimented assessment, measurement and uninterrupted monitoring of such risks. The policies and procedures designed for the purpose are regularly reviewed to assume regulatory changes and improvements. Bank's Board of Directors is first and foremost responsible for deciding risk appetites, approving related strategies and policies and administering its compliance and the competence of the risk management framework through reports from Internal Control and Compliance Division. Credit risk policy covers large to small enterprise exposure as well as retail exposure. Policies and procedures together have structured and standardized credit risk management practice both in obligor and portfolio point.

**Frame-Work**

In today's rapid changing economic and financial environment, effective risk management is a must for sustainable growth and for maximizing share-holders wealth. Banking business is in fact a business of risk taking and risk managing. So, it is very vital to manage all possible risks efficiently in effective way to emerge as winner out of risk ventures. TBL has always prioritized adopting different credit risk management tools & techniques as "prevention is better than cure" for all type of credits in all the stages i. e. from receiving application to approval level for more safe and sound credit portfolio.

Credit risk originates from the –

- \* Market Risk
- \* Supplier's Risk
- \* Financial Risk
- \* Business Risk

- \* Management Risk
- \* Structural Risk
- \* Security Risk
- \* Infrastructural Risk
- \* Information/Data Risk
- \* Technological Risk
- \* Interest Rate Risk
- \* Security Risk etc.

Bank considers all relevant information and financials of the customers, their business performances, sectoral conditions, arrangement & strength of supply chain, succession status etc. for assessment and analyses all factors and results of it in order to adopting appropriate risk mitigation if the client's proposal is viable for financing.

### **2.33.2 Asset liability risk management**

Asset and Liability management is a process which is managed by the Asset and Liability Management Committee (ALCO) of the bank. In order to run the process smoothly, TBL has established "Asset Liability Management Committee" comprising of senior management headed by the Managing Director. The primary responsibility of ALCO is to manage assets and liabilities under the set ALM Policy, essentially approved by the BODs of the bank.

ALM is a sensitive financial and risk management subject that deals with bank's on and off- balance sheet items so that the Bank can offer competitively period products and services to clients generating sustaining earnings shares value. ALM includes many activities of policy, procedures, guidelines such as Capital Planning, Deposit procurement/borrowing policy, Loan & Advances/Lending policy, Interest Rate policy, Exchange rate Policy, Liquidity Contingency Plan to manage the balance sheet properly.

### **2.33.3 Foreign exchange risk management**

Foreign exchange risk is the potential changes in earnings arising due to exchange rate fluctuation, adverse exchange position or changes in the market price. Such risk may arise from position held in various foreign exchange products like spot, forward and options. Foreign exchange risk management is fundamental for safe and sound management of all institution having exposure to foreign currencies.

Today's Financial institutions engage in activities starting from Import, Export and Remittance to complex derivatives involving basic Foreign Exchange and Money Market to complex structured products. All these require high degree of expertise that is difficult to achieve in the transaction originating department and as such the expertise is housed in a separate department i.e. treasury.

Foreign Exchange risk management is one of the important responsibilities of the treasury division. The foreign exchange risk are measured and monitored by the treasury division of the bank. The function of the treasury Front Office, Mid Office and Back office are segregated. Mid office and back office are conducting operations in a separate location apart from Treasury Front Office. Treasury Front Office manages and controls day-to-day trading activities and ensure continues monitoring of the level of assume risk. Treasury Mid Office verifies deal and monitors limit. Back office is responsible for deal confirmation, settlement of transaction, transferring fund to NOSTRO accounts, timely recording and reporting of information on exchange transactions and currency transfer etc. Reporting lines of these three office are separate and independent to ensure minimizing FEX risk.

As per directive of central bank, the bank has formulated a well defined Treasury Manual with a view to minimize the foreign exchange risk. Bank also developed different strategies to control foreign exchange risk in the light of net open position set by central bank, overall gross limit forward transaction, maximum loss limits per deal per day, counter party limit etc. Market scenario of risk monitored and measured by Treasury division to manage the foreign exchange operations in such a way that earnings not hampered against any adverse movement of market price.

### **2.33.4 Internal control and compliance risk management**

Internal control refers to the mechanism in place on a permanent basis to control the activities in an organization .In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of it's resources, identify it's weaknesses , take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling it's oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control & management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct .In the year 2016, 06 nos. meetings of the Audit Committee were held .The bank has introduced 'Risk Based Internal Audit (RBIA)' in 2008 to assess the business risk as well as control risk associated with the branches and determines how much follow up ,monitoring & periodicity of internal audit would

be required to bring a particular branch back to normalcy ,if it is found that the performance of the branch is not satisfactory and which may pose a potential threat for the bank.

Each year IC&C Division sets out an audit plan (Internal)for the year which is approved by the Managing Director and placed before the Audit Committee of the Board for concurrence .

IC&C Division looks after the activities of complaint Cell of Head Office and handles the complaints as received from the customers as well as received directly from FICSD (Financial Integrity & Customer Services Department), Bangladesh Bank & other sources. A 'Guidelines for Customer Services & Compliant Management' of Trust Bank Limited has been developed in the year 2015 which was approved by the Board of directors of the bank in its 240th (09/2015) meeting held on 22.07.2015. IC&C Division also provides operational and managerial guidance uniformly to all personnel of TBL family to handle and manage the customers' complaint satisfactorily, quickly, effectively and efficiently.

In order to make the policy manual time befitting, the existing 'Internal Control & Compliance Policy Manual 'has been revised in the year 2016, which was approved by the Board of Directors of the bank in its 254th meeting held on 30.07.2016.

IC&C Divisions of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 25.10.2016 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

### **2.33.5 Money Laundering & Terrorist Financing Risk Management**

Money Laundering and Terrorist Financing has become the major threat to the growth & stability of the Financial Institutions (FI) around the world. The very existence of the global Scio-economic order is at risk because of the ML/TF risks. Money laundering has a major impact on a country's economy as a whole, impeding the social, economic, political, and cultural development of a society. As such compliance of National & Global standards of Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) has now become the most serious & important issue for all FIs. AML/CFT regime itself has now become a standard setting parameter for all FIs along with its country of business. Non-compliance of AML & CFT standards developed by UN & international bodies shall affect the compliance rating of the country and may result in imposition of sanctions in Bangladesh. Combating money laundering and terrorist financing is, therefore, a key element in promoting a strong, sound and stable financial sector of the country.

Bangladesh has enacted the Money Laundering Prevention Act, 2012 (Amendment-2015) & Anti-Terrorism Act, 2009 (Amendment-2013) which covers all the international standards & requirements and assigned Bangladesh Financial Intelligence Unit (BFIU) to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country sound and compliant as international standards. Trust Bank Limited as a compliant & responsible institution committed to the strict compliance of AML & CFT standards/guidelines. TBL has comprehensive Operational Manual & Risk Management Guidelines for administering the AML & CFT Risks designed and implemented in line with the guidelines of Bangladesh Financial Intelligence Unit (BFIU). Trust Bank Limited considers AML & CFT compliance as a part of its social responsibility & commitment.

In compliance of BFIU guidelines, TBL AML & CFT Policy Guidelines and TBL-ML & TF Risk Management Guidelines ensure full compliance of all issues including the following:

1. Mandatory KYC management.
2. Maintenance & monitoring the TP (Transaction Profile) of all the accounts.
3. Monitoring of unusual/suspicious transaction and report to Bangladesh Bank, if required.
4. Submission of Cash Transaction Report (CTR) to BFIU through goAML & FIU on every month.
5. Adequate training are providing to the officials of TBL on AML & CFT.
6. Identification of customer on the basis of risk grading.
7. Identification of Politically Exposed Persons (PEPs) & Local Influential Person (LIPs) customer.
8. Transaction monitoring of High Risk and LIPs account.
9. Declared Customer Acceptance Policy.
10. Automated Sanction Screening of UN sanction list.
11. Introducing Unique Customer Identification Code.
12. Introducing AML & CFT audit conducted by HO-AMLD on behalf of Central Compliance Unit. (CCU)

For review the overall AML/CFT compliance status & mitigating the AML/CFT risks, TBL has a Central Compliance Unit (CCU) comprising of CAMLCO, Deputy CAMLCO and other Divisional Heads at Head Office. Routine affairs of monitoring etc. are conducted by the dedicated team at Anti-Money Laundering Division, Head Office. A designated Branch Anti-Money Laundering Compliance Officer (BAMLCO) is appointed in every TBL branch and is assigned to review & report the AML & CFT



activities and measures of the branch.

### 2.33.6 IT risk management

The advancement of information and communicative technology (ICT) is given credit for the evolution of banking services, in particular, online banking. Information Technology (IT) Risk is a growing component of total operational Risk. As business increasingly depend on IT to automate processes and store information, IT Risk Management is emerging as a separate practice. IT includes security, availability, performance and compliance elements. IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk.

IT Risk management requires a disciplined approach that includes IT Risk awareness, quantification of business impacts, solution design and implementation across people, process, and technology, and creation of a sustained IT Risk Management program complete with performance measurement and a model for continuous improvement.

Compliance definitions

#### a) Data Protection

- Privacy & data security
- Growth of unstructured data
- Business continually and disaster recovery

#### b) Data Retention

- New model of data storage, software as service & disaster recovery
- Access by legitimate user

#### c) Strategic Governance Risk

- Alignment of IT risk control framework with business strategy
- Public disclosures accurately reflect corporate performance

**d) National Security** - Assuring IT system & network support legal infrastructure through electronic signatures, data movements and IT resources

#### e) Civil & Criminal legal Framework

- Protecting individual & corporate intellectual properly
- Availability keeping existing process running & recovering from interruption
- Access ensuring that people have right access
- Providing accurate, timely and complete information
- Implementing new strategic initiatives

Since the automation of the Bank and centralization of information system, all the branches of the bank are connected to the Head Office IT department in Dhaka through a dedicated link and Disaster Recover site at Jessore. The infrastructure design is up to standard and completely secure.

### 2.33.7 Liquidity risk management

Liquidity risk arises from bank's inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Borrowing short term and lending long term is the business of banks. But when depositors withdraw funds it can lead to bank failure. There are also a surprising number of things that create liquidity risk. This is why banks need to assess how much liquidity will be hold particularly under stressed conditions. It's also necessary translated into a portfolio of high quality liquidity that meets the risk appetite at the crisis moment. An effective liquidity risk management process included in the system of the bank to measure, monitor and control the liquidity exposure of the bank. Different liquidity ratio i.e. CRR, SLR, LCR, NSFR, ADR and IDR are measured for taking right decision to manage liquidity risk of the bank.

### 2.34 Interest rate risk management

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a bank's principal and interest cash flows (including final maturities), both on- and off-balance sheet, have mismatched re-pricing dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. Bank's lending, funding and investment activities give rise to interest rate risk. Managing interest rate risk requires a clear understanding of the amount at risk and the impact of changes in interest rates on this risk position. To make these determinations, sufficient information must be readily available to permit appropriate action to be taken within acceptable, often very short, time periods. The longer it takes a bank to eliminate or reverse an unwanted exposure, the greater the possibility of loss.

### 2.35 Operation risk management

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk but excludes strategic and reputational risk. Operational Risk Management is a continual cyclic process which includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk. The Bank's operational risk management focuses on proactive measures in order

to ensure business continuity as well as the accuracy of information used internally and reported externally, a competent and well-informed staff, and its adherence to established rules and procedures as well as on security arrangements to protect the physical and ICT infrastructure of the Bank.

### **2.36 Basel –III Activities**

To improve the banking sector's ability to absorb shocks arising from financial and economic stress, Bangladesh Bank issued final Basel III guidelines, applicable with effect from January, 2015 in a phased manner through till December, 2019 as per the transitional arrangement provided by Bangladesh Bank for Basel III implementation. The Basel III rules on capital consist of measures on improving the quality, consistency and transparency of capital, enhancing risk coverage, introducing a supplementary leverage ratio and promoting counter-cyclical buffers and addressing systemic risk and inter-connectedness. In 2016, the Bank is required to maintain minimum Common Equity Tier-1 (CET1) capital ratio of 4.50%, Capital Conservation Buffer of 0.625%, minimum CET-1 plus Capital Conservation Buffer of 5.125%, minimum Tier-1 capital ratio of 5.50 %, minimum total capital ratio of 10.00% and minimum Total Capital plus Capital Conservation Buffer 10.625%.

#### **Pillar-I: Minimum Capital Requirement:**

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Trust Bank Ltd. has adopted the following measurement approaches for computing its Capital Adequacy Ratio:

- Standardized Approach for Credit Risk,
- Basic Indicator Approach for Operational Risk, and
- Standardized Approach for Market Risk.

#### **Pillar-II: Supervisory Review Process (SRP)**

In compliance with the Pillar–II guidelines of the Bangladesh Bank under Basel III framework, Trust Bank Ltd. has formulated its own Board approved Internal Capital Adequacy Assessment Process (ICAAP) to assess various risks that it is exposed to. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team.

Following Risk has to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- Residual Risk
- Concentration Risk
- Liquidity Risk
- Reputation Risk
- Strategic Risk
- Settlement Risk
- Evaluation of Core Risk Management
- Environmental & Climate Change Risk
- Other material Risks

#### **Pillar-III: Market Discipline:**

Pillar- III (Market discipline) of Basel III, aims to encourage Market discipline by developing a set of disclosure requirements which allows market participants to assess key pieces of information on the scope of application, capital, risk exposures, risk assessment processes and hence, the capital adequacy of the Bank. The Pillar–III Disclosures are published on a yearly basis on the Bank's website. The Pillar-III year-end disclosures are also published in the Annual Report of the Bank in addition to Bank's website.

### **2.37 Earning per share (EPS)**

#### **Basic earnings per share**

Basic earnings per share has been calculated in accordance with BAS 33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

#### **Diluted earnings per share**

Diluted earnings per share is not required to be calculated for the year as there was no scope for dilution during the year under review.

### **2.38 Non controlling interest**

Non controlling interest is that portion of the profit or loss and net assets of the subsidiary (TBL Investments Limited) attributable to equity interests that are not owned, directly or indirectly through subsidiary, by the Parent (Trust Bank Limited).

### **2.39 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)**

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International

Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	*Applied
Inventories	2	N/A
Statements of Cash Flow	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
Lease	17	N/A
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 Rate	21	Applied
Borrowing Cost	23	Applied

Name of BAS	BAS No.	Status
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest 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 BFRS	BFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	*Applied
Operating Segments	8	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interest in Other Entities	12	Applied
Fair Value Measurement	13	*Applied

\* Subject to departure described in note 2.1

N/A= Not Applicable

**2.40** The financial statements for the 1st quarter ended 31 March 2018 (Unaudited) were approved by the Board of Directors on 29 April 2018

**2.41 General**

- i) Figures have been rounded off to the nearest taka;
- ii) Prior year's figures shown for comparison purpose, have been rearranged, whenever necessary, to confirm to current year's presentation.

		<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>3</b>	<b>CASH</b>		
<b>3.1</b>	<b>Cash in hand</b>		
	In local currency	3,354,054,829	3,152,587,301
	In foreign currencies	57,057,050	48,252,574
		<b>3,411,111,879</b>	<b>3,200,839,875</b>
<b>3.2</b>	<b>Balance with Bangladesh Bank and its agent bank(s)</b>		
	<b>Balance with Bangladesh Bank</b>		
	In local currency	13,433,809,131	11,911,496,503
	In foreign currencies	358,604,311	512,844,347
		13,792,413,442	12,424,340,850
	<b>Balance with Sonali Bank in local currency (as agent of Bangladesh</b>	90,260,115	109,568,470
		<b>13,882,673,557</b>	<b>12,533,909,320</b>
<b>3.3</b>	<b>Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)</b>		
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 and MPD circular nos.01, dated July 24, 2014 issued by Bangladesh Bank.		
	The Cash Reserve Requirement (CRR) has been calculated @ 6.5% on the Bank's time & demand liabilities of the month earlier of the previous month and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury Bills, Bonds and Debentures including FC balance with Bangladesh Bank and the components of CRR. Both reserves have been maintained during the year by the Bank are in excess of the statutory requirements.		
	The position of CRR and SLR as on 31 March 2018 is shown below:		
<b>3.3.1</b>	<b>Cash Reserve Requirement (CRR) for Conventional Banking</b>		
	<b>Average Demand and Time Liabilities of the month earlier of the previous month</b>	<b>183,800,247,000</b>	<b>184,131,595,865</b>
<b>3.3.1.1</b>	Minimum Required Reserve (6% of Average Demand and Time Liabilities)	11,028,014,820	11,047,895,752
	Actual Reserve held (7.22% of Average Demand and Time Liabilities)	13,267,130,501	12,101,034,699
	<b>Surplus</b>	<b>2,239,115,681</b>	<b>1,053,138,947</b>
<b>3.3.1.2</b>	Average Required Reserve (6.5% of Average Demand and Time Liabilities)	11,947,016,055	11,968,553,731
	Average Reserve held with B. Bank (6.71% of Average Demand and Time Liabilities)	12,336,901,051	12,213,918,019
	<b>Surplus</b>	<b>389,884,996</b>	<b>245,364,288</b>
<b>3.3.1.3</b>	<b>Statutory Liquidity Ratio for Conventional Banking (SLR)</b>		
	Required Reserve (13% of Average Demand and Time Liabilities)	23,894,032,110	23,937,107,462
	Actual Reserve held with B. Bank (14.43% of Average Demand and Time Liabilities)	26,531,505,975	28,164,704,055
	<b>Surplus</b>	<b>2,637,473,865</b>	<b>4,227,596,593</b>
<b>3.3.1.4</b>	<b>Components of Statutory Liquidity Requirement (SLR)</b>		
	Cash in Hand	3,465,377,182	3,293,861,538
	Balance with Agent Bank(s)	90,260,115	109,470,465
	Excess Reserve	1,320,114,446	132,480,968
	Government Bills	8,246,669,192	7,942,916,700
	Government Bonds	13,404,487,740	13,683,332,984
	Bangladesh Bank Bill	-	2,998,287,000
	Other Approved Securities (Prize Bond)	4,597,300	4,354,400
		<b>26,531,505,975</b>	<b>28,164,704,055</b>
<b>3.3.2</b>	<b>Cash Reserve Ratio (CRR) for Islamic Banking</b>		
	<b>Average Demand and Time Liabilities of the month earlier of the previous month</b>	<b>18,227,837,076</b>	<b>17,060,873,342</b>
<b>3.3.2.1</b>	Minimum Required Reserve (6% of Average Demand and Time Liabilities)	1,093,670,225	1,023,652,401
	Minimum Reserve held (7.61% of Average Demand and Time Liabilities)	1,386,940,290	-
	<b>Surplus</b>	<b>293,270,065</b>	<b>572,609,310</b>

	<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>3.3.2.2</b> Average Required Reserve (6.5% of Average Demand and Time Liabilities)	1,184,809,410	1,108,956,767
Average Reserve held with B. Bank (7.59% of Average Demand and Time Liabilities)	1,384,251,806	1,405,686,147
<b>Surplus</b>	<b>199,442,396</b>	<b>296,729,380</b>
<b>3.3.2.3 Statutory Liquidity Requirement for Islamic Banking (SLR)</b>		
Required Reserve (5.5% of Average Demand and Time Liabilities )	1,002,531,039	938,348,034
Actual Reserve held with B. Bank (6.87% of Average Demand and Time Liabilities)	1,252,379,460	1,475,102,861
<b>Surplus</b>	<b>249,848,421</b>	<b>536,754,827</b>
<b>3.3.2.4 Held for Statutory Liquidity Requirement</b>		
Cash in Hand	20,248,580	17,797,917
Excess Reserve	202,130,880	487,304,944
Balance with Agent Bank(s)	-	-
Government Bills	-	-
Government Bonds	-	-
Government Islamic Investment Bonds	1,030,000,000	970,000,000
	<b>1,252,379,460</b>	<b>1,475,102,861</b>
<b>4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>		
<b>4.1 In Bangladesh</b>		
<b>Current Deposits</b>		
Sonali Bank Ltd.	24,783,975	24,355,412
Agrani Bank Ltd. Ltd.	11,064	5,150
Sonali Bank Ltd. (TAX Settlement A/C)	401,837	401,837
Social Islamic Bank Limited	887	1,675
	<b>25,197,763</b>	<b>24,764,074</b>
<b>Short Term Deposits</b>		
Sonali Bank Ltd.	43,551,813	46,647,075
AB Bank Ltd.	4,148,615	4,132,072
Rupali Bank Ltd.	2,276,652	1,324,877
Janata Bank Ltd.	4,299,332	57,559
Prime Bank Ltd.	56,485	53,190
Standard Chartered Bank	33,546,599	4,210,332
Bank Asia Limited	6,324,100	102,824,100
Standard Bank Limited	2,962,800	2,962,800
Al Arafah Islami Bank Limited	5,182,891	1,032,891
NCC Bank Limited	51,249	51,249
Southeast Bank Limited	3,926	4,449
	<b>102,404,462</b>	<b>163,300,594</b>
<b>Mudaraba Short Term Deposit</b>		
AB Bank Ltd.	5,629,409	5,629,409
The City Bank Limited	6,770,704	6,770,704
EXIM Bank Ltd	9,431,062	9,431,062
Bank Asia Ltd.	556,604	556,604
Union Bank Ltd.	5,317,931	5,317,931
Social Islami Bank Ltd.	153,781,067	3,781,067
	<b>181,486,777</b>	<b>31,486,777</b>
<b>Fixed Deposits in local Currency</b>		
<b>Fixed With Bank</b>		
Mutual Trust Bank Ltd	-	600,000,000
Southeast Bank Limited	-	300,000,000
Standard Bank Limited	-	1,000,000,000
	-	<b>1,900,000,000</b>
<b>Fixed With NBFIs</b>		
GSP Finance Co. Ltd.	-	-
IDLC Finance Limited	-	-
Delta Brac Housing Ltd.	-	200,000,000
	-	200,000,000
	<b>309,089,002</b>	<b>2,319,551,445</b>

		31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
<b>4.2</b>	<b>Outside Bangladesh</b>		
	<u>Current Account</u>		
	<u>Dollar Account</u>		
	Mashreqbank psc, USA	89,257,061	244,186,656
	Standard Chartered Bank, USA	408,250,650	660,771,205
	ICICI Bank Ltd., Hongkong	99,093,693	99,543,865
	Commerz Bank, AG Germany	146,217,131	236,152,196
	United Bank Of India	25,188,190	50,872,774
	<u>GBP Account</u>		
	Standard Chartered Bank, UK	17,192,929	21,894,408
	<u>Japanese Yen Account</u>		
	Standard Chartered Bank, Japan	285,978	930,843
	Commerzbank Ag, Frankfurt, Germany (Jpy)	2,982,601	2,418,618
	<u>Australian Dollar Account</u>		
	Commerzbank Ag, Frankfurt, Germany (Aud)	727,698	2,413,672
	<u>EURO Account</u>		
	Standard Chartered Bank, UK	10,261,526	10,089,927
	ICICI Bank Ltd., Mumbai, India	1,633,742	1,761,989
	Commerzbank AG, Germany	9,855,035	2,945,772
	<u>ACUD Account</u>		
	ICICI Bank Ltd., Mumbai, India	119,546,892	122,644,113
	AB Bank, Mumbai, India	31,596,847	70,278,275
	Mashreqbank, Mumbai, India	22,556,344	44,522,054
	Standard Chartered Bank, Mumbai, India	58,306,462	71,594,746
	<u>CHF Account</u>		
	Habib Bank, Zurich	887,689	1,908,259
	<u>SAR Accounts</u>		
	Bank Aljazira - SAR	2,250,112	2,241,994
	<i>For details please refer to Annexure - A</i>		
		<b>1,046,090,580</b>	<b>1,647,171,366</b>
		<b>1,355,179,582</b>	<b>3,966,722,811</b>
<b>4.3</b>	<b>Remaining maturity grouping of balance with other banks and financial institutions</b>		
	On demand	1,071,288,343	1,671,935,440
	Upto 1 month	283,891,239	2,294,787,371
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 Year	-	-
	Over 1 Year but not more than 5 Years	-	-
	Over 5 Years	-	-
		<b>1,355,179,582</b>	<b>3,966,722,811</b>
<b>4 (a)</b>	<b>CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>		
	<b>In Bangladesh</b>		
	Trust Bank Limited	309,089,002	2,319,551,445
	Trust Bank Securities Limited	74,274,738	84,865,485
	Trust Bank Investment Limited	218,725,201	262,340,242
		602,088,941	2,666,757,172
	Less : Inter Company Transaction	225,459,289	264,987,195
		<b>376,629,652</b>	<b>2,401,769,977</b>
	<b>Outside Bangladesh</b>	1,046,090,580	1,647,171,366
		<b>1,422,720,232</b>	<b>4,048,941,343</b>
<b>5</b>	<b>MONEY AT CALL AND SHORT NOTICE</b>		
	Banks	-	-
	Non-Banking Financial Institutions	-	-
	Investment Corporation of Bangladesh	-	-
	Non-Banking Financial Institutions	-	-
		-	-
<b>6</b>	<b>INVESTMENTS</b>		
	<b>Government Securities</b>		
	<b>Treasury Bills</b>		
	Treasury Bills -HTM	-	-
	Treasury Bills-HFT	8,246,669,192	7,942,916,700
		8,246,669,192	7,942,916,700
	<b>Treasury Bonds</b>		
	Treasury Bond - HFT	-	-
	Treasury Bond - HTM	13,404,487,740	13,681,311,965
		13,404,487,740	13,681,311,965
	National Investment Bond	-	-

		<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>Bangladesh Bank Bill</b>			
Bangladesh Bank Bill - HTM		-	-
Bangladesh Bank Bill - HFT		-	2,998,287,000
		-	2,998,287,000
<b>Govt. Islamic Investment Bond</b>			
Govt. Islamic Investment Bond - HFT		1,030,000,000	970,000,000
Bangladesh Govt. Islamic Investment Bond - HTM		-	-
		1,030,000,000	970,000,000
Prize Bond		4,597,300	4,354,400
		4,597,300	4,354,400
		<b>22,685,754,232</b>	<b>25,596,870,065</b>
<b>Other Investment</b>			
Preference Share		-	-
12,800,000 shares in Summit Barisal Power Ltd.		128,000,000	128,000,000
7,200,000 shares in Summit Narayanganj Power Ltd.		72,000,000	72,000,000
		200,000,000	200,000,000
Ordinary Shares			
Quoted	Note - 6.4.1	230,526,216	230,529,796
Unquoted	Note - 6.4.2	18,062,657	18,062,657
		248,588,873	248,592,453
Investment in Corporate Bonds		2,500,000,000	2,500,000,000
		<b>2,948,588,873</b>	<b>2,948,592,453</b>
		<b>25,634,343,105</b>	<b>28,545,462,518</b>
<b>6 (a) Consolidated Investments</b>			
<b>Government Securities</b>			
Trust Bank Limited		22,685,754,232	25,596,870,065
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		-	-
		<b>22,685,754,232</b>	<b>25,596,870,065</b>
<b>Other Investment</b>			
Trust Bank Limited		2,948,588,873	2,948,592,453
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		2,146,337,779	2,069,771,288
		5,094,926,652	5,018,363,741
Less : Inter Company Transaction		-	-
		<b>27,780,680,884</b>	<b>30,615,233,806</b>
<b>6.1 Treasury Bills-at Present Value</b>			
28 days Treasury Bills		-	-
91 days Treasury Bills		-	2,494,582,500
182 days Treasury Bills		-	-
364 days Treasury Bills		8,246,669,192	5,448,334,200
		<b>8,246,669,192</b>	<b>7,942,916,700</b>
<b>6.2 Treasury Bonds-at Present Value</b>			
02 years Treasury Bonds		1,005,013,547	1,005,191,213
05 years Treasury Bonds		1,435,077,490	1,711,990,333
10 years Treasury Bonds		6,473,722,341	6,475,154,217
15 years Treasury Bonds		3,119,780,421	3,120,101,114
20 years Treasury Bonds		1,370,893,941	1,370,896,107
		<b>13,404,487,740</b>	<b>13,683,332,984</b>

**6.3 Repo & Reverse Repo Transactions during the period ended on 31 March 2018**

Discloser required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of repo and reverse repo during the year ended on 31 March 2018

a. (i) Disclosure regarding outstanding REPO as on 31 March 2018

SI No.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1	-	-	-	-

(ii) Disclosure regarding outstanding Reverse REPO as on 31 March 2018

SI No.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1	-	-	-	-

<b>31.03.2018</b> <b>(Unaudited)</b> <b>Taka</b>	<b>31.12.2017</b> <b>(Audited)</b> <b>Taka</b>
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b. Disclosure regarding overall transaction of REPO and Reverse REPO:

	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average Outstanding during the year
Securities sold under REPO:			
i) with Bangladesh Bank			
ii) with other Banks & Fis			
Securities purchased reunder REPO:			
i) with Bangladesh Bank			
ii) with other Banks & Fis			

#### 6.4 Other Investment

This represents investment made by the company both in listed and unlisted securities. The investment is made up as under:

Particulars	31.03.2018			31.12.2017		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Investment Securities : Quoted	15	230,526,216	273,630,351	15	230,529,796	273,630,351
Investment Securities : Unquoted	3	18,062,657	18,062,657	3	218,062,657	218,062,657
Investment in Corporate Bonds	5	2,500,000,000	2,500,000,000	5	2,500,000,000	2,500,000,000
Investment in Commercial Paper	2	-	-	2	-	-
<b>Balance as on 31 March 2018</b>	<b>25</b>	<b>2,748,588,873</b>	<b>2,791,693,008</b>	<b>25</b>	<b>2,948,592,453</b>	<b>2,991,693,008</b>

#### 6.4.1 Investment in Ordinary Shares - Quoted

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the period (Last trading date for the period was 29 March 2018).

##### 6.4.1.1 Sector wise investment in listed securities at cost

Banking Companies	3,010,593	3,010,593
Manufacturing Companies and others	57,289,272	57,292,852
Power Sector	15,426,736	15,426,736
IBBL Bond	54,051,240	54,051,240
Mutual Fund	100,748,375	100,748,375
	<u>230,526,216</u>	<u>230,529,796</u>

##### 6.4.1.2 Investment in Ordinary Share - Quoted

Under Conventional Banking	165,202,247	230,529,796
Under Islamic Banking	65,323,969	-
	<u>230,526,216</u>	<u>230,529,796</u>

#### Security wise Investment in Quoted Shares is given below:

Sl	Name of Security	Nos of Share			Average cost rate	31-Mar-18	31-Dec-17
		Conventional	Islamic	Total			
1	IBBL Mudaraba Perpetual Bond	-	55,915	55,915	966.67	54,051,240	54,051,240
2	Popular Life First Mutual Fund	1,038,526	-	1,038,526	7.01	7,284,124	7,284,124
3	Olimpic Industries Ltd.	100,000	35,000	135,000	288.57	38,957,269	38,957,269
4	Prime Bank Ltd.	61,600	-	61,600	32.68	2,012,905	2,012,905
5	Pubali Bank Ltd.	25,515	-	25,515	39.10	997,688	997,688
6	Square Pharmaceuticals Ltd.	-	-	-	-	-	41,026
7	Summit Power Ltd.	314,637	-	314,637	45.69	14,375,320	14,375,320
8	Queen South Textile Mills Ltd.	5,371	-	5,371	10.00	53,710	-
9	Padma Oil Co. Ltd.	-	3,000	3,000	350.47	1,051,416	1,051,416
10	IT Consultants Ltd. (ITCL)	2,080,000	-	2,080,000	8.36	17,391,304	17,391,304
11	LR Global Bangladesh Mutual Fund One	6,554,016	-	6,554,016	9.64	63,205,696	63,205,696
12	Trust Bank 1st Mutual Fund	4,303,720	-	4,303,720	7.03	30,258,555	30,258,555
13	OIMEX Electrode Ltd.	6,480	-	6,480	9.09	58,909	64,800
14	Golden Harvest Agro Industries Ltd.	-	3,650	3,650	48.99	178,801	178,801
15	Nahee Aluminum Composite Panel Ltd.	5,706	-	5,706	9.09	51,873	62,246
16	The ACME Laboratories Ltd.	5,000	-	5,000	119.48	597,406	597,406
						<u>230,526,216</u>	<u>230,529,796</u>

Provision for Investment and Securities has been shown separately in note no. "12 - Other Liabilities"

#### 6.4.2 Unlisted Securities

##### Ordinary Share

CAPM Unit Fund	10,000,000	10,000,000
Central Depository Bangladesh Limited (CDBL)	4,708,330	204,708,330
SWIFT	3,354,327	3,354,327
	<u>18,062,657</u>	<u>218,062,657</u>



		<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>6.4.3 Investment in Corporate Bonds</b>	Rate of Interest/Profit		
Al-Arafa Islamic Bank Ltd. Subordinated Bond	10.50%	600,000,000	600,000,000
One Bank Limited Subordinate Bond	8.60%	400,000,000	400,000,000
SIBL Non-Convertible Zero Coupon Bond	8.25%	500,000,000	500,000,000
Exim Bank Ltd. Subordinated Bond	7.75%	500,000,000	500,000,000
UCBL 3RD Subordinated Bond	8.25%	500,000,000	500,000,000
		<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>6.4.4.1 Investment in Corporate Bonds</b>			
Under Conventional Banking		2,300,000,000	2,300,000,000
Under Islamic Banking		200,000,000	200,000,000
		<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>6.5 Remaining maturity grouping of Investments</b>			
On demand		4,597,300	4,354,400
Upto 1 month		300,000,000	5,786,285,780
Over 1 month but not more than 3 months		3,786,965,645	713,947,623
Over 3 months but not more than 1 Year		2,948,770,793	8,615,341,767
Over 1 Year but not more than 5 Years		10,128,603,640	4,702,302,529
Over 5 Years		8,465,405,727	8,725,251,438
		<b>25,634,343,105</b>	<b>28,547,483,537</b>
<b>7 LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS</b>			
<b>Loans And Advances Under Coventional Banking</b>			
Repair & Recon. of Dwelling House (RRDH)		1,686,594,543	1,859,984,574
Consumer Durable Scheme Loans (CDS)		782,424	782,424
Marriage Loans (ML)		380,373,495	438,972,615
Car Loans (CL)		90,800,370	80,653,846
House Building Loans (HBL)		7,487,907,088	7,236,641,860
Term Loans		60,003,618,494	58,323,309,132
Other Retail Loans		2,961,360,229	2,876,624,787
Time Loan		25,498,445,569	24,245,937,903
Other Loans		31,806,591,304	31,591,619,887
Staff Loans		1,059,426,166	1,045,553,005
Loans against Credit Card		308,592,011	274,786,159
Loans against Trust Receipts (LTR)		5,950,342,156	5,746,126,511
Payment Against Documents (PAD)		1,919,142,793	2,355,493,563
Packing Credit (Loan agt. Packing Credit)		108,596,371	96,597,683
		<b>139,262,573,013</b>	<b>136,173,083,949</b>
<b>Loans And Advances under Islamic Banking</b>			
Bai-Muajjal		9,065,071,475	7,498,225,387
Hire Purchase under Shirkatul Melk		1,316,732,641	1,111,755,979
IHSAN Apartment Purchase Scheme		190,425,165	181,254,850
BARAKAT Home Construction Scheme		155,226,882	137,399,964
BARAKAT Car Scheme		9,187,543	7,181,691
HPSM-Real Estate		956,846,112	951,290,693
Murabaha TR		2,636,493,620	2,827,593,069
Bai-Salam		37,425,753	31,926,164
Household Durable & others scheme		1,622,069	1,892,495
TIB House Build. Inv. for Rtd. Def. Officer (M)		4,844,238	4,838,842
TIB House Building Scheme-HBL (RM)		11,056,101	11,259,101
TIB Household Durable Scheme( Household Durable)		368,138	540,795
TIB Car Scheme(Car Loan)		908,693	1,179,972
HPSM General		3,277,894,898	3,281,143,420
Barkat Doctors Scheme		3,013,965	3,304,603
MIB- EDF - TIB		473,653,387	838,583,376
Trust Nibash		5,862,213	6,138,816
Trust Power		21,853,548	22,228,765
Baim WES/Doc Bills		-	38,236,385
		<b>18,168,486,441</b>	<b>16,955,974,367</b>
<b>Cash Credit</b>			
Cash Credit		1,504,634,307	1,754,505,269
Cash Collateral		5,238,240,514	5,284,646,967
		<b>6,742,874,821</b>	<b>7,039,152,236</b>
<b>Overdraft</b>			
Overdrafts		20,187,496,140	18,754,589,333
Secured Overdrafts		1,590,438,736	1,618,050,022
		<b>21,777,934,876</b>	<b>20,372,639,355</b>
<b>Total Loans, Cash Credits and Overdrafts</b>		<b>185,951,869,151</b>	<b>180,540,849,907</b>

	31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
<b>Bills Purchased and Discounted</b>		
Under Conventional banking	3,312,083,401	3,907,564,837
Under Islamic banking	328,864,740	462,288,610
	<b>3,640,948,141</b>	<b>4,369,853,447</b>
	<b>189,592,817,292</b>	<b>184,910,703,354</b>

Note - 7.6

**7.1 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted**

Repayable on demand	13,920,315,594	12,224,240,746
Upto 1 month		
Not more than 3 months	72,666,305,923	71,363,889,724
More than 3 months but not more than 1 Year	53,377,980,011	53,811,328,885
More than 1 Year but not more than 5 Years	35,323,747,466	34,991,618,320
More than 5 Years	14,304,468,298	12,519,625,679
	<b>189,592,817,292</b>	<b>184,910,703,354</b>

**7.2 Loans and Advances including Bills Purchased and Discounted Inside Bangladesh**

Loans	157,431,059,454	153,129,058,316
Cash Credit	6,742,874,821	7,039,152,236
Overdraft	21,777,934,876	20,372,639,355
Bills purchased and discounted	3,640,948,141	4,369,853,447
	<b>189,592,817,292</b>	<b>184,910,703,354</b>
<b>Outside Bangladesh</b>	-	-
	<b>189,592,817,292</b>	<b>184,910,703,354</b>

**7.3 Loans and Advances on the basis of significant concentration**

**7.3.1 Advances to Directors and Others**

Advance to Directors and their allied concerns	34,713,683	21,886,339
Advances to CEO and Senior Executives	162,632,951	168,409,275
Advances to Customers (Group wise)	72,452,618,331	95,306,762,275
Industrial Advances ( Project finance)	20,817,511,293	20,557,957,123
Other Staff Loan	896,793,215	877,143,730
Other Customers	95,228,547,819	67,978,544,612
	<b>189,592,817,292</b>	<b>184,910,703,354</b>

**7.3.2 Disclosure of Large Loan**

As per BRPD Circular No. 5 dated 9 April 2005 issued by Bangladesh Bank, disclosure on large loan i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under:

Total Capital	20,871,828,595	20,686,241,726
Total Loans and Advances	104,691,704,299	97,685,047,815
No. of Customers	33	32
Classified amount thereon	Nil	Nil

Single Borrower Exposure Limit has been calculated on the basis of total eligible capital as on 31 March 2018 according to BRPD Circular 02, dated 16 January 2014.

**Details of Large Loans**

SL #	Name of the Client	CL Status	Outstanding Loan		Total 31.03.2018	Total 31.12.2017
			Funded	Non-Funded		
1	Pretty Sweater Ind. Ltd.	UC	2,675,846,894	1,800,272,098	4,476,118,992	5,067,128,553
2	Dhaka Northern Power Generations Ltd., Eastern Cement Industries Ltd., Doreen Power House & Technologies Ltd.	UC	2,818,920,229	1,498,229,285	4,317,149,514	4,153,703,146
3	Sena Kalyan Sangstha & allied	UC	2,742,733,647	2,279,664,058	5,022,397,705	6,039,150,056
4	Jolshiri Abashon	UC	3,621,907,075	-	3,621,907,075	3,171,912,854
5	Khulna Shipyard Ltd.	UC	-	3,753,499,022	3,753,499,022	3,661,215,760
6	Sena Hotel Development Ltd., Trust Transport Services	UC	3,768,866,203	1,652,726	3,770,518,929	3,838,545,895
7	Masihata Sweaters Ltd., Mega Yarn Dyeing Mills Ltd.	UC	1,601,241,063	1,582,879,154	3,184,120,217	2,960,987,652
8	ASR Computerized Sweater (Ind.) Ltd., ASR Sweater Ltd., Golden Times Sweater & Dyeing (Ind.) Ltd.	UC	-	-	-	2,063,867,061
9	Shah Cement Ind. Ltd., Abul Khair Steel Ind. Ltd., A.K. Corporation Ltd., Abul Khair Strip Processing Ltd., Abul Khair Steel Melting Ltd.	UC	1,400,151,507	1,514,105,104	2,914,256,611	2,955,702,908

**31.03.2018**  
**(Unaudited)**  
**Taka**

**31.12.2017**  
**(Audited)**  
**Taka**

SL #	Name of the Client	CL Status	Outstanding Loan		Total 31.03.2018	Total 31.12.2017
			Funded	Non-Funded		
10	Elegance Housing Society	UC	2,782,719,201	-	2,782,719,201	2,718,162,834
11	Divine Housing Society	UC	2,696,349,113	-	2,696,349,113	2,633,796,447
12	United Ashugonj Power Ltd., United Power Generation & Distribution Company Ltd., United Ashuganj Energy Ltd., United Enterprise & Co. Ltd., Nentune Commercial Ltd.	UC	1,865,507,791	202,730,900	2,068,238,691	2,045,408,802
13	Bangladesh Steel Re-rolling Mills Ltd., BSRM Steels Ltd., BISCO, BSRM Wires Ltd.	UC	1,719,478,626	2,442,093,212	4,161,571,838	3,305,343,859
14	The ACME Laboratories Ltd.	UC	1,462,382,470	690,995,439	2,153,377,909	-
15	KYCR Coil Industries Ltd., Steel Accessories Ltd., KDS Logistics Ltd.	UC	1,851,985,893	688,224,024	2,540,209,917	2,960,376,747
16	Sky Capital Airlines Ltd. & Blue Planet Knitwear Ltd.	UC	2,240,407,371	477,449,200	2,717,856,571	2,659,113,830
17	Zaber & Zubair Fabrics Ltd., Talha Spinning Mills Ltd., Yasmin Spinning Mills Ltd., Nice Denim Ltd., Zarba Textile Mills Ltd.	UC	1,427,234,613	1,001,760,503	2,428,995,116	2,494,625,965
18	Durable Plastic Ltd., Habigonj Agro Ltd., Mymensingh Agro Ltd., Sun Basic Chemicals Ltd.	UC	1,478,170,582	1,365,473,563	2,843,644,145	2,901,105,315
19	Navana Real Estate Ltd., Navana Batteries Ltd., Navana Renewable Energy Ltd.	UC	2,025,335,829	12,824,961	2,038,160,790	2,082,476,821
20	Nitol Motors Ltd.	UC	2,198,546,150	159,871,349	2,358,417,499	-
21	Danish Condensed Milk BD Ltd., Danish Milk Bangladesh Ltd., Danish Foods Ltd., Partex Cables Ltd.	UC	1,505,909,036	691,219,495	2,197,128,531	2,123,669,406
22	Desh Cambridge Kumargaon Power Company Ltd., Jadoo Media Limited, Desh Energy Chandpur Power Company Ltd.	UC	362,711,744	6,343,028,444	6,705,740,188	6,246,257,756
23	Wahid Construction Ltd.	UC	1,947,989,248	3,605,579,621	5,553,568,869	5,624,473,500
24	Abdul Monem Ltd.		2,419,166,015	2,248,867,671	4,668,033,686	4,931,285,712
25	BRAC	UC	2,858,950,562	603,435,784	3,462,386,346	4,347,801,169
26	China Harbour Engineering Co. Ltd.	UC	-	3,520,032,682	3,520,032,682	3,520,032,682
27	Dockyard & Engineering Works Ltd.	UC	-	3,237,653,286	3,237,653,286	3,241,676,836
28	Spectra Engineers Ltd.	UC	1,051,566,856	1,913,069,545	2,964,636,401	2,747,515,983
29	Bangladesh Machine Tools Factory Limited (BMTF)	UC	215,071,119	2,134,590,857	2,349,661,976	2,558,364,568
30	Summit Communications Ltd., Muhammed Farid Khan	UC	1,810,960,176	1,083,673,362	2,894,633,538	2,419,063,747
31	M/s. Friends Traders, AG Agro industries Ltd., AG Hi-Tech Ltd.	UC				2,212,281,951
32	Western Engineering (Pvt.) Ltd.	UC	2,515,202,873	2,557,084,462	5,072,287,335	-
33	GPH Ispat Ltd.	UC	1,346,681,643	869,750,963	2,216,432,606	-
			<b>56,411,993,529</b>	<b>48,279,710,770</b>	<b>104,691,704,299</b>	<b>97,685,047,815</b>

### 7.3.3 Restructured Loans & Avances

According to Bangladesh Bank Circular no. 04 dated 29 January 2015 relating to Large Loan Restructuring, the term loans provided to Rising Steel Limited and Modern Steel Mills Limited have been restructured after getting approval from Bangladesh Bank against of which provision has been kept after treating the loans as SMA with additional 1% provision. Details of restructured loan is given in the following table:

Name of the Client	Nature of Loan	Restructure Date	Expiry Date	Limit	Outstanding
Rising Steel Limited	Term Loan	27-Dec-15	27-Dec-21	95,544,112	110,944,202.00
	Term Loan	27-Dec-15	27-Dec-21	1,237,212,826	1,436,144,368.00
Modern Steel Mills Limited	Term Loan	3-Sep-15	3-Sep-27	836,688,762	1,036,405,127
	Term Loan	3-Sep-15	3-Sep-21	221,695,247	267,555,810
<b>Total</b>				<b>2,391,140,947</b>	<b>1,303,960,937</b>

31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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#### 7.3.4 Geographical location-wise concentration of Loans and Advances

##### Inside Bangladesh

Dhaka Division	144,072,194,463	137,226,043,870
Chittagong Division	29,186,216,514	30,954,140,388
Khulna Division	4,553,599,183	4,658,678,796
Sylhet Division	4,148,173,744	4,245,413,632
Rangpur Division	3,178,482,373	3,282,984,324
Barisal Division	209,229,222	212,028,932
Rajshahi Division	3,467,447,641	3,519,452,640
Mymensingh Division	777,474,152	811,960,772
	189,592,817,292	184,910,703,354

##### Outside Bangladesh

-	-
<b>189,592,817,292</b>	<b>184,910,703,354</b>

#### 7.3.5 Industry-wise concentration of Loans and Advances

Agro & Fisheries	2,720,685,414	2,509,122,082
RMG	15,800,870,148	16,472,105,826
Textile	6,040,521,825	5,909,455,713
Food and allied industries (Edible Oil included)	11,207,283,470	10,335,105,810
Pharmaceutical industries	2,457,520,401	2,199,886,471
Chemical, fertilizer, etc.	2,303,192,083	2,368,609,137
Cement and ceramic industries	3,798,274,842	4,311,446,455
Ship building industries	-	-
Ship breaking industries	3,273,682,819	3,273,326,336
Power and gas	6,879,931,963	6,899,689,515
Other manufacturing or extractive industries (Rubber & Plastic, Paper, Steel Engineering & Metal Products included)	19,482,999,040	18,177,162,497
Service Industries (Telecom & ICT, Medical Service included)	17,873,580,069	16,353,188,878
Other Industry	1,746,678,238	2,698,754,746
Trade & Commerce	17,247,838,757	16,866,569,587
Construction & Housing	37,704,306,210	34,416,221,243
Transport	2,368,904,266	2,245,164,268
Consumer Financing (Personal Services)	30,249,456,309	30,576,431,498
Loans to Financial Institution (NBFI & NGO included)	4,932,350,394	5,001,116,179
Miscellaneous (Others)	3,504,741,047	4,297,347,113
	<b>189,592,817,295</b>	<b>184,910,703,354</b>

#### 7.3.6 Nature wise Loans and Advances

Continuous	28,827,557,945	31,754,314,496
Demand Loan	49,426,568,878	46,778,185,938
Term Loans	110,046,716,092	105,072,740,476
Short Term Agri. Credit & Micro Credit	232,548,211	259,909,439
Staff Loan	1,059,426,166	1,045,553,005
	<b>189,592,817,292</b>	<b>184,910,703,354</b>

#### 7.4 Classification of Loans and Advances including Bills Purchased and Discounted

Unclassified Loans and Advances (including staff loan)		
Consumer Financing (House Financing, HF)	7,798,127,398	8,137,063,438
Consumer Financing (Loans for Professional, LP)	25,633,444	4,673,111
Consumer Financing (Other than HF & LP)	4,151,001,685	4,097,075,507
Small & Medium Enterprise Financing (SMEF)	14,929,017,589	14,856,137,302
Loans to BHs/ MBs/ Sds against Shares etc	42,919,116	40,931,392
All Other Credit	142,740,911,481	144,079,386,239
Short Term Agri Credit	218,923,734	256,844,175
Staff Loans	1,059,426,166	1,045,553,005
	170,965,960,613	172,517,664,169
Special Mentioned Accounts	10,769,318,398	6,201,012,426
Classified Loans and Advances		
Sub-Standard Loans and Advances	1,859,090,684	1,004,754,645

	<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
Doubtful Loans and Advances	566,067,692	613,156,610
Bad /Loss Loans and Advances	5,432,379,905	4,574,115,504
	7,857,538,281	6,192,026,759
	<b>189,592,817,292</b>	<b>184,910,703,354</b>

#### 7.5 Particulars of Loans and Advances

(I) Loans considered good in respect of which the bank is fully secured.	117,649,702,449	115,382,342,801
(ii) Loans considered good for which the bank holds no other security than the debtor's personal security.	2,108,887,321	2,349,398,333
(iii) Loans considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	51,207,370,843	54,819,294,447
(iv) Loans considered doubtful or bad not provided for	-	-
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other person.	1,094,139,849	1,067,439,344
(vi) Loans due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members.	-	-
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons.	1,094,139,849	1,067,439,344
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.	-	-
(ix) Due from Banking Companies.	-	-
(x) Amount of classified loan on which no interest has been charged:		-
a) Increase/(Decrease) in provision	462,378,500	653,951,030
Amount of loan written off	-	-
Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	2,501,239,376	1,709,591,612
c) Interest credited to interest Suspense Account	1,831,063,968	1,685,951,084

	<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
(xi) Cumulative amount of written off loans		
Opening Balance	953,833,452	569,698,405
Amount written off during the year	-	442,635,758
Amount (recovery) during the year	-	(58,500,711)
	<u>953,833,452</u>	<u>953,833,452</u>
The amount of written off loans for which law suit has been filed	<u>953,833,452</u>	<u>953,833,452</u>
<b>7.6 Bills purchased and discounted</b>		
Payable in Bangladesh	3,790,143,335	4,177,822,305
Payable out side Bangladesh	179,669,547	192,031,142
	<u>3,969,812,882</u>	<u>4,369,853,447</u>
<b>7.7 Remaining maturity grouping of bills purchased and discounted</b>		
Payable with in one month	1,936,129,651	2,131,234,665
Over one month but less than three months	1,694,931,236	1,865,730,533
Over three months but less than 01 year	338,751,995	372,888,249
More than 01 year	-	-
	<u>3,969,812,882</u>	<u>4,369,853,447</u>
<b>7.8 Litigation filed by the Bank</b>		
As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:		
<b>Name of the Branch</b>		
Principal Branch	1,775,964	1,775,964
Sena Kalyan Bhaban Branch	56,859,714	62,132,830
Bogra Cantonment Branch	17,478,049	8,541,968
Chittagong Cantonment Branch	3,707,708	3,707,708
Rangpur Cantonment Branch	7,955,479	8,091,877
Jessore Cantonment Branch	6,870,178	6,870,178
Jalabad Branch	1,415,173	1,415,173
Agrabad Branch	141,554,574	89,050,458
SS Cantt. Branch	1,508,783	1,568,783
Dhanmondi Branch	38,891,211	41,231,718
Gulshan Corporate Branch	49,188,598	49,188,598
Dilkusha Corporate Branch	2,413,509	2,598,989
RWGH Branch	25,050,701	25,550,701
KYAMCH Branch	3,089,141	28,370,723
CDA Avenue Branch	93,610,680	93,610,680
Sylhet Corp. Branch	13,330,509	13,330,509
Millenum Corporate Branch	29,876,924	29,876,924
Uttara Corporate Branch	219,008,510	154,398,307
Halishar Branch	114,132,705	188,168,834
Beani Bazar Branch	28,548,757	28,548,335
Moulvibazar Branch	53,139,134	48,343,646
Goala Bazar Branch	2,478,900	5,674,731
Mirpur Branch	5,992,833	5,992,833
Karwan Bazar Branch	2,853,640	2,863,640
Joypara Branch	9,199,498	9,199,498
Narsingdi Branch	167,451,206	167,451,206
Jublee Road Branch	191,924,686	150,655,864
Shahjalal Upashohor Branch	2,115,231	3,547,160
Ashugonj Branch	4,674,503	4,674,503
Khulna Branch	382,820,032	383,675,977
Tongi Branch	6,750,117	6,750,117
Chowmohoni Branch	48,266,794	48,266,794
Cox's Bazar branch	3,525,258	3,237,750
Comilla Branch	40,671,005	7,050,000
Rajshahi Branch	2,122,295	2,122,295
Kadamtali Branch	25,805,147	25,805,147
Barisal Branch	1,079,441	1,216,204
Rajendrapur Branch	226,109	226,109

	<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
Elephant Road Branch	420,997,252	81,128,116
Dayarampur Branch	541,120	541,120
Khawja Garib Newas Avenue Branch	4,388,178	4,388,178
Kishoreganj Branch	12,492,158	12,492,158
Faridpur Branch	6,176,215	5,885,199
Mongla Branch	683,509	654,075
Jahanabad Cantt Branch	1,693,922	1,699,922
BUSM Cantonment	2,285,873	2,385,873
Mohakhali Branch	-	3,452,791
Auliapur Branch	32,590,065	29,245,576
Lalmonirhat Branch	1,095,115	-
Bangabondhu Cantt. Branch	1,023,064	-
Dholikhal SME Service Centre	3,097,795	3,105,795
Mirerbazar SME/Krishi Branch	4,491,753	4,491,753
Madhobdi SME Branch	19,248,326	19,653,316
Madina Market Branch	4,453,434	4,063,205
Natore SME/ Krishi Branch	232,085	232,085
Manikganj SME/Krishi Branch	72,117,883	67,126,777
	<b>2,394,970,442</b>	<b>1,955,328,667</b>
<b>7 (a) Consolidated Loans and Advances/Islami Banking Investments</b>		
<b>Loans And Advances</b>		
Trust Bank Limited	185,951,869,151	180,540,849,907
Trust Bank Securities Limited	2,349,197,671	2,335,833,766
Trust Bank Investment Limited	188,301,066,822	182,876,683,673
Less : Inter Company Transaction	-	28,136
	<b>188,301,066,822</b>	<b>182,876,655,537</b>
<b>Bills purchased and discounted</b>		
Trust Bank Limited	3,640,948,141	4,369,853,447
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	<b>3,640,948,141</b>	<b>4,369,853,447</b>
	<b>191,942,014,963</b>	<b>187,246,508,984</b>
<b>8 FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES</b>		
<b>Cost</b>		
Leasehold Land	160,469	160,469
Office Building	12,680,000	12,680,000
Furniture and fixtures	225,204,361	221,449,238
Office equipment	933,570,131	914,128,424
Motor vehicles	95,856,115	79,048,827
Office renovation	594,364,368	590,852,432
	<b>1,861,835,444</b>	<b>1,818,319,390</b>
Less: Accumulated depreciation	1,158,469,616	1,114,259,286
	<b>703,365,828</b>	<b>704,060,104</b>
<b>8.1 Accumulated depreciation</b>		
Leasehold Land	-	-
Office Building	2,834,976	2,773,056
Furniture and fixtures	100,433,353	96,449,776
Office equipment	731,969,696	704,799,086
Motor vehicles	67,455,987	65,226,574
Office renovation	255,775,604	245,010,794
	<b>1,158,469,616</b>	<b>1,114,259,286</b>
For details please refer to Annexure - B		
<b>8 (a) Consolidated Fixed assets including premises, furniture and fixtures</b>		
Trust Bank Limited	703,365,828	704,060,104
Trust Bank Securities Limited	846,720	963,099
Trust Bank Investment Limited	7,614,928	7,845,275
	<b>711,827,476</b>	<b>712,868,478</b>

		<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>9 OTHER ASSETS</b>			
<b>i) Investment in shares of Subsidiary Companies</b>			
In Bangladesh		3,349,999,290	3,349,999,290
Outside Bangladesh		-	-
ii) Stationery, stamps, printing materials in stock etc.;		28,384,891	28,489,443
iii) Advance Rent and Advertisement		215,727,477	250,948,410
iv) Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;	Note - 9.1	1,067,408,900	533,326,638
v) Security Deposits		12,461,693	12,461,693
vi) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses;	Note - 9.2	89,278,243	44,091,082
vii) Branch Adjusting (net)		180	-
viii) Suspense Account		475,084,905	481,728,277
ix) Silver		-	-
x) Others	Note - 9.3	2,084,955,215	1,207,886,521
		<b><u>7,323,300,794</u></b>	<b><u>5,908,931,354</u></b>
<b>9.1 Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;</b>			
Interest accrued on investments and deposits		427,048,589	487,231,902
Interest accrued on Loans & advances	Note - 9.1.1	620,463,797	8,238,564
Commission Receivable on SP, WEDB & Mobile Banking Activities		19,896,514	37,856,172
		<b><u>1,067,408,900</u></b>	<b><u>533,326,638</u></b>
<b>9.1.1 Interest accrued on investments and deposits</b>			
Interest/Profit accrued on Fixed Deposits/MTDR	Note - 9.1.1.1	6,809,186	34,029,723
Interest accrued Corporate Bonds		51,581,576	29,178,150
Interest accrued on Government Treasury Bond		368,297,827	424,024,029
Dividend Receivable from Listed Companies		360,000	-
		<b><u>427,048,589</u></b>	<b><u>487,231,902</u></b>
<b>9.1.1.1 Interest/Profit accrued on Fixed Deposits/MTDR</b>			
Interest accrued on Fixed Deposits		6,809,186	34,029,723
Profit accrued on MTDR		-	-
		<b><u>6,809,186</u></b>	<b><u>34,029,723</u></b>
<b>9.1.2 Interest accrued on Loans &amp; advances</b>			
Interest accrued on Conventional Loans & advances		-	-
Profit Receivable on TIB Investment		-	-
		<b><u>-</u></b>	<b><u>-</u></b>
<b>9.2 Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses;</b>			
Pre-opening Expenses		-	-
Prepaid Expenses		89,278,243	44,091,082
		<b><u>89,278,243</u></b>	<b><u>44,091,082</u></b>
<b>9.3 Others</b>			
Deferred Tax Asset	Note - 9.3.1	142,314,544	136,268,150
Intangible Assets		9,935,547	11,229,330
Encashment of Sanchaya patra awaiting reimbursement-Principal		1,313,045,665	636,617,028
Encashment of Sanchaya patra awaiting reimbursement-Interest		471,997,174	271,177,755
Encashment of WEDB awaiting reimbursement-Principal		14,342,800	17,316,250
Encashment of WEDB awaiting reimbursement-Interest		50,387,381	67,930,101
US\$ Premium Bond - Principal		-	831,500
US\$ Premium Bond - Interest		7,831,619	3,831,550
US\$ Investment Bond - Principal		6,884,625	16,837,875
US\$ Investment Bond - Interest		7,656,329	4,092,435
Advance against Capital Expenditure		8,521,000	14,321,237
Clearing Adjustment		40,337,001	15,572,344
Receivable from Exchange House		11,701,530	11,860,966
		<b><u>2,084,955,215</u></b>	<b><u>1,207,886,521</u></b>



	31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
<b>9.3.1 Deferred Tax Asset</b>		
Balance as on 1 January	136,268,150	112,042,456
Addition during the year	6,046,394	24,225,694
Closing Balance	<b>142,314,544</b>	<b>136,268,150</b>

Note - 9.3.1.1

9.3.1.1 As per BRPD Circular # 11 Dated: 12 December 2011 regarding accounting for Deferred Tax policy are as follows:

**9.3.1.2 Position of Deferred Tax as at 31 March 2018**

Deferred Tax Asset	136,268,150	112,042,456
Deferred Tax Liability	-	-
Net Deferred Tax Assets	<b>136,268,150</b>	<b>112,042,456</b>
Increase of deferred Tax Assets recognized in to the P&L Account	6,046,394	24,225,694
Decreased of deferred Tax Liability recognized in to the P&L Account	-	-
Total Deferred tax Income recognized into P&L Account during the period	<b>142,314,544</b>	<b>136,268,150</b>

Trust Bank Limited recognise deferred tax asset/liability where it has identified a taxable temporary difference between an asset's or liability's carrying amount for accounting purposes and its value for tax purposes. A deferred tax liability arises where the carrying amount of an assets/(Liability) for accounting purposes is greater (less) than its tax value as per BAS - 12 of 12.15 A deferred tax assets arises where the carrying amount of an assets/(Liability) for accounting purposes is less(greater) than its tax value.

9.3.1.3 To maintain the deferred tax Asset of Tk.142,314,544 as on 31 March 2018, a deferred tax Income of Tk.6,046,394 has been made for the first quarter ended as on 31 March 2018 as per BAS-12 - Income Taxes.

**9.3.1 (a) Cosolidated Deferred Tax Asset**

Trust Bank Limited	142,314,544	136,268,150
Trust Bank Securities Limited	281,499	236,085
Trust Bank Investment Limited	1,760,823	1,765,412
	<b>144,356,866</b>	<b>138,269,647</b>

Note - 9.3.1

**9.4 Break-up of Other Assets**

Income generating other assets	3,349,999,290	3,349,999,290
Non income generating other asset	3,973,301,504	2,554,650,298
	<b>7,323,300,794</b>	<b>5,904,649,588</b>

9.5 As on 31 March 2018, there were no outstanding balance with inter Branch adjustment Account of the Bank, Hence no disclouser is provided here.

9.6 Provision for other asset has been made @ 50% for prepaid legal expenses against unsettled suit on reporting date as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note # 12.2 under Other Liability.

**9 (a) Cosolidated other assets**

Trust Bank Limited	7,323,300,794	5,908,931,354
Trust Bank Securities Limited	351,665,187	350,277,091
Trust Bank Investment Limited	43,671,003	51,668,494
	7,718,636,984	6,310,876,939
Less: Investment in Subsidiaries Company.	3,349,999,290	3,349,999,290
	<b>4,368,637,694</b>	<b>2,960,877,649</b>

Note - 9

**10 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS**

**In Bangladesh**

**Call loans**

Call Loan from Banks	2,240,000,000	-
Call Loan from Leasing Co.	-	-
Call Loan from Insurance Co.	-	-
Call Loan from Other Institutions	-	-

**Other Borrowings**

Borrowing from Bangladesh Bank - EDF	1,856,154,425	2,433,973,483
Borrowing from SME Foundation	-	5,750,000
Borrowing from Bangladesh Bank - IPFF	5,406,310,388	5,503,146,148
Borrowing from Bangladesh Bank - IPFF (BDT)	1,394,294,010	1,405,150,827
Borrowing from JICA A/c	1,165,613	1,165,612
Trust Bank Subordinated Bond	400,000,000	400,000,000
Trust Bank Limited Subordinated Bond II	1,600,000,000	1,600,000,000
Trust Bank Limited Subordinated Bond III	4,000,000,000	4,000,000,000
Borrowing from Bangladesh Bank - LTFF (USD)	383,044,301	383,025,042
Borrowing From Bangladesh Bank-EDF (USD)-TIB	268,330,574	540,737,943

	31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
Borrowing from Offshore Unit	41,825,140	156,960,122
Bangladesh Bank: Re-finance	102,180,718	106,831,197
	<b>17,693,305,169</b>	<b>16,536,740,374</b>
<b>Outside Bangladesh</b>	-	-
	<b>17,693,305,169</b>	<b>16,536,740,374</b>

As per Bangladesh Bank letter ref # BRPD (BIC)661/14B(P)/2011-264 dated: May 31, 2011 & Guidelines on Risk Based Capital Adequacy ( December 2010){ Annex A}: Unsecured Subordinated Non-Convertible Bond shown as long term borrowings.

#### Unsecured Subordinated Non-Convertible Bond ( I ,II & III)

Trust Bank Limited Issued Three Unsecured Subordinated Non-Convertible Bond of Taka 2,000,000,000, Taka 2,000,000,000 and Taka 4,000,000,000 respectively for a term of Seven (7) years to strengthen the capital base of the Bank. First Bond issued on October 2011, Second Bond issued on September 2014 and Third Bond issued on October 2016 on the consent of SEC vide letter ref # SEC/CI/CPLC-48/2001-339 date: May 03, 2011 & BSEC/CI/DS-211/2014/444 dated June 24, 2014 & Bangladesh Bank permission letter ref # BRPD (BIC)661/14B(P)/2011-264 dated May 31, 2011 & BRPD (BIC)661/14B(P)/2014/4723 dated July 21, 2014. The interest rate of first two bonds are 12.5% per annum and for the last bond issued at floating rate of interest, at present the rate is 8.60%. 60% repayment of First Bond already paid on 30 October 2014, 30 October 2015 and 30 October 2016 @ 20% for each year to the respective Bond holders. The repayment of last two Bonds will start after three years from the date of issue of each bond.

#### 10.1 Security wise borrowings

Secured Borrowings	-	-
Unsecured Borrowings	17,693,305,169	16,536,740,374
	<b>17,693,305,169</b>	<b>16,536,740,374</b>

#### 10.2 Repayment nature wise borrowings

Repayment on Demand	-	-
Others	17,693,305,169	16,536,740,374
	<b>17,693,305,169</b>	<b>16,536,740,374</b>

#### 10.3 Remaining maturity grouping of Borrowings from other banks, financial institutions and agents

<b>Payable</b>		
On demand	-	-
Upto 1 month	4,896,827,784	2,961,324,540
Over 1 month but within 3 months	3,450,720,006	3,846,204,069
Over 3 months but within 1 Year	5,188,882,862	4,354,357,994
Over 1 Year but within 5 Years	3,356,874,517	4,574,853,771
Over 5 Years	800,000,000	800,000,000
	<b>17,693,305,169</b>	<b>16,536,740,374</b>

#### 10 (a) Consolidated borrowings from other Banks, financial institutions and agents

Trust Bank Limited	Note - 10	17,693,305,169	16,536,740,374
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		10,549,569	29,248,720
		17,703,854,738	16,565,989,094
Less: Inter company transaction		-	28,136
		<b>17,703,854,738</b>	<b>16,565,960,958</b>

#### 11 DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts	Note - 11.2	29,318,824,056	28,351,664,343
Bills Payable	Note - 11.3	2,307,110,613	2,685,106,501
Savings Bank Deposits/Mudaraba Savings Deposits	Note - 11.4	27,905,969,539	28,898,709,201
Fixed Deposits/Mudaraba Term Deposits	Note - 11.5	139,745,102,485	140,517,973,798
		<b>199,277,006,693</b>	<b>200,453,453,843</b>

#### 11.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh	Banks	Other than Banks		
Payable				
Repayable on Demand	298,394,774	37,818,271,315	38,116,666,089	38,362,745,997
Repayable within 1 month	652,105,587	32,296,233,769	32,948,339,356	33,161,052,722
Over 1 month but within 6 months		46,685,400,933	46,685,400,933	46,986,800,304
Over 6 months but within 1 Year		23,134,047,188	23,134,047,188	23,283,399,815
Over 1 Year but within 5 Years		25,066,577,690	25,066,577,690	25,228,406,669
Over 5 Years		33,325,975,437	33,325,975,437	33,541,126,808
	<b>950,500,360</b>	<b>198,326,506,333</b>	<b>199,277,006,693</b>	<b>200,563,532,315</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>950,500,360</b>	<b>198,326,506,333</b>	<b>199,277,006,693</b>	<b>200,563,532,315</b>

		<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>11.2</b>	<b>Current / Al-wadeeah Current Accounts and other Accounts</b>		
	Under Conventional Banking	28,274,137,750	27,402,542,850
	Under Islamic Banking	1,044,686,306	949,121,493
		<u>29,318,824,056</u>	<u>28,351,664,343</u>
<b>11.2.1</b>	<b>Under Conventional Banking</b>		
	Current Account	18,724,056,048	17,615,316,256
	Other Accounts	9,550,081,702	9,787,226,594
		<u>28,274,137,750</u>	<u>27,402,542,850</u>
<b>11.2.2</b>	<b>Under Islamic Banking</b>		
	Al-wadeeah Current Accounts	280,736,629	267,242,768
	Foreign Currency Deposits	132,836,703	132,836,703
	Sundry Deposits	393,794,930	393,794,930
	Profit payable on Deposits	237,318,044	155,247,092
		<u>1,044,686,306</u>	<u>949,121,493</u>
<b>11.2.3</b>	<b>Other Accounts</b>		
	Foreign Currency Deposits	5,678,100,363	6,507,633,542
	Interest Payable on Deposits	1,506,700,639	1,099,983,253
	Sundry Deposits	2,365,280,700	2,179,609,799
		<u>9,550,081,702</u>	<u>9,787,226,594</u>
<b>11.3</b>	<b>Bills Payable</b>		
	<b>Under Conventional Banking</b>		
	Demand Draft payable	4,198,720	4,198,720
	Pay Order payable	2,300,946,949	2,678,942,837
		2,305,145,669	2,683,141,557
	<b>Under Islamic Banking</b>		
	Demand Draft payable	-	-
	Pay Order payable	1,964,944	1,964,944
		<u>1,964,944</u>	<u>1,964,944</u>
		<u>2,307,110,613</u>	<u>2,685,106,501</u>
<b>11.4</b>	<b>Savings Bank Deposits/Mudaraba Savings Deposits</b>		
	Savings Bank Deposits	26,094,097,960	27,115,630,364
	Mudaraba Savings Deposits	1,811,871,579	1,783,078,837
		<u>27,905,969,539</u>	<u>28,898,709,201</u>
<b>11.5</b>	<b>Fixed Deposits/Mudaraba Term Deposits</b>		
<b>11.5.1</b>	<b>Under Conventional Banking</b>		
	Fixed Deposits	85,270,905,550	83,375,609,402
	Short Notice Deposits	22,661,532,637	26,373,853,804
	Scheme Deposits	15,324,837,564	15,197,385,863
		<u>123,257,275,751</u>	<u>124,946,849,069</u>
<b>11.5.2</b>	<b>Under Islamic Banking</b>		
	Mudaraba Term Deposits	15,032,497,989	14,148,448,900
	Mudaraba Short Notice Deposits	212,396,685	210,306,779
	Mudaraba Scheme Deposits	1,242,932,060	1,212,369,050
		<u>16,487,826,734</u>	<u>15,571,124,729</u>
		<u>139,745,102,485</u>	<u>140,517,973,798</u>
<b>11.6</b>	<b>Geographical location-wise concentration of Deposits &amp; Other Accounts</b>		
	<b>Inside Bangladesh</b>		
	Dhaka Division	150,544,399,641	150,390,869,092
	Chittagong Division	24,809,835,355	25,893,923,011
	Khulna Division	7,004,058,645	7,214,287,903
	Sylhet Division	6,186,506,448	6,386,500,232
	Rangpur Division	3,101,246,933	3,144,626,391
	Barisal Division	420,952,911	421,426,590
	Rajshahi Division	6,154,424,129	6,072,103,441
	Mymensingh Division	1,055,582,631	1,039,476,684
		199,277,006,693	200,563,213,344
	<b>Outside Bangladesh</b>	-	-
		<u>199,277,006,693</u>	<u>200,563,213,344</u>

	<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>11.7 Sector-wise deposits</b>		
Government	14,619,458,489	14,619,458,489
Deposit money banks	800,626,660	800,626,660
Other public	7,782,987,757	7,782,987,757
Private	168,518,978,038	169,464,439,847
Foreign Currency Deposits	5,810,937,066	6,640,470,245
Interest Payable on Deposits	1,744,018,683	1,255,230,345
	<b>199,277,006,693</b>	<b>200,563,213,343</b>
<b>11 (a) CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS</b>		
Current / Al-wadeeah Current Accounts and other Accounts		
Trust Bank Limited	29,318,824,056	28,351,664,343
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	93,445,887	85,728,241
	29,412,269,943	28,437,392,584
Less : Inter Company Transaction	225,459,289	264,987,195
	29,186,810,654	28,172,405,389
Bills Payable	2,307,110,613	2,685,106,501
Savings Bank Deposits/Mudaraba Savings Deposits	27,905,969,539	28,898,709,201
Fixed Deposits/Mudaraba Term Deposits	139,745,102,485	140,517,973,798
	<b>199,144,993,291</b>	<b>200,274,194,889</b>
<b>12 OTHER LIABILITIES</b>		
Provision for Loans and Advances	Note - 12.1 6,110,000,000	5,650,000,000
Provision for Investment	Note - 12.2 2,858,076	2,858,076
Provision for other asset	Note - 12.3 17,580,505	17,092,405
Provision for CSR Fund	Note - 12.4 120,000,000	120,000,000
Provision for Gratuity	18,594,931	-
Rebate of Interest	49,996,778	49,996,778
Unearned profit on TIB Investment	337,837,488	316,391,752
Interest Suspense Account	Note - 12.6 1,831,063,968	1,686,945,745
Provision for Income Tax Less Advance Income Tax	Note - 12.7 2,086,663,464	1,777,836,867
Interest Payable on Borrowings	191,605,668	143,113,727
Accrued Expenses	193,843,733	176,277,139
Audit Fees Payable	575,000	575,000
Sundry Creditors	1,337,789,683	690,425,752
Compensation Fund Account	Note - 12.7.2 44,031,768	15,581,619
Others	17,576,652	21,157,088
	<b>12,360,017,714</b>	<b>10,668,251,948</b>
<b>12.1 Provision for Loans and Advances/Islami Banking Investments</b>		
<b>Specific Provision</b>		
Against Classified Loans & Advances	2,845,740,500	2,383,362,000
<b>General Provision</b>		
Against Unclassified Loans & Advances	2,177,472,500	2,210,301,500
Against Special Mention Accounts	237,375,500	203,956,000
Against Off Balance Sheet Exposures	849,411,500	852,380,500
	3,264,259,500	3,266,638,000
	<b>6,110,000,000</b>	<b>5,650,000,000</b>
<b>12.1.1 Against Classified Loans &amp; Advances</b>		
Provision held on 1 January	2,383,362,000	1,694,673,290
Fully provided debts written off	-	(410,961,021)
Recoveries from previously written off debts	-	58,500,711
Provisions made during the year	462,378,500	1,041,149,020
Net Charge to the Profit Loss Account	462,378,500	688,688,710
Provision held at end of year	<b>2,845,740,500</b>	<b>2,383,362,000</b>
<b>12.1.2 Against Unclassified Loans &amp; Advances</b>		
Provision held on 1 January	2,210,301,500	1,738,001,505
Provisions made during the year	(32,829,000)	472,299,995
Provision held at end of year	<b>2,177,472,500</b>	<b>2,210,301,500</b>
<b>12.1.3 Against Special Mention Accounts</b>		
Provision held on 1 January	203,956,000	83,073,705
Provisions made during the year	33,419,500	120,882,295
Provision held at end of year	<b>237,375,500</b>	<b>203,956,000</b>

<b>31.03.2018</b> <b>(Unaudited)</b> <b>Taka</b>	<b>31.12.2017</b> <b>(Audited)</b> <b>Taka</b>
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#### 12.1.4 Required Provision against Loans and Advances

Particulars	Base for Provision	Rate		
<b>Unclassified</b>				
a. Consumer Financing (House Financing)	7,798,127,398	1.00%	77,981,274	81,370,634
b. Consumer Financing (Loans to Professional)	25,633,444	2.00%	512,669	93,462
c. Consumer Financing ( Other than a & b)	4,151,001,685	2% - 5%	199,554,533	198,055,097
d. Small & Medium Enterprise Financing	14,929,017,589	0.25%	37,322,544	37,140,343
e. Loans to BHs/ MBs/ Sds against Shares etc	42,919,116	2.00%	858,382	818,628
f. Short Term Agriculture & Micro Credit	218,923,734	1.00%	2,189,237	2,568,442
g. All other Credit	142,740,911,484	1.00%	1,356,366,101	1,440,791,562
	<u>169,906,534,450</u>		<u>1,674,784,740</u>	<u>1,760,838,168</u>
<b>Special Mention Account</b>				
a. Consumer Financing (House Financing)	298,879,673	1.00%	2,988,797	2,723,653
b. Consumer Financing (Loans to Professional)	-	2.00%	-	14,853
c. Consumer Financing ( Other than a & b)	99,394,251	2% - 5%	4,742,278	4,669,429
d. Small & Medium Enterprise Financing	586,932,432	0.25%	1,467,331	992,560
e. Loans to BHs/ MBs/ Sds against Shares etc	-	2.00%	-	-
f. Short Term Agriculture & Micro Credit	-	2.50%	-	-
g. All other Credit	9,784,112,042	1.00%	97,841,120	54,343,795
	<u>10,769,318,398</u>		<u>107,039,526</u>	<u>62,744,290</u>
<b>Classified</b>				
a. Substandard				
i. Short Term Agri Credit & Micro Credit				
	10,996,562	5.00%	549,828	102,684
ii. Other than Short Term Agri Credit & Micro Credit				
	1,055,703,434	20.00%	211,140,687	108,054,218
b. Doubtful				
i. Short Term Agri Credit & Micro Credit				
	639,511	5.00%	31,976	12,681
ii. Other than Short Term Agri Credit & Micro Credit				
	265,554,393	50.00%	132,777,196	155,793,113
c. Bad/Loss	2,501,239,376	100.00%	2,501,239,376	2,119,396,702
	<u>3,834,133,276</u>		<u>2,845,739,063</u>	<u>2,383,359,398</u>
Additional 1% provision for restructured loans as per BRPD Circular No. - 04 dated 29.01.2015			28,510,500	28,208,000
Additional Provision to be kept as per BB Letter no/. BRPD (P-1)/661/13(Cha)/2017-731 dated 06.02.2017			248,278,680	248,428,100
Additional Provision to be kept as per BB Letter no/. BRPD (P-1)/661/13(Cha)/2017-2898 dated 15.05.2017			19,719,900	19,719,900
Additional Provision to be kept as per BB Letter no/. BRPD (P-1)/661/13(Cha)/2017-4975 dated 07.08.2017			189,038,450	165,845,000
Additional Provision to be kept as per BB Letter no/. BRPD (P-1)/661/13(Cha)/2016-478 dated 20.01.2016			101,824,070	104,624,815
Additional Provision to be kept as per Bangladesh Bank Instruction			2,947,400	-
Additional provision for a rescheduled Loan as per BRPD(P-1)/661/13(Cha)/2016-8276 dated 18.12.2016			-	8,012,000
	<u>184,509,986,123</u>		<u>5,217,882,329</u>	<u>4,781,779,671</u>

#### 12.1.5 General Provision for Off Balance Sheet Exposures

Provision held on 1 January	852,380,500	614,278,500
Provisions made during the year	(2,969,000)	238,102,000
	<u>849,411,500</u>	<u>852,380,500</u>

#### 12.1 (a) Consolidated General Provision for Loans and Advances

Trust Bank Limited	3,264,259,500	3,240,161,500
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	319,120,559	319,120,559
	<u>3,583,380,059</u>	<u>3,559,282,059</u>

#### 12.2 (a) Consolidated General Provision for Off Balance Sheet Exposures

Trust Bank Limited	849,411,500	852,380,500
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	605,300	605,300
	<u>850,016,800</u>	<u>852,985,800</u>

#### 12.2.1 Provision for Diminution in value of Investment

Balance on 1 January	2,858,076	5,973,518
Provisions made for Investment in Shares during the year	-	(3,115,442)
Closing Balance	<u>2,858,076</u>	<u>2,858,076</u>

	<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>12.3 Provision for other asset</b>		
Balance on 1 January	17,092,405	14,769,095
Provisions made during the year	488,100	2,323,310
	<b>17,580,505</b>	<b>17,092,405</b>
<b>12.6 Interest Suspense Account</b>		
Balance on 1 January	1,686,945,745	1,254,089,563
Amount transferred during the year	345,507,497	1,036,506,978
Amount recovered during the year	(189,004,866)	(567,006,112)
Amount written off / waived during the year	(12,384,408)	(36,644,684)
<b>Balance at the end of the year</b>	<b>1,831,063,968</b>	<b>1,686,945,745</b>
<b>12.7 Provision for Income Tax Less Advance Income Tax</b>		
<b>Provision for Income Tax</b>		
Balance on 1 January	6,069,064,931	3,815,011,967
Provisions made during the year	621,000,000	2,235,000,000
Provision for Doubtful Income of Islamic Banking	-	19,052,964
Settlement for previous year(s)	-	-
	6,690,064,931	6,069,064,931
<b>Less: Advance Income Tax</b>		
Balance on 1 January	4,291,228,064	2,618,321,222
Paid during the year	312,173,403	1,672,906,842
Settlement for previous year(s)	-	-
	4,603,401,467	4,291,228,064
<b>Net Closing Balance</b>	<b>2,086,663,464</b>	<b>1,777,836,867</b>
<b>12.7.1</b> Provision for current tax of Tk.621,000,000 has been made @ 40% on Business Income, @ 20% on Dividend Income and @ 10% on capital gain on sale of shares of the accounting profit made by the Bank during the 1st quarter after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.		
<b>12.7 (a) Consolidated tax expenses</b>		
Trust Bank Limited	621,000,000	2,140,000,000
Trust Bank Securities Limited	397,568	8,797,618
Trust Bank Investment Limited	8,000,000	33,500,000
	<b>629,397,568</b>	<b>2,182,297,618</b>
<b>12 (a) Consolidated other liabilities</b>		
Trust Bank Limited	12,360,017,714	10,668,251,948
Trust Bank Securities Limited	50,897,368	60,277,472
Trust Bank Investment Limited	1,308,949,873	1,275,591,807
	13,719,864,955	12,004,121,227
Less: Inter company transaction	-	-
	<b>13,719,864,955</b>	<b>12,004,121,227</b>
<b>13 CAPITAL</b>		
<b>13.1 Authorized Capital</b>		
1,000,000,000 Ordinary shares of Tk. 10 each	10,000,000,000	10,000,000,000
<b>13.2 Issued, Subscribed and Paid Up Capital</b>		
116667000 Ordinary shares of Tk. 10 each issued for cash	1,166,670,000	1,166,670,000
11666700 Ordinary shares of Tk. 10 each issued bonus shares	116,667,000	116,667,000
25666740 Ordinary shares of Tk. 10 each issued for right 1R:5	256,667,400	256,667,400
30800080 Ordinary shares of Tk. 10 each issued bonus shares	308,000,800	308,000,800
36960100 Ordinary shares of Tk. 10 each issued bonus shares	369,601,000	369,601,000
44352120 Ordinary shares of Tk. 10 each issued bonus shares	443,521,200	443,521,200
26611274 Ordinary shares of Tk. 10 each issued bonus shares	266,112,740	266,112,740
53222550 Ordinary shares of Tk. 10 each issued for right 1R:5	532,225,500	532,225,500
34594656 Ordinary shares of Tk. 10 each issued bonus shares	345,946,560	345,946,560
45664946 Ordinary shares of Tk. 10 each issued bonus shares	456,649,460	456,649,460
42620616 Ordinary shares of Tk. 10 each issued bonus shares	426,206,160	426,206,160
37506142 Ordinary shares of Tk. 10 each issued bonus shares	375,061,420	375,061,420
50633292 Ordinary shares of Tk. 10 each issued bonus shares	506,332,920	506,332,920
	<b>5,569,662,160</b>	<b>5,569,662,160</b>

31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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### 13.3 Capital Adequacy Ratio

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 18 dated 21 December 2014 relating to implementation of Basel III in Bangladesh, required capital, available core capital and supplementary capital of the Bank as on 31 December 2016 is shown below:

#### 13.3.1 Capital Adequacy Ratio under SOLO basis

##### Common Equity Tier I (Going-concern capital)

Paid up Capital	5,569,662,160	5,569,662,160
Share Premium Account	-	-
Statutory Reserve	5,027,443,088	4,815,477,540
Retained Earnings	1,952,723,658	1,719,815,073
	<b>12,549,828,906</b>	<b>12,104,954,773</b>

Less : Regulatory Adjustments

Deferred Tax - Assets	142,314,544	136,268,150
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**Total Common Equity Tier-1 Capital**

	<b>12,407,514,362</b>	<b>11,968,686,623</b>
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##### Additional Tier I Capital

##### Tier II Capital (Gone-Concern Capital)

General Provision	3,264,259,500	3,266,638,000
Subordinated Bond	5,200,000,000	5,200,000,000
Revaluation reserves	273,661	273,661
	<b>8,464,533,161</b>	<b>8,466,911,661</b>

**Less : Regulatory Adjustments**

Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)

	218,928	164,197
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**Total Tier II Capital Available**

	<b>8,464,314,233</b>	<b>8,466,747,464</b>
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Maximum Limit of Tier II Capital ( Tier II capital can be

maximum up to 4.00% of the total RWA or 88.89% of CET I,

whichever is higher)

	11,029,039,516	10,638,965,539
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Excess Amount over Maximum Limit of Teir II

	-	-
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**Total Admissible Tier-2 Capital**

	<b>8,464,314,233</b>	<b>8,466,747,464</b>
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**A. Total Eligible Capital (Tier-I + Tier-II)**

	<b>20,871,828,595</b>	<b>20,435,434,087</b>
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B. Total Risk Weighted Assets (RWA)

Credit Risk Weighted Assets	148,714,786,571	142,606,387,223
Market Risk Weighted Assets	1,652,520,793	1,956,532,187
Operational Risk Weighted Assets	13,539,642,930	13,201,774,465
	<b>163,906,950,294</b>	<b>157,764,693,875</b>

C. Required Capital based on RWA @ 11.875%

	19,463,950,347	17,748,528,061
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2017 - @ 11.25%

	1,407,878,248	2,686,906,026
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D. Surplus Capital as per Bank weighted Assets (A - C)

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#### 13.3 (a) Capital Adequacy Ratio under Consolidated basis

##### Tier – I (Core Capital)

Paid up Capital	5,569,662,160	5,569,662,160
Minority Interest	793	789
Share Premium Account	-	-
Statutory Reserve	5,027,443,088	4,815,477,540
Retained Earnings	2,331,214,105	2,082,533,494
	<b>12,928,320,146</b>	<b>12,467,673,983</b>

Less: Regulatory Adjustments

Deferred Tax-Assets	144,356,866	138,269,647
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**Total Common Equity Tier-1 Capital**

	<b>12,783,963,280</b>	<b>12,329,404,336</b>
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**Additional Tier I Capital**

	-	-
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##### Tier II Capita (Gone-Concern Capital)

General Provision (Maximum 1.25% of Credit RWA)	3,264,259,500	3,266,638,000
Subordinated Bond	5,200,000,000	5,200,000,000
Revaluation Reserves	273,661	273,661
	<b>8,464,533,161</b>	<b>8,466,911,661</b>

	31.03.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
<b>Less : Regulatory Adjustments</b>		
Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)	218,928	164,197
Total Tier II Capital Available	<b>8,464,314,233</b>	<b>8,466,747,464</b>
Maximum Limit of Tier II Capital ( Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I, whichever is higher)	11,363,664,960	11,279,872,667
Excess Amount over Maximum Limit of Teir II	-	-
<b>Total Admissible Tier-2 Capital</b>	<b>8,464,314,233</b>	<b>8,466,747,464</b>
<b>A. Total Eligible Capital (Tier-I + Tier-II)</b>	<b>21,248,277,513</b>	<b>20,796,151,800</b>
<b>B. Total Risk Weighted Assets (RWA)</b>		
Credit Risk Weighted Assets	147,956,752,065	141,841,505,314
Market Risk Weighted Assets	4,788,481,760	5,372,836,354
Operational Risk Weighted Assets	14,111,460,993	13,692,607,220
	<b>166,856,694,818</b>	<b>160,906,948,888</b>
C. Required Capital based on RWA @ 11.875 % 2017- @ 11.25%	17,728,523,824	18,102,031,750
D. Surplus Capital as per Bank weighted Assets (A - C)	3,519,753,689	2,694,120,050
<b>Capital Adequacy Ratio</b>		
Core Capital to RWA	7.66%	7.66%
Supplementary Capital to RWA	5.07%	5.26%
	12.73%	12.92%

#### Total Risk Weighted Assets (RWA)

Risk Wiegthed Assets (RWA) has been calculated considering the Credit risk, Market Risk and Operational risk as per Guidellines on Risk Based Capital Adequacy - Revised Regulatory Framework for Banks in line with Basel III issued by Bangladesh Bank vide BRPD Circular no. 18 dated 21 December 2014.

#### 13.4 Leverage Ratio under SOLO basis

A. Tier-1 Capital - considering all regulatory adjustments	12,407,514,362	11,968,686,623
B. On- Balance Sheet Exposure	239,057,051,537	237,888,818,398
C. Off-Balance Sheet Exposure	31,881,336,865	31,992,060,983
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	142,314,544	135,368,114
E. Total Exposure (B+C-D)	270,796,073,858	269,745,511,267
Leverage Ratio (A/E)*100	4.58%	4.44%

#### 13.4 (a) Leverage Ratio under Consolidated basis

A. Tier-1 Capital - considering all regulatory adjustments	12,783,963,280	12,329,404,336
B. On- Balance Sheet Exposure	240,673,898,049	239,437,318,821
C. Off-Balance Sheet Exposure	31,941,866,865	32,052,590,983
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	144,356,866	137,415,025
E. Total Exposure (B+C-D)	272,471,408,048	271,352,494,779
Leverage Ratio (A/E)*100	4.69%	4.54%

#### 13.5 Percentage of shareholdings at the closing date

	Amount (in Taka)		Percentage (%)	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Sponsors	3,341,749,260	3,341,749,260	60.00%	60.00%
Financial Institutions	915,100,400	947,632,940	16.43%	17.01%
Foreign Investors	102,166,510	101,959,030	1.83%	1.83%
Non-Resident Bangladeshi	10,848,370	17,114,240	0.20%	0.31%
General Public	1,199,797,620	1,161,206,690	21.54%	20.85%
<b>Total</b>	<b>5,569,662,160</b>	<b>5,569,662,160</b>	<b>100.00%</b>	<b>100.00%</b>



<b>31.03.2018</b> <b>(Unaudited)</b> <b>Taka</b>	<b>31.12.2017</b> <b>(Audited)</b> <b>Taka</b>
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**13.6 Shareholding Range on the basis of shareholdings as on 31 March 2018**

Shareholding Range		No. of Sh. Holders	Number of Shares	%
1	to 500	6,548	1,093,213	0.20%
501	to 5,000	8,159	15,071,734	2.71%
5,001	to 10,000	776	5,443,297	0.98%
10,001	to 20,000	355	4,899,262	0.88%
20,001	to 30,000	131	3,197,024	0.57%
30,001	to 40,000	68	2,387,868	0.43%
40,001	to 50,000	48	2,119,873	0.38%
50,001	to 100,000	68	4,947,276	0.89%
100,001	to 1,000,000	75	21,403,511	3.84%
1,000,001	and More	34	496,403,158	89.13%
<b>Total</b>		<b>16,262</b>	<b>556,966,216</b>	<b>100.00%</b>

**13 (a) MINORITY INTEREST**

Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each & 1 nos Share of TBSL)  
Profit as of 1 January 2016  
Profit for the year

	789	789
	-	-
	4	-
	4	-
	<b>793</b>	<b>789</b>

**14 STATUTORY RESERVE**

Balance on 1 January  
Reserve made during the year  
Closing Balance

	4,815,477,540	4,027,401,519
	211,965,548	788,076,021
	<b>5,027,443,088</b>	<b>4,815,477,540</b>

**14.1** Reserve for current period was made @ Tk. 20% on the net profit before tax under section 24 of The Bank Companies Act 1991.

**15 OTHER RESERVE**

**Revaluation Reserve**

Balance on 1 January  
Reserve made/(adjusted) during the year  
Closing Balance

	5,447,527	39,863,658
	15,381,211	(34,416,131)
	<b>20,828,738</b>	<b>5,447,527</b>

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity and must be amortized at the end of the year before maturity. Investments classified in the category of 'Held for Trading' are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week. The increase in case of amortization of Investment under 'Held to maturity' and any change in the fair value in case of Investment under 'held for Trading' is to be accounted for in the 'Statement of changes in Equity' under the head Other Reserve as Surplus/Deficit on revaluation of investment.

**16 RETAINED EARNINGS**

Balance on 1 January  
Issue of Bonus Shares  
Cash Dividend  
  
Net Profit for the year transferred from Profit and Loss Account  
Less: Transferred to Statutory Reserve  
  
Closing Balance

	1,719,815,073.00	2,044,117,600
	-	(506,332,920)
	-	(759,499,386)
	1,719,815,073	778,285,294
	444,874,133	1,729,605,800
	211,965,548	788,076,021
	232,908,585	941,529,779
	<b>1,952,723,658</b>	<b>1,719,815,073</b>

**16 (a) Consolidated retained earnings**

Trust Bank Limited  
Trust Bank Securities Limited  
Trust Bank Investment Limited

Note - 16

	1,952,723,658	1,719,815,073
	25,889,277	25,828,203
	352,601,253	336,890,297
	2,331,214,188	2,082,533,573
	83	79
	<b>2,331,214,105</b>	<b>2,082,533,494</b>

Less minority interest  
Closing Balance

**17 CONTINGENT LIABILITIES**

**17.1 Acceptances and endorsements**

Acceptance Bills - Local  
Acceptance Bills - Foreign  
Acceptance Liabilities - Back to Back L/C

	1,704,647,870	2,042,230,604
	22,114,151,801	15,020,088,393
	662,778,393	917,118,872
	<b>24,481,578,064</b>	<b>17,979,437,869</b>

		<b>31.03.2018 (Unaudited) Taka</b>	<b>31.12.2017 (Audited) Taka</b>
<b>17.2</b>	<b>Letters of Guarantee</b>		
	Letters of Guarantee - Local	34,241,758,491	32,319,151,209
	Letters of Guarantee -Foreign	22,139,264.00	22,139,264.00
		<b>34,263,897,755</b>	<b>32,341,290,473</b>
<b>17.2.1</b>	<b>Money for which the bank is contingently liable in respect of guarantees given favoring :</b>		
	Directors or Officers	-	-
	Government	1,667,185,466	1,573,636,771
	Banks and other financial institutions	1,298,290,782	1,225,441,414
	Others	31,298,421,507	29,542,212,288
		<b>34,263,897,755</b>	<b>32,341,290,473</b>
<b>17.2 (a)</b>	<b>Consolidated Letters of Guarantee</b>		
	Trust Bank Limited	34,263,897,755	32,341,290,473
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	-	-
		<b>34,263,897,755</b>	<b>32,341,290,473</b>
<b>17.3</b>	<b>Irrevocable Letter of Credits</b>		
	Letter of Credit - Local	804,662,888	582,912,827
	Letter of Credit - Foreign	18,936,691,475	19,986,505,330
	Letter of Credit - Back to Back L/C	2,217,595,024	1,972,966,872
	Letter of Credit - Usance (Foreign)	6,723,935,317	14,056,429,460
	Letter of Credit - Back to Back (EDF) - Foreign	448,022,883	494,920,908
		<b>29,130,907,587</b>	<b>37,093,735,397</b>
<b>17.4</b>	<b>Bills for Collection</b>		
	Outward Bills for Collection	11,145,022	17,327,040
	Foreign Bills for Collection	-	-
	Inland Bills for Collection	-	-
	Local Documentary Bill for Collection	1,849,889,179	2,118,481,796
	Inward Foreign Documentary Bills for Collection	-	-
	Foreign Documentary Bills for Collection	1,266,511,526	1,571,023,626
		<b>3,127,545,727</b>	<b>3,706,832,462</b>
<b>17 (a)</b>	<b>Consolidated Contingent Liabilities</b>		
	Trust Bank Limited	91,003,929,133	91,121,296,201
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	-	-
		<b>91,003,929,133</b>	<b>91,121,296,201</b>

		<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
<b>18</b>	<b>INCOME STATEMENTS</b>		
	<b>Income:</b>		
	Interest/Profit, discount and similar income	4,501,628,656	3,731,785,341
	Dividend income	-	12,936
	Fees, commission and brokerage	247,781,041	283,086,270
	Gains less losses arising from dealing in securities	201,832	17,562,575
	Gains less losses arising from investment securities	-	-
	Gains less losses arising from dealing in foreign currencies	-	-
	Income from non-banking assets	-	-
	Other operating income	79,970,967	88,339,572
	Profit less losses on interest rate changes	-	-
		<b>4,829,582,496</b>	<b>4,120,786,694</b>
	<b>Expenses:</b>		
	Interest / profit paid on deposits, borrowings etc,	2,458,473,504	2,122,239,645
	Losses on loans and advances	-	-
	Administrative expenses	695,154,692	674,271,841
	Other operating expenses	138,650,564	136,144,321
	Depreciation on banking assets	16,987,897	9,022,515
		<b>3,309,266,657</b>	<b>2,941,678,322</b>
		<b>1,520,315,839</b>	<b>1,179,108,372</b>
<b>19</b>	<b>INTEREST INCOME</b>		
<b>19.1</b>	<b>Interest Income under Conventional banking</b>		
	<b>Interest from Loans and Advances</b>		
	Interest on Repair & Recon. of Dwelling House (RRDH)	26,507,141	48,841,701
	Interest on Marriage Loans	415,347	999,959
	Interest on Car Loans	2,045,437	2,219,062
	Interest on House Building Loans	145,561,058	112,639,661
	Interest on Term Loans	1,236,518,409	1,277,288,014
	Interest on Other Loans	1,154,564,577	662,639,221
	Interest on SME Loan	170,734,758	140,343,486
	Interest on PAD - EDF	24,649,034	45,431,411
	Interest on Staff Loan	9,417,375	10,497,385
	Interest on LTR	143,177,209	95,138,711
	Interest on Payment Against Documents (PAD)	2,315,234	2,861,720
	Interest on Cash Credit	36,071,466	28,711,245
	Interest on Cash Collateral	119,336,380	66,041,801
	Interest on Overdraft	422,876,573	259,595,637
	Interest on SOD	29,150,916	99,539,655
	Interest on Inland Bills Purchased and Discounted	48,173,894	15,977,404
	Interest on Foreign Bills Purchased and Discounted	560,825	825,287
		<b>3,572,075,633</b>	<b>2,869,591,360</b>
	<b>Interest from Banks and Other Financial Institutions</b>		
	Interest on FDR Account	2,895,277	61,477,780
	Interest on Bangladesh Bank Foreign Currency Accounts	2,446,805	1,065,870
	Interest on SND Account	95,945	97,077
	Interest on Call Deposits	4,303,458	8,521,139
		<b>9,741,485</b>	<b>71,161,866</b>
	Interest received from Foreign Banks	-	-
		<b>3,581,817,118</b>	<b>2,940,753,226</b>
<b>19.2</b>	<b>Profit under Islamic banking</b>		
	Profit on Bai-Muajjal	197,957,493	126,178,680
	Profit on HPSM-Capital Machinery	28,337,132	23,367,073
	Profit on IHSAN Apartment Purchase Scheme	4,085,583	1,936,878
	Profit on BARAKAT Home Construction Scheme	3,424,190	2,115,076

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
Profit on BARAKAT Car Scheme	225,340	150,693
Profit on HPSM- Real Estate	29,022,261	12,104,109
Profit on Murabaha TR	50,562,332	36,698,891
Profit on Bai-Salam	301,251	1,398,943
Profit on Murabaha Import Bills (MIB)	-	571,717
Profit on TIB Car Scheme(Car Loan)	24,401	-
Profit on TIB Household Durable Scheme( Household Durable)	54,477	69,266
Profit on MIB - EDF - TIB	9,116,556	8,776,062
Profit on TIB HB Inv. for Rtd. Def. Officer (M)	103,396	61,568
Profit on HPSM General	81,171,049	54,133,507
Profit on Barkat Doctors Scheme	86,154	25,786
Profit on Trust Nibash	156,609	20,476
Profit on Trust Power	601,008	453,370
Profit on Musharaka agt. IBP	8,683,696	8,683,329
Profit Suspense - Musharaka IBP USD	378,989	451,563
	<b>414,291,917</b>	<b>277,196,987</b>
<b>Profit from Banks and Other Financial Institutions</b>		
Profit on Mudarab Term Deposits	-	13,311,069
	<b>414,291,917</b>	<b>290,508,056</b>
	<b>3,996,109,035</b>	<b>3,231,261,282</b>
Less: Rebate for Good Borrowers	-	-
	<b>3,996,109,035</b>	<b>3,231,261,282</b>

The Bank has transferred interest accrued during the year on "Sub-Standard","Doubtful" or "Bad/Loss" to Interest Suspense Account instead of Interest Income Account in line with BRPD Circular No. 14 date 23 September 2012. The Bank has also transferred any unrealized accrued interest on rescheduled loans to Interest Suspense Account instead of Interest Income in line with BRPD Circular No. 14 date 23 September 2012.

**19 (a) Consolidated Interest Income/profit on investment**

Trust Bank Limited	3,996,109,035	3,231,261,282
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	25,092,497	11,207,855
	<b>4,021,201,532</b>	<b>3,242,469,137</b>
Less : Inter Company Transaction	78,962	74,560
	<b>4,021,122,570</b>	<b>3,242,394,577</b>

**20 INTEREST PAID ON DEPOSITS AND BORROWINGS**

**20.1 Interest paid on deposits**

Interest on SND Account	111,417,124	67,327,326
Interest on FDR Account	1,231,146,100	1,104,144,984
Interest on Foreign Currency Deposit	32,100,040	15,876,271
Interest on Savings Account	144,639,727	95,876,429
Interest on Scheme Deposits	438,711,161	421,149,288
	<b>1,958,014,152</b>	<b>1,704,374,298</b>

**20.2 Profit paid on Islamic Banking Deposits**

Profit Paid on Mudaraba Savings Account	15,029,749	9,582,748
Profit Paid on Mudaraba SND	906,862	628,359
Interest Paid on Mudaraba TDR	226,191,473	141,304,253
Profit Paid on Mudaraba MTDR - 1 Month	3,399,142	4,214,508
Prifit Paid on TBL Barakat Hajj Deposit Scheme	388,604	276,906
Profit on Mudaraba Kotipati Scheme (MKS)	3,780,024	2,597,594
Profit on Mudaraba Millionaire Scheme (MMS)	6,504,253	4,507,431

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
Profit on Mudaraba Money Double Scheme (MMDS)	2,020,011	1,834,002
Profit Paid on DPMSA	65,410	44,966
Profit Paid on TEMSA	314,974	298,058
Profit Paid on Mudaraba Monthly Savings Scheme	10,417,643	8,085,036
Profit paid on Trust Bank Mudaraba Cash Waqf	18,922	18,926
Profit Paid On - Fc Deposits	-	15
Profit paid on MMPS	4,679,589	5,148,475
Profit paid on TIB Payroll	52,015	28,767
Provision for final profit adjustment	-	-
	<b>273,768,671.00</b>	<b>178,570,044</b>
<b>20.3 Interest paid on borrowings</b>		
<b>20.3.1 Under Conventional Banking</b>		
Interest on Call Deposits.	19,340,375	1,267,083
Interest on Repo	255	-
Interest on Other Borrowings	207,350,051	230,616,929
	<b>226,690,681</b>	<b>231,884,012</b>
<b>20.3.1 Under Islamic Banking</b>		
Profit paid on Bangladesh Bank Borrowings	-	7,411,291
Interest on Other Borrowings	-	-
	<b>-</b>	<b>7,411,291</b>
	<b>2,458,473,504</b>	<b>2,122,239,645</b>
<b>20 (a) Consolidated Interest / profit paid on deposits, borrowings etc. on investment</b>		
Trust Bank Limited	2,458,473,504	2,122,239,645
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	495,534
	<b>2,458,473,504</b>	<b>2,122,735,179</b>
Less : Inter Company Transaction	78,962	74,560
	<b>2,458,394,542</b>	<b>2,122,660,619</b>
<b>21 INCOME FROM INVESTMENTS</b>		
<b>21.1 Income from Conventional Banking</b>		
Income from Treasury bills	91,858,409	77,155,901
Income on Bangladesh Bank Bill	5,103,000	14,049,650
Income from Treasury bonds	354,913,689	381,429,506
Income from Corporate Bonds	48,581,509	27,489,002
Dividend Income	-	12,936
Income on Investment in Commercial Paper	-	400,000
Gain from sales of shares	201,832	16,110,517
	<b>500,658,439</b>	<b>516,647,512</b>
<b>21.2 Income from Islamic Banking Investments</b>		
Income from Corporate Bonds	5,063,014	-
Profit on Sale of Shares	-	1,452,058
	<b>5,063,014</b>	<b>1,452,058</b>
	<b>505,721,453</b>	<b>518,099,570</b>
<b>21(a) Consolidated Income from Investment</b>		
Trust Bank Limited	505,721,453	518,099,570
Trust Bank Securities Limited	974,135	2,461,448
Trust Bank Investment Limited	6,741,516	98,055,437
	<b>513,437,104</b>	<b>618,616,455</b>
<b>22 Commission, exchange and brokerage</b>		
Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order etc.	1,328,673.00	1,326,562
Bills	6,407,832.00	7,325,672
Letter of Guarantees	44,322,264.00	37,746,348
Letter of Credits	56,697,576.00	86,322,343
Foreign Remittances	1,020,348.00	571,281

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
Commission on Sale of Government Securities	5,514,485.00	6,776,423
Fund Transfer Commission	5,600.00	4,600
Acceptance Commission	62,335,378.00	34,857,097
Foreign Correspondence Charges	-	1,000
EMI Comm. on Credit Card	275,107.00	8,405
Miscellaneous Commission	4,249,522.00	5,606,606
	<b>182,156,785.00</b>	<b>180,546,337</b>
Foreign Currency Exchange Gain	65,624,256.00	102,539,933
	<b>247,781,041.00</b>	<b>283,086,270</b>
<b>22 (a) Consolidated Commission, exchange and brokerage</b>		
Trust Bank Limited	247,781,041	283,086,270
Trust Bank Securities Limited	1,854,672	15,150,992
Trust Bank Investment Limited	-	-
	<b>249,635,713</b>	<b>298,237,262</b>
<b>23 OTHER OPERATING INCOME</b>		
Locker Rent	415,750	432,880
Swift Charge (Net)	5,324,455	10,955,400
Postage Charge (Net)	31,991	1,107,426
Incidental Charges	-	2,030
Sale Proceeds of Forms	146,209	564,491
Service Charges	811,407	986,652
Service Compensation	311,017	144,357
Front End Fees	3,632,761	6,289,345
Notice Pay	349,611	155,192
Closing Charge	540,944	455,887
Sale Proceeds of Cheque books	18,000	36,000
Income form Mobile Banking	196,376	1,194,826
O/W Cheque Processing Fees	177,185	160,954
Syndication Fees	8,554,357	12,288,127
Income through Credit & ATM Card	21,209,772	16,014,297
Profit on sale of Fixed Assets	16,393	-
Insurance Premium Income	14,282	9,114
SMS Notification Fees	220,544	105,762
Service Charges on e-GP	843,270	469,650
Miscellaneous Foreign Exchange Income	22,229,784	19,569,055
RTGS Settlement Charge	1,700	6,600
Charges for Footage	2,000	1,000
NID Verification Fees	330	10,745
Miscellaneous Earnings	14,922,829	17,379,782
	<b>79,970,967</b>	<b>88,339,572</b>
<b>23 (a) Consolidated other oprating income</b>		
Trust Bank Limited	79,970,967	88,339,572
Trust Bank Securities Limited	576,519	290,823
Trust Bank Investment Limited	4,924,874	12,729,711
	<b>85,472,360</b>	<b>101,360,106</b>
<b>24 Salaries and allowances</b>		
Basic Salary	210,760,221	195,173,011
House Rent Allowances	105,486,247	97,859,353
Conveyance Allowances	12,250,097	10,946,441
Medical Allowances	44,740,680	40,317,504
Leave Fare Assistances	17,528,621	15,801,914
Leave Encashment	1,308,914	817,558

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
Utility Allowances	1,046,631	997,307
Telephone Allowance	94,781	91,897
Club Membership Allowance	369,543	352,016
Contractual Staffs Salary	2,944,770	3,104,211
Managers' Charge Allowance	791,500	771,597
Key Holding Allowance	276,750	274,500
Bank's Contribution to Provident Fund	20,397,787	18,945,074
Bank's Contribution to Superannuation Fund	1,622,250	1,615,749
Bank's Contribution to Employees' Gratuity Fund	18,594,931	35,466,515
	<b>438,213,723</b>	<b>422,534,647</b>
<b>24 (a) Consolidated salaries and allowances</b>		
Trust Bank Limited	438,213,723	422,534,647
Trust Bank Securities Limited	1,783,800	1,553,455
Trust Bank Investment Limited	6,055,360	6,092,698
	<b>446,052,883</b>	<b>430,180,800</b>
<b>25 RENT, TAXES, INSURANCE, ELECTRICITY, ETC.</b>		
Rent	125,086,370	112,058,437
Electricity and Lighting	10,819,082	9,621,089
Insurance	34,911,056	33,540,560
Rates, Taxes & Excise Duty	5,868,796	5,346,133
Fees & Renewals	3,954,225	4,687,402
Generator Fuel	1,008,088	974,416
Gas/Water Bill	387,872	293,597
	<b>182,035,489</b>	<b>166,521,634</b>
<b>25 (a) Consolidated rent,taxes,insurance, electricity,etc.</b>		
Trust Bank Limited	182,035,489	166,521,634
Trust Bank Securities Limited	266,810	501,924
Trust Bank Investment Limited	3,753,879	2,923,599
	<b>186,056,178</b>	<b>169,947,157</b>
<b>26 POSTAGE, STAMPS, TELECOMMUNICATION, ETC.</b>		
Stamp	-	32,647
VISA Connectivity Charges	306,000	2,896,835
VISA Membership Fees	-	192,000
VISA SBRL Commission	646,005	1,351,000
VISA Authorisation Fees	-	3,204,000
VISA VIROL Fees	79,680	237,920
Bulk SMS Charge	1,860,000	3,142,420
USSD Gateway Service Charge	120,000	474,550
Security Compliance Charge	25,500	15,000
ATM Driving Charge	159,000	99,000
(t-cash) for Mobile Banking Re-Branding	1,000,000	-
ATM Maintenance Charges	-	5,183,910
Link (Fibre/Radio) Charge	8,016,257	52,207,004
ATM Card Expenditure	1,151,000	12,576,955
Internet Charge	584,061	1,414,943
Reuter Charge	-	2,936,717
Telegram, Telex, Telephone, Trunk Call etc. (Net)	2,507,231	14,009,392
	<b>16,454,734</b>	<b>99,974,293</b>
<b>26 (a) Consolidated postages, stamps, telecommunication, etc.</b>		
Trust Bank Limited	16,454,734	99,974,293
Trust Bank Securities Limited	30,621	643,337
Trust Bank Investment Limited	136,687	721,426
	<b>16,622,042</b>	<b>101,339,056</b>

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
<b>27 STATIONERY, PRINTING, ADVERTISEMENT, ETC.</b>		
Printing and Stationery (Net)	9,095,312	3,975,691
Publicity and Advertisement	2,529,611	5,657,542
	<b>11,624,923</b>	<b>9,633,233</b>
<b>27 (a) Consolidated stationery, printing, advertisement, etc etc.</b>		
Trust Bank Limited	11,624,923	9,633,233
Trust Bank Securities Limited	11,891	24,606
Trust Bank Investment Limited	59,745	50,240
	<b>11,696,559</b>	<b>9,708,079</b>
<b>28 DIRECTORS' FEES</b>		
Meeting fees	695,000	655,000
Other benefits	-	-
	<b>695,000</b>	<b>655,000</b>
<b>28 (a) Consolidated directors fees</b>		
Trust Bank Limited	695,000	655,000
Trust Bank Securities Limited	15,000	51,000
Trust Bank Investment Limited	-	42,000
	<b>710,000</b>	<b>748,000</b>
<b>29 Depreciation and repair of bank's assets</b>		
<b>Depreciation</b>		
Fixed assets (For details please refer to Annexure - B)	44,210,330	45,307,159
<b>Repairs</b>		
Building	9,610	12,000
Furniture and fixtures	1,417,128	634,027
Office equipment	4,790,668	2,954,050
Bank's vehicles	593,821	518,279
Maintenance	10,176,670	4,904,159
	<b>16,987,897</b>	<b>9,022,515</b>
	<b>61,198,227</b>	<b>54,329,674</b>
<b>29 (a) Consolidated depreciation and repair of bank's assets</b>		
Trust Bank Limited	61,198,227	54,329,674
Trust Bank Securities Limited	154,436	209,460
Trust Bank Investment Limited	323,637	377,202
	<b>61,676,300</b>	<b>54,916,336</b>
<b>30 OTHER EXPENSES</b>		
Business Development Expenses	2,960,837	5,378,280
Clearing House Charge	9,095	18,038
Conveyance	2,732,501	2,350,754
Entertainment	6,375,088	5,193,039
Car Expenses	23,102,658	23,392,080
Cash Handling Charge	891,300	836,700
Bank charges	307,456	136,339
Meeting Expenses	7,000	-
Donation, Subscription and Membership Fees	3,697,045	3,598,993
News Paper and Periodicals	231,183	230,288
Oil and Lubricant	1,787,184	1,618,083
Remittance Charges	114,013	300,193
Support Staff Service	79,419,093	76,225,371
Internship Allowances	356,900	306,000
Honorarium for Banking Diploma	-	44,000
Training & Recruitment Expenses	1,059,826	2,237,408
Traveling Expenses	2,987,866	2,392,143
Up Keep of Office Premises	2,450,716	1,643,745
Washing Charges	540,595	509,728
Loss on Sale of Fixed Assets	-	1,004,856



	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
Car Leasing Expenses	646,352	1,047,372
Foreign Correspondence Expenses	1,342,333	1,672,315
Amortization of Intangible Assets	1,981,208	2,087,812
CDBL Charges	106,000	223
Share/Bond Issue Expense	103,500	-
Cash Carrying Charges	1,755,943	1,947,599
Wages paid to daily Labor	76,530	47,590
Purchase of Utensils	155,845	207,730
NID Verification Charge	21,020	-
IPO Bidding/Subscription Fees	3,000	-
Contact Point Verification Fees (RB)	6,300	8,625
Commission Paid to NPSB	2,114,430	1,552,290
Priority Pass Expense	1,197,459	86,750
Miscellaneous Expenses	110,288	69,977
	<b>138,650,564</b>	<b>136,144,321</b>
<b>30 (a) Consolidated other expenses</b>		
Trust Bank Limited	138,650,564	136,144,321
Trust Bank Securities Limited	550,834	2,364,889
Trust Bank Investment Limited	2,166,984	2,607,823
	<b>141,368,382</b>	<b>141,117,033</b>
<b>31 PROVISION FOR LOANS AND ADVANCES / INVESTMENTS</b>		
Specific Provisions-against classified loans & advances	462,378,500	322,597,000
General Provisions-against un-classified loans & advances	(32,829,000)	(178,651,500)
General Provisions-against special mentioned accounts	33,419,500	49,482,000
	<b>462,969,000</b>	<b>193,427,500</b>
<b>31 (a) Consolidated Provision for Loans &amp; Advances / Investment</b>		
Trust Bank Limited	462,969,000	193,427,500
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	<b>462,969,000</b>	<b>193,427,500</b>
<b>32 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:</b>		
Decline in value of investment should consist of the following divisions:		
(a) Dealing securities		
- Quoted	-	-
- Unquoted	-	-
	-	-
(b) Investment securities		
- Quoted	-	(3,935,812)
- Unquoted	-	-
	-	<b>(3,935,812)</b>
Provision for decreased NAV of Trust Bank Securities Ltd	-	-
	-	<b>(3,935,812)</b>
Provision for Investment in Share has been made as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.		
<b>32 (a) Consolidated Provision for diminution in value of investments</b>		
Trust Bank Limited	-	(3,935,812)
Trust Bank Securities Limited	131,592	(955,586)
Trust Bank Investment Limited	-	-
	<b>131,592</b>	<b>(4,891,398)</b>
<b>33 OTHER PROVISION</b>		
General Provision for Off Balance Sheet Exposures	(2,969,000)	36,343,500
Provision for Other Assets	688,100	508,314
	<b>(2,280,900)</b>	<b>36,851,814</b>

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
<b>33.1</b>	General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank respectively.	
<b>33.2</b>	Provision for Other Assets has been made on the amount of Prepaid Legal Expenses that remained unadjusted as at 31 December 2016 as per rules & regulations enumerated in the BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.	
<b>33 (a)</b>	<b>Consolidated Other Provision</b>	
	Trust Bank Limited	Trust Bank Securities Limited
	Trust Bank Investment Limited	
	<u>(2,280,900)</u>	<u>36,851,814</u>
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	<u><b>(2,280,900)</b></u>	<u><b>36,851,814</b></u>
<b>34</b>	The Bank has no secured liabilities on the reporting date and therefore the Bank has no asset pledged as security against such liabilities.	
<b>35</b>	<b>EARNING PER SHARE (EPS)</b>	
	Profit attributable to outstanding ordinary share holders	444,874,133
	<b>Nos of Ordinary Outstanding Share</b>	478,985,250
	Basic Earning per Share	<u><b>556,966,216</b></u>
		<u><b>556,966,216</b></u>
		<u>0.80</u>
		<u>0.86</u>
<b>35 (a)</b>	<b>Consolidated Earning per Share (EPS)</b>	
	Profit attributable to outstanding ordinary share holders	460,646,163
	<b>Nos of Ordinary Outstanding Share</b>	584,266,729
	Earning per Share	<u><b>556,966,216</b></u>
		<u><b>556,966,216</b></u>
		<u>0.83</u>
		<u>1.05</u>
<b>36</b>	<b>INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES</b>	
	Locker Rent	415,750
	Swift Charge (Net)	432,880
	Postage Charge (Net)	5,873,437
	Incidental Charges	31,991
	Sale Proceeds of Forms	-
	Service Charges	2,030
	Service Compensation	146,209
	Front End Fees	811,407
	Notice Pay	311,017
	closing Charge	3,632,761
	Sale Proceeds of Cheque books	349,611
	Income form Mobile Banking	540,944
	O/W Cheque Processing Fees	18,000
	Syndication Fees	36,000
	Income through Credit & ATM Card	196,376
	Income from Government Securities	1,194,826
	Interest on Corporate Bonds	177,185
	Profit on Investment in Islamic Bank Bond	160,954
	Income from sale proceed of shares	8,554,357
	Insurance Premium Income	12,288,127
	SMS Notification Fees	21,209,772
	Service Charges on e-GP	529,047,036
	Miscellaneous Foreign Exchange Income	632,507,173
	RTGS Settlement Charge	31,241,097
	Charges for Footage	-
		201,832
		14,282
		9,114
		220,544
		105,762
		843,270
		469,650
		22,229,784
		19,569,055
		1,700
		6,600
		2,000
		1,000

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
NID Verification Fees	330	10,745
Miscellaneous Earnings	14,922,829	17,379,782
	<b>640,993,521</b>	<b>767,907,702</b>
<b>36 (a) Consolidated Income from Other Operating Activities</b>		
Trust Bank Limited	640,993,521	767,907,702
Trust Bank Securities Limited	11,666,390	17,903,264
Trust bank Investment Limited	3,401,759	110,785,148
	<b>656,061,670</b>	<b>896,596,114</b>
<b>37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES</b>		
Business Development Expenses	(2,960,837)	(5,378,280)
Clearing House Charge	(9,095)	(18,038)
Conveyance	(2,732,501)	(2,350,754)
Entertainment	(7,850,280)	(5,022,322)
Car Expenses	(23,102,658)	(23,392,080)
Cash Handling Charge	(891,300)	(836,700)
Bank charges	(307,456)	(136,339)
Meeting Expenses	(7,000)	-
Donation, Subscription and Membership Fees	(3,704,045)	(3,600,993)
News Paper and Periodicals	(218,450)	(189,705)
Oil and Lubricant	(1,744,976)	(1,779,676)
Remittance Charges	33,027	(236,751)
Other Contractual Service	(79,421,093)	(76,117,647)
Internship Allowances	(356,900)	(306,000)
Honorarium for Banking Diploma	-	(44,000)
Training Expenses	(1,059,826)	(2,237,408)
Traveling Expenses	(2,987,866)	(2,392,143)
Up Keep of Office Premises	(2,450,716)	(1,643,745)
Washing Charges	(540,595)	(509,728)
Car Leasing Expenses	(646,352)	(1,047,372)
Foreign Correspondence Expenses	(1,342,333)	(1,491,196)
CDBL Charges	(106,000)	(223)
Share/Bond Issue Expense	(103,500)	-
Cash Carrying Charges	(1,755,943)	(1,947,599)
Wages paid to daily Labor	(76,530)	(47,590)
Purchase of Utensils	(155,845)	(207,730)
NID Verification Charge	(21,020)	-
IPO Bidding/Subscription Fees	(3,000)	-
Contact Point Verification Fees (RB)	(6,300)	(8,625)
Commission Paid to NPSB	(2,114,430)	(1,552,290)
Priority Pass Expense	(1,197,459)	(86,750)
Miscellaneous Expenses	(8,579,800)	(27,332,579)
Publicity and Advertisement	(2,529,611)	(5,657,542)
Rent, Taxes, Insurance, Lighting etc.	(166,864,765)	(110,590,086)
Legal Expenses	(1,724,285)	(1,060,179)
Postage, Telegram, Telephone	(9,242,259)	(14,996,901)
Directors Fee	(695,000)	(655,000)
Repairs and maintenance of Fixed Assets	(16,987,897)	(9,022,515)
	<b>(344,464,896)</b>	<b>(301,896,486)</b>
<b>37 (a) Consolidated Expenses paid for Other Operating Activities</b>		
Trust Bank Limited	(344,464,896)	(301,896,486)
Trust Bank Securities Limited	(6,683,561)	(4,889,787)
Trust Bank Investment Limited	(2,726,815)	(6,165,588)
	<b>(353,875,272)</b>	<b>(312,951,861)</b>

	<b>January to March 31, 2018 Taka</b>	<b>January to March 31, 2017 Taka</b>
<b>38 CHANGES IN OTHER OPERATING ASSETS</b>		
Security Deposits	-	197,065
Encashment of Sanchaya patra awaiting reimbursement-Principal	(676,428,637)	156,285,384
Encashment of Sanchaya patra awaiting reimbursement-Interest	(200,819,419)	153,888,382
Encashment of WEDB awaiting reimbursement-Principal	2,973,450	2,618,350
Encashment of WEDB awaiting reimbursement-Interest	17,542,720	(3,746,413)
US\$ Premium Bond - Principal	831,500	7,970,000
US\$ Premium Bond - Interest	(4,000,069)	(2,077,061)
US\$ Investment Bond - Principal	9,953,250	(4,156,950)
US\$ Investment Bond - Interest	(3,563,894)	(1,149,539)
Dividend Receivable from Listed Companies	(360,000)	-
Inter Office Adjusting Account	(180)	-
Receivable from Exchange House	159,436	1,254,028
Advance against Capital Expenditure	5,800,237	(2,647,611)
Clearing Adjustment	(24,764,657)	(36,708,064)
Suspense Account	6,643,372	(325,706,471)
	<b><u>(866,032,891)</u></b>	<b><u>(53,978,900)</u></b>
<b>38 (a) Consolidated Changes in Other Operating Assets</b>		
Trust Bank Limited	(866,032,891)	(53,978,900)
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	7,990,956	(30,177,542)
	<b><u>(858,041,935)</u></b>	<b><u>(84,156,442)</u></b>
Less : Inter Company Transaction	-	-
	<b><u>(858,041,935)</u></b>	<b><u>(84,156,442)</u></b>
<b>39 CHANGES IN OTHER LIABILITIES</b>		
Sundry Creditors	647,363,931	(109,414,928)
Provision for Rebate of Interest	28,450,149	(4,214,688)
Others	(3,580,436)	12,029,591
	<b><u>672,233,644</u></b>	<b><u>(101,600,025)</u></b>
<b>39 (a) Consolidated Changes in Other Operating Liabilities</b>		
Trust Bank Limited	672,233,644	(101,600,025)
Trust Bank Securities Limited	(9,848,566)	(16,655,738)
Trust bank Investment Limited	38,151,213	(64,818,753)
	<b><u>700,536,291</u></b>	<b><u>(183,074,516)</u></b>
<b>40 CLOSING CASH AND CASH EQUIVALENT</b>		
Cash in hand (including foreign currencies)	3,411,111,879	3,275,615,920
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	13,882,673,557	12,018,192,807
Balance with Other Bank and Financial Institutions	1,355,179,582	4,758,687,719
Call Loan to other Banks	-	960,000,000
Reverse REPO	-	4,748,600
Prize Bond	4,597,300	4,748,600
	<b><u>18,653,562,318</u></b>	<b><u>21,017,245,046</u></b>
<b>40.a CONSOLIDATED CLOSING CASH AND CASH EQUIVALENT</b>		
Trust Bank Limited	18,653,562,318	21,017,245,046
Trust Bank Securities Limited	67,540,650	139,069,472
Trust bank Investment Limited	-	-
	<b><u>18,721,102,968</u></b>	<b><u>21,156,314,518</u></b>

**41 EXPENDITURE INCURRED FOR EMPLOYEES**

**Salaries, allowances and benefits**

Number of employees at 31 March 2018 was 1942 ; (31 March 2017 was 1854) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than TK. 3,000 per month.

**42 AUDIT COMMITTEE**

**42.a Particulars of Audit Committee**

An audit committee has been formed by the Board of Directors of the Bank in its 64<sup>th</sup> Board meeting held on 05 February 2003. In accordance with the BRPD circular letter no. 12 dated 23 December 2002, the committee constituted with a chairman, two members and a member secretary.

As on 31 March 2018 the Honorable Members of the committee were as follows:

Name	Status with Bank	Status with committee	Educational Qualification
Mr. Shahedul Islam	Independent Director	Chairman	B.A., CS
Brig Gen Iqbal Ahmed,ndc,afwc, psc	Nominated Director	Member	MDS, Mphil, BSC Eng.(EEE)
Mr. Mohamed Naser Alam	Independent Director	Member	LLM, Bar-at-law

**42.b** During the period end as on 31 March 2018, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

**Meeting Number**

1<sup>st</sup>

**Date of Meeting**

11-Feb-18

**42.c Following steps have been taken for implementation of an effective Internal Control Procedures of the banks:**

A strong internal control & compliance division has been formed with a view to establish compliance culture and full control.

Regular review of internal and external (including Bangladesh Bank) audit reports with a view to implement the suggestion of internal and external auditors (including Bangladesh Bank), in respect of internal control techniques.

To establish an effective management system that includes planning, organizing and supervising culture in the branches as well as at head office.

Continuous monitoring & evaluation on application of internal control system, internal audit policy, policy for financial risks, existing rules and regulations (internal and external), other obligations from controlling authority, disclosure process of financial statements etc. of the bank.

Review the accounting procedures with a view to ascertain that the Bangladesh Financial Reporting Standards (BFRSs) have been applied in preparation and presentation of financial statements.

Formulation of HRM policy and other operating procedures.

**43 Related Party Disclosures**

Parties are considered to be related if one party has been ability to control the other party or to exercise significant influence over the other party in making financial and operating decision. Related party informations are given below:

i) Directors' interest in different entities:

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
1	<b>Gen Abu Belal Muhammad Shafiqul Huq, SBP, ndc, psc, Chief of Army Staff</b>	Chairman (Representing Army Welfare Trust)	Sena Kalyan Sangstha – Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. – Chairman, Board of Directors	Nominated
			Bangladesh Machine Tools Factory Ltd.- Chairman, Board of Directors	Nominated
			Army Welfare Trust – Chairman, Board of Trustees	Nominated
			Trust Bank Investment Limited (TBIL), Chairman, Board of Directors	Nominated
			Military Institute of Science & Technology, Vice Chairman	Nominated
			Council of the College, Armed Forces Medical College, Chairman	Nominated
			Sena Paribar Kalyan Samiti, Chief Patron	Nominated
			Advisory Committee of Proyash, President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman	Nominated
			Bangladesh Golf Federation, President	Nominated
			Kurmitola Golf Clubs, President	Nominated
			Defence Officers Housing Scheme Committee, Chairman	Nominated
			BAIUE Comilla/BAURT Quadirabad/BAUST Saidpur, Chairman	Nominated
			Bangladesh Olympic Association, President	Nominated
			Bangladesh Diesel Plant Ltd, Chairman	Nominated
			Sena Kalyan Sangstha- Vice Chairman, Board of Trustees	Nominated
2	<b>Maj Gen S M Matiar Rahman, afwc, psc Adjutant General</b>	Vice Chairman (Nominated Director)	Sena Hotel Development Ltd.- Vice Chairman, Board of Trustees	Nominated
			Army Welfare Trust - Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services, Chairman, Board of Directors	Nominated
			Army Housing Scheme, Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges, Chairman	Nominated
			Trust Technical Training Institute, Chairman, Board of Directors	Nominated
			Trust Bank Investment Limited (TBIL), Vice-Chairman, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL)- Chairman, Board of Directors	Nominated
			BAIUE Comilla/BAURT Quadirabad/BAUST Saidpur, Member	Nominated
			Cantonment Board, President	Nominated
3	<b>Brig Gen Md Jalal Ghani Khan, ndc, psc</b>	Director (Nominated)	Shaheed Ramij Uddin Cantonment Board School & College, President.	Nominated
4	<b>Brig Gen Iqbal Ahmed, ndc, afwc, psc</b>	Director (Nominated)	Service	Nominated
5	<b>Brig Gen Md Mohsin, ndc, psc</b>	Director (Nominated)	Service	Nominated
6	<b>Brig Gen Hamidul Hoque, nswc, psc</b>	Director (Nominated)	Service	Nominated
7	<b>Mr. Ashrafuzzaman Khan</b>	Independent Director	Executive Attire Limited, Managing Director	-
			Trust Bank Investment Limited-Independent Director, Board of Directors	-
			Trust Bank Securities Limited-Independent Director, Board of Directors	-
8	<b>Mr. Mohamed Naser Alam</b>	Independent Director	Matin Spining Mills Ltd., Independent Director MNA, Barristers and Advocates, Head of Chambers.	-
9	<b>Mr. Shahedul Islam</b>	Independent Director	Bengal Pacific (Pvt.) Ltd. – Managing Director	-
			Bengal Braided Rugs Limited – Managing Director	-
			Promises Medical Ltd. – Chairman	-
			Desh General Insurance Company Limited, Independent Director	-
			Trust Bank Investment Limited- Independent Director, Board of Directors	-
10	<b>Brig Gen Naquib Ahmed Chowdhury, BSP, ndc, psc</b>	Director (Nominated)	Army Welfare Trust, Managing Director	Nominated
			Sena Hotel Developments Limited, Director	Nominated
			Trust Technical Training Institute, Director	Nominated
			Army Housing Scheme, Managing Director	Nominated
			Trust Bank Investment Limited, Director, Board of Directors	Nominated
			Trust Transport Services, Member	Nominated
			Trust Bank Securities Limited, Vice Chairman, Board of Directors	Nominated

Lease Agreement with Army Welfare Trust	Principal Branch	Gen Abu Belal Muhammad Shafiul Huq, SBP,ndc, psc,Chief of Army Staff Chairman, Board of Trustees, Army Welfare Trust Maj Gen S M Matiur Rahman, afwc, pscAdjutant General Vice Chairman, Board of Trustees, Army Welfare Trust Brig Gen Naquib Ahmed Chowdhury, BSP, ndc, psc Managing Director , Army Welfare Trust
Lease Agreement with Sena Kalyan Sangstha	Sena Kalyan Bhaban Branch Khulna Branch Tongi Branch	Gen Abu Belal Muhammad Shafiul Huq, SBP,ndc, psc,Chief of Army Staff Chairman, Board of Trustees, Sena Kalyan Sangstha Maj Gen S M Matiur Rahman, afwc, pscAdjutant General Vice chairman, Board of Trustees, Sena Kalyan Sangstha.
Lease Agreement with Sena Paribar Kalyan Samiti	Head Office Millenium Corporate Branch	Gen Abu Belal Muhammad Shafiul Huq, SBP,ndc, psc,Chief of Army Staff Chief Patron, Sena Paribar Kalyan Samiti
Advertisement Agreement with Army Welfare Trust	Head Office	Gen Abu Belal Muhammad Shafiul Huq, SBP,ndc, psc,Chief of Army Staff Chairman, Board of Trustees, Army Welfare Trust Maj Gen S M Matiur Rahman, afwc, pscAdjutant General Vice Chairman, Board of Trustees, Army Welfare Trust Brig Gen Naquib Ahmed Chowdhury, BSP, ndc, psc Managing Director , Army Welfare Trust

iii) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil

iv) Related party Transactions:

1. The significant Related party transactions during the year were as follows:

a) Transactions relating to rent

Name of the Company/Person	Nature of Relation ship	Nature of Transactions	Amount of transaction made during the Period
Army Welfare Trust	Common Director	Office Rent	12,333,750
Sena Kalyan Sangstha	Common Director	Office Rent	5,383,772
Sena Paribar Kalyan Samiti	Common Director	Office Rent	49,936,981

b) Transactions with Subsidiaries:

Bank balance of subsidiaries with Trust Bank Limited

Name of the Subsidiaries	Nature of Account	Balance as on 30 September 2017
Trust Bank Investmetn Ltd.	Special Notice Deposit (SND) and Current Account	222,434,315
Trust Bank Securiries Ltd.	Special Notice Deposit (SND) and Current Account	12,166,931

v) Lending Policies to related Parties:

Related parties are allowed Loans & Advances as per General Loan Policy of the Bank.

vi) Loan and Advances to Directors and their related concern: 34,713,683

vii) Business other than banking

Name of Party	Relationship	Name of transaction	Amount
Trust Securities & Logistic Support Ltd.	Common Director	Securities Services to the Bank	79,419,093

viii) Investments in the Securities of Directors and their related concern: Nil

43.1 The Bank's Directors' loan and advances as have been shown above in serial no. f, fall within purview of scheme loan launched for the defense officers for house building purposes.

#### 45 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the quarter ended on 31 March 2018 has been shown in Annexure - C.

## Schedule of Balance with Other Banks-Outside Bangladesh (Nostro Accounts)

Name of the Bank	Name of the foreign currency	31.03.2018			31.12.2017		
		Amount in foreign currency	Exchange rate as on 31.03.2018	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate as on 31.12.2017	Total amount equivalent to Taka
Mashreqbank psc, USA	USD	1,069,587.31	83.45	89,257,061	2,518,301.19	83.15	209,398,359
Standard Chartered Bank, USA	USD	4,892,158.78	83.45	408,250,650	7,946,737.28	83.15	660,771,205
ICICI Bank Ltd., Hongkong	USD	1,187,461.87	83.45	99,093,693	1,197,160.13	83.15	99,543,865
Commerz Bank, AG Germany	USD	1,752,152.56	83.45	146,217,131	2,840,074.52	83.15	236,152,196
United Bank Of India	USD	301,835.71	83.45	25,188,190	611,713.17	83.16	50,872,774
Commerzbank Ag, Frankfurt, Germany (Au	AUD	11,058.37	65.81	727,698	36,265.12	66.56	2,413,672
Standard Chartered Bank, UK	GBP	144,045.17	119.36	17,192,929	193,048.21	113.41	21,894,408
Standard Chartered Bank, Japan	YEN	352,754.00	0.81	285,978	1,220,938.00	0.76	930,843
Commerzbank Ag, Frankfurt, Germany (Jp	YEN	3,679,044.00	0.81	2,982,601	3,172,374.00	0.76	2,418,618
Standard Chartered Bank, UK	EURO	97,884.22	104.83	10,261,526	99,961.83	100.94	10,089,927
ICICI Bank Ltd., Mumbai, India	EURO	15,584.19	104.83	1,633,742	17,456.19	100.94	1,761,989
Commerz Bank, AG Germany	EURO	94,006.72	104.83	9,855,035	29,184.03	100.94	2,945,772
ICICI Bank Ltd., Mumbai, India	ACU	1,432,557.12	83.45	119,546,892	1,474,974.30	83.15	122,644,113
AB Bank, Mumbai, India	ACU	378,632.08	83.45	31,596,847	845,198.74	83.15	70,278,275
Mashreqbank, Mumbai, India	ACU	270,297.71	83.45	22,556,344	535,442.62	83.15	44,522,054
Standard Chartered Bank, Mumbai, India	ACU	698,699.36	83.45	58,306,462	861,031.22	83.15	71,594,746
Bank Ajazira - SAR	SAR	99,985.00	22.50	2,250,112	99,985.00	22.42	2,241,994
Habib Bank, Zurich	CHF	10,078.23	88.08	887,689	22,393.88	85.21	1,908,259
<b>Total</b>				<b><u>1,046,090,580</u></b>			<b><u>1,612,383,069</u></b>



**Schedule of Fixed Assets  
As at 31 March 2018**

PARTICULARS	COST				DEPRECIATION				WRITTEN DOWN VALUE at 31 March 2018
	Balance on 1 January 2018	Additions during the period	Disposal/ adjustment during the period	Balance at 31 March 2018	Balance on 1 January 2018	Charge for the period	Disposal/ adjustment during the period	Balance at 31 March 2018	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Leasehold Land	160,469			160,469	-	-	-	-	160,469
Office Building	12,680,000		-	12,680,000	2,773,056	61,920		2,834,976	9,845,024
Furniture and Fixtures	221,449,238	3,755,123		225,204,361	96,449,776	3,983,577		100,433,353	124,771,008
Office Equipment	914,128,424	19,441,707		933,570,131	704,799,086	27,170,610		731,969,696	201,600,435
Motor Vehicles	79,048,827	16,807,288		95,856,115	65,226,574	2,229,413		67,455,987	28,400,128
Office Renovation	590,852,432	3,511,936		594,364,368	245,010,794	10,764,810		255,775,604	338,588,764
<b>31 March 2018</b>	<b>1,818,319,390</b>	<b>43,516,054</b>	<b>-</b>	<b>1,861,835,444</b>	<b>1,114,259,286</b>	<b>44,210,330</b>	<b>-</b>	<b>1,158,469,616</b>	<b>703,365,828</b>
<b>31 December 2017</b>	<b>1,767,903,676</b>	<b>104,394,874</b>	<b>53,979,160</b>	<b>1,818,319,390</b>	<b>965,829,863</b>	<b>180,684,602</b>	<b>32,255,179</b>	<b>1,114,259,286</b>	<b>704,060,104</b>

## Financial Highlights

SI No	Particulars	Base	31.03.2018	31.12.2017
1	Paid up Capital	Taka	5,569,662,160	5,569,662,160
2	Total Capital	Taka	21,248,277,513	20,796,151,800
3	Capital surplus/(deficit)	Taka	4,788,481,760	5,372,836,354
4	Total Assets	Taka	241,902,792,037	239,770,629,336
5	Total Deposits	Taka	199,277,006,693	200,453,453,843
6	Total Loans and Advances	Taka	189,592,817,292	184,910,703,354
7	Total Contingent Liabilities and Commitments	Taka	91,003,929,133	91,121,296,201
8	Credit Deposit Ratio	%	95.14	92.25
9	Percentage of classified loans against total loans and advances	%	4.14	3.35
10	Profit after tax and provision	Taka	444,874,133	1,501,705,800
11	Amount of classified loans during current year	Taka	1,665,511,522	967,619,180
12	Provisions kept against classified loan	Taka	2,845,740,500	2,383,362,000
13	Provision surplus/(deficit)	Taka	5,260,588,500	22,955,379
14	Cost of fund	%	4.59	5.02
15	Interest earning Assets	Taka	203,670,722,101	202,115,103,064
16	Non-interest earning Assets	Taka	38,232,069,936	37,655,526,272

SI No	Particulars	Base	January to March 31, 2018	January to March 31, 2017
17	Return on Investment (ROI)	%	2.09	2.36
18	Return on Asset (ROA)	%	0.18	0.23
19	Income from Investment	Taka	505,721,453	518,099,570
20	Earning per Share (EPS)	Taka	0.80	0.95
21	Net income per Share	Taka	0.80	0.95
22	Price Earning Ratio	Times	49.83	25.37
23	Net Asset Value (NAV)	Taka	12,572,462,461	11,638,138,606
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	(9.15)	(35.47)