

**ONE Bank Limited and its Subsidiary**  
**Consolidated Balance Sheet**  
**As at 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3 (a)</b>		
Cash in hand ( including foreign currencies)		1,419,096,929	1,187,048,352
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		11,531,359,863	11,028,251,491
		<b>12,950,456,792</b>	<b>12,215,299,843</b>
<b>Balance with other banks and financial institutions</b>	<b>4 (a)</b>		
In Bangladesh		1,438,644,291	783,622,747
Outside Bangladesh		3,659,179,549	930,383,782
		<b>5,097,823,840</b>	<b>1,714,006,529</b>
<b>Money at call on short notice</b>	<b>5</b>	<b>250,000,000</b>	<b>2,600,000,000</b>
<b>Investments</b>	<b>6 (a)</b>		
Government		25,065,926,053	19,529,306,174
Others		5,240,955,950	5,172,815,953
		<b>30,306,882,003</b>	<b>24,702,122,128</b>
<b>Loans and Advances</b>	<b>7 (a)</b>		
Loans, cash credit, overdraft etc.		129,853,983,356	105,155,550,139
Bills purchased and discounted		2,256,772,918	1,641,728,564
		<b>132,110,756,274</b>	<b>106,797,278,703</b>
<b>Fixed Assets including premises, furnitures &amp; fixtures</b>	<b>8 (a)</b>	<b>1,970,726,731</b>	<b>1,512,158,972</b>
<b>Other Assets</b>	<b>9 (a)</b>	<b>5,435,596,661</b>	<b>4,243,209,518</b>
<b>Non-banking Assets</b>	<b>10</b>	-	<b>283,786,525</b>
<b>Total Assets</b>		<b>188,122,242,302</b>	<b>154,067,862,218</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	<b>11 (a)</b>	<b>9,698,408,379</b>	<b>2,288,076,612</b>
<b>Deposits and other accounts</b>	<b>12(a)</b>		
Current accounts and other accounts		19,263,263,421	17,490,483,183
Bills payable		1,758,117,556	2,407,671,898
Savings bank deposits		15,274,229,186	12,315,212,308
Term deposits		116,923,257,033	98,979,696,157
		<b>153,218,867,196</b>	<b>131,193,063,546</b>
<b>Other Liabilities</b>	<b>13 (a)</b>	<b>12,604,420,048</b>	<b>9,688,549,236</b>
<b>Total Liabilities</b>		<b>175,521,695,623</b>	<b>143,169,689,394</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	<b>14</b>	6,636,655,280	5,899,249,140
Statutory Reserve	<b>15</b>	4,434,929,509	3,845,644,373
Surplus in Profit & Loss Account	<b>16.1 (a)</b>	1,358,421,259	1,004,913,203
Revaluation Reserve for Securities		148,943,842	135,375,982
<b>Total Shareholders' Equity</b>		<b>12,578,949,890</b>	<b>10,885,182,698</b>
<b>Non-Controlling Interest</b>		<b>21,596,789</b>	<b>12,990,126</b>
<b>Total Liability and Shareholders' Equity</b>		<b>188,122,242,302</b>	<b>154,067,862,218</b>

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>OFF BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances and Endorsements		31,514,595,916	30,095,289,307
Letters of Guarantee	<b>46</b>	11,927,328,017	10,728,246,661
Irrevocable Letters of Credit		26,163,774,210	17,712,419,636
Bills for Collection		1,288,895,147	2,907,675,142
		<b>70,894,593,289</b>	<b>61,443,630,746</b>
<b>Other Contingent Liabilities</b>			
Claims lodged with but not recognized by the Bank		-	-
Other exchange contract		-	-
<b>Total Contingent Liabilities</b>		<b>70,894,593,289</b>	<b>61,443,630,746</b>
<b>Other Commitments</b>			
Documentary Credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total other commitments</b>		-	-
<b>Total off-Balance Sheet items including contingent liabilities</b>		<b>70,894,593,289</b>	<b>61,443,630,746</b>
<b>Net Asset Value Per Share</b>		<b>18.95</b>	<b>16.40</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhurul Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

See annexed auditor's report to the Shareholders of the date.

Dhaka, 30 March 2017

Hoda Vasi Chowdhury & Co  
Chartered Accountants

**ONE Bank Limited and its Subsidiary**  
**Consolidated Profit & Loss Account**  
**For the year ended 31 December 2016**

	<b>Notes</b>	<b>2016 Taka</b>	<b>2015 Taka</b>
Interest income	17 (a)	12,806,917,579	11,959,810,657
Interest paid on deposits and borrowings etc.	18 (a)	(8,465,698,136)	(7,406,160,710)
<b>Net interest income</b>		<b>4,341,219,442</b>	<b>4,553,649,947</b>
Investment Income	19 (a)	2,025,611,677	1,513,091,386
Commission, Exchange and Brokerage	20 (a)	1,452,717,330	1,171,095,823
Other operating income	21 (a)	544,323,510	444,268,121
<b>Total operating income (A)</b>		<b>8,363,871,960</b>	<b>7,682,105,278</b>
Salaries and allowances	22 (a)	2,251,757,287	2,038,342,522
Rent, taxes, insurance, electricity etc.	23	476,880,251	410,619,921
Legal expenses	24 (a)	19,027,112	22,275,090
Postage, stamps, telecommunication etc.	25	79,606,726	58,040,460
Directors' fees	26 (a)	1,523,500	1,083,000
Auditors' fees		225,000	225,000
Stationery, Printings, advertisements etc.	27 (a)	156,932,637	124,590,221
Managing Director's salary and allowances	28	13,333,226	13,106,662
Depreciation, leasing expense and repair of bank's assets	29 (a)	564,608,420	511,355,450
Other expenses	30 (a)	409,022,942	328,093,124
<b>Total operating expenses (B)</b>		<b>3,972,917,102</b>	<b>3,507,731,449</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>		<b>4,390,954,858</b>	<b>4,174,373,829</b>
Provision for loans and advances			
Specific provision	13.4	1,197,346,915	1,457,825,889
General provision	13.5	61,889,257	(140,681,643)
		<b>1,259,236,173</b>	<b>1,317,144,246</b>
Provision for off-balance sheet items	13.8	94,509,626	116,565,585
Provision for diminution in value of share	32	(270,151,714)	103,677,593
Provision for other	33	(133,362)	(8,865,356)
<b>Total Provision (D)</b>		<b>1,083,460,722</b>	<b>1,528,522,068</b>
<b>Profit/(loss) before taxes (E=C-D)</b>		<b>3,307,494,136</b>	<b>2,645,851,761</b>
<b>Provision for taxation</b>			
Current tax expense	34 (a)	873,566,138	786,098,258
Deferred tax expense /(income)	34 (a)	12,715,990	(10,122,759)
		886,282,128	775,975,500
<b>Net Profit after taxation</b>		<b>2,421,212,008</b>	<b>1,869,876,262</b>
<b>Attributable to:</b>			
Shareholders of the ONE Bank Ltd		2,417,605,474	1,870,403,848
Non-Controlling Interest		3,606,533	(527,586)
		<b>2,421,212,008</b>	<b>1,869,876,262</b>
Retained Surplus brought forward	16.1(b)	(469,899,079)	(325,808,832)
Add: Net profit after tax ( attributable to shareholder of OBL)		2,417,605,474	1,870,403,848
		<b>1,947,706,395</b>	<b>1,544,595,016</b>
<b>Appropriations:</b>			
Statutory Reserve	15	589,285,136	539,681,812
General Reserve		-	-
		589,285,136	539,681,812
<b>Retained Surplus</b>		<b>1,358,421,259</b>	<b>1,004,913,203</b>
<b>Earnings per share (EPS)</b>	47 (a)	<b>3.64</b>	<b>2.82</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhrul Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

See annexed auditor's report to the Shareholders of the date.

Dhaka, 30 March 2017

Hoda vasi Chowdhury & Co  
Chartered Accountants

**ONE Bank Limited and its Subsidiary**  
**Consolidated Cash Flow Statement**  
**For the year ended 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>Cash flows from operating activities</b>			
Interest receipts in cash	<b>35(a)</b>	13,844,891,100	12,566,708,301
Interest payments	<b>36(a)</b>	(8,701,401,995)	(6,972,716,752)
Dividend receipts		150,732,873	80,118,323
Fee and commission receipts in cash	<b>37(a)</b>	698,259,024	631,445,758
Recoveries of loans previously written off		31,401,393	-
Cash payments to employees		(2,244,369,666)	(2,015,106,391)
Cash payments to suppliers		(474,730,944)	(401,783,601)
Income Taxes paid		(1,132,912,171)	(1,095,334,197)
Receipts from other operating activities	<b>40(a)</b>	1,327,357,408	984,104,436
Payment for other operating activities	<b>41(a)</b>	(984,018,429)	(828,592,710)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>		<b>2,515,208,595</b>	<b>2,948,843,167</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Purchase of trading securities		(136,975,516,780)	(8,617,600,239)
Sale of trading securities		136,112,085,711	6,426,452,239
Loans and advances to customers		(25,891,333,811)	(17,546,118,120)
Other current assets	<b>42(a)</b>	(9,913,098)	(359,365,799)
Deposits from other banks		223,880,156	(3,630,002,841)
Deposits from customers		22,415,149,027	34,607,452,788
Other liabilities	<b>45(a)</b>	893,687,881	597,390,960
<b>A Net cash used in/ from operating activities</b>		<b>(716,752,318)</b>	<b>14,427,052,155</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		7,683,283,978	3,491,148,334
Payments for purchase of securities		(11,506,346,030)	(9,921,984,308)
Purchase of property, plant & equipment		(438,595,635)	(332,256,039)
Sale of property, plant & equipment		9,683,025	300,100
<b>B Net cash used in investing activities</b>		<b>(4,251,974,663)</b>	<b>(6,762,791,913)</b>
<b>Cash flows from financing activities</b>			
Receipts from issue of ordinary shares		5,000,130	5,363,600
Borrowing from other banking companies, agencies etc.		7,410,331,767	(1,229,184,071)
Dividend paid		(736,728,248)	(650,220,203)
<b>C Net cash used for financial activities</b>		<b>6,678,603,649</b>	<b>(1,874,040,675)</b>
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		<b>1,709,876,668</b>	<b>5,790,219,568</b>
E Effects of exchange rate changes on cash and cash-equivalent		<b>237,150</b>	<b>4,664,642</b>
F Opening cash and cash equivalent		<b>16,589,814,914</b>	<b>10,736,172,762</b>
<b>G Closing cash and cash equivalents (D+E+F)</b>		<b>18,299,928,732</b>	<b>16,531,056,971</b>
<b>Closing cash and cash equivalents</b>			
Cash in hand	<b>3(a)</b>	1,419,096,929	1,187,048,352
Cash with Bangladesh Bank & its agent(s)	<b>3(a)</b>	11,531,359,863	11,028,251,491
Cash with other banks and financial institutions	<b>4(a)</b>	5,097,823,840	1,714,006,528
Money at call on short notice	<b>5</b>	250,000,000	2,600,000,000
Prize bonds	<b>6</b>	1,648,100	1,750,600
		<b>18,299,928,732</b>	<b>16,531,056,971</b>
<b>Net Operating Cash Flow Per Share</b>		<b>(1.08)</b>	<b>21.74</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhru Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

Dhaka, 30 March 2017

**ONE Bank Limited and its Subsidiary**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 31 December 2016**

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve for Securities	Profit & Loss Account	Total	Non-Controlling Interest	Total
<b>Balance as at 01 January 2016</b>	<b>5,899,249,140</b>	<b>3,845,644,373</b>	<b>135,375,982</b>	<b>1,004,913,203</b>	<b>10,885,182,698</b>	<b>12,990,126</b>	<b>10,898,172,824</b>
Changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance</b>	<b>5,899,249,140</b>	<b>3,845,644,373</b>	<b>135,375,982</b>	<b>1,004,913,203</b>	<b>10,885,182,698</b>	<b>12,990,126</b>	<b>10,898,172,824</b>
Issue of Bonus Share for the year 2015 (Transferred to Paid-up Capital)	737,406,140	-	-	(737,406,140)	-	-	-
Cash Dividend Paid	-	-	-	(737,406,143)	(737,406,143)	-	(737,406,143)
Share Transferred	-	-	-	-	-	5,000,130	5,000,130
Surplus of Revaluation of Reserve for HTM Securities	-	-	148,943,842	-	148,943,842	-	148,943,842
Adjustment of Revaluation of Reserve for HTM Securities	-	-	(135,375,982)	-	(135,375,982)	-	(135,375,982)
Net Profit after Tax for the year	-	-	-	2,417,605,474	2,417,605,474	3,606,533	2,421,212,008
Profit transferred to Statutory Reserve	-	589,285,136	-	(589,285,136)	-	-	-
<b>Balance as at 31 December 2016</b>	<b>6,636,655,280</b>	<b>4,434,929,509</b>	<b>148,943,842</b>	<b>1,358,421,259</b>	<b>12,578,949,890</b>	<b>21,596,789</b>	<b>12,600,546,679</b>
<b>Balance as at 31 December 2015</b>	<b>5,899,249,140</b>	<b>3,845,644,373</b>	<b>135,375,982</b>	<b>1,004,913,203</b>	<b>10,885,182,698</b>	<b>12,990,126</b>	<b>10,898,172,824</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhru Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

Dhaka, 30 March 2017

**ONE Bank Limited**  
**Balance Sheet**  
**As at 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3</b>		
Cash in hand ( including foreign currencies)		1,419,077,712	1,187,043,986
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		11,531,359,863	11,028,251,491
		<b>12,950,437,575</b>	<b>12,215,295,477</b>
<b>Balance with other banks and financial institutions</b>	<b>4</b>		
In Bangladesh		1,438,644,291	783,622,747
Outside Bangladesh		3,659,179,549	930,383,782
		<b>5,097,823,840</b>	<b>1,714,006,528</b>
<b>Money at call on short notice</b>	<b>5</b>	<b>250,000,000</b>	<b>2,600,000,000</b>
<b>Investments</b>	<b>6</b>		
Government		25,065,926,053	19,529,306,174
Others		2,983,483,084	3,370,401,326
		<b>28,049,409,137</b>	<b>22,899,707,500</b>
<b>Loans and Advances</b>	<b>7</b>		
Loans, cash credit, overdraft etc.		129,827,473,555	105,106,790,529
Bills purchased and discounted		2,256,772,918	1,641,728,564
		<b>132,084,246,472</b>	<b>106,748,519,093</b>
<b>Fixed Assets including premises, furnitures &amp; fixtures</b>	<b>8</b>	<b>1,957,112,136</b>	<b>1,498,749,163</b>
<b>Other Assets</b>	<b>9</b>	<b>7,852,176,154</b>	<b>6,232,785,799</b>
<b>Non-banking Assets</b>	<b>10</b>	-	<b>283,786,525</b>
<b>Total Assets</b>		<b>188,241,205,314</b>	<b>154,192,850,086</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	<b>11</b>	<b>9,698,408,379</b>	<b>2,288,076,612</b>
<b>Deposits and other accounts</b>	<b>12</b>		
Current accounts and other accounts		19,263,263,421	17,490,483,183
Bills payable		1,758,117,556	2,407,671,898
Savings bank deposits		15,274,229,186	12,315,212,308
Term deposits		117,132,045,587	99,038,454,099
		<b>153,427,655,750</b>	<b>131,251,821,488</b>
<b>Other Liabilities</b>	<b>13</b>	<b>12,199,203,752</b>	<b>9,073,746,927</b>
<b>Total Liabilities</b>		<b>175,325,267,881</b>	<b>142,613,645,027</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	<b>14</b>	6,636,655,280	5,899,249,140
Statutory Reserve	<b>15</b>	4,434,929,509	3,845,644,373
Surplus in Profit & Loss Account	<b>16</b>	1,695,408,803	1,698,935,564
Revaluation Reserve for HTM Securities		148,943,842	135,375,982
<b>Total Shareholders' Equity</b>		<b>12,915,937,434</b>	<b>11,579,205,059</b>
<b>Total Liability and Shareholders' Equity</b>		<b>188,241,205,314</b>	<b>154,192,850,086</b>

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>OFF BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances and Endorsements		31,514,595,916	30,095,289,307
Letters of Guarantee	<b>46</b>	11,927,328,017	10,728,246,661
Irrevocable Letters of Credit		26,163,774,210	17,712,419,636
Bills for Collection		1,288,895,147	2,907,675,142
		<b>70,894,593,289</b>	<b>61,443,630,746</b>
<b>Other Contingent Liabilities</b>			
Claims lodged with but not recognized by the Bank		-	-
Other exchange contract		-	-
<b>Total Contingent Liabilities</b>		<b>70,894,593,289</b>	<b>61,443,630,746</b>
<b>Other Commitments</b>			
Documentary Credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total other commitments</b>		-	-
<b>Total off-Balance Sheet items including contingent liabilities</b>		<b>70,894,593,289</b>	<b>61,443,630,746</b>
<b>Net Asset Value Per Share</b>		<b>19.46</b>	<b>17.45</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhurul Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

See annexed auditor's report to the Shareholders of the date.

Dhaka, 30 March 2017

Hoda Vasi Chowdhury & Co  
Chartered Accountants

**ONE Bank Limited**  
**Profit & Loss Account**  
**For the year ended 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
Interest income	17	12,795,830,682	11,969,311,749
Interest paid on deposits and borrowings etc.	18	(8,465,698,136)	(7,406,160,710)
<b>Net interest income</b>		<b>4,330,132,546</b>	<b>4,563,151,039</b>
Investment Income	19	1,931,327,279	1,477,980,402
Commission, Exchange and Brokerage	20	1,416,894,796	1,154,331,024
Other operating income	21	543,150,254	443,674,228
<b>Total operating income (A)</b>		<b>8,221,504,874</b>	<b>7,639,136,694</b>
Salaries and allowances	22	2,236,270,975	2,029,171,028
Rent, taxes, insurance, electricity etc.	23	476,880,251	410,619,921
Legal expenses	24	19,003,893	22,275,090
Postage, stamps, telecommunication etc.	25	79,606,726	58,040,460
Directors' fees	26	1,456,000	998,000
Auditors' fees		200,000	200,000
Stationery, Printings, advertisements etc.	27	156,663,854	124,451,266
Managing Director's salary and allowances	28	13,333,226	13,106,662
Depreciation, leasing expense and repair of bank's assets	29	562,425,879	509,224,245
Other expenses	30	400,302,419	323,120,019
<b>Total operating expenses (B)</b>		<b>3,946,143,223</b>	<b>3,491,206,691</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>		<b>4,275,361,651</b>	<b>4,147,930,003</b>
Provision for loans and advances			
Specific provision	13.4	1,197,346,915	1,457,825,889
General provision	13.5	61,889,257	(140,681,643)
		<b>1,259,236,173</b>	<b>1,317,144,246</b>
Provision for off-balance sheet items	13.8	94,509,626	116,565,585
Provision for diminution in value of share	13.10	(24,676,466)	24,676,466
Provision for other	13.7 & 13.11	(133,362)	(8,865,356)
<b>Total Provision (D)</b>		<b>1,328,935,970</b>	<b>1,449,520,941</b>
<b>Profit/ (loss) before taxes (E=C-D)</b>		<b>2,946,425,681</b>	<b>2,698,409,062</b>
<b>Provision for taxation</b>			
Current tax expense	34	873,139,033	785,898,811
Deffered tax expense/ (income)	34	12,715,990	(10,122,759)
		885,855,023	775,776,053
<b>Net Profit after taxation</b>		<b>2,060,570,658</b>	<b>1,922,633,009</b>
Retained Surplus brought forward	16.1	224,123,281	315,984,367
		<b>2,284,693,939</b>	<b>2,238,617,376</b>
<b>Appropriations:</b>			
Statutory Reserve	15	589,285,136	539,681,812
General Reserve		-	-
		589,285,136	539,681,812
<b>Retained Surplus</b>		<b>1,695,408,803</b>	<b>1,698,935,564</b>
<b>Earnings per share (EPS)</b>	47	<b>3.10</b>	<b>2.90</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhurul Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

See annexed auditor's report to the Shareholders of the date.

Dhaka, 30 March 2017

Hoda Vasi Chowdhury & Co  
Chartered Accountants



**ONE Bank Limited**  
**Cash Flow Statement**  
**For the year ended 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>Cash flows from operating activities</b>			
Interest receipts in cash	<b>35</b>	13,833,804,204	12,576,209,393
Interest payments	<b>36</b>	(8,701,401,995)	(6,972,716,752)
Dividend receipts	<b>19</b>	84,713,818	45,007,339
Fee and commission receipts in cash	<b>37</b>	662,436,490	614,680,960
Recoveries of loans previously written off		31,401,393	-
Cash payments to employees	<b>38</b>	(2,244,369,666)	(2,015,106,391)
Cash payments to suppliers	<b>39</b>	(474,730,944)	(401,783,601)
Income taxes paid	<b>9.2</b>	(1,113,441,511)	(1,086,225,486)
Receipts from other operating activities	<b>40</b>	1,297,918,810	983,510,543
Payment for other operating activities	<b>41</b>	(977,013,860)	(818,896,410)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>		<b>2,399,316,739</b>	<b>2,924,679,595</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Purchase of trading securities		(136,975,516,780)	(8,617,600,239)
Sale of trading securities		136,112,085,711	6,426,452,239
Loans and advances to customers		(25,913,583,621)	(17,023,014,104)
Other current assets	<b>42</b>	12,954,617	(360,055,392)
Deposits from other banks	<b>43</b>	223,880,156	(3,630,002,841)
Deposits from customers	<b>44</b>	22,623,937,581	34,666,210,730
Other liabilities	<b>45</b>	901,481,903	588,311,859
<b>A Net cash used in/ from operating activities</b>		<b>(615,443,693)</b>	<b>14,974,981,847</b>
<b>Cash flow from investing activities</b>			
Proceeds from sale of securities		7,683,283,978	3,491,148,334
Payments for purchase of securities		(11,051,287,792)	(9,921,080,203)
Payment for investment in subsidiary		(494,999,870)	(531,000,100)
Purchase of property, plant & equipment		(436,219,407)	(329,041,069)
Sale of property, plant & equipment		9,683,025	300,100
<b>B Net cash used in investing activities</b>		<b>(4,289,540,066)</b>	<b>(7,289,672,938)</b>
<b>Cash flow from financing activities</b>			
Receipts from issue of ordinary shares		-	-
Borrowing from other banking companies, agencies etc.		7,410,331,767	(1,229,184,071)
Dividend paid		(736,728,248)	(650,220,203)
<b>C Net cash from financing activities</b>		<b>6,673,603,519</b>	<b>(1,879,404,275)</b>
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		1,768,619,760	5,805,904,635
E Effects of exchange rate changes on cash and cash-equivalent		237,150	4,664,642
F Opening cash and cash equivalent		<b>16,531,052,605</b>	<b>10,720,483,329</b>
<b>G Closing cash and cash equivalents (D+E+F)</b>		<b>18,299,909,515</b>	<b>16,531,052,605</b>
<b>Closing cash and cash equivalents</b>			
Cash in hand	<b>3.1</b>	1,419,077,712	1,187,043,986
Cash with Bangladesh Bank & its agent(s)	<b>3.2</b>	11,531,359,863	11,028,251,491
Cash with other banks and financial institutions	<b>4</b>	5,097,823,840	1,714,006,528
Money at call and short notice	<b>5</b>	250,000,000	2,600,000,000
Prize bonds	<b>6</b>	1,648,100	1,750,600
		<b>18,299,909,515</b>	<b>16,531,052,605</b>
<b>Net Operating Cash Flow Per Share</b>		<b>(0.93)</b>	<b>22.56</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhru Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

Dhaka, 30 March 2017

**ONE Bank Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2016**

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve for Securities	Profit & Loss Account	Total Shareholders' Equity
<b>Balance as at 01 January 2016</b>	<b>5,899,249,140</b>	<b>3,845,644,373</b>	<b>135,375,982</b>	<b>1,698,935,564</b>	<b>11,579,205,059</b>
Changes in accounting policy	-	-	-	-	-
<b>Restated balance</b>	<b>5,899,249,140</b>	<b>3,845,644,373</b>	<b>135,375,982</b>	<b>1,698,935,564</b>	<b>11,579,205,059</b>
Issue of Bonus Share for the year 2015 (Transferred to Paid-up Capital)	<b>737,406,140</b>	-	-	<b>(737,406,140)</b>	-
Cash Dividend Paid	-	-	-	<b>(737,406,143)</b>	<b>(737,406,143)</b>
Surplus of Revaluation of Reserve for HTM Securities	-	-	148,943,842	-	148,943,842
Adjustment of Revaluation of Reserve for HTM Securities	-	-	(135,375,982)	-	(135,375,982)
Net Profit after Tax for the year	-	-	-	2,060,570,658	2,060,570,658
Profit transferred to Statutory Reserve	-	589,285,136	-	(589,285,136)	-
<b>Balance as at 31 December 2016</b>	<b>6,636,655,280</b>	<b>4,434,929,509</b>	<b>148,943,842</b>	<b>1,695,408,803</b>	<b>12,915,937,434</b>
<b>Balance as at 31 December 2015</b>	<b>5,899,249,140</b>	<b>3,845,644,373</b>	<b>135,375,982</b>	<b>1,698,935,564</b>	<b>11,579,205,059</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhru Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

Dhaka, 30 March 2017

**ONE Bank Limited**  
**Liquidity Statement**  
**(Assets & Liabilities Maturity Analysis)**  
**As at 31 December 2016**

Amount in Taka

	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
<b>Assets:</b>						
Cash	12,950,437,575	-	-	-	-	12,950,437,575
Balance with other banks and financial institutions	1,772,611,497	1,989,308,775	1,314,794,887	21,108,682	-	5,097,823,840
Money at call on short notice	250,000,000	-	-	-	-	250,000,000
Investment	10,941,758,788	9,599,241	7,148,544,500	3,701,949,353	6,247,557,255	28,049,409,137
Loans and Advances	11,056,021,611	40,018,576,197	44,319,049,211	22,116,130,907	14,574,468,546	132,084,246,472
Fixed Assets including premises, furnitures & fixtures	-	-	-	-	1,957,112,136	1,957,112,136
Other Assets	517,945,113	-	776,917,670	1,294,862,783	5,262,450,588	7,852,176,154
Non-banking Assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>37,488,774,583</b>	<b>42,017,484,213</b>	<b>53,559,306,268</b>	<b>27,134,051,724</b>	<b>28,041,588,525</b>	<b>188,241,205,314</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	52,669,736	46,217,694	816,624,149	7,182,896,800	1,600,000,000	9,698,408,379
Deposits and Other Accounts	39,755,834,095	43,420,431,244	44,654,491,290	19,063,449,513	6,533,449,610	153,427,655,750
Other Liabilities	1,219,920,375	4,879,681,501	4,269,721,313	1,829,880,563	-	12,199,203,752
<b>Total Liabilities</b>	<b>41,028,424,206</b>	<b>48,346,330,438</b>	<b>49,740,836,752</b>	<b>28,076,226,875</b>	<b>8,133,449,610</b>	<b>175,325,267,881</b>
<b>Net Liquidity Gap</b>	<b>(3,539,649,623)</b>	<b>(6,328,846,225)</b>	<b>3,818,469,516</b>	<b>(942,175,151)</b>	<b>19,908,138,916</b>	<b>12,915,937,434</b>

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

These Financial Statements should be read in conjunction with the annexed notes 1 to 50.

M. Fakhurul Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

Dhaka, 30 March 2017

**ONE Bank Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2016**

## **1. Background of the Bank**

### **1.1 Status of the Bank**

ONE Bank Limited (the “Bank”) is a private sector commercial bank incorporated with the Registrar of Joint Stock Companies under the Companies Act 1994. The Bank commenced its banking operation on 14 July 1999 by obtaining license from the Bangladesh Bank on 2 July 1999 under section 31 of the Bank Company Act 1991 (as amended in 2013). As per the provisions of Bangladesh Bank license, the Bank has offered initially its shares to public by Pre-IPO and subsequently sold shares to the public through IPO in the year 2003. The shares of the Bank are listed with both Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The number of branches of the Bank was eighty seven (87) and the number of booths was eighteen (18) as on 31 December 2016.

The principal activities of the Bank are to provide conventional financial products (loans and deposit) and services, personal and commercial banking, trade services, cash management, treasury and brokerage services.

### **1.2 Off-Shore Banking Unit**

The Bank has obtained the permission for Off-shore Banking business vide letter no. BRPD (P-3) 744 (115)/2010-2337 dated 26 May 2010. The Bank commenced the operation of its Off-shore Banking Unit from 12 December 2010. At present the Bank has 2 (two) Off-shore Banking units one in Dhaka and another in Chittagong. The principal activities of the units are to provide all kinds of commercial banking services in foreign currency. Financial Statements of Off-shore Banking Unit are shown in **Annexure-F**.

### **1.3 ONE Securities Limited**

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on 24 December 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000.

### **1.4 International Banking**

International Banking has been running through International Division with its expertise caters mainly to the banking needs for import and export affairs. The Division establishes correspondent relationships with the foreign banks with prior consent of Management of the Bank.

### **1.5 Treasury Functions**

The Treasury Division has been discharging the principal responsibilities of the Treasury functions which include management of liquidity and market risks, mobilization of resources from domestic as well as from foreign banks. Further, it leveraged strong relationships with financial sector players to provide a wide range of banking services in addition to Bank’s liability products.

The focus of Treasury Division is to be active in a broad-based money market, Government securities and foreign exchange markets. There was a significant contribution in the volumes and profits from foreign exchange transactions in 2016.

Capital Adequacy symbolizes the financial strength and stability of a bank. It limits the extent up to which banks can expand their business in terms of risk-weighted assets. Like all other commercial institutions, constantly looks the ways of expanding its operations by opening branches, mobilizing deposits, providing loans and investing in Capital Market. The Bank always keeps a careful check on its Capital Adequacy Ratios.

### **1.6 Information Technology**

The Bank has established a modern Information Technology Division (ITD) by placing state of art technology and appropriate human resources with adequate knowledge and skills to play a vital role in the Bank for smooth running of online Core Banking System equipped with latest banking technology and services to its customers through a large branch network and diversified delivery channels.

### **1.7 Strategic Direction and Challenges**

The strategic directions of the Bank are provided and reviewed periodically by the Marketing Division in consultation with the senior Management. At the time of planning deposit mobilization strategies, financing plan and the budget, priority is given on the bottom up information sharing process. The Board of Directors approves the Budget and evaluates monthly performance in the Board Meeting for ensuring proper Budgetary Control and maximization of operating profit and optimization of business outcomes and provides guidelines to the Management for overcoming lapses, if identifies. In keeping with the Vision and Mission of the Bank, the strategic direction of the Bank has been clearly identified and laid down in the Long Term Corporate Plan and the Budget. Budget is prepared for each year by spell out the goals and objectives for each major strategic business unit such as Corporate Banking, SME Banking, Retail Banking, Treasury, General Banking, etc. and the detailed action plans for the achievement thereof along with specific time frame are set out and evaluates in the marketing meeting.

### **1.8 Staff Training**

The Bank always keeps in mind for the development of staff skill and knowledge through training. The staff training is presently pertaining through the outside Organizations, Bangladesh Bank and from Bank's own training Academy.

### **1.9 Resource Efficiency**

Deposits and Shareholders' Equity represented the two biggest sources of funds. As at 31 December 2016, the amount of deposit was 81.51% of total liability and shareholders' equity & the amount of shareholders' equity was 6.86% of total liability and shareholders' equity. The Bank tries to procure deposits from low cost sources and prudently invest the fund for raising the profitability of the Bank.

Through careful planning, the management of Bank ensured a prudent dividend policy and investment portfolio and optimized Shareholders' Equity.

## **1.10 Corporate Governance**

### **1.10.1 Board of Directors**

#### **a) Members of the Board**

The Board of Directors of the Bank is constituted by 8 (Eight) numbers of Directors and all of the Directors except Managing Director are Non-Executive Directors. Particulars of Directors are included in the annual report.

#### **b) Board Meeting**

The Chairman of the Board conducts the Board Meetings and ensures effective participation of all Directors, heeding to their concerns and maintained balance of power. The Board is in full control of its affairs.

#### **c) Information sharing system**

A well-streamlined Management Information System is in place. Accurate and relevant information on the matters referred to the Board are made available in advance. Whenever the Board finds that the information sent to them is insufficient, they call for additional information and the Chairman ensures that all Directors are properly briefed on the matters deliberated at the meetings.

#### **d) Performance of Board**

The Board has implemented a self-assessment exercise covering key functions under the following activities to assess the performance of the Board and carries out the evaluations annually.

- Discharge of Statutory /Regulatory duties and Board responsibilities;
- Corporate Governance and Risk Management monitoring;
- Seeking and contributing views and opinions on strategic decision making;
- Leveraging the skills, expertise, contacts of individual Board Members in furtherance of business;
- Understanding and formulating the succession plans to ensure talent availability and address expectations of high potential and high quality staffs, and
- Overall view of management of the business by the Management.

### **1.10.2 Appointment of Directors and Managing Director**

#### **a) Director**

The Members of the Board are appointed in accordance with the provisions of the Companies Act 1994, the Memorandum and the Articles of Association of the Bank, provisions of the Bank Company Act 1991 (as amended in 2013) and Bangladesh Bank's Circulars issued from time to time. The Board believes that the combined knowledge and experience of the Board matches the strategic demands required for the Bank.

## **b) Managing Director**

The Managing Director (as CEO) is appointed by the Board on contractual basis with a provision of renewals according to the guidelines provided by the Bangladesh Bank and the provisions of the Bank Company Act. The Board sets financial and non-financial goals and objectives for the CEO in line with the short, medium and long-term goals of the Bank. The Managing Director is entrusted with the management of the Bank's operations and he is ultimately accountable to the Board. Managing Director's performance is assessed by the Chairman annually.

### **1.10.3 General Meeting**

#### **a) Shareholders Suggestions**

The Bank always welcomes active participation of the shareholders at the General Meetings and solicits their views at all times, thus promoting a healthy dialogue. Whenever possible, the Bank implements their suggestions.

#### **b) Notice of the General Meeting**

Notice is given to the shareholders in terms of the provisions of the Companies Act 1994, Securities and Exchange Commission Act 1993, and the guidelines of Bangladesh Bank.

### **1.10.4 Accountability**

#### **Communicating Performance**

Bank gives high priority to timely preparation and publication of annual, half-yearly and quarterly Financial Statements with comprehensive details of the statutory requirements, enabling both existing and prospective shareholders to make a timely and fair assessment of the Bank's performance. Media of publication includes printed materials, newspapers and the website of the Bank.

## **2 Significant Accounting Policies and Basis of Preparation of Financial Statements and Others**

### **2.1 Presentation of Financial Statement**

The financial statements are presented in compliance with the provisions of the Bangladesh Accounting Standards BAS 1 "Presentation of Financial Statements", BAS 7 "Statement of Cash Flows".

As per BRPD circular No. 14 dated 25 June 2003, Bangladesh Bank provides guidelines, forms and formats for the presentation of Financial Statements.

### **2.2 Basis of Consolidation**

The Consolidated Financial Statements include the financial statements of ONE Bank Limited and ONE Securities Limited made up to the end of financial year.

The Consolidated Financial Statements have been prepared in accordance with Bangladesh Accounting Standard BAS 27 "Separate Financial Statements".

## 2.3 Statement of Compliance

The Financial Statements of the Bank are prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh accounting Standards (BAS) and the requirements of the Bank Company Act 1991 (as amended in 2013), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987, BRPD Circular # 14 dated 25 June, 2003, other Bangladesh Bank Circulars and other prevailing laws and rules applicable in Bangladesh.

In case of any requirement of the Bank Company Act 1991 (as amended in 2013) and provisions and circulars issued by Bangladesh Bank differ with those of BFRS and BAS, the requirements of the Bank Company Act 1991 (as amended in 2013), and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

### 2.3.1 Investment in Shares and Securities

**BFRS:** As per requirement 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 end of the year at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment (portfolio basis); otherwise investments are recognized at cost.

### 2.3.2 Revaluation gains/losses on Government Securities

**BFRS:** As per the 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 in the profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method using effective interest rate and interest income is recognised through the profit and loss account.

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

### 2.3.3 Provision on Loans and Advances / Investments

**BFRS:** As per the requirement of 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 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012, BRPD circular No 05 dated 29 May 2013 and BRPD circular No. 8 dated 02 August 2015, a general provision at 0.25% to 5% under different categories of unclassified loans has to be maintained regardless of objective evidence of impairment. And, specific 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 status. Also a general provision at 1% is required to be provided for all off-balance sheet exposures as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012. These provisions are not specifically in line with those prescribed by BAS 39.

### 2.3.4 Recognition of Interest in Suspense

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

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

### 2.3.5 Other Comprehensive Income

**BFRS:** As per the requirement of 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 as a component of financial statements. 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.

### 2.3.6 Financial Instruments – Presentation and Disclosure

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

### 2.3.7 Financial Guarantees

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

**Bangladesh Bank:** As per the requirement of BRPD circular 14 dated 25 June 2003 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

### 2.3.8 Repo Transaction

**BFRS:** As per the requirement of BAS 39, When an entity sales a financial assets and simultaneously enters into agreement to repurchase the assets (or a similar asset) at a fixed price on future date (Repo or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between the selling price and repurchase price will be treated as interest expenses.

**Bangladesh Bank:** As per DOS Circular Letter No 2 dated 23 January 2013 and DOS Circular Letter No 6 dated 15 July 2010, when a bank sells a financial assets and simultaneously enters into agreement to repurchase the assets (or a similar asset) at a fixed price on future date (Repo or stock lending), the arrangement is accounted for as normal sales transactions.

### 2.3.9 Cash and Cash Equivalent

**BFRS:** As per the requirement of BAS 7, Cash and cash equivalent items should be reported as cash item.

**Bangladesh Bank:** As per BRPD Circular 14 dated 25 June 2003, few highly liquid assets such as Money at call on Short Notice, Treasury Bills, Bangladesh Bank Bills and Prize Bond are not shown as cash and cash equivalents items in the Balance Sheet rather these are shown in the face of the balance sheet as separate items. However in the cash flow statement, these items are shown as cash equivalents besides cash in hand, balance with BB and other banks.

### 2.3.10 Non-Banking Asset

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

**Bangladesh Bank:** As per BRPD Circular no. 14 dated 25 June 2003 there must exists a face item named Non-banking asset and the holding period of non-banking assets is mentioned in the Bank Company Act 1991 (as amended in 2013).

### 2.3.11 Cash Flow Statement

**BFRS:** As per the requirement of BAS 7, The Statement of Cash Flows 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 Circular no. 14 dated 25 June 2003 Cash Flow Statement is the mixture of direct and indirect methods.

### 2.3.12 Balance with Bangladesh Bank: (Cash Reserve Requirement)

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

**Bangladesh Bank:** As per BRPD Circular no. 14 dated 25 June 2003 Balance with Bangladesh Bank is treated as cash and cash equivalents.

### 2.3.13 Presentation of Intangible Asset

**BFRS:** As per the requirement of BAS 38, an intangible asset must be identified and recognised, and the disclosure must be given in the Financial Statements.

**Bangladesh Bank:** As per BRPD Circular no 14 dated 25 June 2003 there is no regulation for treatment of intangible assets.

### 2.3.14 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 Circular no. 14 dated 25 June 2003 off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

### 2.3.15 Loans and Advances / Investments Net of Provision

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

**Bangladesh Bank:** As per BRPD Circular no. 14 dated 25 June 2003 provision on loans and advances/investments are presented separately as liability and cannot be netted off against loans and advances.

## 2.4 Use of Estimates and Judgments

The preparation of financial statements requires management's judgments, estimates and assumptions for which the application of accounting policies and the reported amounts of assets, liabilities, income and expenses may vary and actual results may differ from those estimates. The most significant areas where estimates and judgments have been made are on provisions for loans and advances.

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 Foreign Currency

### i. Functional and presentational currency

Financial statements of the Bank are presented in Taka, which is the Bank's functional and presentational currency.

### ii. Foreign currency translation

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per BAS 21 "The effects of Changes in Foreign Exchange Rates"

Assets and liabilities in foreign currencies at 31 December 2016 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "Balances with other Banks and Financial Institutions" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting / crediting exchange gain or loss account.

### iii. Commitment

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the date of balance sheet.

## 2.6 Assets and the basis of their valuation

### 2.6.1 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.

### 2.6.2 Loans and Advances

- Loans and Advances are stated at gross amount and before off setting specific and general provisions against them.
- Interest on Loans and Advances is calculated on a daily product basis but charged and accounted for quarterly on an accrual basis.

Provision for Loans and Advances is made on the basis of year-end review by the Management and instructions contained in Bangladesh Bank BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012, BRPD Circular No. 5 dated 29 May 2013, BRPD Circular No. 16 dated 18 November 2014 and BRPD Circular No. 8 dated 02 August 2015 respectively at the following rates

Category/status of Loans and Advances	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
<b>General provisions for unclassified loans and advances:</b>		
All unclassified loans (Other than loans under small and medium enterprise and consumer financing, special mention account and staff loans)	1%	1%
Small and medium enterprise financing	0.25%	0.25%
Consumer financing (Other than housing finance and loans for professionals under consumer financing scheme)	5%	5%
Consumer financing (For Housing Finance & Loans for professionals set up)	2%	2%
Special mention account	0% to 5%	0% to 5%
Loans to BHs/MBs/SDs against Shares	2%	2%
Loan to Short-term Agricultural and Micro-Credits	2.5%	2.5%
<b>Specific provision for classified loans and advances:</b>		
Substandard	20%	20%
Doubtful	50%	50%
Bad/Loss	100%	100%
<b>Provision for classified loan to short-term agricultural and Micro-Credit:</b>		
Substandard	5%	5%
Doubtful	5%	5%
Bad/Loss	100%	100%

- c) Loans and Advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank. These write offs, however, will not undermine/affect the claim amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

### 2.6.3 Investments

All investments in shares are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment.

#### The valuation method of investments

- a) **Held to Maturity (HTM):** Investments which are intended to be held to maturity are classified as “Held to Maturity”. These are measured at amortized cost at every year end by taking into account any discount or premium on acquisition. Amortized amount of such premium is booked into profit and loss statement or discount is booked to equity until maturity.
- b) **Held for Trading (HFT):** Investments classified in this category are acquired principally for the purpose of selling or repurchasing -in short-trading or if designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognised in the statement of income for the period in which it arises. These investments are subsequently revalued at current market value on weekly basis as per Bangladesh Bank Guideline. Revaluation gain has been shown in revaluation reserve account & revaluation loss has been shown in Profit & Loss account.

Value of investments has been enumerated as follows:

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Government Treasury Bills (HTM)	Cost	Amortized cost	Increased or decreased in value to equity.
Government Treasury Bonds (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Government Treasury Bonds (HTM)	Cost	Amortized cost	Amortized gain/loss to revaluation Reserve
Bangladesh Bank Bill (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Bangladesh Bank Bill (HTM)		Amortized cost	Amortized gain/loss to revaluation Reserve
Zero Coupon Bond	Cost	None	None
Prize Bond & Other Bond	Cost	None	None
Subordinated Bond	Face Value	At Redemption Value	None
Un quoted Shares (ordinary)	Cost	Cost	None
Quoted shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss to Profit and Loss A/C but no unrealized gain recorded.

- c) **Investment in Quoted Securities:** These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements which market price is below the cost price of investment as per Bangladesh Bank guideline.
- d) **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.
- e) **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 Bangladesh Accounting Standard 28. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses if any.

#### 2.6.4 Non Current Assets

##### a) Property, Plant and Equipment

All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non refundable taxes.

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

##### Depreciation

Depreciation on fixed assets is charged for the year at the following annual rates on a reducing balance method on all fixed assets except on Land:

Category of Fixed Assets	Rate of Depreciation
Furniture and Fixtures	10%
Office Equipment	18%
Motor Vehicles	20%
Building	2.50%

##### b) Intangible Assets

All intangible assets which have probable future inflows are stated as cost less the accumulated amortization. The intangible assets are amortized using estimated useful lives of five years.

##### c) Software

Software acquired by the bank is stated at cost less accumulated amortization. Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in specific assets to which it relates. Amortization is recognized in profit and loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life of software is five years. Useful life, residual value and impairment of status are reviewed at each financial year end and adjusted if applicable.

#### d) Leasehold Assets

Leasehold properties are recorded at present value of minimum lease payments or fair market value, whichever is lower as per the provisions of BAS-17. The carrying value of leasehold properties is amortized over the remaining lease term or useful of leasehold property, whichever is lower.

#### 2.6.5 Other Assets

As per BRPD circular 14 dated 25 June 2001 Provision is to be maintained against other assets considering the recovery status thereof. The following assets are marked as other assets for maintaining provision:

SL	Category of Assets	Provision		Remarks
1	<b>Unadjusted Expenses</b> [Business development expenses, Travelling expenses, Entertainment expenses, Salary expenses, Advertisement expenses, and Miscellaneous expenses]		100%	Unadjusted on or over 1 (One) year from the date of origination.
2	<b>Litigation / Legal Expenses</b>			
	(a) related to unsettled cases	50%		
	(b) unadjusted expenses related to settled cases		100%	
3	<b>Protested Bill / Fraud / Forgery/ Fund Embezzlement</b>			
	(a) for doubtful	50%		If there is any possibility of recovery.
	(b) for bad/loss		100%	If there is no possibility of recovery.
4	<b>Miscellaneous</b>		100%	Considering Loss category

#### 2.6.6 Liabilities and Provisions

##### a) Borrowings from Other Banks, Financial Institutions and Agents

Borrowed funds include call money deposits, borrowings, refinance borrowings and other term borrowings from banks. These are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the Profit and Loss Account.

##### b) Deposits and Other Accounts

Deposits by customers and banks are recognised when the Bank enters into contractual agreement with the counterparties which is generally on the trade date and initially measured at the consideration received.

##### c) Other Liabilities

Other liability comprise items such as Provision for Loans and Advanced, Provision for Taxes, Interest Suspense, Provision for Other Assets and Accrued Expenses. Other liability is recognized in the Balance Sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance 1984 and Internal Policies of the Bank. 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 and it is probable that an outflow of economic benefit will be required to settle the obligation and reliable estimate can be made of the amount of obligation.

#### **d) Provision for Liabilities**

Provision in respect of liability is recognized in the financial statements when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation, in accordance with the BAS 37 “Provision, Contingent Liabilities and Contingent Assets”.

#### **e) Provision for Loans and Advances: Stated in Para 2.6.2**

#### **f) Taxation**

##### **f.1 Current Tax**

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying applicable rates.

##### **f.2 Deferred Tax**

Deferred tax is made as per the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. The Bank has made adequate provision for deferred tax.

#### **g) Subordinated Bond**

ONE Bank Limited issued unsecured non-convertible subordinated floating rate bonds on 26th December, 2013 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letter # BRPD (BIC) 661/14B (P)/2013-1869, dated November 28, 2013 and SEC/CI/CPLC-159/2002/2714, dated October 08, 2013 respectively. The Subordinated Bond is counted towards Tier-II capital of the Bank. Interest rate of the Bond is calculated as Benchmark rate +3% Margin. However, the rate shall not go below 12.00% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 12.00%.

To meet regulatory capital requirement, ONE Bank Limited again issued unsecured non-convertible subordinated floating rate bonds on 27th October, 2016 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [# BRPD (BFIS) 661/14B(P)/2016-5583 dated August 18, 2016],[BRPD (BFIS) 661/14B(P)/2016-6471 dated September 29, 2016] and [# BSEC/CI/DS-46/2016/344 dated June 16, 2016] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.80% Margin. However, the rate shall be kept 7.00% to 10.50% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 8.60%.

### **2.6.7 Capital and Shareholders' Equity**

#### **Capital Management**

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet long term internal capital targets, maintain strong



credit ratings, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the Board-approved Capital Management Planning from time to time. Senior Management develops the capital strategy and oversees the capital Management Planning of the Bank. The Bank's Finance, Treasury and Risk Management department are key in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measure and internal matrix.

**a) Paid up Share Capital**

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

**b) Statutory Reserve**

Transfer to the statutory reserve has been maintained @ 20% of Profit before Tax in accordance with provisions of section 24 of the Bank Company Act, 1991 (as amended in 2013). This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account, after this it is optional.

**c) Revaluation Reserve**

Revaluation reserve represents revaluation on Treasury bond (HFT & HTM) in accordance with the DOS Circular no.-05, dated May 26, 2008 and subsequent clarification in DOS Circular no-05, dated January 28, 2009.

**2.7 Off-Balance Sheet Exposures**

In compliance with the instruction of BRPD Circular No. 10 dated 18 September 2007 issued by the Bangladesh Bank, provision against the off-balance sheet exposures of the Bank as at reporting date has been made as follows:

Category/status of Off-balance sheet exposures	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
General provisions for off-balance sheet exposures	1%	1%

**2.8 Revenue Recognition**

The revenue of the year is recognized in compliance with the provisions of BAS-18 "Revenue".

**a) Interest Income**

In compliance to the provisions of the Bangladesh Accounting Standards (BAS) – 18 “Revenue”, the interest is recognized on accrual basis, but necessary information of cash movement related to those accruals are reported separately in the notes. Interest is calculated on daily product basis on loans and advances but charged on a quarterly basis. Interest on classified loans and advances were not taken into income until such advances were declassified / regularized. Interest is charged on classified loans and advances as per Bangladesh Bank's BCD and BRPD circulars. Moreover, interest on classified advances is accounted for when it realized in cash.

## **b) Investment Income**

Income on investment is recognized on accrual basis. The current provision for income tax and the taxable income of the year is calculated on the basis of interest receivable on the securities i.e. after deduction of accrued interest related to the Treasury Bills and other securities. Investment income has been constituted by income from Treasury Bills, interest on Securities and Dividend income from share.

- (a) Income on Investments other than dividend on shares is accounted for on an accrual basis.
- (b) Dividend income on shares is accounted for on cash receipt basis except for preference share. Dividend income on preference shares is accounted for on accrual basis.

## **c) Fees, Commission and Other Income**

Fees and Commission income arises from services provided by the Bank for DD, TT, and LBP etc. and recognized on receipt basis. Commission charged on Letters of Credit (LC) and Letters of Guarantee (LG) are credited to income at the time of effecting the transactions. The advance payment of tax on LC commission is duly deposited to the Tax Authority. Similarly, Income Tax and VAT is deducted and deposited to the Tax Authority as per their circulars.

## **d) Interest and Other Expenses**

In terms of the provision of the Bangladesh Accounting Standard (BAS) –1 “Presentation of Financial Statements”, accrual basis is followed for interest payment and other expenses. The necessary disclosures are given in the notes in compliance with the provisions of BRPD Circular No. 14 dated 25 June 2003.

## **2.9 Cash Flow Statement**

The Cash Flow Statement is presented by using the “Direct Method” of preparing cash flows in compliance with the provisions of the Bangladesh Accounting Standard (BAS) - 7 and format provided by the Bangladesh Bank vide BRPD Circular No. 14 dated 25 June 2003 as applicable for preparation of Cash Flow Statements. To make the Cash Flow Statement more understandable and user friendly about the constitution of figures inserted into the Cash Flow Statement, a number of notes have been given in the notes to the accounts.

## **2.10 Liquidity Statement**

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

- a. Balance with other banks and financial institutions, money at call on short notice etc. are on the basis of their maturity term.
- b. Investments are on the basis of their maturity.
- c. Loans and advances 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. Provisions and other liabilities are on the basis of their payment/adjustment schedule.

## **2.11 Statement of Changes in Equity**

Statement of changes in equity is prepared in accordance with BAS-1" Presentation of Financial Statements" and under the guidelines of BRPD circular no.14 dated 25 June 2003.

## **2.12 Events after Reporting Period**

All known material events after the Balance Sheet date have been considered and appropriate adjustments/ disclosures have been made in the Financial Statements where necessary up to the date of preparation of Financial Statements as per BAS-10.

## **2.13 Earnings per Share**

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on 31 December 2016 as per BAS- 33 "Earnings per Share". Diluted earnings per share was not required to calculate as there is no dilution possibilities occurred during the year.

## **2.14 Reconciliation of Books of Account**

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled and found no material differences which may affect the Financial Statements significantly.

## **2.15 Authorization of Financial Statements**

The financial statements for the year ended 31 December 2016 have been authorized for issue in accordance with a resolution of the Board of Directors on 30 March 2017.

## **2.16 Materiality and Aggregation**

Each material item as considered significant by the Management has been presented separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis when permitted by the relevant accounting standards.

## **2.17 Offsetting**

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

## **2.18 Reporting Period**

These financial statements cover one calendar year from 01 January to 31 December 2016.

## **2.19. Number of Employees**

The number of employees employed in the Bank as on 31 December 2016 was 2028 of which 1613 were male and 415 were female. The number of employees per branch (including 18 booths) was 15.58 (1355/87) excluding 673 employees in the Head Office of the Bank.

## 2.20. Employee Benefits

### a) **Provident Fund (Defined Contribution Plan)**

"Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the Provident fund rules. The Commissioner of Income Tax has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from 27 February 2001. The fund is operated by a Board of Trustees consisting of 5 (five) employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as contribution to the fund. The Bank also contributes equal amount of the employees' contribution to the fund. Interest earned from the investments is credited to the members' account on yearly basis. Members are eligible to get both the contributions after 03 (three) years of continuous service from the date of their Joining the Bank.

### b) **Gratuity Fund (Defined Benefit Plan)**

Gratuity Fund benefits are given to the staff of the bank in accordance with the approved Gratuity Fund Rules. National Board of Revenue approved the Gratuity Fund as a recognized Gratuity Fund on 28 February 2012. The fund is operated by a Board of Trustees consisting of 5 (five) employees of the Bank. Employees are entitled to Gratuity benefit after completion of minimum 05 (five) years of service in the Company. The Gratuity is calculated on the basis of Last Drawn Basic Pay and is payable at the rate of one month's Last Drawn Basic Pay for every completed year of service and six months and above but less than one year will be counted as one year.

### c) **Benevolent Fund**

The objective of the fund is to provide financial assistance to all the employees of the Bank for treatment (medical/surgical, physical/other disability, etc) of the employees and or his/her dependent(s); damage or loss of his/her homestead by natural disaster/calamities. The Fund consists of monthly contributions by all the employees of the Bank and benefits earned from the investment of the fund. The fund is operated by a Board of Trustees consisting of 7 (seven) employees of the Bank.

### d) **Death cum Survival Superannuation Fund**

The objective of the ONE Bank Ltd. Employees' Death cum Survival Superannuation Fund is to provide superannuation and other benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit by the Trustees as per Board's approved policy. This Fund consists of annual contributions of Tk.71 lac by the Bank as well as benefits earned from the investment of the fund. The Income Tax Authority approved the Fund as a recognized fund on 19 April 2012 as per the provisions of part - A of the First Schedule of Income Tax Ordinance 1984. The fund is operated by a Board of Trustees consisting of 5 (five) employees of the Bank.

### e) **Maternity Allowance**

1. AO to SEVP: Tk. 10,000/- twice during entire period of service of an employee in the Bank.
2. Guard, Electrician, Driver, Messenger & Mali: Tk. 5,000/- twice during entire period of service of an employee in the Bank.

**f) Annual Leave Fare Assistance**

The provision for Leave Fare Assistance (LFA) represents the current outstanding liability to employees at the Balance Sheet date. Leave Fare Assistance is a non-recurring benefit for all permanent employees of the Bank who are entitled to annual leave. According to Bangladesh Bank policy, all permanent employees have to avail 15 days annual leave at a stretch on mandatory basis and LFA is given on approval of the leave.

**g) Staff Loan at Bank Rate**

To assist the employees at emergency needs, the Board has introduced Staff Loan to the tune of maximum three months' Basic Pay at Bank Rate for the permanent employees repayable by 24 monthly installments.

**h) Staff House Building Loan**

A permanent staff equivalent to the rank of Principal Officer or above, after completion of 5 (five) years of service, can avail of a House Building Loan at Bank Rate as per Board's approved policy and approval from the appropriate Authority.

**i) Staff Car Purchase Finance Scheme**

All staff at job grades from AVP and above can avail of Car Loan under Staff Car Purchase Finance Scheme as per Board's approved policy and approval from the Competent Authority.

**j) Honorarium for Banking Diploma Part I & Part II**

On successful completion of part-I & part-II of Banking Diploma examination of the Institute of Bankers, Bangladesh or any other Institute of Bankers recognised by the Bank, an employee is entitled to the following honorarium:

1. Part-I of Bangladesh Institute of Bankers Tk. 5,000/- (plus fees incurred by the incumbent)
2. Part-II of Bangladesh Institute of Bankers Tk. 7,500/- (plus fees incurred by the incumbent).

**k) Festival Bonus**

Employees who have completed at least 6 (six) months' service with the Bank as on the date of disbursement of Bonus, is entitled to the Festival Bonus on the following basis:

1. All regular Staff including Staff on Contract and Probationary Officers/Special Cadre Officers/Cadre Officers having break-up of salary @ one month's Basic Pay.
2. TAO/Casual/Contractual Staff on consolidated pay @ 50% of Consolidated Pay.
3. The Officers who have joined OBL from other Banks and Financial Institutions but have not yet completed six months service with OBL @ one month's Basic Pay.

**l) Incentive Bonus**

Employees who have completed at least six months continuous service with the Bank as on December 31 of the FY and are on the payroll on the date of disbursement, is entitled to the incentive Bonus on the basis of Basic Pay of 31<sup>st</sup> December of the FY and Appraisal Rating.

**m) Un-availed Earned Leave Encashment**

Maximum 15 (fifteen) days un-availed earned leave can be encashed by an employee. The encashment is calculated on the basis of Last Drawn Basic Pay and is payable at the rate of one month's Last Drawn Basic Pay/30 X No. of encashable Earned Leave.

**n) Day Care Center Facilities for the children of OBL Employees:**

ONE Bank Limited (OBL), in association with other Banks having Head Offices located at Gulshan, Dhaka, has made an agreement with a Day Care Center namely "Wee Learn Day Care" and booked 02 (two) seats for the children of OBL employees and has been paying for those 02 (two) seats since September 2014.

**o) Furniture & Fixture Facility Scheme:**

The executives of the Bank are entitled to a specific amount to meet the cost of furnishing of residence with furniture and fixture for a period of 05 years (amortization by 60 months), and after every five years subject to full amortization of existing facility, executives are entitled to avail a new facility under the scheme as applicable to respective designation.

**2.21 Compliance report on Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)**

Name of BASs	BAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenues	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied *
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied *
Investment Property	40	N/A
Agriculture	41	N/A
Name of BFRSs	BFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	Applied

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 Arrangement	11	N/A
Disclosure of Interest in other Entities	12	Applied
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A

N/A = Not Applicable.

\* In order to comply with certain specific rules and regulations of the local Regulatory Authorities which are different to BASs/BFRSs, some of the requirements specified in these BASs/BFRSs are not applied.

## 2.22 BASEL III Implementation

Under the guideline of BASEL III Implementation plan issued by Bangladesh Bank vide BRPD Circular -18, Dated December 21, 2014, ONE Bank Ltd has already entered in the domain of BASEL III. Accordingly, OBL successfully managed to maintain all the requirements of phase wise BASEL III implementation. OBL Maintained minimum capital including Capital Conservation Buffer @ 13.89% against the statutory requirement of 10.625% as at December 31, 2016.

## 2.23 Risk Management

ONE Bank Ltd aims at the delivery of superior shareholder value by achieving the optimum trade-off between risk and return. Our risk management strategy is based on a clear understanding of various risks taken, well-developed risk-assessment and measurement procedures, effective risk-preventing/minimizing, measures and continuous monitoring of the entire process at the very top level. The policies and procedures established for this purpose are being continuously improved to be in line with international best practices.

The ingredients of the risk management system at ONE Bank Ltd is capital structure, complexity of functions, level of technical expertise, quality of MIS, etc. and it is structured to address the total risk, i.e. both banking as well as non-banking risks. It also covers both on-balance sheet and off-balance sheet exposures. The prime objective of this risk management system is to ensure that the Bank takes well-calculated business risks while safeguarding the Bank's capital, its financial resources, profitability from various risks and the reputation.

The risks are defined as the possibility of losses, financial or otherwise. The Risk Management of the Bank covers 6 (Six) Core Risk Areas of banking as defined by the Bangladesh Bank. The Areas are as follows:

- 1) Credit Risk Management;
- 2) Foreign Exchange Risk Management;
- 3) Asset Liability Management;
- 4) Prevention of Money Laundering;
- 5) Internal Control & Compliance; and
- 6) Information Technology.

In light of the Risk Management, Bank takes well calculative business risks for safeguarding its capital, financial resources, and profitability. In this context, the Bank took steps to implement the guidelines of Bangladesh Bank as under:

### **2.23.1 Credit Risk Management**

Credit risk is the potential that a Bank Borrower or Counterparty fails to meet its obligation in accordance with agreed term. This includes non-repayment of principal and / or interest within the agreed time frame, at the agreed rate of interest and in the agreed currency. This may happen due to impairment in Client's ability to pay and or willingness to pay. The goal of credit risk management at the ONE Bank Ltd. is to maximize the Bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters.

Uncertainties or risks associated in credit activities need to be understood, evaluated and managed in a structured way to ensure growth and stability of the Bank. Thus, the Bank needs to have a robust credit risk management frame work as well as a culture for maintaining and reinforcing its credit standards.

Towards ensuring transparency and accountability, entire credit related activities in ONE Bank Ltd. have been segregated into different segments. A separate Credit Risk Management Division has been established at Corporate Headquarters, which is entrusted with the responsibilities of managing all approval issues upon imparting due diligence and rigorous risk analysis, devising mitigates thereto and formulating policy/strategy for lending operations. An effective assessment is done before sanction of any credit facility at Credit Risk Management Unit, which includes borrower risk analysis, historical performance of the customer, security of the proposed credit facility etc. OBL meticulously addresses environmental risk issues in compliance with Bangladesh Bank Guideline. Compliance of upcoming Environmental and Social Risk Management issues are in the card as well.

Credit approval authority has been delegated to the individual executives. Credit limits beyond their delegation are approved /declined by the Executive Committee and the Management. In determining Single Borrower/Large Loan limit, the instructions of Bangladesh Bank are strictly followed. Other units namely (a) Credit Risk Management Unit, (b) Credit Administration Unit, (c) Credit Monitoring and Recovery Unit are in place towards ensuring proper security documentation and maintaining asset quality.

### **2.23.2 Foreign Exchange Risk Management**

Foreign Exchange Risk is defined as the potential change in earnings arising due to change in market prices. The front office of the Treasury Department of the Bank independently conducts the transactions and the back office is responsible of verification for the deals and passing of their entries in books of accounts. All foreign exchange transactions are revalued at Market rate as determined by Bangladesh Bank at the month end. The reconciliation of Nostro Accounts is done on monthly basis and reviewed outstanding entries beyond 30 days by the Management for its settlement.

### **2.23.3 Asset Liability Risk Management**

The Bank has formed an Asset Liability Committee (ALCO) for monitoring Balance Sheet risk and Liquidity risk of the Bank. The Balance Sheet risk is defined as potential change in earnings due to change in rate of interest, foreign exchange rates which are not of trading nature. ALCO reviews Liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.



#### **2.23.4 Prevention of Money Laundering and Combating Financing of Terrorism**

Considering Money laundering (ML) and Terrorist Financing (TF) as one of the major threats to the stability and the integrity of financial system, and in response to national and international initiatives, ONE Bank maintains its firm commitment not to let the unscrupulous people to use the Bank to launder their ill-gotten money or conduct their illegal activities. In line with the “Money Laundering and Terrorist Financing Risk Management Guidelines” of BFIU in 2015, and considering the overall risk management strategy of the Bank, it has developed its own “Money Laundering and Terrorist Financing Risk Management Policy Guidelines” which is being reviewed periodically. The Bank also devised its “Money Laundering and Terrorist Financing Risk Assessment Policy Guidelines”.

The Bank has a Central Compliance Unit (CCU) headed by Chief Anti Money Laundering Compliance Officer (CAMLCO) in the rank of a Deputy Managing Director and two other Deputy Chief Anti Money Laundering Compliance officers at Corporate HQ. A Branch Anti Money Laundering Compliance Officer (BAMLCO) is assigned in every branch of the Bank to handle AML & CFT activities. The BAMLCO is supported by the Branch Compliance Unit (BCU) comprising concern officers related with the job.

The Bank has a Customer Acceptance Policy in place and introduced KYC program since its inception and apply Customer Due Diligence and Enhanced Due Diligence as applicable. The Bank has started a process to identify the accounts/transactions related with the “Sanction list” issued by UN and other authorities -both International and Local.

Besides, trainings, workshops and discussion sessions are conducted on AML & CFT compliance for all employees from time to time.

#### **2.23.5 Internal Control System**

Internal Control is a control mechanism establishes in the operation and management of the Bank by introducing required policies for comply the tasks appropriately.

The Management established a professional and efficient working environment within the Bank by creating and maintaining adequate and effective internal control systems. Internal audit have been conducted on periodical interval to ensure appropriate compliance of Bank’s and Regulatory policies. Loans are classified as per Bangladesh Bank’s guidelines. The Management Committee and Audit Committee of the Board have been reviewing the effectiveness of the internal control system and apprising the Board as and when necessary.

The Management recognizes and appreciates the value and significance of internal controls and ensures the presence of an efficient and effective control system by identifying control objectives, devising pertinent policies/procedures and establishing relevant control procedures covering all areas of activities, after approval of the competent authority.

#### **2.23.6 Information Technology**

ONE Bank Limited is one of the leading bank in Bangladesh in adopting Information Technology in accordance with the “Guideline on ICT Security For Banks and Non-Bank Financial Institutions - 2015” issued by Bangladesh Bank in September 2015, which is the latest guideline. ONE Bank IT management deals with IT operations, policy documentation, IT risk and security compliance, IT awareness and training etc. The objective of IT management is to achieve the highest levels of technology driven service quality with minimum operational risk. Physical security involves providing environmental safeguards as well as controlling physical access to equipment and data. IT department has controls over password, User ID maintenance, input control, network security, virus and malware protection, world-class security certification, internet and e-mail etc.

ONE Bank has introduced various IT based services including Any-branch Banking, Internet Banking, Mobile Banking, SWIFT, BACH-BEFTN, RTGS, Integration with various Third Party software and utility systems for collecting online bills, fees etc. of various institutions. Besides managing and operating various application software and developing in-house software, ONE Bank IT also extends its support and services to Alternate Delivery Channels (ADC) including ATM, POS, Call Center, etc. To secure Internet Banking transactions it has introduced modern 2 Factor Authentication System. ONE Bank Data Centre (DC) and Disaster Recovery Site (DRS) are equipped with state of the art technology in order to provide smooth and uninterrupted service continuation.

#### **2.24 Disclosure on fraud and forgeries committed by bank employees:**

At OBL, we follow a stringent screening process while we recruit officers and staff. The prospective employee's family background / employment history/association is checked/cross checked in terms of integrity, attitude and behavioral pattern. As a result, the Bank since its inception has seen comparatively very few cases of fraud and forgeries. Moreover, our Internal Control and Compliance Division has been strengthened to remain ever vigilant. These have reduced the chances of fraudulent activities in ONE Bank Limited.

Further, whenever serious punishments like dismissal of service is meted out to a delinquent officer, the information is circulated to all employees of the Bank with an objective to deter occurrence of such incidents in future. Consequently, the number of fraud cases in ONE Bank Limited is at a minimal level. However, in the year 2016, 4 (four) cases of such fraud and forgeries were identified. Total embezzled amount involved in the fraud case was Tk. 1,84,50,401.00 (Taka one crore eighty four lac fifty thousand four hundred one) (Tk. 3,00,000.00 + Tk. 1,64,56,500.00 + Tk. 16,79,901.00 + Tk. 14,000.00) only. In all the cases, the embezzled amounts have been realized in full.

All the related officers, considering the gravity of misdeeds and depth of involvement, have been given serious punishments including dismissal from the service of the Bank.

HQ ICCD has also reported the same to Bangladesh Bank in compliance with the Department of Banking Inspection Instruction No. DBI-1 (Nothi)/1025/2012-41 dated February 07, 2012 and the Department of Off-site Supervision (DOS) Circular Letter No. 17 dated November 07, 2012 of Bangladesh Bank.

#### **2.25 Regulatory Compliance**

The Bank complied with the requirements of following regulatory and legal authorities:

- a. The Bank Company Act, 1991 (as amended in 2013).
- b. The Companies Act, 1994.
- c. Rules and Regulations issued by Bangladesh Bank.
- d. The Securities and Exchange Rules 1987, The Securities and Exchange Ordinance 1969, The Securities and Exchange Commission Act 1993.
- e. The Income Tax Ordinance, 1984.
- f. The VAT Act, 1991.

#### **2.26 Rearrangement**

Wherever considered necessary, prior year figures in the Financial Statements have been rearranged to confirm the current year's presentation.

## 2.27 General

- a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.
- a) Memorandum items like Stock of Travelers' Cheques, Shanchaya Patras, Investment bonds and Premium bonds are not reflected as off balance sheet items in the Financial Statements.

However, the stocks of such items are stated below:

<b>Stocks of Items</b>	<b>2016 Taka</b>	<b>2015 Taka</b>
Bangladesh Shanchaya Patras	2,874,838,782	2,570,625,251
US\$ Investment Bonds	177,079,950	100,087,500
US\$ Premium Bonds	183,533,530	122,892,500
Wage Earners Development Bond	373,700,000	412,115,000
<b>Total</b>	<b>3,609,152,262</b>	<b>3,205,720,251</b>

Wherever considered necessary, previous year's figures have been rearranged to conform to current year's presentation and for the purpose of comparison.

## 2.28 Audit Committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Bank as per Bangladesh Bank's BRPD Circular No 12 dated 23 December 2002. As per Bank Company Act, 1991 (as amended in 2013) and BRPD Circular No. 11 dated 27 October 2013, the Board of Directors at its 238<sup>th</sup> Board Meeting held on March 31, 2016 constituted the Audit Committee as under:

<b>Sl. No.</b>	<b>Committee Members</b>	<b>Status with the Bank</b>	<b>Position in the Committee</b>
1	Mr. Syed Nurul Amin	Independent Director	Chairman
2	Mr. A. S. M. Shahidullah Khan	Director	Member
3	Mr. Shawket Jaman	Director	Member
4	Mr. Salahuddin Ahmed	Independent Director	Member

As per the above Circular of Bangladesh Bank, the Company Secretary of the Bank is the Secretary of the Audit Committee.

The Audit Committee of the Board held 4 (four) meetings from 01 January to 31 December, 2016.

The Committee reviewed the Inspection Reports of Bangladesh Bank, Internal Audit Department and compliance thereof by the Management of the Bank. They have also reviewed the draft Financial Statements of the Bank and its subsidiary company audited by the External Auditors.

After last AGM, Mr. Syed Nurul Amin, Independent Director was elected as Chairman of the Audit Committee of the Board of Directors.

## 2.29 Risk Management Committee:

The Risk Management Committee of the Board was duly constituted by the Board of Directors of the Bank as per Bangladesh Bank's BRPD Circular Letter No 11 dated 27 October, 2013. As per Bank Company Act, 1991 (as amended in 2013) and BRPD Circular No. 11 dated 27 October, 2013, the Board of Directors at its 238<sup>th</sup> Board Meeting held on March 31, 2016 constituted the Risk Management Committee as under:

Sl. No.	Committee Members	Status with the Bank	Position in the Committee
1	Mr. Asoke Das Gupta	Vice Chairman	Chairman
2	Mr. Zahur Ullah	Director	Member
3	Mr. Syed Nurul Amin	Independent Director	Member
4	Mr. Salahuddin Ahmed	Independent Director	Member

As per the above Circular of Bangladesh Bank, the Company Secretary of the Bank is the Secretary of the Risk Management Committee.

The Risk Management Committee of the Board held 4 (four) meetings from 01 January to 31 December, 2016.

The Committee identify/assess Credit Risk, Market Risk, Liquidity Risk, Operation Risk, Internal Control and Compliance Risk and Money Laundering Risk, Reputation Risk etc. The activities of Risk Management Committee during the year 2016 were as follows:

- Reviewed and approved various Risk Management Policy of the Bank.
- Approved and reviewed Internal Capital Adequacy Assessment Process guideline.
- Reviewed ICAAP (Internal Capital Adequacy Assessment Process) statement for the year 2016.
- Approved Risk Appetite Statement of the Bank for the year 2016.
- Reviewed and discussed the various risk issues on Comprehensive Risk Management Report (CRMR) and Monthly Risk Management Report (RMR) of the Bank. The Committee also gave recommendations on the vulnerable areas identified in CRMR and RMR.
- Reviewed and followed up the performance against approved Risk Tolerance Limits.

After last AGM, Mr. Asoke Das Gupta, Vice Chairman was elected as Chairman of the Risk Management Committee of the Board of Directors.

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>3 Cash</b>		
Cash in hand ( <b>note-3.1</b> )	1,419,077,712	1,187,043,986
Balance with Bangladesh Bank and its agent bank ( <b>note-3.2</b> )	11,531,359,863	11,028,251,491
	<b>12,950,437,575</b>	<b>12,215,295,477</b>
<b>3.1 Cash in hand (including foreign currencies)</b>		
In local currency	1,415,460,049	1,184,296,571
In foreign currencies	3,617,663	2,747,415
	<b>1,419,077,712</b>	<b>1,187,043,986</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank (including foreign currencies)</b>		
<b>Bangladesh Bank</b>		
In local currency	10,429,312,354	8,473,194,364
In foreign currencies	161,535,357	1,559,164,199
	<b>10,590,847,711</b>	<b>10,032,358,564</b>
Balance with Sonali Bank being an agent of Bangladesh Bank	940,512,152	995,892,927
	<b>11,531,359,863</b>	<b>11,028,251,491</b>

Reconciliation statements regarding Bangladesh Bank balance are given in Annexure-B

### 3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

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 (as amendment in 2013) and MPD Circular No. 01 dated 23 June 2014 issued by Bangladesh Bank.

The Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 6.50% has been calculated and maintained with Bangladesh Bank in current account and 13.00% Statutory Liquidity Ratio on the same liabilities has also been maintained in the form of treasury bills, bonds, Foreign Currency & excess reserve of the Taka current account with Bangladesh Bank. Both the reserves maintained by the Bank are shown below:

#### a) Cash Reserve Requirement (CRR) : 6.50% of average Demand and Time Liabilities

<b>Average Demand and Time Liabilities</b>	<b>152,113,719,500</b>	<b>115,620,235,600</b>
Required reserve	9,887,391,768	7,515,315,314
Balance with Bangladesh Bank	10,429,312,354	8,473,194,364
Amount in reconciliation (Net)*	(76,480,316)	(38,998,134)
Reserve held with Bangladesh Bank in local currencies	10,352,832,038	8,434,196,230
<b>Surplus/(Shortage)</b>	<b>465,440,271</b>	<b>918,880,916</b>
<b>Maintained</b>	<b>6.81%</b>	<b>7.29%</b>

\* The balance of local currency account was duly reconciled as of 31 December 2016 and the above amount was matched accordingly.

#### b) Statutory Liquidity Ratio (Other than CRR): 13% of Average Demand and Time Liabilities:

Required reserve	19,774,783,535	15,030,630,628
Reserve held (b.1)	27,889,308,088	22,629,373,403
<b>Surplus/(Shortage)</b>	<b>8,114,524,553</b>	<b>7,598,742,775</b>
<b>Maintained</b>	<b>18.33%</b>	<b>19.57%</b>

	<b>2016</b>	<b>2015</b>
	<b>Taka</b>	<b>Taka</b>
<b>b.1 Reserve held in SLR :</b>		
Cash in hand including foreign currency	1,419,077,712	1,187,043,986
Balance with Sonali Bank being an agent of Bangladesh Bank	940,512,152	995,892,927
Bangladesh Bank bill	6,697,608,708	1,995,260,027
Treasury Bills	10,523,356,384	11,270,695,630
Treasury Bonds	7,843,312,862	6,261,599,916
<b>Sub Total</b>	<b>27,423,867,817</b>	<b>21,710,492,487</b>
Balance with Bangladesh Bank -local currency (Surplus amount of CRR )	465,440,271	918,880,916
<b>Total</b>	<b>27,889,308,088</b>	<b>22,629,373,403</b>
<b>3 (a) Consolidated Cash</b>		
<b>i Cash in hand</b>		
ONE Bank Limited	1,419,077,712	1,187,043,986
ONE Securities Limited	19,218	4,367
	<b>1,419,096,929</b>	<b>1,187,048,352</b>
<b>ii Balance with Bangladesh Bank and its agent bank</b>		
ONE Bank Limited	11,531,359,863	11,028,251,491
ONE Securities Limited	-	-
	<b>11,531,359,863</b>	<b>11,028,251,491</b>
<b>4 Balance with Other Banks and Financial Institutions</b>		
In Bangladesh (note-4.1)	1,438,644,291	783,622,747
Outside Bangladesh (note-4.2)	3,659,179,549	930,383,782
	<b>5,097,823,840</b>	<b>1,714,006,528</b>
<b>4.1 In Bangladesh</b>		
In current accounts (note-4.3)	141,791,915	47,195,225
Other deposit accounts (note-4.4)	1,296,852,376	736,427,521
	<b>1,438,644,291</b>	<b>783,622,747</b>
<b>4.2 Outside Bangladesh</b>		
In current accounts (note-4.5)	1,902,437,701	930,383,782
Other deposit accounts	-	-
	1,902,437,701	930,383,782
Off-shore Banking Unit	1,756,741,848	-
	<b>3,659,179,549</b>	<b>930,383,782</b>
<b>4.3 Current Accounts (In Bangladesh)</b>		
AB Bank Limited	4,168,789	7,777,285
Sonali Bank Limited	129,744,915	24,039,951
Trust Bank Limited-Q Cash Settlement Account	3,301,121	7,081,268
Standard Chartered Bank	4,577,092	8,296,721
	<b>141,791,915</b>	<b>47,195,225</b>
<b>4.4 Other Deposit Accounts (In Bangladesh)</b>		
(Name of the banks and financial institutions)		
ICB Islamic Bank Limited	59,719,000	67,719,000
IDLC Finance Limited	21,108,682	31,608,682
United Commercial Bank Limited	36,695	2,066,705
AB Bank Limited	11,343,487	24,510,180
Eastern Bank Limited	702,505	694,219
Uttara Bank Limited	604,164,453	472,485,047
Lanka Bangla Finance Limited	400,000,000	-
Industrial Promotion & Development Company of Bangladesh	100,000,000	-
Prime Bank Limited	99,777,554	137,343,689
	<b>1,296,852,376</b>	<b>736,427,521</b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>4.5 Current Accounts (Outside Bangladesh)</b>		
(Name of the banks and financial institutions)		
Standard Chartered Bank, New York	1,399,245,388	261,172,857
Standard Chartered Bank, London	1,126,625	25,169,437
Standard Chartered Bank, Pakistan	26,878,436	44,014,473
Standard Chartered Bank, Mumbai	21,939,122	66,592,585
Standard Chartered Bank, Tokyo	5,617,118	4,859,065
Standard Chartered Bank, Frankfurt	16,418,005	17,783,820
ICICI Bank Limited, Hong Kong	1,853,614	3,545,631
ICICI Bank Limited, Mumbai (ACUD)	13,848,184	70,125,035
ICICI Bank Limited, Mumbai (ACU EURO)	7,090,371	14,690,044
Commerzbank AG, Frankfurt (USD)	129,764,708	85,052,912
Commerzbank AG, Frankfurt (CAD)	3,031,164	400,929
Commerzbank AG, Frankfurt (EURO)	2,515,821	20,508,535
Mashreqbank Psc, New York	44,424,627	118,149,315
Wells Fargo Bank N.A, New York	93,876,083	116,289,216
AB Bank Ltd, Mumbai	(14,415,715)	14,990,836
Habib Bank Limited , Karachi	33,377,203	27,825,459
Habib Bank AG Zurich, Surich	11,105,849	3,636,359
Nepal Bangladesh Bank Ltd, Kathmandu	6,644,826	5,430,562
Seylen Bank PLC, Colombo	7,035,379	3,511,884
Axis Bank Ltd, Kolkata	26,548,312	-
United Bank of India, Kolkata	53,309,891	6,967,611
Bank Al-Jazira, Jeddah	6,430,500	6,430,500
Westpac Banking Corporation, Sydney	4,772,192	13,236,715
	<b><u>1,902,437,701</u></b>	<b><u>930,383,782</u></b>
(For details of foreign currency amount and rate thereof see "Annexure - C")		
<b>4.6 Maturity of balances with other banks and financial institutions</b>		
Up to 1 month	1,772,611,497	916,891,010
More than 1 months to 3 months	1,989,308,775	465,191,891
More than 3 months to 1 year	1,314,794,887	310,814,945
More than 1 year to 5 years	21,108,682	21,108,682
More than 5 years	-	-
	<b><u>5,097,823,840</u></b>	<b><u>1,714,006,528</u></b>
<b>4 (a) Consolidated Balance with Other Banks and Financial Institutions</b>		
<b>In Bangladesh</b>		
ONE Bank Limited	1,438,644,291	783,622,747
ONE Securities Limited	208,788,554	58,757,942
	<u>1,647,432,845</u>	<u>842,380,689</u>
Less: Inter Company Transaction	(208,788,554)	(58,757,942)
	<b><u>1,438,644,291</u></b>	<b><u>783,622,747</u></b>
<b>Outside Bangladesh</b>		
ONE Bank Limited	3,659,179,549	930,383,782
ONE Securities Limited	-	-
	<b><u>3,659,179,549</u></b>	<b><u>930,383,782</u></b>
	<b><u>5,097,823,840</u></b>	<b><u>1,714,006,529</u></b>
<b>5 Money at call on short notice</b>		
Modhumoti Bank Limited	150,000,000	-
United Finance Limited	100,000,000	-
The City Bank Limited	-	1,000,000,000
International Leasing Company Ltd	-	90,000,000
AB Bank Limited	-	300,000,000
NRB Bank Limited	-	250,000,000
Bank Al-Falah Limited	-	160,000,000
BRAC Bank Limited	-	350,000,000
National Bank of Pakistan	-	200,000,000
Habib Bank Limited	-	80,000,000
Premier Leasing and Finance Ltd	-	100,000,000
Delta Brac Finance	-	70,000,000
	<b><u>250,000,000</u></b>	<b><u>2,600,000,000</u></b>

## 6 Investments

### In Government securities

	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
Treasury bills ( <b>note- 6.1</b> )	10,523,356,384	11,270,695,630
Treasury bonds ( <b>note-6.2</b> )	7,843,312,862	6,261,599,916
Bangladesh Bank bill ( <b>note-6.3</b> )	6,697,608,708	1,995,260,027
Prize Bonds	1,648,100	1,750,600
	<u><b>25,065,926,053</b></u>	<u><b>19,529,306,174</b></u>

### Other Investment

Shares (Quoted and Unquoted) ( <b>note-6.4</b> )	642,523,084	1,019,201,326
National Bank Limited Subordinated Bond	40,960,000	51,200,000
Mercantile Bank Limited Subordinated Bond	500,000,000	500,000,000
Bank Asia Limited Subordinated Bond	600,000,000	600,000,000
Prime Bank Limited Subordinated Bond	600,000,000	600,000,000
Eastern Bank Limited Subordinated Bond	600,000,000	600,000,000
	<u><b>2,983,483,084</b></u>	<u><b>3,370,401,326</b></u>
	<u><b>28,049,409,137</b></u>	<u><b>22,899,707,500</b></u>

### 6.1 Treasury Bills

Treasury Bills (HTM) [( <b>note-6.1(a)</b> )]	9,129,836,026	7,595,823,732
Treasury Bills (HFT) [( <b>note-6.1(b)</b> )]	1,393,520,357	3,674,871,898
	<u><b>10,523,356,384</b></u>	<u><b>11,270,695,630</b></u>

#### 6.1(a) Treasury Bills (HTM)

	Amortized Cost (Book Value)		Face value	
	2016	2015	2016	2015
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
364 days Treasury Bills	6,882,171,708	6,313,233,925	7,000,000,000	6,497,000,000
182 days Treasury Bills	2,247,664,318	1,282,589,807	2,250,000,000	1,300,000,000
	<u><b>9,129,836,026</b></u>	<u><b>7,595,823,732</b></u>	<u><b>9,250,000,000</b></u>	<u><b>7,797,000,000</b></u>

#### 6.1(b) Treasury Bills (HFT)

	Marked to Market Value (Book Value)		Face value	
	2016	2015	2016	2015
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
364 days Treasury Bills	1,393,520,357	1,481,824,064	1,411,700,000	1,500,000,000
91 days Treasury Bills	-	2,193,047,834	-	2,200,000,000
	<u><b>1,393,520,357</b></u>	<u><b>3,674,871,898</b></u>	<u><b>1,411,700,000</b></u>	<u><b>3,700,000,000</b></u>

### 6.2 Treasury Bonds

Treasury Bonds (HTM) [( <b>note-6.2(a)</b> )]	7,499,578,147	5,412,931,094
Treasury Bonds (HFT) [( <b>note-6.2(b)</b> )]	343,734,714	848,668,822
	<u><b>7,843,312,862</b></u>	<u><b>6,261,599,916</b></u>

#### 6.2 (a) Treasury Bonds (HTM)

	Amortized Cost (Book Value)		Face value	
	2016	2015	2016	2015
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
2 Years Treasury Bonds (Premium)	500,792,780	38,606,311	500,000,000	38,600,000
5 Years Treasury Bonds (Premium)	1,711,902,499	286,638,028	1,586,500,000	286,500,000
10 Years Treasury Bonds (Premium)	1,609,937,600	1,611,016,610	1,600,000,000	1,600,000,000
15 Years Treasury Bonds (Premium)	9,110,958	9,111,401	9,100,000	9,100,000
<b>Sub-total</b>	<u><b>3,831,743,837</b></u>	<u><b>1,945,372,350</b></u>	<u><b>3,695,600,000</b></u>	<u><b>1,934,200,000</b></u>



	Amortized Cost (Book Value)		Face value	
	2016	2015	2016	2015
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
2 Years Treasury Bonds (Discount)	9,599,241	9,595,765	9,600,000	9,600,000
5 Years Treasury Bonds (Discount)	389,152,847	389,034,788	389,400,000	389,400,000
10 Years Treasury Bonds (Discount)	843,689,512	843,558,070	845,100,000	845,100,000
15 Years Treasury Bonds (Discount)	117,659,214	117,644,081	118,100,000	118,100,000
20 Years Treasury Bonds (Discount)	108,833,494	108,826,040	109,300,000	109,300,000
<b>Sub-total</b>	<b>1,468,934,310</b>	<b>1,468,658,744</b>	<b>1,471,500,000</b>	<b>1,471,500,000</b>
2 Years Treasury Bonds (At par)	200,000,000	-	200,000,000	-
5 Years Treasury Bonds (At par)	420,000,000	420,000,000	420,000,000	420,000,000
10 Years Treasury Bonds (At par)	1,077,400,000	1,077,400,000	1,077,400,000	1,077,400,000
15 Years Treasury Bonds (At par)	444,300,000	444,300,000	444,300,000	444,300,000
20 Years Treasury Bonds (At par)	57,200,000	57,200,000	57,200,000	57,200,000
<b>Sub-total</b>	<b>2,198,900,000</b>	<b>1,998,900,000</b>	<b>2,198,900,000</b>	<b>1,998,900,000</b>
<b>Total</b>	<b>7,499,578,147</b>	<b>5,412,931,094</b>	<b>7,366,000,000</b>	<b>5,404,600,000</b>

### 6.2 (b) Treasury Bonds (HFT)

	Marked to Market Value (Book Value)		Face value	
	2016	2015	2016	2015
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
5 Years Treasury Bonds	-	503,932,566	-	500,000,000
10 Years Treasury Bonds	343,734,714	344,736,256	308,000,000	308,000,000
	<b>343,734,714</b>	<b>848,668,822</b>	<b>308,000,000</b>	<b>808,000,000</b>

Investments in securities which are Held To Maturity (HTM) are incorporated at their amortized cost and investment held for trading (HFT) at their marked to market basis according to DOS Circular Letter No.05 dated 26 May of 2008 and subsequent clarification in DOS Circular no-05, dated 28 January 2009..

### 6.3 Bangladesh Bank Bills (HFT)

	Marked to Market Value (Book Value)		Face value	
	2016	2015	2016	2015
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
7 days Bangladesh Bank Bills	6697608708	-	6,700,000,000	-
30 days Bangladesh Bank Bills	-	1,995,260,027	-	2,000,000,000
	<b>6,697,608,708</b>	<b>1,995,260,027</b>	<b>6,700,000,000</b>	<b>2,000,000,000</b>

### 6.4 Other Investments -Shares

#### In shares (quoted and unquoted)

#### Quoted:

	2016	2015
	<u>Taka</u>	<u>Taka</u>
The City Bank Limited	107,130,110	147,995,755
Prime Bank Limited	140,673,639	140,673,639
IFIC Bank Limited	170,983,059	170,983,059
Lanka Bangla Finance Limited	62,245,956	80,000,000
Summit Alliance Port Ltd.	6,200	5,945
BRAC Bank Limited	-	138,912,107
R A K Ceramics	5,664	5,664
Khulna Power Company Limited	-	9,391,866
Phoenix Finance 1st Mutual Fund	-	43,700,613
Eastern Bank Limited	1,983,900	1,983,900
MI Cement Factory Limited	5,533	5,533
MJL BD Limited	1,171	47,562,357
Islami Bank BD Limited	-	27,726,980
Bank Asia Limited	53,501,786	107,000,000
Square Pharmaceuticals Ltd.	638	638
	<b>536,537,656</b>	<b>915,948,056</b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>Unquoted:</b>		
Infrastructure Development Finance Company	29,683,820	29,683,820
Central Depository Bangladesh Limited (CDBL)	1,569,450	1,569,450
Lanka Bangla Securities Limited	72,000,000	72,000,000
Investment in SWIFT	2,732,158	-
	<b>105,985,428</b>	<b>103,253,270</b>
	<b>642,523,084</b>	<b>1,019,201,326</b>

**6.4 (a) Comparison between cost and market price of quoted shares as on 31 December 2016**

Particulars	No. of Shares	Market price per share	Market value at 31-12-2016	Cost 31-12-2016	Surplus/(Deficiency)
	including bonus shares				
Lanka Bangla Finance Ltd.	10,458,017	34.80	363,938,991.60	62,245,956	301,693,036
The City Bank Limited	7,353,178	27.20	200,006,441.60	107,130,110	92,876,331
IFIC Bank Limited *	3,108,740	20.90	64,972,666.00	170,980,700	(106,008,034)
Summit Alliance Port Ltd	111	51.50	5,716.50	6,200	(484)
RAK Ceramics	170	61.90	10,523.00	5,664	4,859
Square Pharmaceuticals Ltd.	5	249.10	1,245.50	638	608
Prime Bank Limited	3,257,210	17.70	57,652,617.00	140,673,639	(83,021,022)
MI Cement Factory Ltd	56	82.50	4,620.00	5,533	(913)
MJL BD Limited	5,831	119.60	697,387.60	1,171	696,216
Bank Asia Limited	2,096,325	17.90	37,524,217.50	53,501,786	(15,977,569)
Eastern Bank Limited	46,575	29.00	1,350,675.00	1,983,900	(633,225)
IFIC Bank Limited	58	20.90	1,212.20	2,359	(1,147)
<b>Total</b>			<b>726,166,314</b>	<b>536,537,656</b>	<b>189,628,658</b>

\*ONE Bank Limited acquired 3,108,740 no. of shares of IFIC Bank Limited under a Sale and Buy Back Agreement dated August 10, 2006. The Buy Back Guarantors failed to exercise the purchasing option within the tenure of the Agreement and upon expiry, ONE Bank Limited placed the shares to IFIC Bank Limited for transfer to ONE Bank's name. As the IFIC Bank was delaying transfer of the shares, ONE Bank Limited filed a suit before the Honorable High Court Division of the Supreme Court of Bangladesh for transfer of the shares in favor of ONE Bank Ltd. Subsequently, the Court directed IFIC Bank to transfer the said shares including Bonus Shares in the name of ONE Bank Ltd. Now the matter is lying in the Appellate Division for hearing, relating to transfer of 43,130,643 shares including 4,621,140 Bonus Shares declared for the year 2015 against the original 3,108,740 no. of shares.

The total market value of 43,130,643 shares of IFIC Bank Limited as of 31 December 2016 was Tk 901,430,439 exceeding the original investment by Tk.730,449,739.

**In addition to the above Bonus Shares, the Bank has also become entitled to receiving Cash Dividend of Tk. 10,588,625 as declared by the IFIC Bank Limited for the year 2011.**

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>6.5 Residual Maturity of Investments</b>		
Payable on demand	10,941,758,788	2,494,438,048
Up to 3 months	9,599,241	2,595,934,194
Above 3 months to 1 year	7,148,544,500	9,635,820,948
Above 1 year to 5 years	3,701,949,353	2,511,526,539
Above 5 years	6,247,557,255	5,661,987,771
	<b>28,049,409,137</b>	<b>22,899,707,501</b>

The above amount includes investment in the Government securities as well as other investment.

**6 (a) Consolidated Investments  
In Government securities**

ONE Bank Limited	25,065,926,053	19,529,306,174
ONE Securities Limited	-	-
	<b>25,065,926,053</b>	<b>19,529,306,174</b>

	<b>2016</b>	<b>2015</b>
	<b>Taka</b>	<b>Taka</b>
<b>Other Investment</b>		
ONE Bank Limited	2,983,483,084	3,370,401,326
ONE Securities Limited	2,257,472,866	1,802,414,627
	<b>5,240,955,950</b>	<b>5,172,815,953</b>
	<b>30,306,882,003</b>	<b>24,702,122,128</b>

Other investment by ONE Securities Limited includes Tk. 600,200,000 representing original investment cost for DSE and CSE memberships. As per the Exchange Demutualization Act 2013, DSE and CSE allotted 7,215,106 and 4,287,330 shares respectively with a face value of Tk. 10 each for both. As there is no active market for these shares, the amounts have been shown at cost.

## 7 Loans and Advances

### Loans, Cash Credit, Overdraft etc.

#### 7.1 Loans and Advances including bills purchased and discounted classified into the following broad categories:

##### i) In Bangladesh

Loans	97,059,631,479	81,188,182,398
Lease finance (note-7.2)	3,547,140,177	3,571,358,992
Cash Credit	16,984,287	-
Overdraft	24,595,937,586	17,774,823,920
	125,219,693,529	102,534,365,310
Off-shore Banking Unit	4,607,780,025	2,572,425,219
	<b>129,827,473,555</b>	<b>105,106,790,529</b>

##### Bills purchased and discounted

Bills purchased and discounted-OBL	1,889,957,947	1,612,592,243
Bills purchased and discounted-OBU	366,814,971	29,136,321
	<b>2,256,772,918</b>	<b>1,641,728,564</b>
	<b>132,084,246,472</b>	<b>106,748,519,093</b>

##### ii) Outside Bangladesh

	-	-
	<b>132,084,246,472</b>	<b>106,748,519,093</b>

#### 7.2 Lease finance

Lease rental receivable within 1 year	503,627,528	918,613,782
Lease rental receivable within 5 years	3,508,891,920	3,290,004,680
Lease rental receivable after 5 years	-	-
<b>Total lease receivable</b>	<b>4,012,519,447</b>	<b>4,208,618,462</b>
Less: Unearned interest income	465,379,270	637,259,470
<b>Net Lease Finance</b>	<b>3,547,140,177</b>	<b>3,571,358,992</b>

#### 7.3 Residual Maturity grouping of loans and advances including bills purchased and discounted

Payable on demand	11,056,021,611	8,524,233,662
Up to 3 months	40,018,576,197	27,291,424,457
Above 3 months to 1 year	44,319,049,211	40,062,143,031
Above 1 year to 5 years	22,116,130,907	21,624,174,000
Above 5 years	14,574,468,546	9,246,543,942
	<b>132,084,246,472</b>	<b>106,748,519,093</b>

#### 7.4 Loans and Advances on the basis of significant concentration

i. Advance to Directors	-	-
ii. Advance to Managing Director & Senior Executives	240,586,973	225,091,407
iii. Advance to Customer's group:		
Commercial lending	14,286,357,557	12,930,900,000
Agricultural loan	1,712,291,242	1,135,526,067
Export financing	827,806,335	3,056,944,304
Consumer credit scheme	1,287,020,925	773,063,427
Small and medium enterprise financing	18,568,166,785	12,557,160,757
Staff loan (except Sl. No. ii)	349,425,108	356,945,164
House building loan (other than the employees)	4,381,478,418	2,055,279,836
Others	90,431,113,129	73,657,608,130
	<b>132,084,246,472</b>	<b>106,748,519,093</b>

	<b><u>2016</u></b> <b><u>Taka</u></b>	<b><u>2015</u></b> <b><u>Taka</u></b>
<b>7.5 Industry-wise outstanding of loans &amp; advances</b>		
Trade finance	20,834,771,733	15,867,785,545
Steel Re-Rolling	11,520,191,586	10,229,000,000
Readymade Garments	18,568,415,477	13,449,095,497
Textiles	6,970,247,688	6,696,100,051
Edible oil, Rice, Flour etc.	2,664,387,707	2,942,956,639
Power	1,602,503,806	3,658,470,100
Transport	2,364,967,976	1,701,524,075
Construction/Engineering	6,065,469,475	2,220,328,453
Personal	3,156,424,171	4,799,947,390
Pharmaceuticals	3,533,076,685	2,283,800,000
Real Estate	3,763,702,507	3,492,864,020
Cargo and Travel Services	70,741,292	95,913,429
Paper & Packaging	862,432,640	1,519,225,822
Agro based industry/Dairy products	1,752,017,601	565,400,000
Others	48,354,896,128	37,226,108,073
	<b><u>132,084,246,472</u></b>	<b><u>106,748,519,093</u></b>
<b>7.6 Geographical Location-wise Loans and advances</b>		
Dhaka Division	86,151,981,440	70,456,252,795
Chittagong Division	37,912,199,245	30,772,531,591
Rajshahi Division	2,009,397,841	1,650,118,204
Khulna Division	4,162,032,879	2,324,689,994
Sylhet Division	1,115,335,345	1,067,696,155
Rangpur Division	366,381,738	256,336,244
Barisal Division	366,917,984	220,894,110
	<b><u>132,084,246,472</u></b>	<b><u>106,748,519,093</u></b>
<b>7.7 Classification of loans and advances</b>		
Unclassified	122,120,748,676	99,160,906,418
Unclassified (Special Mention Account)	3,452,901,590	3,767,480,356
Substandard	107,063,016	296,180,525
Doubtful	78,293,953	320,849,708
Bad & Loss	6,325,239,237	3,203,102,086
	<b><u>132,084,246,472</u></b>	<b><u>106,748,519,093</u></b>
<b>7.8 Number of clients with outstanding amount and classified loans and advances exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 20,309.10 million as at 31 December 2016 (Tk 14,759.13 million in 2015).</b>		
Number of clients (Annexure-D)	15	19
Amount of outstanding loans & advances *	Tk. <u>44,835,100,000</u>	<u>49,371,800,000</u>
Amount of classified loans and advances	Tk. <u>2,087,600,000</u>	<u>-</u>
Measures taken for recovery **		Not Applicable
* The amount of outstanding loans & advances represents the sum of total loans and advances (both funded and non funded) to each customer exceeding 10% of total capital of the bank as at 31 December 2016.		
** Amount of Classified Loan mentioned above amounting to Tk. 208.76 Crore is on account of Benetex Industries Ltd & Common Threads Ltd, a client of Principal Branch. Legal proceeding has already been initiated against the client for recovery of Bank's due along with persuasion is going on for amicable settlement of the said account.		
<b>7.9 Bills purchased and discounted</b>		
Payable in Bangladesh	2,006,558,025	1,433,474,253
Payable outside Bangladesh	250,214,892	208,254,311
	<b><u>2,256,772,918</u></b>	<b><u>1,641,728,564</u></b>
<b>7.10 Maturity of Bills purchased and discounted</b>		
Upto 1 month	741,582,616	581,924,585
Above 1 month but less than 3 months	800,234,664	518,727,672
Above 3 months but less than 6 months	714,955,638	540,695,092
6 months or more	-	381,214
	<b><u>2,256,772,918</u></b>	<b><u>1,641,728,563</u></b>

## 7.11 Particulars of provision for Loans and Advances

	<b>Rate (%)</b>	<b>Base for Provision Taka</b>	<b>Total Provision Taka</b>
Standard (excluding Staff Loan)	1%	96,504,387,714	1,205,193,002
Small Enterprise Financing	0.25%	16,526,607,809	41,316,520
Consumer Financing (House Financing & Loans for Professionals)	2%	4,349,100,115	86,982,002
Consumer Financing (Other than House Financing & Loans for Professionals)	5%	1,118,535,677	55,926,784
Special Mention Account	0%-5%	3,332,168,228	35,092,168
Short Term Agriculture Loan	2.50%	1,680,150,016	42,003,750
Loan to brokerage houses, merchant banks/stock dealers against shares etc.	2%	1,351,955,264	27,039,105
Substandard	5% & 20%	49,349,385	9,620,953
Doubtful	5% & 50%	37,536,332	14,834,378
Bad & Loss *	100%	2,844,087,035	2,709,748,906
Required provision for loans and advances			<b>4,227,757,568</b>
Total provision maintained			<b>4,227,757,568</b>
Excess/ (Short) provision at 31 December			-

\* As per instruction of Bangladesh Bank, as at 31 December 2016, the Bank has maintained minimum required provision.

## 7.12 Particulars of Loans and Advances

i)	Loans considered good in respect of which the bank is fully secured	79,325,167,913	71,174,968,659
ii)	Loans considered good against which the bank holds no security other than the debtor's personal guarantee	32,392,197,629	18,131,871,051
iii)	Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	20,366,880,930	17,441,679,382
iv)	Loans adversely classified; provision not maintained there against	-	-
		<b>132,084,246,472</b>	<b>106,748,519,093</b>
v)	Loans due by directors or officers of the banking company or any of them either separately or jointly with any other persons	590,012,081	582,036,572
vi)	Loans due from companies or firms in which the directors of the bank have interest as directors, partners or managing agents or in case of private companies as members	-	-
vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any	590,012,081	582,036,572
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 have interest as directors, partners or managing agents or, in case of private companies as members	-	-
ix)	Due from other banking companies (Bills purchased and discounted)	2,256,772,918	1,641,728,564
x)	Classified loans and advances		
a)	Classified loans and advances on which interest has not been charged to income (Note-7.7)	6,510,596,206	3,820,132,319
b)	Provision on classified loans and advances (Note-13.4)	2,734,204,237	1,505,455,928
c)	Provision kept against loans and advances classified as bad debts	2,709,748,906	1,381,032,918
d)	Increase/(Decrease) of Specific Provision	1,228,748,309	(196,064,816)
e)	Interest credited to Interest Suspense Account (Note-13.9)	3,057,837,346	2,215,999,656

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
xi) Cumulative amount of written off loans and advances		
Opening balance	2,243,453,177	295,113,342
Written off during the year	-	1,948,339,835
Closing balance	<u>2,243,453,177</u>	<u>2,243,453,177</u>
Amount realised against loans previously written off	<u>31,401,393</u>	<u>-</u>
The amount of written off loans for which law suits has been filed	<u>2,238,518,412</u>	<u>2,238,518,412</u>

### 7.13 Details of pledged collaterals received against Loans and Advances

Collateral of movable /immovable assets	82,223,806,947	72,639,551,484
Local banks and financial institutions guarantee	259,272,772	358,525,182
Government guarantee	-	-
Foreign banks guarantee	65,532,206	11,097,634
Export documents	582,563,583	2,475,671,505
Fixed Deposit Receipts (FDR)	2,927,292,410	2,196,858,166
FDR of other banks	112,353,931	60,923,414
Government bonds	7,316,661	56,880
Personal guarantee	29,385,066,248	13,127,265,309
Other securities	16,521,041,715	15,878,569,519
	<b><u>132,084,246,472</u></b>	<b><u>106,748,519,093</u></b>

### 7.14 Restructure of large loan

There was no restructure of large loan occurred during the year 2016 (large loan defined in BRPD-04/2015 and BRPD-02/2014).

### 7 (a) Consolidated Loans and Advances

ONE Bank Limited	129,827,473,555	105,106,790,529
ONE Securities Limited	26,509,801	48,759,610
	<b><u>129,853,983,356</u></b>	<b><u>105,155,550,139</u></b>

### Consolidated Bills purchased and discounted

ONE Bank Limited	2,256,772,918	1,641,728,564
ONE Securities Limited	-	-
	<b><u>2,256,772,918</u></b>	<b><u>1,641,728,564</u></b>
	<b><u>132,110,756,274</u></b>	<b><u>106,797,278,703</u></b>

### 8 Fixed Assets including premises, furniture & fixtures

Furniture & Fixtures	1,406,177,446	1,173,568,859
Office equipment	979,679,822	882,500,715
Motor Vehicles	248,824,799	241,318,876
Building	144,021,422	118,999,192
Land	276,464,295	17,700,000
	3,055,167,784	2,434,087,642
Leased Assets	25,044,000	25,044,000
Intangible Assets	181,032,516	170,034,131
	<b><u>3,261,244,300</u></b>	<b><u>2,629,165,773</u></b>
Less: Accumulated depreciation	1,304,132,165	1,130,416,609
Balance as on 31 December	<b><u>1,957,112,136</u></b>	<b><u>1,498,749,163</u></b>

(For details please refer to Annexure- A)

### 8 (a) Consolidated Fixed Assets including premises, furniture & fixtures

ONE Bank Limited	1,957,112,136	1,498,749,163
ONE Securities Limited	13,614,595	13,409,809
	<b><u>1,970,726,731</u></b>	<b><u>1,512,158,972</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>9 Other Assets</b>		
<b>i Income generating</b>		
Investment in shares of subsidiary companies		
In Bangladesh	2,474,999,170	1,979,999,300
Outside Bangladesh	-	-
<b>ii Non- income generating</b>		
Stock of stationery	23,841,647	34,440,638
Stock of stamps	3,559,488	2,768,680
Security deposits	4,041,095	3,888,295
Advance rent for office premises	529,115,536	510,875,757
Prepayments	186,625,569	146,860,818
Decoration & Construction work of rented premises for new Branches	6,142,405	4,114,091
Suspense account ( <b>note-9.4</b> )	26,437,580	83,706,111
Receivable from Bangladesh Bank	145,708,355	205,312,982
Interest receivable	317,194,455	279,402,746
Commission receivable	-	310,250
Advance Income Tax ( <b>note-9.2</b> )	4,055,386,435	2,941,944,924
Deferred Tax Assets ( <b>note-9.3</b> )	1,090,190	4,859,874
Protested bill	2,594,351	2,727,713
Receivable from ONE Securities Ltd	-	25,765,707
Inter Branch Account USD	21,337	21,337
Branch Adjustment Account ( <b>note-9.1</b> )	5,269,747	5,786,576
	<u>7,782,027,359</u>	<u>6,232,785,799</u>
Off-shore Banking Unit	70,148,795	-
	<b><u>7,852,176,154</u></b>	<b><u>6,232,785,799</u></b>

### 9.1

Branch adjustments account represents outstanding Inter-branch and Head Office transactions (Net) originated but yet to be responded at the balance sheet date. However, the Bank has no non-responded pending entry maximum for more than 10 days. The status of unresponded entries of 31 December 2016 are given below:

	Number of Unresponded entries		Unresponded entries (Amount-Taka)	
	Dr	Cr	Dr	Cr
Up to 3 months	23	5	5,347,317	77,570
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
	<u>23</u>	<u>5</u>	<u>5,347,317</u>	<u>77,570</u>
Branch Adjustment Account (Net)			5,269,747	

### 9.2 Advance income tax

Opening balance on 1 January	2,941,944,924	1,855,719,438
Add: Tax paid as advance	1,113,441,511	1,086,225,486
Less: Advance income tax adjusted during the year	-	-
Balance on 31 December	<b><u>4,055,386,435</u></b>	<b><u>2,941,944,924</u></b>

### 9.3 Deferred tax assets:

Opening balance	4,859,874	16,434,054
Addition/(reverse) during the year ( <b>note-13.2.1</b> )	(3,769,684)	(11,574,180)
Closing balance	<u>1,090,190</u>	<u>4,859,874</u>

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences in the carrying amount with tax base.

**9.4** Suspense account includes advance against TA/DA, advance against petty cash, Legal expense and suspense others etc.

## 9.5 Particulars of required provision for other assets

	Taka	Rate	Taka
Legal Expenses	194,626	50%	97,313
Protested bill	2,594,351	100%	2,594,351
Others	1,163,269	100%	1,163,269
Required provision for other assets			3,854,933
Total provision maintained ( <b>note-13.7</b> )			3,932,171
Excess/(short) provision as on 31, December 2016			<u>77,237</u>

## 9 (a) Consolidated Other Assets

	2016 <u>Taka</u>	2015 <u>Taka</u>
ONE Bank Limited	7,852,176,154	6,232,785,799
ONE Securities Limited	58,419,678	16,188,725
Investment in ONE Securities Ltd by ONE Bank Limited	(2,474,999,170)	(1,979,999,300)
Receivable by ONE Bank Limited from ONE Securities Ltd	-	(25,765,706)
	<u>5,435,596,661</u>	<u>4,243,209,518</u>

## 10 Non Banking Assets

Land & Building	-	83,866,820
Plant and Machinery	-	84,250,630
Pre-fabricated Structure	-	8,990,000
Stock	-	106,679,075
	<u>-</u>	<u>283,786,525</u>

The amount of Non-Banking assets was included in the books of accounts upto 2015 after receiving the verdict of the Court in favor of the Bank in accordance with the section 33(5) & 33(7) of ARAA- 2003 for force adjustment of default loan.

Subsequently in 2016, the said Non-Banking Assets have been transferred to Bank's Fixed Assets with the consent of Bangladesh Bank (letter ref :BRPD(R-2)651/9(26)cha/2015-18138; Dated December 29,2015) for establishing Training Academy and Vocational Training Institute thereon .

## 11 Borrowings from other Banks, financial institutions and Agents.

Borrowing Inside Bangladesh ( <b>note-11.1</b> )	6,089,185,851	2,288,076,612
Borrowing Outside Bangladesh ( <b>note-11.2</b> )	3,609,222,527	-
	<u>9,698,408,379</u>	<u>2,288,076,612</u>

### 11.1 Borrowing Inside Bangladesh

OBL Subordinated Bond ( <b>note-11.1.a</b> )	5,760,000,000	2,200,000,000
Refinance against SME, Agriculture loan from Bangladesh Bank	329,185,851	88,076,612
	<u>6,089,185,851</u>	<u>2,288,076,612</u>

### 11.1.a Subordinated Bond

#### Subordinated Bond-1 Tk. 2,200,000,000 (Outstanding as on December 31, 2016 of Tk. 1,760,000,000)

ONE Bank Limited issued unsecured non-convertible subordinated floating rate bonds on 26th December, 2013 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letter # BRPD (BIC)661/14B(P)/2013-1869 , dated November 28, 2013 and SEC/CI/CPLC-159/2002/2714, dated October 08, 2013 respectively. The Subordinated Bond is counted towards Tier-II capital of the Bank. Interest rate of the Bond is calculated as Benchmark rate +3% Margin. However, the rate shall not go below 12.00%p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 12.00%.

#### Main Features of the Bond:

Issuer	ONE Bank Ltd
Trustee	Bangladesh General Insurance Company Limited
Lead Arranger	Standard Chartered Bank
Tenor	7 years
Total Face Value	BDT 2,200 Million
Number of Bonds	2,200



**List of Investors:**

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-2016 (after 20% redemption)
Janata Bank Limited	500	500,000,000	400,000,000
Agrani Bank Limited	500	500,000,000	400,000,000
Rupali Bank Limited	500	500,000,000	400,000,000
Bangladesh Development Bank Limited	200	200,000,000	160,000,000
Saudi Bangladesh Indust.&Agri.Invest.Com.Ltd.	200	200,000,000	160,000,000
Pubali Bank Limited	100	100,000,000	80,000,000
Bangladesh Commerce Bank Limited	100	100,000,000	80,000,000
Uttara Bank Limited	100	100,000,000	80,000,000
<b>Total</b>		<b>2,200,000,000</b>	<b>1,760,000,000</b>

**Subordinated Bond-2 Tk. 4,000,000,000**

To meet regulatory capital requirement, ONE Bank Limited again issued unsecured non-convertible subordinated floating rate bonds on 27th October, 2016 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [# BRPD (BFIS) 661/14B(P)/2016-5583 dated August 18, 2016], [BRPD (BFIS) 661/14B (P)/2016-6471 dated September 29, 2016] and [# BSEC/CI/DS-46/2016/344 dated June 16, 2016] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.80% Margin. However, the rate shall be kept 7.00% to 10.50% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 8.60%.

**Main Features of the Bond:**

Issuer	ONE Bank Ltd
Trustee	Green Delta Insurance Company Limited
Lead Arranger	Standard Chartered Bank
Tenor	7 years
Total Face Value	BDT 4,000 Million
Number of Bonds	4,000

**List of Investors:**

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-2016
Pubali Bank Limited	1000	1,000,000,000	1,000,000,000
Sonali Bank Limited	1000	1,000,000,000	1,000,000,000
Janata Bank Limited	500	500,000,000	500,000,000
Southeast Bank Limited	500	500,000,000	500,000,000
Trust Bank Limited	400	400,000,000	400,000,000
Dhaka Bank Limited	300	300,000,000	300,000,000
Rupali Bank Limited	200	200,000,000	200,000,000
Mutual Trust Bank Ltd	100	100,000,000	100,000,000
<b>Total</b>		<b>4,000,000,000</b>	<b>4,000,000,000</b>

**2016  
Taka****2015  
Taka****11.2 Borrowing Outside Bangladesh****Borrowing by Offshore Banking Unit .**

Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V (FMO)	1,495,341,800	-
Oesterreichische Entwicklungsbank AG (OeEB)	787,022,000	-
The OPEC Fund for International Development (OFID)	1,180,533,000	-
Habib Bank, Hong Kong	146,325,727	-
	<b>3,609,222,527</b>	<b>-</b>

**11.3 Security against borrowings from other banks, financial institutions and agents**

Secured	-	-
Unsecured	9,698,408,379	2,288,076,612
	<b>9,698,408,379</b>	<b>2,288,076,612</b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>11.4 Residual Maturity grouping of borrowings from other banks, financial institutions and agents</b>		
Payable on demand	52,669,736	14,092,258
Up to 3 months	46,217,694	12,365,956
Above 3 months to 1 year	816,624,149	473,134,421
Above 1 year to 5 years	7,182,896,800	1,788,483,977
Above 5 years	1,600,000,000	-
	<b><u>9,698,408,379</u></b>	<b><u>2,288,076,612</u></b>

**11 (a) Consolidated Borrowings from other banks, financial institutions and Agents.**

ONE Bank Limited	9,698,408,379	2,288,076,612
ONE Securities Limited	-	-
	<b><u>9,698,408,379</u></b>	<b><u>2,288,076,612</u></b>

**12 Deposits and other accounts**

<b>i</b> Current account and other account (OBL)	19,262,857,034	17,490,077,840
Off-shore Banking Unit	406,387	405,343
	<b><u>19,263,263,421</u></b>	<b><u>17,490,483,183</u></b>
<b>ii Bills payable</b>		
Payment Order (Issued)	1,757,327,076	2,406,885,043
Demand Draft	790,479	786,855
	<b><u>1,758,117,556</u></b>	<b><u>2,407,671,898</u></b>
<b>iii Savings accounts</b>	<b><u>15,274,229,186</u></b>	<b><u>12,315,212,308</u></b>
<b>iv Term deposits</b>		
Fixed Deposit Receipts	65,219,850,243	63,442,979,008
Short Notice Deposits	40,307,772,665	25,853,746,548
Scheme Deposits	9,719,018,295	8,046,710,487
Non-resident Foreign Currency Deposits	91,521,578	125,018,057
	115,338,162,781	97,468,454,099
Off-shore Banking Unit	1,793,882,806	1,570,000,000
	<b><u>117,132,045,587</u></b>	<b><u>99,038,454,099</u></b>
	<b><u>153,427,655,750</u></b>	<b><u>131,251,821,488</u></b>

**12.1 Payable on demands**

Current deposits	12,765,473,345	11,207,613,681
Privilege creditor	341,068,069	390,246,552
Foreign Currency Deposits	3,564,786,196	2,821,505,409
Sundry Deposits	2,302,490,944	2,721,650,175
Other accrued expense	289,444,867	349,467,364
	<b><u>19,263,263,421</u></b>	<b><u>17,490,483,182</u></b>
Bills payable	1,758,117,556	2,407,671,898
10% of Savings accounts	1,527,422,919	1,231,521,231
	<b><u>22,548,803,895</u></b>	<b><u>21,129,676,311</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>12.2 Break down of deposits and other accounts</b>		
<b>12.2 (a) Payable on demand</b>		
i Deposits from banks	1,184,160	1,186,810
ii Other than banks	22,547,619,735	22,495,572,013
	<b><u>22,548,803,895</u></b>	<b><u>22,496,758,823</u></b>
<b>12.2 (b) Other Deposits</b>		
<b>Deposits from banks</b>		
Term Deposit (ONE Bank Limited)		
Southeast Bank Limited	500,000,000	-
Uttara Bank Limited	500,000,000	-
Bank Asia Limited	1,000,000,000	-
Trust Bank Limited	1,000,000,000	-
Rajshahi Krishi Unnayan Bank	200,000,000	-
Mutual Trust Bank Limited	1,000,000,000	400,000,000
Mercantile Bank Limited	-	400,000,000
United Commercial Bank Limited	-	1,000,000,000
Prime Bank Limited	-	400,000,000
National Credit and Commerce Bank Limited	-	1,000,000,000
Basic Bank Limited	-	1,000,000,000
	<b><u>4,200,000,000</u></b>	<b><u>4,200,000,000</u></b>
Term Deposit (Off shore Banking Unit)		
BRAC Bank Limited	1,417,679,177	785,000,000
Prime Bank Limited	376,203,630	-
Dutch-Bangla Bank Limited	-	785,000,000
	<b><u>1,793,882,806</u></b>	<b><u>1,570,000,000</u></b>
Other than banks	124,884,969,048	102,985,062,665
	<b><u>130,878,851,855</u></b>	<b><u>108,755,062,665</u></b>
<b>Total deposits [12.2(a) + 12.2(b)]</b>	<b><u>153,427,655,750</u></b>	<b><u>131,251,821,488</u></b>
<b>12.3 Remaining maturity grouping of deposits</b>		
Payable on demand	39,755,834,095	28,499,257,439
Up to 3 month	43,420,431,244	43,879,277,370
Over 3 months to 1 year	44,654,491,290	28,933,954,087
Over 1 year to 5 years	19,063,449,513	15,622,664,620
Over 5 years	6,533,449,610	14,316,667,971
	<b><u>153,427,655,750</u></b>	<b><u>131,251,821,488</u></b>
<b>12.4 Total Unclaimed deposit for 10 years or more held by the bank is Tk. 936,624 as on December 31, 2016 and Tk.760,240 as on December 31, 2015, respectively.</b>		
<b>12 (a) Consolidated Deposits and other accounts</b>		
<b>Current account and other account</b>		
ONE Bank Limited	19,263,263,421	17,490,483,183
ONE Securities Limited	-	-
	<b><u>19,263,263,421</u></b>	<b><u>17,490,483,183</u></b>
<b>Bills payable</b>		
ONE Bank Limited	1,758,117,556	2,407,671,898
ONE Securities Limited	-	-
	<b><u>1,758,117,556</u></b>	<b><u>2,407,671,898</u></b>
<b>Savings accounts</b>		
ONE Bank Limited	15,274,229,186	12,315,212,308
ONE Securities Limited	-	-
	<b><u>15,274,229,186</u></b>	<b><u>12,315,212,308</u></b>
<b>Term deposits</b>		
ONE Bank Limited	117,132,045,587	99,038,454,099
Less: Inter Company Transaction	(208,788,554)	(58,757,942)
	<b><u>116,923,257,033</u></b>	<b><u>98,979,696,157</u></b>
<b>Total Consolidated Deposit</b>	<b><u>153,218,867,196</u></b>	<b><u>131,193,063,546</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>13 Other liabilities</b>		
Provision for Income Tax ( <b>note-13.1</b> )	3,549,442,560	2,676,303,527
Deferred tax liability ( <b>note-13.2</b> )	155,971,858	137,980,312
Provision for gratuity ( <b>note-13.3</b> )	-	-
Provision for loans and advances ( <b>note-13.4 &amp; 13.5</b> )	4,227,757,568	2,937,120,002
Risk fund of Consumer Credit and Rider	473,512	473,512
Provision for other ( <b>note-13.7</b> )	3,932,171	4,065,532
Provision for off balance sheet items ( <b>note-13.8</b> )	708,945,933	614,436,307
Provision for diminution value of share ( <b>note-13.10</b> )	-	24,676,466
Provision for nostro Accounts ( <b>note-13.11</b> )	-	-
Interest suspense account ( <b>note-13.9</b> )	3,057,837,346	2,215,999,656
Sinking fund	21,333,429	60,272,872
Lease Obligation for Vehicles	-	2,466,897
Interest Payable on Subordinated Debt	66,511,111	4,400,000
Accrued performance bonus	220,000,000	160,000,001
Other payable	3,479,825	7,817,386
Revaluation reserve held for trading securities	147,298,937	219,546,922
	<b>12,162,984,249</b>	<b>9,065,559,392</b>
Off-shore Banking Unit	36,219,503	8,187,535
	<b>12,199,203,752</b>	<b>9,073,746,927</b>

#### 13.1 Provision for current income tax

Opening balance on 1 January	2,676,303,527	1,890,404,716
Less: Provision adjusted during the year	-	-
	2,676,303,527	1,890,404,716
Add: Provision made during the year	873,139,033	785,898,811
Balance on 31 December	3,549,442,560	2,676,303,527

Consistent with prior years, the Bank has made provision for income tax after considering certain regulatory deductions as allowed to the Bank by the relevant authority.

#### 13.2 Deferred tax liability

##### For Fixed Assets

Opening balance	47,729,657	69,426,596
Addition during the year ( <b>note-13.2.2</b> )	8,946,306	(21,696,939)
Closing balance	<b>56,675,963</b>	<b>47,729,657</b>

##### Provision against revaluation reserve for security

Opening balance	90,250,655	35,841,794
Addition during the year	9,045,240	54,408,861
Closing balance	<b>99,295,894</b>	<b>90,250,655</b>

<b>Total</b>	<b>155,971,858</b>	<b>137,980,312</b>
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Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences in the carrying amount with tax base.

#### 13.2.1 Basis of Deferred Tax Asset:

Tax base of fixed assets (Only temporary deductible portion is considered)	944,971,538	762,676,617
Carrying amount of fixed assets	942,246,063	750,526,933
<b>Deductible temporary difference</b>	<b>2,725,475</b>	<b>12,149,684</b>
Applicable tax rate	40%	40%
Deferred tax asset	1,090,190	4,859,874
Opening deferred tax asset	4,859,874	16,434,054
<b>Deferred tax (expenses)/income</b>	<b>(3,769,684)</b>	<b>(11,574,180)</b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>13.2.2 Basis of Deferred Tax Liability:</b>		
Carrying amount of fixed assets (Only temporary taxable portion is considered)	1,014,866,073	748,222,231
Tax base of fixed assets	873,176,164	628,898,090
<b>Taxable temporary difference</b>	<b>141,689,909</b>	<b>119,324,141</b>
Applicable tax rate	40%	40%
Deferred tax liability	56,675,963	47,729,656
Opening deferred tax liability	47,729,657	69,426,595
<b>Deferred tax expenses/(income)</b>	<b>8,946,306</b>	<b>(21,696,939)</b>
<b>13.3 Provision for gratuity</b>		
Opening balance on 1 January	-	-
Provision made during the year	90,618,829	125,582,689
Transferred/Payment made during the year	90,618,829	(125,582,689)
Balance on 31 December	<u>-</u>	<u>-</u>
<b>13.4 Specific provision against loans and advances</b>		
Opening balance on 1 January	1,505,455,928	1,701,520,744
Provision written off	-	(1,653,890,704)
Recoveries of amounts previously written off	31,401,393	-
Provision after written off	1,536,857,322	47,630,040
Specific provision made during the year	1,372,049,317	1,692,077,441
Provisions recovered and no longer required written back	(174,702,401)	(234,251,551)
Net charge to profit & loss account	1,197,346,915	1,457,825,889
Balance on 31 December	<u>2,734,204,237</u>	<u>1,505,455,928</u>
<b>13.5 General provision against loans and advances</b>		
Opening balance on 1 January	1,431,664,074	1,572,345,717
Provision made during the year:		
Unclassified Loans & Advances	4,626,680	(175,935,650)
Consumer credit & Small enterprise financing	72,442,276	32,909,632
Special mention account	(2,090,294)	18,323,601
Loans against shares	(13,089,404)	(15,979,226)
Net charge to profit & loss account	61,889,257	(140,681,643)
Balance on 31 December	<u>1,493,553,332</u>	<u>1,431,664,074</u>
<b>Total Specific and General Provision</b>	<u><b>4,227,757,568</b></u>	<u><b>2,937,120,002</b></u>
<b>13.6 Specific provision as per classification of loans</b>		
Substandard	9,620,953	22,341,337
Doubtful	14,834,378	102,081,673
Bad/Loss	2,709,748,906	1,381,032,918
Balance on 31 December	<u>2,734,204,237</u>	<u>1,505,455,928</u>
<b>13.7 Provision for Other</b>		
Balance on 1 January	4,065,532	3,115,532
Provision made during the year/(recovery) (note-13.7 a and 13.7 b)	(133,362)	950,000
Balance on 31 December	<u>3,932,171</u>	<u>4,065,532</u>
<b>13.7.a Provision for protested bill</b>		
Balance on 1 January	2,727,713	2,727,713
Provision recovered during the year	(133,362)	-
Balance on 31 December	<u>2,594,351</u>	<u>2,727,713</u>
<b>13.7.b Provision for legal expenses and others</b>		
Balance on 1 January	1,337,819	387,819
Adjusted with recoverable legal expenses	-	-
Provision made during the year	-	950,000
Balance on 31 December	<u>1,337,819</u>	<u>1,337,819</u>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>13.8 Provision for off balance sheet items</b>		
Balance on 1 January	614,436,307	497,870,722
Provision made during the year	94,509,626	116,565,585
Balance on 31 December	<b><u>708,945,933</u></b>	<b><u>614,436,307</u></b>
<b>13.9 Interest suspense account</b>		
Balance on 1 January	2,215,999,656	1,622,403,054
Interest suspense charged during the year	1,517,995,246	2,487,238,167
Interest suspense realized during the year	(646,333,557)	(1,595,960,495)
Amount written off during the year	-	(294,449,131)
Amount waiver during the year	(29,824,000)	(3,231,939)
Balance on 31 December	<b><u>3,057,837,346</u></b>	<b><u>2,215,999,656</u></b>
<b>13.10 Provision for diminution value of share</b>		
Balance on 1 January	24,676,466	-
Provision made/ (recovered) during the year	(24,676,466)	24,676,466
Balance on 31 December	<b><u>-</u></b>	<b><u>24,676,466</u></b>
<b>13.10.a Consolidated Provision made for diminution value of share</b>		
ONE Bank Limited	(24,676,466)	24,676,466
ONE Securities Limited:	350,756,540	596,231,789
	<b><u>326,080,074</u></b>	<b><u>620,908,255</u></b>
<b>13.11 Provision for nostro Accounts</b>		
Balance on 1 January	-	9,815,356
Provision made during the year/(recovery)	-	(9,815,356)
Balance on 31 December	<b><u>-</u></b>	<b><u>-</u></b>
<b>13 (a) Consolidated Other liabilities</b>		
ONE Bank Limited	12,199,203,752	9,073,746,927
ONE Securities Limited	405,216,296	614,802,309
	<b><u>12,604,420,048</u></b>	<b><u>9,688,549,236</u></b>
<b>14. Share Capital</b>		
<b>14.1 Authorized Capital</b>	<b>10,000,000,000</b>	<b>10,000,000,000</b>
1,000,000,000 (2015:1,000,000,000) ordinary shares of Tk 10 each		
<b>14.2 Issued, Subscribed and fully paid-up Capital</b>	<b>6,636,655,280</b>	<b>5,899,249,140</b>
66,36,65,528 (2015: 58,99,24,914) ordinary shares of Tk 10 each		
Sponsors	30.02%	30.36%
General Public (Including Institutes 20.87% and Foreign 0.16%)	69.98%	69.64%
<b>Total</b>	<b><u>100.00%</u></b>	<b><u>100.00%</u></b>

The issued, subscribed and fully paid up capital of the Bank is as follows:

Shareholders	No. of Shareholders	No. of Shares	2016 Taka	2015 Taka
Sponsors	16	199,231,652	1,992,316,520	1,791,269,520
Institutes	422	138,512,824	1,385,128,240	-
Foreign	100	1,027,130	10,271,300	-
General Public	23,694	324,893,922	3,248,939,220	4,107,979,620
<b>Total</b>	<b>24,232</b>	<b>663,665,528</b>	<b>6,636,655,280</b>	<b>5,899,249,140</b>

Shareholding structure of the Bank as at 31-12-2016 is given below:

Range of Holdings	Number of Shareholders	No. of Shares	% of holding of shares
Upto 500	7,054	1,245,693	0.19
501 to 5,000	11,766	23,239,373	3.50
5,001 to 10,000	2,306	16,528,986	2.49
10,001 to 20,000	1,407	19,947,253	3.01
20,001 to 30,000	477	11,618,913	1.75
30,001 to 40,000	284	9,798,204	1.48
40,001 to 50,000	165	7,601,256	1.15
50,001 to 100,000	311	22,713,812	3.42
100,001 to 1,000,000	385	106,423,612	16.04
Over 1,000,000	77	444,548,426	66.98
<b>Total</b>	<b>24,232</b>	<b>663,665,528</b>	<b>100.00</b>

- a) Authorised Capital of the Bank has been raised to Tk. 10,000,000,000 from Tk. 4,150,000,000 during the year 2012. This was approved by Bangladesh Bank and also at the Extra Ordinary General Meeting of the Shareholders of the Bank held on March 29, 2012:
- b) 73,740,614 Bonus shares of Tk. 10 each valued at Tk. 737,406,140 for the year 2015 has been transferred to Paid-up capital account during the year 2016:

The shares of the company are listed at Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd.

#### Issued, Subscribed & fully Paid up Capital

Particulars	2016 Taka	2015 Taka
Issued for cash : 53,781,220 shares of Tk. 10 each	537,812,200	537,812,200
Issued other than cash: 609,884,308 bonus shares of Tk. 10 each	6,098,843,080	5,361,436,940
	<b>6,636,655,280</b>	<b>5,899,249,140</b>

#### 14.3 Capital Adequacy Ratio:

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD Circular no. 18 dated 21 December 2014, required capital of the Bank (Consolidated) at the close of business on 31 December 2016 was Taka 14,635,424,258 as against core capital of Taka 12,432,691,218 and supplementary capital of Taka 7,561,019,264 making a total capital of Taka 19,993,710,482 thereby showing a surplus capital/equity of Taka 5,358,286,225 at the date. Details are shown below:

	<b>2016</b> <b>Taka</b>	<b>2015</b> <b>Taka</b>
<b>Consolidated Basis:</b>		
<b>Common Equity Tier-1 (Going-Concern Capital)</b>		
Paid-up capital	6,636,655,280	5,899,249,140
Statutory Reserve	4,434,929,509	3,845,644,373
Retained Earnings	1,358,421,259	1,004,913,203
Minority Interest in Subsidiaries	21,596,789	12,990,126
	<b>12,451,602,837</b>	<b>10,762,796,842</b>
<b>Regulatory Adjustments:</b>		
Deferred Tax Assets	1,090,190	4,859,874
Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities.	17,821,430	13,859,540
	<b>18,911,620</b>	<b>18,719,414</b>
<b>Total Common Equity Tier-1 Capital</b>	<b>12,432,691,218</b>	<b>10,744,077,429</b>
<b>Additional Tier- 1 Capital</b>	-	-

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>Tier -2 Capital (Gone-Concern Capital)</b>		
General Provision	2,202,499,264	1,499,858,376
Sub-ordinated debt	5,320,000,000	1,760,000,000
Revaluation reserves as on 31 December 2014 (50% of fixed assets and securities & 10% of equities)	64,200,000	64,200,000
	<b>7,586,699,264</b>	<b>3,324,058,376</b>
<b>Regulatory Adjustment</b>		
Revaluation reserves for fixed assets, securities & equity securities	25,680,000	12,840,000
<b>Total Tier-2 Capital Available</b>	<b>7,561,019,264</b>	<b>3,311,218,376</b>
<b>A Total Regulatory Capital</b>	<b>19,993,710,482</b>	<b>14,055,295,805</b>
Total Assets including Off Balance Sheet items	259,016,835,591	215,511,492,964
<b>B Total Risk Weighted Assets</b>	<b>146,354,242,576</b>	<b>134,300,907,485</b>
<b>C Required capital based on risk weighted assets (10% on B)</b>	<b>14,635,424,258</b>	<b>13,430,090,749</b>
<b>D Surplus (A-C)</b>	<b>5,358,286,225</b>	<b>625,205,056</b>
E Required capital with Conservation Buffer (CB) @ 10.625% on B	15,550,138,274	N/A
<b>F Excess over capital with CB (A-E)</b>	<b>4,443,572,208</b>	<b>N/A</b>
<b>Percentage of Capital to Risk Weighted Assets:</b>	<b>13.66%</b>	<b>10.47%</b>
<b><u>Solo Basis:</u></b>		
<b>Common Equity Tier-1 (Going-Concern Capital)</b>		
Paid-up capital	6,636,655,280	5,899,249,140
Statutory Reserve	4,434,929,509	3,845,644,373
Retained Earnings	1,695,408,803	1,698,935,564
	<b>12,766,993,592</b>	<b>11,443,829,077</b>
<b>Regulatory Adjustments:</b>		
Deferred Tax Assets	1,090,190	4,859,874
Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities.	17,821,430	13,859,540
	<b>18,911,620</b>	<b>18,719,414</b>
<b>Total Common Equity Tier-1 Capital</b>	<b>12,748,081,973</b>	<b>11,425,109,663</b>
<b>Additional Tier- 1 Capital</b>	-	-
<b>Tier -2 Capital (Gone-Concern Capital)</b>		
General Provision	2,202,499,264	1,522,662,814
Subordinated debt	5,320,000,000	1,760,000,000
Revaluation reserves as on 31 December 2014 (50% of fixed assets and securities & 10% of equities)	64,200,000	64,200,000
	<b>7,586,699,264</b>	<b>3,346,862,814</b>
<b>Regulatory Adjustment</b>		
Revaluation reserves for fixed assets, securities & equity securities	25,680,000	12,840,000
<b>Total Tier-2 Capital Available</b>	<b>7,561,019,264</b>	<b>3,334,022,814</b>
<b>A Total Regulatory Capital</b>	<b>20,309,101,237</b>	<b>14,759,132,477</b>
Total Assets including Off Balance Sheet items	259,135,798,604	215,636,480,832
<b>B Total Risk Weighted Assets</b>	<b>146,207,838,630</b>	<b>134,972,996,872</b>
<b>C Required capital based on risk weighted assets (10% on B)</b>	<b>14,620,783,863</b>	<b>13,497,299,687</b>
<b>D Surplus (A-C)</b>	<b>5,688,317,374</b>	<b>1,261,832,790</b>
E Required capital with Conservation Buffer (CB) @ 10.625% on B	15,534,582,854	N/A
<b>F Excess over capital with CB (A-E)</b>	<b>4,774,518,383</b>	<b>N/A</b>
<b>Percentage of Capital to Risk Weighted Assets:</b>	<b>13.89%</b>	<b>10.93%</b>



	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>15 Statutory Reserve</b>		
Balance brought forward from previous year	3,845,644,373	3,305,962,560
Reserve made during the year	589,285,136	539,681,812
Balance on 31 December	<b><u>4,434,929,509</u></b>	<b><u>3,845,644,373</u></b>
<b>16 Retained earnings/ movement of profit and loss account</b>		
Balance on 1 January	1,698,935,564	1,626,928,614
Addition during the year	2,060,570,658	1,922,633,009
Transfer to statutory reserve	(589,285,136)	(539,681,812)
Issue of Bonus Share	(737,406,140)	(655,472,120)
Cash dividend paid	(737,406,143)	(655,472,128)
Balance on 31 December	<b><u>1,695,408,803</u></b>	<b><u>1,698,935,564</u></b>
<b>16.1 Retained earnings brought forward from previous year</b>		
Retained Earning of previous Year	1,698,935,564	1,626,928,614
Bonus share issued	(737,406,140)	(655,472,120)
Cash dividend paid	(737,406,143)	(655,472,128)
Retained Earnings brought forward	<b><u>224,123,281</u></b>	<b><u>315,984,367</u></b>
<b>16.1 (a) Consolidated retained earnings/ movement of profit and loss account</b>		
Retained Earning of ONE Bank Limited	1,695,408,803	1,698,935,564
Add: Retained Earning of ONE Securities Limited	(340,391,585)	(701,032,936)
Less: Attributable to Non-Controlling Interest	3,404,042	7,010,575
Balance on 31 December	<b><u>1,358,421,259</u></b>	<b><u>1,004,913,203</u></b>
<b>16.1(b) Consolidated retained earnings brought forward from previous year</b>		
Retained Earning of previous Year	1,004,913,203	985,135,415
Bonus share issued	(737,406,140)	(655,472,120)
Cash Dividend Paid	(737,406,143)	(655,472,128)
Retained Earnings brought forward	<b><u>(469,899,079)</u></b>	<b><u>(325,808,832)</u></b>
<b>17 Interest and discount income</b>		
From clients against loans and advances	11,918,729,653	10,993,699,452
Lease finance	438,852,759	493,385,797
Discount from bills purchased & discounted	169,132,139	249,374,496
From banks and financial institutions in Bangladesh	139,800,880	126,633,072
From foreign banks	43,310,734	34,347,176
	<b><u>12,709,826,164</u></b>	<b><u>11,897,439,993</u></b>
Off-shore Banking Unit	86,004,518	71,871,756
	<b><u>12,795,830,682</u></b>	<b><u>11,969,311,749</u></b>
<b>17 (a) Consolidated Interest and discount income</b>		
ONE Bank Limited	12,795,830,682	11,969,311,749
ONE Securities Limited	11,088,176	10,484,420
Less, Inter Company Transaction	(1,279)	(19,985,512)
	<b><u>12,806,917,579</u></b>	<b><u>11,959,810,657</u></b>
<b>18 Interest paid on deposits and borrowings</b>		
Short term deposits	2,218,303,721	1,277,983,655
Savings deposits	462,339,066	446,849,073
Term deposits	4,473,424,370	4,657,982,998
Scheme deposits	902,101,042	715,190,120
Borrowings from banks and financial institutions	52,760,831	36,102,073
Interest on Subordinated- Debt	326,111,111	264,000,000
	<b><u>8,435,040,140</u></b>	<b><u>7,398,107,917</u></b>
Off-shore Banking Unit	30,657,996	8,052,792
	<b><u>8,465,698,136</u></b>	<b><u>7,406,160,710</u></b>
<b>18 (a) Consolidated Interest paid on deposits and borrowings</b>		
ONE Bank Limited	8,465,698,136	7,406,160,710
ONE Securities Limited	-	-
	<b><u>8,465,698,136</u></b>	<b><u>7,406,160,710</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>19 Income from Investments</b>		
Interest on treasury bills	676,380,212	474,096,363
Interest on treasury bond (Net)	658,580,689	677,208,487
Interest on Bangladesh Bank Bill	95,455,697	7,922,879
Interest from reverse repo	-	17,706,884
Dividend on Investment	84,713,818	45,007,339
Gain on sale of Shares	142,834,967	9,051,469
Interest on subordinated bond	273,361,896	246,986,981
	<b><u>1,931,327,279</u></b>	<b><u>1,477,980,402</u></b>
<b>19 (a) Consolidated Income from Investments</b>		
ONE Bank Limited	1,931,327,279	1,477,980,402
ONE Securities Limited	94,284,399	35,110,984
	<b><u>2,025,611,677</u></b>	<b><u>1,513,091,386</u></b>
<b>20 Commission, exchange and brokerage</b>		
Letters of credit	326,564,458	304,469,315
Letter of guarantees	70,000,923	73,269,938
Acceptances	202,872,603	178,436,479
Local bills purchased	300	75,000
Foreign bills	-	29,812
Bills for collection	3,044,448	5,351,778
Remittances (PO, DD, TT, Travelers' Cheque etc.)	5,630,581	7,359,549
Export bills	40,949,200	31,942,069
PRC Issuance Charges	557,600	726,900
Cash Assistance Handling Charges	3,777,500	3,432,500
Import Related Certificates	393,270	800,600
Others	6,427,735	8,580,681
	<b><u>660,218,619</u></b>	<b><u>614,474,621</u></b>
Profit on exchange trading	754,768,556	539,438,944
Less: Loss on exchange trading	-	629
	<b><u>754,768,556</u></b>	<b><u>539,438,315</u></b>
	<b><u>1,414,987,175</u></b>	<b><u>1,153,912,936</u></b>
Off-shore Banking Unit	1,907,621	418,089
	<b><u>1,416,894,796</u></b>	<b><u>1,154,331,024</u></b>
<b>20 (a) Consolidated Commission, exchange and brokerage</b>		
ONE Bank Limited	1,416,894,796	1,154,331,024
ONE Securities Limited	35,822,534	16,764,798
	<b><u>1,452,717,330</u></b>	<b><u>1,171,095,823</u></b>
<b>21 Other operating income</b>		
Loan processing fees and other charges	153,911,072	148,457,102
Miscellaneous Credit Card Fee	50,858,964	29,904,307
Recoveries of postage, telex, telephone, fax etc	49,145,965	34,771,314
Letter of Credit miscellaneous charges	182,848,693	141,907,197
General Banking miscellaneous charges	44,437,114	33,457,401
Miscellaneous (Note-21.1)	53,328,672	50,955,494
Rent on locker	2,056,850	1,884,400
	<b><u>536,587,331</u></b>	<b><u>441,337,216</u></b>
Off-shore Banking Unit	6,562,923	2,337,012
	<b><u>543,150,254</u></b>	<b><u>443,674,228</u></b>

21.1 Miscellaneous income include commission on sanchyapatras, passport endorsement fees, VAT rebate etc.

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>21 (a) Consolidated Other operating income</b>		
ONE Bank Limited	543,150,254	443,674,228
ONE Securities Limited	1,173,256	593,893
	<b><u>544,323,510</u></b>	<b><u>444,268,121</u></b>
<b>22 Salary &amp; Allowances</b>		
Salary & Allowances	1,641,407,886	1,460,176,089
Provident Fund Contribution	104,112,485	94,178,757
Gratuity	90,618,829	125,582,689
Superannuation fund	7,000,000	7,000,000
Bonus	393,131,775	342,233,494
	<b><u>2,236,270,975</u></b>	<b><u>2,029,171,028</u></b>
<b>22(a) Consolidated Salary &amp; Allowances</b>		
ONE Bank Limited	2,236,270,975	2,029,171,028
ONE Securities Limited	15,486,312	9,171,493
	<b><u>2,251,757,287</u></b>	<b><u>2,038,342,522</u></b>
<b>23 Rent, taxes, insurance, electricity etc.</b>		
Rent	282,229,143	250,877,123
VAT on Rent	33,885,212	22,915,880
Taxes	1,989,164	1,237,087
Electricity	59,247,473	49,765,677
Utilities	6,799,533	7,284,897
Insurance	92,729,726	78,539,256
	<b><u>476,880,251</u></b>	<b><u>410,619,921</u></b>
<b>24 Legal expenses</b>		
Professional fees	17,628,452	18,486,466
Fees, Court fees & stamps	186,478	256,124
	<b><u>17,814,930</u></b>	<b><u>18,742,590</u></b>
Off-shore Banking Unit	1,188,963	3,532,500
	<b><u>19,003,893</u></b>	<b><u>22,275,090</u></b>
<b>24 (a) Consolidated Legal expenses/professional expenses</b>		
ONE Bank Limited	19,003,893	22,275,090
ONE Securities Limited	23,219	-
	<b><u>19,027,112</u></b>	<b><u>22,275,090</u></b>
<b>25 Postage, stamps, telecommunication etc.</b>		
Telex/Telephone/Fax etc	31,482,037	15,624,182
Courier/postage	12,571,272	10,513,447
Radio Link	31,539,069	28,845,585
Reuter	4,014,349	3,057,246
	<b><u>79,606,726</u></b>	<b><u>58,040,460</u></b>
<b>26 Directors' Fees</b>	<b><u>1,456,000</u></b>	<b><u>998,000</u></b>
<p>For attending the meeting of the Board and other committee meetings @ Tk. 8,000 per attendance per person as per BRPD circular no. 11 dated October 04, 2015. Other than the meeting attendance fees, no other financial benefit is being availed by the Directors.</p>		
<b>26 (a) Consolidated Director's Fees</b>		
ONE Bank Limited	1,456,000	998,000
ONE Securities Limited	67,500	85,000
	<b><u>1,523,500</u></b>	<b><u>1,083,000</u></b>
<b>27 Stationery, Printing, advertisement etc.</b>		
Printed and security stationery	36,076,614	23,721,978
Stationery	47,659,089	36,048,887
Advertisement	72,928,151	64,680,401
	<b><u>156,663,854</u></b>	<b><u>124,451,266</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>27 (a) Consolidated Stationery, Printing, advertisement etc.</b>		
ONE Bank Limited	156,663,854	124,451,266
ONE Securities Limited	268,783	138,955
	<b><u>156,932,637</u></b>	<b><u>124,590,221</u></b>
<b>28 Managing Director's Salary &amp; Allowances</b>		
Basic Salary	9,584,944	9,399,996
House rent allowance	207,742	180,000
Utility allowance	15,379	20,004
Provident Fund Contribution	958,495	939,996
Festival Bonus	1,566,666	1,566,666
Incentive Bonus	1,000,000	1,000,000
	<b><u>13,333,226</u></b>	<b><u>13,106,662</u></b>
<b>29 Depreciation, leasing expense and repair of bank's assets</b>		
Depreciation (Annexure - A)	234,550,605	223,880,394
Repairs & Maintenance	327,875,274	285,343,851
	<b><u>562,425,879</u></b>	<b><u>509,224,245</u></b>
<b>29 (a) Consolidated Depreciation, leasing expense and repair of bank's assets</b>		
ONE Bank Limited	562,425,879	509,224,245
ONE Securities Limited	2,182,542	2,131,205
	<b><u>564,608,420</u></b>	<b><u>511,355,450</u></b>
<b>30 Other expenses</b>		
Entertainment	49,434,105	27,630,696
Car expenses	15,324,533	14,309,890
Donation and Subscription	64,761,587	33,049,467
Traveling	129,018,203	122,717,650
Computer & Printer maintenance expenses	61,393,677	18,134,968
Finance charge-against leased assets	209,476	675,142
Staff training	3,799,011	3,969,013
VISA Card Expenses	25,714,853	13,937,664
Sales Team fees	5,036,359	2,858,101
Bank charges and commission paid	8,188,486	6,651,249
Miscellaneous ( <b>Note-30.1</b> )	8,549,578	2,580,886
ATM Booth Expenses	16,063,097	3,638,971
Call center operating expense	2,698,603	1,311,994
Issuance cost of Sub-Ordinated Bond	1,962,142	-
Mobile Financial Services	2,456,247	70,677,238
Loss from sale/ write off of assets	5,692,463	977,090
	<b><u>400,302,419</u></b>	<b><u>323,120,019</u></b>
<b>30.1</b> Miscellaneous expenses include uniform & liveries, retail loan recovery expenses etc.		
<b>30 (a) Consolidated Other expenses</b>		
ONE Bank Limited	400,302,419	323,120,019
ONE Securities Limited	8,720,524	4,973,105
	<b><u>409,022,942</u></b>	<b><u>328,093,124</u></b>
<b>31 Provision for loans, off balance sheet exposure, investment &amp; other for the year</b>		
Provision for bad and doubtful loans and advances	1,197,346,915	1,457,825,889
Provision for unclassified loans and advances	61,889,257	(140,681,643)
Provision for off-balance sheet exposure	94,509,626	116,565,585
Provision for diminution in value of share	(24,676,466)	24,676,466
Provision for other	(133,362)	(8,865,356)
	<b><u>1,328,935,970</u></b>	<b><u>1,449,520,941</u></b>
<b>32 Consolidated provision for diminution in value of share for the year</b>		
ONE Bank Limited	(24,676,466)	24,676,466
ONE Securities Limited	(245,475,248)	79,001,127
	<b><u>(270,151,714)</u></b>	<b><u>103,677,593</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>33 Consolidated provision for other assets for the year</b>		
ONE Bank Limited	(133,362)	(8,865,356)
ONE Securities Limited	-	-
	<b><u>(133,362)</u></b>	<b><u>(8,865,356)</u></b>
<b>34 Tax Expenses for the year</b>		
Current Tax	873,139,033	785,898,811
Deferred tax	12,715,990	(10,122,759)
	<b><u>885,855,023</u></b>	<b><u>775,776,053</u></b>
<b>34 (a) Consolidated Tax Expenses for the year</b>		
Current Tax		
ONE Bank Limited	873,139,033	785,898,811
ONE Securities Limited	427,105	199,447
	<b><u>873,566,138</u></b>	<b><u>786,098,258</u></b>
Deferred Tax		
ONE Bank Limited	12,715,990	(10,122,759)
ONE Securities Limited	-	-
	<b><u>12,715,990</u></b>	<b><u>(10,122,759)</u></b>
	<b><u>886,282,128</u></b>	<b><u>775,975,500</u></b>
<b>35 Interest receipts in cash</b>		
Interest income on loans & advances	12,764,429,289	11,969,311,749
Interest on Treasury Bills and Bonds	1,703,778,494	1,423,921,594
	14,468,207,782	13,393,233,343
(Increase)/ Decrease in interest receivable on loans & advances	(596,611,870)	(748,381,699)
(Increase)/ Decrease in interest receivable others	(37,791,708)	(68,642,250)
	<b><u>13,833,804,204</u></b>	<b><u>12,576,209,393</u></b>
<b>35 (a) Consolidated Interest receipts in cash</b>		
ONE Bank Limited	13,833,804,204	12,576,209,393
ONE Securities Limited	11,088,176	10,484,420
Interest on Loan paid by ONE Securities Ltd to ONE Bank Limited	(1,279)	(19,985,512)
	<b><u>13,844,891,100</u></b>	<b><u>12,566,708,301</u></b>
<b>36 Interest payments</b>		
Total interest expenses	8,465,698,136	7,406,160,710
Add : Opening balance of interest payable	1,505,015,918	1,071,571,960
Less: Closing balance of interest payable	(1,269,312,060)	(1,505,015,918)
	<b><u>8,701,401,995</u></b>	<b><u>6,972,716,752</u></b>
<b>36 (a) Consolidated Interest Payment</b>		
ONE Bank Limited	8,701,401,995	6,972,716,752
ONE Securities Limited	-	-
	<b><u>8,701,401,995</u></b>	<b><u>6,972,716,752</u></b>
<b>37 Fee and commission receipts in cash</b>		
Commission, exchange and brokerage	662,126,240	614,892,710
Less : (Increase) / decrease in Commission receivable	310,250	(211,750)
	<b><u>662,436,490</u></b>	<b><u>614,680,960</u></b>
<b>37 (a) Consolidated Fee and commission receipts in cash</b>		
ONE Bank Limited	662,436,490	614,680,960
ONE Securities Limited	35,822,534	16,764,798
	<b><u>698,259,024</u></b>	<b><u>631,445,758</u></b>
<b>38 Cash payments to employees</b>		
Salaries and allowances	2,236,270,975	2,029,171,028
Managing Director's salary and allowances	13,333,226	13,106,662
	2,249,604,201	2,042,277,690
Less: Payable to employees	(325,555,240)	(320,320,704)
Add: Opening Payable	320,320,704	293,149,405
	<b><u>2,244,369,666</u></b>	<b><u>2,015,106,391</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>39 Cash payment to suppliers</b>		
Printing, stationery and advertisement etc.	156,663,854	124,451,266
Repair & Maintenance	327,875,274	277,856,247
Add: closing stock of stationery and stamps	27,401,135	37,209,318
	<u>511,940,263</u>	<u>439,516,831</u>
Less: opening stock of stationery and stamps	(37,209,318)	(37,733,230)
	<b><u>474,730,944</u></b>	<b><u>401,783,601</u></b>
<b>40 Cash receipts from other operating activities</b>		
Other operating income	543,150,254	444,072,228
Exchange earnings	754,768,556	539,438,315
	<b><u>1,297,918,810</u></b>	<b><u>983,510,543</u></b>
<b>40 (a) Consolidated Cash receipts from other operating activities</b>		
ONE Bank Limited	1,297,918,810	983,510,543
ONE Securities Limited	29,438,599	593,893
	<b><u>1,327,357,408</u></b>	<b><u>984,104,436</u></b>
<b>41 Cash payments for other operating activities</b>		
Rent, taxes, insurance and electricity etc.	476,880,251	410,619,921
Legal expenses	19,003,893	18,742,590
Postage, stamps, telecommunication etc.	79,606,726	58,040,460
Directors fees	1,456,000	998,000
Auditors' fee	200,000	200,000
Other expenses	394,609,956	322,142,929
	<u>971,756,827</u>	<u>810,743,899</u>
Add: Outstanding in payable - Opening balance	189,146,660	197,299,171
Less: Outstanding in payable - Closing balance	(183,889,627)	(189,146,660)
	<b><u>977,013,860</u></b>	<b><u>818,896,410</u></b>
<b>41 (a) Consolidated Cash payments for other operating activities</b>		
ONE Bank Limited	977,013,860	818,896,410
ONE Securities Limited	7,004,569	9,696,300
	<b><u>984,018,429</u></b>	<b><u>828,592,710</u></b>
<b>42 (Increase)/decrease of other assets</b>		
<b>Closing balance:</b>		
Security deposits	4,041,095	3,888,295
Advance rent	529,115,536	510,875,757
Prepayments	186,625,569	146,860,818
Renovation work of rented premises	6,142,405	4,114,091
Suspense account	26,437,580	83,706,111
Receivable from Bangladesh Bank	145,708,355	205,312,982
Receivable from ONE Securities Ltd	-	25,765,707
Protested bill	2,594,351	2,727,713
Branch Adjustment Account	5,269,747	5,786,576
	<b><u>905,934,638</u></b>	<b><u>989,038,049</u></b>
Off-shore banking unit	70,148,795	-
	<b><u>976,083,432</u></b>	<b><u>989,038,049</u></b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>Less: Opening balance:</b>		
Security deposits	3,888,295	2,538,295
Advance rent	510,875,757	444,055,293
Prepayments	146,860,818	65,890,760
Renovation work of rented premises	4,114,091	1,337,135
Suspense account	83,706,111	13,035,799
Receivable from Bangladesh Bank	205,312,982	81,502,632
Receivable from ONE Securities Ltd	25,765,707	16,413,348
Protested bill	2,727,713	2,727,713
Branch Adjustment Account	5,786,576	1,481,683
	<b>989,038,049</b>	<b>628,982,657</b>
Off-shore banking unit	-	-
	<b>989,038,049</b>	<b>628,982,657</b>
	<b>12,954,617</b>	<b>(360,055,392)</b>

**42 (a) Consolidated (Increase)/decrease of other assets**

ONE Bank Limited	12,954,617	(360,055,392)
ONE Securities Limited	(22,867,715)	689,593
	<b>(9,913,098)</b>	<b>(359,365,799)</b>

**43 Deposits from banks**

Closing Balance :		
Payment on demand	1,184,160	1,186,810
Fixed Deposit	5,993,882,806	5,770,000,000
	5,995,066,966	5,771,186,810
Less : Opening balance	(5,771,186,810)	(9,401,189,651)
	<b>223,880,156</b>	<b>(3,630,002,841)</b>

**44 Deposits from customers**

<b>Closing balance of Deposits</b>		
Payable on demand	22,547,619,735	22,495,572,013
Other deposits	124,595,524,181	102,319,360,679
	147,143,143,917	124,814,932,692
<b>Less: Opening balance of Deposits</b>		
Payable on demand	22,495,572,013	16,683,288,578
Other deposits	102,319,360,679	73,097,529,621
	124,814,932,692	89,780,818,199
<b>Deposit increased during the year</b>	22,328,211,225	35,034,114,493
<b>Add: Opening balance of interest on deposit and others</b>		
Interest on deposits	1,505,015,918	1,071,571,960
Other deposits Account	349,467,364	415,007,560
	1,854,483,283	1,486,579,520
<b>Less: Closing balance of interest on deposit and others</b>		
Interest on deposits	(1,269,312,060)	(1,505,015,918)
Other deposits Account	(289,444,867)	(349,467,364)
	(1,558,756,927)	(1,854,483,283)
	<b>22,623,937,581</b>	<b>34,666,210,730</b>

	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>45 Increase/(decrease) of other liabilities</b>		
<b>Closing balance:</b>		
Lease Obligation	-	2,466,897
Risk fund of Consumer Credit and Rider	473,512	473,512
Interest payable on Subordinated debt	66,511,111	4,400,000
Interest suspense	3,057,837,346	2,215,999,657
	3,124,821,969	2,223,340,065
Off-shore banking unit	-	-
	<b>3,124,821,969</b>	<b>2,223,340,065</b>
<b>Less: Opening balance:</b>		
Interest on bills discounted	-	-
Lease Obligation	2,466,897	7,751,641
Risk fund of Consumer Credit and Rider	473,512	473,512
Interest payable on Subordinated debt	4,400,000	4,400,000
Interest suspense	2,215,999,657	1,622,403,054
	2,223,340,065	1,635,028,207
	<b>901,481,903</b>	<b>588,311,859</b>
<b>45 (a) Consolidated (Increase)/decrease of other liabilities</b>		
ONE Bank Limited	901,481,903	588,311,859
ONE Securities Limited	(7,794,022)	9,079,101
	<b>893,687,881</b>	<b>597,390,960</b>
<b>46 Letters of Guarantee</b>		
i) Claims against the Bank not acknowledged as debts	-	-
ii) Money for which the Bank is contingently liable in respect of guarantee given favoring:		
Directors	-	-
Government	110,537,076	603,553,381
Banks and other financial institutions	80,524,526	2,322,211,298
Others	11,736,266,415	7,802,481,981
	11,927,328,017	10,728,246,661
<b>Total (i and ii)</b>	<b>11,927,328,017</b>	<b>10,728,246,661</b>
<b>47 Basic Earnings Per Share</b>		
Attributable profit for the year	<b>2,060,570,658</b>	<b>1,922,633,009</b>
Weighted average number of outstanding Shares for the year:		
Opening balance	589,924,914	589,924,914
Bonus Share Issued for the year 2015	73,740,614	73,740,614
	<b>663,665,528</b>	<b>663,665,528</b>
<b>Basic Earnings Per Share</b>	<b>3.10</b>	<b>2.90</b>
Earnings per share has been calculated in accordance with BAS-33:"Earnings Per Share (EPS)". Previous year's figures have been restated for the issue of bonus shares during the year.		
<b>47 (a) Basic Earnings Per Share Consolidated</b>		
Attributable to holding company	<b>2,417,605,474</b>	<b>1,870,403,848</b>
Weighted average number of outstanding Shares for the year:		
Opening balance	589,924,914	589,924,914
Bonus Share Issued for the year 2015	73,740,614	73,740,614
	<b>663,665,528</b>	<b>663,665,528</b>
<b>Basic Earnings Per Share</b>	<b>3.64</b>	<b>2.82</b>
Earnings per share has been calculated in accordance with BAS-33:"Earnings Per Share (EPS)". Previous year's figures have been restated for the issue of bonus shares during the year.		



#### 48 Related Party Disclosures of the Bank

- i) Name of the directors together with a list of entities in which they have interest- **Annexure-E**
- ii) Significant contracts where Bank is a party and wherein Directors have interest during the year 2016: **Nil**
- iii) Shares issued to Directors and Executives without consideration or exercisable at discount: **Nil**
- iv) Nature, type and elements of transactions with the related party: **Nil**
- V) Lending policies in respect of related party:
- a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31.12.2016: Guarantee amounting to Tk. 3,407,278 and Tk. 11,300 have been provided in favour of COSCO (Bangladesh) Shipping Lines Ltd and Baridhi Shipping Lines Ltd against 100% Cash Collateral Security (Cash Margin and FDR). Mr. Sayeed Hossain Chowdhury, Chairman, ONE Bank Limited is also the Chairman of the said COSCO (Bangladesh) Shipping Lines Ltd & Baridhi Shipping Lines Ltd.
- Ms. Dilruba Ahmed, Spouse of Mr. Kazi Rukun Uddin Ahmed, Director of ONE Bank Ltd. is the owner of Little Jewels School, Which is availing an SOD limit of TK. 2,700,000 against 100% FDR margin. Outstanding against the limit is TK. 2,355,239.
- b) Amount of transactions regarding principal items of deposits, expenses and commission : **Nil**
- c) Amount of provision against loans and advances given to related party : **Nil**
- d) Amount of guarantees and commitments arising from other off-balance sheet exposures : **Nil**
- vi) Disclosure of transaction regarding Directors and their related concerns: **Nil**
- vii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act-1991 (as amended in 2013):
- Lease agreement made with the Director :

<b>Nature of the contract</b>	<b>Branch / Office / Location</b>	<b>Name of Director and related by</b>	<b>Remarks</b>
Lease Agreement	Corporate Head Quarters, ONE Bank Limited, HRC Bhaban, 46 Kawran Bazar C/A, Dhaka.	Mr. Sayeed H. Chowdhury, Director Hamid Properties Limited	Expiry Date of Lease 31.10.2023
Lease Agreement	Off Site Store, 26 Tejgoan Industrial Area, Tejgoan, Dhaka.	Mr. Zahur Ullah, Director Shamah Enterprises Limited	Expiry Date of Lease 31.05.2021
Lease Agreement	Central Vehicle Maintenance Unit and Off-Site Store, 14-17A Sangshad Avenue, Tejgoan, Dhaka	Mr. Sayeed H. Chowdhury, Director HRC Bangladesh Limited	Expiry Date of Lease 30.06.2026
Lease Agreement	ONE Bank Limited, Kawran Bazar Branch, HRC Bhaban, 46 Kawran Bazar C/A, Dhaka	Mr. Sayeed H. Chowdhury, Director Hamid Properties Limited	Expiry Date of Lease 30.06.2023
Lease Agreement	Zonal Office, Centralised Tarde Processing Center and Loan Administration Department, HRC Bhaban, 64-66 Agrabad C/A, Chittagong	Mr. Sayeed H. Chowdhury, Director HRC Properties Limited	Expiry Date of Lease 29.02.2024
Lease Agreement	ONE Bank Limited, Agrabad Branch, Retail, SME and Recovery Unit, HRC Bhaban, 64-66 Agrabad C/A, Chittagong	Mr. Sayeed H. Chowdhury, Director HRC Properties Limited	Expiry Date of Lease 28.02.2025
Lease Agreement	Central Vehicle Maintenance Unit & Garage, Zonal Central Off-Site Store, Plot No. P/2 (A&B), 13 (WP), Mohora Industrial Area, Kalurghat, Chittagong	Mr. Sayeed H. Chowdhury, Director HRC Leather Complex Limited	Expiry Date of Lease 30.09.2026

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

**49 Number of employees of the Bank**

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 36,000 p.a. or above were 2,028 (2015:1,976).

**50 Events after the balance sheet date**

The Board of Directors in its 257th meeting held on 30 March 2017 has recommended stock dividend @ 10% and cash dividend @ 13% subject to the approval of the Shareholders at the next Annual General Meeting.

M. Fakhru Alam  
Managing Director

Salahuddin Ahmed  
Director

Zahur Ullah  
Director

Asoke Das Gupta  
Vice Chairman

**ONE Bank Limited**  
**Financial Highlights on the overall activities of the Bank**  
**As at 31 December 2016**

**Solo Basis**

SI No	Particulars	2016 Taka	2015 Taka
1	Paid up Capital	6,636,655,280	5,899,249,140
2	Total Capital	20,309,101,237	14,759,132,477
3	Capital Surplus/(deficit)	5,688,317,374	1,261,832,790
4	Total Assets	188,241,205,314	154,192,850,086
5	Total Deposits	153,427,655,750	131,251,821,488
6	Total Loans and Advances	132,084,246,472	106,748,519,093
7	Total Contingent Liabilities and Commitments	70,894,593,289	61,443,630,746
8	Credit Deposit ratio (%)	83.87%	80.58%
9	Percentage of Classified Loans against total loans and advances	4.93%	3.58%
10	Profit after tax and provisions	2,060,570,658	1,922,633,009
11	Amount of classified loans during the year	6,510,596,206	3,820,132,319
12	Provision kept against classified loans	2,734,204,237	1,505,455,928
13	Provision surplus/(deficit)	-	-
14	Cost of fund	8.43%	9.44%
15	Interest earning Assets	166,219,480,214	137,454,201,395
16	Non-interest earning assets	22,021,725,101	16,738,648,691
17	Return on investment-ROI	10.07%	11.32%
18	Return on Assets-ROA (Net profit after taxation/average assets)	1.20%	1.39%
19	Income from Investment	1,931,327,279	1,477,980,402
20	Earnings per Share	3.10	2.90
21	Net Income per share	3.10	2.90
22	Price Earning Ratio (Times)	5.89	5.28

**Consolidated Basis**

1	Paid up Capital	6,636,655,280	5,899,249,140
2	Total Capital	19,993,710,482	14,055,295,805
3	Capital Surplus	5,358,286,225	625,205,056
4	Total Assets	188,122,242,302	154,067,862,218
5	Total Deposits	153,218,867,196	131,193,063,546
6	Total Loans and Advances	132,110,756,274	106,797,278,703
8	Profit after tax and provisions	2,421,212,008	1,869,876,262
9	Earnings per Share	3.64	2.82
10	Net Income per share	3.64	2.82

## Annexure-A

**ONE Bank Limited**  
**Schedule of Fixed Assets**  
**As at 31 December 2016**

[Referred to Note 8 of these Financial Statements]

Particulars	Cost (Taka)				Depreciation (Taka)				Net book value at 31 December	Rate of depreciation per annum (Reducing Balance Method)
	Balance on 1 January	Additions during the year	Disposal during the year	Balance at 31 December	Balance on 1 January	Charge for the year	Adjusted on disposal during the year	Balance at 31 December		
Furniture and Fixtures	1,173,568,859	290,092,226	57,483,639	1,406,177,446	423,041,926	76,426,962	35,537,505	463,931,383	942,246,063	%
Office Equipment	882,500,715	109,973,067	12,793,960	979,679,822	440,671,706	92,053,351	10,448,557	522,276,500	457,403,322	10
Motor Vehicles	241,318,876	25,155,729	17,649,806	248,824,799	135,698,248	20,615,709	14,848,987	141,464,970	107,359,829	18
Building	118,999,192	25,022,230	-	144,021,422	14,140,147	2,777,865	-	16,918,012	127,103,410	20
Land	17,700,000	258,764,295	-	276,464,295	-	-	-	-	276,464,295	2.5
<b>Sub-Total</b>	<b>2,434,087,642</b>	<b>709,007,547</b>	<b>87,927,405</b>	<b>3,055,167,784</b>	<b>1,013,552,027</b>	<b>191,873,888</b>	<b>60,835,049</b>	<b>1,144,590,866</b>	<b>1,910,576,919</b>	
Leased Assets	25,044,000	-	-	25,044,000	18,651,956	5,008,800	-	23,660,756	1,383,244	20
Intangibles Assets	170,034,131	10,998,385	-	181,032,516	98,212,626	37,667,917	-	135,880,543	45,151,973	20
<b>Total 2016</b>	<b>2,629,165,773</b>	<b>720,005,932</b>	<b>87,927,405</b>	<b>3,261,244,300</b>	<b>1,130,416,609</b>	<b>234,550,605</b>	<b>60,835,049</b>	<b>1,304,132,165</b>	<b>1,957,112,136</b>	
<b>Total 2015</b>	<b>2,307,336,899</b>	<b>329,041,069</b>	<b>7,212,195</b>	<b>2,629,165,773</b>	<b>911,827,700</b>	<b>223,880,394</b>	<b>5,291,485</b>	<b>1,130,416,609</b>	<b>1,498,749,164</b>	

**Annexure- B**

**Reconciliation Statement Regarding Balance with Bangladesh Bank**

**1) Balance with Bangladesh Bank-Taka account**

	<b>Amount in Taka</b>	
	<b>Detail</b>	<b>Total</b>
<b>Balance as per Bank ledger</b>		10,428,612,354
<b>Unrespond debit entries in:</b>		
Bangladesh Bank Statement	86,872,811	
ONE Bank's ledger	-	86,872,811
		10,341,739,543
<b>Unrespond credit entries in:</b>		
Bangladesh Bank statement	8,555,001	
ONE Bank's ledger	2,537,493	11,092,494
<b>Balance as per Bangladesh Bank Statement</b>		<b>10,352,832,038</b>

Balance as at December 31, 2016 in RTGS settlement A/C with Bangladesh Bank is Tk.700,000/=

**2) Balance with Bangladesh Bank-Foreign currency**

	<b>Amount in Taka</b>			
	<b>USD</b>	<b>EURO</b>	<b>GBP</b>	<b>Total</b>
<b>A) Balance as per Bank ledger</b>	156,420,116	3,517,848	1,597,393	161,535,357
<b>B) Unrespond debit entries in:</b>				
Bangladesh Bank Statement	471,074	-	-	471,074
ONE Bank's ledger	41,466,488	-	-	41,466,488
	41,937,562	-	-	41,937,562
<b>C) Unrespond credit entries in:</b>				
Bangladesh Bank statement	421,131,731	-	459	421,132,191
ONE Bank's ledger	459,949,782	-	-	459,949,782
	881,081,514	-	459	881,081,973
<b>Balance as per Bangladesh Bank Statement (A-B+C)</b>	<b>995,564,067</b>	<b>3,517,848</b>	<b>1,597,852</b>	<b>1,000,679,768</b>

**ONE Bank Limited**  
**Financial Statements for the year ended 31 December 2016**  
**Balance with other banks in foreign currency**

**Annexure-C**

[Referred to Note 4.5 of these Financial Statements]

Name of the Banks	Currency Name	2016			2015		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.
Standard Chartered Bank, New York	USD	17,778,986.96	78.7022	1,399,245,387.52	3,327,030.05	78.5003	261,172,857.03
Commerzbank AG, Frankfurt	USD	1,648,806.62	78.7022	129,764,708.37	1,083,472.44	78.5003	85,052,911.58
Mashreqbank Psc, New York	USD	564,464.87	78.7022	44,424,627.09	1,505,081.06	78.5003	118,149,314.73
ICICI Bank Limited, Hong Kong	USD	23,552.25	78.7022	1,853,613.89	45,167.10	78.5003	3,545,630.90
Wells Fargo Bank N.A, New York	USD	1,192,801.25	78.7022	93,876,082.54	1,481,385.63	78.5003	116,289,216.37
		<b>21,208,611.95</b>		<b>1,669,164,419.41</b>	<b>7,442,136.28</b>		<b>584,209,930.61</b>
Standard Chartered Bank, London	GBP	11,706.76	96.2371	1,126,624.63	216,480.00	116.2668	25,169,436.86
AB Bank Ltd, Mumbai	ACUD	(183,167.88)	78.7022	(14,415,715.13)	190,965.34	78.5003	14,990,836.48
Habib Bank Limited, Karachi	ACUD	424,094.92	78.7022	33,377,203.21	354,463.09	78.5003	27,825,458.90
Standard Chartered Bank (Pakistan) Ltd, Karachi	ACUD	341,520.77	78.7022	26,878,435.94	560,691.78	78.5003	44,014,472.94
Nepal Bangladesh Bank Ltd, Kathmandu	ACUD	84,429.99	78.7022	6,644,825.96	69,178.87	78.5003	5,430,562.05
Seylan Bank PLC, Colombo	ACUD	89,392.40	78.7022	7,035,378.54	44,737.20	78.5003	3,511,883.62
Standard Chartered Bank, Mumbai	ACUD	278,761.23	78.7022	21,939,122.08	848,309.94	78.5003	66,592,584.78
United Bank of India, Kolkata	ACUD	677,362.15	78.7022	53,309,891.40	88,759.04	78.5003	6,967,611.27
Axis Bank Ltd, Kolkata	ACUD	337,326.18	78.7022	26,548,312.48	-	-	-
ICICI Bank Limited, Mumbai	ACUD	175,956.76	78.7022	13,848,184.12	893,309.14	78.5003	70,125,035.48
		<b>2,225,676.52</b>		<b>175,165,638.60</b>	<b>3,050,414.40</b>		<b>239,458,445.52</b>
Standard Chartered Bank, Tokyo	JPY	8,367,523.00	0.6713	5,617,118.19	7,460,564.00	0.6513	4,859,065.33
Standard Chartered Bank, Frankfurt	EURO	200,277.70	81.9762	16,418,004.79	207,268.70	85.8008	17,783,820.27
Commerzbank AG, Frankfurt	EURO	30,689.65	81.9762	2,515,820.89	239,024.99	85.8008	20,508,535.36
ICICI Bank Limited, Mumbai	ACU EURO	86,493.04	81.9762	7,090,370.75	171,211.04	85.8008	14,690,044.20
		<b>317,460.39</b>		<b>26,024,196.43</b>	<b>617,504.73</b>		<b>52,982,399.83</b>
Westpac Banking Corporation, Sydney	AUD	84,474.93	56.4924	4,772,191.54	231,430.12	57.1953	13,236,715.14
Commerzbank AG, Frankfurt	CAD	52,240.82	58.0229	3,031,163.87	7,092.59	56.5279	400,929.22
Habib Bank AG Zurich, Zurich	CHF	145,148.12	76.5139	11,105,848.74	45,706.79	79.5584	3,636,359.08
Bank Al-Jazira, Jeddah	SAR	300,000.00	21.4350	6,430,500.00	300,000.00	21.4350	6,430,500.00
<b>Total</b>				<b>1,902,437,701</b>			<b>930,383,782</b>

## Annexure-D

**ONE Bank Limited**  
**Statement of large loan**  
**As at 31 December 2016**

SL No	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	Bangladesh Petroleum Corporation	-	748.51	748.51
2	Mahmud Group	187.22	250.62	437.84
3	City Group	197.41	140.23	337.64
4	H. Akbar Ali Group	217.60	88.59	306.19
5	Max Group	169.97	115.81	285.78
6	Habib Group	154.18	113.83	268.01
7	Fair Distribution Ltd	157.80	104.90	262.70
8	Abul Khair Group	214.37	40.63	255.00
9	Medlar Group	136.92	115.46	252.38
10	Noman Group	169.66	75.67	245.33
11	Ananda Group	151.99	75.78	227.77
12	S.H Enterprise (Arafin group)	28.27	194.07	222.34
13	Panwin Group	117.10	95.82	212.92
14	GHP Group	169.56	42.18	211.74
15	Benetex Industries Ltd & Common Threads Ltd.	208.76	0.60	209.36
	<b>Total</b>	<b>2,280.81</b>	<b>2,202.70</b>	<b>4,483.51</b>

Note: More than 10% of the regulatory Capital and outstanding balance of the client.

**Name of the Directors and the entities in which they have interest  
As on 31 December 2016**

SL No	Name of the Director	Status with the Bank	Name of the Firms/Companies in which they are interested as proprietor, partner, Director, managing agent, Guarantor, Employee etc.	Percentage (%) of holding in the company	Remarks
1.	Mr. Sayeed Hossain Chowdhury	Chairman	1 Bangladesh Shipping Lines Ltd. 2 Baridhi Shipping Lines Ltd. 3 Bangladesh Land Ltd. 4 HRC Syndicate Ltd. 5 HRC Travels Ltd. 6 HRC Lighting Ltd. 7 HRC Properties Ltd. 8 HRC Shipping Ltd. 9 HRC Agrocom Ltd. 10 HRC Bangladesh Ltd. 11 HRC Products Ltd. 12 HRC Lamps Ltd 13 HRC Media Ltd. 14 Hamid Properties Ltd. 15 Arakan Express Ltd. 16 Information Services Network Ltd. 17 Bangladesh General Insurance Co. Ltd 18 HRC Freight Ltd 19 Jaijaidin Publications Ltd. 20 Travelwise Ltd	60.00 60.00 49.00 93.00 99.00 47.00 45.00 63.79 80.00 56.00 80.00 80.00 99.50 10.00 21.00 8.17 2.07 80.00 84.69 15.00	
2.	Mr. Asoke Das Gupta	Vice-Chairman	1 Uniroyal Securities Ltd. 2 Uniroyal Trade Ltd. 3 IMTREX 4 OcuNova Eye Hospital 5 NTC Housing Ltd	55.00 60.00 100.00 5.00 12.50	
3.	Mr. Zahur Ullah	Director	1 Gtex Ltd. 2 Buttons & Trims Ltd 3 Lables & Trims Ltd. 4 Lamisa Ltd. 5 L-2 Knitting Ltd. 6 Shamah Enterprises Ltd 7 Holiday Publications Ltd. 8 Lamisa Food Products Ltd. 9 NTC Housing Ltd.	33.33 70.00 70.00 60.00 60.00 40.00 10.00 70.00 12.50	
4.	KSC Securities Limited	Director	NTC Housing Ltd.	12.50	Represented by Mr. A.S.M Shahidullah Khan
5.	Irfan International Limited	Director	NTC Housing Ltd.	12.50	Represented by Mr. Kazi Rukunuddin Ahmed
6.	M. R. Holdings & Securities Limited	Director	NTC Housing Ltd.	12.50	Represented by Mr. Shawket Jaman
7.	Mr. Syed Nurul Amin	Independent Director	-	-	-
8.	Mr. Salahuddin Ahmed	Independent Director	Consolidated Services Limited	25.00	-



## Annexure-F

**ONE Bank Limited**  
**Off-Shore Banking Unit**  
**Balance Sheet**  
**As at 31 December 2016**

	Notes	2016		2015	
		USD	TAKA	USD	TAKA
<b>PROPERTY AND ASSETS</b>					
<b>CASH</b>					
Cash in hand ( including foreign currencies)		-	-	-	-
Cash with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		-	-	-	-
<b>Balance with other Banks and Financial Institutions</b>	<b>3</b>				
In Bangladesh		-	-	-	-
Outside Bangladesh		22,321,382	1,756,741,848	-	-
		<b>22,321,382</b>	<b>1,756,741,848</b>	-	-
<b>Money at Call on Short Notice</b>		-	-	-	-
<b>Investment</b>					
Government		-	-	-	-
Others		-	-	-	-
		-	-	-	-
<b>Loan and Advances:</b>	<b>4</b>				
Loans, cash credit, overdraft etc.		58,547,030	4,607,780,025	32,769,748	2,572,425,219
Bills purchased and discounted		4,660,797	366,814,971	371,163	29,136,321
		<b>63,207,826</b>	<b>4,974,594,996</b>	<b>33,140,911</b>	<b>2,601,561,540</b>
<b>Fixed Assets</b>		-	-	-	-
<b>Other Assets</b>	<b>5</b>	<b>891,319</b>	<b>70,148,795</b>	-	-
<b>Non Banking Assets</b>		-	-	-	-
<b>Total Assets</b>		<b>86,420,527</b>	<b>6,801,485,638</b>	<b>33,140,911</b>	<b>2,601,561,540</b>
<b>LIABILITIES AND CAPITAL</b>					
<b>Borrowings from other banks, financial institutions and agents</b>	<b>6</b>	<b>45,859,233</b>	<b>3,609,222,527</b>	-	-
<b>Deposit and other Accounts</b>	<b>7</b>				
Current accounts and other accounts		5,164	406,387	5,164	405,343
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Term deposits		22,793,299	1,793,882,806	20,000,000	1,570,000,000
		<b>22,798,463</b>	<b>1,794,289,193</b>	<b>20,005,164</b>	<b>1,570,405,343</b>
<b>Other Liabilities</b>	<b>8</b>	<b>17,325,718</b>	<b>1,363,572,093</b>	<b>12,374,550</b>	<b>971,402,213</b>
<b>Total Liabilities</b>		<b>85,983,414</b>	<b>6,767,083,813</b>	<b>32,379,714</b>	<b>2,541,807,556</b>
<b>Capital/Shareholders' Equity</b>					
Profit and Loss Account		437,114	34,401,825	761,197	59,753,984
<b>Total Liabilities and Shareholders' Equity</b>		<b>86,420,527</b>	<b>6,801,485,638</b>	<b>33,140,911</b>	<b>2,601,561,540</b>

Notes	2016		2015	
	USD	TAKA	USD	TAKA

**Off Balance Sheet Items**

**Contingent Liabilities:**

Acceptance and endorsements  
Letter of Guarantee  
Irrevocable Letters of Credit  
Bills for Collection

-	-	-	-
-	-	-	-
5,712,601	449,594,290	-	-
-	-	-	-
5,712,601	449,594,290	-	-

**Other Contingent Liabilities**

Claims lodged with but not recognized by the Bank  
Other exchange contract

-	-	-	-
-	-	-	-

**Total Contingent Liabilities**

5,712,601	449,594,290	-	-
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**Other Commitments**

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

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

**Total other commitments**

-	-	-	-
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**Total off-Balance Sheet items including contingent**

**Liabilities**

5,712,601	449,594,290	-	-
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**ONE Bank Limited**  
**Off- Shore Banking Unit**  
**Profit & Loss Account**  
**For the year ended 31 December 2016**

	Notes	2016		2015	
		USD	TAKA	USD	TAKA
Interest income	9	2,439,107	191,963,079	1,990,820	156,279,403
Interest paid on deposits & borrowings	10	(1,735,867)	(136,616,557)	(1,177,840)	(92,460,439)
<b>Net interest income</b>		<b>703,240</b>	<b>55,346,522</b>	<b>812,980</b>	<b>63,818,963</b>
Income from investments		-	-	-	-
Commission, Exchange and Brokerage	11	24,238	1,907,621	5,326	418,089
Other operating income	12	83,389	6,562,923	29,771	2,337,012
<b>Total operating income (A)</b>		<b>810,868</b>	<b>63,817,066</b>	<b>848,077</b>	<b>66,574,064</b>
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal & Consultancy expenses		15,107	1,188,963	45,000	3,532,500
Postage, stamps, telecommunication etc.		-	-	-	-
Directors' fees		-	-	-	-
Stationery, Printings, advertisements etc.		-	-	-	-
Depreciation, leasing expense and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
<b>Total operating expenses (B)</b>		<b>15,107</b>	<b>1,188,963</b>	<b>45,000</b>	<b>3,532,500</b>
<b>Profit before provision and tax (C=A-B)</b>		<b>795,761</b>	<b>62,628,103</b>	<b>803,077</b>	<b>63,041,564</b>
Provision for loans and advances					
Specific provision		-	-	-	-
General provision		301,521	23,730,335	41,880	3,287,579
		<b>301,521</b>	<b>23,730,335</b>	<b>41,880</b>	<b>3,287,579</b>
Provision for off-balance sheet items		57,126	4,495,943	-	-
Other Provision		-	-	-	-
<b>Total Provision</b>		<b>358,647</b>	<b>28,226,277</b>	<b>41,880</b>	<b>3,287,579</b>
<b>Profit/(loss) before tax (C-D)</b>		<b>437,114</b>	<b>34,401,825</b>	<b>761,197</b>	<b>59,753,984</b>
Current tax expenses		-	-	-	-
Deferred tax expense/(income)		-	-	-	-
<b>Net profit after taxation</b>		<b>437,114</b>	<b>34,401,825</b>	<b>761,197</b>	<b>59,753,984</b>

**ONE Bank Limited**  
**Off-Shore Banking Unit**  
**Cash Flow Statement**  
**For the year ended 31 December 2016**

	2016		2015	
	USD	Taka	USD	Taka
<b>Cash flows from operating activities</b>				
Interest receipts in cash	2,439,107	191,963,079	1,990,820	156,279,403
Interest payments	(1,735,867)	(136,616,558)	(1,177,840)	(92,460,439)
Fee and commission receipts	24,238	1,907,621	6,154	483,107
Legal expenses	(15,107)	(1,188,963)	(45,000)	(3,532,500)
Receipts from other operating activities	83,389	6,562,923	28,943	2,271,993
<b>Operating profit before changes in current assets and liabilities</b>	<b>795,761</b>	<b>62,628,102</b>	<b>803,077</b>	<b>63,041,564</b>
Increase/(decrease) in operating assets and liabilities				
Loans and advances to customers	(30,066,915)	(2,366,332,363)	(3,983,489)	(312,703,851)
Other assets	(891,319)	(70,148,795)	-	-
Borrowing from other banking companies, agencies etc.	45,859,233	3,609,222,527	-	-
Deposits from banks	2,793,299	219,838,806	20,000,000	1,570,000,000
Deposits from customers	-	-	(193,956)	(15,225,547)
Other liabilities	3,831,323	301,533,569	(16,625,633)	(1,305,112,166)
	<b>21,525,621</b>	<b>1,694,113,745</b>	<b>(803,077)</b>	<b>(63,041,564)</b>
<b>A Net cash flows from operating activities</b>	<b>22,321,382</b>	<b>1,756,741,848</b>	<b>-</b>	<b>-</b>
<b>Cash flows from investing activities</b>				
Payments for purchase of securities	-	-	-	-
Receipts from sale of securities	-	-	-	-
Net Purchase/sale of fixed assets	-	-	-	-
<b>B Net cash used in investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financial activities</b>				
Receipts from issue of ordinary shares	-	-	-	-
Dividend paid	-	-	-	-
<b>C Net cash used in financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D Net increase in cash and cash equivalents (A+B+C)</b>	<b>22,321,382</b>	<b>1,756,741,848</b>	<b>-</b>	<b>-</b>
Effect of exchange rate changes on cash and cash equivalents	-	-	-	-
<b>E Opening cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>F Closing cash and cash equivalents (D+E)</b>	<b>22,321,382</b>	<b>1,756,741,848</b>	<b>-</b>	<b>-</b>
<b>Closing cash and cash equivalents</b>				
Cash in hand	-	-	-	-
Cash with Bangladesh Bank & its agent(s)	-	-	-	-
Cash with other banks and financial institutions	22,321,382	1,756,741,848	-	-
Money at call on short notice	-	-	-	-
Prize bonds	-	-	-	-
	<b>22,321,382</b>	<b>1,756,741,848</b>	<b>-</b>	<b>-</b>

**ONE Bank Ltd**  
**Off-Shore Banking Unit**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2016**

**1.1 Status of the units**

Off-Shore Banking Unit is a separate business unit of ONE Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-Shore Banking Unit permission vide letter no. BRPD (P-3) 744 (115)/2010-2337 dated 26 May 2010. The Bank commenced the operation of its Off-Shore Banking Unit from 12 December 2010. At Present the Bank has 2 (Two) units one in Dhaka and another in Chittagong.

**1.1.1 Principal activities**

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its Off-Shore Banking Units in Bangladesh.

**1.2 Significant accounting policies and basis of preparation of financial statements**

**1.2.1 Basis of accounting**

Financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the OBU. The financial statements of the OBU are prepared in accordance with the Bank Companies Act 1991, in particular Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, Other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standard (BFRSs) and other rules and regulation where necessary.

**1.2.2 Use of estimates and judgments**

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

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

**1.2.3 Foreign currency transaction**

**a) Foreign currencies translation**

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

**b) Commitments**

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

**1.2.4 Cash flow statement**

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 " Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

**1.2.5 Reporting period**

These financial statements cover from 01 January 2016 to 31 December 2016.

**1.3 Assets and basis of their valuation**

**1.3.1 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 unit management for its short-term commitments.

### 1.3.2 Loans and advances / investments

- a) Loans and advances of Off-Shore Banking Units are stated in the balance sheet on gross basis.
- b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

### 1.3.3 Fixed assets and depreciation

a) All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and nonrefundable taxes.

b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate of Depreciation
Furniture and fixtures	10%
Office equipment	18%
Vehicle	20%

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

### 1.4 Basis for valuation of liabilities and provisions

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

### 1.5 Revenue recognition

#### 1.5.1 Interest income

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis.

#### 1.5.2 Fees and commission income

Fees and commission income arises on services provided by the units 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.

#### 1.5.3 Interest paid and other expenses

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

## 2 General

a) These financial statements are presented in Taka, Which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1 = Taka 78.7022, EURO1=Taka 81.9762 and CHF1= Taka 76.5139 (Mid rate as at 31 December 2016).

**ONE Bank Limited**  
**Off-Shore Banking Unit**  
**Notes to The Financial Statements**

	2016		2015	
	USD	TAKA	USD	TAKA
<b>3 Balance with other banks and financial institutions</b>				
In Bangladesh	-		-	
Outside Bangladesh ( <b>note-3.1</b> )	22,321,382	1,756,741,848	-	-
	<b>22,321,382</b>	<b>1,756,741,848</b>	-	-
<b>3.1 Outside Bangladesh</b>				
Mashreq Bank NY	22,321,382	1,756,741,848	-	-
<b>4 Loans and advances</b>				
<b>i) Loans, cash credits, overdrafts, etc.</b>				
Loan (Short Term)	57,632,586	4,535,811,349	32,769,748	2,572,425,219
Overdraft	914,443	71,968,677	-	-
	<b>58,547,030</b>	<b>4,607,780,025</b>	<b>32,769,748</b>	<b>2,572,425,219</b>
<b>ii) Bills purchased and discounted</b>				
Payable Inside Bangladesh	4,660,797	366,814,971	371,163	29,136,321
Foreign bills purchased and discounted	-	-	-	-
	<b>4,660,797</b>	<b>366,814,971</b>	<b>371,163</b>	<b>29,136,321</b>
	<b>63,207,826</b>	<b>4,974,594,996</b>	<b>33,140,911</b>	<b>2,601,561,540</b>
<b>5 Other Assets</b>				
Due to Head Office	-	-	-	-
Prepayment	891,319	70,148,795	-	-
	<b>891,319</b>	<b>70,148,795</b>	-	-
<b>6 Borrowing from other Banks, and financial institutions and agents</b>				
Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V (FMO)	19,000,000	1,495,341,800	-	-
Oesterreichische Entwicklungsbank AG (OeEB)	10,000,000	787,022,000	-	-
The OPEC Fund for International Development (OFID)	15,000,000	1,180,533,000	-	-
Habib Bank, Hong kong	1,859,233	146,325,727	-	-
	<b>45,859,233</b>	<b>3,609,222,527</b>	-	-
<b>7 Deposits and other accounts</b>				
Current deposits	4,905	386,039	4,905	385,047
Deposits from Banks- Local ( <b>note-7.1</b> )	22,793,299	1,793,882,806	20,000,000	1,570,000,000
Sundry deposits	259	20,348	259	20,295
	<b>22,798,463</b>	<b>1,794,289,193</b>	<b>20,005,164</b>	<b>1,570,405,343</b>
<b>7.1) Deposits from Banks- Local</b>				
BRAC Bank Limited	18,013,209	1,417,679,177	10,000,000	785,000,000
Prime Bank Limited	4,780,090	376,203,630	-	-
Dutch-Bangla Bank Limited	-	-	10,000,000	785,000,000
	<b>22,793,299</b>	<b>1,793,882,806</b>	<b>20,000,000</b>	<b>1,570,000,000</b>
<b>8 Other liabilities</b>				
Due From Head Office	16,176,304	1,273,110,697	11,938,842	937,199,063
Accured Interest for deposit	293,506	23,099,606	102,583	8,052,792
Interest Payable on Borrowings Outside Bd	127,587	10,041,409	-	-
Income tax Export	-	-	78	6,136
Others	39,116	3,078,488	1,638	128,606
General Provision (Unclassified Loan) 1%	632,078	49,745,950	331,409	26,015,615
General Provision for off balance sheet items	57,126	4,495,943	-	-
	<b>17,325,718</b>	<b>1,363,572,093</b>	<b>12,374,550</b>	<b>971,402,213</b>

	2016		2015	
	USD	TAKA	USD	TAKA
<b>9 Interest income</b>				
Bills purchased and discounted	130,311	10,255,774	32,470	2,548,866
Short Term Loan	2,306,886	181,556,999	1,940,433	152,323,956
Overdraft	1,800	141,649	-	-
Others	110	8,657	17,918	1,406,580
<b>Interest on loans and advances</b>	<b>2,439,107</b>	<b>191,963,079</b>	<b>1,990,820</b>	<b>156,279,403</b>
Interest received from HO	-	-	-	-
<b>Total Interest income</b>	<b>2,439,107</b>	<b>191,963,079</b>	<b>1,990,820</b>	<b>156,279,403</b>
<b>10 Interest on deposits, borrowings,</b>				
Interest paid to HO	1,346,323	105,958,561	1,075,257	84,407,647
Interest expenses for borrowing	127,587	10,041,409	-	-
Interest expenses for other bank- Local	261,957	20,616,587	102,583	8,052,792
	<b>1,735,867</b>	<b>136,616,557</b>	<b>1,177,840</b>	<b>92,460,439</b>
<b>11 Commission, exchange and brokerage</b>				
Commission on L/C	11,454	901,484	-	-
Other commission	12,784	1,006,137	5,326	418,089
	<b>24,238</b>	<b>1,907,621</b>	<b>5,326</b>	<b>418,089</b>
<b>12 Other operating income</b>				
Export Bill Handling Charge	-	-	828	65,018
EXP Issuing Charge	82,489	6,492,091	28,847	2,264,457
Postage	900	70,832	96	7,536
	<b>83,389</b>	<b>6,562,923</b>	<b>29,771</b>	<b>2,337,012</b>



**ONE Securities Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>SOURCE OF FUND</b>			
<b>Shareholders' Equity</b>			
Paid-up Capital	3	2,500,000,000	2,000,000,000
Retained Earnings/ (accumulated losses)		(340,391,585)	(701,032,936)
<b>Total Source of fund</b>		<b>2,159,608,415</b>	<b>1,298,967,064</b>
<b>APPLICATION OF FUND</b>			
<b>Non Current Assets (A)</b>			
Investment in DSE and CSE Shares	4	600,200,000	600,200,000
Fixed Assets	6	13,614,595	13,409,809
		<b>613,814,595</b>	<b>613,609,809</b>
<b>Current Assets (B)</b>			
Advance deposit and prepayments	7	342,728	316,085
Advance income tax	8	35,194,841	15,724,181
Investment in Shares	5	1,657,272,866	1,202,214,627
Margin loan to clients	9	26,509,801	48,759,610
Accounts receivable	10	22,882,109	148,458
Cash and cash equivalents	11	208,807,771	58,762,309
		<b>1,951,010,116</b>	<b>1,325,925,271</b>
<b>Current Liabilities -C</b>			
Other liabilities	12	354,089,464	599,137,607
Audit Fee Payable	13	25,000	50,000
Other payable	14	51,101,832	41,380,408
		<b>405,216,296</b>	<b>640,568,015</b>
<b>Net Current Assets (D=B-C)</b>		<b>1,545,793,820</b>	<b>685,357,255</b>
<b>Total Application of Fund (A+D)</b>		<b>2,159,608,415</b>	<b>1,298,967,064</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 22.

Aminul Islam  
Chief Executive Officer

A.S.M. Salahuddin  
Director

Syed Nurul Amin  
Director

Zahur Ullah  
Chairman

See annexed auditor's report to the Shareholders of the date

Dhaka, 20 March 2017

Hoda Vasi Chowdhury & Co  
Chartered Accountants

**ONE Securities Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2016**

	<u>Notes</u>	<u>2016</u> <u>Taka</u>	<u>2015</u> <u>Taka</u>
<b>Operating Income (A)</b>			
Commission and Brokerage Income	15	35,822,534	16,764,798
Interest Income	16	11,088,176	10,484,420
Investment Income	17	94,284,399	35,110,984
Other Operating Income	18	1,173,256	593,893
		<b>142,368,364</b>	<b>62,954,096</b>
<b>Operating Expenses (B)</b>			
Interest paid on short term loan		1,279	19,985,512
Bank charges		9,243	6,565
Salary & Allowances	19	15,486,312	9,171,493
Auditors' fee		25,000	25,000
Directors' fees		67,500	85,000
Professional Fees		23,219	-
Amortization of preliminary expenses		-	436,447
Printing & Stationary		268,783	138,955
Repairs and Maintenance		11,100	6,300
Depreciation		2,171,442	1,688,458
Fees and renewal	20	3,131,043	1,679,071
Direct expenses	21	2,694,989	1,328,583
Others expenses	22	2,885,248	1,958,886
<b>Total</b>		<b>26,775,157</b>	<b>36,510,270</b>
<b>Net profit before provision and tax (A-B)</b>		<b>115,593,207</b>	<b>26,443,826</b>
Provision for diminution in value of share	12.1	(245,475,248)	79,001,127
Provision for income tax	12.2	427,105	199,447
<b>Net profit/(Loss) after provision</b>		<b>360,641,350</b>	<b>(52,756,748)</b>
Retained surplus brought forward		(701,032,936)	(648,276,188)
<b>Retained surplus carried forward</b>		<b>(340,391,585)</b>	<b>(701,032,936)</b>
<b>Earnings per Share (EPS)</b>		<b>1.44</b>	<b>(0.21)</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 22.

Aminul Islam  
Chief Executive Officer

A.S.M. Salahuddin  
Director

Syed Nurul Amin  
Director

Zahur Ullah  
Chairman

See annexed auditor's report to the Shareholders of the date

Dhaka, 20 March 2017

Hoda Vasi Chowdhury & Co  
Chartered Accountants

**ONE Securities Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2016**

	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>Cash Flows from Operating Activities</b>		
Interest Receipts in cash	11,088,176	10,484,420
Commission and Brokerage receipts in cash	35,822,534	16,764,798
Interest Payments	(1,279)	(19,985,512)
Dividend receipts	66,019,055	35,110,984
Income Taxes paid	(19,470,659)	(9,108,711)
Advance Deposit and Prepayment	(134,064)	(167,972)
Other Payable	(7,794,022)	9,079,101
Other Receivable	(22,733,651)	857,565
Loan to Clients	22,249,810	(33,714,886)
Receipts from other operating activities	29,438,599	593,893
Operating Expenses	(7,004,569)	(9,696,300)
<b>A) Net Cash used in Operating Activities</b>	<b><u>107,479,929</u></b>	<b><u>217,381</u></b>
<b>Cash Flows from Investing Activities</b>		
Payments for purchase of securities	(455,058,238)	(904,105)
Net Purchase/Sale of fixed assets	(2,376,228)	(3,214,970)
<b>B) Net Cash used in Investing Activities</b>	<b><u>(457,434,466)</u></b>	<b><u>(4,119,075)</u></b>
<b>Cash Flows from Financing Activities</b>		
Receipts from issue of shares	500,000,000	536,363,700
Short term borrowing	-	(489,389,130)
<b>C) Net Cash from Financing Activities</b>	<b><u>500,000,000</u></b>	<b><u>46,974,570</u></b>
D) Net increase/ (decrease) in cash and cash equivalent (A+B+C)	150,045,463	43,072,876
Opening Cash and cash equivalents	58,762,308	15,689,433
<b>Closing cash and cash equivalents</b>	<b><u>208,807,771</u></b>	<b><u>58,762,309</u></b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 22.

Aminul Islam  
Chief Executive Officer

A.S.M. Salahuddin  
Director

Syed Nurul Amin  
Director

Zahur Ullah  
Chairman

Dhaka, 20 March 2017

**ONE Securities Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2016**

Particulars	Amount in Taka		
	Paid-up Capital	Retained Earnings	Total
<b>Balance as at 01 January 2016</b>	<b>2,000,000,000</b>	<b>(701,032,935)</b>	<b>1,298,967,065</b>
Share issued during the year	500,000,000	-	500,000,000
Net profit / (loss) during the period	-	360,641,350	360,641,350
<b>Balance as at 31 December 2016</b>	<b>2,500,000,000</b>	<b>(340,391,585)</b>	<b>2,159,608,415</b>
<b>Balance as at 31 December 2015</b>	<b>2,000,000,000</b>	<b>(701,032,935)</b>	<b>1,298,967,065</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 22.

Aminul Islam  
Chief Executive Officer

A.S.M. Salahuddin  
Director

Syed Nurul Amin  
Director

Zahur Ullah  
Chairman

Dhaka, 20 March 2017

**ONE Securities Limited**  
**Notes to the Financial Statements**  
**For the period ended 31 December 2016**

**1 Status of the Company**

**1.1 Legal Form of the Company**

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII), of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on December 24, 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000

**1.2 Nature of Business Activities:**

The principal activities of the company are to buy and sell and deal in shares, stocks, debentures and other securities and undertake all the functions as a TREC Holder of Stock Exchanges.

**2 Significant Accounting Policies and basis of preparation of Financial Statements**

**2.1 Basis of Accounting:**

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of the Stock Exchanges and other laws and rules applicable to securities company.

**2.2 Statement of Cash flows**

Statement of cash flows is prepared in accordance with the Bangladesh Accounting Standard-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method.

**2.3 Fixed assets and depreciation**

a) All fixed assets are stated at cost less accumulated depreciation as per BAS-16 " Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and nonrefundable taxes.

b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

<b>Category of fixed assets</b>	<b>Rate of Depreciation</b>
Furniture and fixtures	10%
Office equipment	18%

c) Software acquired by the company is stated at cost less accumulated amortisation. Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in specific assets to which it relates. Amortisation is recognized in profit and loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life of software is five years. Useful life, residual value and impairment of status are reviewed at each financial year end and adjusted if applicable.

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

#### **2.4 Investment in securities**

Investment in marketable and non-marketable ordinary shares has been shown at cost. Provision for diminution in value of shares (Quoted) as on closing of the year on an aggregate portfolio basis has been made in the account.

#### **2.5 Cash and cash equivalents**

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

#### **2.6 Provision for taxation**

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying required rate.

#### **2.7 Interest paid and other expenses**

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

#### **2.8 Share capital**

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

#### **2.9 Reporting period**

These financial statements cover period from January 01, 2016 to December 31, 2016.

#### **2.10 Reporting Currency**

The amount shown in this financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

#### **2.11 Directors' responsibility on Financial Statements**

The Board of Directors of the company is responsible for the preparation and presentation of these Financial Statements.

#### **2.12 Events after reporting period**

All known material events after the Balance Sheet date have been considered and appropriate adjustments/ disclosures have been made in the Financial Statements, where necessary up to the date of preparation of Financial Statements as per BSA-10 " Events After the Reporting Period".

#### **2.13 Earnings per Share**

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on December, 2016 as per BAS-33 " Earnings Per Share".

#### **2.14 General**

Previous year figures have been rearranged wherever considered necessary to conform to current years presentation.

**ONE Securities Limited**  
**Notes to the Financial Statements**

	<u>2016</u>	<u>2015</u>
	<u>Taka</u>	<u>Taka</u>
<b>3 Share Capital</b>		
<b>3.1 Authorized Capital</b>		
40,00,00,000 Ordinary Shares of Taka 10/- each.	<u>4,000,000,000</u>	<u>4,000,000,000</u>
<b>3.2 Issued, Subscribed and Paid-up Capital</b>		
25,00,00,000 ordinary shares of Taka 10/- each fully paid.	<u>2,500,000,000</u>	<u>2,000,000,000</u>
<b>3.3 Shareholding position of the company</b>		
<u>Name of Shareholders</u>	<u>Number of Shares</u>	<u>Amount in Taka</u>
ONE Bank Limited	247,499,917	2,474,999,170
NTC Housing Limited	2,499,987	24,999,870
Mr. Zahur Ullah	12	120
Mr. Asoke Das Gupta	12	120
Mrs. Farzana Chowdhury	12	120
KHH Holdings Limited	12	120
M R Holdings & Securities Limited	12	120
Irfan International Limited	12	120
KSC Securities Limited	12	120
Master Holdings Limited	12	120
	<u>250,000,000</u>	<u>2,500,000,000</u>

**4 Investment in DSE and CSE Shares**

Shares in DSE	320,200,000	320,200,000
Shares in CSE	280,000,000	280,000,000
	<u>600,200,000</u>	<u>600,200,000</u>

This represents our original investment cost for DSE and CSE memberships in exchange of which shares at a face value of Tk. 10 each have been allotted in favour of the company in November 2013 for DSE and in October 2013 for CSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission's (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange Ltd. (DSE) allotted total 72,15,106 ordinary Shares at face value of Tk.10.00 each and Chittagong Stock Exchange Ltd. (CSE) allotted total 42,87,330 ordinary Shares at face value of Tk.10.00 each against the ownership as a TREC Holder of DSE and CSE respectively. Out of the above DSE transferred 2,886,042 shares and CSE transferred 1,714,932 shares directly to the credit of the Beneficiary Owner's account of the company. The rest shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013. As there is no active market for transaction the shares of DSE and CSE, we have shown the value at original cost of our investment.

**5 Investment in Shares**

The City Bank Limited	767,322,499	697,520,500
Lanka Bangla Finance Limited	589,773,475	502,040,000
Meghna Petroleum Limited	8,595,517	683,724
Titas Gas Transmission & Distribution Company Limited	12,538,113	1,970,403
Khulna Power Company Limited	9,301,803	-
Phoenix Finance 1st Mutual Fund	13,715,838	-
BRAC Bank Limited	87,183,576	-
MJL Bangladesh Limited	2,412,414	-
Islami Bank Limited	26,798,718	-
Bank Asia Limited	28,727,629	-
Jamuna Oil Company Ltd.	10,560,438	-
Padma Oil Company	10,985,474	-
Ifad Autos Limited	18,649,884	-
Shahjalal Islami Bank Ltd	6,746,318	-
Lafarge Surma Cement Ltd.	39,056,733	-
AB Bank Ltd.	7,720,919	-
Power Grid Comp. of BD. Ltd.	9,612,079	-
Active Fine Chemicals Ltd.	7,571,440	-
<b>Total cost price</b>	<u>1,657,272,866</u>	<u>1,202,214,627</u>

### 5.1 Comparison between cost and market price of Shares as on 31 December 2016

Name of Company	Number of shares	Market price	Market Value at 31-12-2016	Cost per unit	Cost	Surplus/ (Deficiency)
The City Bank Limited	23,288,127	27.20	633,437,054	32.95	767,322,499	(133,885,445)
LankaBangla Finance Ltd	10,376,912	34.80	361,116,538	56.84	589,773,475	(228,656,937)
Meghna Petroleum Limited	46,253	170.40	7,881,511	185.84	8,595,517	(714,006)
Titas Gas Transmission & Dist.	249,881	49.40	12,344,121	50.18	12,538,113	(193,992)
Khulna Power Company Limited	147,772	62.50	9,235,750	62.95	9,301,803	(66,053)
Phoenix Finance 1st Mutual Fund	2,847,500	6.00	17,085,000	4.82	13,715,838	3,369,162
BRAC Bank Limited	1,537,692	64.10	98,566,057	56.70	87,183,576	11,382,481
MJL Bangladesh Limited	20,000	119.60	2,392,000	120.62	2,412,414	(20,414)
Islami Bank Limited	804,375	29.70	23,889,938	33.32	26,798,718	(2,908,781)
Bank Asia Limited	1,734,997	17.90	31,056,446	16.56	28,727,629	2,328,818
Jamuna Oil Company Ltd.	53,000	181.60	9,624,800	199.25	10,560,438	(935,638)
Padma Oil Company	56,132	180.20	10,114,986	195.71	10,985,474	(870,487)
Ifad Autos Limited	190,880	100.20	19,126,176	97.70	18,649,884	476,292
Shahjalal Islami Bank Ltd	468,857	15.00	7,032,855	14.39	6,746,318	286,537
Lafarge Surma Cement Ltd.	476,051	82.10	39,083,787	82.04	39,056,733	27,054
AB Bank Ltd.	339,959	22.30	7,581,086	22.71	7,720,919	(139,833)
Power Grid Comp. of BD. Ltd.	174,984	54.00	9,449,136	54.93	9,612,079	(162,943)
Active Fine Chemicals Ltd.	173,189	43.30	7,499,084	43.72	7,571,440	(72,356)
			<b>1,306,516,326</b>		<b>1,657,272,866</b>	<b>(350,756,540)</b>

	2016 Taka	2015 Taka
<b>6 Fixed Assets including premises, furniture &amp; fixtures</b>		
Furniture & Fixtures	8,495,843	7,804,738
Office equipment	7,843,927	6,208,804
	16,339,770	14,013,542
Intangible Assets	1,710,000	1,660,000
	18,049,770	15,673,543
Less: Accumulated depreciation	4,435,175	2,263,734
Closing balance	<b>13,614,595</b>	<b>13,409,809</b>
<b>(For details please refer to Annexure-A)</b>		
<b>7 Advance deposit and prepayment</b>		
Amount paid to Chittagong Stock Exchange as deposit for clearing house.	50,000	50,000
Security Deposit to CDBL for depository participant	200,000	200,000
Prepaid Insurance Premium	92,728	66,085
	<b>342,728</b>	<b>316,085</b>
<b>8 Advance income tax</b>		
Opening balance	15,724,181	5,333,292
Addition during the period (note-8.1)	19,470,659	10,390,889
Closing balance	<b>35,194,841</b>	<b>15,724,181</b>
<b>8.1 Addition during the year</b>		
Advance tax paid with Appeal to Appellate Tribunal	7,498	112,368
Advance income tax deducted on Dividend	13,203,807	7,022,195
Advance income tax deducted by DSE on transaction	4,969,818	2,633,006
Advance income tax deducted by DSE on transaction for Dealer	268,729	269
Advance income tax deducted by CSE on transaction for Dealer	253,780	181
Advance income tax deducted by CSE on transaction	273,657	24,199
Advance income tax deducted by Bank on Deposit	391,074	587,028
Advance income tax deducted by Bank on Deposit Dealer	102,296	11,643
	<b>19,470,659</b>	<b>10,390,889</b>

The Company has few years of income tax assessments pending at various stages of assessment/appeal. The Company believes that once all these tax assessments are finalised it would be able to recover/realise all advance income tax in full.



	<b>2016</b>	<b>2015</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>9 Margin Loan to clients</b>	<b><u>26,509,801</u></b>	<b><u>48,759,610</u></b>

This amount represents the margin loan balance with clients provided by the company at the balance sheet date, which includes principal amount and accrued interest on margin loan.

**10 Accounts Receivable**

Receivable from DSE-Investor	19,798,730	-
Receivable from DSE-Dealer	2,909,179	-
Receivable from CSE-Investor	174,200	148,458
	<b><u>22,882,109</u></b>	<b><u>148,458</u></b>

**11 Cash and Cash Equivalent**

Cash in Hand	19,218	4,367
ONE Bank Limited, Kawran Bazar Branch (SND)-Revenue A/C	50,579,716	12,083,758
ONE Bank Limited, Principal Branch (SND)-Consolidated Customer A/C	69,552,200	44,045,242
ONE Bank Limited, Principal Branch (IPO Account)	635,459	14,658
ONE Bank Limited, Kawran Bazar Branch (SND) A/C	3,076	550
ONE Bank Limited, Principal Branch (SND)- Dealer	88,018,103	2,613,733
	<b><u>208,807,771</u></b>	<b><u>58,762,309</u></b>

**12 Other liabilities**

Provision for diminution in value of investment in shares ( <b>note-12.1</b> )	350,756,540	596,231,789
Provision for Income Tax ( <b>note-12.2</b> )	3,332,924	2,905,819
	<b><u>354,089,464</u></b>	<b><u>599,137,607</u></b>

**12.1 Provision for diminution in value of investment in shares**

Opening balance	596,231,789	517,230,662
Provision for the year	(245,475,248)	79,001,127
Closing balance	<b><u>350,756,540</u></b>	<b><u>596,231,789</u></b>

**12.2 Provision for Income Tax**

Opening balance	2,905,819	2,706,372
Provision for the year	427,105	199,447
Closing balance	<b><u>3,332,924</u></b>	<b><u>2,905,819</u></b>

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying applicable minimum tax due to the fact that after adjusting carry forward tax losses claimed by the Company in prior years in the income tax return, there shall be no taxable income of the Company in current year. The existing income tax provision is sufficient to cover all potential future tax obligation of the Company.

**13 Audit Fee**

Opening balance	50,000	25,000
Charge during the year	25,000	25,000
Paid during the year	50,000	-
Closing balance	<b><u>25,000</u></b>	<b><u>50,000</u></b>

<b>2016</b>	<b>2015</b>
<b><u>Taka</u></b>	<b><u>Taka</u></b>

**14 Other Payable**

Payable to ONE Bank Ltd.	-	25,765,706
Leave Fare Assistance	478,500	327,900
VAT on audit fees	3,750	7,500
Payable to Clients	37,538,257	5,071,819
Payable to Telnet Communication Limited	22,000	12,000
Payable to Service Outsourcing	249,767	442,398
IPO Application Money A/C	610,000	-
Payable to Dhaka Stock Exchanges-Investor	482,589	9,727,564
Payable to Dhaka Stock Exchanges-Dealer	10,953,055	-
Payable to Chittagong Stock Exchanges-Dealer	280,976	-
Payable to Chittagong Stock Exchanges-Investor	228,634	121
Payable to CDBL	14,240	937
Payable for Provident Fund	222,426	-
Payable to BDCOM Online Ltd.	5,175	-
Payable To Link3 Technologies Ltd.	-	12,000
Sundry Liabilities	12,463	12,463
	<b>51,101,832</b>	<b>41,380,408</b>

**15 Commission and Brokerage Income**

Commission income from Broker	32,164,712	16,761,193
Commission income from Dealer	3,657,822	3,605
	<b>35,822,534</b>	<b>16,764,798</b>

**16 Interest Income**

Interest income from Margin Loan	6,154,471	4,497,713
Interest on Bank Deposit	4,933,704	5,986,707
	<b>11,088,176</b>	<b>10,484,420</b>

**17 Investment Income**

Dividend Income	66,019,055	35,110,984
Gain on sale of Shares	28,265,343	-
	<b>94,284,399</b>	<b>35,110,984</b>

**18 Other Operation Income**

BO Accounts Opening Fees	179,400	132,000
BO Account Maintenance fee	316,500	198,500
Documentation Fees for Margin Loan	6,000	16,800
Transfer/Transmission In/Out Charges	352,126	44,737
Cheque Dishonour	40,000	47,000
Management Fees- Margin Accounts	37,000	38,001
Miscellaneous	242,230	116,856
	<b>1,173,256</b>	<b>593,893</b>

**19 Salary and Allowances**

Salary & Allowances	13,184,799	7,910,241
Bonus	2,301,513	1,261,252
	<b>15,486,312</b>	<b>9,171,493</b>

**20 Fees and renewal**

License and renewal fee	328,450	268,911
RJSC expenses	38,350	140,167
Authorized representative application fee	4,000	5,000
CDBL Charges	2,528,243	1,071,870
Trading Work Station Charge	45,000	20,000
BSEC Fees for raising Paid Up Capital	140,000	147,273
Govt. Excise Duty	47,000	25,850
	<b>3,131,043</b>	<b>1,679,071</b>

**2016**                      **2015**  
**Taka**                        **Taka**

**21 Direct Expenses**

Howla Charges-DSE	-	-
Howla Charges-DSE-Dealer	-	16
Howla Charges-CSE-Dealer	420	-
Transaction Fee -DSE	2,484,910	1,316,504
Transaction Fee-DSE-Dealer	134,364	135
Transaction Fee-CSE-Dealer	32,135	65
Howla Charges-CSE	3,872	3,152
Transaction Fee-CSE	39,288	8,712
	<b>2,694,989</b>	<b>1,328,583</b>

## 22 Others expenses

Messenger Service	314,262	123,912
Security Guard expenses	543,582	283,608
Entertainment	228,969	114,912
Conveyance	51,826	37,490
Training Expenses	14,000	-
Legal Expenses	10,000	468,754
Postage, Stamp & Telecommunication	735,927	483,002
Sundry Expenses	261,158	79,425
VAT on Audit fee	3,750	3,750
Loss on sales of Fixed Assets	-	50,580
Cleaning Service	270,004	159,294
Board Meeting Expenses	27,160	20,125
Back Office Software maintenance Charges	160,930	134,034
Bank Guarantee Charges	263,680	-
	<b>2,885,248</b>	<b>1,958,886</b>

Aminul Islam  
Chief Executive Officer

A.S.M. Salahuddin  
Director

Syed Nurul Amin  
Director

Zahur Ullah  
Chairman

## Annexure-A

**ONE Securities Limited**  
**Schedule of Fixed Assets**  
**As at 31 December 2016**

[Referred to Note 6 of these Financial Statements]

Particulars	Cost (Taka)				Depreciation (Taka)				Net book value at 31 December	Rate of depreciation per annum (Reducing %)
	Balance on 1 January	Additions during the year	Disposal during the year	Balance at 31 December	Balance on 1 January	Charge for the year	Adjusted on disposal during the year	Balance at 31 December		
Furniture and Fixtures	7,804,738	691,105	-	8,495,843	340,167	757,976	-	1,098,142	7,397,701	10
Office Equipment	6,208,804	1,635,123	-	7,843,927	1,364,067	1,053,966	-	2,418,033	5,425,894	18
<b>Sub-Total</b>	<b>14,013,542</b>	<b>2,326,228</b>	<b>-</b>	<b>16,339,770</b>	<b>1,704,234</b>	<b>1,811,942</b>	<b>-</b>	<b>3,516,175</b>	<b>12,823,595</b>	
Intangibles Assets	1,660,000	50,000	-	1,710,000	559,500	359,500	-	919,000	791,000	20
<b>Total 2016</b>	<b>15,673,542</b>	<b>2,376,228</b>	<b>-</b>	<b>18,049,770</b>	<b>2,263,734</b>	<b>2,171,442</b>	<b>-</b>	<b>4,435,175</b>	<b>13,614,595</b>	
<b>Total 2015</b>	<b>4,515,211</b>	<b>11,650,331</b>	<b>492,000</b>	<b>15,673,542</b>	<b>641,696</b>	<b>1,688,458</b>	<b>66,420</b>	<b>2,263,734</b>	<b>13,409,808</b>	