



ANNUAL REPORT 2016

Letter of Transmittal

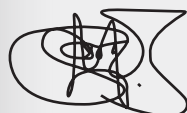
**All Shareholders of Trust Bank Limited
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies & Firms**

Annual Report for the year ended 31 December 2016

Dear Sir,

We are pleased to present a copy of the Annual Report with Audited Financial Statements. That includes consolidated and separate Balance Sheet, Profit and Loss Account, Statement of Cash Flows, Statement of Changes in Equity, Liquidity Statement for the year ended 31 December 2016 with the notes thereto. Statements are prepared on Trust Bank Limited (TBL) and its subsidiaries-Trust Bank Investment Limited (TBIL), Trust Bank Securities Limited (TBSL).

Yours Sincerely,



**Md. Mizanur Rahman, FCS
Company Secretary (Acting)**



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Vision

- ◆ Build a long term sustainable financial institution through financial inclusion and deliver optimum value to all stakeholders with the highest level of compliance.

Mission

- ◆ Long Term Sustainable Growth- diversified business with robust risk management.
- ◆ Financial Inclusion- bring unbanked population into banking network through low cost and technology based service delivery.
- ◆ Accountable to all stakeholders- customers, shareholders, employees & regulators.
- ◆ Highest level of compliance and transparency at all levels of operation.

Values

- ◆ Fair
- ◆ Dependable
- ◆ Reliable
- ◆ Professional
- ◆ Dynamic
- ◆ Trustworthy

This is how we grow.



Disclaimer on Forward-Looking Statements

This report contains forward-looking statements reflecting management's plans, estimates and beliefs. Actual results could differ materially from those described in these forward-looking statements. Examples of such forward-looking statements include:

Statements of the Company's plans, intentions, positioning, expectations, objectives or goals, including those relating to asset flows, affluent client acquisition strategy, client retention and growth of our client base, retention, recruiting and enrollments, acquisition, integration, general and administrative costs; consolidated tax rate, return of capital to shareholders and excess capital position and financial flexibility to capture additional growth opportunities.

The Bank is not responsible for the forward-looking statements which includes but not limited to the following information:

- ◆ Assessment of the Bank's future operating and financial results as well as forecasts of the present value of future cash flows and related factors;
- ◆ Economic outlook and industry trends;
- ◆ The Bank's anticipated capital expenditures and plans relating to expansion of the Bank's network and development of the new services;
- ◆ The Bank's expectations as to its position on the financial market and plans on development of the market segments within which the Bank operates;

Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include:

- Risks related to changes in political, economic and social conditions in local as well as changes in global economic conditions;
- Risks related to legislation, regulation and taxation;
- Risks related to the Bank's activities, including the achievement of the anticipated results, levels of profitability and growth, ability to create and meet demand for the Bank's services including their promotion and the ability of the Bank to remain competitive.

Many of these factors are beyond the Bank's ability to control and predict. Given these and other uncertainties the Bank cautions not to place undue reliance on any of the forward-looking statements contained herein or otherwise.



Key Milestones

Date	Particulars/Events
17 June 1999	Date of Incorporation
17 June 1999	Certificate of Commencement of Business Received
15 July 1999	Banking Licence Received
09 August 1999	First Branch Licence Received
29 November 1999	Formal Inauguration
January 2007	Online Banking Operations across all the Branches
17 May 2007	Publication of Prospectus for IPO
15 July 2007	Subscription Opening for IPO
19 July 2007	Subscription Closing for IPO
24 September 2007	Listed with Chittagong Stock Exchange Ltd.
25 September 2007	Listed with Dhaka Stock Exchange Ltd.
01 October 2007	Commencement of Trading of Shares at DSE & CSE
31 May 2009	Authorized Share Capital Increased to BDT 500 Crore
27 January 2010	TBL Mutual Fund Trading Started
31 August 2010	Launching of Trust Bank Mobile Money
09 September 2010	Formation of Trust Bank Investment Limited (TBIL)
14 November 2010	Commencement of Operation of Trust Bank Investment Limited (TBIL)
06 June 2012	Authorized Share Capital Increased to BDT 1,000 Crore
28 November 2012	Allotment of 1 share (membership) of DSE to Trust Bank Securities Limited (TBSL)
26 September 2013	Inception of Business Operation of Trust Bank Securities Limited (TBSL)
01 November 2014	Launching of Call Centre
08 December 2014	Commencement of iBanking Service
30 August 2015	Inauguration of 100 th Branch at Mohammadpur, Dhaka

Corporate Information

Registered Name of the Company

Trust Bank Limited

Legal Form

The Company was incorporated on 17 June 1999 under the Companies Act 1994 as a Public Limited Company for carrying out all kinds of banking activities.

Registration Number & Date: C-37960 (2260)/99, 17 June 1999

Sponsor Shareholder: Army Welfare Trust

Corporate Web Site: www.trustbank.com.bd

Email: info@tblbd.com

Company Secretary (Acting)

Mr. Md. Mizanur Rahman, FCS

Chief Financial Officer

Mr. Khaled Mahbub Morshed, FCA

In-charge of Internal Control & Compliance

Mr. Md. Kamal Uddin Kutubi, EVP

Auditors

M/s. Syful Shamsul Alam & Co.

Chartered Accountants

Paramount Heights (6th Floor)

65/2/1, Box Culvert Road

Purana Paltan, Dhaka-1000

Corporate Governance Certificate Issuer

K. M. HASAN & Co.

Chartered Accountants

Hometown Apartment (7th, 8th & 9th Floor)

87, New Eskaton Road, Dhaka-1000

Tax Consultant

M/s. ADN Associates

Rupayan Taj, Suite # H-12, 1 & 1/1 Naya Paltan, (Box Culvert Road)

Dhaka-1000

Rating Agency

Credit Rating Agency of Bangladesh Ltd.

Level 15, DH Tower, 6 Panthapath, Dhaka-1215

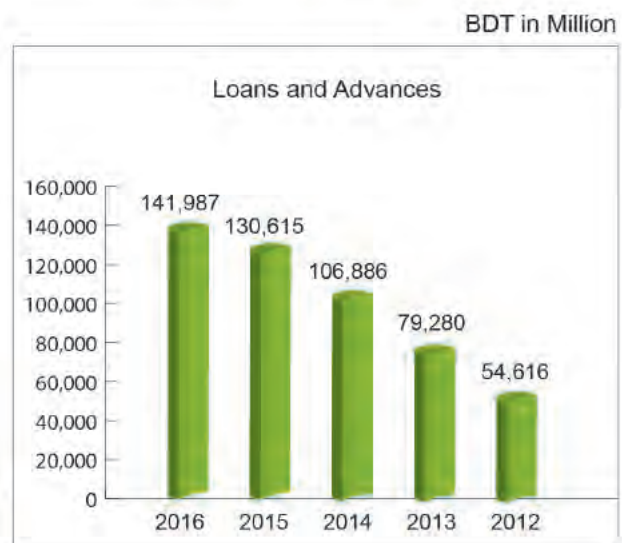
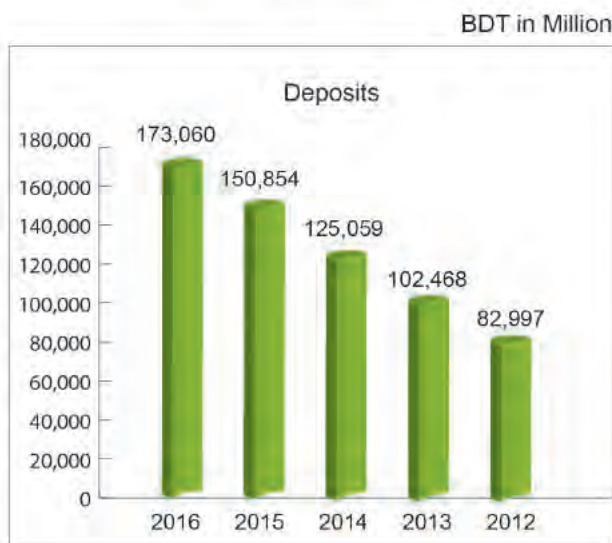
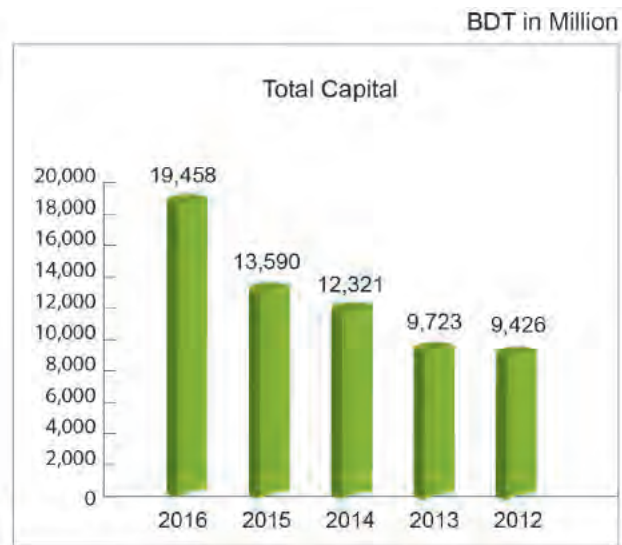
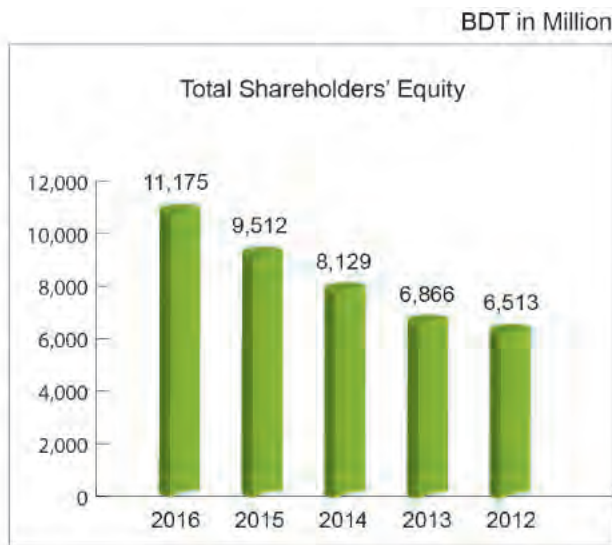
Registered Office & Head Office

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate

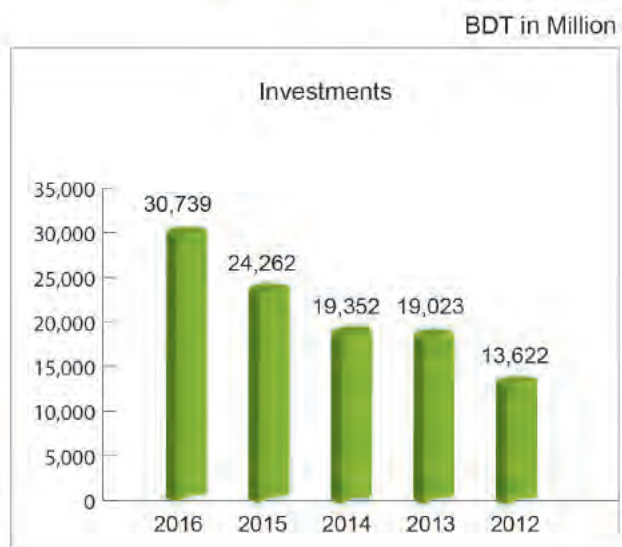
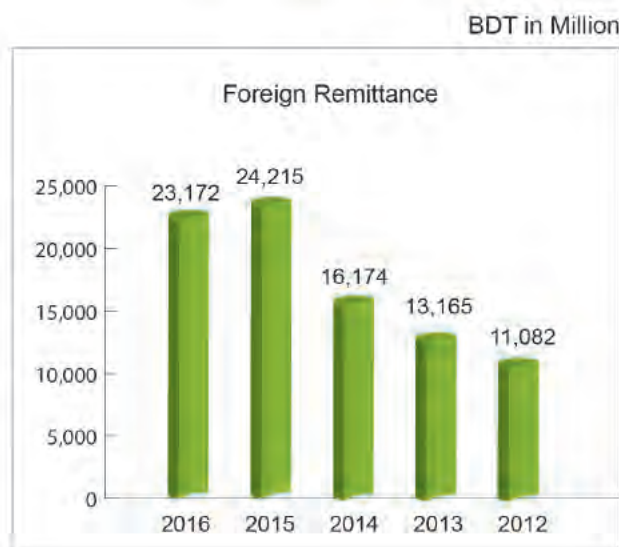
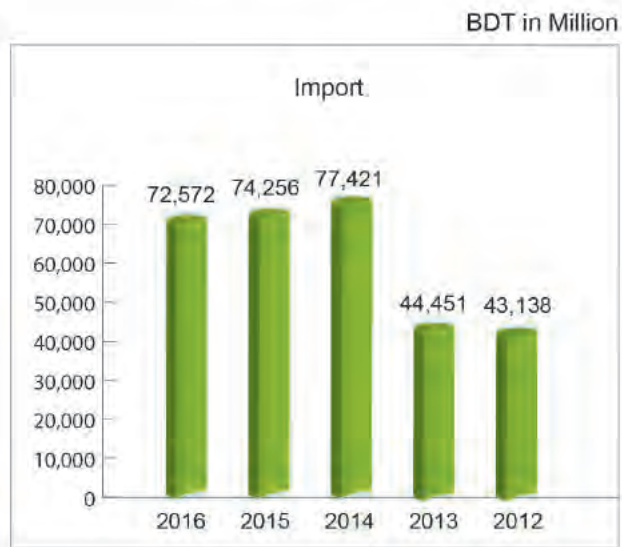
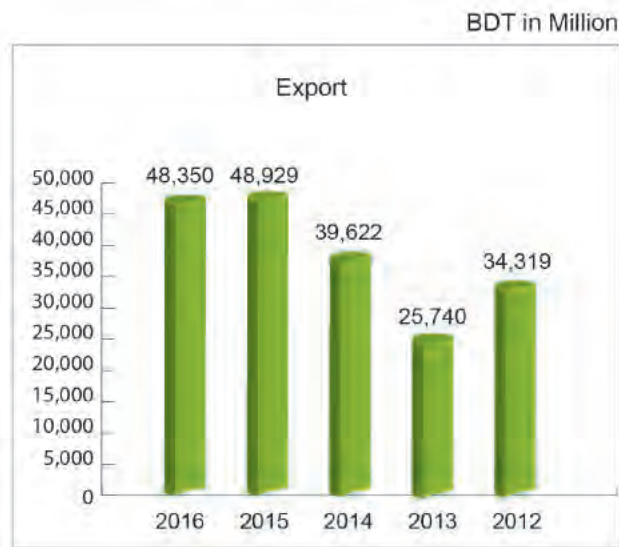
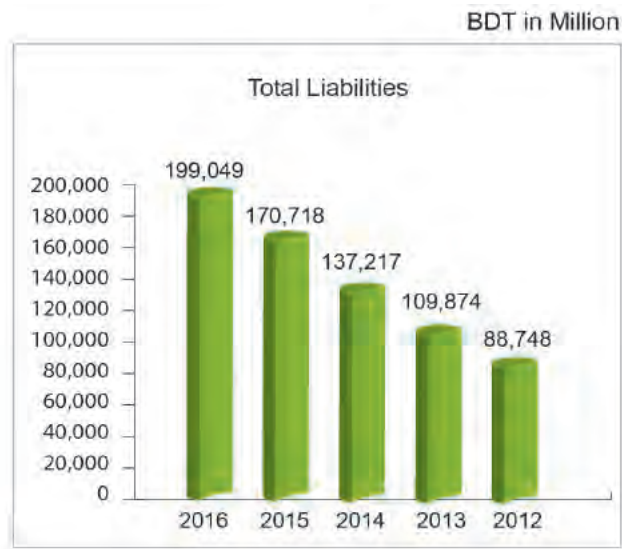
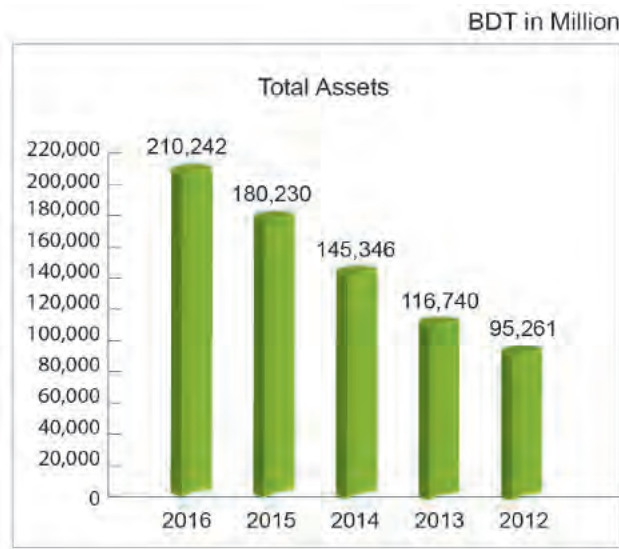
Dhaka Cantonment, Dhaka-1206



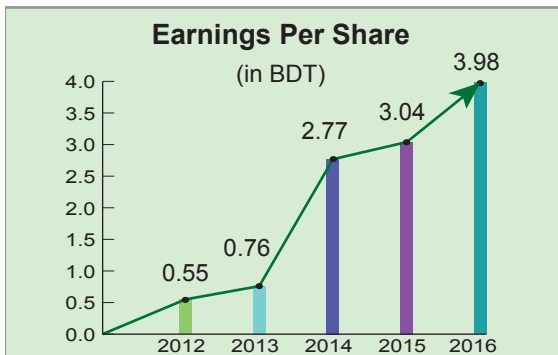
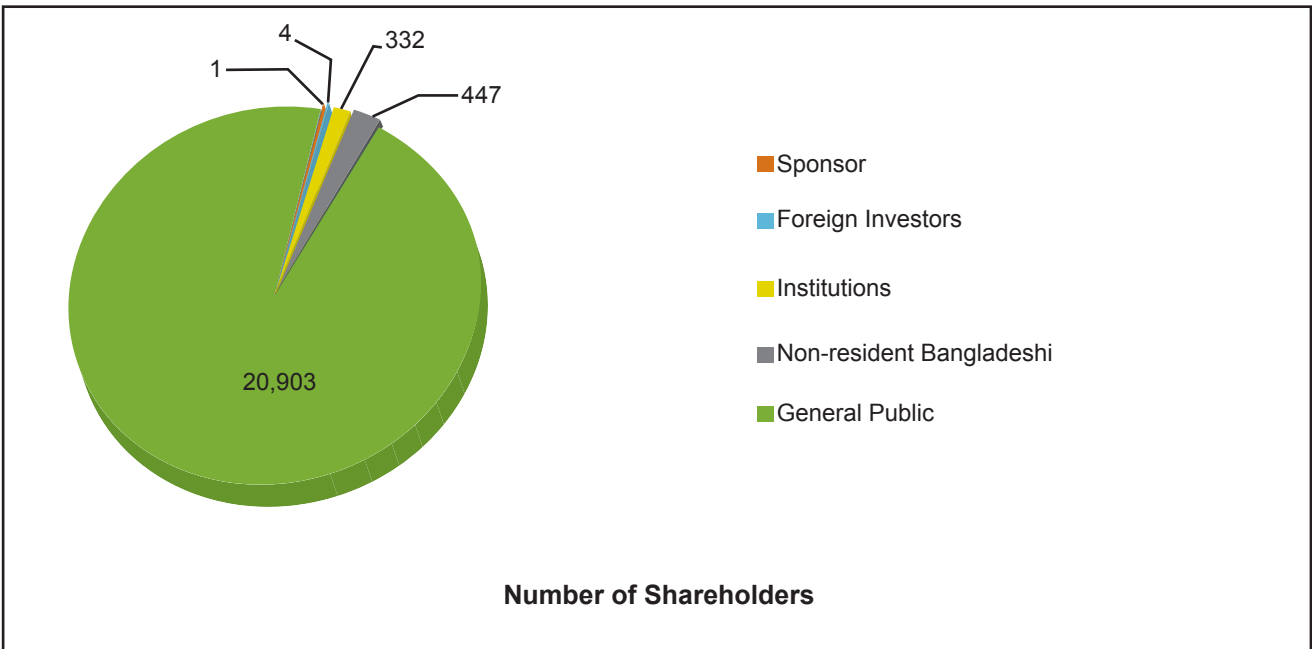
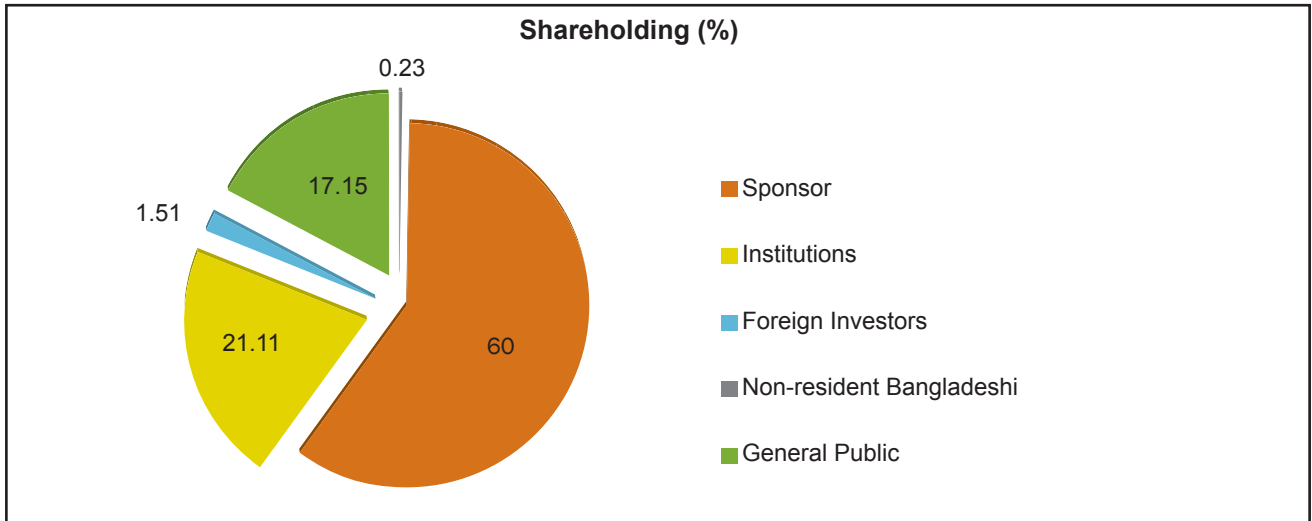
Performance at a Glance (Solo Basis)



Performance at a Glance (Solo Basis)



Investors' Information



Five Years Dividend History

Year	Cash Dividend (%)	Stock Dividend (%)	Total Percentage (%)
2015	7%	8%	15%
2014	5%	10%	15%
2013	-	12%	12%
2012	-	10%	10%
2011	10%	10%	20%



Board of Directors

Chairman

Gen Abu Belal Muhammad Shafiu Huq, SBP, ndc, psc

Vice Chairman

Maj Gen S M Matiur Rahman, afwc, psc

Directors

Mr. Ashrafuzzaman Khan

Brig Gen Md Jalal Ghani Khan, ndc, psc

Brig Gen Mohammad Omar Zahid, psc

Brig Gen Md Mohsin, SGP, ndc, psc

Brig Gen Md Main Ullah Chowdhury, awc, psc

Mr. Mohamed Naser Alam

Brig Gen Mohammad Sumon Reza, psc

Brig Gen Naquib Ahmed Chowdhury, BSP, ndc, psc

Mr. Shahedul Islam (not present in photograph)

Managing Director & CEO

Mr. Ishtiaque Ahmed Chowdhury

Biography of the Board of Directors



General Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc
Chief of Army Staff, Bangladesh Army
Chairman

General Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc was born on 01 December 1958 in Brahmanbaria, Bangladesh. The General joined Bangladesh Military Academy on 22 July 1977 and was commissioned on 18 June 1978 in the Corps of Armoured. He has taken over the Command of Bangladesh Army as Chief of Army Staff on 25 June 2015.

General Belal for his outstanding performance in the Military Academy, was adjudged as the best all round cadet of his batch and was awarded with “Sword of Honour”. General Belal obtained his Bachelor of Arts Degree from Dhaka University, Master Degree on “Defence Studies” from National University of Bangladesh and Masters in Philosophy from Bangladesh University of Professionals. Presently he is doing PhD on Regional Connectivity under the same university.

General Belal has attended several professional courses both at home and abroad. His foreign courses include Armoured Officers Basic Course in China, Armoured Officers Advance Course and Airborne Course in USA. He is a graduate of Defence Services Command and Staff College, Mirpur and Command and General Staff College, USA. He attended National Defence Course and Capstone Course at NDC, Bangladesh.

General Belal has a fine mix of all three types of appointments available in the Army i.e. Staff, Instructor and Command. He Commanded Two Armoured Battalions, Two Infantry Brigades, an Armoured Brigade and Two Infantry Divisions. As a staff he served as the ADC to the Hon’ble President of Bangladesh, Brigade Major of an Infantry Brigade and Colonel Staff of an Infantry Division.

He also served as Military Secretary, Adjutant General of Bangladesh Army and served as Principal Staff Officer in the Armed Forces Division. As an Instructor he served in Bangladesh Military Academy. The General also served as Directing Staff, Senior Instructor and Chief Instructor in Defence Services Command and Staff College, Mirpur. Besides, the General was Commandant of Defence Services Command and Staff College, Bangladesh Military Academy and Armoured Corps Centre & School. He had a tour of duty as Director General of Bangladesh Institute of International and Strategic Studies (BIISS).

General Belal was a member of the pioneer Group of Officers sent to UN Peace Keeping Mission from Bangladesh. He was an observer in UNIIMOG and Deputy Force Commander of UNMEE.

He is a widely travelled person and a keen golfer. He is happily married to Shoma Huq and the couple is blessed with a daughter and a son.

Besides his present responsibility, he is representing different concerns of Army Welfare Trust (AWT) as Chairman. General Belal was appointed as Chairman of Board of Directors of Trust Bank Limited on 25 June 2015.

Major General S M Matiur Rahman, afwc, psc
Adjutant General, Bangladesh Army
Vice Chairman



Major General S M Matiur Rahman, afwc, psc joined the Army Headquarters on 09 February 2016. He held the appointment of General Officer Commanding 55 Infantry Division & Area Commander, Jessore Area for about two and half years before his present posting as Adjutant General of Bangladesh Army. The General was commissioned in the Corps of Infantry in December 1985. As a pioneer member of Special Force and a well known Paratrooper of Bangladesh Army he attended a good number of professional training courses both at home and abroad. General Matiur in his early career attended Air Borne Course at Fort Benning, USA. He was one of the pioneer officers of Bangladesh Army to complete Jump Master Course and Free Fall Course from the School of Infantry and Tactics. He also attended and successfully completed Jungle Operation Course from Malaysia.

General Matiur graduated from Defence Services Command and Staff College and also from National Defence College. At the same time, he completed his Masters in Defence Studies (MDS) and Masters in War Studies (MWS) in 2000 and 2007 respectively from National University of Bangladesh. In his illustrious service career the General adorned various command and staff appointments at Battalion, Brigade and Division level. Besides, he served as an instructor in Bangladesh Military Academy and in the School of Infantry and Tactics for many years and contributed significantly in making and grooming the future leaders of Bangladesh Army.

General Matiur participated in United Nations Peace Keeping Mission in former Yugoslavia as a Military Observer in 1995-1996 when he was a Major. As Lieutenant Colonel, he commanded an Infantry Battalion and also the 1st Para Commando Battalion of Bangladesh Army. He then successfully commanded a Bangladeshi Military Contingent in Ivory Coast as part of United Nations Peace Keeping Operation in 2008-2009. Being a Colonel he held the appointment of Additional Director General of RAB Forces. Thereafter, as Brigadier General he commanded the prestigious 46 Independent Infantry Brigade located at Dhaka. He then joined the Directorate General of Forces Intelligence (DGFI) as Director, Counter Terrorism Intelligence Bureau (CTIB) to complete his diverse exposure.

Presently as Adjutant General of Bangladesh Army, he is the Chairman of Army Housing Scheme, Governing Body of Cadet Colleges, Trust Transport Services and Trust Technical Training Institute. Besides he is also the Chairman of Management Committee of Sena Kalyan Sangstha and the Vice Chairman of Army Welfare Trust and Sena Hotel Developments Limited.

General Matiur is happily married to Syeda Towhida Aziz and is a proud father of two children namely Minar (20) and Roza (13).



Mr. Ashrafuzzaman Khan

Independent Director

Mr. Ashrafuzzaman Khan has a very sound scholastic record. He passed out from Mirzapur Cadet College and studied Economics at University of Dhaka. He is a very prominent entrepreneur and success driven figure in business community with diversified business portfolio. At present he is the Managing Director of Executive Attire Limited.

Mr. Khan was a civil sponsor of Defence Services Command & Staff College, Mirpur and also served as Executive Committee member of that college. Mr. Khan is deeply engaged with different social work group. He is a permanent member of Dhaka Club Limited, Uttara Club Limited and Cadet College Club Limited. He has visited a good number of countries.

Mr. Ashrafuzzaman Khan was appointed as Independent Director of Trust Bank Limited on 23 February 2014.



Mr. Shahedul Islam

Independent Director

Mr. Shahedul Islam, born in 1953, is a Chartered Secretary from the Institute of Chartered Secretaries and Administrators, Melbourne, Australia. He is a prominent entrepreneur involved mainly in the industries.

He is the Managing Director of Bengal Pacific (Pvt.) Limited, a manufacturer and exporter of film plastic; Bengal Braided Rugs Limited, a manufacturer and exporter of jute goods and the Chairman of Promises Medical Limited, a center for de-addiction & depression.

Mr. Islam is the President of the Bangladesh Backward Linkage Association. He was the Member of the Board of Investment (BOI), President of the Bangladesh Chamber of Industries (BCI), Chairman of the Bangladesh Jute Goods Association (BJGA), President of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA) and Director of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI).

Mr. Islam was awarded CIP (Commercially Important Person) status several times by the Government of Bangladesh for his contribution in business sector.

Mr. Shahedul Islam has sound experience in the banking and financial sectors of Bangladesh. He was a Director of the Oriental Bank Limited and was the Managing Director of the Alliance Securities Limited (a stock brokerage house).

Brigadier General Md Jalal Ghani Khan, ndc, psc
Director



Brigadier General Md Jalal Ghani Khan, ndc, psc was born on 9 December 1966. He was commissioned from Bangladesh Military Academy in 1987 in the Bangladesh Infantry Regiment. He served in various Command, Staff and Instructional capacity. He commanded an Infantry Battalion and a Composite Brigade. He performed as a Staff Officer to an Infantry Division as well as to the National Defence College, Bangladesh. He was the Chief Instructor of Weapon Wing of the School of Infantry and Tactics located at Sylhet. He has undergone a number of courses both at home and abroad. His foreign courses include “Military and Peacekeeping Operation in Accordance with the Rule of Law” and “Advance Security Cooperation Course (ASC: 12-2)” in USA.

Brigadier General Jalal obtained his Bachelor of Science Degree from Chittagong University and Master in Defence Studies (MDS) from National University of Bangladesh. He is a graduate of Defence Services Command and Staff College and also an alumni of National Defence College, Dhaka. He also completed M Phil (Part: 1).

Brigadier General Jalal participated in UNIKOM in 1993 and UNMIS in 2007. He visited a number of countries like Iraq, Kuwait, KSA, UAE, Nepal, France, Sudan, Uganda, USA and India.

He is married and blessed with one son and three daughters. He leads a very peaceful family life.

Brigadier General Mohammad Omar Zahid, psc
Director



Brigadier General Mohammad Omar Zahid, psc was commissioned in the Corps of Signal on 26 June 1987. He holds Masters Degrees in Defence Studies and Business Administration.

He has attended several professional courses both at home and abroad. He is a graduate of Defence Services Command and Staff College (DSCSC), Bangladesh. He attended “Stabilization Stage” of Advance Command and Staff Courses at Defence Academy, UK.

Brigadier General Omar Zahid has a mix of command, staff and instructional exposure. He commanded a Signal Battalion and one of the “Protection Wings” of the Special Security Force (SSF). He was the Commandant, Army School of Education and Administration (ASEA).

As staff, he served the appointment of Deputy Director (Communication) of SSF. He also served as the Colonel Staff of an Infantry Division.

His instructional appointments include instructor at Signal Training Center and School (STCS), Platoon Commander and Term/Company Commander at Bangladesh Military Academy (BMA). He was also a Directing Staff at DSCSC.

Brigadier General Omar Zahid served the UN as Operation Officer and Senior Operations Officer at the UNGCI Headquarters in Iraq. He also served as the Sector Commander and Sector Senior Military Observer of “Multinational Sector West” of ONUCI in Ivory Coast.



Brigadier General Md Mohsin, SGP, ndc, psc
Director

Brigadier General Md Mohsin, SGP, ndc, psc was appointed at Army Headquarters as Director, Personnel Services and Provost Marshal in Adjutant General's Branch on 14 January 2016. He was born on 15 January 1967. He was commissioned in the Regiment of Artillery on 26 June 1987. He held different appointments at regimental level i.e. Adjutant, Quartermaster, Observer, Battery Commander, Second in Command of Battalion at Chittagong Hill Tracts in Counter Insurgency Operational area. He also commanded 32 Field Regiment Artillery, a newly raised unit with a challenging environment. As an Extra Regimental Appointment, he served in Special Security Force, Commanded Military Police Unit and Army Security Unit as Chief Security Coordinator of Chief of Army Staff's Security and as Chief Instructor in Training Regiment, Artillery Centre and School. He was the Sector Commander of Rajshahi Sector in Border Guard Bangladesh. He commanded 55 Artillery Brigade at Jessore. He attended number of courses both at home and abroad. Foreign course includes Dignitary Protection Course from Thailand obtaining the Best Shooter Award. He obtained Masters in Defence Studies from National University of Bangladesh. He is a graduate of Mirpur Defence Services Command and Staff College. He is also an alumni of National Defence College, Mirpur and obtained Masters in Strategy and Development Studies from Bangladesh University of Professionals. Brigadier General Mohsin was selected as a Defence Diplomacy Scholar by the United Kingdom Ministry of Defence and successfully completed “The Governance of National Security and Defence Course” from 22nd - 26th February 2015 and “The Strategic Leadership Programme” from 1st - 3rd March 2015 under Cranfield University, UK. He served in three UN missions in Sierra Leone as contingent member, Liberia as Chief Military Public Information Officer in Forces Headquarters and in Democratic Republic of Congo as Forces Provost Marshal in Forces Headquarters. He visited number of countries around the globe. Brigadier General Mohsin is a proud father of one daughter and one son, both are students. His wife, Mrs Elizabeth Mohsin is a house wife, who commits herself in upbringing and educating the children. Brigadier General Mohsin's hobby is mainly reading books, playing games & sports. He is also an occasional golfer.



Brigadier General Md Main Ullah Chowdhury, awc, psc
Director

Brigadier General Md Main Ullah Chowdhury, awc, psc began his military career having commissioned in the East Bengal Regiment of Bangladesh Army on 25 December 1987. Besides serving in various capacities at the battalion level in the early years, he commanded an Infantry Battalion both in plains and in the challenging situation of Chittagong Hill Tracts. At the staff level, he served as pioneer Grade 3 Staff Officer (Operation) during the raising process of an Infantry Division, as Brigade Major of an Infantry

Brigade and as Grade 1 Staff Officer (Joint Operations) at Prime Minister's Office, Armed Forces Division (AFD). He also held the appointments of Instructor at School of Infantry and Tactics, Platoon Commander and Company Commander at Bangladesh Military Academy as a team member of the makers of the leaders. He served as the first Operations Officer of 1st Para Commando Battalion of Bangladesh Army. He has the honour of commanding two Brigades i.e. an Armoured Brigade and an Infantry Brigade. He is a graduate of Defence Services Command and Staff College (DSCSC) at Mirpur, Dhaka and also has the distinction of graduating from United States of America's Army War College at Carlisle Barracks. He is awarded with Masters of Strategic Studies from USA and obtained his Masters of Defence Studies from National University of Bangladesh. As a valiant peacekeeper, he served in United Nations Mission in Sierra Leone and during the severe condition of very initial days of peace building in Liberia. In his long and illustrious professional career, he has successfully completed various training curriculum from Fort Benning of United States of America, Nepal, Philippines and attended innumerable seminars and workshops on Disaster Management, peace keeping and on security affairs both at home and abroad. He actively participated in OPERATION MORU PRANTOR, OPERATION DESERT SHIELD and DESERT STORM as a member of the contingent that formed the part of the international coalition forces to liberate Kuwait during Gulf War-I in 1990-1991. During his visit abroad, he touched almost all the continents of the world. In Army Headquarters, he served as the PS to the Chief of Army Staff and currently holding the post of Director Military Training. He is married to Dr. Kaniz Fatema Hussain, an MBBS graduate of Dhaka Medical College, Dhaka, who pursued her academic height to achieve Masters in Public Health with distinction. They are blessed with a son and a daughter. He himself is an athlete and a sports enthusiast, who now enjoys playing golf and takes a keen interest in reading and traveling.

Mr. Mohamed Naser Alam
Independent Director



Mr. Mohamed Naser Alam is an Advocate of the Supreme Court of Bangladesh since 1995 and a Barrister at the Bar of England and Wales since 1999. He is currently the Head of Chambers of MNA, Barristers & Advocates. He is an international arbitrator and mediator with specialisation in corporate commercial, cross-border complex mergers and acquisition, telecommunication, aviation, oil and gas, electricity, intellectual property, shipping, mediation, and international commercial and investment arbitration. He previously worked with Huq & Co, a prestigious Bangladeshi corporate law firm; the Permanent Court of Arbitration, The Hague; international arbitration group of Freshfields Bruckhaus Deringer in their Paris office; and taught and supervised distance learning students of LL.M in International Petroleum Law and Policy at the Centre for Energy, Petroleum and Mineral Law and Policy (CEPMLP) of University of Dundee, UK. He acted as consultant for International Finance Corporation (IFC) and Department for International Development (DFID). He is the National Commissioner of International Chamber of Commerce Bangladesh. He provided legal advice and assistance towards establishing the Bangladesh International Arbitration Centre. Mr. Naser holds Bachelor Degrees in Law from University of Dhaka and University of London; LL.M. from Queens' College, Cambridge and LL.M in Energy Law and Policy, Centre for Energy, Petroleum and Mineral Law and Policy from University of Dundee. He regularly speaks nationally and internationally on mediation, arbitration, legal rights and other socio-political issues.

He has special interests in disability rights, environmental issues, political economy and self-governance. He is currently the Chief Advisor of Physically Challenged Development Foundation (PDF), a charity working for the rights of physically challenged people. He is also an Advisor of Bangladesh Youth Environmental Initiative (BYEI) and Independent Director of Matin Spinning Mills Ltd.



Brigadier General Mohammad Sumon Reza, psc
Director

Brigadier General Mohammad Sumon Reza, psc was commissioned in Bangladesh Army on 22 December 1989. After commission, he was regimented in one of the most traditional and operational infantry units of Bangladesh Army— “The Senior Tigers”. He is a graduate of Defence Services Command & Staff College, Mirpur and actively participated in nation building activities, disaster management operations and counter insurgency operation in Chittagong Hill Tracts. He participated in Gulf War (Operation Moru Prantor) in Kingdom of Saudi Arabia in 1990. He has also participated in the United Nations Peace keeping assignments in Sierra Leon and East Timor. Brigadier General Sumon is currently serving as the Director, Internal Affairs Bureau at Headquarters, Directorate General of Forces Intelligence (DGFI). Throughout his career in Bangladesh Army, he served in various capacities of different dimensions. He was an instructor of Weapon Wing in the School of Infantry & Tactics (SI&T), General Staff Officer (Operations)-3 at Brigade Headquarters, Brigade Major at Brigade Headquarters, Commanding Officer of Division Support Battalion, General Staff Officer-1 at Army Headquarters, Colonel Staff at Bangladesh Military Academy and Colonel General Staff in DGFI Headquarters. He is married and proud father of a son and a daughter.



Brigadier General Naquib Ahmed Chowdhury, BSP, ndc, psc
Director

Brigadier General Naquib Ahmed Chowdhury, BSP, ndc, psc was born in Dhaka on 06 January 1968. He did his schooling from Dhanmondi Government Boys’ High School, Dhaka and Adamjee Cantonment College, Dhaka where he was groomed to join the Army since his early days. He was commissioned in the Infantry Regiment on 23 December 1988. In a span of 28 years with Bangladesh Army, he has held a variety of important command and staff appointments. Besides his regimental appointments as Quarter Master, Company Second in Command and Company Commander in three Infantry Battalions, he commanded 5 East Bengal. He served as Adjutant, Operation Officer of Military Police Unit, Staff/Protection officer of Special Security Force, Operation Officer of a Contingent which was deployed for UN Mission in Sierra Leon. He was Director, Special Security Force and commanded 69 Infantry Brigade involved in operational activities in Chittagong Hill Tracts. He attended number of courses both at home and abroad. He has obtained Masters on Defence Studies from National University of Bangladesh, M Phil (Part 1) from Bangladesh University of Professionals and Master of Business Administration (MBA) from a renowned private university in Dhaka. He is a graduate of Defence Services Command and Staff College and National Defence College, Dhaka. He has served under the umbrella of United Nation in Somalia, Sierra Leon, Liberia and Congo. He was the Force Provost Marshal in MONUSCO (Congo). During his official interactions and meetings, the officer has widely travelled to different countries across the globe. A traditional family man, who is married to Sujana Tarannum Chowdhury and has been bestowed with two sons and two daughters. Brigadier General Naquib’s hobby is traveling and reading books. He is a very keen sportsman with special interests in Golf.

Mr. Ishtiaque Ahmed Chowdhury
MD & CEO



Mr. Ishtiaque Ahmed Chowdhury was appointed as Managing Director & CEO of Trust Bank Limited on February 04, 2013. He was in current-charge of the office of the Managing Director & CEO from December 12, 2012 to February 03, 2013. Prior to assuming this office, he served the Bank as Deputy Managing Director since 2005.

After completing B.A.(Hons), M.A. in Political Science from University of Dhaka in 1976 he started his career with Rupali Bank Limited as Probationary Officer in 1977, He also studied LLB from University of Dhaka. Mr. Chowdhury gained grounded experiences in many field ranges from rural banking, SME banking, wholesale banking, client acquisition to roll out of loss incurring branches of the Bank into profitable ones within target time.

Mr. Chowdhury spent half of his career time from 1984 to 2002 in AB Bank Limited, first private commercial bank of the country. He headed major corporate branches of the Bank including Karwan Bazar, Uttara, and Motijheel. He also worked in Financial Control Department of the Bank for almost four years. He won the best manager award and appreciation for his outstanding performance at the Bank.

Over the last 39 years, Mr. Chowdhury's career evolved as a well-rounded banker with adequate exposure in Strategic Risk Management, Revenue Growth, Client Acquisition, and Operations Management.

Mr. Chowdhury participated in a good number of professional training courses, workshops, and seminars both at home and abroad such as Global Conference on 'FIPS DELHI 2013' in India, 'Value Creation in Banking and Strategic Management' in INSEAD France (Business School for the World), and 'Leadership Excellence' Training in Dhaka.

Mr. Chowdhury was born in Sylhet in 1953. He is married to Syeda Latifa Ishtiaque. Their only son, Chowdhury Ahmed Tausif Ishtiaque has graduated from Institute of Business Administration (IBA), University of Dhaka and completed his MBA program from INSEAD Singapore Campus on June 2015 now working at Boston Consulting Group in Malaysia, a well reputed global marketing research group.



Chairman's Message

Bismillahir Rahmanir Rahim

Dear Esteemed Shareholders

Assalamu Alaikum Warahmatullah

A very warm welcome to you all at the 18th Annual General Meeting of Trust Bank Limited (TBL). On behalf of the Board of Directors, it's my immense pleasure to present the abstract of qualitative and quantitative information of your Bank for the year 2016.

Bangladesh no longer is a bystander of the global economy. We have already established a brand image as an emerging economy with dynamic and potential manufacturing hub of future. Because of the economic potentials, the country attracted the global attention and created the opportunities of large investments in the sectors like energy and infrastructure including high-end manufacturing and service sectors. The core challenge of the country is to convert those opportunities into reality.

Bangladesh aspires to be a middle-income country by 2021 and all parameters are indicating that we are in right track. Macroeconomic stability, moderate inflation, satisfactory foreign exchange reserve and favorable balance of payments are the few positive indicators. The true strength of our country is the young work-force and the entrepreneurial strength of the nation. However, there are road blocks and challenges—we must bring investments both from public and private sectors as well as foreign and local to facilitate the employment and business. We need investments in human resources field to increase the number of skilled resources and productivity. We are living in a 'Global Village' and a congenial geo-political environment is also a must to achieve our desired national and individual goals. The compliance of global standards is also a major challenge of correspondent banking relationship for the local banks which asks for huge investment in IT infrastructure. Your bank is well aware of the situation and formulating strategies accordingly.

Dear Shareholders

It's my pleasure to inform that 2016 has been a year of excellence for the Bank and exceeded all previous landmarks of performance since its inception. It is also a matter of satisfaction that your Bank has extended its hand to all major economic sectors of the country viz; RMG and Textile, Cement and Construction, Import, Export and Trading sectors through conventional and Islamic mode under Corporate, SME and Retail Banking operations. In line with the declared vision of the Bank, Trust Bank has not limited its exposure in short term trade finances only but also to long term project finances involving manufacturing industries along with educational entities. Detailed operating and financial results of 2016 is included in the Directors' Report for your kind consideration.

While doing business, we are committed to remain compliant to regulators with particular reference to Anti-money Laundering (AML) and Combating Financing of Terrorism (CFT) regimes of national and international regulations. Similarly, TBL gives highest value on integrity, accountability and responsibility to all stakeholders.

At the eve, I acknowledge and appreciate the support and goodwill of the shareholders of the Bank that made our journey in the year 2016 successful.

Before concluding, I on behalf of my colleagues in the Board of Directors like to acknowledge and convey our gratitude to the Government agencies, Bangladesh Bank, Bangladesh Securities and Exchange Commission and other regulatory authorities, various financial institutions, banks and correspondents for their continued support and guidance and to all our clients and investors for their confidence and journey with us.

I also like to thank all of my colleagues in the Board of Directors, the Management along with entire dedicated team of the Bank.

Thank you.



Gen Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc
Chairman

চেয়ারম্যান মহোদয়ের বাণী

বিসমিল্লাহির রাহমানির রাহীম

শ্রদ্ধেয় শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রহমাতুল্লাহ

ট্রাস্ট ব্যাংক লিমিটেড এর ১৮তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে স্বাগত জানাচ্ছি। পরিচালনা পর্ষদের পক্ষ থেকে ব্যাংকের ২০১৬ সালের বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করতে পেরে আমি অত্যন্ত আনন্দিত।

বিশ্ব অর্থনৈতিক মানচিত্রে বাংলাদেশ এখন আর শুধুমাত্র দর্শক নয়। উদীয়মান অর্থনীতি হিসেবে আমরা নিজেদের প্রতিষ্ঠিত করতে সক্ষম হয়েছি এবং অদূর ভবিষ্যতে বাংলাদেশ হতে পারে উৎপাদনমুখী শিল্পের বৈশ্বিক কেন্দ্রবিন্দু। আমাদের অপার অর্থনৈতিক উন্নয়ন সম্ভাবনা বৈদেশিক দৃষ্টি আকৃষ্ট করতে সক্ষম হয়েছে, যার দরুন দেশে জ্বালানী, ভৌত অবকাঠামো, উচ্চ প্রযুক্তিসম্পন্ন উৎপাদনখাত ও সেবাখাতে বৈদেশিক বিনিয়োগের সুযোগ তৈরী হয়েছে। সম্ভাবনাকে বাস্তবায়ন করাই এখন মূল চ্যালেঞ্জ।

সামষ্টিক অর্থনৈতিক স্থিতিশীলতা, সহনীয় মুদ্রাস্ফীতি, সন্তোষজনক বৈদেশিক মুদ্রার মজুদ, অনুকূল ব্যালেন্স অব পেমেণ্ট ও অন্যান্য উন্নয়নসূচক বিশ্লেষণ করে এটা বলা যায়- ২০২১ সালের মাঝে মধ্যম আয়ের দেশে পরিণত হওয়ার লক্ষ্যে বাংলাদেশ সঠিক পথে অগ্রসর হচ্ছে। আমাদের দেশের মূল চালিকা শক্তি হলো তরুণ মানব সম্পদ ও তাদের ব্যবসায়িক উদ্যোগ গ্রহণের আগ্রহ ও ক্ষমতা। বাধা বিপত্তি ও প্রতিযোগিতা থাকা সত্ত্বেও আমাদের নতুন কর্মক্ষেত্র ও ব্যবসা বাণিজ্য বৃদ্ধির জন্য সরকারি ও বেসরকারি খাতে স্থানীয় ও বৈদেশিক বিনিয়োগ বৃদ্ধি করতে হবে। বিনিয়োগ বাড়াতে হবে সুদক্ষ মানব সম্পদ ও উৎপাদনশীলতা বৃদ্ধির জন্য। বর্তমানে আমরা বাস করছি একটি বৈশ্বিক গ্রামে। আর তাই ব্যক্তিগত ও রাষ্ট্রীয় লক্ষ্য অর্জনে বন্ধুত্ব ও সৌহার্দ্যপূর্ণ ভূরাজনৈতিক পরিবেশ ও যোগাযোগ ব্যবস্থা নিশ্চিত করতে হবে। তবে, তথ্য প্রযুক্তির অবকাঠামো উন্নয়নে পর্যাপ্ত পরিমাণ বিনিয়োগ ব্যতীত আন্তর্জাতিক মান বজায় রেখে করসপন্ডিং ব্যাংকিং পরিচালনা করা স্থানীয় ব্যাংকগুলোর জন্য কঠিন চ্যালেঞ্জ। আপনাদের ব্যাংক আগামী এই বহুমাত্রিক চ্যালেঞ্জ সম্পর্কে সতর্ক থেকেই সকল ব্যবসায়িক পরিকল্পনা ও প্রস্তুতি গ্রহণ করেছে।

প্রিয় শেয়ারহোল্ডারবৃন্দ

আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, আপনাদের ব্যাংক ২০১৬ সালে অতীত সাফল্যের সকল মাইলফলক অতিক্রম করেছে। আপনাদের ব্যাংক প্রচলিত ও ইসলামি ব্যাংকিং পদ্ধতিতে প্রাতিষ্ঠানিক, ক্ষুদ্র ও মাঝারি শিল্প এবং রিটেইল ব্যাংকিং এর মাধ্যমে তৈরি পোশাক শিল্প, বস্ত্র, সিমেন্ট ও নির্মাণ শিল্প, আমদানি, রপ্তানি, খুচরা ব্যবসায়িকখাত সহ দেশের প্রায় সকল গুরুত্বপূর্ণ খাতে অর্থায়ন করে যাচ্ছে। শুধুমাত্র স্বল্পমেয়াদী বিনিয়োগে ট্রাস্ট ব্যাংক সীমাবদ্ধ না থেকে শিল্প ও শিক্ষাখাতে প্রকল্প ভিত্তিক দীর্ঘমেয়াদী অর্থায়ন করে যাচ্ছে। এ প্রেক্ষিতে ২০১৬ সালের ব্যাংকের পরিচালনা ও আর্থিক ফলাফল আপনাদের বিবেচনার জন্য বিশদভাবে পরিচালনা পর্ষদের প্রতিবেদনে বর্ণনা করা হয়েছে।

আমরা সকল জাতীয় ও আন্তর্জাতিক আইনের প্রতি শ্রদ্ধাশীল থেকেই আমাদের ব্যবসায়িক কার্যক্রম পরিচালনা করতে বদ্ধপরিকর। ট্রাস্ট ব্যাংক সবসময়ই স্টেকহোল্ডারদের কাছে সততা, জবাবদিহিতা ও দায়িত্বশীলতার প্রতি সর্বোচ্চ গুরুত্ব আরোপ করে আসছে।

আমি কৃতজ্ঞতা এবং সাধুবাদ জানাচ্ছি সকল শেয়ারহোল্ডারদের, যাদের সুনাম ও সহায়তায় ২০১৬ সালে ব্যাংকের যাত্রা সফল ও সার্থক হয়েছে।

অব্যাহত সমর্থন এবং দিক নির্দেশনার জন্য সরকারি প্রতিষ্ঠান সমূহ, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন, অন্যান্য নিয়ন্ত্রক সংস্থা, আর্থিক সংস্থা এবং তাদের প্রতিনিধিদের প্রতি পরিচালনা পর্ষদের পক্ষ থেকে আমি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। আমি আন্তরিক ধন্যবাদ জ্ঞাপন করছি আমাদের সকল পর্যায়ের গ্রাহক ও বিনিয়োগকারীদের আমাদের উপর তাদের অবিচল আস্থা ও বিশ্বাসের জন্য।

পরিশেষে, আমি পরিচালনা পর্ষদের আমার প্রিয় সহকর্মীবৃন্দ, ব্যবস্থাপনা কর্তৃপক্ষ এবং ব্যাংকের সকল কর্মকর্তা-কর্মচারীদের প্রতি আন্তরিক ধন্যবাদ জানাচ্ছি।

শুভেচ্ছান্তে,

জেনারেল আবু বেলাল মোহাম্মদ শফিউল হক, এসবিপি, এনডিসি, পিএসসি
চেয়ারম্যান

বিঃ দ্রঃ চেয়ারম্যান মহোদয়ের ইংরেজি ও বাংলা বাণীর ক্ষেত্রে কোন বিষয়ে মতদ্বৈততা দেখা দিলে ইংরেজি বাণীই সঠিক বলে বিবেচিত হবে।

MD & CEO's Message



Bismillahir Rahmanir Rahim

Dear Respected Shareholders

Assalamu Alaikum Warahmatullah

This is a great pleasure for me to present a round-up of financial and operating performance of your Bank for the year 2016.

With the conclusion of year 2016, TBL has stepped into 18th year of operation and in the process TBL is endeavoring to provide sustainable benefits by creating long lasting value for shareholders.

We give utmost importance to key issues such as- a functional board and independence of management, function of board sub-committees, fair financial reporting, disclosure, compliance and maintaining consistency in shareholders' value enhancement.

Bangladesh's economy experienced a moderated inflation, large stock of food grain during the year 2016, favorable weather, supportive monetary policy and general global economic behavior. Agricultural production had been healthy, export though was little sluggish but diversification in product was achieved with a milestone in harnessing bright growth prospect for jute and allied products.

Private sector credit grew little below than target owing to which banking sector was comfortable with adequate deposit base. Industry NPL rose year on year basis and for all the banks including TBL- containment of NPL had been a big challenge. NPL at TBL stood at 3.21% at year end 2016 which in a comparative situation may look better but there is no room for complacency. TBL is seriously striving towards reducing NPL further and for a focused action, a dedicated recovery unit has been set up at Head Office.

Strategy and Performance

We tried to enhance our lending volume to diversified business, have strengthened lending efforts to SME, Retail and Agriculture Sectors. Like previous years, we have tried to maintain a robust liquidity, acquire retail deposits, make cautious lending and make necessary review of existing portfolio. We made significant achievements in terms of growth of profits, loans and advances, deposits, branches, capacity building, risk management, financial inclusion and improvement in quality of our portfolio.

The year was turned out to be year of better performance for Trust Bank Limited. We crossed milestone of operating profit of BDT 4,500.00 million for the first time in the life of Trust Bank Limited.

All of these have been possible through the able guidance of honorable Chairman, respected members of the Board of Directors and support from Shareholders, Depositors, Customers and Regulators. Your Bank maintained a comfortable liquidity, growth in deposits, loans and advances, and network expansions. We ensured prudent lending, mobilized deposits from retail investors, diversified loans to SMEs and other good credit-worthy enterprises and deliberately kept foreign exchange exposure at a manageable level.

Consolidated Operating Result

Total deposits stood at BDT 172,738 million in 2016 from BDT 150,902 million in 2015, registering a growth of 14.47 percent. Loans and advances stood at BDT 144,438 million in 2016 from BDT 133,654 million at the end of 2015, posting a growth of 8.07 percent compared to last year. Our Advance-Deposit ratio decreased to 82.05 percent from 86.58 percent in 2015. Interest income decreased to BDT 13,229 million from BDT 13,997 million in preceding year, which registered interest income decreased by 5.49 percent. On the other hand, interest expenses decreased to BDT 8,735 million from BDT 10,077 million in preceding year, which registered interest expense decreased by 13.32 percent. Resulting of which Bank earned net interest income of BDT 4,494 million in the year 2016 from BDT 3,920 million in 2015 with a stable growth of 14.64 percent.

The Bank earned consolidated operating profit of BDT 4,619 million which is 11.22 percent up from BDT 4,153 million in 2015. However, our net income after tax stood at BDT 2,016 million from BDT 1,541 million in 2015, posting a growth of 30.85 percent. Earnings per share stood at BDT 3.98 from BDT 3.04 in 2015.

Robust Results in Core Banking

The Bank earned total operating income of BDT 8,237 million in 2016 compared to BDT 7,529 million recording a growth of 9.40 percent over last year. We earned BDT 4,452 million as operating profit which was BDT 3,901 million in 2015. Our operating profit from core banking grew by 14.13 percent compared to the year 2015. On the other hand, the percentage of non-performing loans stood at 3.21 percent as at 31 December 2016 which was less than the industry average. This indicates that loans asset quality remained strong in spite of recording robust growth in loans portfolio. This also implies that to enhance our loans and advances, we did not compromise regarding quality and risk mitigating activities. Preceding facts and figures signify that our performance in core banking activities deserve a big hand.

Continued Growth in Islamic Banking

Our Islamic banking activities are growing in a tandem with conventional banking. Deposits under Islamic Banking recorded a growth of 11.41 percent and stood at BDT 13,798 million from BDT 12,385 million in 2015. Investments under Islami Banking stood at BDT 11,832 million in 2016 from BDT 9,181 million in 2015 registering growth of 28.87 percent. During 2016, Islamic Banking wing earned operating profit of BDT 471 million from BDT 360 million in 2015 with a sound growth of 31.02 percent.

Capital Adequacy and Solvency

Total consolidated regulatory capital stood at BDT 19,798 million in 2016 as against BDT 13,922 million in 2015. Capital adequacy ratio (consolidated) is maintained at 14.62 percent of total risk weighted assets against minimum regulatory requirement of 10 percent under Basel III Accord. Bank also declared stock dividend in addition to cash dividend to retain capital adequacy proportionate to business growth.

Other Major Achievements

TBL has aimed at its core to be a Bank for financial inclusion and in this connection, we opened 01 new branch in 2016 extending network to 108 branches including 6 SME/Agri branches. We opened 16 ATMs and the number of ATMs stood 187 at end of the year 2016. The Bank is also offering services through t-Lobby and there were 10 t-Lobbies at the end of 2016. The Bank is offering full-fledged mobile banking through service name and style of 'Trust Mobile Money' through thousands of outlets across the country.

Commitments for 2017

Our operating vision is to achieve long term sustainable growth. In line with that we have put more emphasis on liquidity management and long term solvency through keeping our advance deposit ratio within standard range. Moreover, analysis of operating results of 2016 revealed that all profitability measures scaled up significantly. Now we have to stabilize it.

The Bank is reducing dependency on large ticket deposits and trying to get retail deposits through diversified products and services under retail banking. In case of financing, we are focused on providing credits to SME, productive corporate and to those companies which have lower risk. We will remain focused on retail banking for deposits mobilization and SMEs, rural financing, and micro financing for diversified investment, besides our core corporate and middle market business. We are also trying to further expand our Islamic Banking services and investments under Islamic Banking through centralized operations. This will further enhance our loans and advances in the coming years.

The Bank is going to add new branches, ATMs and t-Lobbies around the country in 2017 to gradually build required network for financial inclusion. We are committed as ever to enhance our service quality and foster to lasting relationship with our clients.

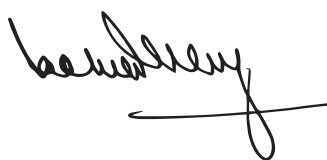
Thanks and Gratitude

Trust Bank's growth has been propelled by adopting suitable strategy and a can do attitude underpinned by good governance. I take this opportunity to thank the Chairman and the Board of Directors for their strategic input and wise counsel which has been invaluable in steering the Bank to success. On the occasion of the 18th Annual General Meeting, I would like to extend my heartfelt thanks to the respected shareholders.

I am deeply grateful to all our customers, investors and other stakeholders who have continuously placed their sensible trust on us.

I would conclude by expressing my special thanks and wholehearted gratitude to regulatory authorities for their continuous support and my beloved colleagues of Trust Bank Limited.

With best regards,



Ishtiaque Ahmed Chowdhury
MD & CEO

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বিসমিল্লাহির রাহমানির রাহীম

শ্রদ্ধেয় শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রহমাতুল্লাহ

আপনাদের ব্যাংকের ২০১৬ সালের আর্থিক ও পরিচালন সাফল্যের চিত্র তুলে ধরতে পেরে আমি নিজেকে ভাগ্যবান মনে করছি।

২০১৬ সাল শেষে ট্রাষ্ট ব্যাংক লিমিটেড তার ব্যাংকিং কার্যক্রমের ১৮তম বছরে পদার্পণ করেছে। এই পথ চলায় আমাদের প্রচেষ্টা ছিল শেয়ারহোল্ডারদের জন্য গুণগত ও টেকসই মান সম্পন্ন দীর্ঘমেয়াদী সম্পদ সৃষ্টি, বৃদ্ধি ও তার সংরক্ষণের উপর। এ ক্ষেত্রে আমরা সবসময় গুরুত্ব দিয়ে এসেছি পরিচালনা পর্ষদের বিচক্ষণতা, ব্যবস্থাপনা কর্তৃপক্ষের স্বাধীনতা, পর্ষদ কমিটিগুলোর তৎপরতা, স্বচ্ছ আর্থিক প্রতিবেদন তৈরী এবং আইনের যথাযথ প্রতিপালনের প্রতি।

সহনীয় মুদ্রাস্ফীতি, পর্যাপ্ত পরিমাণ খাদ্য শস্যের মজুদ, অনুকূল আবহাওয়া, সহায়ক মুদ্রানীতি, বিশ্ব অর্থনীতি স্থিতিবদ্ধার দরুন ২০১৬ সাল ছিল বাংলাদেশের অর্থনীতির জন্য বেশ অনুকূল। ২০১৬ সালে কৃষিজাত পণ্যের উৎপাদন ছিল বেশ সম্ভোষজনক, যদিও রপ্তানির গতি প্রকৃতি ছিল কিছুটা স্থবির। তবে, পাট ও পাটজাত পণ্যের বৈচিত্র্যকরণের যাত্রা অব্যাহত থাকলে ভবিষ্যতে রপ্তানির পরিমাণ বৃদ্ধি পাবে বলে আশা করা যায়।

আলোচ্য বছরে বেসরকারি খাতে ঋণ বিতরণের পরিমাণ লক্ষ্যমাত্রার চেয়ে কম ছিল যদিও আমানতের পরিমাণ ছিল বেশ পর্যাপ্ত। তবে ব্যাংকিংখাতে ট্রাষ্ট ব্যাংকসহ সকল ব্যাংকের শ্রেণীকৃত ঋণের পরিমাণ বৃদ্ধি পাচ্ছে যা নিয়ন্ত্রণে রাখা সবার জন্য চ্যালেঞ্জ হয়ে দাঁড়িয়েছে। ২০১৬ ট্রাষ্ট ব্যাংকের শ্রেণীকৃত ঋণের পরিমাণ ছিল ৩.২১% যা ব্যাংকিং খাতের গড় হারের চেয়ে তুলনামূলকভাবে অনেক কম হলেও সম্ভ্রষ্ট থাকার কোন সুযোগ নেই। তাই আমরা নিরলসভাবে শ্রেণীকৃত ঋণের পরিমাণ কমিয়ে আনার চেষ্টা করে যাচ্ছি। এই লক্ষ্যে ব্যাংকের প্রধান কার্যালয়ে একটি বিশেষায়িত রিকভারি টিম গঠন করা হয়েছে।

ব্যবসায়িক কৌশল ও সাফল্য

আমাদের ঋণ ও অগ্রিম প্রদানের কর্মসূচীকে বিভিন্ন খাত ও শিল্পে বহুমুখীকরণের মাধ্যমে মোট ঋণ ও অগ্রিম বৃদ্ধির কার্যকর প্রচেষ্টা অব্যাহত ছিল। কার্যকর পদক্ষেপ হিসেবে মাঝারি ও ক্ষুদ্র শিল্প, কৃষি ও রিটেইল ব্যাংকিং এ আমরা বিশেষ গুরুত্ব প্রদান করেছি। এর ফসল হিসেবে ২০১৬ সাল ট্রাষ্ট ব্যাংকের একটি অন্যতম সফল বছর ছিল। ট্রাষ্ট ব্যাংকের ইতিহাসে প্রথমবারের মত আমরা ব্যাংকের পরিচালন মুনাফা ৪৫০০ মিলিয়ন টাকার মাইলফলক অতিক্রম করেছি। ব্যাংকের এ উজ্জ্বল সাফল্যের মূলে রয়েছে ব্যাংকের মাননীয় চেয়ারম্যান ও পরিচালনা পর্ষদের সম্মানিত সদস্যদের দিকনির্দেশনা, এবং সর্বোপরি শেয়ারহোল্ডার, আমানতকারী, গ্রাহকবৃন্দ ও নিয়ন্ত্রণকারী সংস্থার যথাযথ সহযোগিতা।

পরিচালন সাফল্য

২০১৬ সালে ব্যাংকের আমানত ২০১৫ সালের ১৫০,৯০২ মিলিয়ন টাকা থেকে ১৪.৪৭ শতাংশ বৃদ্ধি পেয়ে ১৭২,৭৩৮ মিলিয়ন টাকায় উন্নীত হয়। ব্যাংকের মোট ঋণ ও অগ্রিম ২০১৫ সাল শেষে ১৩৩,৬৫৪ মিলিয়ন টাকা থেকে ৮.০৭ শতাংশ হারে বৃদ্ধি পেয়ে ২০১৬ সাল শেষে ১৪৪,৪৩৮ মিলিয়ন টাকায় উন্নীত হয়। আমাদের ঋণ আমানত-হার গত বছর শেষে ৮৬.৫৮ শতাংশ থেকে কিছুটা হ্রাস পেয়ে ৮২.০৫ শতাংশে দাঁড়ায়। আমাদের সুদ আয়ের পরিমাণ গত বছরের ১৩,৯৯৭ মিলিয়ন টাকা থেকে হ্রাস পেয়ে ১৩,২২৯ মিলিয়ন টাকায় দাঁড়ায় যা গত বছরের ব্যাংক সুদ থেকে আয়ের ৫.৪৯ শতাংশ কম। অন্যদিকে, আমাদের সুদ বাবদ ব্যয়ের পরিমাণ ২০১৫ সাল শেষের ১০,০৭৭ মিলিয়ন টাকা থেকে ১৩.৩২ শতাংশ হ্রাস পেয়ে ৮,৭৩৫ মিলিয়ন টাকায় দাঁড়ায়, যার ফলে ব্যাংকের নীট সুদ আয় গত বছরের ৩,৯২০ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ৪,৪৯৪ মিলিয়ন টাকায় দাঁড়ায়, যা পূর্ববর্তী বছরের তুলনায় ১৪.৬৪ শতাংশ বেশী। ব্যাংক আলোচ্য বছরে পরিচালন মুনাফা করেছে ৪,৬১৯ মিলিয়ন টাকা যা গত বছরের ৪,১৫৩ মিলিয়ন টাকার চেয়ে প্রায় ১১.২২ শতাংশ বেশী। আমাদের কর পরবর্তী মুনাফা হয় ২,০১৬ মিলিয়ন টাকা, যা গত বছরের ১,৫৪১ মিলিয়ন টাকা হতে ৩০.৮৫ শতাংশ বেশী। ফলশ্রুতিতে বছর শেষে শেয়ার প্রতি আয় ২০১৫ সালের ৩.০৪ হতে বৃদ্ধি পেয়ে দাঁড়ায় ৩.৯৮ টাকা।

মূল ব্যাংকিং-এ সাফল্য

ব্যাংকের মৌলিক ব্যাংকিং পরিচালনা আয় গত বছরের ৭,৫২৯ মিলিয়ন টাকা থেকে ৯.৪০ শতাংশ হারে বৃদ্ধি পেয়ে ২০১৬ সালে ৮,২৩৭ মিলিয়ন টাকায় দাঁড়ায়। পরিচালন মুনাফা হয় ৪,৪৫২ মিলিয়ন টাকা যা ২০১৫ সালে ছিল মাত্র ৩,৯০১ মিলিয়ন টাকা। ট্রাষ্ট ব্যাংকের পরিচালন মুনাফায় সামষ্টিক প্রবৃদ্ধির হার ২০১৫ তুলনায় ১৪.১৩ শতাংশ বেশি। অন্যদিকে ব্যাংকের শ্রেণীকৃত ঋণের হার ৩১ ডিসেম্বর ২০১৬ সাল অনুযায়ী ৩.২১ শতাংশে দাঁড়ায় যা ব্যাংকিং খাতের শ্রেণীকৃত ঋণের গড় থেকে কম। তাই আমরা বলতে পারি ঋণ ও অগ্রিম বাড়তে গিয়ে ব্যাংক ঋণের ও অগ্রিমের গুণগত মানে ছাড় দেয়নি। উপরোক্ত তথ্য থেকে আমরা বলতে পারি যে আমাদের মৌলিক ব্যাংকিং এর সার্বিক সাফল্য প্রশংসার দাবী রাখে।

ইসলামী ব্যাংকিং-এ অব্যাহত সাফল্য

কনভেনশনাল ব্যাংকিং এর পাশাপাশি আমাদের ইসলামী ব্যাংকিং কার্যক্রমে আমরা প্রশংসনীয় প্রবৃদ্ধি অর্জন করেছি। ইসলামী ব্যাংকিং এর আওতায় আমানত ২০১৫ সাল শেষে ১২,৩৮৫ মিলিয়ন টাকা থেকে ১১.৪১ শতাংশ বৃদ্ধি পেয়ে ২০১৬ সাল শেষে ১৩,৭৯৮ মিলিয়ন টাকায় উন্নীত হয়।

অন্যদিকে মোট বিনিয়োগ ২০১৫ সাল শেষে ৯,১৮১ মিলিয়ন টাকা থেকে ২৮.৮৭ শতাংশ হারে বৃদ্ধি পেয়ে ২০১৬ সাল শেষে ১১,৮৩২ মিলিয়ন টাকায় উন্নীত হয়। ইসলামী ব্যাংকিং এর আওতায় পরিচালন মুনাফার পরিমাণ ২০১৫ সালের ৩৬০ মিলিয়ন টাকা হতে ৩১.০২ শতাংশ বৃদ্ধি পেয়ে ২০১৬ সালে ৪৭১ মিলিয়ন টাকায় উন্নীত হয়।

মূলধন পর্যাণ্ডতা

২০১৬ সালে ব্যাংকের একীভূত বিধিবদ্ধ মূলধনের পরিমাণ দাঁড়ায় ১৯,৭৯৮ মিলিয়ন টাকা যা গত বছর শেষে ছিল ১৩,৯২২ মিলিয়ন টাকা। অর্থাৎ ব্যাসেল-৩ বিধি মোতাবেক ন্যূনতম ১০ শতাংশের বিপরীতে ব্যাংক ১৪.৬২ শতাংশ হারে মূলধন সংরক্ষণ করতে সক্ষম হয়। এ নিরিখে ব্যবসা বৃদ্ধির সাথে সাথে ব্যাংকের মূলধন পর্যাণ্ডতা বজায় রাখার জন্য আলোচ্য বছরে ব্যাংক নগদ লভ্যাংশের পাশাপাশি শেয়ার লভ্যাংশ ঘোষণা করে।

অন্যান্য অর্জন

অন্তর্ভুক্তিমূলক ব্যাংকিং এর সম্প্রসারণের লক্ষ্যে ২০১৬ সালে ব্যাংক ০১টি নতুন শাখা চালু করে। ২০১৬ সাল শেষে ব্যাংকের মোট শাখার সংখ্যা দাঁড়ায় ১০৮ টিতে যার মধ্যে ৬ টি এসএমই/কৃষি শাখা। ব্যাংক ১৬ টি নতুন এটিএম বুথ স্থাপন করেছে, ফলে বছর শেষে ব্যাংকের এটিএম বুথের সংখ্যা দাঁড়ায় ১৮৭ টিতে। এ ছাড়াও ব্যাংক ১০ টি 'টি-লবি' র মাধ্যমে ব্যাংকিং সেবা দিয়ে যাচ্ছে এবং পর্যাণ্ড সংখ্যক পে-পয়েন্ট এর মাধ্যমে দেশব্যাপী পূর্ণাঙ্গ মোবাইল ব্যাংকিং সেবা প্রদান অব্যাহত রেখেছে।

ভবিষ্যৎ পরিকল্পনাসমূহ

ট্রাস্ট ব্যাংক দীর্ঘ মেয়াদে প্রবৃদ্ধি অর্জন করার লক্ষ্যে ঋণ-আমানতকে একটি আদর্শ অনুপাতের মধ্যে রেখে সঠিক তারল্য ব্যবস্থাপনা ও দীর্ঘ মেয়াদে আর্থিক সচ্ছলতা নিশ্চিত করেছে। আলোচ্য বছরে ব্যাংকের অর্জিত প্রবৃদ্ধি ধরে রাখা ও অন্যান্য সাক্ষর সূচকে আরো সফলতা অর্জনে প্রচেষ্টা বিদ্যমান রয়েছে। ব্যাংকের আমানতকে ঝুঁকিমুক্ত ও বহুমুখী করার লক্ষ্যে ব্যাংক বৃহৎ আমানতের পরিবর্তে ব্যাপক হারে রিটেইল গ্রাহক থেকে আমানত সংগ্রহ করার প্রচেষ্টা অব্যাহত রেখেছে। এর পাশাপাশি ইসলামী ব্যাংকিং এর আওতায় আমানত ও বিনিয়োগ বৃদ্ধির লক্ষ্যে ইসলামী ব্যাংকিং সেবা আরো প্রসারের জন্য প্রচেষ্টা শক্তিশালী করা হচ্ছে। সেবার সার্বিক পরিধি বাড়ানোর লক্ষ্যে আরও নতুন শাখা, প্রয়োজনীয় এটিএম বুথ ও টি-লবি খোলা হবে। গ্রাহকদের সাথে সম্পর্ক উন্নয়নের লক্ষ্যে সেবার পরিসর ও মান বৃদ্ধির চেষ্টা অব্যাহত রাখতে আমরা প্রতিশ্রুতিবদ্ধ।

ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ

সুশাসন নিশ্চিতকরণ, উপযুক্ত কর্ম-কৌশল প্রণয়ন ও তা বাস্তবায়নের নিরলস প্রচেষ্টাই ট্রাস্ট ব্যাংকের প্রবৃদ্ধি বজায় রাখার মূল নিয়ামক। তবে প্রধান চালিকা শক্তি হিসেবে সকল ক্ষেত্রে নেতৃত্ব দেয়ায় পরিচালনা পর্ষদের মাননীয় চেয়ারম্যান এবং সম্মানিত সদস্যদের প্রতি ব্যবস্থাপনা কর্তৃপক্ষের পক্ষ থেকে আমি সবাইকে আন্তরিক অভিনন্দন, ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। ব্যাংকের ১৮তম সাধারণ সভার এই শুভক্ষণে সকল শেয়ারহোল্ডারদের প্রতি রইলো আন্তরিক অভিনন্দন ও ধন্যবাদ।

আন্তরিক ধন্যবাদ জ্ঞাপন করছি সম্মানিত গ্রাহক, বিনিয়োগকারী ও সকল স্টেকহোল্ডারদের প্রতি। আপনারা আমাদের প্রতি যে বিশ্বাস ও আস্থা রেখেছেন তার জন্য আমরা আপনাদের কাছে কৃতজ্ঞ।

কৃতজ্ঞতা প্রকাশ করছি সকল নিয়ন্ত্রণকারী সংস্থা সমূহের প্রতি তাদের আন্তরিক ও প্রয়োজনীয় দিক নির্দেশনার জন্য। সর্বোপরি অব্যাহত সহযোগিতার জন্য ট্রাস্ট ব্যাংকের প্রিয় সহকর্মীদের প্রতি বিশেষ ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপনের মাধ্যমে আমি শেষ করছি।

ধন্যবাদান্তে,

ইশতিয়াক আহমেদ চৌধুরী

ব্যবস্থাপনা পরিচালক ও প্রধান নির্বাহী কর্মকর্তা

বি: দ্র: ব্যবস্থাপনা পরিচালক মহোদয়ের ইংরেজি ও বাংলা বাণীর ক্ষেত্রে কোন বিষয়ে মতদ্বৈততা দেখা দিলে ইংরেজি বাণীই সঠিক বলে বিবেচিত হবে।

Sub Committees of Board and ManCom

Executive Committee

▶ Maj Gen S M Matiur Rahman, afwc, psc	Chairman
▶ Mr. Ashrafuzzaman Khan	Member
▶ Brig Gen Md Jalal Ghani Khan, ndc, psc	Member
▶ Brig Gen Md Main Ullah Chowdhury, awc, psc	Member
▶ Brig Gen Naquib Ahmed Chowdhury, BSP, ndc, psc	Member
▶ Mr. Ishtiaque Ahmed Chowdhury	Managing Director & CEO
▶ Mr. Md. Mizanur Rahman, FCS	Secretary (Acting)

Audit Committee

▶ Mr. Shahedul Islam	Chairman
▶ Brig Gen Mohammad Omar Zahid, psc	Member
▶ Mr. Mohamed Naser Alam	Member
▶ Mr. Md. Mizanur Rahman, FCS	Secretary (Acting)

Risk Management Committee

▶ Brig Gen Mohammad Sumon Reza, psc	Chairman
▶ Mr. Ashrafuzzaman Khan	Member
▶ Mr. Shahedul Islam	Member
▶ Mr. Md. Mizanur Rahman, FCS	Secretary (Acting)

Management Committee (ManCom)

▶ Mr. Ishtiaque Ahmed Chowdhury	MD & CEO
▶ Mr. Abul Moqsud	DMD
▶ Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc (Retd.)	SEVP
▶ Mr. Shahud Ahmed	SEVP
▶ Mr. S. M. Akram Sayeed	SEVP
▶ Ms. Musarrat Hossaini Khan	SEVP
▶ Mr. Akhlasur Rahman Bhuiyan	SEVP
▶ Mr. Ahsan Zaman Chowdhury	SEVP
▶ Mr. Khaled Mahbub Morshed, FCA	EVP
▶ Mr. Md. Shueb Ahmed Chowdhury	EVP
▶ Mr. Md. Kamal Uddin Kutubi	EVP
▶ Maj Dr. Khondaker Saifuzzaman (Retd.)	EVP
▶ Mr. Anthony D' Costa	SVP
▶ Lt Col Showkat Akhter, psc, G (Retd.)	SVP
▶ Mr. Retanti Talukder	SVP
▶ Ms. Mahmuda Momen	VP
▶ Maj A B M Nurul Islam (Retd.)	VP

Financial Calendar

Financial Results of 2016	Date
First quarter results (un-audited) approved on	18 April 2016
Second quarter results (un-audited) approved on	30 July 2016
Third quarter results (un-audited) approved on	30 October 2016
Annual Financial Statements (audited) approved on	14 March 2017

18 th Annual General Meeting	Date
Price Sensitive Information Disclosure	15 March 2017
Record Date	06 April 2017
Date of AGM	24 May 2017

17 th Annual General Meeting	Date
Price Sensitive Information Disclosure	24 March 2016
Record Date	13 April 2016
Date of AGM	19 May 2016
Credit of Bonus Share	29 May 2016

Corporate Governance

Corporate Governance is defined as a set of systems, processes and principles which ensures that a company is governed for the best interest of all stakeholders. At Trust Bank Limited, it is the system by which the Bank is directed and controlled. It is about promoting corporate fairness, transparency and accountability. In other words, good 'Corporate Governance' is simply good businesses.

We Ensure:

- Adequate disclosure and effective decision making to achieve corporate objectives;
- Transparency in business transactions;
- Statutory and legal compliance;
- Protection of shareholders' interest;
- Commitment to values and ethical conduct of business.

Shareholders' Meetings

The supreme authority in the Bank's affairs, within the limit established by the Articles of Association and statutory law, rests with legitimate shareholders' meetings. The Bank's Annual General Meeting is held within statutorily allowed time every year. Decisions at shareholders' meetings are taken by majority vote unless there are contrary provisions in the Bank's Articles of Association or statutory law.

The Board of Directors

The Board of Directors is the supreme authority in the Bank's affairs. The Board of Trust Bank Limited (TBL) is committed to the Bank to achieve superior financial performance and long-term prosperity, while meeting stakeholders' expectations of sound Corporate Governance. It handles the Bank's affairs and ensures that the organization and its operation are at all times in correct and appropriate order. The Board is, among other things, responsible for setting business objectives, strategies and business plans, formulating risk policies, confirming key aspects of the Bank's internal organization and making decisions on the establishment of branches. As a mechanism of budgetary control, the Board approves budget and reviews the business plan from time to time to give directions as per changing economic and market environment. The Board also reviews the policies and guidelines issued by Bangladesh Bank and gives directions for their due compliance. Furthermore, Board of Directors develops and reviews Corporate Governance framework as well as recommends to shareholders to appoint an external auditor.

Composition

The Board of Trust Bank Limited consists of 12 (Twelve) members including Managing Director as executive director and ex-officio member of the Board. As per the guideline of Bangladesh Bank and in compliance with the Bangladesh Securities and Exchange Commission's Corporate Governance Guideline, the Board consists of 03 (Three) Independent Directors.

Appointment of New Director

Decision for appointment of new Director is made in the meeting of Board of Directors. A detailed biography along with other declarations prescribed by Bangladesh Bank is submitted to Bangladesh Bank for approval. After obtaining approval from Bangladesh Bank, necessary returns are submitted to RJSC and retained the certified copy.

Re-election of Directors

As per Regulation 79 of Schedule-I of the Companies Act 1994 and clause 107-109 of Articles of Association of the Bank at the ordinary general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from Office. Accordingly, the respective Directors of Trust Bank Limited will retire at the 18th Annual General Meeting.

Independent Director

To comply with the circular issued by Bangladesh Bank and in compliance with the Bangladesh Securities and Exchange Commission's Corporate Governance Guidelines, the Board of Directors appointed 03 (three) Independent Directors on the Board. A full compliance report of the said Corporate Governance Guidelines is provided at annexure-IV.

Board Meetings

During the year 2016, there were 13 meetings of the Board. The attendance of Directors at the Board meeting held during the year is provided at annexure-I.

Executive Committee

The Executive Committee comprises 05 (five) members from the Board. The Committee mainly scrutinizes the proposals sent to Board of Directors for decision. However, in order to have functioning and quick disposal of credit proposals and other relevant issue, Board has delegated authority to Executive Committee of the Board to approve proposal within certain limit and it is observed to be effective to accelerate the various decisions which otherwise had to wait for Board meeting. The committee met 39 times during the year 2016 and played instrumental role for the Board in approving strategic plans and policy guidelines. Attendance in EC meeting is provided in annexure-II.

Audit Committee

The Audit Committee maintains regular contact with both external and internal auditors and ensures that complaints and observations from the auditors are acted upon. Furthermore, the Audit Committee discusses accounting principles and changes thereto. The Audit Committee consults and advises the Board on the scope of internal audits. The committee keeps under review the scope and results of the audit and its cost-effectiveness and the independence and objectivity of the auditors. The committee ensures transparency and accountability in the operations of the Bank and the activities of the Bank are conducted within framework of policies, principles and plans as laid down by the Board, and the guidelines of the regulatory authorities issued from time to time.

The committee is headed by an Independent Director and comprises two other Directors including another Independent Director and the company secretary is the secretary of Audit Committee. The committee has unrestricted access to all accounts, books and records to ensure the job is conducted properly. The committee had 06 meetings during the year 2016, based on which the Committee submitted its report to the Board regarding its oversight function. The report is given in this annual report.

Risk Management Committee

As per Bank Company Act 1991(amended up to 2013) and subsequent circular issued by Bangladesh Bank, a Risk Management Committee has been formed. The committee headed by a Director and comprises two other Directors. The committee oversight the Bank's risk management functions for identifying, monitoring and measuring the Bank's risk profile in a comprehensive and integrated manner. Company secretary is the Secretary of Risk Management Committee. The Committee had 04 meetings in the year 2016.

Directors' Remuneration

The non-executive directors (directors other than Managing Director) of the Board representing shareholders do not take any remuneration or reimbursement of any expenses except fees for attending meetings. The Board members receive only BDT 8000/- for attending the Board/Committee meetings as per Bangladesh Bank, BRPD Circular Letter No. 11, dated 04 October 2016. The fees given to directors are disclosed in the note 28 to the financial statements.

Management

Managing Director is the CEO of the Bank. The CEO and Board of Directors are jointly responsible for the management of the Bank. The Managing Director is responsible for day-to-day operations and in this respect observes the policy and directions of the Board of Directors. The day-to-day operations do not include measures which are unusual or extraordinary. Such measures are only taken by the Managing Director pursuant to special authorization from the Board of Directors unless waiting for a decision from the Board of Directors would seriously hamper the operation of the Bank. In such cases, the Board of Directors

is promptly notified of the measures. The Managing Director also ensures that Bank's accounts and finances conform to applicable laws and accepted standards. Therefore, being empowered by the Board, Managing Director leads Management consisting of executives of the Bank. Management performs through several committees headed by Managing Director comprising a good number of executives of the Bank. The committees are MANCOM, ALCO, Credit Committee, Investment Committee and Basel Committee etc. Management exercises absolute power in respect of recruitment, posting and promotion of manpower in accordance with Bangladesh Bank's guidelines. In addition, Board has delegated adequate administrative, business and financial power to Management for quick and efficient discharge of Bank's activities.

Financial Reporting, Statutory and Regulatory Reporting

In the preparation of quarterly, half-yearly and annual financial statements, the Bank has complied with the requirements of the Companies Act 1994, Bank Company Act 1991(amended up to 2013) and rules and regulations of Bangladesh Bank, BSEC and Stock Exchanges.

Internal Control

The Board of Directors acknowledge their overall responsibility for the Bank's system of internal control and for reviewing its effectiveness. Internal control is an ongoing process for identifying, evaluating and managing the significant risks faced by the Bank. The Bank has taken all-out efforts to mitigate all sorts of risk as per guidelines issued by Bangladesh Bank. Internal Control and Compliance Division is working towards mitigation of operational and compliance risk of the Bank.

External Audit

M/s. Syful Shamsul Alam & Co., Chartered Accountants is the statutory auditors of the Bank. They do not provide any other accounting, taxation or advisory services to the Bank except certification of cash incentives payable to exporters.

Audit and Inspection by Bangladesh Bank

Bangladesh Bank also undertakes audit and inspection at the Bank as per determined intervals. Compliance with observations and recommendations made by Bangladesh Bank help the Bank to improve internal control, risk management, corporate governance and regulatory compliance.

Going Concern Assumption

The Directors confirm that they are satisfied that the Bank has adequate resources to continue to operate for the foreseeable future and is financially sound. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Relations and Communication with Shareholders

The Bank acknowledges and takes necessary steps to provide shareholders with all relevant and reliable information. All relevant information are placed in website of the Bank for convenience of the shareholders. Moreover, as per BSEC guidelines all the price sensitive information having possible impact on share price of the Bank are communicated to the shareholders by publication in the national dailies and to the DSE, CSE and BSEC through official letters for appearance in their website. Quarterly, Half-yearly and Yearly audited financial statements are published in national dailies as per prevailing guidelines. Finally, we arrange Annual General Meeting as our statutory duty to give our shareholders parliamentary session to communicate their assertions about the Bank. All the suggestions or recommendations made by the shareholders in AGM or any time during the year are taken very seriously for compliance and better Corporate Governance of the Bank.

Compliance of Regulatory Guidelines

Bangladesh Securities and Exchange Commission (BSEC) issued Corporate Governance guidelines (Notification dated 07 August 2012), on 'comply' basis, for the companies listed with stock exchanges. Through the said notification, SEC has asked the listed companies to report the compliance status of the said notification in the annual report.

Compliance Report on BSEC Notification

The Board of Directors of Trust Bank Limited have taken appropriate steps to comply with Corporate Governance guidelines issued by BSEC. The details of the conditions are mentioned in Annexure-I, II, III, IV.

Annexure-I

13 meetings of the Board of Directors were held in the year 2016; the attendance of the directors is furnished below:

Sl.	Name of Director	Position	Date of Appointment	Present	Leave	Remarks
01	Gen Abu Belal Muhammad Shafiu Huq, SBP, ndc, psc	Chairman	25-06-2015	11	2	-
02	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD	Vice Chairman	26-11-2014	1	-	Resigned from Board on 31-01-2016
03	Maj Gen S M Matiur Rahman, afwc, psc	Vice Chairman	07-02-2016	12	-	-
04	Maj Gen Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc	Director	27-01-2016	11	-	Resigned from Board on 28-11-2016
05	Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc	Director	10-11-2013	7	-	Resigned from Board on 29-06-2016
06	Mr. Ashrafuzzaman Khan	Independent Director	23-02-2014	12	1	-
07	Brig Gen Md. Zakir Hossain, psc, te	Director	01-06-2015	-	-	Resigned from Board on 14-01-2016
08	Mr. Shahedul Islam	Independent Director	28-04-2015	9	4	-
09	Mr. M A Haider Hussain	Independent Director	28-04-2015	1	2	Resigned from Board on 21-04-2016
10	Brig Gen Md Jalal Ghani Khan, ndc, psc	Director	15-01-2016	13	-	-
11	Brig Gen Mohammad Omar Zahid, psc	Director	27-01-2016	12	-	-
12	Brig Gen Md Mohsin, SGP, ndc, psc	Director	27-01-2016	11	1	-
13	Brig Gen Md Main Ullah Chowdhury, awc, psc	Director	30-06-2016	4	1	-
14	Mr. Mohamed Naser Alam	Independent Director	The BoD approved the appointment w.e.f 28-11-2016 but received approval from Bangladesh Bank on 01-01-2017.			
15	Brig Gen Mohammad Sumon Reza, psc	Director	The BoD approved the appointment w.e.f 29-12-2016 but received approval from Bangladesh Bank on 11-01-2017.			

Leave of absence was granted to directors who could not attend some of the Board meetings.

Annexure-II

39 meetings of the Executive Committee were held in the year 2016; the attendance of the Directors is furnished below:

Sl.	Name of Director	Position	Date of Appointment	Present	Leave	Remarks
01	Maj Gen Md Mahfuzur Rahman, rcds, ndc, afwc, psc, PhD	Chairman	26-11-2014	3	-	Resigned from Board on 31-01-2016
02	Maj Gen S M Matiur Rahman, afwc, psc	Chairman	07-02-2016	36	-	-

Sl.	Name of Director	Position	Date of Appointment	Present	Leave	Remarks
03	Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc	Member	10-11-2013	19	1	Resigned from Board on 29-06-2016
04	Mr. Ashrafuzzaman Khan	Member	23-02-2014	37	2	-
05	Brig Gen Md. Zakir Hossain, psc, te	Member	01-06-2015	1	-	Resigned from Board on 14-01-2016
06	Brig Gen Md Jalal Ghani Khan, ndc, psc	Member	15-01-2016	38	-	-
07	Brig Gen Md Main Ullah Chowdhury, awc, psc	Member	30-06-2016	13	3	-

N.B. On special invitation, Brig Gen Mohammad Omar Zahid, psc, Director attended 01 (one) EC meeting.

Annexure-III

The pattern of shareholding of Trust Bank Limited as of 31 December 2016

i) Shareholding by Parent/Subsidiary/Associated Companies and other related parties: Nil

ii) Shareholding by Directors:

Sl.	Name of Director	Position	No. of Shares
01	General Abu Belal Muhammad Shafiqul Huq, SBP, ndc, psc (Sponsor Director-Representing Army Welfare Trust)	Chairman (Representing AWT)	30,37,95,388
02	Maj Gen S M Matiar Rahman, afwc, psc	Vice Chairman (Nominated by AWT)	Nil
03	Mr. Ashrafuzzaman Khan	Independent Director	Nil
04	Mr. Shahedul Islam	Independent Director	Nil
05	Brig Gen Md Jalal Ghani Khan, ndc, psc	Director (Nominated by AWT)	Nil
06	Brig Gen Mohammad Omar Zahid, psc	Director (Nominated by AWT)	Nil
07	Brig Gen Md Mohsin, SGP, ndc, psc	Director (Nominated by AWT)	Nil
08	Brig Gen Md Main Ullah Chowdhury, awc, psc	Director (Nominated by AWT)	Nil
09	Mr. Mohamed Naser Alam	Independent Director	Nil
10	Brig Gen Mohammad Sumon Reza, psc	Director (Nominated by AWT)	Nil

III) Shareholding by Executives:

Name of the Executives	No. of Share
Chief Executive Officer	Nil
Company Secretary	Nil
Chief Financial Officer	Nil
Head of Internal Audit	Nil
Spouses and Minor children of above Executives	Nil

IV) Shareholding by Other Senior Executives: Nil

V) Shareholders holding ten percent (10%) or more voting interest in the company as on 31 December 2016: **Army Welfare Trust**

Annexure-IV

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

(Report under condition no. 7.00)

Condition No.	Title	Compliance Status (has been Put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1	Board of Directors			
1.1	Board's Size: Number of Board Members shall not be less than 5 (five) and more than 20 (twenty)	√		
1.2	Independent Directors			
1.2 (i)	At least one fifth (1/5) of the total number of Directors of Board shall be Independent Directors.	√		
1.2 (ii)	Independent Directors means a Director:			
1.2 (ii) (a)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or Director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company;	√		
1.2 (ii) (c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies;	√		
1.2 (ii) (d)	Who is not a Member, Director or Officer of any Stock Exchange;	√		
1.2 (ii) (e)	Who is not a shareholder, Director or Officer of any Member of Stock Exchange or an intermediary of the capital market;	√		
1.2 (ii) (f)	Who is not a partner or an Executive or was not a partner or an Executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	√		
1.2 (ii) (g)	Who shall not be an Independent Director in more than 3 (three) listed companies;	√		
1.2 (ii) (h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude	√		
1.2 (iii)	The Independent Director(s) shall be appointed by the Board of Directors and approved by the Shareholders in the Annual General Meeting (AGM).	√		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent Directors			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		

Condition No.	Title	Compliance Status (has been Put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1.3 (ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants, and Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/ professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A
1.4	Chairman of the Board & Chief Executive Officer (CEO)			
1.4	The Chairman of the Board and the Chief Executive Officer shall be different individuals. The Chairman shall be elected from among the directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO.	√		
1.5	The Directors' Report to Shareholders			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risks and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.			N/A
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			N/A
1.5 (x)	Remuneration to Directors including Independent Directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		

Condition No.	Title	Compliance Status (has been Put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.			N/A
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	Reason for non-declaration of dividend.			N/A
1.5 (xx)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	√		
1.5 (xxi)	Pattern of shareholding and name wise details (disclosing aggregate number of shares).			
1.5 (xxi) (a)	Parent/Subsidiary/Associated Companies and other related parties.	√		
1.5 (xxi) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children.	√		
1.5 (xxi) (c)	Executives	√		
1.5 (xxi) (d)	Shareholders holding ten percent (10%) or more voting interest in the company.	√		
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose:			
1.5 (xxii) (a)	A brief resume of the director;	√		
1.5 (xxii) (b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxii) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2	Appointment of CFO, HIA and CS			
2.1	Appointment of CFO, HIA and CS and defining their respective roles, responsibilities & duties	√		
2.2	The CFO and the CS shall attend the meetings of the Board of Directors	√		
3	Audit Committee			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of Audit Committee			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		

Condition No.	Title	Compliance Status (has been Put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
3.1 (ii)	The Board of Directors shall appoint Members of the Audit Committee who shall be Directors of the Company and shall include at least 1 (one) Independent Director.	√		
3.1 (iii)	All Members of the Audit Committee should be “financially literate” and at least 1 (one) Member shall have accounting or related financial management experience.	√		
3.1 (iv)	Expiration of the term of service of Audit Committee members making the number lower than 3(three) and fill up the vacancy(ies) by the Board not later than 1 (one) month from the date of vacancy(ies)	√		
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	√		
3.2	Chairman of the Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director.	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external Auditors.	√		
3.3 (v)	Review along with the Management, the Annual Financial Statements before submission to the Board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the Management.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory Auditors.	√		
3.3 (x)	Disclosure of Audit Committee about the uses/applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/ prospectus.			N/A
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors	√		
3.4.1 (i)	Reporting to the Board of Directors on the activities of the Audit Committee	√		
3.4.1(ii) (a)	Reporting to Board of Directors on conflicts of interests			N/A

Condition No.	Title	Compliance Status (has been Put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
3.4.1(ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			N/A
3.4.1(ii) (c)	Suspected infringement of laws, including securities related laws, rules and regulations; and			N/A
3.4.1(ii) (d)	Any other matter which shall be disclosed to the Board of Directors immediately.			N/A
3.4.2	Reporting to BSEC (if any material impact on the financial condition & results signed by the Chairman and disclosed in the Annual Report)			N/A
3.5	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	√		
4	External/Statutory Auditors The Issuer Company should not Engage its External/Statutory Auditors to Perform the Following Services of the Company Namely:			
4 (i)	Appraisal or valuation services or fairness opinions;	√		
4 (ii)	Financial information systems design and implementation;	√		
4 (iii)	Book-keeping or other services related to the accounting records or Financial Statements;	√		
4 (iv)	Broker-dealer services;	√		
4 (v)	Actuarial services;	√		
4 (vi)	Internal audit services; and	√		
4 (vii)	Any other service that the Audit Committee determines.	√		
4 (viii)	No partner or employees of the external Audit Firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
4 (ix)	Audit/Certification services on compliance of corporate governance as required under (i) of condition No. 7	√		
5	Subsidiary Company			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	√		
5 (ii)	At least 1 (one) Independent Director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	√		
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	√		
5 (v)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the subsidiary company.	√		

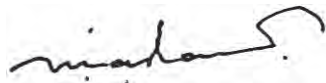
Condition No.	Title	Compliance Status (has been Put in the appropriate column)		Remarks (if any)
		Complied	Non-complied	
6	Duties of The CEO and CFO			
6 (i)	The CEO and CFO shall certify to the Board that they have reviewed Financial Statements for the year and that to the best of their knowledge and belief.	√		
6. (i) (a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
6. (i) (b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7	Reporting and Compliance of Corporate Governance			
7 (i)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	√		
7 (ii)	Directors statement in the directors' report whether the company has complied with these conditions	√		

Compliance Certificate
on
Corporate Governance Guidelines
to the Shareholders of
Trust Bank Limited

We have reviewed the compliance of conditions of the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by Trust Bank Limited (the bank) as stipulated in clause 7(i) of the BSEC notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August, 2012.

The compliance of conditions of the Corporate Governance Guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of the bank. Our review for the purpose of issuing this certificate was limited to the verification of procedures and implementations thereof adopted by the bank for ensuring the compliance of conditions of Corporate Governance Guidelines and proper reporting of compliance status on the compliance statement on the basis of evidences obtained and representation received thereon from the management of the bank. It is neither an audit nor expression of opinion on the financial statements of the bank.

Based on information and explanations given to us, we certify that the bank has complied with the conditions of the Corporate Governance Guidelines as stipulated in the above mentioned notification of Bangladesh Securities and Exchange Commission and applicable to the bank for the year ended 31 December, 2016.



Md. Amirul Islam, FCA, FCS
Senior Partner
Dhaka
Date: March 25, 2017



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2017/038

Date of issue: 9 February 2017

BAPLC

Renewed Certificate

'This is to certify that

TRUST BANK LIMITED

*is an Ordinary Member of 'Bangladesh Association of Publicly Listed Companies'
and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2017.



S mb
Secretary-General
(Acting)

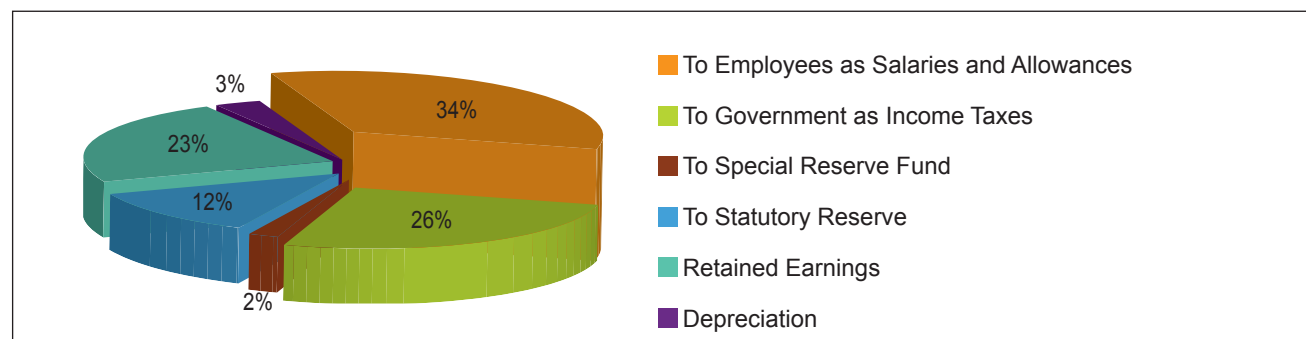
Value Added Statement

Value addition is the wealth created by Trust Bank through its different banking operations during the tenure under consideration. The Value Added statement of the Bank shows how the value was created and distributed to meet certain obligations, rewards those responsible for its creation and the portion retained for the continued operation and expansion of the Bank.

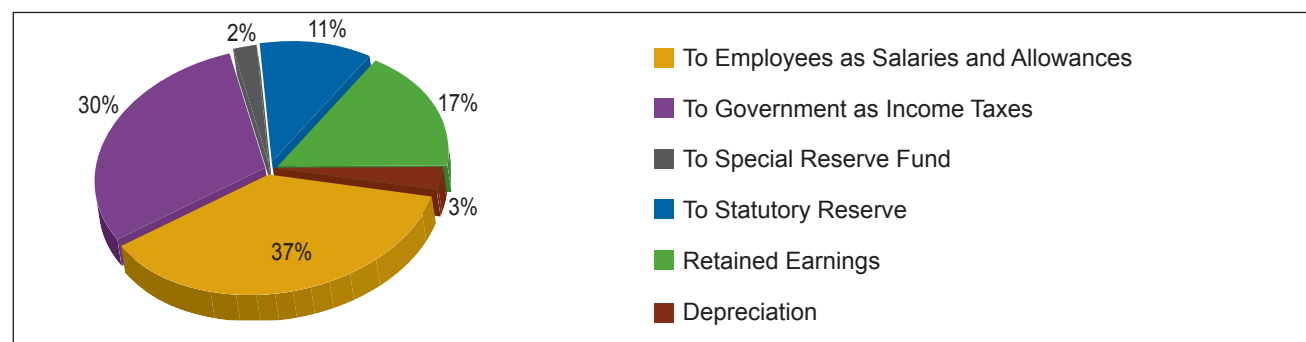
BDT in million

Particulars	2016		2015		Growth
	BDT	%	BDT	%	%
Income from Banking Services	16,970.84		17,604.57		-4%
Less: Cost of Services and Supplies	10,211.59		11,400.32		-10%
Add: Deferred Tax Income	25.3		21.08		20%
Value Added by Banking Services	6,784.55		6,225.33		9%
Less: Provision for Loan Loss and other Provisions	983.84		777.78		26%
Total Value Added	5,800.71		5,447.55		6%
Distribution of Added Value					
To Employees as Salaries and Allowances	1,999.31	34%	1,999.72	37%	0%
To Government as Income Taxes	1,485.00	26%	1,605.00	30%	-7%
To Special Reserve Fund	120.00	2%	120.00	2%	0%
To Statutory Reserve	693.71	12%	624.65	11%	11%
	4,298.02	74%	4,349.37	80%	-1%
Retained Earnings	1315.13	23%	914.68	17%	44%
Depreciation	187.56	3%	183.5	3%	2%
To Expansion & Growth	1502.69	26%	1098.18	20%	
Total Distribution of Added Value	5,800.71	100%	5,447.55	100%	6%

Distribution of Added Value 2016:



Distribution of Added Value 2015:



Five Years' Financial Summary

BDT in Million (where applicable)

Particulars	2016	2015	2014	2013	2012
Operating Results (Solo Basis)					
Total Operating Income	8,237.29	7,529.33	5,978.24	3,725.32	3,000.84
Total Operating Expense	3,784.90	3,628.31	2,720.56	2,176.61	1,843.41
Operating Profit	4,452.38	3,901.03	3,257.68	1,548.71	1,157.43
Provision for Loans, Investment and Other	983.83	777.78	558.56	532.66	463.61
Profit Before Tax	3,468.55	3,123.25	2,699.12	1,016.05	693.83
Profit After Tax	2,008.84	1,539.33	1,299.20	324.43	182.70
Financial Positions (Solo Basis)					
Authorized Capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Paid-Up Capital	5,063.33	4,688.27	4,262.06	3,805.41	3,459.47
Total Shareholders' Equity	11,175.16	9,512.05	8,128.69	6,865.78	6,512.89
Deposits	173,059.88	150,854.20	125,059.13	102,467.67	82,997.33
Loans and Advances	141,987.43	130,614.65	106,886.08	79,279.58	54,616.06
Total Liabilities	199,066.35	170,717.52	137,217.43	109,873.79	88,747.89
Investments	30,739.01	24,262.21	19,352.22	19,023.49	13,622.11
Fixed Assets	802.07	827.55	603.64	483.79	454.95
Earning Assets	168,285.82	154,765.83	125,783.39	99,026.94	79,626.50
Total Assets	210,241.52	180,229.57	145,346.12	116,739.57	95,260.78
Other Business					
Import	72,571.62	74,255.59	77,421.44	44,450.92	43,138.39
Export	48,350.02	48,928.87	39,622.45	25,740.38	34,319.48
Foreign Remittance	23,171.76	24,214.99	16,174.03	13,164.65	11,082.25
Guarantee Issued	14,698.04	12,523.94	7,447.73	7,367.36	2,058.01
Capital Measures (Consolidated Basis)					
Total Risk Weighted Assets	135,455.40	128,770.20	112,460.10	91,968.20	74,339.80
Core Capital (Tier-I)	11,362.23	9,700.01	8,461.25	7,163.18	6,841.21
Supplementary Capital (Tier-II)	8,435.52	4,222.30	4,958.01	3,634.94	3,462.62
Total Capital	19,797.75	13,922.31	13,419.26	10,798.11	10,303.83
Tier-I Capital Ratio	8.39%	7.53%	7.52%	7.79%	9.20%
Tier-II Capital Ratio	6.23%	3.28%	4.41%	3.95%	4.66%
Total Capital Ratio	14.62%	10.81%	11.93%	11.74%	13.86%
Credit Quality (Solo Basis)					
Non-performing Loans	4,556.10	3,588.48	2,614.76	2,470.36	2,503.84
% Non-performing Loans	3.21%	2.74%	2.45%	3.12%	4.58%
Share Information					
Market Price Per Share	23.80	24.10	14.50	20.00	25.00
Earnings Per Share	3.97	3.04	2.77	0.76	0.55
Price Earnings Ratio	6.00	7.93	5.23	26.32	45.18
Net Asset Per Share	22.07	20.29	19.07	18.04	18.83
Other Information					
Cost Income Ratio	45.95%	48.19%	45.51%	58.43%	61.43%
Return on Average Equity	19.42%	17.45%	17.33%	4.85%	3.02%
Return on Average Assets	1.03%	0.85%	0.89%	0.28%	0.21%
No of Branches	102	101	91	82	72
No of SME/AGRI Branches	6	6	6	6	7
No of Foreign Correspondents	24	25	24	24	24



Directors' Report

Dear Shareholders

The Board of Directors takes the privilege of welcoming you to the 18th Annual General Meeting of Trust Bank Limited. The Directors take immense pleasure in presenting the Directors' Report along with the audited financial statements of the Bank for the year ended on 31 December 2016 and the Auditor's Report thereon for your perusal and approval.

External Environment Review

The economy of Bangladesh has made solid progress in transforming the economy from a rural-based agrarian economy towards a more modern urban-based manufacturing and services based economy. Over more than three decades the share of the industry sector including the manufacturing sector in GDP increased gradually and continued to increase in FY 2015-16. Up to FY 2000-01, the contribution of service sector was around 50 percent as per base year FY 1995-96. As per new base year (FY 2005-06), the service sector share reached 55.59 percent in FY 2005-06 and in recent years, it is around 53-54 percent of GDP. The economy of Bangladesh performed well in FY 2015-16. The GDP growth picked up around half percentage point to 7.11 percent from 6.55 percent in FY 2014-15. Growth was underpinned by the moderate growth in agriculture and robust performance in industry, aided by a buoyant service sectors.

Gross Domestic Product (GDP) at Current Prices

The final value of GDP at current market prices stood at BDT17,32,864 crore in FY 2015-16, up by 14.32 percent of previous fiscal year. At current prices, the estimated per capita GDP is up by 12.89 percent from the per capita GDP of FY 2014-15. In US dollar, per capita GDP and GNI stood at US\$1,385 and US\$1,465 respectively in FY 2015-16 compared to US\$ 1,236 and US\$ 1,316 respectively in FY 2014-15. The Bangladesh Government has set 7.2 per cent gross domestic product (GDP) growth target for fiscal year 2016-17.

Agriculture

Agriculture sector growth in FY 2015-16 slowed to 2.79 percent from 3.33 percent in FY 2014-15, caused by the decline in crops and horticulture growth from 1.83 percent to 0.88 percent during the period. GDP from Agriculture in Bangladesh increased to 9,922.80 BDT million in 2016 from 9,748 BDT million in 2015. Average GDP in Agriculture in Bangladesh is 8,622.84 BDT million from 2006 until 2016.

Industry

Industry sector growth in FY 2015-16 picked up to 11.09 percent from 9.67 percent in FY 2014-15, mainly attributed by the increase in mining and quarrying sector, manufacturing sector and electricity, gas and water supply sector. The Industry sector plays an important role in socio-economic development of the country. According to BBS estimates, the contribution of the broad industry sector to real GDP stood at 30.42 percent in FY 2014-15 which increased to 31.54 percent in FY 2015-16. The contribution of the manufacturing sector is the highest in GDP. In FY 2014-15 the contribution of manufacturing sector in GDP was 20.16 percent which increased to 21.01 percent in FY 2015-16.

Service Sector

The service sector recorded 6.25 percent growth in FY 2015-16, up from 5.80 percent in FY 2014-15. Among the broad service sector, except financial intermediation sector, all the sectors performed well compared to previous fiscal year. According to the final data, the output of the wholesale and retail trade increased from 6.35 percent of the previous year to 6.50 percent in FY 2015-16. Hotel and restaurant sector posted a growth of 6.98 percent, from 6.83 percent a year earlier. In transport, storage and communication sector the growth stood at 6.08 percent for FY 2015-16, from 5.96 percent in FY 2014-15.

Inflation

Year-on-year inflation decreased to 5.92 percent in FY 2015-16 relative to 6.41 percent in FY 2014-15. The downward trend in inflation is largely driven by food-inflation. Food inflation declined in FY 2015-16, while non-food inflation rose during the same period. Inflation has declined mainly due to reduction of commodity prices, including fuel in the international markets, satisfactory agricultural production in domestic level, normal flow in supply of goods and prudent macroeconomic management. Non- food inflation increased mainly due to increase in domestic demand, as well as increased in the flow of private sector credit.

Interest Rate

The weighted average interbank call money rate declined to 3.70 percent at the end of June 16, from 5.79 percent corresponding to the same month of previous year indicating required liquidity position in the banking system. The weighted average lending rate of commercial banks decreased to 10.39 percent at the end of June 2016 from 11.67 percent of end June 2015. Similarly, the deposit rate decreased to 5.54 percent from

6.78 percent of the same period of previous year. The interest rate spread also decreased slightly to 4.85 percent at the end of June, 2016 from 4.87 percent of June, 2015.

Export

Exports recorded a growth of 9.77 percent in FY 2015-16, significantly up from 3.39 percent in the previous fiscal year. Export earnings during the period exceeded the annual target (US\$33,500 million) by 2.21 percent to US\$34,257 million. Export of woven garments and knitwear products increased by 12.81 percent and 7.47 percent respectively in FY 2015-16 compared to the same period of previous year. The USA is the main destination of Bangladesh's export commodities. In FY 2015-16, the export earnings from USA stood at US\$6,220.65 million, which is 18.16 percent of the total export. The second largest destination of country's export commodities are Germany (14.56%), followed by UK (11.13%) and France (5.41%).

Import

Import growth accelerated at 5.45 percent in FY 2015-16, from 0.07 percent growth compared to the preceding year. The total value import (c&f) stood provisionally at US\$42,290.80 million during FY 2015-16, up from US\$40,703.70 million (based on custom records) of the preceding year. China is the main source of import for Bangladesh. In FY 2015-16, Bangladesh imported US\$12,691 million worth of commodities from China. The second largest source of import in Bangladesh is India (13.77%), followed by Singapore (5.25%) and Japan (4.84%).

Remittance

The inflows of remittances declined by 2.52 percent in FY 2015-16, amounting to US\$ 14,931.14 million, compared to the growth of 7.65 percent a year earlier. The slowdown in investment and construction works in the Middle East countries due to low oil prices is mainly responsible for the deceleration in remittance inflows. However, the overseas employment increased substantially in recent times. In FY 2015-16, 0.68 million went abroad for jobs, up by 48.27 percent compared to previous year.

Foreign Exchange Reserve

Foreign exchange reserves exceeded the US\$30 billion mark in June 2016 (providing for 8 months of import coverage). Foreign exchange reserve continued to grow due to continued increase in the surpluses of overall Balance of Payment.

Exchange Rate

Exchange rate of BDT against US dollar remained almost stable during FY 2015-16. The weighted average interbank exchange rate stood at BDT 78.26 per US dollar in FY 2015-16 while it was BDT 77.67 per US dollar in FY 2014-15 showing depreciation of about 0.67 percent. But BDT appreciated against Euro, Indian Rupees and UK Pound. Moreover, based on 10 currency basket, the Real Effective Exchange Rate (REER) index appreciated by 5.61 percent in FY 2015-16.

Banking Sector in 2016:

Cash Reserve Ratio (CRR)

Cash Reserve Ratio (CRR) is a specified minimum fraction of the total deposits of customers, which commercial banks have to hold as reserves either in cash or as deposits with the central bank.

Cash Reserve Ratio (CRR) for the scheduled banks in Bangladesh was 6.5% which was same as the previous year's requirement. This ratio is maintained on the average time and demand liabilities of the bank. According to the latest MPD circular No. 01 of Bangladesh Bank dated 23 June 2014, banks are required to maintain at least 6.00% of the average time and demand liabilities on daily basis and minimum 6.5% on bi-weekly basis with effect from 24 July 2014. The percentage of cash i.e., CRR maintained by our Bank as on 31 December 2016 was 7.18%.

Statutory Liquidity Requirement (SLR)

Amount of liquid assets; such as, precious metals (Gold) or other approved securities, which a financial institution must maintain as reserves other than the cash.

Statutory Liquidity Requirement (SLR) for the scheduled banks in Bangladesh, except banks operating under Islamic Shariah and the specialized banks, has been set at 13% of their average demand and time

liabilities, excluding inter-bank items, since 11 December 2010. The percentage of SLR maintained by our Bank as on 31 December 2016 was 21.92%.

Activities of Trust Bank Limited

Business Operation and Strategy

Our Business Focus

The principal activities of the Bank are banking and related businesses under the Bank Company Act 1991(amended up to 2013). The core banking business includes accepting deposits and granting loans and advances out of those deposits and earning profit through creating value from gap between interest paid on deposits and interest earned on loans and advances. The depositors supply funds for loans and advances. The Bank collects deposits through deposit mobilization strategy comprising various deposit products under conventional banking and Islamic banking. The Bank's central revenue producing activities include all kinds of commercial banking products and services to the customers including project finance, working capital finance and trade finance for corporate customers, SME loans to small traders and business; house building loan, car loan as well as wide range of life style and need based loans for retail customers. The Bank has been able to develop state-of-the-art IT platform and online banking systems facilitating any branch banking, phone banking, SMS banking, internet banking, any time banking for 24 hours a day and 7 days a week through ATM.

Client as Trusted and Development Partner

We look after our every client to make him/her a development partner through addressing their needs and wants by providing best services at affordable prices. We put a client in the ladder where he/she climbs customer-supporter-advocate phases and finally becomes development partner of the Bank. Our mission is customer focused and we consider it as the customers' right to get modern, online and full range of banking services at an affordable price at anytime and anywhere. We are promise-bound through our mission to make the banking easy for our customers and support entrepreneurship, social responsibility and economic development of the country.

Corporate Branding

Brand of a Bank is completely defined by the experience we deliver. Customers do not apparently buy things in Bank; they mainly buy experience from us. This experience does not solely depend on what services or what competitive benefits we provide; rather, how we provide and it is not only the task of one individual or division rather it's an everybody's business of the bank.

For better understanding of the market demand, communication and making branding activities of Trust Bank more fruitful and effective, there is a department namely Corporate Branding and Market Communication Department (CBMC), which is one of the Divisions of Trust Bank Limited that is entitled for media management, different kinds of branding activities, event management, creative works and ideas generation, maintaining coordination and correspondence with different advertisement agencies, event management companies, vendors and so on.

Trust Bank Limited, through CBMC Department is meticulously trying to meet customers' expectation through various activities besides its banking services; like, sponsorships for promotion of social initiatives, educational programs, cultural events and national sports. Trust Bank believes that financial inclusion must involve all aspects of the life in a comprehensive way. CBMC Department keeps the customers, stakeholders and well wishers informed of our activities round the year through advertisements and press releases in different prominent print and electronic media.

Cluster Management

Here in TBL, we run the Bank through an effective and efficient Cluster Management System. Every branch gets enough specialized support through the channels of Cluster Management. Our high quality Cluster Management is important to ensure excellence of the Bank. The cluster Heads/ Managers monitor and

supervise the overall activities of a cluster. The performance of the branches is linked to the professional expertise and capabilities of cluster members. Currently, there are 21 clusters in TBL which are run by efficient and expert Cluster Managers who mainly do the followings:

- Manage clusters with unprecedented ease.
- Perform risk-free upgrades.
- Simplify administration.

Regulatory and Compliance Culture

The Bank's dealings with clients are guided by principle of fair dealings, honesty and integrity. The Bank's objective is to observe all standards of market integrity, good practice and conduct. The personal conduct of the staff is driven by high ethical standards. The Bank, furthermore, places great emphasis on safeguarding the confidentiality of client information. Internal Auditors are entrusted with responsibility to ensure that rules and policies relating to above mentioned issues are in place. Above all, the Bank is committed to prompt and spontaneous compliance of all rules, regulations and guidelines issued by regulators from time to time.

Financial Performance Review

Summary

The Bank earned Consolidated Operating Income of BDT 8,476.95 million for the year 2016. After keeping BDT 1,106.35 million as provision against classified and unclassified loans and advances, diminution in the value of Investment, Off-Balance Sheet exposure and other assets, pre-tax profit stood at BDT 3,512.60 million for the year 2016, and net profit of the Bank after tax stood at BDT 2,015.82 million for the year 2016.

Interest Income

Trust Bank earned consolidated interest income plus profit on Islamic Banking investment for BDT 13,228.57 million during the year 2016 as against BDT 13,996.77 million in 2015. To decrease the spread, the rate of interest of loan and advances was reduced; therefore, the income was less by 5.49% or BDT 768.20 million than previous year.

Interest Expenses

Consolidated Interest and Profit paid on Deposits and Borrowings measured at BDT 8,734.67 million as against BDT 10,076.67 million in 2015 showing a decrease by 13.32% which was a rise of 4.15% in 2015. Interest expenses was decreased due to the reduction of interest rate of deposits.

Net Interest Income

The Consolidated Net Interest Income showed BDT 4,493.91 million as against BDT 3,920.10 million in the preceding year. During the year, Net Interest Income increased by BDT 573.81 million representing a positive growth of 14.64% which was the main contributor to the operating income for the year 2016.

Income from Investment

In the year 2016, Consolidated Income from Investment was BDT 2,280.62 million where as it was BDT 2,157.63 million in the year 2015 BDT 122.99 million increased from last year.

Non-interest Income

The Non-Interest Income consists of the commission, exchange and other operating income of the Bank. Consolidated Non-Interest Income of the Bank was BDT 1,702.42 million in 2016; where as, it was BDT 1,787.30 million in 2015.

Total Operating Expenses

The Consolidated Operating Expenses shown in Profit and Loss account was amounting to BDT 3,858.00 million in 2016 compared to BDT 3,711.87 million in the previous year.

Salary and allowances constituted 52.55% of total of operating expenses in 2016 and there was 0.44% decrease in salary and allowances in the year 2016 compared to the year 2015.

Income Mix and Growth

Particulars	BDT in Million		Growth
	2016	2015	%
Interest income / Profit on investment	13,228.57	13,996.77	-5.49%
Interest / Profit paid on deposits and borrowings etc.	8,734.67	10,076.67	-13.32%
Net interest income	4,493.91	3,920.10	14.64%
Investment Income	2,280.62	2,157.63	5.70%
Non Interest Income	1,702.42	1,787.30	-4.75%
Total operating income	8,476.95	7,865.02	7.78%
Total operating expenses (Excluding Contribution to Special Reserve Fund)	3,738.00	3,591.87	4.07%
Profit before provision	4,738.95	4,273.16	10.90%
Provision for loans & advances / investments, Diminution in value of investment and Others	1,106.35	969.84	14.08%
Contribution to Special Reserve Fund	120.00	120.00	0.00%
Total Profit before Taxes	3,512.60	3,183.32	10.34%
Provision for Taxation (Current & Deferred)	1,496.78	1,642.80	-8.89%
Net Profit after Taxation	2,015.82	1,540.52	30.85%

Profit before Provision

Consolidated Operating Profit before provision was BDT 4,738.95 million in the year 2016; where as, it was BDT 4,273.16 million in the year 2015 before considering contribution to Special Reserve Fund. After accounting for contribution to Special Reserve Fund of BDT 120.00 million in 2016, the operating profit stood at BDT 4,618.95 million in 2015 compared to BDT 4,153.16 million in 2015.

Provision for Loans and Off-balance Sheet Exposure

During the year 2016, consolidated provision for loans and advances was BDT 1,078.86 million compared to BDT 947.26 million in the year 2015 and increased by BDT 131.64 million. Provision for Diminution in value of Investment has been decreased by 86.46 million during the year 2016 compared to the year 2015.

Profit before Taxes

After making above provision, Consolidated Net Profit before Tax of the Bank stood at BDT 3,512.60 million in 2016 compared to BDT 3,183.32 million in 2015 which refers 10.34% growth.

Provision for Income Tax

Consolidated Provision for Income Tax for the current year stood at BDT 1,522.20 million against BDT 1,664.39 million in 2015. However, net provision for Income Tax was BDT 1,496.78 million after accounting for Deferred Tax of BDT 25.42 million in 2016.

Net Profit after Tax

Consolidated Net Profit after Tax stood at BDT 2,015.82 million in the year 2016 from BDT 1,540.52 million in the year 2015 and Earnings per Share was BDT 3.98 in the year 2016 whereas it was BDT 3.04 in the year 2015.

Dividend

The Board of Directors in its 262 (03/2017) Meeting held on 14 March 2017 recommended 10% Stock Dividend i.e. 10 (Ten) Bonus shares for every 100 (One Hundred) shares held and 15% Cash Dividend subject to the approval of the shareholders at the next Annual General Meeting (AGM).

Financial Position Review

Summary

Despite various external challenges, Bank's overall businesses grew significantly in 2016 over that of 2015. Deposits of the Bank increased by 14.47% and stood at BDT 172,738.45 million at the end of year 2016. Consolidated Loans and Advances increased by 8.07% and stood at BDT 144,438.41 million at the end of the year 2016 compared to year 2015. Investment increased significantly by BDT 6,616.44 million showing growth of 25.60% compared to year 2015.

Total Assets

Consolidated Assets of the Bank stood at BDT 211,550.05 million in 2016 as against BDT 181,906.24 million in 2015 registering a growth of 16.30%. Increase in Assets was mainly driven by significant growth of customer's deposits. The growth of deposits was used for funding growth in credit and investment. Loans and Advances constituted 68.28% of total assets while investment in government and other instruments held 15.35% of the total assets. Balance with other banks and financial institutions held at 6.97% of total assets. Moreover, other assets which are very current in nature made up 1.14% of total assets leaving only 0.38% of total assets tied up in fixed assets including premises, furniture and fixtures. The above common size analysis showed that almost 92.22% of total assets of the Bank are utilized in different earning assets along with fixed assets and others leaving 7.40% in liquid form for meeting cash withdrawal demand of customers and maintaining Cash Reserve Ratio (CRR) requirement of Bangladesh Bank.

Summary of Property and Assets:

Particulars	BDT in Million		Growth	Asset Mix	
	2016	2015	%	2016	2015
Cash in hand & Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	15,645.63	14,002.61	11.73%	7.40%	7.70%
Balance with other Banks & FIs	14,734.85	5,063.10	191.02%	6.97%	2.78%
Money at call and short notice	1,040.00	-	-	0.49%	0.00%
Investments	32,464.13	25,847.69	25.60%	15.35%	14.21%
Loans and Advances/Islamic Banking Investments	144,438.41	133,654.19	8.07%	68.28%	73.47%
Fixed assets including premises, furniture and fixtures	812.82	838.49	-3.06%	0.38%	0.46%
Other assets	2,414.21	2,500.16	-3.44%	1.14%	1.37%
Total Assets	211,550.05	181,906.24	16.30%	100.00%	100.00%

Cash in Hand and Balance with Bangladesh Bank and its Agent Banks Including Foreign Currencies

As on 31 December 2016, Consolidated Cash in Hand and Balance with Bangladesh Bank and its agent banks (including foreign currencies) stood at BDT 15,645.63 million as against BDT 14,002.61 million of 2015 registering a growth by BDT 1,643.02 million or 11.73%. This increase in cash attributed to maintaining Cash Reserve Ratio (CRR) with Bangladesh Bank and to providing uninterrupted cash services to our growing customers. However, this asset remains 7.40% of the total assets in the year 2016.

Balance with Other Banks and Financial Institutions

Trade Service Division of the Bank has to maintain some Special Notice Deposit (SND) accounts and Current Deposit (CD) accounts with other banks in and outside the country for smooth functioning of the treasury operations and international trade finance. The Bank also places excess fund with other banks and financial institutions as term deposits for optimizing the profit of the Bank. As on 31 December 2016, to proper use of the fund, consolidated balance outstanding with other banks and financial institutions was BDT 14,734.85 million as compared to BDT 5,063.10 million at the end of 2015.

Investments

On the end of year 2016, Bank's investments stood at BDT 32,464.13 million showing an increase by 25.60% as compared to that of 2015. The reason for increase was attributable to investment in Treasury Bills and Bonds, Bangladesh Bank Bills and investment in Corporate Bonds. Out of total investments, BDT 29,063.40 million was invested in government securities and the rest of the amount i.e. BDT 3,400.63 million was invested in different listed and non-listed Securities and Corporate Bonds.

Loans and Advances

Consolidated Loans and Advances of the Bank as on 31 December 2016 was BDT 144,438.41 million as against BDT 133,654.19 million in the year 2015, showing an increase by almost 8.07% over the preceding year. The Loans and Advances cover up the areas of corporate (based on both Conventional and Islamic Shariah Mode), SME, Retail and Credit Card. The credit portfolio of the Bank also included mix of scheme loans, namely- Renovation and Reconstruction of Dwelling House Loan (RRDH), Consumers Durable Scheme Loan (CDS), Marriage Loan, Loan Against Pension Benefit, Car Loan, HBF Loan and Commercial Loan. Corporate lending is still the core business of the Bank and continues to remain the major segment of the business. While providing loans to our customers, the policy of Bangladesh Bank is strictly followed. The portfolio has further been diversified to avoid risk of single industry concentration and remains in line with the Bank's credit norms relating to risk quality. The Customer Relationship has been strengthened and frequent visits to the clients have been ensured for further cementing existing relationship.

Total Liabilities

Total Liabilities of the Bank comprise of broad three items such as Borrowing from other Banks, Financial Institutions and Agents, Deposits and other liabilities. Consolidated balance of liabilities of the Bank stood at BDT 200,033.42 million at the end of year 2016 as against BDT 172,059.69 million in 2015, representing a rise of 16.25%. Deposits constituted 81.65% of total liabilities of the Bank.

Summary of Liabilities and Capital:

Particulars	BDT in Million		Growth %	Liability Mix	
	2016	2015		2016	2015
Liabilities					
Borrowings from other Banks, Financial Institutions and Agents	17,954.57	12,935.17	38.80%	8.49%	7.11%
Deposits and other Accounts	172,738.45	150,901.57	14.47%	81.65%	82.96%
Other Liabilities	9,340.40	8,222.95	13.59%	4.42%	4.52%
Total Liabilities/Non Owner's Claims on the Total Assets	200,033.42	172,059.69	16.26%	94.56%	94.59%
Capital/Shareholders' Equity					
Paid-up Capital	5,063.33	4,688.27	8.00%	2.39%	2.58%
Statutory Reserve	4,027.40	3,333.69	20.81%	1.90%	1.83%
Other Reserve & Share Premium	40.32	57.87	-30.33%	0.02%	0.03%
Retained Earnings	2,385.58	1,766.71	35.03%	1.13%	0.97%
Total Shareholders' Equity/Owner's Claims on the Total Assets	11,516.63	9,846.54	16.96%	5.44%	5.41%
Total Liabilities & Shareholders' Equity	211,550.05	181,906.23	16.30%	100.00%	100.00%

Deposit Portfolio

In the year 2016, Consolidated Deposits of the Bank increased by 14.47% to BDT 172,738.45 million from BDT 150,901.57 million as recorded in the year 2015. The combination of competitive interest rates, depositor's trust in the Bank and mobilization efforts of the Bank Management resulted in the growth of deposits. Mix of deposits showed that fixed deposits contributed 56.84% total deposits. The Bank's deposits include the deposits from both conventional and Islamic banking deposit vehicle.

Deposit Portfolio

Type of Deposits	BDT in Million		Growth	Deposit Mix	
	2016	2015	%	2016	2015
Current / Al-wadeeah Current Accounts and other Accounts	20,771.29	16,951.85	22.53%	12.02%	11.23%
Bills Payable	2,843.87	1,287.91	120.81%	1.65%	0.85%
Savings Bank / Mudaraba Savings Deposits	24,167.09	18,521.41	30.48%	13.99%	12.27%
Fixed Deposits / Mudaraba Term Deposits	98,189.27	93,099.95	5.47%	56.84%	61.70%
Short Notice Deposits / Mudaraba Short Notice Deposits	17,674.24	13,772.66	28.33%	10.23%	9.13%
Special Deposits Scheme	9,092.69	7,267.78	25.11%	5.26%	4.82%
Total	172,738.45	150,901.57	14.47%	100.00%	100.00%

Borrowing from Other Banks, Financial Institutions and Agents

Borrowing represents the Long Term Borrowings from Unsecured Subordinated Non-Convertible Bond and Bangladesh Bank Refinance. The balance stood at BDT 17,954.57 million at the end of year 2016 as against BDT 12,935.17 million in 2015. Borrowings increased significantly for issuing Trust Bank Limited Subordinated Bond III.

Shareholders' Equity

Total Consolidated Shareholders' Equity increased by 17.12% and stood at BDT 11,516.63 million at the end of year 2016 as against BDT 9,846.54 million in the year 2015. Item wise details of Shareholder's equity are given below:

Particulars	BDT in Million		Changes
	2016	2015	%
Capital/Shareholders' Equity	5,063.33	4,688.27	8.00%
Statutory Reserve	4,027.40	3,333.69	20.81%
Other Reserve & Share Premium	40.32	57.87	-30.33%
Retained Earnings	2,385.58	1,766.71	35.03%
Total Shareholders' Equity/Owner's Claims on the Total Assets	11,516.63	9,846.54	16.96%

Statutory Reserve

In accordance with the provision of the Bank Companies Act 1991, minimum 20% of operating profit before tax is required to be transferred to Statutory Reserve. In the year 2016, 20% of profit before Tax amounting BDT 693.71 million was transferred to Statutory Reserve and thus balance of Statutory Reserve stood at BDT 4,027.40 million in the end of year 2016.

Asset Quality

Trust Bank Limited has structured approval process in its Head Office level for approving credit facilities. However, some delegation is also conferred to Branches for allowing specific credit facilities with proper documentation formalities and compliance. Our consolidated non-performing asset increases from 2.74% to 3.21% during the year 2016. The asset quality may be termed as strong. Moreover, our endeavour towards regularization as well as conversion of our existing Non- Performing loans into performing ones for maintaining the assets quality of the Bank is continuing through identifying, managing and mitigating risk associated with lending.

Particulars	Consolidated			Solo		
	2016	2015	Changes %	2016	2015	Changes %
Unclassified Loans	139,882.32	130,065.71	7.55%	137,431.34	127,026.17	8.19%
Standard	135,383.98	124,010.45	9.17%	132,933.00	120,970.90	9.89%
SMA	4,498.34	6,055.26	-25.71%	4,498.34	6,055.26	-25.71%
Classified Loans	4,556.09	3,588.48	26.96%	4,556.09	3,588.48	26.96%
Sub-standard	903.83	484.18	86.67%	903.83	484.18	86.67%
Doubtful	638.42	633.68	0.75%	638.42	633.68	0.75%
Bad/Loss	3,013.84	2,470.62	21.99%	3,013.84	2,470.62	21.99%
Total Loan	144,438.41	133,654.19	8.07%	141,987.43	130,614.65	8.71%
NPL (%)	3.15%	2.68%	17.54%	3.21%	2.74%	17.15%

Capital Management Plan

The Board of Directors is contemplating to maintain a strong capital base to support business growth to comply with regulatory requirement and to obtain good credit rating as well as CAMELS rating. A strong capital base is also considered as a cushion to absorb any unforeseen shock arising from credit, operations and market risks. The amount of minimum capital that should be maintained by the Bank against its risk-weighted assets is measured by the Capital Adequacy ratio laid down by Basel Capital Accord. Capital Adequacy is measured by the ratio of the Bank's Capital to Risk Weighted Assets both on Balance Sheet and Off Balance Sheet transactions. All assets have been assigned weights ranging from 0% - 100%. Off Balance Sheet items are included in the computation by converting them into Balance Sheet equivalents before being allocated a risk weight. Bank's capital has two components Tier-I (Core Capital) and Tier-II (Supplementary Capital).

Common Equity Tier I (Going-Concern Capital)

The Consolidated Common Equity Tier I (Going-Concern Capital) was 8.39% of Total Risk Weighted Assets at the end of the year 2016. Common Equity Tier I represents the paid up capital, Minority Interest, Statutory Reserve and Retained Earnings. As on 31 December 2016, our Consolidated Common Equity Tier I (Going-Concern Capital) stood at BDT 11,362.23 million against BDT 9,700.01 million in 2015. The Tier I Capital constituted 57.39% of Total Capital while paid up capital constituted almost 43.97% of total Shareholder's Equity.

Tier –II Capital (Gone Concern Capital)

Tier –II Capital (Gone Concern Capital) of the Bank represents General Provision, Subordinated Bonds and Revaluation Reserve of Held to Maturity Securities (50% of such Reserve). At the close of business on 31 December 2016, our Consolidated Tier –II Capital (Gone Concern Capital) stood at BDT 8,435.52 million as against BDT 4,222.31 million in 2015.

Total Regulatory Capital

At the end of 2016, Consolidated Regulatory Capital stood at BDT 19,797.75 million against BDT 13,922.31 million in 2015 registering a growth of almost 42.20% over the preceding year and Consolidated Capital Adequacy Ratios were 14.62% and 10.81% of Total Risk Weighted Assets in 2016 and 2015 respectively against the Regulatory requirement of 10.625% and 10.00% for 2016 and 2015 respectively.

Credit Rating

Credit Rating Agency of Bangladesh (CRAB) assigned long term credit rating of the Bank at AA2 in 2015 and short term rating ST-2. These ratings imply the strong fundamentals of the Bank in the areas of stability of fund, profitability, business growth, diversified-portfolio and loan loss coverage etc. Long term rating of AA2 indicates very high investment grade and short term rating ST-2 indicates high certainty of timely payment of financial obligations.

The credit rating of Trust Bank Limited based on financial statements for year ended 31 December 2016 is under process and will be published in due course.

Retail Banking

2016 has been a milestone year for Retail Banking Division (RBD). Breaking all record of the past since its inception, this year RBD has accomplished unprecedented figures in terms of portfolio growth. In 2016, RBD has successfully launched an asset campaign, developed new products, revised and amended existing products in light of current market scenario, continued its endeavour to support school banking to the root level, and achieved a remarkable portfolio growth.

Business Highlights

Like the previous year, Retail Banking Division has continued to focus on strengthening the asset base in 2016. As on 31 December 2016, the Total retail asset portfolio stands at about BDT 17,841 million (BDT Seventeen Thousand Eight Hundred Forty One Million Only) which is 9.26% growth from the previous year.

Asset Campaign 'The Fortune' was launched during the summer of 2016. Both target and achievement of this campaign reached a height that had never been accomplished before in the history of TBL Retail Banking. Fresh disbursement of more than BDT 1000 million (BDT One Thousand Million Only) was accomplished from retail loans within 05 (Five) months. With fierce marketing, the success of the campaign has marked TBL as an emerging key player in the market of Retail Products in Banking Industry.

2016 has been a year of ground breaking success for Payroll Banking. The year end balance has more than doubled with an outstanding figure of over BDT 423 million (BDT Four Hundred and Twenty Three Million Only). Compared to the previous year's 15,967 (Fifteen Thousand Nine Hundred and Sixty Seven) number of accounts, this year the number of account holders' stand at 25,033 (Twenty Five Thousand and Thirty Three). The figures are a clear manifestation of the growing confidence of the market in TBL products and quality of services.

Keeping with TBL's commitment to contribute to inclusive banking through financial literacy, Retail Banking Division has conducted several School Banking activities through branches network.

Retail Banking Division continued its efforts to strengthen the loyalty program to provide ultimate luxury experience for the card holders. In 2016, the Loyalty Team has succeeded in signing favorable MoU with a total of 09 (Nine) new organizations of different genres. This lavish experience is provided under the Trust Youniverse program for all TBL debit and credit card holders. The card holders are now provided special privilege arrangements with a total of 51 organizations, including 09 (Nine) Health Care, 12 (Twelve) Life Style, 14 (Fourteen) Dining and 16 (Sixteen) Leisure and Fun organizations.

New Products

In the year 2016, PPG for 02 (two) new asset products was launched: (1) Loan Against Pension Benefit for Defence Personnel (other than Officer)- targeted towards Soldier to Junior Commissioned Officer of Bangladesh Army and equivalent post holders of Bangladesh Navy and Air Force. Since its inception with effect from September 2016 to the end of December 2016, a total of 4269 (Four Thousand Two Hundred and Sixty Nine) number of accounts have been created with a remarkable outstanding figure of over BDT 3706 million (BDT Three Thousand Seven Hundred and Six Million Only).

(2) Any Purpose Loan for TBL Employee: This retail product with highest limit of BDT 10,00,000/- (BDT Ten Lac Only) is dedicated exclusively to the employees of TBL. This is an example of how Retail products are designed to encompass all segments of population including their own!

SME Financing

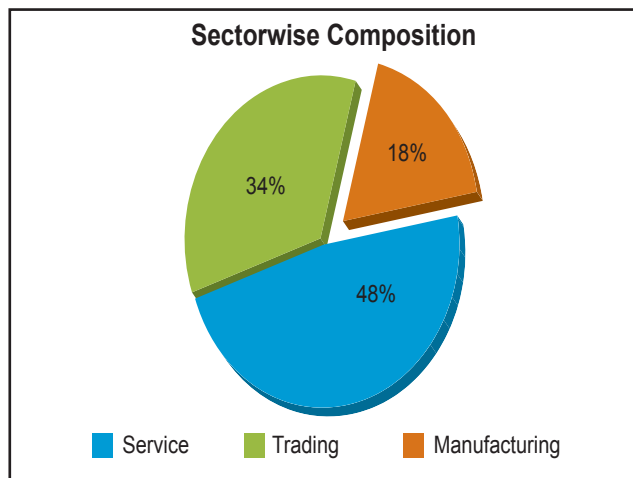
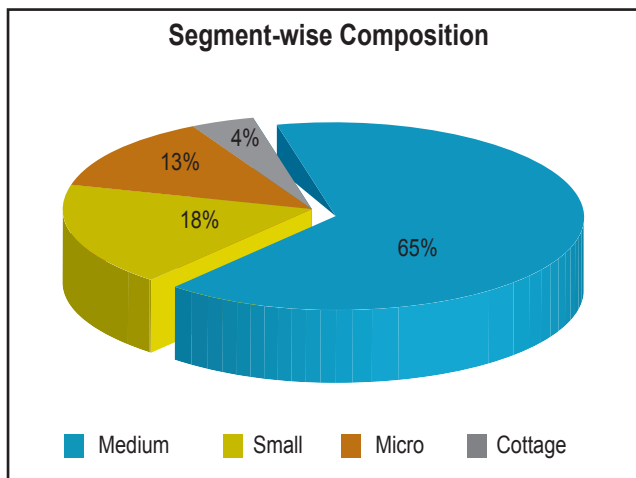
Trust Bank Limited (TBL) in line with Bangladesh Bank's policy guidelines initiated its SME program in the year 2009. Since inception, the SME loans in TBL have been growing consistently. The Bank is strategically striving hard to take the SME business to a great height. Timely initiatives, innovative customer friendly products and proper segmentation have largely contributed to increase Bank's SME loan portfolio from BDT 7,333.00 million in 2015 to BDT 14,515.00 million in 2016.

Our strategy is to focus on marketing of the products through branch network as well as outsourcing agents under area/group/cluster approach in manufacturing, service, agriculture and renewable energy

sector. Bank's exposure is thus well diversified in different sectors; vis a vis Powerloom, Handloom, Light Engineering, Handicrafts, Nakshi Katha, Garments Accessories, Bio-Gas, Bio-fertilizer, Irrigation by Bio-Gas, Fisheries, Poultry, other agri-business and so on.

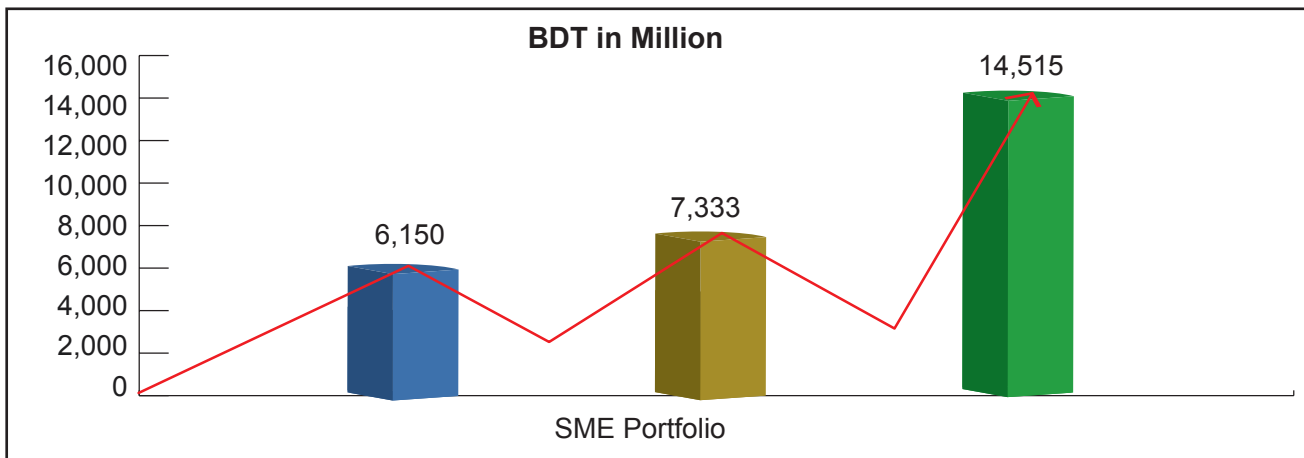
Composition of SME Financing

Different initiatives and appropriate SME loan products and borrowers friendly SME policy of TBL has contributed to a positive business growth in SME segment. SME loan disbursement in 2016 was 84% higher than that of the preceding year. Segment-wise as well as sector-wise composition of total SME portfolio is shown as below:



II. Growth of SME Financing

Trust Bank's SME loan portfolio is growing consistently over the years. Last three years SME loan growth is depicted as below:



Green Financing

Trust Bank is well known for its financing in biogas plants. It is the first Bank that started financing in this sector. As of 30 December 2016, the amount of financing made available in this sector stood at BDT 595.96 million.

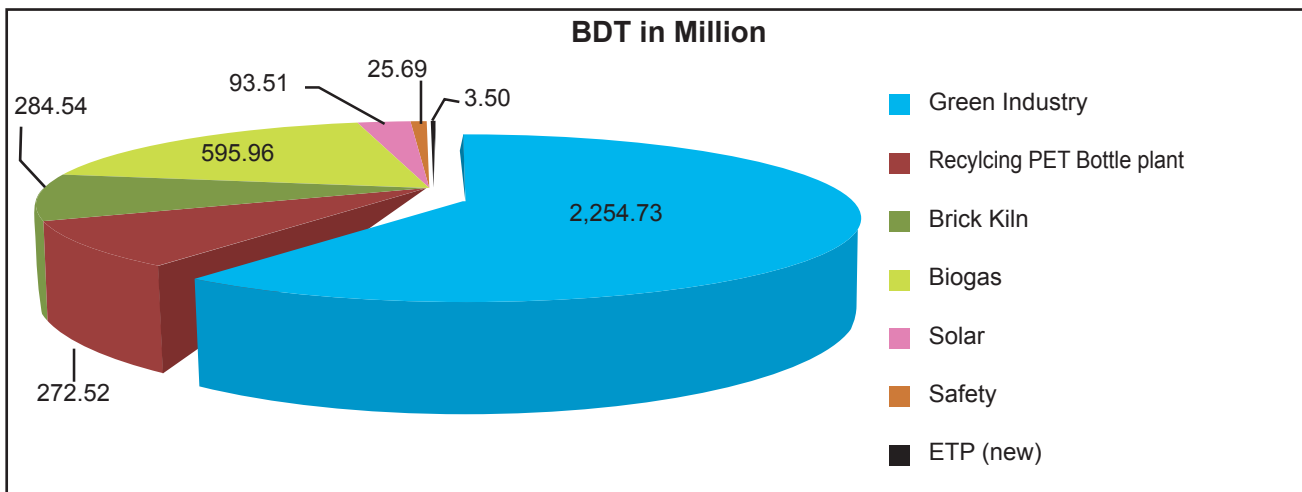
Trust Bank extended finance for installation of 3,515 solar-home systems through MFIs linkage in the district of Jenaidah and Munsigonj, Satkhira. A village named Howlipara, Jenaidah, is yet to be named as 'Solar Village'. TBL in partnership with IDCOL financed a recycling PET Bottle Plant at Rupgonj, first of its kind in Bangladesh. On top of that, the bank opened 2(two) solar-based branch in the district of Lalmonirhat and Kishoregonj respectively. A 'Green Day' was observed on April 15, 2014 for awareness building of the bank employees as well as other stakeholders.

TBL is equally concerned with carbon emission and waste management. Keeping this in mind, besides its financing in ETTPs and auto brick fields, it has financed a green industry named Pretty Group with

BDT 2,254.73 million. The Bank also financed a 17 storied building named 'Cityscape Building' located at Gulshan, which is popularly known as 'Green Building'.

In recognition to our green activities, central bank has nominated Trust Bank Ltd as the only member of its Technical Advisory Committee for environment friendly banking from the Banking industry.

Composition of Total Direct Green Finance



Agriculture Financing

Trust Bank is committed to increase loan portfolio in this sector. It has introduced Agriculture Loan Product popularly known as "Trust-Sufola Bangladesh" for irrigation equipment, Live Stock and Fish Culture, Fruit Orchard for individuals as well as group level.

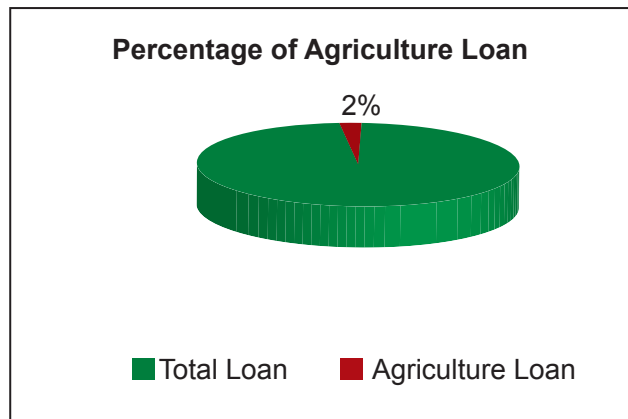
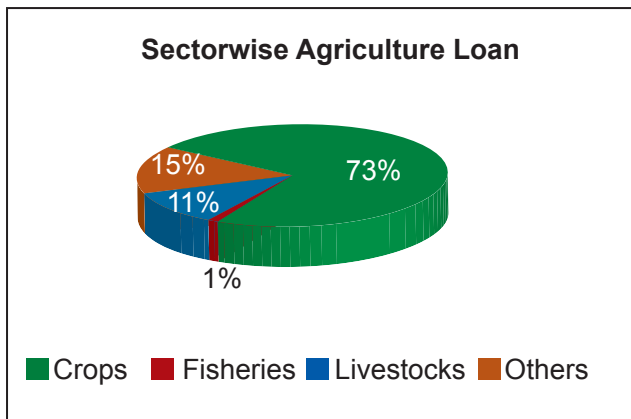
To bring the marginal farmer under financing folder, another product named "Trust-Prantik" has also been introduced. Trust Bank is providing finance to the core agriculture sectors-like Crops, Fisheries, Live Stock in both through own network as well as MFI/NGO linkage.



Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO receiving 'Letter of Appreciation' from Bangladesh Bank for achieving Agriculture and Rural Credit disbursement target for the FY 2014-15 by Trust Bank.

Composition of Agriculture Loans

Trust Banks financing in agriculture sector is well-distributed in different sub-sectors which can be seen from the following pie chart:



Islamic Banking

The defining characteristic of Islamic Banking is Shariah compliance with special reference to the prohibition of interest (Riba) from all transactions and dealing in businesses that are allowed (halal) in shariah. Islamic Banking is governed by a set of strict rules derived from the holy book, the Qur'an and Sunnah of Prophet (pbuh). To ensure compliance of shariah guidelines in conducting business, Islamic Banking practices a strong documentary record keeping system eliminating all vagueness regarding business and responsibilities of the parties involved.

Trust Bank Limited is carrying out its Islamic Banking operations through 5 (five) Islamic Banking Windows at TBL-Principal Branch, Millennium Branch, Dilkusha Branch in Dhaka, CDA Branch in Chittagong and Sylhet Corporate Branch in Sylhet as per Bangladesh Bank approval. In addition to the above, all TBL branches can now provide Islamic banking services through on-line banking system.

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

- Complete Separate Fund management—no mingling of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic Banking deposits only.
- Separate book-keeping, Profit and Loss Account by Islamic Banking module of Bank's CBS.
- TIB has a distinguished Shariah Supervisory Committee (SSC) for guidance on Shariah related issues and routine audits by Shariah Audit team to ensure compliance of Shariah guidelines in Islamic Banking operations/transactions.
- Profit sharing ratio (Depositor: Bank) is 70:30 and Profit distributions are executed as per approved weightage table.

Deposit and Investment

As of 31 December 2016, Trust Islamic Banking (TIB) 'Deposit and Investment' has shown a growth of 11.41% and 28.87% respectively from the corresponding position of 2015.

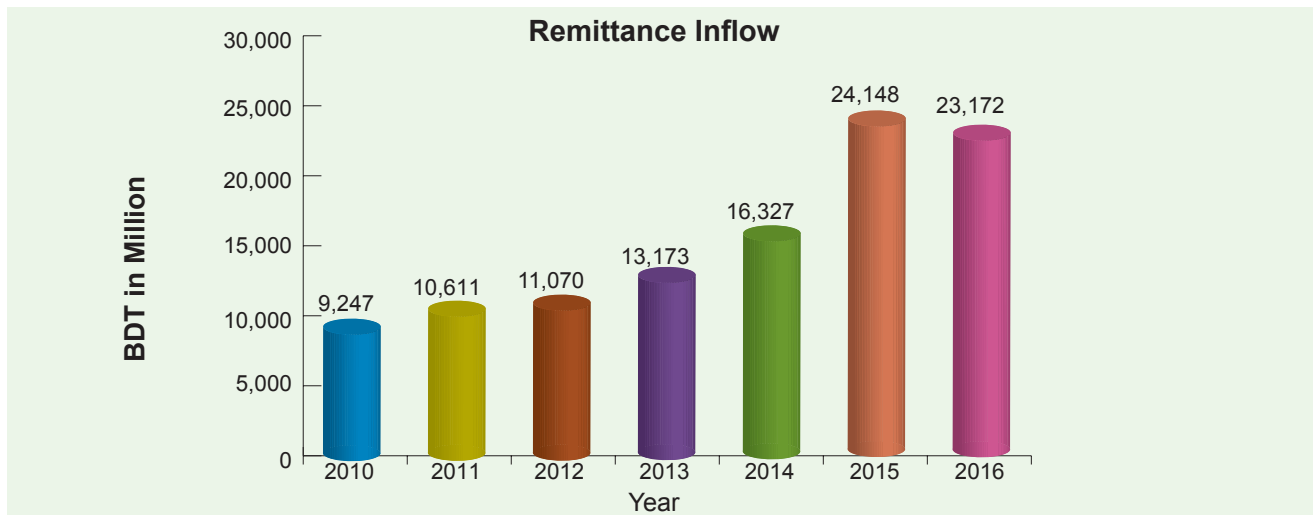
A dedicated team of resources with skill and commitment in Islamic finance and banking at Head Office closely monitors and supervises the entire operations of TIB to ensure compliance, development and growth of Islamic Banking business. TIB offers the full range deposit and investment products and services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

A separate Balance-sheet, Profits and Loss account and statement of Cash-Flows are shown in the Annexure-D of this report. The figures appears in the Annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

Foreign Remittance

Inward Foreign Remittance has been continuously playing significant role to the economic growth and the livelihoods of people in Bangladesh. Since inception, Trust Bank Limited is very much focused in channeling inward foreign remittance.

In 2016, Trust Bank Limited received Inward Foreign Remittance USD 271.28 million equivalent of BDT 23,172 million, despite of decreasing trend of total inward remittance in Bangladesh. Year-wise remittance inflow at a glance is furnished below:



MD & CEO of Trust Bank Limited received “Financial Branding Award” in Gold Category from Centre for NRBs, a non-profit organization.

We are continuously striving to establish Money Transfer Agreement with overseas exchange houses worldwide.

Treasury Operations

The general mission of the Treasury Division is to manage the liquidity of a business. This means that all current and projected cash inflows and outflows must be monitored to ensure that there is sufficient cash to fund bank’s day to day operations, as well as to ensure that excess cash is properly invested.

TBL Treasury Division has very efficiently managed the bank's liquidity and earned significant revenue of BDT 2,905.36 million in the year 2016. Money Market fund management was more challenging due to excess liquidity over the year 2016.

The investment banking continued to generate profits during the year 2016, in spite of the challenging environment in the fixed income market. Value of investments in government securities and investment as placement in private bonds of our bank as on December 31, 2016 has been enumerated as follows:

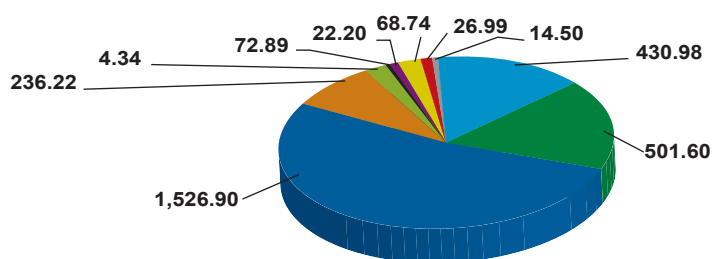
Sl.	Items	BDT in Million
1	Government Treasury Bills	8,592.43
2	Government Treasury Bonds	14,619.37
3	Investment in Subordinate Bonds	960.48
4	Investment in OBU	1,518.04
5	Investment in Bangladesh Bank Bills	5,097.79

Investment Income:

Investment income representing interest earned from investment in Treasury Bills, Bangladesh Bank Bills, Treasury Bonds, placement in subordinate bonds, Reverse Repo, Call Lending and FDR Placement, Exchange Gain on Foreign Currency, investment in commercial papers etc. has been enumerated as follows:

Sl.	Items	BDT in Million
1	Exchange Gain on Foreign Currencies	430.98
2	Treasury Bills & Bangladesh Bank Bills	501.60
3	Treasury Bond HTM	1,526.90
4	Money at Call & FDR	236.22
5	Reverse Repo	4.34
6	Subordinated Bond	72.89
7	FX Commission	22.20
8	Investment in OBU	68.74
9	Investment in Commercial Paper	26.99
10	Other Income	14.50
	Total Income	2,905.36

Revenue Generated by Trade Services Division & Treasury Division



- | | |
|---------------------------------------|----------------------------------|
| 1 Exchange Gain on Foreign Currencies | 2 Treasury Bills & B. Bank Bills |
| 3 Treasury Bond HTM | 4 Money at Call & FDR |
| 5 Reverse Repo | 6 Subordinated Bond |
| 7 FX Commission | 8 Investment in OBU |
| 9 Investment in Commercial Paper | 10 Other Income |

The FOREX trading unit offers foreign exchange and derivative solutions to client and continued to be a major player in this segment. These products and services are offered to various users as permitted by extant regulations.

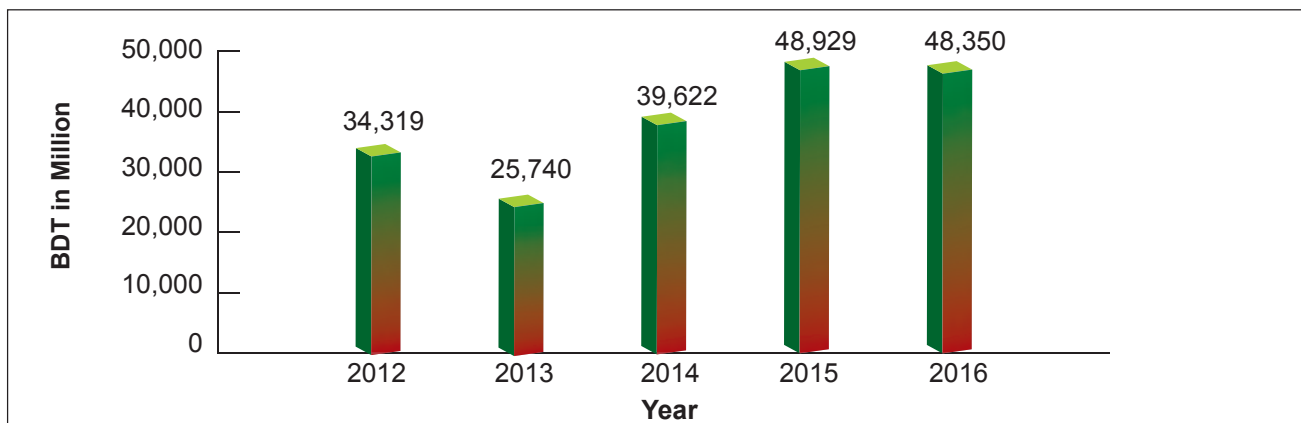
The asset liability management unit continued to actively manage the Bank’s liquidity, interest rate and the securities portfolio held for compliance of statutory and regulatory requirements by Bangladesh Bank. This is done keeping in mind the optimization of the yield on the overall portfolio while maintaining an appropriate portfolio duration given the volatile interest rate movement.

International Business

Trade Finance:

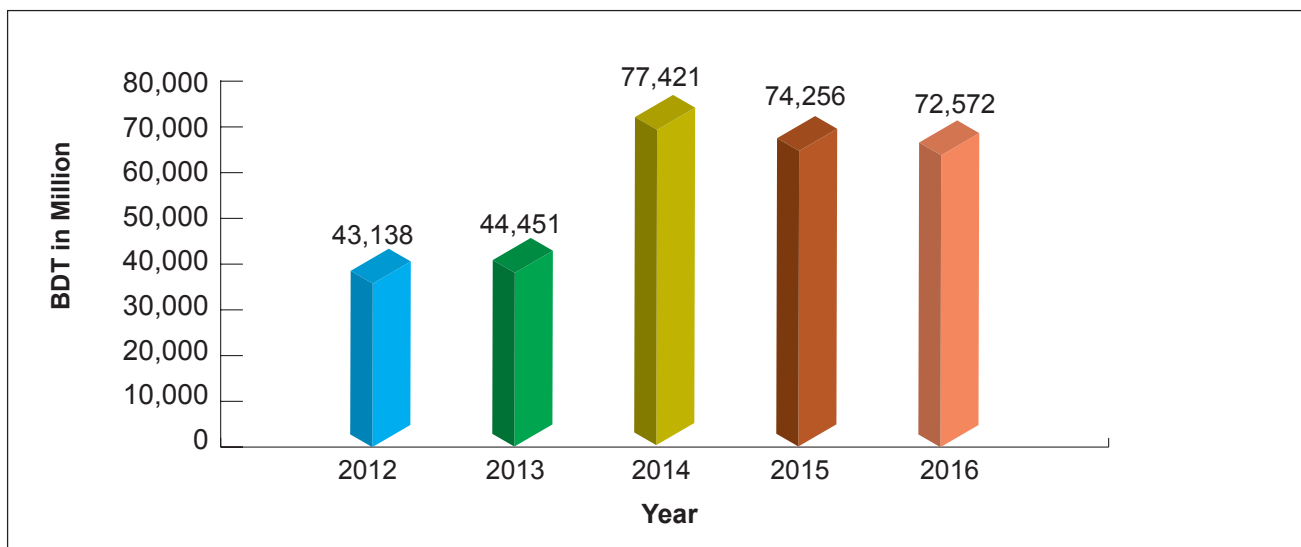
Trade Finance offers a wide range of services that can be tailored to meet the different needs of buyers and sellers (Importers and Exporters). Our range of resources and level of expertise in the various trading sectors and documentary credit specialists enables us to offer unrivalled services to all our customers, whether they are manufacturers, traders, suppliers, importers or exporters. The Bank has exhibited quality financing while facilitating total import and export business transacted during the 2016 for BDT 72,572.00 million and BDT 48,350.00 million respectively.

Export:



The cumulative achievement of the export earning is BDT 48,350.00 million at the end of 2016. It shows that the Bank has contributed more in reducing trade gap in 2016. The export items were RMG, shrimp and frozen fishes, jute and jute goods, finished leathers and leather goods, fresh vegetables like potato, ceramics, handicrafts, pharmaceuticals, food items, etc.

Import:



The cumulative import expenditure of 2016 becomes BDT 72571.60 million. The main imported items were capital machineries, industrial machineries, industrial raw materials, foods, commodities and other consumer products. During the year 2016, total LCs were opened to the tune of USD 677.318 million and settled amounting to USD 605.972 million. The LC outstanding at the end of the year 2016 is USD 471.845 million.

Offshore Banking Unit (OBU):

To meet the contemporary banking business demand, Trust Bank Limited started its Offshore Banking Unit (OBU) operation located in Dilkusha Corporate Branch, 36 Dilkusha C/A, Dhaka -1000 on 04 December 2013. Within a very short span of time, OBU has become a profitable earning indicator of the bank.

Currently OBU, TBL provides the following customized products and services to corporate clients in line with the Bangladesh Bank's Guidelines:

- Discounting of Import Bills (UPAS),
- Loan to Ads for export bill discounting,
- Participation in syndicate financing in foreign currency,
- IPFF loan disbursement,
- Lending to the enterprise in Bangladesh subject to prior approval from BOI.

Business Position of TBL, OBU for the year ended 31 December 2016

Business Area	USD in Million	BDT in Million
Total Deposits	36.04	2,872.39
Total Advances	36.36	2,897.89
Profit - OBU	0.56	44.63
Head Office Profit from Investment in OBU	0.86	68.74
Aggregate Profit from OBU activities	1.42	113.37

Information Technology

Trust Bank has always leveraged technology to deliver convenience to its customers. In line with its philosophy of 'A Bank for Financial Inclusion', TBL has been offering innovative and cutting-edge products to its customers with the objective of enabling banking transactions at any time and from anywhere.

Initiatives to Improve Service Quality:

Trust Bank continue its drive towards improvements in service quality across all customers. These improvements also have reflection in Branch Banking, Internet Banking, Mobile Banking, ATMs and Cards along with back office support functions.

Newly Launched In-house Developed Services in 2016:

- i) Trust Bank Payment Checkout
- ii) MIS Reports Developing from CBS Database
- iii) Help Desk

Trust Bank Payment Checkout:

Trust Bank payment checkout is being used to pay online payment through Trust Bank Mobile Money (TBMM) and Q-Cash Card (Proprietary and Visa) payment method. At present, Trust Bank Payment Checkout has integration with Easy Pay Way, Foster Payments, Cadet College, Shaheed Colonel Kazi Emdadul Haque Public School, BGB, Rajshahi, Morning Glory School and College (MGSC), Savar cantonment, Adamjee Cantonment Public School etc.

As a result, all TBL cardholders and TBMM customers are able to purchase online products and services such as tickets, Recharge Mobile Airtime, Internet Prepaid Card, Gift items, Dresses and Jewelry from most renowned brand shops of the country.

MIS Reports for Core Banking System (CBS):

The Bank has introduced various MIS Reports from CBS database. The salient reports are:

Customer Transaction Profile, Daily Deposit and Investment Increase Decrease, Interest Rate Wise Deposit Balance, Loan Account Listing, All Deposit Wise Customer Balance, List of Deposit Account with Overdue Installment, Classification Loan-2, 3, 4 and 5 Report, Passing Pending List and Branch wise details, RTGS Transaction List, SME Report EDCL, Agriculture Loan Account List, Quarterly Statement on School Banking District Wise etc.

Help Desk:

The Bank has introduced Complain Management Solution/Help Desk to provide complaint solution to customers. Customer can submit ticket with unique number through this portal. The portal can simultaneously track complain, enquiry, and accordingly concerned division or branch can monitor the submitted tickets with status. The portal automatically notifies to the requester through email on specific status change of each ticket and can show previous submitted ticket detail with status.

Transaction Alert Service:

SMS Alerts is a service that allows customer to stay updated on his/her account transactions through mobile. To receive these alerts customers have to register for the service. System will generate alerts to the registered mobile no of clients when customer account is debited or credited.

Real Time Gross Settlement (RTGS):

Trust Bank launched Real Time Gross Settlement (RTGS) service on October 29, 2015. RTGS is an advanced technology that facilitates interbank fund transfers on real time basis. RTGS is expected to help boost business to business (B2B) transactions, along with other general transactions by enabling instant settlement of transactions.

Bangladesh Electronic Funds Transfer Network (BEFTN)

BEFTN is a paper-less payment methods for secured, faster and cost-effective transactions. It facilitates the transmission of payments between the banks electronically, which makes it faster and efficient means of inter-bank clearing.

Disaster Recovery (DR Site):

Trust Bank Disaster Recovery (DR) Site is located at Jessore. Trust Bank DR site environment is running concurrently with main data center. This syncing allows for minimal impact and downtime to business operations. In the event of a significant outage event to main data center, the DR site takes the place of the impacted site immediately.

Mobile Banking Services:

Trust Bank Limited launched “Trust Bank Mobile Money (TBMM)” in August 2010 for the banked and unbanked people. Mobile Banking is a process of no-branch banking which provides appropriate financial services to unbanked communities in both urban and rural areas at affordable cost.

TBMM is a Bank-Led model complying all the rules and regulation of Bangladesh Bank. It enables subscribers to quickly, easily, and securely transfer balances to other subscribers via their mobile phones through SMS, USSD and Internet. Any mobile subscriber can avail TBMM services using any mobile handset from low end to high end.

Customer of TBMM can avail the service at all Branches of Trust Bank Limited (TBL) and accredited Paypoints. Trust Bank is deploying its Paypoint Network through different distributors such as Robi Axiata Limited, Third Eye NC Limited, North South Mobilink, Deshmati IT enable Services Limited (DITES), Arena, A2i (UISC, PDC and CDC) and Cosmic Global Limited.

The Services of Trust Bank Mobile Money (TBMM) are as follows:

1. A/C Registration, Cash Deposit and Withdraw at Paypoint/TBL Branches
2. Person to Person fund transfer

3. School Fees Payment
4. Recruitment Fees Collection of Bangladesh Army, Navy and Air force
5. Utility payment:
 - i. Air time recharge (All Telco's)
 - ii. Insurance premium collection of MetLife Alico, Meghna Life and Prime Life insurance Co.
 - iii. Electricity Bill Collection of DESCO and DPDC
 - iv. Passport Fee Collection.
6. National ID Correction or Reissue Fee Collection
7. A/C Balance check
8. A/C Statement (Last 3 transaction check)
9. Online Merchant Payment
10. Salary Disbursement

Cards:

Trust Cards:

Trust Bank Limited has Associate Membership with Visa International since 2006. The bank has successfully launched Visa Credit Card which creates a new dimension in its customer service and consumer financing.

Trust Bank introduces following types of cards:

- i. Debit card
- ii. Credit Card
- iii. Prepaid Card

Debit Cards:

Customers can directly access their savings/ current/short term deposit accounts with the debit card through ATM, POS and Internet etc. Trust Bank has 3,30,000 debit card customers as on 31 December 2016. There are two types of Trust Debit Cards:

- Trust VE (VISA Electron) Debit Card
- Trust Proprietary (Q-Cash) Debit Card

Credit Card:

Trust Bank Limited has introduced Visa Credit Cards (both local and international) to serve its existing and potential valued customers. TBL has also introduced SMS notification and e-statement facility for monthly credit card statement. The bank has issued about 6,000 credit cards.

Trust Bank Limited issues 5 types of Credit cards. These are Gold Local and International, Classic Local and International and VISA Platinum Dual. Local cards can be used in Bangladesh only.

Platinum card holders can avail priority pass along with maximum credit limit, cash advance facility and emergency card replacement facility. Priority pass will also be facilitating 900+ airport lounges use around the world. Moreover, Credit card holders can avail discounts, auto debit facility and personalized customer care service. Customer can also avail three supplementary cards and convenient payment option through new iBanking service.

Prepaid Card:

Trust Bank Limited launched International Prepaid cards to fulfill customers needs and Traveler Cheque arrangement and related services against travel quota entitlement. The prepaid card has given an alternative collection method of remitted money.

The Prepaid cardholders can also pay Tax online through National Board of Revenue website.

Paperless Billing System of Credit Cards:

Green Banking has been introduced for generating Electronic Bill. E-Bill system of credit cards have not only made billing system more convenient to customers but also ensured paperless billing system.

Alternative Delivery Channels:

ATM and POS:

ATM allows customers to access their account, check account balance and withdraw cash, recharge mobile airtime 24x7 hours. At present total number of own ATMs is 199.

Bank POS are deployed on every branch and Merchant POS on different Merchant outlet. At present total number of POS machines are 283 where Bank POS are 136 and Merchant POS is 147.

Internet Banking:

Trust Bank iBanking enables customers to know their account balance and transaction statements instantly through the internet. It also provides account to account fund transfer and different utility bills payment services.

Trust Bank has also implemented SSL Server Certificate security to protect from unauthorized transactions and fraud. OTP (One Time Password) SMS system implemented to send one time password to customer's mobile phone for all fund transfer transaction approval.

Call Center:

Trust Bank introduced Call Center Support to ensure better customer service and support round the clock. Better call center support will definitely help bank to provide a satisfied customer experience in near future. Call Center is available 24/7 to provide assistance. Customer can dial 09604016201 to meet their queries.

Trust Bank Investment Limited

Trust Bank Investment Limited (TBIL), a fully owned subsidiary of Trust Bank Limited, was formed and incorporated on 09 September 2010 as a public limited company under the companies act, 1994 in Bangladesh to handle the capital market operations. The company received permission from the Bangladesh Securities and Exchange Commission on 25 October 2010 as a full-fledged Merchant Bank and started its operation on 14 November 2010 by taking over the assets and liabilities of the Merchant Banking Division of TBL. As a full-fledged merchant bank, TBIL is entitled to undertake all merchant banking activities viz, portfolio management, underwriting, issue management and corporate advisory services.

The Capital Market of Bangladesh passed a somewhat promising year in 2016 after five years of bearish trend since 2010. Following the previous five years' negative trend, The DSEX index went down to 4171 after plunging 9.89% in May 2016. Thereafter the market recovered riding on various initiatives taken by the Government, BSEC, Bangladesh Bank and ultimately DSEX rose up to 5036 crossing the psychological threshold of 5000 mark at the end of 2016 and the average daily trade volume also rose to BDT 4,994 million which was BDT 4,220 million in 2015.

The downward trend and volatility of market hurt both the investors and institutes. Merchant Banks had to deal with deterioration of their clients' equity and low return from their proprietary portfolio. A consistent rally of last two months assisted DSEX to stay above 5,000 points level, while yielding a total of 8.80% return for this year. Active participation of enthusiastic investors to inject fresh funds fetched the record of highest peak of trade volume with positive expectation about performance of market in forthcoming year. The favorable macroeconomic indicators coupled with political stability jacked the foreign fund managers' confidence up and encouraged them to inject fresh fund in the securities. However, operating profit (profit before tax and provision) of TBIL for the year 2016 was BDT 154.85 million.

Dividend and Capital Gain from proprietary investment portfolio has become the major source of revenue for TBIL. TBIL is maintaining its own portfolio operations in compliance with the TBIL Investment Policy duly

approved by the Board of Directors. In the year 2016, TBIL has realized a profit of BDT 115.06 million from its own portfolio investments, including both capital gain and dividend income.

Portfolio management services are the other major sources of earnings of TBIL. TBIL is providing “Portfolio Management Services” to its client through IDA, BDA and NIDA accounts. TBIL manages investors’ portfolio of its clients worth BDT 5,038.33 million against margin lending of BDT 2,466.16 million as on 31 December 2016. Revenue generating from Portfolio Management Services include Interest on Margin Loan, Portfolio Transaction Fee, Portfolio Management Fee and Annual Charges.

Underwriting is another source of revenue for Merchant Banking Operations. As on 31 December 2016, TBIL has underwriting commitments with 2 (two) issues for a total amount of BDT 60.53 million.

TBIL has successfully performed the responsibilities of Issue Manager of Private Placement of Redeemable Cumulative Preference Shares of “RAJ LANKA POWER COMPANY LIMITED (RLPCL)” as Issue Manager in 2016.

Business Position of TBIL

Sl.	Particulars	As on December 31, 2016
1	No. of Accounts	3,980
2	Total Loan against Securities (BDT Million)	2,466.16
3	Total Portfolio Value at Market Price (BDT Million)	5,038.33
4	Average Daily Trade Volume (BDT Million)	51.99
5	Average Daily Trade Volume as % of that of DSE	1.04
6	Operating Profit (BDT Million)	154.85

Trust Bank Securities Limited

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of Trust Bank Limited (TBL) and corporate shareholder of Dhaka Stock Exchange Ltd (DSE). The company offers full-fledged stock brokerage services of DSE and all DP (Depository Participant) related services of CDBL.

The company performed better than the previous year in every aspect. With the pace of the turnover of DSE, TBSL turnover and income also increased. Trading took place 241 days throughout the year and average daily turnover of DSE was BDT 4944.30 million. Proportion of TBSL turnover in total turnover of DSE is 0.50% in the year 2016.

The growth and overall performance of TBSL is increasing day by day. During the year 2016, the company earned total income of BDT 2,37,41,737.00. On the other hand, total operating expenditure was BDT 1,20,24,165.00. Therefore, net profit before tax stood at BDT 1,17,17,572.00. Provisioning for taxes of BDT 50,60,047.00, net profit after tax stood at BDT 66,57,525.00. After fair valuation of income of BDT 3,20,866.00, total income for the year stood at BDT 69,78,391.00 which was BDT 11,94,719.00 in the previous year.

The overall performance of TBSL between the year 2015 and 2016 is shown in the following table:

Figure in BDT

Sl	Particulars	2016	2015	Increase/Decrease
1.	Total No. of BO A/C	500	408	23%
2.	Total No. of Employees	09	09	0
3.	Total operating income	2,37,41,737	1,47,60,493	61%
4.	Operating Expenses	1,20,24,165	1,06,10,885	13%
5.	Profit before tax	1,17,17,572	41,49,608	182%
6.	Fair valuation of Income	3,20,866	(1,55,130)	307%

SI	Particulars	2016	2015	Increase/Decrease
7.	Total profit before tax	1,20,38,438	39,94,478	201%
8.	Provision for income tax & Others	(50,60,047)	(27,99,759)	81%
9.	Net profit/(loss) after tax	69,78,391	11,94,719	484%

Human Resources Management-Towards a Cultural Performance

TBL believes in exploring the employee's full potentials and provide them optimum development opportunity. At TBL, HRD plays the role of Strategic Partner in any movement. We create a pipeline to develop leaders who can maintain and fasten the growth of the organization. We do not only hire the right person for the right job, we also develop their skills and abilities and shape their career. We provide best working environment, establish healthy relationships, and invest in human capital. We believe in creating culture where our employees can balance between work and personal life. We also look forward to increase our employee engagement activities and have taken initiatives to expand the area. HRD is working relentlessly in order to achieve the above objectives and over all organizational success.

Manpower Status

TBL is an employer of choice. It has made its own name in the industry and is known as one of the most compliant Banks. The Bank is getting bigger in size and to cope up with the requirements, hundreds of fresh and experienced employees are being recruited in TBL every year. The bank consists of young people mostly under the strong lead by experienced executives. A comparative age group of employees in TBL is as follows:

Age Group	Executive	Officer	Total
Up to 30	0	583	583
31 to 40	33	1055	1088
41 to 50	71	81	152
51 to 60	26	9	35
Above 60	4	0	4
Grand Total	134	1728	1862

Recruitment

Success is a journey not a destination. We have been successfully growing over time and we intend to fasten the process in the future. To achieve and maintain success, we need qualified employees. Here in TBL, we do not only believe in hiring the best but also to get the best out of the hired employee. This year we recruited a total number of 68 Regular employees. The changes in recruitment status in last two years are given below:

Employment	Year	
	2016	2015
Regular	68	228
Temporary	54	54
Total	122	282

Employee Engagement

The employees of the bank spend most of their time in the bank, for the bank. Therefore, the management of the bank is also positively concerned about the employee engagement issues and is committed to ensure improved personal life as one cannot give optimum output without enough scope for recreational activities. Recently, TBL HRD initiated the following platforms to boost employee engagement:

Colors of HR: It is a platform through the Intra web of TBL which is used for communicating HR development and engagement materials to the employees, through in house mail communication.

HR-IT News: This is another initiative of the HR-IT Team which focuses on feeding the employees of the bank with the latest and important financial news.

HRBL: HRBL (Human Resource Business Lyrics) is a Platform for individual employees to project fresh business concept & process improvement, risk mitigation, value adding in existing products and customer service and finally cost control ideas/lyrics.

Compensation and Benefit Strategy

TBL offers competitive compensation and benefit packages comprising of salary, bonus, increments and other facilities i.e. Provident Fund, Gratuity, Superannuation Fund and Hospitalization Benefits to hire good potentials from the market. Recently, we also disbursed “Nobo-Borsho Bonus” to keep along with the government practice.

Training and Development

Cost incurred for training and development is not a cost rather it's an investment. TBL has always been investing on its employees for developing skills and abilities of the human resources to convert into human capital. The overall training scenario for the year 2016 is as follows:

Training	Year 2016		Year 2015	
	Training Program	Participants	Training Program	Participants
In-house (TBL Training Academy)	27	910	29	966
Local (BIBM & others)	125	273	137	361
Foreign	04	05	10	11
Total	156	1188	176	1338

Operational Strategy of the Bank

Operations Division is entrusted with overall operational risk management of the Bank. The primary objective of operations is to ensure a high level of product and service delivery from all branches within a control culture.

Trust Bank Limited has implemented an operational risk umbrella that encompasses all aspects of potential risks- Bank protection, fraud prevention, business line risk oversight, regulatory compliance, business continuity, contingency plan, loss of physical asset etc.

At Trust Bank Limited, Operation Risks are managed based on the following principles:

- Supporting the side with strongest leadership.
- Ensuring that the management system for operating risk complies with regulatory norms and legislative standards.
- Developing a strong culture of risk management among employees.
- Employee are informed about risk levels and adopted measures to decrease these risks.
- Constantly monitoring risks.
- A fixed mechanism for collecting information about operating risks.
- Decision-making by all employees takes into account for mitigate operating risks.
- Separating authority and responsibility among Bank employees.
- Clear definition and communication of Policy
- Periodic Evaluations Based on Internal and External Changes Structure.
- Development of loss databases.

Administrative Arrangement

Administrative arrangement of Trust Bank Limited has been reorganized and a new ‘Administrative

Division' is formed with its three departments as Purchase and Procurement, Support and Delivery and Security Management. This new arrangement has made the administrative function more effective through transparency, better support, enhanced security and reduction of cost. All these departments have proved to be very effective within very short period of time. The achievement of Cost Control Unit may specially be mentioned in this connection.

Security of TBL has been enhanced through the Security Management Department. Further steps are being taken to beef up the security including IT security as guided by BB (Bangladesh Bank). TBL is also taking necessary steps to purchase weapons as per the instruction of MOHA (Ministry of Home Affairs) and guidelines of BB. The Board of Directors has already approved the same.

As part of the development, TBL has recently opened the following outlets:

- a. **Branches:** i) Kabirhat, Noakhali. ii) Daulatpur, Khulna. iii) BOF Branch, Gazipur (on operation).
- b. **ATM:** 16
- c. **t-Lobbies:** 3
- d. **Collection Booth:** 1
- e. **Relocation:** Savar Cantonment Branch and Ashulia Branch (already relocated). Relocation of Mirerbazar SME/Krishi Branch is in the process.



Inauguration of Trust Bank Limited, Kabirhat Branch, Noakhali by Mr. Obaidul Quader, hon'ble Minister, Ministry of Road Transport and Bridges. Among others Mr. Annisul Huq, hon'ble Mayor, Dhaka North City Corporation and General Abu Belal Muhammad Shafiu Huq, SBP, ndc, psc, Chairman of Trust Bank Limited graced the programme.

Risk Concept at Trust Bank

Risk Management structure is a mechanism which combines all the processes, tools and techniques to manage the overall risk of the Bank. The Board and management promote a sound and responsible approach to risk and ensure that the long-term performance and standing of the bank are not exposed while conducting its regular course of business. The prime objective of risk management is to evaluate and take well calculative business risk to safeguard the Bank's capital, its financial resources and profitability.

Credit Risk Management

Credit Risk Management Division of Trust Bank performs the duties of identification, analysis and monitoring of credit risk arising in each business segment steered by Credit Policy which clearly defines Bank's objective, criteria, credit approval process and clear cut responsibilities of individuals associated with approving and administering the credit portfolio of the Bank. To be precise, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, two separate units have been formed within the credit division. These are – Credit Risk Management Division (CRM) and Credit Administration Division (CAD).

CRM Division is delegated with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy and guideline for lending operation. On the other hand, CAD is entrusted with the responsibility including, but not limited to, the overall supervision and constant monitoring and follow-up of credit health of the Bank, ensuring compliance with internal policies and procedures and external regulatory requirements of Central Bank and other regulators.

Scope of CAD and CRM Division

Trust Bank endeavours to increase values in line with its credit plan acknowledging that risk cannot be eliminated totally. Our risk philosophy is to remain well within the risk appetite set by the Board of Directors. In this approach, the Bank pays attention to both quantifiable and unquantifiable risk and refrains itself from the industry, services and products where it cannot objectively assess and manage the associated risks.

Keeping credit risk at the minimum is the prime objective of the Bank. In this pursuit, CAD has brought 106 nos branches of the Bank under the purview of Central Credit Limit Authorization System (CCLA) in the year 2016 owing to which disbursement is effected through CAD only after complete documentation at branch level. Post sanction screening, strong monitoring and follow-up have proved to be effective tools towards administration of non-performing loan (NPL).

NPL Administration

The Bank has an appropriate set of tools to identify inherent signals of a loan showing deterioration towards non-performance that calls for early precaution and necessary steps to avoid classification. At Trust Bank, each loan goes under regular and continuous monitoring and reviews by the Credit Administration Division to keep its status standard.

As an integral part of Risk Management, Bank has developed its own “Early Alert” system for managing NPL which identifies first sign of weaknesses in accounts at an early stage. This system enables the Bank to determine whether the default is due to some inherent weakness or due to a temporary liquidity or cash flow problem and accordingly calibrate its response. Thus, our determination and concerted effort have kept the NPL composition of the Bank at 3.21 percent and our efforts will still continue to bring down NPL ratio below 3.00 percent this year.

Loan Classification and Provisioning

In determining classification of a loan and endorsing provisioning there against, Trust Bank is compliant to BRPD Circular No. 14, dated 23 September 2012 of Central Bank and classifies loans both on the basis of objective criteria and qualitative judgment. As of 31 December 2016, classified loans of the Bank stood at BDT 4,556.09 million and total provision against all classified, unclassified loans, off-Balance Sheet and Off-Shore Banking business was maintained at BDT 4,130.03 million.

Asset Liability Risk Management

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

Liquidity Risk Management

Liquidity risk arises from bank's inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Borrowing short term and lending long term is the business of banks. But when depositors withdraw funds it can lead to bank failure. Liquidity risk is managed by processing, monitoring and controlling the liquidity exposure of the bank.

Interest Rate Risk Management

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. Managing interest rate risk requires a clear understanding of the amount at risk and the impact of changes in interest rates on this risk position. To make these determinations, sufficient

information must be readily available to permit appropriate action to be taken within acceptable, often very short, time periods. The longer it takes a bank to eliminate or reverse an unwanted exposure, the greater the possibility of loss.

Internal Control and Compliance Risk Management

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

The Bank has set up Internal Control and Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank, the Audit Committee of the Board has been constituted to assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2016, 06 meetings of the Audit Committee were held. The Bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches and determines how much follow up, monitoring and periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory and which may pose a potential threat for the bank.

Each year IC&C Division sets out an audit plan (Internal) for the year which is approved by the Managing Director and places before the Audit Committee of the Board for concurrence. In 2016 IC&C Division conducted Comprehensive Audit in 107 branches and 19 Divisions/Departments at Head Office. In the same year IC&C Division carried out 34 Spot Inspections including 13 Spot Inspections on "Anti-fraud Internal Control" to develop Risk and Fraud awareness culture among the employees and reduce the likelihood of fraud occurring in Bank. In 2016, IT audits were conducted with the comprehensive audits. In addition, audit was also conducted in 06 TBIL branches and TBIL Head Office and 1612 Pay Points for Mobile Banking operations in the year 2016.

In order to make the policy manual time befitting, the existing 'Internal Control and Compliance Policy Manual' has been revised in the year 2016, which was approved by the Board of Directors of the Bank in its 254th meeting held on 30 July 2016.

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

To comply with the directives of Bangladesh Bank, a special meeting of the Board of Directors was held on 25 October 2016 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

Money Laundering and Terrorist Financing Risk Management

Money Laundering and Terrorist Financing has become the major threat to the growth and stability of the Financial Institutions (FI) around the world. Money laundering has a major impact on a country's economy as a whole, impeding the social, economic, political, and cultural development of a society. Bangladesh has enacted the Money Laundering Prevention Act, 2012 (Amendment-2015) and Anti-Terrorism Act, 2009 (Amendment-2013) which covers all the international standards and requirements and assigned Bangladesh Financial Intelligence Unit (BFIU) to discharge the regulatory responsibility of implementation and monitoring of the AML and CFT activities to keep the financial system of the country sound and compliant to international standards.

Trust Bank Limited as a compliant and responsible institution committed to the strict compliance of AML and CFT standards/guidelines and considers AML and CFT compliance as a part of its social responsibility and commitment.

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

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

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

Corporate Social Responsibility Activities in Trust Bank Limited

Trust Bank Limited Special Reserve Fund was established from the view of Corporate Social Responsibility to make the Stakeholders ethically and socially liable to the society. The fund was constituted by the bank to facilitate humanitarian relief and disaster response; widening of advancement opportunities for disadvantage population segments with support in area of healthcare, education and training; to act for the welfare of retired Army staff, Army staff in service, Executives, Officers and Staffs of the bank as well as members of the public in general; establishing school for disable children; contributing during natural calamities i.e. flood, cyclone, earthquake etc.



Gen Abu Belal Muhammad Shafiu Huq, SBP, ndc, psc, Chief of Bangladesh Army and Chairman of Trust Bank Limited handed over a cheque to Prime Minister Sheikh Hasina for Prime Minister's Relief Fund.



Maj Gen S M Matiur Rahman, afwc, psc, Adjutant General of Bangladesh Army and Vice Chairman of Trust Bank Limited handed over blankets to Prime Minister Sheikh Hasina for Prime Minister's Relief Fund for distribution to distressed people.

Keeping the thoughts of the poor and marginal people Trust Bank provided Financial Assistance in the following sector for the year 2016 as mentioned below:

Sector	BDT in Million
Education and Training	33.82
Health	23.20
Disaster Management	22.50
Sports	1.00
Others	2.50
Total	83.02

Corporate Governance

The Bank has complied with Bangladesh Securities and Exchange Commission (BSEC) notification no. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 for ensuring Corporate Governance in the Bank. As per mentioned notification of BSEC, the compliance status of the Bank has been reported in this Annual Report for information.

Rotation/Appointment of Directors

As per clause 107 and 108 of Articles of Association of the Bank at the ordinary general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from Office. Accordingly, the respective Directors of Trust Bank Limited will retire at the 18th Annual General Meeting. As per clause 109 of the Articles of Association of the Bank and as per Company Act, 1994, the retiring Directors are eligible for re-election.

Auditors' Report

The Board of Directors' reviewed the Auditors Report issued by the Bank's Auditor M/s. Syful Shamsul Alam & Co., Chartered Accountants based on their audit of Financial Statements for the year ended 31 December 2016. The Auditor did not mention about any material misstatement or significant disagreement regarding review of the Bank's Financial Statements. The auditor issued an unqualified opinion on the Financial Statements for the year 2016.

Appointment of Auditors

In compliance of BRPD Circular Letter No. 12 dated 11 July 2011, regarding appointment of External Auditor of Bank Companies, one Auditor cannot be appointed for more than three consecutive years. Our existing Auditors M/s. Syful Shamsul Alam & Co., Chartered Accountants have completed their third consecutive year auditing in 2016. Therefore, they are not eligible for re-appointment as Auditor for the year 2017. Hence the shareholders will be required to appoint new audit firm from among those who have expressed their interest to be appointed as auditor for the year 2017.

Directors' Responsibility for Internal Control and Financial Reporting

The Board of Directors of the Bank are responsible for Bank's system of internal control. It has set appropriate policies on internal control and seeks regular assurance that the system is functioning effectively. Through the establishment of the "Audit Committee" the Board of Directors regularly monitors the adequacy and effectiveness of internal control system of the bank.

The MANCOM also reviews the overall effectiveness of the control system of the bank and provide a certificate on yearly basis to the Board of Directors on the effectiveness of internal control policies, practices and procedures.

As per directives of Bangladesh Bank a special meeting of the Board of Directors is arranged annually for reviewing the compliance/implementation status of the observations/recommendations of Bangladesh Bank's comprehensive inspection report of the Bank.

In accordance with Company Law, the Directors are responsible for the preparation of the annual financial statements. The annual financial statements conform to Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and fairly present the affairs of the Trust Bank and its subsidiaries.

Accounting policies supported by judgments, estimates and assumptions in compliance with BAS and BFRS are applied on the basis that the bank shall continue as a going concern. Systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Based on the information and explanations given by management and the internal auditors, the directors are of the opinion that the internal financial controls are adequate and that the financial records may be relied upon for preparing the financial statements in accordance with BFRS and to maintain accountability for the bank's assets and liabilities.

The Directors have a reasonable expectation that the Bank and its subsidiaries will have adequate resources to continue in operational existence and as a going concern for the foreseeable future. The 2016 annual financial statements were approved by the Board of Directors on 14 March 2017.

Responsibilities of the Chairman of the Board of Directors

As, the Chairman of the Board of Directors or Chairman of any Committee formed by the Board of Directors does not personally possess the jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administrative or operational and routine affairs of the Bank.

The Chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO.

Responsibilities and Authorities of the Managing Director

The Managing Director and CEO of the bank discharges the responsibilities and effect the authorities in terms of the financial, business and administrative authorities vested upon him by the Board of Directors. He discharges his own responsibilities. He shall remain accountable for achievement of financial and other

business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management. He will ensure compliance of the Bank Company Act 1991(amended upto 2013) and or other relevant laws and regulations in discharge of routine functions of the bank.

Thanks and Gratitude

The Bank closed the year 2016 displaying substantial improvement in core areas of operation in terms of volume of business and net profit. This was possible due to the dedicated efforts of the employees of the Bank and sincere cooperation of all concerned. Above all, strong liquidity base, prudent fund and credit management, continued guidance and inspiration to the Management by the members of the Board immensely contributed to the overall development. The Board of Directors is indebted to the valued clients, shareholders, business associates, and numerous well-wishers at home and abroad for their continued support, patronage and trust they reposed on the Bank. The Board of Directors express gratitude and thanks to the Government of Bangladesh, Ministry of Finance, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange, Chittagong Stock Exchange and other regulatory bodies for their valuable guidance from time to time.

The Board of Directors also like to place on record the warm appreciation for sincere and dedicated service rendered by the executives, officers and staffs of the Bank that played an instrumental role for sustaining the growth of the Bank.

The Bank aspires to do better in future and with this expectation we place before the esteemed shareholders the accounts of the Bank for the year 2016 for approval.

On behalf of the Board of Directors,



Gen Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc
Chairman

Risk Management Report

Effective risk management is essential for ensuring sustainable organizational performance and aptly balancing growth and risk considerations. At Trust Bank, growth plans are duly supported by a comprehensive and integrated risk management framework which ensures that risk considerations form a critical input in business decisions. Through board approved policies, governance structures and clearly defined tools and techniques, the Bank's risk management framework sets the context for setting standards and establishing appropriate risk practices across the Bank.

Risk Management Division is the nucleus of the Risk Management process according to the latest regulation of Bangladesh Bank, DOS Circular Letter No. 13, dated: 9 September, 2015. Therefore, the achievement and progress in managing banking risks will largely depend on the strength and performance of the Risk Management Division.

Risk Governance

The Board has delegated oversight of the Bank's risk management functions to the Board Risk Management Committee (RMC) which operates as the apex committee for identifying, monitoring and measuring the Bank's risk profile in a comprehensive and integrated manner. The Board is also supported by the Audit Committee and Credit Committee in specific risk management aspect.

Risk Management Committee of the Board

In compliance with the BRPD Circular No. 11 dated: 27 October 2013, the Board of Directors of Trust Bank Limited formed a three-member Risk Management Committee (RMC) of the Board on 8th December, 2013. Prime objective of the committee is to reduce probable risks during the implementation of Board approved policies, procedures and strategies.

Following members of the Risk Management Committee of the Board of Directors were present in RMC meetings during the year 2016.

Sl.	Name	Status with the Committee	Meeting held in 2016	Meeting Attendance
1	Maj Gen Md Sarwar Hossain, BSP, SGP, ndc, hdmc, psc	Chairman	4	4
2	Mr. Ashrafuzzaman Khan	Member	4	4
3	Mr. Shahedul Islam	Member	4	4

Roles and Responsibilities of RMC of the Board:

The roles and responsibilities of Board Risk Management Committee of Trust Bank Ltd. have been framed in line with the provisions of BRPD Circular No.11, dated 27 October 2013 and other best practices and standards. Some important roles and responsibilities are highlighted below:

- Providing the Board with greater oversight and advice on the risk management and compliance frameworks.
- Strengthening the governance, effectiveness and resourcing of the risk management and compliance frameworks.
- Arrangement to oversee policies and procedures of risk management.
- Supervise formation and activities of separate committee at management level.
- Monitoring effective execution of core risk management policy and principles.
- Providing steps to examine and approve data preservation and reporting system.
- Making recommendations relating to the risk appetite and particular risks or risk management practices.

Bank Risk Management Committee:

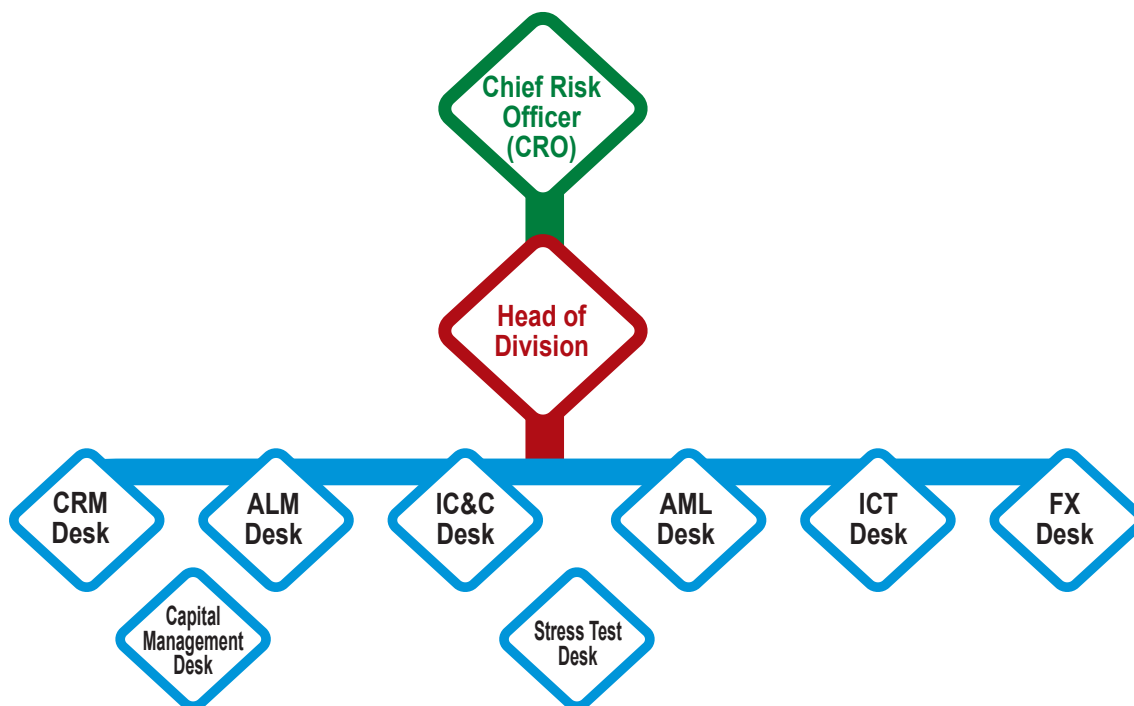
For all categories of risks, the Risk Management Committee is responsible for formulating policies, monitoring implementation and reviewing on risk reports for presentation to the Board/Board committees as well as implementing Board decisions across the Bank.

Responsibilities of Bank Risk Management Committee:

- Implementation of risk strategy approved by the Board of Directors.
- Developing policies and procedures for identifying, measuring and controlling risk.
- Providing appropriate resources to evaluate and control risk.
- Appreciating risk factors and updating policies and procedures
- Reviewing risk reports on a regular and timely basis.
- Providing all reports required by the Board and its committees for the effective performance of risk management oversight functions.

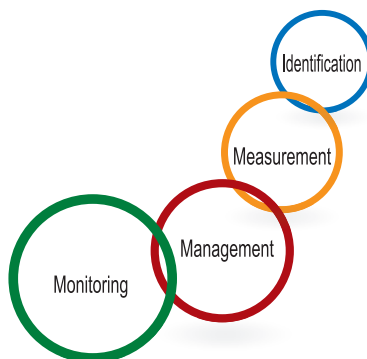
Risk Management Division (RMD):

In the global risk management literature, risk management division is considered as the second line of defence against risk. Activities of the division display the ability of the division to act as the second line of defence against risk. The Risk Management Division of Trust Bank was established to comply the direction of Bangladesh Bank {DOS(RMSS)/1154/1/2013-61, dated 24 January, 2013} for strengthening risk management activities of the Bank. RMD looks after effectiveness of the Core Risks Management of the Bank and also ensure the capital management of the Bank under Basel Accords in association with the directives of Bangladesh Bank time to time. RMD is responsible to manage and measure risk on the basis of the Bank's approved risk parameters, independently of regulatory requirements and category. It is also responsible for designing risk management strategy, formulating risk management policies and procedure, communicating views of Board and Senior Management regarding risk issues throughout the Bank, informing Board and all Risk Committee about appetite for risk, measuring and monitoring risk, identifying and quantifying Bank's exposure to material loss, independently monitor limits, developing and implementing loss prevention/retention strategy, securing and maintaining adequate loss coverage, periodic stress testing, preparation of monthly risk management paper and holding meeting with all Risk Committee etc.



Risk Management Process

Risk Identification– All material risks are identified at branch level to ensure that risks are minimized as far as possible.



Once identified, the potential impact of the risks to the Bank is quantified. Risks are assigned with risk grades (High, Medium and Low) based on the assessment of the likelihood and impact of the risks. These are reviewed on a periodic basis and reported to the RMC.

Measurement– The Bank’s key risk exposures are measured based on the likelihood of occurrence and potential impact.

Management– A range of risk management tools and techniques are in place to manage each specific risk exposure.

Monitoring- Risks are monitored consistently at multiple levels within the Organization to ensure that performance is within the risk parameters defined by the Bank’s risk appetite. Performance is monitored against a range of tolerance limits and triggers which are aligned with the Bank’s overall strategy and market conditions. Comprehensive risk reports are prepared by the RMD on a regular basis, whilst aggregate reports are reviewed by the BRMC at least on quarterly basis. In addition, all risk management processes in place within the Bank are reviewed for completeness and adequacy by the Internal Audit Division.

Risk Appetite

The Bank’s risk appetite is expressed in the form of tolerance levels and triggers across a range of parameters which reflect the key risks the Bank is exposed to. The Risk appetite is reviewed by the Board regularly to ensure that it is in line with the Bank’s business strategy and growth agenda.

Risk Appetite– Parameter

Credit Risk	Gross NPL ratio (%)
	Specific provision coverage (%)
	Net NPL ratio
	Portfolio Risk
	Maximum exposure to advances
	Exposure to Divisions
	Large Loan Limit
Market Risk	Interest rate risk
	Forex rate risk
	Total contingent liabilities
Operational Risk	Total operational losses as a % of operating expenses of the bank
	Operational losses not covered by insurance as a % of budgeted net income

Credit Risk

Credit risk is the potential loss arising to the Bank as a result of customers and/or counterparties failing to discharge their contractual obligations. Credit risk can arise from default risk, concentration of counterparties, industry sectors and geographical regions.

Credit Risk Management Process

At an executive level the responsibility of managing the Bank's credit risks have been delegated to the Head Office Credit Committee (HOCC). The key responsibilities of the HOCC includes following:

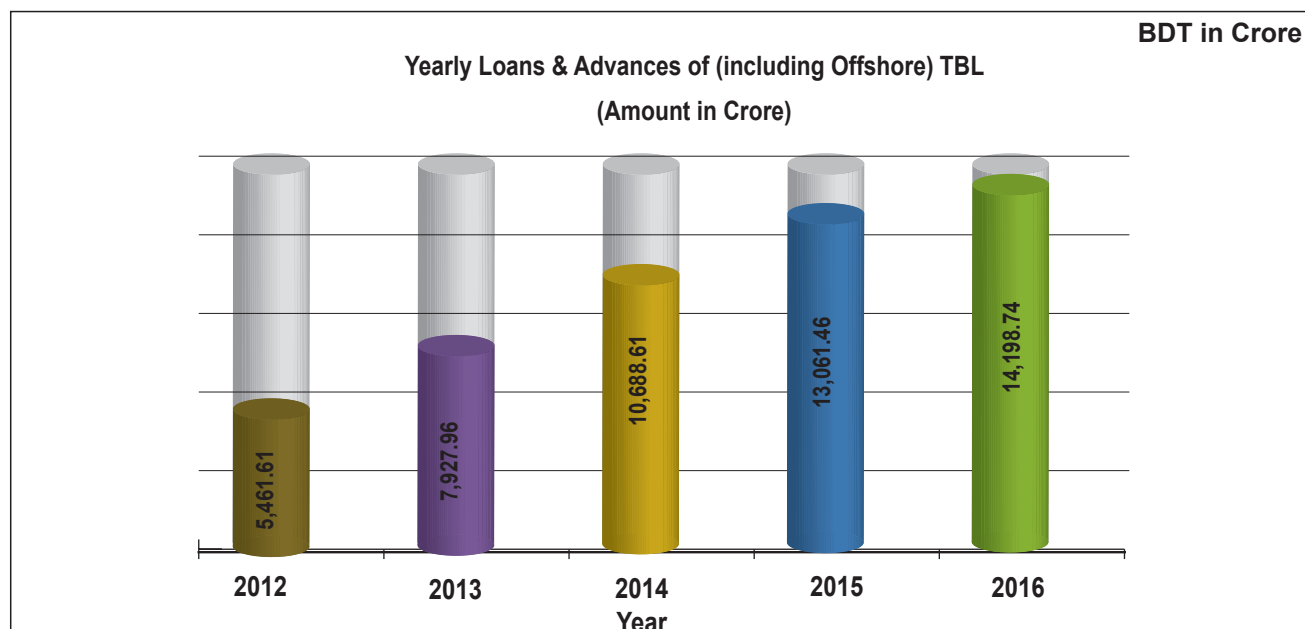
- Formulate credit policies based on the Bank's risk appetite and business strategy
- Determine presentation standards of credit proposals and other related documents
- Setting prudential limits on sector and other portfolio concentration measures
- Establishment of loan review and follow-up mechanisms

Credit Risk Management Framework

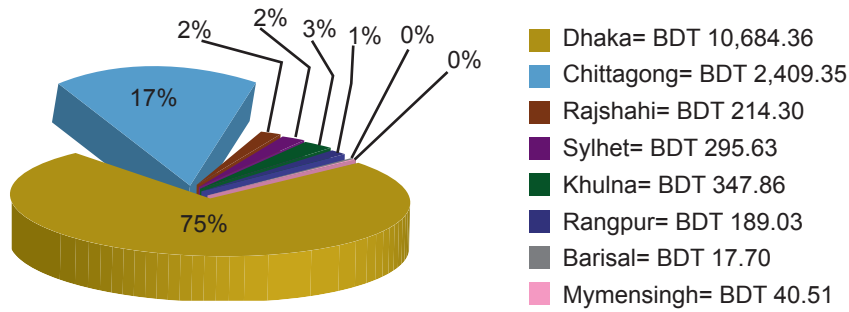
Pre-credit sanctioning	Multiple levels of approval authority
	Sophisticated risk rating and scoring system
	Prudential limits for concentration risk
	Structured and comprehensive credit appraisal and defined credit criteria
Post-credit monitoring	Portfolio evaluation with emphasis on early warning signals
	Robust credit review mechanism
	Stress testing and scenario analyses
	Review of selected exposures
Portfolio management	Regular monitoring of concentration risk and other prudential limits
	Structured loan review mechanism
	Periodic reporting to RMD, RMC and BRMC

Credit Risk Performance-2016

Strengthening the credit underwriting and control environment was a key priority throughout the year. A notable achievement has given the relatively strong loan growth during the year compared to the previous year.



Division-wise Exposure (BDT in Crore)



NPL Ratio

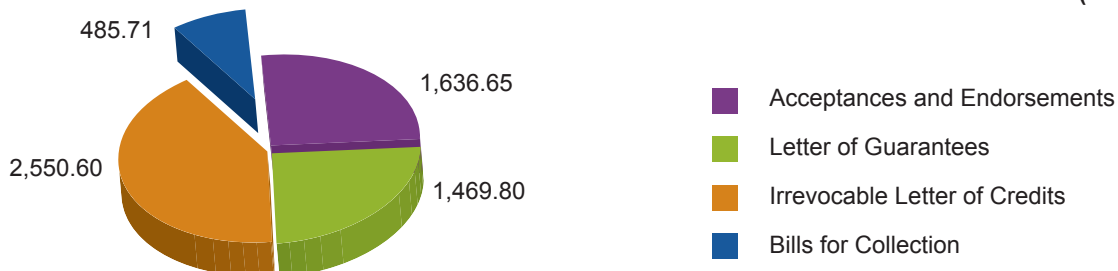


Name of Industry	Outstanding (Amount in Crore)
RMG	1860.32
Textile	551.92
Food and allied industries	518.56
Pharmaceutical industries	256.87
Chemical, fertilizer, etc.	143.44
Cement and ceramic industries	259.98
Ship building industries	59.19
Ship breaking industries	239.97
Power and gas	812.47
Other manufacturing or extractive industries	1179.21
Service industries	850.80
Other	221.19

Industry-wise Loan Concentration

Off-balance Sheet Exposure

(BDT in Crore)



Market Risk

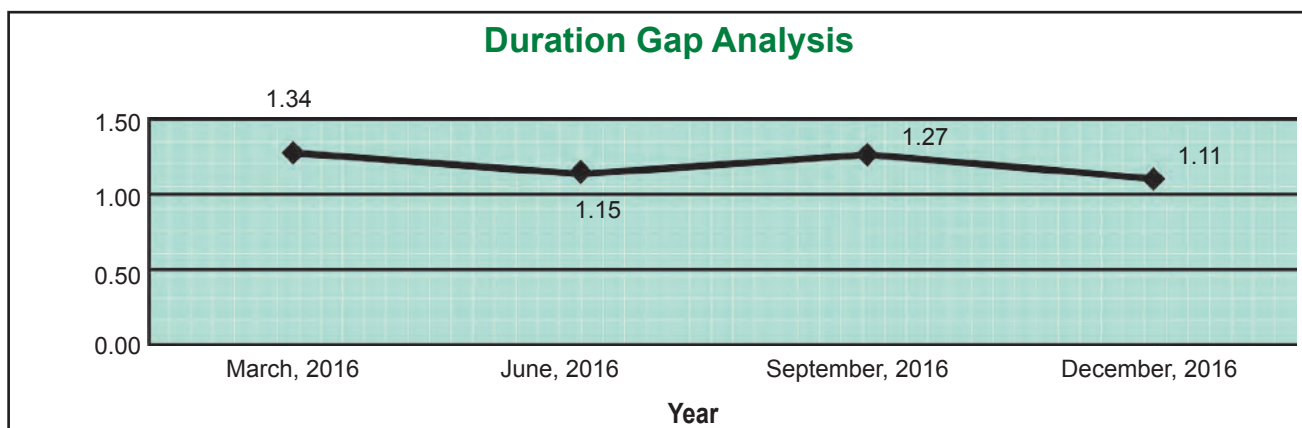
Market Risk is the potential loss arising from changes in the fair value or future cash flows of financial instruments due to fluctuations in market variables. The key market risks for the Bank is exposed to interest rate risk, foreign exchange risk, and liquidity risk.

Market Risk Management

The Asset Liability Management Committee (ALCO) holds executive responsibility for overseeing the Bank's market risk exposures. The ALCO comprises of the CEO and relevant Corporate Management personnel and functions as the top-end operational unit for ensuring that the Bank's balance sheet is maintained within the risk parameters defined by the Board. Risk Management Division and the bank's Treasury Division are responsible for risk identification, measurement, monitoring, control, and management reporting in relation to market risk. As treasury operations can give rise to significant market risks the Treasury Department monitors treasury related market risks such as open position limits and counterparty limits on a daily basis.

Interest Rate Risk

Interest rate risk arises from the possibility that fluctuations in interest rates will affect the future cash flows or fair values of financial instruments. The Bank manages its interest rate risks primarily through asset liability re-pricing gap analyses, which distributes interest rate sensitive assets, liabilities and off-balance sheet positions into several maturity buckets. Board defined limits are in place for interest rate gaps and positions are monitored on a timely basis to ensure compliance to the prescribed limits. In addition to the asset liability maturity mismatches, the ALCO regularly monitors trends in market interest rates, as well as results of interest rate stress testing analyses.



Foreign Exchange Risk

Foreign exchange risk is the potential loss arising from fluctuations of value in a financial instrument due to changes in foreign exchange rates. The Bank is exposed to foreign exchange risk through its holding of assets and liabilities denominated in foreign currency. Foreign exchange risks are managed through limits on exposure to currencies on an individual and aggregate basis, as well as dealer and counter-party limits, overnight and intra-day limits and stop loss limits. These limits are monitored on a daily basis by the Treasury Back Office, ensuring clear segregation of responsibilities.

The Bank has formulated a Foreign Exchange Risk Management Manual as per the guidelines given by Bangladesh Bank to measure, monitor, and control different foreign exchange risks. Apart from this Manual, the Bank also applies other standard tools to minimize foreign exchange risks.

Equity Risk

Equity risk is the risk of losses arising from negative changes in the fair value of equity investments portfolio held by the Bank. Managing equity risk TBL follows diversification in equity investment, mark to market policy to assess the value of the investment at their current market price and comprehensive analysis of the overall investment scenario. Adequate amount of capital and provision is maintained as a safeguard against the equity risk of the Bank.

Liquidity Risk

Liquidity risk is the risk that the Bank will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Oversight responsibility for managing the Bank's liquidity risks is with the ALCO, which ensures that a sufficient liquidity buffer is maintained to meet the Bank's financial obligations. The ALCO regularly reviews the Bank's cash flow projections, funding capabilities, pricing decisions and liquidity levels to ensure compliance to internal targets as well as regulatory liquidity requirements. The Committee also works closely with the Treasury Department in the implementation of ALCO decisions on a day to day basis.

Measuring Liquidity

Liquidity is measured through the dual approaches of stock and flow. The stock method measures liquidity based on the liquid assets held by the Treasury including cash, government securities and balances with financial institutions. Mismatches are closely monitored, particularly in the first 12 month maturity buckets. The flow approach evaluates liquidity based on the projected cash inflows and outflows over the different time buckets, based on the maturity of assets and liabilities.

TBL measure liquidity risk by quantifying and calculating various liquidity risk metrics and ratios to assess potential risks to the liquidity position. Metrics and ratios include:

- i) Own regulatory requirements.
- ii) 'Business as usual' normal environment where TBL applies rollover and reinvestment assumptions under benign market conditions.
- iii) Stress conditions based on statistical historical analysis, documented experience and prudent judgment.
- iv) Basel standards for liquidity measurement:
 - Liquidity Coverage Ratio (LCR)
 - Net Stable Funding Ratio (NSFR)
- v) Other key funding and balance sheet ratios.
- vi) Monitoring and analyzing market trends and the external environment.

Liquidity Risk Indicators

Particulars	March,16	June,16	Sep,16	Dec,16
Cash Reserve Requirement (CRR)	6.97%	6.48%	6.61%	7.18%
Statutory Liquidity Requirement (SLR)	18.33%	22.72%	21.29%	21.92%
Medium Term Funding Ratio (MTFR)	0.43	0.45	0.43	0.49
Maximum Cumulative Outflow (MCO)	19.05%	19.82%	18.04%	19.03%
Advance Deposit Ratio (ADR)	82.54%	76.88%	81.36%	81.01%
Liquidity Coverage Ratio (LCR)	108.19%	124.90%	124.44%	131.18%
Net Stable Funding Ratio (NSFR)	124.28%	104.56%	117.40%	113.38%

Operational Risk

Operational risk is a natural by-product of economic activity. It is inherent in all banking products, activities, processes and systems, and the effective management of operational risk has always been a fundamental element of a Bank's risk management program. Operational risk management is less about risk/return budgeting, and instead focuses on identification, assessment, control and mitigation of operational vulnerabilities. Bank's operational risk governance function is integrated with the Bank's overall risk management governance structure. Operational risk management of the Bank encompasses with the following measures:

- Developing an operational risk management culture by the way of creating code of conduct that spells out expectations and principles regarding ethical behavior, responsible conduct vis-à-vis clients and appropriate use of organization's assets etc.
- Integrated operational risk management framework with fixed taxonomy of operational risks to ensure consistency in identification, measurement and treatment.
- Configuration of operational risk management information system that supports the structured retention of loss events and vulnerabilities.

- Creating control environment with board and senior management oversight and direction by creating a strong internal control environment with clear lines of management responsibility and accountability. The control environment intended to provide independence and separation of duties between operational risk management functions, business lines and support functions.
- Implementation of process to monitor regularly operational risk profiles and material exposures to losses. Appropriate reporting mechanisms are placed at the board, senior management, and business line levels that support proactive management of operational risk.

Internal Control & Compliance Risk Management

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization, both at a central and at a departmental/divisional level. Internal Controls are the structure, policies and procedures put in place to provide reasonable assurance that management meets its objectives and fulfils its responsibilities.

For smooth functioning of internal control and compliance, Trust Bank established an organizational structure which allows segregation of duties among key functional units. Internal Control & Compliance Division (ICCD) has been reconstructed into three units, i.e., (a) Audit and Inspection Department, (b) Compliance Department, (c) Monitoring Department. Board approved Risk Based Internal Auditing (RBIA) is introduced with the dimension of own internal audit report which will be wider, specific and more precise. Management would get a clear picture about the affairs of the branch/ department/ division in terms of risk management along with the managerial efficiency at the branch. Annual integrated health report of the Bank is Prepared for onward submission to the Audit Committee of the Board, Bangladesh Bank, Inspection Team and other regulatory bodies. The “Annual Integrated Health Report” reflects the financial, reputational and sustainability position of a Bank, based on the most recent data of the Bank itself. The purpose of the report is to provide stakeholders with a basic overview of the general health of the bank. Audit Committee of the Board reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Bank’s process for monitoring compliance with laws and regulations and its own code of business conduct.

Internal Control & Compliance Process of Trust Bank:

- Departmental Control Function Check List (DCFCL), at the frequencies, i.e., daily, weekly, monthly, quarterly;
- Loan Documentation check List.
- Quarterly Operation report (QOR) is needed to be prepared, maintained and reviewed.

ICT Security Risk Management

ICT Security Risk is a growing component of total operating risk of any Bank. As business increasingly depend on IT to automated process and storage of information, IT risk management is emerging as a separate practice. IT risk includes security, availability, performance and compliance elements, each with its own drivers and capacity for harm.

ICT Security Risk management of TBL deals with ICT Security policy documentation in line with the regulatory authority directives, internal information system audit, training and proper insurance coverage for the hardware assets related to ICT. TBL has an up to date standard and secure infrastructure for the technologies it uses. Service Level Agreement is followed in change management for any change in hardware, software, system components, services, documents or process that is deliberately introduced in the production environment. A Disaster Recovery Site established in Jessore equipped with compatible hardware and telecommunication equipment which is highly capable to support as a backup in case of incapacitance of main site.

Strategic and Reputational Risk

Reputation Risk refers to the potential adverse effects, which can arise from the Bank’s reputation being tarnished due to factors such as unethical practices, regulatory actions, customer dissatisfaction and complaints and negative/adverse publicity. Strategic Risk refers to the strategic decisions / plans / objectives which may go wrong due to actions or inactions by the parties to strategic decision making process, adversely affecting the shareholder wealth of the Bank e.g. incorrect decisions, inadequate information for decision making and delayed remedial action.

How We Manage Strategic and Reputational Risk

The Bank has incorporated evaluation of strategic and reputational risks under its Internal Capital Adequacy Assessment Process (ICAAP). This process is carried out on a yearly basis and reported to the Board. The Bank is aware of the impact of practices that may result in a breakdown of trust and confidence in the organization. These practices are regularly monitored through transparent communication, accurate reporting, continuous group culture and values assessment, internal audit and regulatory compliance review, and risk management practices.

Money Laundering and Terrorist Financing Risk Management

To keep the bank free from the risks related to Money Laundering and Terrorist Financing and for the effective/proper compliance of all existing acts, rules and issued instructions by BFIU time to time, TBL has formed a Central Compliance Unit (CCU) that is directly monitored by the Managing Director and Chief Executive Officer of the bank. The Bank is fully compliance with the regularity requirements and meticulously follows the guidelines. Fully automated screening mechanism is being introduced for banned individuals/entities against UNSCR and OFAC list and all branches are strictly advised to follow the instructions in this regard. Centralized monitoring of KYC management system has already been introduced to follow up the AML and CFT status at branch level. Regular training and workshops are conducted for all level of officers and also at zone wise to create awareness and knowledge developing in various aspects of money laundering risk. A yearly BAMLCO conference is held which is participated by branch managers and BAMLCOs of all branches.

Environmental and Social Risk Management

Environmental and Social risks are the outcome of adverse impacts caused by the prevailing environmental and social conditions. TBL consider Environmental and Social risks as a part of the loan approval and monitoring process such that both credit and E&S risk are evaluated and contemplated together while making an investment decision as well as during the monitoring of the loan portfolio. General E&S due diligence is carried out by the bank for all categories (red, orange A&B and green) of transactions and for investment sizes SME, corporate financing and real estate financing as a part of the screening process to evaluate associated E&S risks. Environmental Risk Rating (ENvRR) is done for respective sector while financing new project.

Legal Risk

Legal risk defines as “the risk that unexpected interpretation of the law or the legal uncertainty will expose the payment system or its participants to the unforeseen financial losses and other possible losses”. This risk arises as a result of non-compliance with the regulation or due to the negative effects of new regulation on the commercial banks and on the decisions that were previously made. The legal risk may appear in several sub-variants, including; as a result of actions taken by the commercial Bank and its employees that are not fully in line with the legal framework, due to the uncertainty of the effects of the implementation of the legislation, inefficiency of the legal system in the country as a whole. TBL is committed in managing the legal risk through implementation of policies, structures, processes and culture with oversight of senior management that are directly aimed at building effective management of potential opportunities and adverse events which has the source of the legal risk and risks that can be treated with remedies.

Disclosures on Risk Based Capital (BASEL III)

The public disclosure of prudential information is an important component of Basel Committee on Banking Supervision's framework of capital measurement and capital adequacy, known as Basel III. The Bank is required to set out the public disclosure upon its capital requirements, level of risks and risk management system in order to facilitate and enhance greater insight information for the outsiders and market participants to assess and analyze all risks and capital adequacy of the Bank. This disclosure shall be deemed as the essential market mechanism in escorting the Bank to achieve effective risks management system beyond simply the internal control of the Bank and the supervision of Bangladesh Bank.

In line with the Bangladesh Bank BRPD Circular no. 35 of December 29, 2010 as to Guidelines on 'Risk Based Capital Adequacy for Banks' and subsequent BRPD Circular 18, dated December 21, 2014 on 'Guidelines on Risk Based Capital Adequacy', following detailed qualitative and quantitative disclosures are provided in accordance with the central bank directions covering scope of capital adequacy framework, capital of the Bank, risk exposure and assessment methodology, risk mitigation strategies and capital adequacy of the Bank.

To cope up with the international best practices and to make the Bank's capital shock absorbent 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' (Revised Regulatory Capital Framework in line with Basel II) was introduced from 01 January, 2009 as a parallel run with BRPD Circular No. 10, dated 25 November, 2002 (Basel I). At the end of parallel run, Basel II regime started from January 01, 2010 and the guidelines on RBCA came fully into force with its subsequent supplements/revisions. After that Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' (Revised Regulatory Capital Framework in line with Basel III) vide its BRPD Circular 18 dated 21 December, 2014 that Basel III reporting start from January, 2015 and full implementation will start from January, 2020. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital and Disclosure requirement as stated in the guidelines had to be followed by all scheduled banks for the purpose of statutory compliance.

Phase-in Arrangements

The phase-in arrangements for Basel III implementation will be as follows:

Particulars	2015	2016	2017	2018	2019
Minimum Common Equity Tier-1 (CET-1) Capital Ratio	4.50%	4.50%	4.50%	4.50%	4.50%
Capital Conservation Buffer	--	0.625%	1.25%	1.875%	2.50%
Minimum CET-1 plus Capital Conservation Buffer	4.50%	5.125%	5.75%	6.375%	7.00%
Minimum T-1 Capital Ratio	5.50%	5.50%	6.00%	6.00%	6.00%
Minimum Total Capital Ratio	10.00%	10.00%	10.00%	10.00%	10.00%
Minimum Total Capital plus Capital Conservation Buffer	10.00%	10.625%	11.25%	11.875%	12.50%

The Basel III framework consists of three-mutually reinforcing pillars:

Pillar 1 (Minimum Capital Requirement): Covers the calculation of RWAs for credit risk, market risk and operational risk.

Pillar 2 (Supervisory Review Process): Covers the consideration of whether additional capital is required over and above the Pillar 1 risk calculations. Bank's own internal models and assessments support this process.

Pillar 3 (Market Discipline): Covers external communication of risk and capital information by Banks as specified in the Basel rules to promote transparency and good risk management.

Market discipline comprises a set of disclosures on the Capital Adequacy and Risk Management framework of the Bank. Pillar 3 disclosures as per BB circular on Basel-III Capital Regulations are set out in the following sections for information.

1. Scope of Application

Qualitative Disclosures:	
<p>(a) The name of the top corporate entity in the group to which this guideline applies:</p>	<p>The framework applies to Trust Bank Limited (TBL) on 'Consolidated Basis' as there are two subsidiaries of the Bank as on the reporting date i.e. December 31, 2016. However, 'Solo Basis' information has been presented beside those of 'Consolidated Basis' to facilitate comparison.</p>
<p>(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted):</p>	<p>Trust Bank Limited has 2 (Two) subsidiaries i.e</p> <ul style="list-style-type: none"> ■ Trust Bank Investment Limited ■ Trust Bank Securities Limited. <p>A brief description of the Bank and its subsidiary are given below:</p> <p>Trust Bank Limited: The bank was established as a Public Limited Company (Banking Company) as on the 17th June 1999 under the Companies Act 1994 for carrying out all kinds of banking activities and commenced its operation on the 17th June, 1999 with the permission of Bangladesh Bank.</p> <p>It was listed with Dhaka Stock Exchange Limited as on 24 September 2007 and Chittagong Stock Exchange Limited as on 25 September 2007 respectively. As on 31 December 2016 the Bank is operating its business through head office having 102 branches, 06 SME/Krishi branches, 1 SME Service Center, 10 t-Lobby, 7 CDMs (Cash Deposit Machine) and 187 ATM booths all over Bangladesh.</p> <p>Off-shore Banking Unit (OBU): Off-shore Banking Unit is a separate business unit governed by the applicable rules & regulations and guidelines of Bangladesh Bank vide letter no. BRPD(P-3)744(116)/2010-2462 dated: 2 June, 2010. The number of OBU was 1 (One) as on reporting date 31 December 2016 located at Dilkusha Corporate Branch Dhaka. Investments in OBUs are risk weighted with the exposure of the Bank.</p> <p>There are 2 (Two) Subsidiaries of Trust Bank Limited which is as under:</p> <ul style="list-style-type: none"> ■ Trust Bank Investment Ltd: <p>Trust Bank Investment Ltd. was incorporated as on 9 September, 2010 as a Public Limited Company bearing registration No. C- 86981/10 under the Companies Act, 1994 in Bangladesh. The company accorded consent from the Securities and Exchange Commission on 25 October, 2010 as a fully fledged Merchant Bank bearing Certificate No. MB-45/10. The Company started its operation on 14 November, 2010. The registered office of the Company is located at 36, Dilkusha Commercial Area, Dhaka - 1000.</p>

	<p>The main objectives of the company are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc.</p> <p>Trust Bank Securities Ltd:</p> <p>Trust Bank Securities Ltd. was incorporated as on 7 February, 2013 as a Private Limited Company bearing registration No: C-107267/13 under the companies Act, 1994. The registered office of the company is located at 28, North Kafrul, Dhaka-1206.</p> <p>The main objective of the company is carry on business of stock broker/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.</p>
(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group:	Not applicable
Quantitative Disclosures:	
(d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Not Applicable

2. Capital Structure

Qualitative Disclosures:	
(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or in Tier 2.	<p>For the purpose of calculating capital under capital adequacy framework, the capital of banks shall be classified into two tiers. The total regulatory capital will consist of sum of the following categories:</p> <ol style="list-style-type: none"> 1. Tier 1 Capital (going-concern capital): <ol style="list-style-type: none"> a. Common Equity Tier 1 b. Additional Tier 1 2. Tier 2 Capital (gone-concern capital)
	<p>Common Equity Tier 1 Capital: It is called 'Core Capital' comprises of highest quality of capital elements consists of –</p> <p>i) Fully Paid-up Capital ii) Statutory Reserve iii) Non-Repayable Share Premium Account iv) General Reserve v) Retained Earnings vi) Minority Interest in Subsidiaries vii) Dividend Equalization Account</p> <p>Less: Regulatory adjustments applicable on CET1</p>
	<p>Additional Tier 1:</p> <ol style="list-style-type: none"> i) Non-cumulative irredeemable preference share ii) Instruments issued by the banks that meet the qualifying criteria for AT1 iii) Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting) <p>Less: Regulatory adjustments applicable on AT1</p>
	<p>Tier-2 Capital: It is called 'gone-concern capital' represents other elements which fall short of some of the characteristics of the core capital consists of-</p> <ol style="list-style-type: none"> i) General Provision ii) All other preference shares

	<ul style="list-style-type: none"> iii) Subordinated debt iv) Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties (For Consolidated reporting only) v) Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities and 10% of equities) vi) Other (if any item approved by Bangladesh Bank) <p>Less: Regulatory adjustments applicable on Tier-2 capital</p>
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Compliance status of TBL as per condition for maintaining regulatory capital for the year 2016		
1.	Common Equity Tier I of at least 4.5% of the total RWA	Complied
2.	Tier I capital will be at least 5.50% of the total RWA	Complied
3.	Minimum CRAR of 10% of the total RWA	Complied
4.	Additional Tier I capital can be admitted maximum up to 1.5% of the total RWA or 33.33% of CET 1, whichever is higher	Complied
5.	Tier II capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET 1, whichever is higher	Complied
6.	In addition to minimum CRAR, Capital Conservation Buffer (CCB) of 0.625% of the total RWA is being introduced which is maintained in the form of CET 1	Complied

Quantitative Disclosures:

(b) The amount of Regulatory capital of Trust Bank Limited under Basel-III during 2016 as below:

BDT in Million

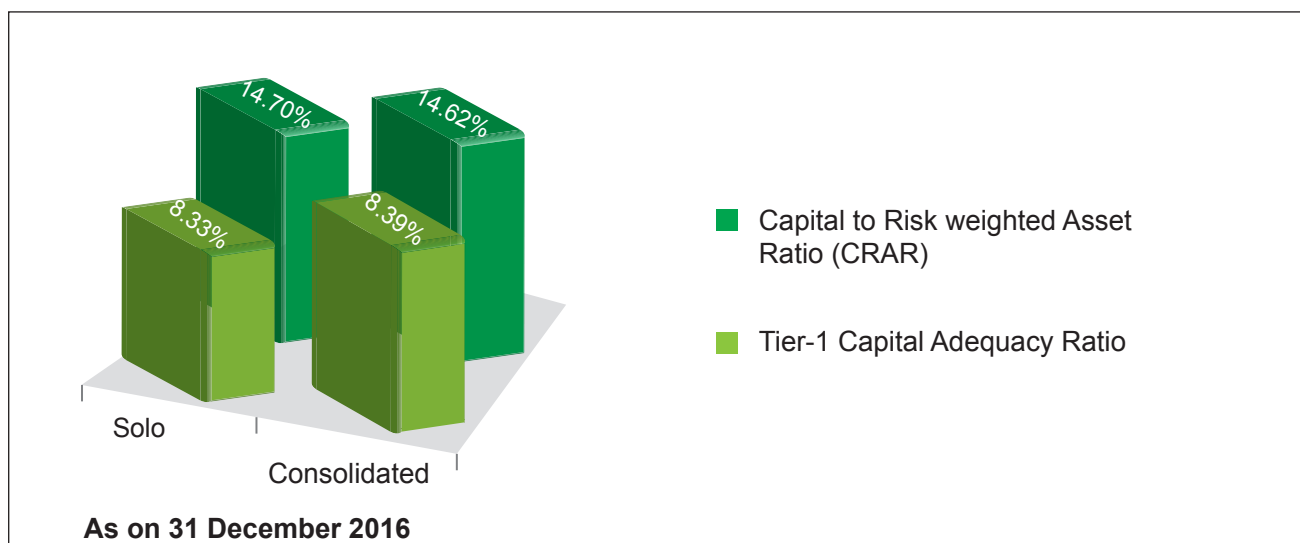
Particulars	Solo	Consolidated
1. Common Equity Tier-1 (Going Concern Capital)		
Fully Paid-up Capital/Capital Deposited with BB	5,063.33	5,063.33
Statutory Reserve	4,027.40	4,027.40
Retained Earnings	2,044.12	2,385.58
Minority interest in Subsidiaries	0	0.001
Less: Deferred Tax Assets (DTA)	(112.04)	(114.08)
Total Common Equity Tier-1 Capital	11,022.81	11,362.23
2. Tier-2 Capital (Gone-Concern Capital)		
General Provision	2,435.35	2,435.35
Subordinated debt	6,000.00	6,000.00
Revaluation Reserves for Securities up to 50%	0.27	0.27
Less: Revaluation Reserves for Fixed Assets, Securities & Equity Securities (follow Phase-in deductions as per Basel III) Guideline	(0.11)	(0.11)
Total Admissible Tier-2 Capital	8,435.52	8,435.52
Total Regulatory Capital	19,458.32	19,797.75

3. Capital Adequacy

Qualitative Disclosures:	
<p>(a) A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities:</p>	<p>Trust Bank Limited with its focused strategy on risk management has always been consistent in maintaining capital adequacy ratio above the regulatory requirements. The Bank is subject to the Capital adequacy norms as per Master Circular on Basel-III Capital regulations issued by the Bangladesh Bank. The Basel III capital regulation is being implemented from 2015.</p> <p>With regard to regulatory capital computation approaches (Minimum Capital Requirement) the bank is following the prescribed approach of Bangladesh Bank. Below are risk wise capital computation approaches that the bank is currently applying:</p> <ul style="list-style-type: none"> ■ For Credit Risk – Standardized Approach ■ For Market Risk – Standardized Approach ■ Operational Risk – Basic Indicator Approach <p>The Bank has a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by Bangladesh Bank. The ICAAP also details the Risk Appetite of the Bank, assessment of material risks, the process for capital adequacy assessment to support business projections, adequacy of risk control framework, capital raising plans and Bank-wide stress testing.</p> <p>The periodic assessment of bank's performance against the Risk Appetite defined under ICAAP and results of stress testing are reported to the Board of Directors for their review. CRAR has been computed based on the Basel III guidelines and it is well above the regulatory minimum level of 10%.</p>

Quantitative Disclosures:		
BDT in Million		
Particulars	Solo	Consolidated
b) Capital requirement for Credit Risk	11,702.15	11,640.10
c) Capital requirement for Market Risk	401.78	685.82
d) Capital requirement for Operational Risk	1,130.77	1,219.62
Total Capital Requirement (b+c+d)	13,234.69	13,545.54
e) Capital to Risk weighted Asset Ratio (CRAR)		
1. Common Equity Tier 1 (CET 1) Ratio	8.33%	8.39%
2. Tier 1 Capital Adequacy Ratio	8.33%	8.39%
3. Tier-2 Capital Adequacy Ratio	6.37%	6.23%
Capital to Risk-weighted Asset Ratio (CRAR)	14.70%	14.62%
Minimum Capital Requirement (MCR)	13,234.69	13,545.54
f) MCR (10.00%) + Capital Conservation Buffer (0.625%)	14,061.86	14,392.14
g) Available Capital under Pillar 2 Requirement	5,396.46	5,405.61

Capital to Risk-weighted Asset Ratio (CRAR):



4. Credit Risk

Qualitative Disclosures:

(a) The general qualitative disclosure requirement with respect to credit risk

Credit risk is defined as the risk of loss associated with a borrower or counterparty default (failure to meet obligations in accordance with agreed upon terms). Credit risk is one of the most significant risks in terms of sustainability, regulatory and capital requirements, which the bank is exposed to. Bank's policy is to develop a high quality and diversified credit portfolio comprised of corporate, SME and retail customers in Bangladesh towards better credit risk management.

(i) Definitions of past due and impaired:

Bank classifies loans and advances (loans and bill discount in the nature of an advance) into performing and non-performing loans (NPL) in accordance with the Bangladesh Bank guidelines in this respect. All the loans and advances are grouped into four categories for the purpose of classification, which are as followings:

Categories	Definition of Past Due	When Started
Continuous Loan	If not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue.	From the following day of the expiry date.
Demand Loan	If not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue	As above
Fixed Term Loan	In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue.	As above
Short-term Agricultural and Micro-Credit	If not repaid within the fixed expiry date for repayment will be considered past due/overdue.	After 6 months of the expiry date.

		All classified loans can be defined as below:																																																														
		<table border="1"> <thead> <tr> <th rowspan="3">Types of Facility</th> <th colspan="6">Loans Classification</th> </tr> <tr> <th>Sub Standard</th> <th rowspan="2">Provision (%)</th> <th>Doubtful</th> <th rowspan="2">Provision (%)</th> <th>Bad & Loss</th> <th rowspan="2">Provision (%)</th> </tr> <tr> <th>Over Due Period</th> <th>Overdue Period</th> <th>Overdue Period</th> </tr> </thead> <tbody> <tr> <td>Continuous Loan & Demand Loan</td> <td>3 months or more but less than 6 months</td> <td>20%</td> <td>6 months or more but less than 9 months</td> <td>50%</td> <td>9 months or more</td> <td>100%</td> </tr> <tr> <td>Fixed Term Loan up to BDT 10 Lac</td> <td>6 months or more but less than 9 months</td> <td>20%</td> <td>9 months or more but less than 12 months</td> <td>50%</td> <td>12 months or more</td> <td>100%</td> </tr> <tr> <td>Fixed Term Loan more than BDT 10 Lac</td> <td>3 months or more but less than 6 months</td> <td>20%</td> <td>6 months or more but less than 9 months</td> <td>50%</td> <td>9 months or more</td> <td>100%</td> </tr> <tr> <td>Short Term Agricultural & Micro Credit</td> <td>12 months or more but less than 36 months</td> <td>5%</td> <td>36 months or more but less than 60 months</td> <td>5%</td> <td>60 months or more</td> <td>100%</td> </tr> </tbody> </table>					Types of Facility	Loans Classification						Sub Standard	Provision (%)	Doubtful	Provision (%)	Bad & Loss	Provision (%)	Over Due Period	Overdue Period	Overdue Period	Continuous Loan & Demand Loan	3 months or more but less than 6 months	20%	6 months or more but less than 9 months	50%	9 months or more	100%	Fixed Term Loan up to BDT 10 Lac	6 months or more but less than 9 months	20%	9 months or more but less than 12 months	50%	12 months or more	100%	Fixed Term Loan more than BDT 10 Lac	3 months or more but less than 6 months	20%	6 months or more but less than 9 months	50%	9 months or more	100%	Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	5%	36 months or more but less than 60 months	5%	60 months or more	100%														
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(ii) Description of approaches followed for specific and general allowances and statistical methods:																																																																
(iii) Discussion of the Bank's Credit Risk Management Policy:		<p>The credit risk management policy of the bank aims at a sustained growth of healthy loan portfolio. It articulates while evolving a well-defined system to identify measure, monitor and control various risks attached to credit portfolio of the Bank. This entails reducing exposures in high risk areas, concentrating more on the promising industries / sectors / segments, striking balance between risk and return on assets and ensuring optimization of stake holder's value.</p> <p>The policy also seeks to achieve prudent credit growth –both qualitative and quantitative- while adhering to the prudential norms with balanced sectoral deployment of credit to control credit concentration across Industries, sectors, segments and at the same time increasing the market share. The policy also aims at consistency and standardization of credit practices. There is a defined credit appraisal and credit approval authority, reporting cum monitoring / follow-up system and loan review mechanism/ credit audit system in place at the Bank as spelt out in board approved Credit Risk Management Policy.</p>																																																														

Quantitative Disclosures:

(b) Total Gross Credit Risk Exposure Broken down by Major Types of Credit Exposure:

Particulars	BDT in Million
Continuous loan (CL-2)	
Consumer Finance	1,220.79
Small & Medium Enterprise (SME)	5,941.09
Loans to BHs/MBs/SDs against Shares	62.51
Other Corporate Loans	12,802.87
Total	20,027.26
Demand loan (CL-3)	
Small & Medium Enterprise	5,129.18
Consumer Finance	1.21
Corporate Loans	29,326.17
Total	34,456.56
Term loan (CL-4)	
Consumer Finance (including staff, other than HF)	7,929.17
Housing Finance (HF)	9,919.72
Small & Medium Enterprise (SME)	3,440.26
Corporate Loans	65,055.10
Total	86,344.25
Short term Agri-credit and microcredit (CL-5)	
Short term Agri-credit	263.20
Total	263.20
Staff loan	896.17
Total Exposure of Trust Bank Limited	141,987.44

(c) Geographical Distribution, Broken down in Significant Areas by Major Types of Credit Exposures of TBL:

Division	BDT in Million
Dhaka	106,846.89
Chittagong	23,553.90
Khulna	3,597.56
Sylhet	3,373.71
Rajshahi	2,143.04
Barisal	176.97
Rangpur	1,890.30
Mymensingh	405.08
Total	141,987.44

(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure of TBL:

Industry Type	BDT in Million
Agro & Fisheries	2,776.03
RMG	18,825.25
Textile	5,561.51
Food and allied industries (Edible Oil included)	5,314.54
Pharmaceutical industries	2,937.29
Chemical, fertilizer, etc.	1,434.36

Industry Type	BDT in Million
Cement and ceramic industries	2,599.82
Ship building industries	608.52
Ship breaking industries	2,399.75
Power and gas	8,124.73
Other manufacturing or extractive industries (Rubber & Plastic, Paper, Steel Engineering & Metal Products included)	13,746.06
Service Industries (Telecom & ICT, Medical Service included)	8,604.71
Other Industry	2,211.95
Trade & Commerce	21,401.72
Construction & Housing	25,387.62
Transport	1,181.02
Consumer Financing (Personal Services)	12,964.16
Loans to Financial Institution (NBFI & NGO included)	2,666.80
Others	3,241.59
Total Exposure	141,987.44

(e) Residual Contractual Maturity Breakdown of the Whole Portfolio, Broken down by Major Types of Credit Exposure of TBL:

Particulars	BDT in Million
Repayable on demand	7,343.37
Up to one month	19,890.88
Not more than three months	28,118.17
More than three months but not more than one year	48,349.54
More than one year but not more than five years	28,333.72
More than five years	9,951.76
Total	141,987.44

(f) By major industry or counterparty type of TBL:

- Amount of impaired loans and if available, past due loans, provided separately:

BDT in Million

Industry	Impaired*	Past Due
Small & Medium Enterprise Financing	199.59	3,311.25
Consumer Financing	112.41	148.76
Housing Finance	-	366.39
Loans for Professionals to setup business	-	-
Loans to BHs/MBs/SDs against Shares etc.	-	-
Other Corporate Credit	1,467.03	6,894.54
Short Term Agri Credit & Micro Credit	3.25	5.43
Staff Loan	-	-
Total	1,782.28	10,726.37

* Impaired Loan is determined from Gross NPL after deducting the value of eligible security.

■ **Specific and general provision (Required):**

BDT in Million

Sector	General Provision	Specific Provision
Small & Medium Enterprise Financing	38.61	577.22
Consumer Financing	451.56	75.12
Housing Finance	192.21	73.88
Loans for Professionals to setup business	0.14	-
Loans to BHs/MBs/SDs against Shares etc.	1.25	-
Other Corporate Credit	1,078.85	968.29
Short Term Agri Credit & Micro Credit	6.50	0.16
Against Off-Balance Sheet	614.28	-
TBL Total	2,383.40	1,694.67
Off-shore Banking Unit	29.01	-
Grand Total	2,412.41	1,694.67

■ **Charges for specific allowances and charge-offs during the period:**

BDT in Million

Against Unclassified Loans & Advances	
Provision held on 1 January	1,510.15
Provisions made during the year	205.84
Provision held at end of year	1,715.99

Against Special Mention Accounts	
Provision held on 1 January	90.37
Provisions made during the year	(14.30)
Provision held at end of year	76.07

General Provision for Off Balance Sheet Exposures	
Provision held on 1 January	577.91
Provisions made during the year	36.37
Provision held at end of year	614.28

Provision for Off-shore Banking Units	
Provision held on 1 January	24.12
Provisions made during the year	4.89
Provision held at end of year	29.01

(g) Gross Non Performing Assets (NPAs):**BDT in Million**

Gross Non Performing Assets (NPAs)	4,556.09
Non Performing Assets (NPAs) to outstanding loans & advances	3.21%
Movement of Non Performing Assets for NPAs	
Opening balance	3,588.48
Additions	2,638.78
Reductions	(1,671.17)
Closing Balance	4,556.09
Movements of specific provisions for NPAs	
Opening balance	1,455.15
Provision made during the period	760.19
Write-off	(422.09)
Write back of excess provisions	(98.58)
Closing Balance	1,694.67

5. Equities: Disclosures for Banking Book Positions

Qualitative Disclosures	
<p>(i) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:</p>	<p>Investment in equity is mainly for capital gain purpose but Bank has some investment for relationship and strategic reasons. Investment in equity securities by TBL is broadly categorized into two parts:</p> <ul style="list-style-type: none"> ■ Quoted securities include Common or Preference Shares & Mutual Fund that are traded in the secondary market. ■ Unquoted securities are categorized as banking book equity exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually these securities are held for trading (HFT) or investment for making capital gains.
<p>(ii) Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices:</p>	<p>The equity markets are traditionally volatile with a high-risk, high-returns profile. As such investors in the equity market have to plan and strategize to reduce their risks and increase their returns. The primary aim is capital gain or dividend income. Dividends received from these equity securities are accounted for as and when received.</p> <p>Both quoted and un-quoted equity securities are valued at cost, and necessary provisions are maintained if the prices fall below the cost price. As per Bangladesh Bank (BB) guidelines, Held for Trading (HFT) equity securities are mark-to-market (revalued) once a week, and HTM equity securities are amortized annually. HTM securities are revalued if reclassified to HFT (with approval of the Board of Directors). The quoted shares of the bank are valued at cost or market price, whichever is lower.</p>

Quantitative Disclosures:

Particulars		BDT in Million
(i) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value:	Cost Price	2,222.09
	Market Price	1,921.22
Difference		(300.90)
(ii) Cumulative realized gains (losses) arising from sales and liquidations in the reporting period		66.30
(iii) Total unrealized gains (losses)		(300.90)
(iv) Total latent revaluation gains (losses)		Nil
(v) Any amounts of the above included in Tier 2 capital		Nil
(vi) Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	General Market Risk	192.12
	Specific Risk	192.12

6. Interest Rate Risk in the Banking Book (IRRBB)**Qualitative Disclosure:**

<p>(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement:</p>	<p>Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition. It is the risk related to interest income arising from a mismatch between the duration of assets and liabilities that arises in the normal course of business activities. Changes in interest rates affect the underlying value of the bank's assets, liabilities, and off-balance-sheet (OBS) instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change.</p> <p>ALCO is responsible for management of the balance sheet of the Bank with a view to manage the market risk exposure assumed by the Bank within the risk parameters laid down by the Board of Directors and Risk Committee. The Asset Liability Management Committee at the Bank monitors and manages the risk under the supervision of ALCO. Upon review of the indicators of IRRBB and the impact thereof, ALCO may suggest necessary corrective actions in order to rearrange the exposure with the current assessment of the markets.</p> <p>The Bank proactively manages impact of IRRBB as a part of its ALM activities. ALM policy defines the different types of interest rates risks that are to be monitored, measured and controlled. ALCO decides strategies for managing IRRBB at the desired level. ALM Committee periodically gives direction for management of interest rate risk on the basis of its expectations of future interest rates. Based on the guidance, ALCO manages the IRRBB with the help of various tools i.e. gap analysis, earning at risk (EaR), duration of equity (DoE) and stress testing for basis risk.</p> <p>IRRBB Identification, Measurement, Monitoring and Reporting:</p> <p>IRRBB architecture is the framework to measure, monitor and control the adverse impact of interest rates on the Bank's financial condition within tolerable limits. This impact is calculated from following perspectives:</p> <ul style="list-style-type: none"> ● Earnings perspective: Indicates the impact on Bank's Net Interest Income (NII) in the short term. ● Economic perspective: Indicates the impact on the net-worth of bank due to re-pricing of assets, liabilities and off-balance sheet items.
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	<p>The ALM & Market Risk Policies define the framework for managing IRRBB through measures such as:</p> <ul style="list-style-type: none"> ■ Interest Rate Sensitivity Report: Measures mismatches between rate sensitive liabilities and rate sensitive assets in various tenor buckets based on re-pricing or maturity, as applicable. ■ Duration Gap Analysis: Measures the mismatch in duration of assets & liabilities and the resultant impact on market value of equity. ■ Stress Testing: Evaluates the impact on duration of capital of banking book under various stress scenarios.
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Quantitative Disclosures:

<p>(b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency.</p>	Particulars		Amount (BDT)		
	Market Value of Assets	209,408.40 (Million)			
	Market Value of Liabilities	197,712.60 (Million)			
	Weighted Average of Duration of Assets (DA)	1.98			
	Weighted Average of Duration of Liabilities (DL)	0.92			
	Duration GAP (DA-DL)	1.11			
	Yield to Maturity (YTM-Assets)	7.27%			
	Yield to Maturity (YTM-Liability)	4.59%			
	Magnitude of Interest Rate Change	1%	2%	3%	
	Change in market value of equity due to and increase in interest rate	(2,161.39) Million	(4,322.77) Million	(6,484.16) Million	
	Stress Testing	Minor	Moderate	Major	
	Regulatory capital (after shock)	17,345.80 (Million)	15,184.40 (Million)	13,023.00 (Million)	
	RWA (after shock)	131,799.60 (Million)	131,799.60 (Million)	131,799.60 (Million)	
	CAR (after shock)	13.16%	11.52%	9.88%	

7. Market Risk

Market risk is the potential of an adverse impact on earnings resulting from changes in market factors, such as foreign exchange rates, interest rates, commodity prices and equity prices. Market risk arises in both trading and banking book activities.

The Bank manages its market risk by taking equal and opposite derivative positions in the market. Our trading activities are conducted in our Financial Markets and Treasury businesses.

Treasury's trading activity represents dealings that include the management of interest rate, foreign exchange (FX) and credit spread risk associated with wholesale funding, liquid asset portfolios and hedging of foreign currency earnings and capital deployed offshore.

Qualitative Disclosures:

<p>(a) Views of Board of Directors (BOD) on trading/investment activities:</p>	<p>There is an approved policy to monitor risks related to changes in market dynamics. The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance asset growth and trade related transactions whilst meeting customers' requirements.</p>
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(b) Methods used to Measure Market risk:	The Bank currently follows the standardized approach for computation of market risk as per the guidelines of Bangladesh Bank. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for “specific risk” and “general market risk” as under:		
	Component of Market Risk	Capital Charged for Market Risk	
		General Market Risk	Specific Market Risk
	Interest Rate Risk	Applied	Applied
	Equity Price Risk	Applied	Applied
	Foreign Exchange Risk	Applied	
Commodity Position Risk	Applied		
(c) Market Risk Management System:	Bank has an independent market risk framework to assess, manage and control the risk management function. The Treasury Division of the Bank manages market risk covering liquidity, interest rate and foreign exchange risks with oversight from Assets- Liability Management Committee (ALCO) comprising senior executives of the Bank who meets at least once in a month. ALCO is chaired by the Managing Director.		
	To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquid asset to total assets, Volatile liability dependency ratio, and medium term funding ratio, Snap liquidity ratio and Short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio.		
(d) Policies and Processes for mitigating market risk:	There are approved limits for credit to deposit ratio, liquid assets to total assets ratio, maturity mismatch, commitments for both on-balance sheet and off balance sheet items and borrowing from money market and foreign exchange position. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the bank meets on a daily basis to review the prevailing market condition, exchange rate, foreign exchange position, and transactions to mitigate foreign exchange risks.		

Quantitative Disclosures:

The Capital requirements for specified risk are as follows:

BDT in Million

Market Risk	Capital Requirement
Interest Rate Related instruments	36.39
Equities	100.20
Foreign Exchange Position	265.19
Commodities	-
Total	401.78

8. Operational Risk

Qualitative Disclosures:

(a) Views of BOD on system to reduce Operational Risk:	Operational risk is the risk arising from day to day operating activities which may translate into direct or indirect loss. The primary operational risk arises from the potential for core banking system breakdown and the need for the rapid recovery of operational data. Other operational risks include front and back office errors, fraud, breaches in internal controls and external events, resulting in financial loss or reputational damage. The bank manages these risks through appropriate risk controls and loss mitigation actions. These actions are put in place through the policies, procedures, contractual business continuity arrangements, training, and risk monitoring and reporting.
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<p>(b) Performance Gap of Executive and Staff:</p>	<p>Performance of employees is critically important to achieve organizational goals for that reason TBL ensures equal opportunity to its employees. TBL has a policy to provide competitive remuneration package and best working environment to attract and retain the most talented people available in the industry. Our recruitment and selection procedure are governed by the Philosophies of equality, transparency and assortment.</p> <p>The bank believes that, training and knowledge sharing is the best way to reduce the performance gap. TBL offers a wide range of internal and external training programs to enhance the capabilities of its employees so that they can perform their assigned job more efficiently. As a result, there is no significant performance gap.</p>										
<p>(c) Potential external events:</p>	<p>Like other banks, TBL also operates its business with few external risk factors relating to the socio-economic condition, political atmosphere, regulatory policy changes, change in demand, natural disaster etc. Considering the potential external risks, TBL is continuously working on identifying, assessing, mitigating, monitoring such operational risks factors which may have impact on the achievement of the bank's business objectives.</p>										
<p>(d) Policies and processes for mitigating operational risk:</p>	<p>Operational Risk is the risk of financial losses related to breakdown in internal control and corporate governance. Such breakdown can be the result of human errors, inadequate or failed internal process and technical system, fraud or any other adverse external event. The Bank has adopted policies to deal with different operational risks.</p> <p>The Internal Control and Compliance Division of the Bank, the inspection teams of Bangladesh Bank, and external auditors had conducted inspections in different branches and divisions at Head office throughout the year and prepared the reports according to the findings of those inspections. Considering the suggestions and observations of those reports management took essential control measures and corrective actions.</p> <p>In 2016 IC&C Division conducted following No. of audit:</p> <table border="1" data-bbox="603 1081 1442 1325"> <tr> <td>No. of Comprehensive Audit at Branches</td> <td>107 Branches</td> </tr> <tr> <td>No. of Comprehensive Audit at Head Office</td> <td>16 Divisions/ Departments</td> </tr> <tr> <td rowspan="3">No. of Spot audits</td> <td>a) 0 Spot Audit</td> </tr> <tr> <td>b) 15 IT Audit</td> </tr> <tr> <td>c) 1612 no. pay point audits</td> </tr> <tr> <td>No. of Spot Inspection</td> <td>34 spot inspection report</td> </tr> </table> <p>TBL strongly follows the KYC norms for its customer dealings and other banking operations. Banks Anti- Money laundering activities are headed by CAMLCO in the rank of Executive Vice President and their activities are devoted to protect against all money laundering and terrorist finance related activities.</p> <p>The newly established Central Customer Service & Complaint Management Cell was also engaged in mitigating the operation risks of the Bank. Apart from that, there is adequate check and balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.</p>	No. of Comprehensive Audit at Branches	107 Branches	No. of Comprehensive Audit at Head Office	16 Divisions/ Departments	No. of Spot audits	a) 0 Spot Audit	b) 15 IT Audit	c) 1612 no. pay point audits	No. of Spot Inspection	34 spot inspection report
No. of Comprehensive Audit at Branches	107 Branches										
No. of Comprehensive Audit at Head Office	16 Divisions/ Departments										
No. of Spot audits	a) 0 Spot Audit										
	b) 15 IT Audit										
	c) 1612 no. pay point audits										
No. of Spot Inspection	34 spot inspection report										
<p>(e) Approach for Calculating Capital Charges for Operational Risk:</p>	<p>The Bank follows the Basic Indicator Approach (BIA) in terms of BRPD Circular No. 18 dated 21 December 2014, Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). The BIA stipulates the capital charge for operational risk is a fixed percentage, denoted by α (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula:</p>										

	$K = [(GI 1 + GI 2 + GI 3) \alpha] / n$ <p>Where-</p> <p>K = the capital charge under the Basic Indicator Approach</p> <p>GI = only positive annual gross income over the previous three years (i.e., negative or zero gross income if any shall be excluded)</p> <p>α = 15 percent</p> <p>n = number of the previous three years for which gross income is positive.</p>
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Quantitative Disclosures:

The capital requirements for operational risk:

BDT in Million

Particulars	RWA	Capital Requirement
Minimum Capital Requirement: Operation Risk	11,307.66	1,130.77

9. Liquidity Ratio

Banks in general are vulnerable to liquidity and solvency problems resulting from asset and liability mismatches. Liquidity Risk is the risk that the bank does not have adequate financial resources to meet its commitments in time as they fall due or will have to do so at excessive cost.

Thus, liquidity risk can be of two types:

- Funding liquidity risk: the risk that a firm will be unable to fulfill its current and future cash flow and collateral needs without affecting its daily operations or its financial condition
- Market liquidity risk: the risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market.

Qualitative Disclosures:

<p>(a) Views of Board of Directors on system to reduce Liquidity Risk:</p>	<p>TBL manages liquidity risk in accordance with its Asset Liability Management (ALM) Policy. This policy is framed as per the extant regulatory guidelines and is approved by the Board of Directors. The ALM Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign with changes in the economic landscape. The Asset Liability Management Committee (ALCO) of the Bank formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the ALM Policy.</p> <p>The Bank proactively manages liquidity risk as a part of its ALM activities. The Bank uses various statements, liquidity ratios and stress testing through scenario analysis. TBL has also framed a Liquidity of tight liquidity conditions. The LCP includes various indicators which are monitored regularly, and lays down the mechanism for escalation, remedial action and crisis management until return to normalcy.</p>
<p>(b) Methods used to measure Liquidity risk:</p>	<p>TBL follows Bangladesh Bank's Risk Based Capital Adequacy guideline in line with Basel III for proper assessment and management of liquidity risk of the bank. TBL also started to follow DOS circular no. 1, dated 1 January, 2015, on Implementation of Basel III liquidity ratio.</p> <p>The measurement tools those are used to assess liquidity risks are:</p> <ul style="list-style-type: none"> ■ Liquidity Coverage Ratio (LCR) ■ Net Stable Funding Ratio (NSFR) ■ Statutory Liquidity Requirement (SLR) ■ Cash Reserve Ratio (CRR) ■ Asset to Deposit Ratio (ADR) ■ Structural Liquidity Profile (SLP)

	<ul style="list-style-type: none"> ■ Regulatory Liquidity Indicators (RLIs) ■ Maximum Cumulative Outflow (MCO) ■ Medium Term Funding Ratio (MTF) ■ Volatile Liability Dependency Ratio ■ Liquid Asset to Total Deposit Ratio ■ Liquid Asset to Short Term Liabilities 												
(c) Liquidity Risk Management System:	ALM strategy of TBL is designed to ensure that funding is available to meet liability repayments on time and to fund all investment opportunities in times of stress either by increasing liabilities or by converting assets into cash expeditiously and at reasonable cost. Liquidity risk is a low probability but high impact event. The essence of liquidity management is buying time to absorb liquidity shock. TBL continuously analyses and monitors its liquidity profile through coordination between various ALCO support groups, also maintains an adequate margin of safety in high quality liquid assets and access to diverse funding sources such as inter-bank market, assets and investments available for- sale and has contingency funding plan to meet liquidity requirements.												
(d) Policies and processes for mitigating liquidity risk:	At Trust Bank Limited, Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. ALCO reviews the policy at least annually or as and when required by taking into consideration of any changes in the market dynamics and appropriateness and put recommendation for changes in policy to the Board for approval. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.												
Quantitative Disclosures:													
	<table border="1"> <tr> <td>Liquidity Coverage Ratio (%)</td> <td>131.18%</td> </tr> <tr> <td>Net Stable Funding Ratio (%)</td> <td>117.80%</td> </tr> <tr> <td>Stock of High quality liquid assets</td> <td>45,484.72 (BDT in Million)</td> </tr> <tr> <td>Total net cash outflows over the next 30 calendar days</td> <td>5,748.50 (BDT in Million)</td> </tr> <tr> <td>Available amount of stable funding</td> <td>181,957.56 (BDT in Million)</td> </tr> <tr> <td>Required amount of stable funding</td> <td>154,458.33 (BDT in Million)</td> </tr> </table>	Liquidity Coverage Ratio (%)	131.18%	Net Stable Funding Ratio (%)	117.80%	Stock of High quality liquid assets	45,484.72 (BDT in Million)	Total net cash outflows over the next 30 calendar days	5,748.50 (BDT in Million)	Available amount of stable funding	181,957.56 (BDT in Million)	Required amount of stable funding	154,458.33 (BDT in Million)
Liquidity Coverage Ratio (%)	131.18%												
Net Stable Funding Ratio (%)	117.80%												
Stock of High quality liquid assets	45,484.72 (BDT in Million)												
Total net cash outflows over the next 30 calendar days	5,748.50 (BDT in Million)												
Available amount of stable funding	181,957.56 (BDT in Million)												
Required amount of stable funding	154,458.33 (BDT in Million)												

10. Leverage Ratio

Qualitative Disclosures:	
(a) Views of BOD on system to reduce excessive leverage:	<p>High leverage levels can lead to an excessive expansion of Bank asset size, which maximizes, in the short to medium term, Banks' return on equity. At the same time, leverage-fuelled bank capital structures increase bankruptcy risk, since they are an important cause of bank failures. In order to avoid building-up excessive on and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is expressed as a percentage which calibrated to act as a credible supplementary measure to the risk based capital requirements.</p> <p>The leverage ratio is intended to achieve the following objectives:</p> <ul style="list-style-type: none"> ■ Constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy ■ Reinforce the risk based requirements with an easy to understand and a non-risk based measure. <p>Boards of Directors of TBL are continuously monitoring the exposure limit of lending, capital strength of the Bank in order to avoid building-up excessive on- and off-balance sheet leverage.</p>

(b) Policies and processes for managing excessive on and off-balance sheet leverage:	TBL follows Bangladesh Bank's Risk Based Capital Adequacy guideline in line with Basel III. There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risk.
(c) Approach for calculating exposure:	The bank will maintain leverage ratio on quarterly basis. The calculation at the end of each calendar quarter is submitted to BB showing the average of the month end leverage ratios based on the following definition of capital and total exposure. Items which are deducted completely from capital do not contribute to leverage and will therefore also be deducted from the measure of exposure. The exposure measure for the leverage ratio will generally follow the accounting measure of exposure.
(d) Calculation of Leverage Ratio:	A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level. Leverage Ratio = Tier 1 Capital (after related deductions)/ Total Exposure (after related deductions)

Quantitative Disclosures:			
BDT In Million			
	Particulars	Solo	Consolidated
	Leverage Ratio (%)	4.81%	4.93%
	On balance sheet exposure	208,377.88	209,687.90
	Off balance sheet exposure	20,863.23	20,923.76
	Total exposure	229,129.07	230,497.58

11. Remuneration

To attract, retain and motivate top talents, TBL has a competitive pay and benefits package. The remuneration system combines the need to maintain a high performance culture along with market competitiveness. The following remuneration disclosures have been prepared in accordance with 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' provided by Bangladesh Bank. The prudential disclosures require that all Banks meet the minimum requirements for public disclosure of qualitative and quantitative information of the remuneration practices.

The qualitative remuneration disclosures are broader in scope and cover all the individuals included where as the quantitative information relates to senior managers and material risk takers of the Trust Bank Limited, for the financial year ended December 31, 2016.

Qualitative Disclosures:	
(a)	<p>Information relating to the bodies that oversee remuneration:</p> <p>In the year 2016, the management has formed a Remuneration Committee which provides assistance to the Executive Committee (EC) of Trust Bank Limited. Having recommendation from the EC, the Board of Directors approves the policies regarding remuneration. The Committee consists of the following members as on Dec 31, 2016:</p> <ul style="list-style-type: none"> ■ Brig Gen Md. Mehdi Hassan, SGP, ndc, afwc, psc (Retd.), SEVP, Chairman ■ Mr. Khaled Mahbub Morshed, EVP ■ Mr. Mohammad Mohsin, EVP ■ Mr. Md. Shafiqur Rahman, VP ■ Ms. Mahmuda Momen, VP ■ Major ABM Nurul Islam (Retd), VP

	<p>In summary the committee is responsible for:</p> <ul style="list-style-type: none"> ■ Any changes in remuneration policy and structure ■ Building competitive remuneration packages for employees in align with remuneration practices of the industry. ■ Providing basis on which performance based remuneration will be provided <p>The Bank has no permanent external consultant for managing remuneration, but expert opinion have been sought by the Management, in case to case basis, regarding taxation and other issues. The Bank has no foreign subsidiaries; rather it has branches in different regions of the country. The remuneration policy follows same rule and does not change due to the employees working in different regions of the country. Including MD & CEO the Bank has Thirty Eight (38) “Senior managers”, at the end of the reporting period.</p>
	<p>(b) Information relating to the design and structure of remuneration processes:</p> <p>Objective of Bank’s Compensation policy is:</p> <ul style="list-style-type: none"> ■ To ensure optimum level of fairness in reward to the service of the employees in alignment with Bank’s core values and strategic business goals. ■ To provide a competitive pay package compared to the best practices in the industry. ■ To ensure effective governance of compensation. ■ To have mechanisms in place for effective supervisory oversight in compensation. <p>This year, the salary structure of the bank was reviewed by the remuneration committee where the structure was adjusted with the then inflation rate. Moreover, a new festival bonus “Boishakhi Bonus” was introduced to the employees by taking approval from the Bangladesh Bank.</p> <p>The structure of remuneration arrangements for employees consists of following components:</p> <ul style="list-style-type: none"> ■ Fixed Remuneration; ■ Future benefits and ■ Variable pay <p>The fixed remuneration is made up of base remuneration including salary and allowances paid in cash. Fixed remuneration differs from grade to grade and generally changes with the promotion/demotion to the higher/lower grades. Gratuity, PF and Superannuation funds are maintained by the Bank to pay remuneration to employees as a future benefit to them. Such remunerations differ based on the grade, basic pay and length of service of an employee.</p> <p>Variable pay consists of incentive bonuses paid on the basis of the individual performance subject to satisfactory annual profit of the Bank. Therefore, individual performance is measured and reviewed against set goals, which include financial and non-financial metrics. Moreover, the employees having job duties showing risk factors are allowed risk allowances as prescribed in the policy. In addition, employees with compliance and supervisory responsibilities are also provided additional benefits besides their regular pay.</p>

	<p>(c) Description of the ways in which current and future risks are taken into account in the remuneration processes :</p> <p>The Bank takes into account the following key risks when managing and determining remuneration processes:</p> <ul style="list-style-type: none"> ■ Financial Risks: While evaluating the performance of each employee as per pre-determined set criteria, the result of individual performance varies as well as the remuneration. Moreover, sudden termination or leave of an employee from the bank causes sudden need of fund to accommodate their end service benefits. ■ Compliance Risks: The risk of non-adherence to regulatory compliances as well as violations of different rules causing significant losses from the side of the employees is taken into consideration while implementing the remuneration process. <p>Various disciplinary measures ranging from the issuance of warning letter to dismissal from the service for committing the irregularities is there and such measures affect the remuneration process.</p>
	<p>(d) Description of the ways in which the bank seeks to link performance:</p> <p>Employees' performance is appraised annually in line with the achieved objectives, which have a positive and direct impact in their pay package. So, individual's remuneration may vary according to their performance. The payment is dependent on the Board's discretion, taking into account the recent performance of the Bank.</p>
	<p>(e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance:</p> <p>The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. The Bank provides reasonable remuneration considering the long-term performance of the employees (i.e. incentive bonus, gratuity, superannuation etc.). Moreover, a loan on provident fund is also available based on employees' length of service to the Bank.</p> <p>In case of following situation remuneration can be adjusted before vesting:</p> <ul style="list-style-type: none"> ■ Disciplinary action (at the discretion of Enquiry committee) ■ Resignation of the employee prior to the payment date. <p>At the same time previously paid or already vested variable pay can also be recovered under the case of disciplinary action (at the discretion of the Enquiry Committee and approval of Remuneration Committee)</p>
	<p>(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using those different forms:</p> <p>The main forms of such variable remuneration include:</p> <ul style="list-style-type: none"> ■ Monthly Cash benefits (Manager's Charge Allowance, Cash Handling Allowance etc.) ■ Incentive plan for the employees to be paid annually (Incentive Bonus) <p>The form of variable remuneration depends on the job level of individual, risk involved, the time horizon for review of quality of the assignments performed.</p>

Quantitative Disclosure:	
	<p>(g) Number of Meeting held by the Remuneration Committee during the financial year and remuneration paid to its member:</p> <p>The committee held 4 no. meeting during the financial year. No fees are paid to remuneration committee member or attendance such meeting.</p>
	<p>(h) Number of employees having received a variable remuneration award during the financial year:</p> <p>Incentive Bonuses: 38 Senior Managers</p> <p>Number and total amount of guaranteed bonuses awarded during the financial year:</p> <p>Festival bonuses: Total 36 no. of employees received 3 number of guaranteed festival bonuses amounted BDT 12,652,040.00.</p> <p>Number and total amount of sign-on award made during the financial year:</p> <p>Nil</p> <p>Number and total amount of severance payments made during the financial year:</p> <p>Nil</p>
	<p>(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-lined instruments and other forms:</p> <p>Nil</p> <p>Total amount of deferred remuneration paid out in the financial year:</p> <p>Nil</p>
	<p>(j) Breakdown of amount of remuneration awards for the financial year to show:</p> <ul style="list-style-type: none"> ● Fixed Remuneration: BDT 131,749,458.00 ● Variable Remuneration: BDT 714,500.00 ● Incentive Bonus: BDT 24,292,450.00
	<p>(k) Quantitative Information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. clawbacks or similar reversals or downward revaluation of awards) of deferred remuneration and retained remuneration:</p> <p>Not Applicable</p>

Report of The Audit Committee

In compliance with BRPD circular # 12 dated 23 December 2002 of Bangladesh Bank, Audit Committee of the Board of Directors was at first formed on 5 February, 2003 in the 64th Board Meeting. Major objectives of the Audit Committee are:

The Audit Committee will assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process and bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

Composition of Audit Committee

As per Corporate Governance Guideline of BSEC, the Committee was reconstituted with consistence of the following members of Board:

Name	Status with Committee	Remarks
Mr. Shahedul Islam	Chairman	-
Brig Gen Mohammad Omar Zahid, psc	Member	-
Mr. Mohamed Naser Alam	Member	-
Mr. Md. Mizanur Rahman, FCS	Secretary (Acting)	-

In compliance with Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, Mr. Shahedul Islam has been appointed as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

Roles and Responsibilities of Audit Committee

The purposes, authority, duties and responsibilities of the Audit Committee are clearly mentioned in the Audit Committee Charter. To recognize the importance of oversight responsibilities of the Board enunciated in the aforementioned BRPD circular with special emphasis on ensuring compliance in the light of all applicable legislations, the prime responsibilities of the Audit Committee, among other things, are as follows:

a) Internal control

1. Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have understanding of their roles and responsibilities;
2. Review the arrangements made by the management for building a suitable Management Information System (MIS) including computerization system and its applications;
3. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
4. Review the existing risk management procedures for ensuring an effective internal check and control system;
5. Review the corrective measures taken by the management as regards the reports relating to fraud-forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis;
6. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors;
7. Monitor choice of accounting policies and principles, internal control risk management process, hiring of external auditors and its' performance;

8. When money is raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) / Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expense, working capital, etc), on a quarterly basis, as part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document /prospectus;
9. Review the Norms / Practices / Investigation on the current issue of trading of foreign currency;
10. Review activities of any division / department / unit of Head Office and recommend to Board to set better layout / guideline for improvement.
11. Review CSR activities;
12. Review the financial statements, in particular the investments made by the subsidiary company.

b) Financial Reporting

1. Review the annual, half yearly and quarterly financial statements before submission to the Board for approval and determine whether they are complete and consistent with the accounting standards set by the regulatory authority;
2. Meet with management and the external auditors to review the financial statements before their finalization.

c) Internal Audit

1. Review the activities and organizational structure of the internal audit function and ensure that no unjustified restrictions or limitations is made;
2. Review the efficiency and effectiveness of internal audit function;
3. Review that finding and recommendations made by the internal auditors for removing the irregularities detected and also running the affairs of the bank are duly considered by the management.

d) External Audit

1. Review the auditing performance of the external auditors and their audit reports;
2. Review the findings and recommendations made by the external auditors for removing the irregularities detected and also running the affairs of the Bank are duly considered by the management;
3. Make recommendations to the Board regarding the appointment of the external auditors.

e) Compliance with Existing Laws and Regulations

Review whether the laws and regulations framed by the regulatory authorities (i.e Bangladesh Bank, BSEC and other bodies) and internal regulations approved by the Board have been complied with.

f) Other Responsibilities

1. Place compliance report before the Board on quarterly basis regarding regularization of the errors and omissions, fraud and forgeries and other irregularities as detected by the internal and external auditors and inspectors of regulatory authorities;
2. Perform other oversight functions as requested by the Board and evaluate the committee's own performance on a regular basis.

Meeting of the Committee

During the year 2016, 06 (six) meetings were held. In those meetings Managing Director & CEO, Head of IC&C, Head of Credit Administration and Chief Financial Officer were invited to attend as and when the

Committee required their presence. The committee had another meeting in 2017 to review the Auditors' Report and Financial Statements of 2016, wherein external auditors of the Bank were present.

Activities

During the year under review, the Audit Committee focused on the following major issues:

1. Review and approval/concurrence of annual audit plan of IC&C Division of Head Office;
2. Review of significant audit reports of different branches and divisions/departments of Head Office and compliance thereof submitted by Management.
3. Review the status of classified loans of the Bank;
4. Review the external auditors' report and their Management letter and compliance thereof;
5. Review of Bank's Health Report (prepared by IC&C) at quarterly rest;
6. Review the gradual expansion of financing the SME Sector including Green Banking;
7. Review the summary report on Internal Audits of different Branches and Divisions of Head Office.

Review of Financial Statements of 2016

The committee in its 62(01/2017) meeting held on 06 March 2017 reviewed the annual financial statements for the year of 2016 wherein representatives of external auditors were present. The external auditors expressed their opinion before the Committee that they have observed much improvement in the quality of Bank's assets in their 01 (one) year period. The representatives further opined that quality of Bank's financial reporting has also improved and assured the Audit Committee that the financial statements for the year 2016 prepared by the Management represent a true and fair view of the state of affairs of the Bank. The Audit Committee, therefore, recommended those for approval by the Board of Directors.



Shahedul Islam
Chairman, Audit Committee

শরীয়াহ্ সুপারভাইজরী কমিটি

চেয়ারম্যান মহোদয়ের বাণী

বিসমিল্লাহির রাহমানির রাহীম

সকল প্রশংসা আল্লাহ সুব্হান-ওয়া-তায়ালা জন্ম যিনি এক ও অদ্বিতীয়, দয়াবান এবং ক্ষমাশীল। আমাদের মহানবী (সঃ) এর প্রতি দরুদ ও সালাম যিনি সমগ্র সৃষ্টির জন্য রহমত স্বরূপ।

ট্রাস্ট ইসলামিক ব্যাংকিং বিগত ২০১৬ সালে আমানত ও বিনিয়োগসহ ব্যবসায়িক ক্ষেত্রে উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করায় মহান আল্লাহ রাব্বুল আলামীনের নিকট শুকরিয়া জ্ঞাপন করছি। ইসলামিক ব্যাংকিং কার্যক্রম পরিচালনায় শরীয়াহ্ নীতিমালা বাস্তবায়নে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও ইসলামিক ব্যাংকিং বিভাগের সচেতনতা ও আন্তরিকতায় শরীয়াহ্ সুপারভাইজরী কমিটির পক্ষ থেকে সবাইকে আন্তরিক অভিবাদন জানাচ্ছি। বিগত বৎসরে ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম সমূহে শরীয়াহ্ সুপারভাইজরী কমিটি বিভিন্ন বিষয়ের উপর তাদের বিবেচনা প্রসূত সিদ্ধান্ত এবং দিকনির্দেশনা স্বাধীন ভাবে প্রদান করেছে, সর্বোপরি ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যালোচনায় সন্তোষ প্রকাশ করেছে। শরীয়াহ্ সুপারভাইজরী কমিটি ব্যাংকের পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষকে ট্রাস্ট ইসলামিক ব্যাংকিং এর সার্বিক কার্যক্রম ও এর ব্যবসায়িক অগ্রগতির জন্য আন্তরিক মোবারকবাদ জ্ঞাপন করেছে।

সম্মানিত শেয়ারহোল্ডারবৃন্দ, ট্রাস্ট ইসলামিক ব্যাংকিং- বিনিয়োগ ও আমানতের ক্ষেত্রে সর্বাত্মে শরীয়াহ্ নীতিমালাকে প্রাধান্য দিয়ে ব্যাংকিং কার্যক্রম পরিচালনা করেছে। সর্বোপরি সেবার মান বৃদ্ধি, প্রবৃদ্ধি ও আপনাদের আস্থার জন্য মহান আল্লাহ তা'লার শুকরিয়া আদায় করছি। মহান আল্লাহ সুব্হান-ওয়া-তায়ালা আমাদের সকলকে শরীয়াহ্ নীতি পরিপালনে শক্তি দান করুন, আমিন।

মা-আসসালাম

মুফতী মুহাম্মদ আবদুল্লাহ
চেয়ারম্যান, শরীয়াহ্ সুপারভাইজরী কমিটি
ট্রাস্ট ব্যাংক লিমিটেড

শরীয়াহ সুপারভাইজরী কমিটির প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহীম

সম্মানিত শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ

ট্রাস্ট ব্যাংকের ২০১৬ সালের ইসলামিক ব্যাংকিং এর সার্বিক কার্যক্রম ও এর ব্যবসায়িক উন্নতির জন্য আমি মহান আল্লাহ তা'লার শুকরিয়া আদায় করছি। শুরুতেই ট্রাস্ট ব্যাংক লিঃ এর ইসলামিক ব্যাংকিং কার্যক্রমে সর্বাঙ্গিক সমর্থন, দিকনির্দেশনা ও আস্থা সহ উদ্যোগের জন্য পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষকে আমরা আন্তরিক মোবারকবাদ জ্ঞাপন করছি।

শরীয়াহ পরিপালন

ট্রাস্ট ইসলামিক ব্যাংকিং এর সকল পণ্য এবং সেবা সমূহ শরীয়াহ নীতিমালার আলোকে শরীয়াহ সুপারভাইজরী কমিটি কর্তৃক অনুমোদন সাপেক্ষে চালু করা হয়েছে। ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক উত্থাপিত ইসলামিক ব্যাংকিং কার্যক্রম সমূহে শরীয়াহ সুপারভাইজরী কমিটি তাদের বিবেচনা প্রসূত সিদ্ধান্ত এবং দিকনির্দেশনা স্বাধীনভাবে প্রদান করেছে এবং ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যালোচনা করেছে।

ট্রাস্ট ইসলামিক ব্যাংকিং কার্যক্রমের লাভ-ক্ষতির হিসাব পৃথকভাবে করা হয় এবং তহবিল পরিচালনায় ব্যাংকের প্রচলিত (Conventional) অংশের সাথে এর কোন সম্পর্ক নেই। আলোচ্য বছর আমরা শরীয়াহ সুপারভাইজরী কমিটির পাঁচটি (০৫) সভা করেছি যা ইসলামিক ব্যাংকিং পরিচালনায় এবং শরীয়াহ পরিপালনে যথোপযুক্ত ও কার্যকরী ভূমিকা রেখেছে।

শরীয়াহ অডিট

ট্রাস্ট ইসলামিক ব্যাংকিং কার্যক্রমে শরীয়াহ পরিপালন নিশ্চিত কল্পে ব্যাংকের ৫টি শাখায় (উইডো) শরীয়াহ অডিট পরিচালনা করা হয়েছে। ব্যাংক কর্তৃক মনোনীত “মুরাকীব” (Auditor) এ সকল অডিট পরিচালনা করেছেন এবং ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও শরীয়াহ সুপারভাইজরী কমিটিতে তার প্রতিবেদন উপস্থাপন করেছেন। শরীয়াহ অনিয়মগুলোর বিষয়ে কেন্দ্রীয় শরীয়াহ কাউন্সিল প্রদত্ত নীতিমালা ও ট্রাস্ট ব্যাংক শরীয়াহ সুপারভাইজরী কমিটি অনুমোদিত নীতিমালার আলোকে প্রণীত শরীয়াহ গাইডলাইনের ভিত্তিতে শরীয়াহ অডিট পরিচালনা করা হয়েছে। যার ফলে শরীয়াহ নীতিমালার পরিপালন আরও আস্থা ও গতিশীলতা অর্জন করেছে।

ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ

সম্মানিত শেয়ারহোল্ডারবৃন্দ, ট্রাস্ট ইসলামিক ব্যাংকিং বিগত ২০১৬ সালে আমানত ও বিনিয়োগসহ ব্যবসায়িক প্রবৃদ্ধি অর্জন করায় এবং ইসলামিক ব্যাংকিং কার্যক্রম পরিচালনায় শরীয়াহ নীতিমালা বাস্তবায়নে সচেতনতা ও আন্তরিকতার জন্য ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও ইসলামিক ব্যাংকিং বিভাগকে আন্তরিক মোবারকবাদ জ্ঞাপন করছি এবং একই সাথে আপনাদের সকল উদ্যোগ ও সহযোগিতার জন্য ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি। মহান আল্লাহ সুবহান-ওয়া-তায়াল্লা আমাদের সকলকে শরীয়াহ নীতি পরিপালনে শক্তি দান করুন এবং তাঁর রহমতের ছায়া তলে আশ্রয় দান করুন, আমিন।

মা-আসসালাম

মুফতী মুহাম্মদ আবদুল্লাহ

চেয়ারম্যান, শরীয়াহ সুপারভাইজরী কমিটি

ট্রাস্ট ব্যাংক লিমিটেড

Positive Indicators of 2016

Particulars	Consolidated	Growth %
Loans and Advances	144,438,413,812	8.07%
Investments	32,464,130,345	25.60%
Total Assets	211,550,047,907	16.30%
Deposits	172,738,445,810	14.47%
Total Capital	19,797,750,454	42.20%
Paid-Up Capital	5,063,329,240	8.00%
Common Equity Tier-I Capital (Going-concern)	11,362,232,547	17.14%
Tier-II Capital (Gone-concern)	8,435,517,907	99.78%
Total Shareholders' Equity	11,516,630,312	16.96%
Statutory Reserve	4,027,401,519	20.81%
Income from Investment	2,280,622,737	5.70%
Net Asset Value (NVA)	11,516,630,312	16.96%
Net Interest Income	4,493,905,835	14.64%
Total Operating Income	8,476,951,353	7.78%
Total Profit before Tax	3,512,600,343	10.34%
Earning Per Share (EPS)	3.98	30.85%

**Independent Auditors' Report & Financial Statements
of
TRUST BANK LIMITED**



Independent Auditors' Report to The Shareholders of Trust Bank Limited

We have audited the accompanying consolidated financial statements of Trust Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Trust Bank Limited (the "Bank"), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2016, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank.

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

Opinion

In our opinion, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2016, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Companies Act 1991 as amended and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
- i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in notes 2.33.4 appeared to be adequate with immaterial control deficiencies as identified in management report.
 - ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities.
- (c) financial statements of subsidiary companies of the Bank namely Trust Bank Investment Limited and Trust Bank Securities Limited have been audited by A. Qasem & Co. and Hussain Farhad & Co., Chartered Accountants, respectively as on 31 December 2016. These accounts have been properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and Bangladesh Financial Reporting Standards as explained in note 2.1 as well as with related guidelines, circulars issued by Bangladesh Bank and the instruction given by Bangladesh Bank vide letter no DBI-1/114/1105/2017 dated 06 March 2017 after the tripartite meeting amongst Inspection Team of Bangladesh Bank, External Auditors and the Management of Trust Bank Limited held on February 28, 2017.
- (h) provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets covering 11 out of the 108 nos. Branch of the Bank and we have spent around 4,224 person hours for the audit of the books and accounts of the Bank.

Date: 14 March 2017
Place: Dhaka

Syful Shamsul Alam & Co.

Syful Shamsul Alam & Co.
Chartered Accountants

TRUST BANK LIMITED

and its Subsidiaries

Consolidated Balance Sheet

As at 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in Hand (including foreign currencies)		3,354,653,593	2,714,773,207
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)		12,290,974,572	11,287,838,567
		15,645,628,165	14,002,611,774
Balance with other Banks and Financial Institutions	4 (a)		
In Bangladesh		12,456,950,291	2,871,605,130
Outside Bangladesh		2,277,896,641	2,191,491,312
		14,734,846,932	5,063,096,442
Money at Call and Short Notice	5	1,040,000,000	-
Investments	6 (a)		
Government		29,063,495,448	22,352,800,620
Others		3,400,634,897	3,494,884,565
		32,464,130,345	25,847,685,185
Loans and Advances/Islami Banking Investments	7 (a)		
Loans, Cash Credit, Overdrafts etc./ Investment		141,092,897,001	130,715,404,897
Bills Purchased and Discounted		3,345,516,811	2,938,780,724
		144,438,413,812	133,654,185,621
Fixed Assets Including Premises, Furniture and Fixtures	8 (a)	812,822,751	838,488,553
Other Assets	9 (a)	2,414,205,902	2,500,162,121
Non-banking Assets		-	-
Total Assets		211,550,047,907	181,906,229,696
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	10 (a)	17,954,568,344	12,935,168,654
Deposits and other Accounts	11 (a)		
Current/Al-wadeeah Current Accounts and other Accounts		20,771,286,904	16,951,851,269
Bills Payable		2,843,870,218	1,287,908,705
Savings Bank / Mudaraba Savings Deposits		24,167,087,940	18,521,408,929
Fixed Deposits / Mudaraba Term Deposits		124,956,200,748	114,140,397,954
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		172,738,445,810	150,901,566,857
Other Liabilities	12 (a)	9,340,403,441	8,222,958,367
Total Liabilities		200,033,417,595	172,059,693,878
Capital/Shareholders' Equity			
Paid up Capital	13.2	5,063,329,240	4,688,267,820
Minority Interest	13 (a)	789	789
Foreign Currency Translation Reserve		452,615	229,665
Statutory Reserve	14	4,027,401,519	3,333,692,338
Other Reserve	15	39,863,658	57,636,494
Retained Earnings	16 (a)	2,385,582,491	1,766,708,712
Total Shareholders' Equity		11,516,630,312	9,846,535,818
Total Liabilities and Shareholders' Equity		211,550,047,907	181,906,229,696

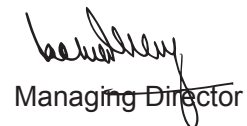
Notes	31.12.2016 Taka	31.12.2015 Taka
OFF-BALANCE SHEET ITEMS		
Contingent Liabilities		
17 (a)		
Acceptances and Endorsements	16,366,476,215	17,410,197,442
Letter of Guarantees	14,758,570,174	12,523,939,245
Irrevocable Letter of Credits	25,505,981,328	22,044,819,756
Bills for Collection	4,857,108,464	5,808,089,329
	61,488,136,181	57,787,045,772
Other Contingent Liabilities		
Value of Travelers' Cheques in Hand	-	-
Total:	61,488,136,181	57,787,045,772
Other Commitments		
Documentary Credit and Short Term Trade Related Transactions	-	-
Forward Assets Purchased and Forward Deposits Placed	-	-
Undrawn Note Issuance and Revolving Facilities	-	-
Undrawn Formal Standby Facilities, Credit Lines and other Commitments	-	-
	-	-
Total Off-Balance Sheet Items Including Contingent Liabilities	61,488,136,181	57,787,045,772

The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman


Director


Director


Managing Director

Signed as per annexed report of same date

Dated: Dhaka
March 14 2017


Syful Shamsul Alam & Co
Chartered Accountants

TRUST BANK LIMITED
and its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2016

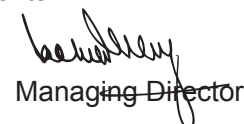
	Notes	31.12.2016 Taka	31.12.2015 Taka
Interest Income / Profit on Investment	19 (a)	13,228,572,274	13,996,765,340
Interest / Profit Paid on Deposits and Borrowings etc.	20 (a)	8,734,666,439	10,076,669,421
Net Interest Income		4,493,905,835	3,920,095,919
Income from Investments	21(a)	2,280,622,737	2,157,626,450
Commission, Exchange and Brokerage	22 (a)	1,151,821,811	1,256,561,598
Other Operating Income	23 (a)	550,600,970	530,737,972
		3,983,045,518	3,944,926,020
Total Operating Income		8,476,951,353	7,865,021,939
Salaries and Allowances	24 (a)	2,027,314,807	2,036,341,638
Rent, Taxes, Insurance, Electricity, etc.	25 (a)	663,144,674	594,114,120
Legal Expenses		1,999,163	882,479
Postage, Stamps, Telecommunications, etc.	26 (a)	145,246,267	127,294,442
Stationery, Printing, Advertisement, etc.	27 (a)	65,470,579	69,864,247
Managing Director's Salary and Benefits		13,264,200	11,280,000
Directors' Fees	28 (a)	2,549,000	1,998,400
Auditors' Fee		661,250	632,500
Charges on Loan Losses		-	-
Depreciation and Repair of Bank's Assets	29 (a)	237,411,040	252,533,390
Other Expenses	30 (a)	700,936,472	616,923,870
Total Operating Expenses		3,857,997,452	3,711,865,086
Profit before Provision		4,618,953,901	4,153,156,853
Provision for Loans & Advances / Investments	31 (a)	1,078,862,395	947,255,958
Provision for Diminution in Value of Investment	32 (a)	(11,023,507)	(81,394,807)
Other Provision	33 (a)	38,514,670	103,974,940
Total Provision		1,106,353,558	969,836,091
Total Profit before Taxes		3,512,600,343	3,183,320,762
Provision for Taxation			
Current Tax	12.7 (a)	1,522,197,384	1,664,390,922
Deferred Tax		(25,420,168)	(21,595,127)
		1,496,777,216	1,642,795,795
Net Profit after Taxation		2,015,823,127	1,540,524,967
Appropriations			
Statutory Reserve	14.1	693,709,181	624,649,577
General Reserve		-	-
Dividend etc		-	-
		693,709,181	624,649,577
Retained Surplus		1,322,113,946	915,875,390
Earning Per Share (EPS)	35 (a)	3.98	3.04

The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report of same date

Dated: Dhaka
March 14 2017


Syful Shamsul Alam & Co
Chartered Accountants

TRUST BANK LIMITED
and its Subsidiaries
Consolidated Statement of Cash Flows
For the year ended 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
A. Cash Flow from Operating Activities			
Interest Received in Cash		13,233,562,972	14,007,190,171
Interest Payments		(9,058,267,218)	(10,338,705,594)
Dividend Receipts		22,639,744	26,692,707
Fees and Commission Receipts in Cash		1,110,515,580	1,241,053,545
Recoveries of Loans Previously Written off		-	-
Cash Paid to Employees		(2,018,405,254)	(2,017,113,907)
Cash Paid to Suppliers		(50,062,984)	(64,566,548)
Income Taxes Paid		(1,299,830,667)	(1,399,853,478)
Received from other Operating Activities (item-wise)	36 (a)	2,725,495,306	2,753,368,497
Payments for other Operating Activities (item-wise)	37 (a)	(1,447,903,179)	(1,510,623,580)
Operating Profit before Changes in Operating Assets and Liabilities		3,217,744,300	2,697,441,813
Increase/(Decrease) in Operating Assets & Liabilities			
Statutory Deposits		-	-
Net Investment in Trading Securities		94,249,668	(1,504,297,048)
Loan & Advance to Other Banks		-	-
Loan & Advance to Customers		(10,807,625,287)	(21,903,933,699)
Other Assets (item-wise)	38 (a)	73,268,922	123,324,353
Deposits from Other Banks		(308,397,657)	618,591,833
Deposits from Customers		22,526,772,644	25,368,368,082
Other Liabilities Account of Customers	-	-	-
Trading Liabilities		-	-
Other Liabilities (item-wise)	39 (a)	(135,033,660)	(831,292,686)
Net Cash from Operating Activities (A)		14,660,978,930	4,568,202,648
B. Cash Flow from Investing Activities			
Proceeds from Sale of Securities		-	-
Payments for Purchase of Government Securities		(6,728,876,164)	(3,959,425,374)
Purchase of Property, Plant & Equipment		(169,765,710)	(427,932,707)
Purchase of Intangible Assets		(16,736,191)	(6,546,646)
Sale of Property, Plant & Equipment		400,480	3,208,669
Purchase/Sale of Subsidiary		-	-
Net Cash from Investing Activities (B)		(6,914,977,585)	(4,390,696,058)
C. Cash Flow from Financing activities			
Increase/(Decrease) in Borrowing:			
Call Loan		(1,110,000,000)	1,110,000,000
Other Borrowings		6,028,276,135	4,880,966,695
Dividend Paid in Cash		(328,178,747)	(213,103,083)
Net Cash from Financing Activities (C)		4,590,097,388	5,777,863,612
D. Net Increase in Cash and Cash Equivalent (A+B+C)		12,336,098,733	5,955,370,202
E. Effects of Exchange Rate Changes on Cash and Cash Equivalents			
		18,259,648	676,969
F. Opening Cash and Cash Equivalent		19,070,021,816	13,113,974,645
G. Cash and Cash Equivalents at End of Year (D+E+F)	40 (a)	31,424,380,197	19,070,021,816
Consolidated Cash and Cash Equivalents at the End of the Year			
Cash in Hand (including foreign currencies)	3.1	3,354,653,593	2,714,773,207
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	3.2	12,290,974,572	11,287,838,567
Balance with Other Bank & Financial Institutions	4(a)	14,734,846,932	5,063,096,442
Money at Call and Short Notice	5	1,040,000,000	-
Prize Bond	6	3,905,100	4,313,600
Total		31,424,380,197	19,070,021,816

TRUST BANK LIMITED
and its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2016

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2016	4,688,267,820	-	789	229,665	3,333,692,338	57,636,494	1,766,708,712	9,846,535,818
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Investment	-	-	-	-	-	(17,772,836)	-	(17,772,836)
Currency Transaction Difference	-	-	-	222,950	-	-	-	222,950
Net Gain and Losses Not Recognized in the Income Statement	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the Year After Tax	-	-	-	-	-	-	2,015,823,127	2,015,823,127
Statutory Reserve	-	-	-	-	693,709,181	-	(693,709,181)	-
Dividends (Bonus Share)	375,061,420	-	-	-	-	-	(375,061,420)	-
Dividends (Cash)	-	-	-	-	-	-	(328,178,747)	(328,178,747)
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as at 31 December 2016	5,063,329,240	-	789	452,615	4,027,401,519	39,863,658	2,385,582,491	11,516,630,312

TRUST BANK LIMITED
and its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2015

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2015	4,262,061,660	75,576,040	789	187,663	2,709,042,761	547,322	1,414,566,525	8,461,982,760
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Investment	-	-	-	-	-	57,089,172	-	57,089,172
Currency Transaction Difference	-	-	-	42,002	-	-	-	42,002
Net Gain and Losses Not Recognized in the Income Statement	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the Year After Tax	-	-	-	-	-	-	1,540,524,967	1,540,524,967
Statutory Reserve	-	-	-	-	624,649,577	-	(624,649,577)	-
Dividends (Bonus Share)	426,206,160	(75,576,040)	-	-	-	-	(350,630,120)	-
Dividends (Cash)	-	-	-	-	-	-	(213,103,083)	(213,103,083)
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as at 31 December 2015	4,688,267,820	-	789	229,665	3,333,692,338	57,636,494	1,766,708,712	9,846,535,818

TRUST BANK LIMITED

Balance Sheet

As at 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
PROPERTY AND ASSETS			
Cash			
	3		
Cash in Hand (including foreign currencies)		3,354,653,593	2,714,773,207
Balance with Bangladesh Bank and Its Agent Bank(s) (including foreign currencies)		12,290,974,572	11,287,838,567
		15,645,628,165	14,002,611,774
Balance with other Banks and Financial Institutions			
	4		
In Bangladesh		12,386,612,934	2,834,911,362
Outside Bangladesh		2,277,896,641	2,191,491,312
		14,664,509,575	5,026,402,674
Money at Call and Short Notice			
	5	1,040,000,000	-
Investments			
	6		
Government		29,063,495,448	22,352,800,620
Others		1,675,511,276	1,909,405,437
		30,739,006,724	24,262,206,057
Loans and Advances/Islami Banking Investments			
	7		
Loans, Cash Credit, Overdrafts etc./ Investment		138,641,916,502	127,675,865,045
Bills Purchased and Discounted		3,345,516,811	2,938,780,724
		141,987,433,313	130,614,645,769
Fixed Assets Including Premises, Furniture and Fixtures			
	8	802,073,813	827,551,414
Other Assets			
	9	5,362,865,128	5,496,155,001
Non-banking Assets			
		-	-
Total Assets		210,241,516,718	180,229,572,689
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	10	17,943,291,652	12,929,557,490
Deposits and other Accounts			
	11		
Current/Al-wadeeah Current Accounts and other Accounts		21,092,722,745	16,904,479,838
Bills Payable		2,843,870,218	1,287,908,705
Savings Bank / Mudaraba Savings Deposits		24,167,087,940	18,521,408,929
Fixed Deposits / Mudaraba Term Deposits		124,956,200,748	114,140,397,954
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		173,059,881,651	150,854,195,426
Other Liabilities			
	12	8,063,178,783	6,933,771,244
Total Liabilities		199,066,352,086	170,717,524,160
Capital/Shareholders' Equity			
Paid up Capital	13.2	5,063,329,240	4,688,267,820
Foreign Currency Translation Reserve		452,615	229,665
Statutory Reserve	14	4,027,401,519	3,333,692,338
Other Reserve	15	39,863,658	57,636,494
Retained Earnings	16	2,044,117,600	1,432,222,212
Total Shareholders' Equity		11,175,164,632	9,512,048,529
Total Liabilities and Shareholders' Equity		210,241,516,718	180,229,572,689

	Notes	31.12.2016 Taka	31.12.2015 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	17		
Acceptances and Endorsements		16,366,476,215	17,410,197,442
Letter of Guarantees		14,698,040,174	12,523,939,245
Irrevocable Letter of Credits		25,505,981,328	22,044,819,756
Bills for Collection		4,857,108,464	5,808,089,329
		61,427,606,181	57,787,045,772
Other Contingent Liabilities			
Value of Travelers' Cheques in Hand		-	-
Total:		61,427,606,181	57,787,045,772
Other Commitments			
Documentary Credit and Short Term Trade-related Transactions		-	-
Forward Assets Purchased and Forward Deposits Placed		-	-
Undrawn Note Issuance and Revolving Facilities		-	-
Undrawn Formal Standby Facilities, Credit Lines and Other Commitments		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities		61,427,606,181	57,787,045,772

The annexed notes 1-45 form an integral part of the Financial Statements.



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report of same date

Dated: Dhaka
March 14 2017

Syful Shamsul Alam & Co.
Syful Shamsul Alam & Co
Chartered Accountants

TRUST BANK LIMITED

Profit and Loss Account

For the year ended 31 December 2016

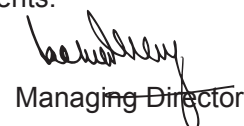
	Notes	31.12.2016 Taka	31.12.2015 Taka
Interest Income / Profit on Investment	19	13,186,155,244	13,894,898,107
Interest / Profit Paid on Deposits and Borrowings etc.	20	8,733,549,219	10,075,225,928
Net Interest Income		4,452,606,025	3,819,672,179
Income from Investments	21	2,165,563,008	2,010,603,555
Commission, Exchange and Brokerage	22	1,136,869,607	1,241,011,066
Other Operating Income	23	482,254,099	458,052,481
		3,784,686,714	3,709,667,102
Total Operating Income		8,237,292,739	7,529,339,281
Salaries and Allowances	24	1,987,921,173	1,988,439,368
Rent, Taxes, Insurance, Electricity, etc.	25	649,609,512	580,507,030
Legal Expenses		1,713,873	882,479
Postage, Stamps, Telecommunications, etc.	26	142,981,586	124,991,524
Stationery, Printing, Advertisement, etc.	27	64,965,191	69,285,866
Managing Director's Salary and Benefits		11,385,000	11,280,000
Directors' Fees	28	2,306,000	1,809,400
Auditors' Fee		431,250	402,500
Charges on Loan Losses		-	-
Depreciation and Repair of Bank's Assets	29	234,417,444	248,637,909
Other Expenses	30	689,177,159	602,074,731
Total Operating Expenses		3,784,908,188	3,628,310,807
Profit before Provision		4,452,384,551	3,901,028,474
Provision for Loans & Advances / Investments	31	956,631,919	763,590,000
Provision for Diminution in Value of Investment	32	(10,702,641)	(89,784,351)
Other Provision	33	37,909,370	103,974,940
Total Provision		983,838,648	777,780,589
Total Profit before Taxes		3,468,545,903	3,123,247,885
Provision for Taxation			
Current Tax	12.7.1	1,485,000,000	1,605,000,000
Deferred Tax		(25,298,833)	(21,082,363)
		1,459,701,167	1,583,917,637
Net Profit after Taxation		2,008,844,736	1,539,330,248
Appropriations			
Statutory Reserve	14.1	693,709,181	624,649,577
General Reserve		-	-
Dividend etc		-	-
		693,709,181	624,649,577
Retained Surplus		1,315,135,555	914,680,671
Earning Per Share (EPS)	35	3.97	3.04

The annexed notes 1-45 form an integral part of the Financial Statements.


Vice Chairman

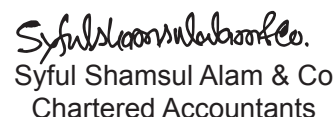

Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
March 14 2017


Syful Shamsul Alam & Co
Chartered Accountants

TRUST BANK LIMITED

Statement of Cash Flows

For the year ended 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
A. Cash Flow from Operating Activities			
Interest Received in Cash		13,191,145,942	13,905,322,938
Interest Payments		(9,057,149,998)	(10,337,262,101)
Dividend Receipts		15,415,888	26,692,707
Fees and Commission Receipts in Cash		1,110,295,276	1,240,666,163
Recoveries of Loans Previously Written off		-	-
Cash Paid to Employees		(1,984,442,000)	(1,973,914,525)
Cash Paid to Suppliers		(49,655,516)	(64,203,235)
Income Taxes Paid		(1,242,039,540)	(1,330,989,406)
Received from other Operating Activities (item-wise)	36	2,535,668,571	2,518,457,594
Payments for other Operating Activities (item-wise)	37	(1,412,403,100)	(1,474,010,999)
Operating Profit before Changes in Operating Assets and Liabilities		3,106,835,523	2,510,759,136
Increase/(Decrease) in Operating Assets & Liabilities			
Statutory Deposits		-	-
Net Investment in Trading Securities		233,894,161	(893,327,750)
Loan & Advance to Other Banks		-	-
Loan & Advance to Customers		(11,520,396,857)	(23,443,294,504)
Other Assets (item-wise)	38	118,555,828	122,753,183
Deposits from Other Banks		(308,397,657)	618,591,833
Deposits from Customers		22,895,579,916	25,425,053,964
Other Liabilities Account of Customers		-	-
Trading Liabilities		-	-
Other Liabilities (item-wise)	39	3,893,375	168,800,028
Net Cash from Operating Activities (A)		14,529,964,289	4,509,335,890
B. Cash Flow from Investing Activities			
Proceeds from Sale of Securities		-	-
Payments for Purchase of Government Securities		(6,728,876,164)	(3,959,425,374)
Purchase of Property, Plant & Equipment		(167,827,700)	(426,435,739)
Purchase of Intangible Assets		(16,736,191)	(6,546,646)
Sale of Property, Plant & Equipment		375,495	3,110,336
Purchase/Sale of Subsidiary		-	-
Net Cash from Investing Activities (B)		(6,913,064,560)	(4,389,297,423)
C. Cash Flow from Financing Activities			
Increase/(Decrease) in Borrowing:		-	-
Call Loan		(1,110,000,000)	1,110,000,000
Other Borrowings		6,123,734,162	4,933,847,661
Dividend Paid in Cash		(328,178,747)	(213,103,083)
Net Cash from Financing Activities (C)		4,685,555,415	5,830,744,578
D. Net Increase in Cash and Cash Equivalent (A+B+C)		12,302,455,144	5,950,783,045
E. Effects of Exchange Rate Changes on Cash and Cash Equivalents			
		18,259,648	676,969
F. Opening Cash and Cash Equivalent		19,033,328,048	13,081,868,034
G. Cash and Cash Equivalents at End of Year (D+E+F)	40	31,354,042,840	19,033,328,048
Cash and Cash Equivalents at the End of the Year			
Cash in Hand (including foreign currencies)	3.1	3,354,653,593	2,714,773,207
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	3.2	12,290,974,572	11,287,838,567
Balance with other Bank & Financial Institutions	4	14,664,509,575	5,026,402,674
Money at Call and Short Notice	5	1,040,000,000	-
Prize Bond	6	3,905,100	4,313,600
Total		31,354,042,840	19,033,328,048

TRUST BANK LIMITED
Statement of Changes in Equity
For the year ended 31 December 2016

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2016	4,688,267,820	-	229,665	3,333,692,338	57,636,494	1,432,222,212	9,512,048,529
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Investment	-	-	-	-	(17,772,836)	-	(17,772,836)
Currency Transaction Difference	-	-	222,950	-	-	-	222,950
Net Gain and Losses not Recognized in the Income Statement	-	-	-	-	-	-	-
Net Profit/(Loss) for the Year After Tax	-	-	-	-	-	2,008,844,736	2,008,844,736
Statutory Reserve	-	-	-	693,709,181	-	(693,709,181)	-
Dividends (Bonus Share)	375,061,420	-	-	-	-	(375,061,420)	-
Dividends (Cash)	-	-	-	-	-	(328,178,747)	(328,178,747)
Issue of Share Capital (Rights Share)	-	-	-	-	-	-	-
Balance as at 31 December 2016	5,063,329,240	-	452,615	4,027,401,519	39,863,658	2,044,117,600	11,175,164,632

TRUST BANK LIMITED
Statement of Changes in Equity
For the year ended 31 December 2015

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2015	4,262,061,660	75,576,040	187,663	2,709,042,761	547,322	1,081,274,744	8,128,690,190
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-
Surplus/Deficit on Revaluation of Investment	-	-	-	-	57,089,172	-	57,089,172
Currency Transaction Difference	-	-	42,002	-	-	-	42,002
Net Gain and Losses Not Recognized in the Income Statement	-	-	-	-	-	-	-
Net Profit/(Loss) for the Year After Tax	-	-	-	-	-	1,539,330,248	1,539,330,248
Statutory Reserve	-	-	-	624,649,577	-	(624,649,577)	-
Dividends (Bonus Share)	426,206,160	(75,576,040)	-	-	-	(350,630,120)	-
Dividends (Cash)	-	-	-	-	-	(213,103,083)	(213,103,083)
Issue of Share Capital (Rights Share)	-	-	-	-	-	-	-
Balance as at 31 December 2015	4,688,267,820	-	229,665	3,333,692,338	57,636,494	1,432,222,212	9,512,048,529

TRUST BANK LIMITED
Liquidity Statement
 (Asset and Liability Maturity Analysis)
 As on 31 December 2016

Amount in Taka

Particulars	Up to 01 Month	01- 03 Months	03-12 Months	01-05 Years	More than 05 Years	Total
Assets:						
Cash in Hand	3,354,653,593	-	-	-	-	3,354,653,593
Balance with Bangladesh Bank and Sonali Bank	2,570,394,098	-	-	-	9,720,580,474	12,290,974,572
Balance with other Banks and Financial Institutions	10,034,509,575	4,350,000,000	280,000,000	-	-	14,664,509,575
Money at Call and Short Notice	1,040,000,000	-	-	-	-	1,040,000,000
Investments	7,428,739,200	793,967,399	7,796,835,792	5,465,594,086	9,253,870,247	30,739,006,724
Loans and Advances	27,234,250,562	28,118,169,230	48,349,541,482	28,333,716,242	9,951,755,797	141,987,433,313
Fixed Assets Including Premises, Furniture and Fixtures	-	-	-	-	802,073,813	802,073,813
Other Assets	993,305,085	368,703,436	494,384,163	141,662,921	3,364,809,523	5,362,865,128
Non-banking Assets	-	-	-	-	-	-
Total Assets	52,655,852,113	33,630,840,065	56,920,761,437	33,940,973,249	33,093,089,854	210,241,516,718
Liabilities:						
Borrowing from Bangladesh Bank, other Banks, Financial Institutions and Agents	3,092,010,006	4,015,939,931	4,652,771,516	3,382,570,199	2,800,000,000	17,943,291,652
Deposits	44,878,884,135	30,680,040,809	39,585,337,393	23,457,613,713	28,405,369,148	167,007,245,198
Other Accounts	6,052,636,453	-	-	-	-	6,052,636,453
Provision and other Liabilities	1,444,462,145	1,159,619,201	3,926,183,961	1,126,643,543	406,269,933	8,063,178,783
Total Liabilities	55,467,992,739	35,855,599,941	48,164,292,870	27,966,827,455	31,611,639,081	199,066,352,086
Net Liquidity Gap	(2,812,140,626)	(2,224,759,876)	8,756,468,567	5,974,145,794	1,481,450,773	11,175,164,632

Net result of the Liquidity Statement represents the “Shareholders’ Equity” of the Bank

TRUST BANK LIMITED
Notes to the Financial Statements
For the year ended 31 December 2016

1 The Bank It's Activities

Trust Bank Limited is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank has One Hundred Two (102) branches and six (6) SME Service Centers/Krishi Branch are operating in Bangladesh as at 31 December 2016. The Bank has no overseas branches as at 31 December 2016. The bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

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

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

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

1.1 Off-shore Banking Unit

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

1.1.1 Subsidiaries of the Bank

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

1.1.2 Trust Bank Investment Limited

Trust Bank Investments Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 9 September 2010 with an initial paid up capital of Taka 300 million upon receiving consent from SEC on 25 October 2010 having registered office is located at 36 Dilkusha Commercial Area, Dhaka-1000.

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

1.1.3 Trust Bank Securities Limited

Trust Bank Securities Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 7 February 2013 with an initial paid up capital of Taka 35 million having registered office is located at 28, Kafrul, Dhaka-1206.

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

1.2 Islamic Banking Activities

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

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

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

- Completely Separate Fund management – no mingling of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit and Loss Account and daily affairs are prepared by Islamic banking module of Bank's CBS in each window.
- TIB has a Shariah Supervisory Committee (SSC) with distinguished shariah scholars for guidance on Shariah related issues.
- Profit sharing ratio (Depositor: Bank) is 70:30 for the year 2016.
- Profit distributions are executed as per approved weightage table.

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

A separate Balance-sheet, Profits and Loss account and Cash-Flow Statements are shown in the Annexure D, E and F of this report. The figures appears in the Annexures have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

1.3 Major Retail Activities:

Asset Campaign:

RBD has set a new exemplary standard with its Asset Campaign "The Fortune", that was launched during the summer of 2016. Both target and achievement of this campaign reached a height that had been accomplished before in the history of TBL Retail Banking. Fresh disbursement of more than BDT 1000 million (Taka One Thousand Million Only) from retail loans were made within 06 (six) months.

Product Development:

In the year 2016, Retail Banking Division has developed PPG for 02 (two) new asset products, revised rate of interest of several asset and liability products and modified the existing PPG of other asset and liability products to best suit customer's need and market demand.

The 02 new asset products launched this year are as follows:

1. Loan Against Pension Benefit for Defence Personnel (other than Officer). This product is targeted towards Soldier to Junior Commission Officer of Bangladesh Army and equivalent post holders of Bangladesh Navy and Air Force. This segment of the population had never been targeted before by any other bank, thus setting another example of inclusive banking. Since its inception with effect from September 2016 to the end of December 2016, a total of 4269 (Four Thousand Two Hundred and Sixty Nine) number of accounts have been created with a remarkable outstanding figure of over BDT 3706 million (Taka Three Thousand Seven Hundred and Six Million Only).

2. Any Purpose Loan for TBL Employee: This retail product with highest limit of TK. 10,00,000/- (Taka Ten Lac Only) is dedicated exclusively to the employees of TBL. This is an example of how Retail products are designed to encompass all segments of population including their own!

Financial Literacy:

Keeping with TBL's commitment to contribute to inclusive banking through financial literacy, Retail Banking Division has sharpened its focus on School Banking activities. Some of the highlights are listed below:

School Banking Activities:

1. School Banking Campaigns: In 2016, several School Banking activities were conducted at through branch; among which, notable were 02 successful campaigns at BAF Shaheen School and College, Dhaka and Adamjee Cantonment Public School, Dhaka, organized by Millennium Corporate Branch and Principal Branch respectively.

2. School Banking Program: As part of the long run plan to implement financial literacy, in 2016, Bangladesh Bank has instructed that every district in the country would host a School Banking Program each year where all scheduled banks in the respective district would have to participate, arranged by a Lead Bank chosen by Bangladesh Bank for the respective district. TBL was chosen as the Lead Bank for Natore district where they successfully organized a discussion session and preparatory meeting with other schedule banks of that region.

Payroll Banking : A significant number of new organizations were included under Trust Payroll. A notable success has been the inclusion of Pinaki Group and Barnali Fabrics Limited under Payroll Banking as both these companies are well known establishments in the Garments Industry. By including the employees of these companies, RBD has elevated itself in keeping with TBL's motto of inclusive banking. For most of these account holders, this was their first step towards formal banking.

Trust Youniverse and Loyalty: The Loyalty team has succeeded in signing favorable MoU with a total of 09 (Nine) new organizations of different genres, including: 2 (Two) Health Care, 02 (Two) Life Style, 02 (Two) Dining and 03 (Three) Leisure and Fun organizations. This lavish experience is provided under the Trust Youniverse program for all TBL debit and credit card holders.

Training and Development: All permanent employees of RBD have attended at least 01 training program each organized by TBL Training Academy. Furthermore, RBD has conducted several training programs for DSR as a part of their business development strategy, which helped them to groom themselves and become more competitive. A new Payroll Sales Team has been formed to increase client base through payroll banking. The result is reflected in the staggering increase of payroll account outstanding at the end of the year.

1.4 SME and Green Banking Activities

Small and Medium sized Enterprises (SMEs) have drawn a lot of interest among policy makers, academics, businessmen and people in general. There is a broad consensus that a vibrant SME sector is one of the principal driving forces in the development of the economy of Bangladesh.

It is worthwhile to note that only few years back, almost 50% of banks deposits sourced from small and medium depositors, but, small and medium enterprises only obtained 30% of the loans. In this backdrop of capital scarcity—SMEs particularly small enterprises have had to rely significantly on informal credit sources—which are often inadequate and costly. Thus, small and medium enterprises can be referred to as the 'missing middle'—neither small enough for microcredit from micro finance institutions, nor big enough to be considered bankable by lenders in the formal financial sector.

Considering the importance of SME sector in the economy of Bangladesh and understanding the constraints under which such enterprises operate and also as the most cost-effective means of fast industrialization and employment generation, Central Bank has adopted policy strategies for smooth and sustainable development of SMEs in all over the country and considered it as one of the vehicles for poverty alleviation, and generation of more employment.

With the directives of Bangladesh Bank, Trust Bank Limited initiated its SME program in the year 2009 by formulating an individual SME policy. Since inception, the SME loans in TBL are growing consistently. We are striving hard to take our SME business to a great height. Mentionable that we have been able to increase our SME portfolio significantly from Tk. 7130.00 million in 2015 to Tk.14000.00 million in 2016. Trust Bank was nominated as one the most SME favored Bank by SME Foundation.

The Bank is also financing under refinancing scheme of Bangladesh Bank, namely, ADB, JAICA, WE fund. Trust Bank's strategy is to focus on marketing of the products through branch network and outsourcing agent in area/group approach to manufacturing, service, Agriculture and renewable energy sector. Banks exposure is thus well diversified in different sectors viz. power loom, Handloom, Light engineering, handicrafts, Nakshi Katha, garments accessories, Biogas, Bio-fertilizer, Irrigation by Biogas, Fisheries, Poultry, other agri-business and so on. This extension of SME financing has increasingly created the employment opportunity directly or indirectly throughout the country and expanding small enterprise and help minimizing the financial risk.

Trust Bank is well known in the financing of biogas plants. We are pioneer as well as market leader in the financing of biogas plants at farmer's level. Our financed in this sector has reached to Tk. 620.00 million against setting up of around 3000 biogas plants in different locations of the country. We also disbursed loan Tk. 100.00 million among 1087 farmers through an NGO named SOJAG at Dhamrai under cluster approach.

Trust Bank has also financed Tk. 83.20 million for installation of 3008 solar-home systems through MFIs linkage in the district of Jhenaidah and Munshigonj, Satkhira. A village named Howlipara, Jhenaidah, is yet to be named as solar village. Tk. 20.00 million has been disbursed through an MFI linkage for installation of 4 nos. of solar irrigation pumps and very recently we have signed an agreement with IDCOL for financing a recycling PET bottle plant at Rupgonj, first of its kind in Bangladesh. Besides, TBL opened 2 (two) solar-base branch in the district of Lalmonirhat and Kishoregonj respectively. We have organized a 'Green Day' on April 15, 2014 and arranged a number of capacity and awareness building program among the bank employees as well as other people. TBL is equally concerned with carbon emission and waste management. Keeping this in mind, we have financed a green industry named Pretty Group with Tk. 5600.00 million. We also financed Tk.1400.00 million against a 17th Storied building named 'Cityscape Building' located at Gulshan, which is popularly known as 'Green Building'. Our finance also extended to ETTPs and auto brick fields.

Trust Bank is also committed to practice digital, nearly paperless, sustainable, green banking operations by making best use of the information technology and related professional skills. In recognition to our green activities, central bank has nominated Trust Bank Ltd as the only member of its Technical Advisory Committee for environment friendly banking from the Banking industry.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

2.1 Statement of Compliance

The consolidated financial statements of the group (comprising the Bank and its subsidiaries) and the financial statements of Trust Bank Limited as at and for the year ended 31 December 2016 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the First Schedule (Section 38) of the Bank Companies Act 1991, as amended by the BRPD Circular 14 dated 25 June 2003, the rules and regulations

issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987, Stock Exchanges' listing regulations and other rules and regulations are applicable in Bangladesh. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

i) Investment in shares and securities

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

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

ii) Revaluation gains/losses on Government securities

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

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

iii) Provision on loans and advances/investments

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

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

iv) Recognition of interest in suspense

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

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

v) **Other comprehensive income**

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

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

vi) **REPO and Reverse REPO Transaction**

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

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

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

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

viii) **Financial guarantees**

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

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

ix) **Cash and cash equivalent**

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

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

x) Non-banking asset

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

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

xi) Cash flow statement

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

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

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

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

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

xiii) Presentation of intangible asset

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

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

xiv) Off-balance sheet items

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

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

xv) Loans and advances/Investments net of provision

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

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

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Trust Bank Limited and its subsidiary Trust Bank Investment Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard 27: Consolidated and Separate Financial Statements.

2.3 Subsidiary

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

2.4 Use of Estimates and Judgments

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

2.5 Significant Accounting Policies

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

2.6 Transactions Eliminated on Consolidation

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

2.7 Foreign Currency Transaction

a) Foreign currency

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

b) Foreign currencies translation

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

Assets and liabilities and income and expenses of Off-shore Banking Units have been converted into BDT currency @ US\$1 = Taka 79.70 (closing rate as at 31st December 2016) and Tk.79.30 (average rate at year-end).

c) Commitments

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

d) Translation gains and losses

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

e) Foreign operations

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

- i) Assets and liabilities are translated at the exchange rate prevailing at the balance sheet date.
- ii) Income and expenses in the income statement are translated at an average rate approximating the exchange rates at the year end;
- iii) Resulting exchange differences are recognized as a separate component of equity.
- iv) As per BAS 21, 'Foreign Currency Transactions' i.e. foreign currency denominated both monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

f) Consolidation of Financial Statements of foreign operations

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

2.8 Reporting Period

These financial statements of the Bank and its subsidiaries cover one calendar year from 1 January to 31 December 2016.

2.9 Events after the Reporting Period

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

2.10 Statements of Cash Flows

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

2.11 Statements of Changes in Equity

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

2.12 Statement of Liquidity

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

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.

- f) Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.13 Taxation

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

2.13.1 Current Tax

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

2.13.2 Deferred Taxation

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

2.14 Provision and Accrued Expenses

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

2.14.1 Provision for Good Borrowers

BRPD Circular Letter No. 03 dated 16 February 2016 was issued by the Bangladesh Bank which instructed Banks to provide 10% rebate on the interest collected from good borrowers as defined in BRPD Circular No. 06 dated 19 March 2015, subject to some qualifying criteria. The aforementioned circular goes on to clarify that such rebate may be availed to the good borrowers during the next year provided that adequate provision is maintained by the Bank in the financial statements for the year ended 31 December 2016. The Bank had kept a lump sum provision during the year ended 31 December 2016 against this which will be settled during the year 2017.

2.15 Provision for Off-balance Sheet Exposures

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

2.16 Provision for Nostro Accounts

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

2.17 Assets and Basis of their Valuation

2.17.1 Cash and cash equivalents

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

2.17.2 Loans and Advances / Investments

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

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

2.17.2.1 Recovery of Classified Loans and Advances

The immediate consequence of large amount of classified loans in the banking system is a top most factor for a bank's failure. So, to keep the resources from being locked up in unproductive sectors and driving out of classified loans are of extreme inevitability. Bank has a Recovery and Monitoring Unit for monitoring the trends of accounts' condition i.e. whether any account be likely to be past due/ and showing signs of deterioration for not taking intensive effort for recovery. Then, regular activities like; rigorous follow-up, client motivation, legal actions etc. were unrelenting whole of the year for recovery and to keep the non-performing loans at the minimum. With all efforts in 2016, classified loans to the tune of BDT 1101.50 million were recovered and BDT 5,068.40 million were regularized.

2.17.3 Loan Classification and Provisioning

TBL always maintains its loan portfolio with proper classification provisioning complying rules and regulations set by Bangladesh Bank. Required provision is kept to minimize future risk. Bank classifies loan on the basis of objective criteria and qualitative judgment. Special care and initiatives are taken to keep the loans standard and strong drives are given to reduce the percentage of Nonperforming Loans by way of cash recovery and regularization through rescheduling. Like the every year, TBL has appropriately classified its loans and advances and maintained adequate provision against those following the Bangladesh Bank's rules, regulations and respective circulars to safeguard the Bank and the share-holders' long-term interest mitigating future risk. While classifying, Bank strictly follows subjective as well as objective criteria fixed by the Bangladesh Bank. Laterally, effort for retaining the loan as standard and restoring the classified loans to unclassified through recovery and regularization was continued. In this perspective, the aggregate provision for loans and advances in 2016 is maintained at BDT 4,130.03 million. Provisions for off-balance sheet exposure has advanced upward to BDT 614.28 million registering increase due to the growth of foreign trade activities.

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

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

2.17.4 Provision for Off-balance Sheet Exposures

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

2.18 Investments

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

The valuation methods of investment used are:

2.18.1 Held to Maturity

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

As on December 31, 2016 the amount of our investment in Government Treasury Bonds in HTM Category is zero and the amount of our investment in Government Treasury Bonds in HTM is Tk. 1461,93,75,896.00.

2.18.2 Held for Trading

Investments classified in this category are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week and any change in the fair value is recognized in the statement of capital (as Revaluation Reserve-HFT) for the period before next appreciation. According to Bangladesh Bank DOS Circular Letter No. 05 dated May 26, 2008, no dividend will be allowed to pay to its shareholders on the amount of increase and/or decrease in income generated out of revaluation of securities held for trading. The value of the bank's investment in Government Treasury Bills in HFT category at the end of the year 2016 is Tk. 859,24,27,352.

Value of investments has been enumerated as follows :

Investment Class	Initial recognition	Subsequent Measurement	Recording of changes
Treasury Bill/Bond(HFT)	At Present Value	Market Value	Loss to Profit & Loss Account, gain to revaluation reserve
Treasury Bill/Bond(HTM)	At Present Value	Amortized Value	Increase in value to equity and decrease in value to Profit & Loss Account
Debenture	At cost	None	None
Prize bond	At cost	None	None
Shares	At cost	Cost	Any loss, charged in Profit & Loss, Unrealized gain, not recorded in accounts.

Investment in Listed Securities

These securities are bought and held primarily for the purpose of selling them in future, or held for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements where market price is below the cost price of investments as per Bangladesh Bank guideline (note-6.4.1).

Investment in Unquoted Securities

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

Investments in Subsidiary

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

2.19 Fixed Assets and Depreciation

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

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

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

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

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

2.20 Intangible Assets

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

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

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

2.21 Impairment of Assets:

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

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

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

2.22 Other Assets

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

2.23 Non-banking Assets

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

2.24 Offsetting

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

2.25 Receivables

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

2.26 Inventories

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

2.27 Leasing

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

2.28 Share Capital

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

2.28.1 Authorized Capital

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

2.28.2 Paid up Capital

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

2.29 Statutory Reserve

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

2.30 Liabilities and Provisions

2.30.1 Retirement Benefits to the Employees

i) Provident fund

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

ii) Gratuity fund

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

iii) Super annuation fund

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

2.30.2 Minority Interest in Subsidiaries

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

2.31 Revenue Recognition

i) Interest income/Profit on TIB Investment

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

ii) Investment income/TIB Investment Income

Income on investments is recognized on accrual basis except from Government Securities which are recognized on the basis of BRPD Circular 15 Dated 31 October 2005 issued by Bangladesh Bank.

iii) Fees and commission income

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

iv) Dividend income

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

v) Interest paid on borrowings and deposits

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

vi) Dividend payments

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

The proposed dividend for the year 2015 has not been recognized as a liability in the balance sheet in accordance with the BAS-10 : Events After the Reporting Period.

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

vii) Management and other expenses

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

2.32 Reconciliation of Inter-bank and Inter-branch Account

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

2.33 Risk Management

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

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

2.33.1 Credit Risk Management

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

Frame-work

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

Credit risk originates from the–

- * Market Risk
- * Supplier's Risk
- * Financial Risk
- * Business Risk
- * Management Risk
- * Structural Risk
- * Security Risk
- * Infrastructural Risk
- * Information/Data Risk
- * Technological Risk
- * Interest Rate Risk
- * Security Risk etc.

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

2.33.2 Asset Liability Risk Management

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

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

2.33.3 Foreign Exchange Risk Management

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

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

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

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

2.33.4 Internal Control and Compliance Risk Management

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

The bank has set up Internal Control and Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling it's oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2016, 06 nos. meetings of the Audit Committee were held. The bank has introduced 'Risk Based Internal Audit (RBIA)' in 2008 to assess the business risk as well as control risk associated with the branches and determines how much follow up, monitoring and periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory and which may pose a potential threat for the bank.

Each year IC&C Division sets out an audit plan (Internal) for the year which is approved by the Managing Director and placed before the Audit Committee of the Board for concurrence. In 2016 IC&C Division conducted Comprehensive Audit in 107 branches and 19 divisions/ departments at Head Office. In the same year IC&C Division carried out 34 Spot Inspections including 13 Spot Inspections on "Anti fraud Internal Control" to develop Risk and Fraud awareness culture among the employees and reduce the likelihood of fraud occurring in Bank. In 2016, IT based Audit has been merged with Comprehensive Audit. In addition, audit was also conducted in 06 TBIL branches and Trust Bank Investment Ltd, Head Office and 1612 nos. Pay Points for Mobile Banking operations in the year 2016.

IC&C Division, Head Office monitors, supervises and ensures the total process of data uploading in the Web portal of Bangladesh Bank under Integrated Supervision System (ISS) introduced by Bangladesh Bank in the year of 2015. The Bank regularly reports data/information of both the Head Office and AD branches through ISS form in the web-portal of Bangladesh Bank. A draft Operational Guideline/Manual on ISS Reporting has been developed /formulated to ensure authentic reporting of MIS data of the bank, generating error-free correct ISS data and reporting all related data, timely in Bangladesh Bank ISS Web portal. In 2016, ISS Department, Head Office arranged 21 nos. training on ISS reporting where 90 Executives under 'Ka-Focus Group' and 956 officers 'Kha-Focus Group' were given training.

IC&C Division looks after the activities of complaint Cell of Head Office and handles the complaints as received from the customers as well as received directly from FICSD (Financial Integrity and Customer Services Department), Bangladesh Bank and other sources. A 'Guidelines for Customer Services and Compliant Management' of Trust Bank Limited has been developed in the year 2015 which was approved by the Board of directors of the bank in its 240th (09/2015) meeting held on 22.07.2015. IC&C Division also provides operational and managerial guidance uniformly to all personnel of TBL family to handle and manage the customers' complaint satisfactorily, quickly, effectively and efficiently. In the year 2016, 147 nos. of complaints were received from different sources (like Bangladesh Bank, Individual Customers etc.) and all complaints were settled /resolved.

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

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

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

2.33.5 Money Laundering & Terrorist Financing Risk Management

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

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

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

1. Mandatory KYC management.
2. Maintenance and monitoring the TP (Transaction Profile) of all the accounts.

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

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

2.33.6 IT Risk Management

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

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

Compliance Definitions

a) Data Protection

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

b) Data Retention

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

c) Strategic Governance Risk

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

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

e) Civil and Criminal legal Framework

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

f) Regulatory Compliance - Protecting citizens and from terrorism or national disaster

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

2.33.7 Liquidity Risk Management

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

2.34 Interest Rate Risk Management

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

2.35 Operation Risk Management

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk but excludes strategic and reputational risk. Operational Risk Management is a continual cyclic process which includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk. The Bank's operational risk management focuses on proactive measures in order to ensure business continuity as well as the accuracy of information used internally and reported externally, a competent and well-informed staff, and its adherence to established rules and procedures as well as on security arrangements to protect the physical and ICT infrastructure of the Bank.

2.36 Basel-III Activities

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

Pillar-I: Minimum Capital Requirement:

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

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

Pillar-II: Supervisory Review Process (SRP)

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

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

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

Pillar-III: Market Discipline:

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

2.37 Earning Per Share (EPS)**Basic earnings per share**

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

Diluted earnings per share

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

2.38 Non-controlling Interest

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

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

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Limited applied most of the BAS and BFRS, details of which are given below:

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

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

*Subject to departure described in note 2.1

N/A= Not Applicable

2.40 Auditors' Work-hour

The external auditors, M/S Syful Shamsul Alam & Co., Chartered Accountants, an independent member of UHY International, the UHY network is a member of the forum of firms, of the Bank worked about in excess 3,072 work-hours at the Bank's Head Office and different branches. During their audit, they audited above 80% of the Bank's risk weighted assets as of the reporting date.

2.41 General

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

		31.12.2016 Taka	31.12.2015 Taka
3	CASH		
3.1	Cash in hand		
	In local currency	3,320,083,931	2,650,785,194
	In foreign currencies	34,569,662	63,988,013
		3,354,653,593	2,714,773,207
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	10,742,684,494	9,916,500,484
	In foreign currencies	1,440,003,964	1,251,268,559
		12,182,688,458	11,167,769,043
	Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	108,286,114	120,069,524
		12,290,974,572	11,287,838,567
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 and MPD circular nos.01, dated July 24, 2014 issued by Bangladesh Bank.		
	The Cash Reserve Requirement (CRR) has been calculated @ 6.5% on the Bank's time and demand liabilities of the month earlier of the previous month and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury Bills, Bonds and Debentures including FC balance with Bangladesh Bank and the components of CRR. Both reserves have been maintained during the year by the Bank are in excess of the statutory requirements.		
	The position of CRR and SLR as on 31 December 2016 is shown below:		
3.3.1	Cash Reserve Requirement (CRR) for Conventional Banking		
	Average Demand and Time Liabilities of the month earlier of the previous month	149,547,391,900	141,846,104,000
3.3.1.1	Minimum Required Reserve (6% of Average Demand and Time Liabilities)	8,972,843,514	8,510,766,240
	Actual Reserve held (7.18% of Average Demand and Time Liabilities)	10,735,415,328	9,140,122,563
	Surplus	1,762,571,814	629,356,323
3.3.1.2	Average Required Reserve (6.5% of Average Demand and Time Liabilities)	9,720,580,474	9,219,996,760
	Average Reserve held with B. Bank (6.78% of Average Demand and Time Liabilities)	10,140,397,580	9,349,517,434
	Surplus	419,817,106	129,520,674

	31.12.2016 Taka	31.12.2015 Taka
3.3.1.3 Statutory Liquidity Ratio for Conventional Banking (SLR)		
Required Reserve (13% of Average Demand and Time Liabilities)	19,441,160,947	18,439,993,520
Actual Reserve held with B. Bank (21.92% of Average Demand and Time Liabilities)	32,783,931,414	24,426,149,936
Surplus	13,342,770,467	5,986,156,416
3.3.1.4 Components of Statutory Liquidity Requirement (SLR)		
Cash in Hand	3,347,315,574	2,703,281,746
Balance with Agent Bank(s)	108,285,539	120,067,570
Excess Reserve	1,014,834,853	-
Government Bills	14,619,375,896	6,691,458,580
Government Bonds	3,905,100	13,959,092,790
Bangladesh Bank Bill	13,690,214,452	947,935,650
Other Approved Securities (Prize Bond)	-	4,313,600
TT in Transit	-	-
	32,783,931,414	24,426,149,936
3.3.2 Cash Reserve Ratio (CRR) for Islamic Banking		
Average Demand and Time Liabilities of the month earlier of the previous month	13,211,593,500	1,362,919,000
3.3.2.1 Minimum Required Reserve (6% of Average Demand and Time Liabilities)		
Minimum Reserve held (6.74% of Average Demand and Time Liabilities)	792,695,610	681,775,140
Surplus	890,819,111	840,303,471
3.3.2.2 Average Required Reserve (6.5% of Average Demand and Time Liabilities)		
Average Reserve held with B. Bank (6.94% of Average Demand and Time Liabilities)	858,753,578	738,589,735
Surplus	916,298,392	946,457,866
3.3.2.3 Statutory Liquidity Requirement for Islamic Banking (SLR)		
Required Reserve (5.5% of Average Demand and Time Liabilities)	726,637,643	624,960,545
Actual Reserve held with B. Bank (5.98% of Average Demand and Time Liabilities)	789,735,553	863,277,678
Surplus	63,097,910	238,317,133
3.3.2.4 Held for Statutory Liquidity Requirement		
Cash in Hand	7,670,018	11,563,961
Excess Reserve	32,065,535	101,713,717
Balance with Agent Bank(s)	-	-
Government Bills	-	-
Government Bonds	-	-
Government Islamic Investment Bonds	750,000,000	750,000,000
	789,735,553	863,277,678

4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS
4.1 In Bangladesh

Current Deposits

	31.12.2016 Taka	31.12.2015 Taka
Sonali Bank Ltd.	16,610,939	27,248,097
Agrani Bank Ltd.	4,875	4,875
Brac Bank Ltd.	-	27,437,389
Sonali Bank Ltd. (TAX Settlement A/C)	418,847	-
Social Islamic Bank Limited.	2,002,825	7,700
	19,037,486	54,698,061

Short Term Deposits

Sonali Bank Ltd.	108,973,755	134,832,376
AB Bank Ltd.	4,080,218	4,009,963
Rupali Bank Ltd.	1,778,601	236,733
Janata Bank Ltd.	1,577,059	646,243
Prime Bank Ltd.	3,535,850	1,081,393
Standard Chartered Bank	138,461,189	9,673,369
Dutch Bangla Bank Ltd.	83,898	489,522
Bank Asia Limited.	260,145,057	397,527,822
Standard Bank Limited.	2,900,104	2,813,158
Al Arafah Islami Bank Limited.	15,391	62,377
NCC Bank Limited.	52,434	52,064
Southeast Bank Limited.	5,464	6,412
	521,609,020	551,431,432

Mudaraba Short Term Deposit

AB Bank Ltd.	775,900,029	715,666,782
The City Bank Limited.	6,685,669	155,472,412
EXIM Bank Ltd.	10,299,677	6,452,554
Bank Asia Ltd.	546,670	536,170
Union Bank Ltd.	675,915	653,951
Social Islami Bank Ltd.	1,858,468	-
	795,966,428	878,781,869

Fixed Deposits in Local Currency

Fixed with Bank

AB Bank Limited	1,000,000,000	-
One Bank Limited	1,000,000,000	-
Mercantile Bank Limited	500,000,000	-
Jamuna bank Limited	400,000,000	-
Dhaka Bank Limited	1,000,000,000	-
Eastern Bank Limited	1,000,000,000	-
BRAC Bank Limited	2,000,000,000	-
National Bank Limited	1,000,000,000	-
Standard Bank Limited	1,000,000,000	-
	8,900,000,000	-

Fixed with NBFi

GSP Finance Co. Ltd.	100,000,000	-
IDLC Finance Limited	300,000,000	-
Delta Brac Housing Ltd.	450,000,000	200,000,000
	850,000,000	200,000,000

Mudaraba Term Deposits

Social Islami Bank Ltd.	-	500,000,000
Islamic Finance & Investment Ltd.	300,000,000	100,000,000
Hajj Finance Co. Ltd	250,000,000	300,000,000
Shahjalal Islami Bank Limited	250,000,000	-
EXIM Bank Limited	500,000,000	250,000,000
	1,300,000,000	1,150,000,000
	12,386,612,934	2,834,911,362

	31.12.2016 Taka	31.12.2015 Taka
4.2 Outside Bangladesh		
<u>Current Account</u>		
<u>Dollar Account</u>		
Mashreq Bank psc, USA	408,993,413	167,785,663
Standard Chartered Bank, USA	929,480,364	466,269,952
HSBC Bank, USA	-	786,733,696
ICICI Bank Ltd., Hongkong	257,856,401	58,932,269
Commerzbank, AG Germany	367,229,940	425,920,040
Habib Bank Limited	6,051,227	6,329,662
Sonali Bank Ltd. UK	631,301	26,585,836
United Bank of India	37,565,148	32,192,245
<u>GBP Account</u>		
Standard Chartered Bank, UK	8,390,696	10,032,081
Sonali Bank Ltd. UK, GBP	656,309	1,435,679
HSBC, PLC, UK	-	14,090,943
<u>Japanese Yen Account</u>		
Standard Chartered Bank, Japan	60,852	1,096,721
Commerzbank AG, Frankfurt, Germany	825,650	2,712,395
<u>Australian Dollar Account</u>		
Commerzbank AG, Frankfurt, Germany	2,494,715	405,095
<u>EURO Account</u>		
HSBC, PLC, UK	-	4,629,659
Standard Chartered Bank, UK	22,191,775	23,282,785
ICICI Bank Ltd., Mumbai, India	1,480,395	1,824,925
Sonali Bank Ltd. UK	783,939	921,798
Commerzbank AG, Germany	6,131,954	3,386,499
<u>ACUD Account</u>		
ICICI Bank Ltd., Mumbai, India	53,171,410	41,079,742
AB Bank, Mumbai, India	82,221,111	65,841,527
Mashreq Bank, Mumbai, India	42,828,290	16,796,349
Standard Chartered Bank, Mumbai, India	43,449,671	27,765,539
<u>CHF Account</u>		
Habib Bank, Zurich	3,252,582	3,311,842
<u>SAR Accounts</u>		
Bank Aljazira - SAR	2,149,498	2,128,370
<i>For details please refer to Annexure - A</i>	2,277,896,641	2,191,491,312
	14,664,509,575	5,026,402,674

4.3 Remaining Maturity Grouping of Balance with other Banks and Financial Institutions

On demand	2,296,934,127	2,246,189,373
Upto 1 month	7,737,575,448	1,500,213,301
Over 1 month but not more than 3 months	4,350,000,000	650,000,000
Over 3 months but not more than 1 Year	280,000,000	630,000,000
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	14,664,509,575	5,026,402,674

		31.12.2016 Taka	31.12.2015 Taka	
4 (a)	CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS			
	In Bangladesh			
	Trust Bank Limited	Note-4.1	12,386,612,934	2,834,911,362
	Trust Bank Securities Limited		143,179,943	37,349,101
	Trust Bank Investment Limited		362,747,462	5,184,381
			12,892,540,339	2,877,444,844
	Less : Inter Company Transaction		435,590,048	5,839,714
			12,456,950,291	2,871,605,130
	Outside Bangladesh	Note-4.2	2,277,896,641	2,191,491,312
			14,734,846,932	5,063,096,442
5	MONEY AT CALL AND SHORT NOTICE			
	Banks			
	The City Bank Ltd.		490,000,000	-
	NCC Bank Ltd.		550,000,000	-
			1,040,000,000	-
	Non-Banking Financial Institutions			
	Investment Corporation of Bangladesh		-	-
			-	-
			1,040,000,000	-
6	INVESTMENTS			
	Government Securities			
	Treasury Bills	Note-6.1	-	-
	Treasury Bills -HTM		8,592,427,352	6,691,458,580
	Treasury Bills-HFT		8,592,427,352	6,691,458,580
	Treasury Bonds			
	Treasury Bond - HFT	Note-6.2	-	-
	Treasury Bond - HTM		14,619,375,896	13,959,092,790
			14,619,375,896	13,959,092,790
	National Investment Bond		-	-
	Bangladesh Bank Bill			
	Bangladesh Bank Bill - HTM		-	947,935,650
	Bangladesh Bank Bill - HFT		5,097,787,100	-
			5,097,787,100	947,935,650
	Govt. Islamic Investment Bond			
	Govt. Islamic Investment Bond - HFT		750,000,000	750,000,000
	Bangladesh Govt. Islamic Investment Bond - HTM		-	-
			750,000,000	750,000,000
	Prize Bond		3,905,100	4,313,600
			3,905,100	4,313,600
	Reverse REPO		-	-
	Asset Pledge as Security		-	-
			-	-
			29,063,495,448	22,352,800,620
	Other Investment			
	Preference Share		-	-
	Ordinary Shares		-	-

		31.12.2016 Taka	31.12.2015 Taka
Quoted	Note-6.4.1	496,968,619	498,242,780
Unquoted	Note-6.4.2	18,062,657	38,062,657
		515,031,276	536,305,437
Investment in Commercial papers	Note-6.4.3	-	500,000,000
Investment in Corporate Bonds	Note-6.4.4	1,160,480,000	873,100,000
		1,675,511,276	1,909,405,437
		30,739,006,724	24,262,206,057
6 (a) Consolidated Investments			
Government Securities			
Trust Bank Limited		29,063,495,448	22,352,800,620
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		-	-
		29,063,495,448	22,352,800,620
Other Investment			
Trust Bank Limited		1,675,511,276	1,909,405,437
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		1,725,123,621	1,585,479,128
		3,400,634,897	3,494,884,565
Less : Inter Company Transaction		-	-
		32,464,130,345	25,847,685,185
6.1 Treasury Bills—at Present Value			
28 days Treasury Bills		-	-
91 days Treasury Bills		-	-
182 days Treasury Bills		998,619,000	495,276,000
364 days Treasury Bills		7,593,808,352	6,196,182,580
		8,592,427,352	6,691,458,580
6.2 Treasury Bonds—at Present Value			
02 years Treasury Bonds		1,528,316,733	860,408,724
05 years Treasury Bonds		2,117,557,623	2,117,812,291
10 years Treasury Bonds		6,481,270,409	6,487,403,355
15 years Treasury Bonds		3,121,324,777	3,122,551,790
20 years Treasury Bonds		1,370,906,354	1,370,916,630
		14,619,375,896	13,959,092,790

6.3 Repo and Reverse Repo Transactions during the period ended on 31 December 2016

Discloser required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of repo and reverse repo during the year ended on 31 December 2016

a. (i) Disclosure regarding outstanding REPO as on 31 December 2016

Sl.	Counter Party	Agreement Date	Reversal Date	Amount (1 st Leg Cash Consideration)
1	-	-	-	-

(ii) Disclosure regarding outstanding Reverse REPO as on 31 December 2016

Sl.	Counter Party	Agreement Date	Reversal Date	Amount (1 st Leg Cash Consideration)
1	-	-	-	-

b. Disclosure regarding overall transaction of REPO and Reverse REPO:

Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average Outstanding during the year
Securities sold under REPO:			
i) with Bangladesh Bank			
ii) with other Banks & Fis	197,865,200	1,692,737,700	49,551,377
Securities purchased reunder REPO:			
i) with Bangladesh Bank			
ii) with other Banks & Fis	1,012,655,801	3,021,195,498	53,245,153

6.4 Other Investment

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

Particulars	31.12.2016			31.12.2015		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Investment Securities : Quoted	14	496,968,619	501,023,676	14	498,242,780	328,936,813
Investment Securities : Unquoted	3	18,062,657	18,062,657	4	38,062,657	38,062,657
Investment in Corporate Bonds	5	960,480,000	960,480,000	5	873,100,000	873,100,000
Investment in Commercial Paper		-	-	2	500,000,000	500,000,000
Balance as on 31 December 2016	22	1,475,511,276	1,479,566,333	25	1,909,405,437	1,740,099,470

6.4.1 Investment in Ordinary Shares - Quoted

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the year (Last trading date for the period was 29 December 2016).

	31.12.2016 Taka	31.12.2015 Taka
6.4.1.1 Sector-wise Investment in Listed Securities at Cost		
Banking Companies	12,898,147	16,374,932
Manufacturing Companies and others	19,433,500	1,641,586
Power Sector	15,427,275	21,690,180
IBBL Bond	54,051,240	54,051,240
Investment Fund	-	245,419,417
Mutual Fund	395,158,457	159,065,425
	496,968,619	498,242,780
6.4.1.2 Investment in Ordinary Share - Quoted		
Under Conventional Banking	432,316,698	430,452,038
Under Islamic Banking	64,651,921	67,790,742
	496,968,619	498,242,780

Security wise Investment in Quoted Shares is given below:

Sl.	Name of Security	Nos of Share			Average cost rate	31-Dec-16	31-Dec-15
		Conventional	Islamic	Total			
1	EBL NRB Mutual Fund	6,403,462	-	6,403,462	7.66	49,070,000	49,070,000
2	First Bangladesh Fixed Income Fund	32,127,309	-	32,127,309	7.35	236,093,033	245,419,417
3	IBBL Mudaraba Perpetual Bond	-	55,915	55,915	966.67	54,051,240	54,051,240
4	Islami Bank Bangladesh Ltd.	10,000	101,612	111,612	33.81	3,773,943	7,250,729
5	Popular Life First Mutual Fund	1,322,947	-	1,322,947	7.56	10,000,000	10,000,000
6	Power Grid Company of Bangladesh Ltd.	-	-	-	-	-	7,314,860
7	Prime Bank Ltd.	61,600	-	61,600	32.68	2,012,905	2,012,905
8	Pubali Bank Ltd.	23,625	-	23,625	42.23	997,688	997,688
9	Square Pharmaceuticals Ltd.	3,557	-	3,557	165.77	589,631	589,631
10	Summit Power Ltd.	314,637	-	314,637	45.69	14,375,320	14,375,320
11	Social Islami Bank Ltd.	-	315,000	315,000	19.41	6,113,610	6,113,610
12	Padma Oil Co. Ltd.	-	3,000	3,000	350.65	1,051,956	1,051,956
13	IT Consultants Ltd. (ITCL)	2,167,045	-	2,167,045	8.70	18,843,870	-
14	Trust Bank 1St Mutual Fund	4,863,382	-	4,863,382	7.56	36,789,728	36,789,728
15	LR Global Bangladesh Mutual Fund One	6,554,016	-	6,554,016	9.64	63,205,696	63,205,696
						496,968,619	498,242,780

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

	31.12.2016 Taka	31.12.2015 Taka
6.4.2 Unlisted Securities		
Ordinary Share		
IT Consultant Limited (ITCL)	-	20,000,000
CAPM Unit Fund	10,000,000	10,000,000
Central Depository Bangladesh Limited (CDBL)	4,708,330	4,708,330
SWIFT	3,354,327	3,354,327
	18,062,657	38,062,657

Trust Bank Ltd. is holding 200,000 no of Shares of IT Consultants Ltd. (ITCL) since March 13, 2011. As on January 10, 2015 ITCL has been listed and started public trade simultaneously in Dhaka Stock Exchange and Chittagong Stock Exchange.

6.4.3 Investment in Commercial Papers		
Butterfly Marketing Limited	-	300,000,000
Starporcelain Pvt. Limited	-	200,000,000
	-	500,000,000
6.4.4 Investment in Corporate Bonds	Rate of Interest Profit	
Prime Bank Ltd. Subordinated Bond	11.50%	65,000,000
Dhaka Bank Ltd. Subordinated Bond	11.65%	20,000,000
National Bank Ltd. Subordinated Bond	11.50%	20,480,000
Al-Arafah Islamic Bank Ltd. Subordinated Bond	10.50%	600,000,000
MTBL Partly Convertible Subordinated Bond	12.00%	55,000,000
One Bank Limited Subordinate Bond	8.60%	400,000,000
		1,160,480,000
		873,100,000

	31.12.2016 Taka	31.12.2015 Taka
6.4.4.1 Investment in Corporate Bonds		
Under Conventional Banking	960,480,000	673,100,000
Under Islamic Banking	200,000,000	200,000,000
	1,160,480,000	873,100,000
6.5 Remaining Maturity Grouping of Investments		
On demand	3,905,100	4,313,600
Upto 1 month	7,424,834,100	2,494,352,750
Over 1 month but not more than 3 months	793,967,399	1,951,874,087
Over 3 months but not more than 1 Year	7,796,835,792	5,394,107,777
Over 1 Year but not more than 5 Years	5,465,594,086	4,836,390,561
Over 5 Years	9,253,870,247	9,581,167,282
	30,739,006,724	24,262,206,057
7 LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS		
Loans And Advances Under Conventional Banking		
Repair & Recon. of Dwelling House (RRDH)	3,301,484,923	3,963,554,880
Consumer Durable Scheme Loans (CDS)	2,395,972	2,542,699
Marriage Loans (ML)	703,642,944	785,072,414
Car Loans (CL)	77,626,717	89,612,733
House Building Loans (HBL)	5,704,032,162	5,291,327,986
Term Loans	55,686,305,713	51,824,077,558
Other Retail Loans	2,579,422,674	2,061,559,394
Time Loan	16,046,874,680	16,270,126,230
Other Loans	14,589,656,653	9,435,804,223
Staff Loans	893,694,841	877,840,264
Loans against Credit Card	166,689,274	114,498,774
Loans against Trust Receipts (LTR)	4,223,179,204	5,554,737,850
Payment Against Documents (PAD)	3,255,772,503	2,619,399,938
Packing Credit (Loan agt. Packing Credit)	136,655,338	270,590,215
	107,367,433,598	99,160,745,158
Loans And Advances under Islamic Banking		
Bai-Muajjal	4,281,912,957	5,013,404,100
Hire Purchase under Shirkatul Melk	798,039,682	633,550,735
IHSAN Apartment Purchase Scheme	81,617,973	33,537,972
BARAKAT Home Construction Scheme	90,516,096	55,559,625
BARAKAT Car Scheme	5,754,294	4,882,361
HPSM-Real Estate	405,448,401	405,385,252
Murabaha TR	1,627,683,894	1,163,767,838
Bai-Salam	88,011,187	71,889,055
Household Durable & others scheme	1,414,099	1,232,163
TIB House Build. Inv. for Rtd. Def. Officer (M)	-	500,000
TIB House Building Scheme-HBL (RM)	11,875,101	101,257,367
TIB Household Durable Scheme (Household Durable)	1,075,931	1,446,910
HPSM General	2,760,595,693	886,935,762
Barkat Doctors Scheme	1,004,055	1,490,970
MIB- EDF - TIB	1,244,416,663	366,776,325
Trust Nibash	480,705	-
Trust Power	13,094,983	-
	11,412,941,714	8,741,616,435

	31.12.2016 Taka	31.12.2015 Taka
Cash Credit		
Cash Credit	1,184,444,872	1,850,518,146
Cash Collateral	2,146,720,142	1,752,737,409
	3,331,165,014	3,603,255,555
Overdraft		
Overdrafts	11,488,004,554	8,070,843,009
Secured Overdrafts	5,042,371,622	8,099,404,888
	16,530,376,176	16,170,247,897
Total Loans, Cash Credits and Overdrafts	138,641,916,502	127,675,865,045
Bills Purchased and Discounted		
Under Conventional banking	2,926,709,092	2,499,279,396
Under Islamic banking	418,807,719	439,501,328
	3,345,516,811	2,938,780,724
	141,987,433,313	130,614,645,769
7.1 Residual Maturity Grouping of Loans and Advances Including Bills Purchased and Discounted		
Repayable on demand	7,343,369,851	5,530,510,010
Not more than 3 months	48,009,049,941	35,941,366,666
More than 3 months but not more than 1 Year	48,349,541,482	51,571,034,885
More than 1 Year but not more than 5 Years	28,333,716,242	29,428,106,199
More than 5 Years	9,951,755,797	8,143,628,009
	141,987,433,313	130,614,645,769
7.2 Loans and Advances including Bills Purchased and Discounted		
Inside Bangladesh		
Loans	118,780,375,312	107,902,361,593
Cash Credit	3,331,165,014	3,603,255,555
Overdraft	16,530,376,176	16,170,247,897
Bills purchased and discounted	3,345,516,811	2,938,780,724
	141,987,433,313	130,614,645,769
Outside Bangladesh	-	-
	141,987,433,313	130,614,645,769
7.3 Loans and Advances on the Basis of Significant Concentration		
7.3.1 Advances to Directors and Others		
Advance to Directors and their allied concerns	357,606,100	230,998,943
Advances to CEO and Senior Executives	195,165,818	221,133,971
Advances to Customers (Group wise)	44,931,290,829	44,341,252,088
Industrial Advances (Project finance)	23,385,382,797	22,872,177,642
Other Staff Loan	698,529,023	656,706,293
Other Customers	72,419,458,746	62,292,376,832
	141,987,433,313	130,614,645,769

7.3.2 Disclosure of Large Loan

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

Total Eligible Capital	19,458,323,810	13,589,942,676
Total Large Loans	67,977,866,439	65,391,331,023
No. of Customers	29	29
Classified amount thereon	Nil	Nil
Measures taken for recovery of classified loans:	N/A	N/A

Single Borrower Exposure Limit has been calculated on the basis of total eligible capital as on 30 June 2016 according to BRPD Circular 02, dated 16 January 2014.

Details of Large Loans

Sl.	Name of the Client	CL Status	Outstanding Loan		Total 31.12.16	Total 31.12.15
			Funded	Non-Funded		
1	Pretty Sweater Ind. Ltd.	UC	2,175,045,914	2,523,677,654	4,698,723,568	4,556,022,294
2	Dhaka Northern Power Generations Ltd., Doreen Hotels & Resorts Ltd., Eastern Cement Industries Ltd.	UC	3,598,578,695	978,239,827	4,576,818,522	3,542,651,477
3	Sena Kalyan Sangstha & allied	UC	3,530,417,266	705,417,132	4,235,834,398	4,031,338,932
4	Jolshiri Abashon	UC	3,786,292,901	-	3,786,292,901	3,424,582,030
5	Khulna Shipyard Ltd.	UC	-	3,617,879,544	3,617,879,544	2,892,351,164
6	Sena Hotel Development Ltd., Trust Transport Services	UC	2,988,446,131	1,652,726	2,990,098,857	-
7	SQ Celcius Limited & SQ Birichina Ltd.	UC	1,906,736,794	967,113,742	2,873,850,536	3,416,992,186
8	Masihata Sweaters Ltd., Mega Yarn Dyeing Mills Ltd.	UC	1,204,915,889	1,326,533,163	2,531,449,052	-
9	ASR Computerized Sweater (Ind.) Ltd., ASR Sweater Ltd., Golden Times Sweater & Dyeing (Ind.) Ltd	UC	905,107,148	1,624,997,879	2,530,105,027	2,056,525,287
10	Shah Cement Ind. Ltd., Abul Khair Steel Ind. Ltd., A.K. Corporation Ltd., Abul Khair Strip Processing Ltd., Abul Khair Steel Melting Ltd.	UC	1,542,413,654	924,692,236	2,467,105,890	1,874,522,864
11	Elegance Housing Society	UC	2,464,044,372	-	2,464,044,372	2,228,608,760
12	Divine Housing Society	UC	2,387,490,664	-	2,387,490,664	2,159,421,800
13	United Ashugonj Power Ltd., United Power Generation & Distribution Company Ltd., United Ashuganj Energy Ltd., United Enterprise & Co. Ltd., Neptune Commercial Ltd.	UC	1,820,754,436	237,123,899	2,057,878,335	1,991,555,238
14	Bangladesh Steel Re-rolling Mills Ltd., BSRM Steels Ltd., BISCO, BSRM Wires Ltd.	UC	906,216,283	1,000,074,038	1,906,290,321	-
15	The ACME Laboratories Ltd.	UC	1,284,776,032	607,275,405	1,892,051,437	-
16	Santana Enterprise	UC	1,832,207,868	44,755,286	1,876,963,154	1,954,558,324
17	KYCR Coil Industries Ltd., Steel Accessories Ltd., KDS Logistics Ltd.	UC	1,128,464,195	627,131,869	1,755,596,064	1,893,983,906
18	Sky Capital Airlines Ltd. & Blue Planet Knitwear Ltd.	UC	1,287,125,536	395,609,627	1,682,735,163	1,990,345,332
19	Zaber & Zubair Fabrics Ltd., Talha Spinning Mills Ltd., Yasmin Spinning Mills Ltd., Nice Denim Ltd., Zarba Textile Mills Ltd.	UC	932,611,728	745,643,802	1,678,255,530	-
20	Durable Plastic Ltd., Habigonj Agro Ltd., Mymensingh Agro Ltd., Sun Basic Chemicals Ltd.	UC	1,598,976,243	59,594,266	1,658,570,509	-
21	Shabab Fabrics Ltd.	UC	1,231,000,368	409,891,418	1,640,891,786	1,813,255,901
22	Masud & Brothers, Ruby Food Products Ltd.	UC	363,749,642	1,276,857,641	1,640,607,283	-
23	Barakatullah Electro Dynamics Ltd., Baraka Patenga Power Ltd., Royal Homes Ltd.	UC	1,393,634,318	244,158,418	1,637,792,736	1,700,133,097
24	Navana Real Estate Ltd., Navana Batteries Ltd., Navana Renewable Energy Ltd.	UC	1,601,265,676	11,174,937	1,612,440,613	1,542,892,933
25	7B Associates	UC	1,567,195,469	-	1,567,195,469	1,527,638,191
26	Anwar Group of Industries	UC	1,178,135,637	388,422,845	1,566,558,482	1,692,655,306
27	KSRM Steel Plant Ltd., Kabir Steel Re-rolling Mills Ltd., Kabir Steel Ltd.	UC	1,276,600,856	288,506,610	1,565,107,466	1,934,761,660
28	Nitol Motors Ltd.	UC	1,393,004,861	159,783,841	1,552,788,702	-
29	Danish Condensed Milk Ltd., Danish Foods Ltd., Danish Milk (BD) Ltd.	UC	764,119,439	762,330,619	1,526,450,058	1,440,913,951
30	Walton Hi-Tech Industries Ltd.		-	-	-	1,511,645,761
31	Scandex Textile Ind. Ltd.		-	-	-	2,713,134,077
32	Army Welfare Trust and its sister concern	UC				3,248,142,088
33	GPH Ispat Ltd.	UC				2,102,004,175
34	Anwer Khan Modern Hospital Ltd., Modern Diagnostic Center Ltd.	UC				1,645,124,771
35	Dhaly Construction Ltd.	UC				1,632,779,237
36	Sena Paribar Kalyan Samity	UC				1,499,409,313
37	Bangladesh Machine Tools Factory Ltd.	UC				1,373,380,968
			48,049,328,015	19,928,538,424	67,977,866,439	65,391,331,023

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

Name of the Client	Nature of Loan	Restructure Date	Expiry Date	Limit	Outstanding	Status of Loan
Rising Steel Limited	Term Loan	27-Dec-15	27-Dec-21	95,544,112	106,065,448	SMA
	Term Loan	27-Dec-15	27-Dec-21	1,237,212,826	1,373,275,697	SMA
Modern Steel Mills Limited	Term Loan	3-Sep-15	3-Sep-27	836,688,762	933,224,994	SMA
	Term Loan	3-Sep-15	3-Sep-21	221,695,247	247,586,050	SMA
Total				2,391,140,947	2,660,152,189	

7.3.4 Geographical Location-wise Concentration of Loans and Advances

	31.12.2016 Taka	31.12.2015 Taka
Inside Bangladesh		
Dhaka Division	106,846,888,592	98,313,832,767
Chittagong Division	23,553,900,595	22,149,458,154
Khulna Division	3,597,557,480	3,571,793,989
Sylhet Division	3,373,708,847	2,721,513,564
Rangpur Division	1,890,296,497	1,773,065,904
Barisal Division	176,967,235	160,710,500
Rajshahi Division	2,143,038,437	1,576,323,235
Mymensingh Division	405,075,630	347,947,656
	141,987,433,313	130,614,645,769
Outside Bangladesh	-	-
	141,987,433,313	130,614,645,769

7.3.5 Industry-wise Concentration of Loans and Advances

Agro and Fisheries	2,776,032,616	2,165,835,439
RMG	18,825,251,185	11,101,715,248
Textile	5,561,507,920	6,223,779,473
Food and allied industries (Edible Oil included)	5,314,536,849	2,366,032,548
Pharmaceutical industries	2,937,293,394	1,426,979,634
Chemical, fertilizer, etc.	1,434,359,965	774,735,688
Cement and ceramic industries	2,599,817,127	4,494,229,314
Ship building industries	608,520,840	186,810,625
Ship breaking industries	2,399,747,393	2,394,781,016
Power and gas	8,124,732,391	8,517,308,897
Other manufacturing or extractive industries (Rubber and Plastic, Paper, Steel Engineering and Metal Products included)	13,746,061,139	11,842,536,454
Service Industries (Telecom and ICT, Medical Service included)	-	-
Other Industry	2,211,945,529	2,910,504,790
Trade and Commerce	21,401,724,305	18,772,070,252
Construction and Housing	25,387,621,707	25,493,453,411
Transport	1,181,019,622	2,565,698,236
Consumer Financing (Personal Services)	12,964,158,894	12,937,311,134
Loans to Financial Institution (NBF and NGO included)	2,666,798,487	2,208,109,830
Miscellaneous (Others)	3,241,591,147	2,973,464,964
	141,987,433,313	130,614,645,769

	31.12.2016 Taka	31.12.2015 Taka
7.3.6 Nature-wise Loans and Advances		
Continuous	22,927,879,079	22,058,329,018
Demand Loan	32,319,146,149	33,061,136,376
Term Loans	85,581,031,147	74,608,767,772
Short Term Agri. Credit and Micro Credit	263,203,732	11,173,850
Staff Loan	896,173,206	875,238,753
-	141,987,433,313	130,614,645,769
7.4 Classification of Loans and Advances including Bills Purchased and Discounted		
Unclassified Loans and Advances (including staff loan)		
Consumer Financing (House Financing, HF)	9,232,715,914	9,891,879,326
Consumer Financing (Loans for Professional, LP)	6,992,298	5,992,659
Consumer Financing (Other than HF and LP)	8,925,344,945	5,165,278,096
Small and Medium Enterprise Financing (SMEF)	12,172,211,491	6,027,373,376
Loans to BHs/ MBs/ Sds against Shares etc.	62,509,812	171,405,079
All Other Credit	101,377,096,820	98,823,635,928
Short Term Agri Credit	259,954,954	10,101,625
Staff Loans	896,173,206	875,238,753
	132,932,999,440	120,970,904,842
Special Mentioned Accounts	4,498,337,723	6,055,263,957
Classified Loans and Advances		
Sub-Standard Loans and Advances	903,834,348	484,184,277
Doubtful Loans and Advances	638,421,004	633,675,156
Bad /Loss Loans and Advances	3,013,840,798	2,470,617,537
	4,556,096,150	3,588,476,970
	141,987,433,313	130,614,645,769
7.5 Particulars of Loans and Advances		
(i) Loans considered good in respect of which the bank is fully secured.	83,814,496,329	76,211,670,050
(ii) Loans considered good for which the bank holds no other security than the debtor's personal security.	2,655,054,222	2,419,418,097
(iii) Loans considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	46,463,448,889	42,339,816,695
(iv) Loans adversely classified; provision not maintained thereagainst.	-	-
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other person.	1,251,300,941	1,108,839,207
(vi) Loans due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members.	-	-
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons.	1,251,300,941	1,108,839,207

	31.12.2016 Taka	31.12.2015 Taka
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.	-	-
(ix) Due from Banking Companies.	-	-
(x) Amount of classified loan on which no interest has been charged:		
a) (i) Increase/(Decrease) in provision	760,195,709	417,511,000
(ii) Amount of loan written off	569,668,405	-
(iii) Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	1,372,676,565	1,309,360,657
c) Interest credited to interest Suspense Account	1,254,089,563	881,025,457
(xi) Cumulative amount of written off loans		
Opening Balance	-	-
Amount written off/(recovery) during the year	569,668,405	-
	569,668,405	-
The amount of written off loans for which law suit has been filed	569,668,405	-
7.6 Bills Purchased and Discounted		
Payable in Bangladesh	3,031,947,842	2,528,964,180
Payable out side Bangladesh	313,568,969	409,816,544
	3,345,516,811	2,938,780,724
7.7 Remaining Maturity Grouping of Bills Purchased and Discounted		
Payable with in 01 month	1,627,824,343	1,518,514,680
Over 01 month but less than 03 months	1,428,384,942	1,150,385,726
Over 03 months but less than 06 months	289,307,526	269,880,318
More than 06 months	-	-
	3,345,516,811	2,938,780,724
7.8 Litigation Filed by the Bank		
As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:		
Name of the Branch		
Principal Branch	16,727,053	151,090,423
Sena Kalyan Bhaban Branch	86,554,204	6,971,991
Bogra Cantonment Branch	9,315,729	-
Chittagong Cantonment Branch	3,707,708	3,707,804
Rangpur Cantonment Branch	1,007,412	-
Jessore Cantonment Branch	21,723,125	21,969,000
Savar Cantonment Branch	-	2,865,485
Jalalabad Branch	1,415,173	1,637,956

	31.12.2016 Taka	31.12.2015 Taka
Agrabad Branch	237,525,479	762,363,491
Dhanmondi Branch	40,618,487	54,554,143
Gulshan Corporate Branch	49,348,804	1,404,233
Dilkusha Corporate Branch	12,271,439	12,585,039
RWGH Branch	24,671,058	1,812,050
KYAMCH Branch	3,089,141	-
CDA Avenue Branch	-	94,941,544
Sylhet Corp. Branch	13,301,654	7,613,025
Millennium Corporate Branch	29,876,924	33,816,728
Uttara Corporate Branch	133,036,907	3,554,111
Halishahar Branch	195,409,731	381,608,769
Beani Bazar Branch	34,941,839	20,839,558
Moulvibazar Branch	67,606,343	92,199,627
Goala Bazar Branch	4,607,685	4,109,000
Mirpur Branch	6,242,041	7,616,825
Karwan Bazar Branch	2,903,040	2,795,240
Joydevpur Branch	14,541,436	16,248,575
Narsingdi Branch	104,702,169	7,826,184
Jublee Road Branch	155,071,571	314,402,686
Shahjalal Upashahar Branch	4,897,160	4,000,000
Ashugonj Branch	4,674,503	9,324,609
Khulna Branch	12,188,169	6,098,433
Chowmuhoni Branch	50,376,794	9,244,000
Cox's Bazar Branch	3,530,258	-
Rajshahi Branch	1,041,471	-
Rajendrapur Branch	226,109	820,382
Elephant Road Branch	8,581,115	299,360
Dayarampur Branch	546,120	-
Khawja Garib Nawaz Avenue Branch	4,388,178	-
Mongla Branch	547,495	-
Jahanabad Cantt Branch	1,863,661	-
BUSM Cantonment Branch	3,054,261	-
Dholaikhal SME Service Centre	3,160,047	6,463,279
Madhobdi SME Branch	10,502,104	10,500,000
Madina Market Branch	4,063,204	-
Natore SME/ Krishi Branch	433,909	-
Manikganj SME/Krishi Branch	593,549	-
	1,384,884,259	2,055,283,550

7 (a) Consolidated Loans and Advances/Islami Banking Investments

Loans And Advances

Trust Bank Limited	138,641,916,502	127,675,865,045
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	2,466,163,409	3,163,752,069
	141,108,079,911	130,839,617,114
Less : Inter Company Transaction	15,182,910	124,212,217
	141,092,897,001	130,715,404,897

		31.12.2016 Taka	31.12.2015 Taka
Bills purchased and discounted			
Trust Bank Limited		3,345,516,811	2,938,780,724
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		-	-
		3,345,516,811	2,938,780,724
		144,438,413,812	133,654,185,621
8	FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES		
	Cost		
Leasehold Land		160,469	160,469
Office Building		12,680,000	12,680,000
Furniture and fixtures		213,329,351	195,967,955
Office equipment		891,565,175	832,519,531
Motor vehicles		79,837,795	79,837,795
Office renovation		570,330,886	491,623,670
		1,767,903,676	1,612,789,420
Less: Accumulated depreciation	Note : 8.1	965,829,863	785,238,006
		802,073,813	827,551,414
8.1	Accumulated Depreciation		
Leasehold Land		-	-
Office Building		2,519,016	2,258,472
Furniture and fixtures		83,236,554	68,243,381
Office equipment		612,843,787	494,117,922
Motor vehicles		66,832,169	58,241,059
Office renovation		200,398,337	162,377,172
		965,829,863	785,238,006
	For details please refer to Annexure - B		
8 (a)	Consolidated Fixed Assets including Premises, Furniture and Fixtures		
Trust Bank Limited	Note : 8	802,073,813	827,551,414
Trust Bank Securities Limited		1,534,871	2,111,978
Trust Bank Investment Limited		9,214,067	8,825,161
		812,822,751	838,488,553
9	OTHER ASSETS		
i) Investment in shares of Subsidiary Companies			
In Bangladesh		3,349,999,290	3,349,999,290
Outside Bangladesh		-	-
ii) Stationery, stamps, printing materials in stock etc.;		23,948,837	33,232,355
iii) Advance Rent and Advertisement		348,641,514	452,339,673
iv) Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;	Note : 9.1	553,311,631	502,343,410
v) Security Deposits		12,658,758	11,310,164
vi) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses;	Note : 9.2	44,323,661	34,196,718

		31.12.2016 Taka	31.12.2015 Taka
vii)	Branch Adjusting	-	-
viii)	Suspense Account	42,147,431	37,949,577
ix)	Silver	-	-
x)	Others	987,834,006	1,074,783,814
	Note : 9.3	5,362,865,128	5,496,155,001
9.1	Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;		
	Interest accrued on investments and deposits Note : 9.1.1	530,913,299	485,055,629
	Commission Receivable on SP and WEDB	22,398,332	17,287,781
		553,311,631	502,343,410
9.1.1	Interest accrued on investments and deposits		
	Interest/Profit accrued on Fixed Deposits/MTDR Note : 9.1.1.1	41,962,547	17,246,370
	Interest accrued on Money at Call	293,125	-
	Interest accrued Corporate Bonds	30,161,290	26,707,728
	Income Receivable on Investment in Commercial Paper	-	6,055,555
	Interest accrued on Government Treasury Bond	455,069,255	435,045,976
	Dividend Receivable from Non-listed Companies	3,427,082	-
		530,913,299	485,055,629
9.1.1.1	Interest/Profit Accrued on Fixed Deposits/MTDR		
	Interest accrued on Fixed Deposits	41,962,547	17,246,370
	Profit accrued on MTDR	-	-
		41,962,547	17,246,370
9.2	Preliminary, Formation and Organization Expenses, Renovation / Development Expenses and Prepaid Expenses;		
	Pre-opening Expenses	-	-
	Prepaid Expenses	44,323,661	34,196,718
		44,323,661	34,196,718
9.3	Others		
	Deferred Tax Asset Note : 9.3.1	112,042,456	86,743,623
	Intangible Assets	19,165,447	7,311,812
	Intl. Credit Report Agency Charge	-	50,797
	Encashment of Sanchaya patra awaiting reimbursement-Principal	432,304,451	339,287,444
	Encashment of Sanchaya patra awaiting reimbursement-Interest	313,385,519	474,206,269
	Encashment of WEDB awaiting reimbursement-Principal	7,968,350	10,225,706
	Encashment of WEDB awaiting reimbursement-Interest	29,335,345	17,426,429
	US\$ Premium Bond - Principal	7,970,000	-
	US\$ Premium Bond - Interest	393,788	1,737,593
	US\$ Investment Bond - Principal	1,115,800	3,868,550
	US\$ Investment Bond - Interest	1,463,491	7,087,284
	Advance against Capital Expenditure	15,202,389	112,233,079
	Clearing Adjustment	16,507,046	10,704,273
	Receivable from Exchange House	30,979,924	3,900,955
		987,834,006	1,074,783,814

		31.12.2016 Taka	31.12.2015 Taka
9.3.1	Deferred Tax Asset		
	Balance as on 1 January	86,743,623	65,661,260
	Addition during the year	25,298,833	21,082,363
	Closing Balance	112,042,456	86,743,623

Note : 9.3.1.1

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

Particulars	Book Values	Tax Base	(Deductible)/Taxable Temporary Differences	Deferred Tax (Assets)/Liability
Fixed Assets	802,073,813	1,082,179,952	(280,106,139)	(112,042,456)

9.3.1.2 Position of Deferred Tax as at 31 December 2016

Deferred Tax Asset	86,743,623	65,661,260
Deferred Tax Liability	-	-
Net Deferred Tax Assets	86,743,623	65,661,260
Increase of deferred Tax Assets recognized in to the P&L Account	25,298,833	21,082,363
Decreased of deferred Tax Liability recognized in to the P&L Account	-	-
Total Deferred tax Income recognized into P&L Account during the period	112,042,456	86,743,623

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

9.3.1.3 To maintain the deferred tax Asset of Tk. 112,042,456 as on 31 December 2016, a deferred tax Income of Tk.25,298,833 has been made for the year ended 31 December 2016 as per BAS-12 - Income Taxes.

9.3.1 (a) Consolidated Deferred Tax Asset

Trust Bank Limited	112,042,456	86,743,623
Trust Bank Securities Limited	258,792	121,455
Trust Bank Investment Limited	1,780,244	1,796,246
	114,081,492	88,661,324

Note : 9.3.1

9.4 Break-up of Other Assets

Income generating other assets	3,349,999,290	3,349,999,290
Non-income generating other asset	2,012,865,838	2,146,155,711
	5,362,865,128	5,496,155,001

9.5 As on 31 December 2016, there were no outstanding balance with inter Branch adjustment Account of the Bank, hence no discloser is provided here.

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

		31.12.2016 Taka	31.12.2015 Taka
9 (a)	Consolidated other assets		
	Trust Bank Limited	5,362,865,128	5,496,155,001
	Trust Bank Securities Limited	362,031,559	329,514,619
	Trust Bank Investment Limited	39,308,505	24,491,791
		5,764,205,192	5,850,161,411
	Less: Investment in Subsidiaries Company.	3,349,999,290	3,349,999,290
		2,414,205,902	2,500,162,121

10 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

In Bangladesh

Call Loans

Call Loan from Banks - 1,110,000,000

Other Borrowings

Borrowing from Bangladesh Bank - EDF	3,457,147,983	2,210,159,328
Borrowing from SME Foundation	11,500,000	17,250,000
Borrowing from Bangladesh Bank - IPFF	5,566,706,204	4,972,991,659
Borrowing from Bangladesh Bank - IPFF (BDT)	1,129,296,783	777,329,056
Borrowing from JICA A/c	4,822,119	8,920,386
Trust Bank Subordinated Bond I	800,000,000	1,200,000,000
Trust Bank Limited Subordinated Bond II	2,000,000,000	2,000,000,000
Trust Bank Limited Subordinated Bond III	4,000,000,000	-
Borrowing From Bangladesh Bank-EDF (USD)-TIB	562,795,082	180,177,799
Borrowing from Offshore Unit	141,557,045	-
Bangladesh Bank: Re-finance	269,466,436	452,729,262
	17,943,291,652	12,929,557,490

Outside Bangladesh

	-	-
	17,943,291,652	12,929,557,490

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

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

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

10.1	Security-wise Borrowings		
	Secured Borrowings	-	-
	Unsecured Borrowings	17,943,291,652	12,929,557,490
		17,943,291,652	12,929,557,490
10.2	Repayment Nature-wise Borrowings		
	Repayment on Demand	-	-
	Others	17,943,291,652	12,929,557,490
		17,943,291,652	12,929,557,490

	31.12.2016 Taka	31.12.2015 Taka
10.3 Remaining Maturity Grouping of Borrowings from other Banks, Financial Institutions and Agents		
Payable		
On demand	-	-
Upto 1 month	3,092,010,006	2,200,374,466
Over 1 month but within 3 months	4,015,939,931	1,734,825,365
Over 3 months but within 1 Year	4,652,771,516	911,866,346
Over 1 Year but within 5 Years	3,382,570,199	7,682,491,313
Over 5 Years	2,800,000,000	400,000,000
	17,943,291,652	12,929,557,490

10 (a) Consolidated Borrowings from other Banks, Financial Institutions and Agents

Trust Bank Limited	Note : 10	17,943,291,652	12,929,557,490
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		26,459,602	129,823,381
		17,969,751,254	13,059,380,871
Less: Inter company transaction		15,182,910	124,212,217
		17,954,568,344	12,935,168,654

11 DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts	Note: 11.2	21,092,722,745	16,904,479,838
Bills Payable	Note: 11.3	2,843,870,218	1,287,908,705
Savings Bank Deposits/Mudaraba Savings Deposits	Note: 11.4	24,167,087,940	18,521,408,929
Fixed Deposits/Mudaraba Term Deposits	Note: 11.5	124,956,200,748	114,140,397,954
		173,059,881,651	150,854,195,426

11.1 Remaining Maturity Grouping of Deposits and other Accounts

Inside Bangladesh	Banks	Other than Banks	31.12.2016 Taka	31.12.2015 Taka
Payable on demand	99,941,646	19,463,585,566	19,563,527,212	19,859,315,347
Repayable within 1 month	210,252,530	31,157,740,846	31,367,993,376	24,966,132,673
Over 1 month but within 6 months	-	46,809,340,809	46,809,340,809	41,109,422,813
Over 6 months but within 1 Year	-	23,456,037,393	23,456,037,393	20,599,823,497
Over 1 Year but within 5 Years	-	23,457,613,713	23,457,613,713	15,874,372,446
Over 5 Years	-	28,405,369,148	28,405,369,148	28,445,128,650
	310,194,176	172,749,687,475	173,059,881,651	150,854,195,426

11.2 Current / Al-wadeeah Current Accounts and other Accounts

Under Conventional Banking	Note : 11.2.1	19,892,357,429	16,087,101,435
Under Islamic Banking	Note : 11.2.2	1,200,365,316	817,378,403
		21,092,722,745	16,904,479,838

11.2.1 Under Conventional Banking

Current Account		13,839,720,976	8,546,690,267
Other Accounts	Note : 11.2.3	6,052,636,453	7,540,411,168
		19,892,357,429	16,087,101,435

		31.12.2016 Taka	31.12.2015 Taka
11.2.2	Under Islamic Banking		
	Al-wadeeah Current Accounts	343,064,727	146,427,853
	Foreign Currency Deposits	9,243,543	19,439,698
	Sundry Deposits	725,401,110	482,724,009
	Profit payable on Deposits	122,655,936	168,786,843
		1,200,365,316	817,378,403
11.2.3	Other Accounts		
	Foreign Currency Deposits	3,471,953,642	4,163,290,896
	Interest Payable on Deposits	1,308,455,713	1,643,820,840
	Sundry Deposits	1,272,227,098	1,733,299,432
		6,052,636,453	7,540,411,168
11.3	Bills Payable		
	Under Conventional Banking		
	Demand Draft payable	4,238,068	4,238,068
	Pay Order payable	2,838,748,607	1,279,215,282
		2,842,986,675	1,283,453,350
	Under Islamic Banking		
	Demand Draft payable	-	-
	Pay Order payable	883,543	4,455,355
		883,543	4,455,355
		2,843,870,218	1,287,908,705
11.4	Savings Bank Deposits/Mudaraba Savings Deposits		
	Savings Bank Deposits	22,806,434,565	17,376,526,348
	Mudaraba Savings Deposits	1,360,653,375	1,144,882,581
		24,167,087,940	18,521,408,929
11.5	Fixed Deposits/Mudaraba Term Deposits		
11.5.1	Under Conventional Banking		
	Fixed Deposits	Note : 11.5.3	87,922,002,788
	Short Notice Deposits		17,576,603,585
	Scheme Deposits		8,221,292,943
			113,719,899,316
11.5.2	Under Islamic Banking		
	Mudaraba Term Deposits	Note : 11.5.3.a	10,267,269,577
	Mudaraba Short Notice Deposits		97,630,224
	Mudaraba Scheme Deposits		871,401,631
			11,236,301,432
			124,956,200,748
11.5.3	Fixed Deposits		
		Banks	Other than Banks
	One month	-	1,530,361,977
	Three months	-	41,973,763,388
	Six months	-	7,091,263,774
	One year	-	24,120,533,160
	Two years	-	43,001,981
	Three years	-	283,878,261
	Four years	-	34,851
	Five Years	-	42,440,739
	More than five years	-	12,836,724,657
	Total	-	87,922,002,788
			87,922,002,788
			83,492,677,496

			31.12.2016 Taka	31.12.2015 Taka
11.5.3.a	Mudaraba Term Deposits			
	Banks	Other than Banks		
One month	-	69,355,929	69,355,929	67,834,794
Three months	-	7,163,066,717	7,163,066,717	6,439,454,129
Six months	-	787,652,554	787,652,554	1,081,543,230
One year	-	2,224,129,334	2,224,129,334	2,000,338,367
Three years	-	20,032,679	20,032,679	16,188,925
Five Years	-	3,032,364	3,032,364	1,914,453
More than five years	-	-	-	-
Total	-	10,267,269,577	10,267,269,577	9,607,273,898

11.6 Geographical Location-wise Concentration of Deposits and Other Accounts

Inside Bangladesh

Dhaka Division	125,338,856,180	113,448,233,066
Chittagong Division	24,230,490,368	19,396,049,921
Khulna Division	7,443,484,189	4,808,413,760
Sylhet Division	6,198,851,554	5,300,550,277
Rangpur Division	2,900,227,721	2,312,898,689
Barisal Division	397,503,079	316,518,001
Rajshahi Division	5,602,948,301	4,539,216,349
Mymensingh Division	947,520,259	732,315,363
	173,059,881,651	150,854,195,426
Outside Bangladesh	-	-
	173,059,881,651	150,854,195,426

11.7 Sector-wise Deposits

Government	11,909,347,547	8,437,616,940
Deposit money banks	310,194,176	833,503,282
Other public	7,981,429,587	7,548,217,485
Private	147,946,601,507	128,039,519,442
Foreign Currency Deposits	3,481,197,185	4,182,730,594
Interest Payable on Deposits	1,431,111,649	1,812,607,683
	173,059,881,651	150,854,195,426

11 (a) CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts		
Trust Bank Limited	21,092,722,745	16,904,479,838
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	114,154,207	53,211,145
	21,206,876,952	16,957,690,983
Less : Inter Company Transaction	435,590,048	5,839,714
	20,771,286,904	16,951,851,269
Bills Payable	2,843,870,218	1,287,908,705
Savings Bank Deposits/Mudaraba Savings Deposits	24,167,087,940	18,521,408,929
Fixed Deposits/Mudaraba Term Deposits	124,956,200,748	114,140,397,954
	172,738,445,810	150,901,566,857

		31.12.2016 Taka	31.12.2015 Taka
12	OTHER LIABILITIES		
	Provision for Loans and Advances	Note : 12.1 4,130,027,000	3,657,700,000
	Provision for Investment	Note : 12.2 5,973,518	16,676,159
	Provision for other asset	Note : 12.3 14,769,095	13,228,225
	Provision for CSR Fund	Note : 12.4 120,000,000	120,000,000
	Rebate of Interest	35,000,000	5,000,000
	Unearned profit on TIB Investment	254,502,119	333,569,519
	Interest Suspense Account	Note : 12.6 1,254,089,563	881,025,457
	Provision for Income Tax Less Advance Income Tax	Note : 12.7 1,196,690,745	953,730,285
	Interest Payable on Unsecured Subordinated Bonds	165,611,639	107,716,384
	Accrued Expenses	383,251,062	345,783,298
	Audit Fees Payable	431,250	402,500
	Sundry Creditors	434,785,082	456,991,061
	Compensation Fund Account	Note : 12.7.2 61,660,899	40,593,043
	Others	6,386,811	1,355,313
		8,063,178,783	6,933,771,244
12.1	Provision for Loans and Advances/Islami Banking Investments		
	Specific Provision		
	Against Classified Loans & Advances	1,694,673,290	1,455,151,000
	General Provision		
	Against Unclassified Loans & Advances	1,738,001,505	1,534,269,000
	Against Special Mention Accounts	83,073,705	90,370,000
	Against Off Balance Sheet Exposures	614,278,500	577,910,000
		2,435,353,710	2,202,549,000
		4,130,027,000	3,657,700,000
12.1.1	Against Classified Loans & Advances		
	Provision held on 1 January	1,455,151,000	1,037,640,000
	Fully provided debts written off	(520,673,419)	-
	Recoveries from previously written off debts	-	-
	Provisions made during the year	760,195,709	417,511,000
	Net Charge to the Profit Loss Account	239,522,290	417,511,000
	Provision held at end of year	1,694,673,290	1,455,151,000
12.1.2	Against Unclassified Loans & Advances		
	Provision held on 1 January	1,534,269,000	1,234,795,000
	Provisions made during the year	203,732,505	299,474,000
	Provision held at end of year	1,738,001,505	1,534,269,000
12.1.3	Against Special Mention Accounts		
	Provision held on 1 January	90,370,000	43,765,000
	Provisions made during the year	(7,296,295)	46,605,000
	Provision held at end of year	83,073,705	90,370,000

12.1.4 Required Provision against Loans and Advances

Particulars	Base for Provision	Rate	31.12.2016 Taka	31.12.2015 Taka
Unclassified				
a. Consumer Financing (House Financing)	9,232,715,914	2.00%	184,654,318	197,837,587
b. Consumer Financing (Loans to Professional)	6,992,298	2.00%	139,846	119,853
c. Consumer Financing (Other than a & b)	8,925,344,945	5.00%	446,267,247	258,263,905
d. Small & Medium Enterprise Financing	12,172,211,491	0.25%	30,430,529	15,068,433
e. Loans to BHs/ MBs/ Sds against Shares etc	62,509,812	2.00%	1,250,196	3,428,102
f. Short Term Agriculture & Micro Credit	259,954,954	2.50%	6,498,874	252,541
g. All other Credit (including Offshore Unit)	101,377,096,819	1.00%	1,013,770,968	990,579,479
	132,036,826,233		1,683,011,978	1,465,549,900
Special Mention Account				
a. Consumer Financing (House Financing)	377,579,653	2.00%	7,551,593	6,367,230
b. Consumer Financing (Loans to Professional)	-	2.00%	-	-
c. Consumer Financing (Other than a & b)	105,892,253	5.00%	5,294,613	4,420,838
d. Small & Medium Enterprise Financing	470,499,725	0.25%	1,176,249	417,012
e. Loans to BHs/ MBs/ Sds against Shares etc	-	2.00%	-	-
f. Short Term Agriculture & Micro Credit	-	2.50%	-	-
g. All other Credit	3,544,366,092	1.00%	35,443,661	54,816,808
	4,498,337,723		49,466,116	66,021,888
Classified				
a. Substandard				
i. Short Term Agri Credit & Micro Credit	2,539,233	5.00%	126,962	39,606
ii. Other than Short Term Agri Credit & Micro Credit	577,445,944	20.00%	115,489,189	55,670,688
b. Doubtful				
i. Short Term Agri Credit & Micro Credit	303,732	5.00%	15,187	5,665
ii. Other than Short Term Agri Credit & Micro Credit	412,730,773	50.00%	206,365,387	90,059,275
c. Bad/Loss	1,372,676,565	100.00%	1,372,676,565	1,309,360,657
	2,365,696,247		1,694,673,290	1,455,135,891
Additional 1% provision for restructured loans as per BRPD Circular No. - 04 dated 29 January 2015	-		26,601,522	24,322,390
Additional provision for a resheduled Loan as per BRPD(P-1)/661/13(Cha)/2016-557 dated 24 January 2016	-		7,004,705	-
Additional provision for a resheduled Loan as per BRPD(P-1)/661/13(Cha)/2016-8276 dated 18 December 2016	-		32,035,510	-
	138,900,860,203		3,492,793,121	3,011,030,069

12.1.5 General Provision for Off-balance Sheet Exposures

Provision held on 1 January	577,910,000	476,000,000
Provisions made during the year	36,368,500	101,910,000
	614,278,500	577,910,000

	31.12.2016 Taka	31.12.2015 Taka
12.1 (a) Consolidated General Provision for Loans and Advances		
Trust Bank Limited	2,435,353,710	2,202,549,000
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	142,454,044	286,100,005
	2,577,807,754	2,488,649,005
12.2 (a) Consolidated General Provision for Off Balance Sheet Exposures		
Trust Bank Limited	614,278,500	577,910,000
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	605,300	-
	614,883,800	577,910,000

12.2 Provision for Investment

Cost price of holding of quoted shares and mutual funds (both close end and open end) as on 31 December 2016 is Tk. 528,242,780 whereas the market of these securities is Tk. 489,843,258 showing a loss on fall of market price Tk. 38,399,522.

As per DOS circular letter No. 03 issued on 12 March 2015, bank has to keep provision on mutual funds on the basis of

- i) Cost Price minus Market value or 85% of NAV at Market Price for close end mutual funds and
- ii) Cost Price minus 95% of NAV at Market Price for open end mutual funds

Consequently, the required provision as per DOS circular letter No. 03 is Tk. 5,973,518.

Details workings relating to provision on Investment is given below:

Sl.	Name of the Company	no. of shares	Average cost rate	Total Investment Cost Price	Market rate as on 31 Dec 2016	NAV at Market Value for MF	85% / 95% of NAVcmp of MF	Applicable Rate for Provision	Market Price	Aggregate Net off (Loss) / Gain	Value of MF / Share for Provision	Required Provision Excess / (Shortage)
1	EBL NRB Mutual Fund	6,403,462	7.66	49,070,000	6.90	10.76	9.15	9.15	44,183,888	(4,886,112)	58,566,063	-
2	First Bangladesh Fixed Income Fund	32,127,309	7.35	236,093,033	6.00	11.20	9.52	9.52	192,763,854	(43,329,179)	305,851,982	-
3	Popular Life First Mutual Fund	1,322,947	7.56	10,000,000	5.40	10.93	9.29	9.29	7,143,914	(2,856,086)	12,290,839	-
4	Trust Bank 1st Mutual Fund	4,863,382	7.56	36,789,728	6.00	11.20	9.52	9.52	29,180,292	(7,609,436)	46,299,397	-
5	LR Global Bangladesh Mutual Fund One	6,554,016	9.64	63,205,696	7.10	10.32	8.77	8.77	46,533,514	(16,672,182)	57,491,828	5,713,868
6	Capital & Asset Portfolio Management Unit Fund	100,000	100.00	10,000,000	100.00	102.53	97.40	97.40	10,000,000	-	9,740,350	259,650
Provision Required for Mutual Funds												5,973,518
7	IBBL Mudaraba Perpetual Bond	55,915	966.67	54,051,240	981.50				54,880,573	829,333	54,880,573	829,333
8	Islami Bank Bangladesh Ltd.	111,612	33.81	3,773,943	29.70				3,314,876	(459,067)	3,314,876	(459,067)
9	Prime Bank Ltd.	61,600	32.68	2,012,905	17.70				1,090,320	(922,585)	1,090,320	(922,585)
10	Pubali Bank Ltd.	23,625	42.23	997,688	24.00				567,000	(430,688)	567,000	(430,688)
11	Square Pharmaceuticals Ltd.	3,557	165.77	589,631	249.10				886,049	296,418	886,049	296,418
12	Summit Power Ltd.	314,637	45.69	14,375,320	37.00				11,641,569	(2,733,751)	11,641,569	(2,733,751)
13	Padma Oil Co. Ltd.	3,000	350.65	1,051,956	180.20				540,600	(511,356)	540,600	(511,356)
14	Social Islami Bank Ltd.	315,000	19.41	6,113,610	18.40				5,796,000	(317,610)	5,796,000	(317,610)
15	IT Consultants Ltd.	2,167,045	8.70	18,843,870	47.30				102,501,229	83,657,359	102,501,229	83,657,359
Provision Required for Shares												-
TOTAL				528,242,780					489,843,258	(38,399,522)	662,543,520	5,973,518

12.2.1 Provision for Diminution in value of Investment

Balance on 1 January	16,676,159	106,460,510
Provisions made for Investment in Shares during the year	(8,298,923)	(92,188,069)
	8,377,236	14,272,441
Provision for decreased NAV of Trust Bank Securities Ltd	(2,403,718)	2,403,718
Closing Balance	5,973,518	16,676,159

Provision for decreased NAV of Trust Bank Securities Ltd. was made during the year 2015 due to negative retained earnings of the subsidiary company i.e., Trust Bank Securities Ltd. (TBSL). As 31 December 2016 the retained earnings of TBSL is positive, the said provision has been reversed.

	31.12.2016 Taka	31.12.2015 Taka
12.2.2 Provision for Diminution in Value of Investment		
Provisions for Investment in Shares	5,973,518	14,272,441
Provision for decreased NAV of Trust Bank Securities Ltd	-	2,403,718
	5,973,518	16,676,159
12.3 Provision for other Asset		
Balance on 1 January	13,228,225	11,163,285
Provisions made during the year	1,540,870	2,064,940
	14,769,095	13,228,225
12.4 Provision for Special Reserve Fund		
Special Reserve Fund (SRF) was formed for Corporate Social Responsibility (CSR) activities in the year 2018. CSR activities includes humanitarian belief, disaster management, health care, education, training, green initiatives and environmental degradation. As per Bangladesh Bank GBCSRD Circular no. 04, dated 9 July 2015, at the beginning of the year, the fund has been allocated for education, health care, disaster management and for other activities @ 30%, 50%, 10% and 10% respectively and expensed over the year accordingly.		
12.5 Rebate of Interest Payable to Good Borrowers		
To comply BRPD Circular no. 6 Dated 19 March 2015, BRPD Circular no. 16 Dated 30 December 2015 and BRPD Circular Letter no. 03 dated 04 February 2016, the Bank has been accounted for the amount on lump sum basis as provision for incentive of Good Borrowers during the year 2016.		
12.6 Interest Suspense Account		
Balance on 1 January	881,025,457	585,919,635
Amount transferred during the year	1,121,704,144	1,297,078,785
Amount recovered during the year	(686,354,203)	(927,319,347)
Amount written off / waived during the year	(62,285,835)	(74,653,616)
Balance of the end of the year	1,254,089,563	881,025,457
12.7 Provision for Income Tax Less Advance Income Tax		
Provision for Income Tax		
Balance on 1 January	4,835,080,185	3,201,754,103
Provisions made during the year	1,485,000,000	1,605,000,000
Provision for Doubtful Income of Islamic Banking	14,311,904	28,326,082
Provision made for the year	-	-
Settlement for previous year(s)	(2,519,380,122)	-
	3,815,011,967	4,835,080,185
Less: Advance Income Tax		
Balance on 1 January	3,881,349,900	2,522,034,412
Paid during the year	1,256,351,444	1,359,315,488
Settlement for previous year(s)	(2,519,380,122)	-
	2,618,321,222	3,881,349,900
Net Closing Balance	1,196,690,745	953,730,285

- 12.7.1** Provision for current tax of Tk.1,485,000,000 has been made @ 40% on Business Income, @ 20% on Dividend Income and @ 10% on capital gain on sale of shares of the accounting profit made by the Bank for the year 2016 after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

	31.12.2016 Taka	31.12.2015 Taka
12.7.2 Compensation Fund Account		
Opening Balance	40,593,043	-
Amount credited during the year		
Compensation Realized Account	35,779,760	69,789,825
Income Tax Provision @ 40%	14,311,904	28,326,082
	21,467,856	41,463,743
	62,060,899	41,463,743
Amount distributed during the period	400,000	870,700
	61,660,899	40,593,043

Islamic Banking is a trade-based mode of banking where compliance of sharia guidelines in the precondition for its legitimacy. In addition to the prohibition of the interest and classification of business activities between lawful (halal) and un-lawful (haram), sharia also provides guidelines of business process and translation. Any income generated from trading or investments without conforming to these Sharia instructions are considered un-lawful and termed as "doubtful income" in the terminology of Islamic Banking.

However, since the "Doubtful Income" is not an "income" - as such the nomenclature has been already been changed as "Compensation" instead of "Doubtful Income".

12.7 (a) Consolidated Tax Expenses			
Trust Bank Limited	Note : 12.7	1,485,000,000	1,605,000,000
Trust Bank Securities Limited		5,197,384	2,890,922
Trust Bank Investment Limited		32,000,000	56,500,000
		1,522,197,384	1,664,390,922
12 (a) Consolidated other Liabilities			
Trust Bank Limited	Note : 12	8,063,178,783	6,933,771,244
Trust Bank Securities Limited		152,171,700	21,379,416
Trust Bank Investment Limited		1,125,052,958	1,267,807,707
		9,340,403,441	8,222,958,367
Less: Inter company transaction		-	-
		9,340,403,441	8,222,958,367
13 CAPITAL			
13.1 Authorized Capital			
1,000,000,000 Ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000

13.2 Issued, Subscribed and Paid Up Capital

116,667,000	Ordinary shares of Tk. 10 each issued for cash	1,166,670,000	1,166,670,000
11,666,700	Ordinary shares of Tk. 10 each issued bonus shares	116,667,000	116,667,000
25,666,740	Ordinary shares of Tk. 10 each issued for right 1R:5	256,667,400	256,667,400
30,800,080	Ordinary shares of Tk. 10 each issued bonus shares	308,000,800	308,000,800
36,960,100	Ordinary shares of Tk. 10 each issued bonus shares	369,601,000	369,601,000
44,352,120	Ordinary shares of Tk. 10 each issued bonus shares	443,521,200	443,521,200
26,611,274	Ordinary shares of Tk. 10 each issued bonus shares	266,112,740	266,112,740
53,222,550	Ordinary shares of Tk. 10 each issued for right 1R:5	532,225,500	532,225,500
34,594,656	Ordinary shares of Tk. 10 each issued bonus shares	345,946,560	345,946,560
45,664,946	Ordinary shares of Tk. 10 each issued bonus shares	456,649,460	456,649,460
42,620,616	Ordinary shares of Tk. 10 each issued bonus shares	426,206,160	426,206,160
37,506,142	Ordinary shares of Tk. 10 each issued bonus shares	375,061,420	-
		5,063,329,240	4,688,267,820

13.3 Capital Adequacy Ratio

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

13.3.1 Capital Adequacy Ratio under SOLO basis Common Equity Tier-I (Going-concern capital)

	31.12.2016 Taka	31.12.2015 Taka
Paid up Capital	5,063,329,240	4,688,267,820
Share Premium Account	-	-
Statutory Reserve	4,027,401,519	3,333,692,338
Retained Earnings	2,044,117,600	1,432,222,212
	11,134,848,359	9,454,182,370
Less : Regulatory Adjustments		
Deferred Tax - Assets	112,042,456	86,743,623
Total Common Equity Tier-I Capital	11,022,805,903	9,367,438,747
Additional Tier-I Capital	-	-
<u>Tier-II Capital (Gone-Concern Capital)</u>		
General Provision	2,435,353,710	1,422,285,000
Subordinated Bond	6,000,000,000	2,800,000,000
Revaluation reserves	273,661	273,661
	8,435,627,371	4,222,558,661
Less : Regulatory Adjustments		
Revaluation Reserves (according to Phase-in deductions as per Basel-III Guideline)	109,464	54,732
Total Tier-II Capital Available	8,435,517,907	4,222,503,929
Maximum Limit of Tier-II Capital (Tier-II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET-I, whichever is higher)	9,798,172,167	8,326,716,302
Excess Amount over Maximum Limit of Tier-II	-	-
Total Admissible Tier-II Capital	8,435,517,907	4,222,503,929
A. Total Eligible Capital (Tier-I + Tier-II)	19,458,323,810	13,589,942,676
B. Total Risk Weighted Assets (RWA)		
Credit Risk Weighted Assets	117,021,475,212	113,782,800,000
Market Risk Weighted Assets	4,017,802,518	2,773,200,000
Operational Risk Weighted Assets	11,307,658,704	8,864,500,000
	132,346,936,434	125,420,500,000
C. Required Capital based on RWA 2016 @ 10.625% on 2015 @ 10.000%	14,061,861,996	12,542,050,000
D. Surplus Capital as per Bank weighted Assets (A-C)	539,6461, 814	1,047,892,676
Capital Adequacy Ratio		
Tier-I capital to RWA	8.33%	7.47%
Supplementary Capital to RWA	6.37%	3.37%
	14.70%	10.84%

	31.12.2016 Taka	31.12.2015 Taka
13.3 (a) Capital Adequacy Ratio under Consolidated Basis		
Tier-I (Core Capital)		
Paid up Capital	5,063,329,240	4,688,267,820
Minority Interest	789	789
Share Premium Account	-	-
Statutory Reserve	4,027,401,519	3,333,692,338
Retained Earnings	2,385,582,491	1,766,708,712
	11,476,314,039	9,788,669,659
Less: Regulatory Adjustments		
Deferred Tax-Assets	114,081,492	88,661,324
Total Common Equity Tier-I Capital	11,362,232,547	9,700,008,335
Additional Tier-I Capital	-	-
Tier-II Capital (Gone-Concern Capital)		
General Provision (Maximum 1.25% of Credit RWA)	2,435,353,710	1,422,087,500
Subordinated Bond	6,000,000,000	2,800,000,000
Revaluation Reserves	273,661	273,661
	8,435,627,371	4,222,361,161
Less : Regulatory Adjustments		
Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)	109,464	54,732
Total Tier-II Capital Available	8,435,517,907	4,222,306,429
Maximum Limit of Tier-II Capital (Tier-II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET-I, whichever is higher)	10,099,888,511	8,622,337,409
Excess Amount over Maximum Limit of Tier-II	-	-
Total Admissible Tier-II Capital	8,435,517,907	4,222,306,429
A. Total Eligible Capital (Tier-I + Tier-II)	19,797,750,454	13,922,314,764
B. Total Risk Weighted Assets (RWA)		
Credit Risk Weighted Assets	116,401,008,489	113,767,000,000
Market Risk Weighted Assets	6,858,196,846	5,157,800,000
Operational Risk Weighted Assets	12,196,196,960	9,845,400,000
	135,455,402,295	128,770,200,000
C. Required Capital based on RWA 2016 @ 10.625% and 2015 @ 10.000%	14,392,136,494	12,877,020,000
D. Surplus Capital as per Bank weighted Assets (A - C)	5,405,613,960	1,045,294,764
Capital Adequacy Ratio		
Core Capital to RWA	8.39%	7.53%
Supplementary Capital to RWA	6.23%	3.28%
	14.62%	10.81%

Total Risk Weighted Assets (RWA)

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

	31.12.2016 Taka	31.12.2015 Taka
13.4 Leverage Ratio under SOLO Basis		
A. Tier-I Capital - considering all regulatory adjustments	11,022,805,903	9,367,438,747
B. On-balance Sheet Exposure	208,377,882,046	178,774,421,689
C. Off-balance Sheet Exposure	20,863,234,057	21,140,412,298
D. Total Deduction from On and Off-balance Sheet Exposure/ Regulatory adjustments made to Tier-I capital	112,042,457	86,743,623
E. Total Exposure (B+C-D)	229,129,073,646	199,828,090,364
Leverage Ratio (A/E)*100	4.81%	4.69%

	31.12.2016 Taka	31.12.2015 Taka
13.4 (a) Leverage Ratio under Consolidated Basis		
A. Tier-I Capital-considering all regulatory adjustments	11,362,232,547	9,700,008,335
B. On-balance Sheet Exposure	209,687,901,027	180,451,078,696
C. Off-balance Sheet Exposure	20,923,764,057	21,140,412,298
D. Total Deduction from On and Off-balance Sheet Exposure/Regulatory adjustments made to Tier-I capital	113,846,678	88,661,324
E. Total Exposure (B+C-D)	230,497,818,406	201,502,829,670
Leverage Ratio (A/E)*100	4.93%	4.81%

13.5 Percentage of Shareholdings at the Closing Date

Type of Shareholder	Amount (in Taka)		Percentage (%)	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Sponsors	3,037,953,880	2,812,920,260	60.00%	60.00%
Financial Institutions	1,068,960,770	987,405,120	21.11%	21.06%
Foreign Investors	76,659,280	25,937,970	1.51%	0.55%
Non-resident Bangladeshi	11,576,050	13,070,500	0.23%	0.28%
General Public	868,179,260	848,933,970	17.15%	18.11%
Total	5,063,329,240	4,688,267,820	100.00%	100.00%

13.6 Shareholding Range on the basis of shareholdings as on 31 December 2016

Shareholding Range			No. of Sh. Holders	Number of Shares	%
1	to	500	8,067	1,372,014	0.27%
501	to	5,000	11,355	20,932,764	4.13%
5,001	to	10,000	995	7,320,653	1.45%
10,001	to	20,000	624	9,048,851	1.79%
20,001	to	30,000	201	4,956,847	0.98%
30,001	to	40,000	87	3,063,859	0.61%
40,001	to	50,000	75	3,480,105	0.69%
50,001	to	100,000	127	9,491,267	1.87%
100,001	to	1,000,000	127	39,644,801	7.83%
1,000,001	and More		29	407,021,763	80.39%
Total			21,687	506,332,924	100.00%

	31.12.2016 Taka	31.12.2015 Taka
13 (a) MINORITY INTEREST		
Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each & 1 nos Share of TBSL)	789	789
Profit as of 1 January 2016	-	-
Profit for the year	-	-
	789	789
14 STATUTORY RESERVE		
Balance on 1 January	3,333,692,338	2,709,042,761
Reserve made during the year	693,709,181	624,649,577
Closing Balance	4,027,401,519	3,333,692,338

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

15 OTHER RESERVE

Revaluation Reserve

Balance on 1 January	57,636,494	547,322
Reserve made/(adjusted) during the year	(17,772,836)	57,089,172
Closing Balance	39,863,658	57,636,494

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

16 RETAINED EARNINGS

Balance on 1 January	1,432,222,212	1,081,274,744
Issue of Bonus Shares	(375,061,420)	(350,630,120)
Cash Dividend	(328,178,747)	(213,103,083)
	728,982,045	517,541,541
Net Profit for the year transferred from Profit and Loss Account	2,008,844,736	1,539,330,248
Less: Transferred to Statutory Reserve	693,709,181	624,649,577
	1,315,135,555	914,680,671
Closing Balance	2,044,117,600	1,432,222,212

16 (a) Consolidated Retained Earnings

Trust Bank Limited	2,044,117,600	1,432,222,212
Trust Bank Securities Limited	4,574,673	(2,403,718)
Trust Bank Investment Limited	336,890,297	336,890,297
	2,385,582,570	1,766,708,791
Less: minority interest	79	79
Closing Balance	2,385,582,491	1,766,708,712

Note : 16

		31.12.2016 Taka	31.12.2015 Taka
17	CONTINGENT LIABILITIES		
17.1	Acceptances and Endorsements		
	Acceptance Bills - Local	2,372,625,983	3,680,023,975
	Acceptance Bills - Foreign	13,034,378,176	12,077,280,712
	Acceptance Liabilities - Back to Back L/C	959,472,056	1,652,892,755
		16,366,476,215	17,410,197,442
17.2	Letters of Guarantee		
	Letters of Guarantee - Local	14,691,939,971	12,490,109,812
	Letters of Guarantee -Foreign	6,100,203	33,829,433
		14,698,040,174	12,523,939,245
17.2.1	Money for which the Bank is Contingently Liable in Respect of Guarantees given Favoring :		
	Directors or Officers	-	-
	Government	2,183,850,950	2,343,821,259
	Banks and other financial institutions	267,266,317	924,112,787
	Others	12,246,922,907	9,256,005,199
		14,698,040,174	12,523,939,245
17.2 (a)	Consolidated Letters of Guarantee		
	Trust Bank Limited	14,698,040,174	12,523,939,245
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	60,530,000	-
		14,758,570,174	12,523,939,245
17.3	Irrevocable Letter of Credits		
	Letter of Credit - Local	359,341,411	436,644,395
	Letter of Credit - Foreign	17,629,494,905	14,380,095,826
	Letter of Credit - Back to Back L/C	2,128,659,048	2,734,854,782
	Letter of Credit - Usance (Foreign)	4,460,232,587	4,037,315,394
	Letter of Credit - Back to Back (EDF) - Foreign	928,253,377	455,909,359
		25,505,981,328	22,044,819,756
17.4	Bills for Collection		
	Outward Bills for Collection	2,962,928	18,363,023
	Local Documentary Bill for Collection	2,852,101,354	2,491,670,809
	Foreign Documentary Bills for Collection	2,002,044,182	3,298,055,497
		4,857,108,464	5,808,089,329
17 (a)	Consolidated Contingent Liabilities		
	Trust Bank Limited	61,427,606,181	57,787,045,772
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	60,530,000	-
		61,488,136,181	57,787,045,772
18	INCOME STATEMENTS		
	Income:		
	Interest/Profit, discount and similar income	15,330,930,435	15,878,804,092
	Dividend income	15,415,888	26,692,707
	Fees, commission and brokerage	1,136,869,607	1,241,011,066

	31.12.2016 Taka	31.12.2015 Taka
Gains less losses arising from dealing in securities	5,371,929	4,863
Gains less losses arising from investment securities	-	-
Gains less losses arising from dealing in foreign currencies	-	-
Income from non-banking assets	-	-
Other operating income	482,254,099	458,052,481
Profit less losses on interest rate changes	-	-
	16,970,841,958	17,604,565,209
Expenses:		
Interest / profit paid on deposits, borrowings etc.,	8,733,549,219	10,075,225,928
Losses on loans and advances	-	-
Administrative expenses	3,048,870,050	2,961,094,171
Other operating expenses	689,177,159	602,074,731
Depreciation on banking assets	46,860,979	65,141,905
	12,518,457,407	13,703,536,735
	4,452,384,551	3,901,028,474
19 INTEREST INCOME		
19.1 Interest Income under Conventional Banking		
Interest from Loans and Advances		
Interest on Repair & Recon. of Dwelling House (RRDH)	288,708,504	331,595,996
Interest on Consumer Durable Scheme	28,488	104,493
Interest on Marriage Loans	4,197,499	4,090,756
Interest on Car Loans	10,245,428	9,928,629
Interest on House Building Loans	446,360,162	452,846,056
Interest on Term Loans	5,284,569,695	5,719,263,277
Interest on Other Loans	2,371,299,067	2,299,083,674
Interest on SME Loan	530,570,920	419,701,420
Interest on PAD - EDF	105,554,127	79,535,247
Interest on Staff Loan	42,929,101	42,429,246
Interest on LTR	537,685,744	948,521,576
Interest on Payment Against Documents (PAD)	36,277,600	31,373,372
Interest on Cash Credit	161,895,117	233,827,235
Interest on Cash Collateral	185,628,871	185,734,698
Interest on Overdraft	1,032,070,126	830,872,987
Interest on SOD	622,389,259	1,080,274,258
Interest on Inland Bills Purchased and Discounted	164,990,067	110,286,421
Interest on Foreign Bills Purchased and Discounted	23,254,425	32,483,576
	11,848,654,200	12,811,952,917
Interest from Banks and Other Financial Institutions		
Interest on FDR Account	165,503,172	16,527,685
Interest on Bangladesh Bank Foreign Currency Accounts	3,756,958	-
Interest on SND Account	1,008,527	2,077,131
Interest on Call Deposits	73,341,986	30,505,486
	243,610,643	49,110,302
Interest received from Foreign Banks	-	-
	12,092,264,843	12,861,063,219
19.2 Profit under Islamic Banking		
Profit on Murabaha (RM)	-	-
Profit on Bai-Muajjal	467,831,896	504,539,784
Profit on HPSM-Capital Machinery	86,660,687	116,496,228
Profit on IHSAN Apartment Purchase Scheme	6,025,651	4,228,134

	31.12.2016 Taka	31.12.2015 Taka
Profit on BARAKAT Home Construction Scheme	7,320,677	5,307,488
Profit on BARAKAT Car Scheme	499,768	483,294
Profit on HPSM- Real Estate	42,498,485	35,589,918
Profit on Murabaha TR	160,108,430	154,399,139
Profit on Bai-Salam	10,188,906	5,614,480
Profit on Murabaha Import Bills (MIB)	1,097,966	2,645,881
Profit on TIB House Building Scheme-HBL (RM)	203,832	7,459,482
Profit on TIB Household Durable Scheme (Household Durable)	378,351	287,465
Profit on MIB - EDF - TIB	26,235,717	18,054,256
Profit on TIB HB Inv. for Rtd. Def. Officer (M)	56,706	-
Profit on HPSM General	202,838,378	84,531,070
Profit on Barkat Doctors Scheme	208,455	44,460
Profit on Trust Nibash	12,926	-
Profit on Trust Power	366,730	-
Profit on Musharaka agt. IBP	33,535,169	45,007,400
Profit Suspense - Musharaka IBP USD	8,457,407	4,365,458
	1,054,526,137	989,053,937
Profit from Banks and Other Financial Institutions		
Profit on Mudaraba Term Deposits	69,364,264	49,780,951
	1,123,890,401	1,038,834,888
	13,216,155,244	13,899,898,107
Less : Rebate for the Good Borrowers	30,000,000	5,000,000
	13,186,155,244	13,894,898,107

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

To comply with the aforementioned circulars, the Bank had transferred a sum of Tk. 373,064,106 to Interest Suspense Account during the year, resulting in total Interest Suspense of Tk. 1,254,089,563 as at 31 December 2016.

19 (a) Consolidated Interest Income/Profit on Investment			
Trust Bank Limited	Note : 19	13,186,155,244	13,894,898,107
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		57,294,088	104,150,509
		13,243,449,332	13,999,048,616
Less : Inter Company Transaction		14,877,058	2,283,276
		13,228,572,274	13,996,765,340
20 INTEREST PAID ON DEPOSITS AND BORROWINGS			
20.1 Interest Paid on Deposits			
Interest on SND Account		441,505,949	393,614,158
Interest on FDR Account		4,920,190,360	6,507,257,034
Interest on Foreign Currency Deposit		47,943,389	42,427,114
Interest on Savings Account		379,990,629	401,314,077
Interest on Scheme Deposits		1,565,763,051	1,349,151,725
		7,355,393,378	8,693,764,108

		31.12.2016 Taka	31.12.2015 Taka
20.2	Profit Paid on Islamic Banking Deposits		
	Profit Paid on Mudaraba Savings Account	41,648,270	33,476,191
	Profit Paid on Mudaraba SND	3,960,111	1,511,582
	Interest Paid on Mudaraba TDR	588,800,240	650,524,231
	Profit Paid on Mudaraba MTDR - 1 Month	-	10,673,899
	Profit Paid on TBL Barakat Hajj Deposit Scheme	865,633	487,784
	Profit on Mudaraba Kotipati Scheme (MKS)	7,867,689	4,330,532
	Profit on Mudaraba Millionaire Scheme (MMS)	12,887,242	6,216,866
	Profit on Mudaraba Money Double Scheme (MMDS)	6,347,337	4,929,248
	Profit Paid on DPMSA	174,809	63,800
	Profit Paid on TEMSA	1,631,679	1,500,154
	Profit Paid on Mudaraba Monthly Savings Scheme	25,849,907	18,723,667
	Profit paid on Trust Bank Mudaraba Cash Waqf	75,176	40,169
	Profit Paid On - Fc Deposits	237	28
	Profit paid on MMPS	22,566,215	15,500,044
	Profit paid on MMPS	90,649	36,869
		712,765,194	748,015,064
20.3	Interest Paid on Borrowings		
	Interest on Call Deposits.	16,066,458	40,008,528
	Interest on Repo	2,286,724	20,268,550
	Profit paid on Bangladesh Bank Borrowings	156,377,673	143,488,816
	Interest on Other Borrowings	469,231,663	422,261,442
		643,962,518	626,027,336
20.3.1	Under Islamic Banking		
	Profit paid on Bangladesh Bank Borrowings	12,853,731	7,419,420
	Interest on Other Borrowings	8,574,398	-
		21,428,129	7,419,420
		8,733,549,219	10,075,225,928
20 (a)	Consolidated Interest / Profit Paid on Deposits, Borrowings etc. on Investment		
	Trust Bank Limited	8,733,549,219	10,075,225,928
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	15,994,278	3,726,769
		8,749,543,497	10,078,952,697
	Less : Inter Company Transaction	14,877,058	2,283,276
		8,734,666,439	10,076,669,421
21	INCOME FROM INVESTMENTS		
21.1	Income from Conventional Banking		
	Income from Treasury Bills	358,028,345	368,143,395
	Income on Bangladesh Bank Bill	143,571,686	11,615,150
	Income from Treasury bonds	1,514,676,521	1,478,239,726
	Income from Reverse REPO	4,338,104	24,780,503
	Profit on sale of Securities	-	-
	Income from other Approved Securities	-	-

		31.12.2016 Taka	31.12.2015 Taka
	Income from Corporate Bonds	72,898,120	54,464,718
	Dividend Income	8,869,903	19,664,892
	Income on Investment in Commercial Paper	26,999,360	43,554,861
	Gain from sales of shares	5,308,136	4,863
		2,134,690,175	2,000,468,108
21.2	Income from Islamic Banking Investments		
	Dividend Income	6,545,985	7,027,815
	Profit on Bangladesh Govt. Islamic Investment Bond	3,205,521	3,107,632
	Income from Corporate Bonds	21,057,534	-
	Profit on Sale of Shares	63,793	-
		30,872,833	10,135,447
		2,165,563,008	2,010,603,555
21(a)	Consolidated Income from Investment		
	Trust Bank Limited	2,165,563,008	2,010,603,555
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	115,059,729	147,022,895
		2,280,622,737	2,157,626,450
22	Commission, Exchange and Brokerage		
	Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order etc.	5,067,578	5,732,947
	Bills	30,309,402	30,203,060
	Letter of Guarantees	138,529,565	175,351,630
	Letter of Credits	268,051,287	281,308,136
	Foreign Remittances	5,598,592	7,254,001
	Commission on Sale of Government Securities	28,563,677	18,562,213
	Fund Transfer Commission	21,800	11,000
	Commission on Sale & Purchase of Shares	400	60,422
	Under writing Commission	1,141,240	315,717
	Acceptance Commission	161,653,621	191,631,363
	Foreign Correspondence Charges	375	2,565
	Miscellaneous Commission	29,810,485	35,607,331
		668,748,022	746,040,385
	Foreign Currency Exchange Gain	468,121,585	494,970,681
		1,136,869,607	1,241,011,066
22 (a)	Consolidated Commission, Exchange and Brokerage		
	Trust Bank Limited	1,136,869,607	1,241,011,066
	Trust Bank Securities Limited	14,731,900	15,163,150
	Trust Bank Investment Limited	220,304	387,382
		1,151,821,811	1,256,561,598
23	OTHER OPERATING INCOME		
	Locker Rent	1,871,295	1,684,050
	Swift Charge (Net)	46,259,674	46,818,628

Note : 22

	31.12.2016 Taka	31.12.2015 Taka
Postage Charge (Net)	6,269,212	4,091,980
Incidental Charges	13,120	-
Sale Proceeds of Forms	1,055,631	889,192
Service Charges	76,232,516	65,874,377
Service Compensation	415,321	767,592
Front End Fees	21,488,559	45,352,260
Notice Pay	1,143,572	1,734,918
Closing Charge	1,454,727	1,336,548
Sale Proceeds of Cheque books	91,500	139,000
Income form Mobile Banking	1,157,181	350,337
O/W Cheque Processing Fees	664,521	619,641
EFTN Org Processing Fees	23	23
Service Charge - Transaction Agent (TA)	-	648
Introductory Commission	-	471
Syndication Fees	46,265,523	9,059,526
Income through Credit & ATM Card	84,087,231	59,464,719
Insurance Premium Income	37,897	23,651
SMS Notification Fees	22,780,897	1,400,945
Service Charges on e-GP	1,774,545	2,071,467
Service Charge on Passport	1,275,125	4,900
Miscellaneous Foreign Exchange Income	94,518,792	117,720,629
Trustee Fees	3,900,000	2,200,000
Service Charge on BRTA Transaction	2,182,472	1,823,499
Income from Priority Pass	-	8,226
RTGS Settlement Charge	19,600	-
Charges for Footage	11,500	3,000
NID Verification Fees	8,909	-
Miscellaneous Earnings	67,274,756	94,612,254
	482,254,099	458,052,481
23 (a) Consolidated other Operating Income		
Trust Bank Limited	482,254,099	458,052,481
Trust Bank Securities Limited	10,831,555	1,489,925
Trust Bank Investment Limited	57,515,316	71,195,566
	550,600,970	530,737,972
24 Salaries and Allowances		
Basic Salary	747,641,458	639,604,181
House Rent Allowances	374,014,053	319,784,582
Conveyance Allowances	41,036,244	35,282,685
Medical Allowances	151,639,383	130,936,800
Leave Fare Assistances	59,968,927	51,994,299
Leave Encashment	4,806,012	4,986,197
Utility Allowances	3,782,661	3,679,916
Telephone Allowance	356,626	341,733
Club Membership Allowance	1,320,176	1,268,667
Contractual Staffs Salary	12,555,773	9,515,978
Managers' Charge Allowance	3,035,500	2,550,266
Key Holding Allowance	1,103,250	1,165,500
Festival Bonus	136,526,424	106,138,000
Incentive Bonus	282,482,856	267,537,075

		31.12.2016 Taka	31.12.2015 Taka
	Bank's Contribution to Provident Fund	71,726,646	60,445,402
	Bank's Contribution to Superannuation Fund	6,092,900	4,862,917
	Bank's Contribution to Employees' Gratuity Fund	89,832,284	348,345,170
		1,987,921,173	1,988,439,368
24 (a)	Consolidated Salaries and Allowances		
	Trust Bank Limited Note : 24	1,987,921,173	1,988,439,368
	Trust Bank Securities Limited	7,309,580	6,412,055
	Trust Bank Investment Limited	32,084,054	41,490,215
		2,027,314,807	2,036,341,638
25	RENT, TAXES, INSURANCE, ELECTRICITY, etc.		
	Rent	447,893,585	403,707,267
	Electricity and Lighting	63,166,759	58,678,271
	Insurance	118,717,580	102,508,844
	Rates, Taxes & Excise Duty	838,588	496,763
	Fees & Renewals	12,378,449	8,463,670
	Generator Fuel	4,983,818	5,037,779
	Gas/Water Bill	1,630,733	1,614,436
		649,609,512	580,507,030
25 (a)	Consolidated Rent, Taxes, Insurance, Electricity, etc.		
	Trust Bank Limited Note : 25	649,609,512	580,507,030
	Trust Bank Securities Limited	990,920	904,229
	Trust Bank Investment Limited	12,544,242	12,702,861
		663,144,674	594,114,120
26	POSTAGE, STAMPS, TELECOMMUNICATION, etc.		
	Stamp	82,287	488,597
	ATM Connectivity Charges	-	738,980
	ATM Maintenance Charges	14,443,540	2,345,605
	Online Expenses	105,237,042	105,313,401
	ATM Card Expenditure	3,929,800	-
	Internet Charge	1,098,234	1,517,532
	Router Charge	2,462,372	2,454,168
	Telegram, Telex, Telephone, Trunk Call etc. (Net)	15,728,311	12,133,241
		142,981,586	124,991,524
26 (a)	Consolidated Postages, Stamps, Telecommunication, etc.		
	Trust Bank Limited Note : 26	142,981,586	124,991,524
	Trust Bank Securities Limited	851,360	827,237
	Trust Bank Investment Limited	1,413,321	1,475,681
		145,246,267	127,294,442
27	STATIONERY, PRINTING, ADVERTISEMENT, etc.		
	Printing and Stationery (Net)	58,598,461	59,369,213
	Publicity and Advertisement	6,366,730	9,916,653
		64,965,191	69,285,866
27 (a)	Consolidated Stationery, Printing, Advertisement, etc.		
	Trust Bank Limited Note :27	64,965,191	69,285,866
	Trust Bank Securities Limited	89,150	98,944
	Trust Bank Investment Limited	416,238	479,437
		65,470,579	69,864,247

	31.12.2016 Taka	31.12.2015 Taka
28 DIRECTORS' FEES		
Meeting fees	2,216,000	1,721,000
Shariah Supervisory Committee's Fees	90,000	88,400
Other benefits	-	-
	2,306,000	1,809,400

Directors' fees include fees for attending the meeting of the Board, Executive Committee and Audit Committee. Each Director was remunerated @ Tk. 8,000 per meeting according to Bangladesh Bank BRPD Circular Letter no. 11 dated 4 October 2015.

28 (a) Consolidated Directors Fees			
Trust Bank Limited	Note : 28	2,306,000	1,809,400
Trust Bank Securities Limited		141,000	24,000
Trust Bank Investment Limited		102,000	165,000
		2,549,000	1,998,400

29 Depreciation and Repair of Bank's Assets			
Depreciation			
Fixed assets (For details please refer to Annexure - B)		187,556,465	183,496,004
Repairs			
Building		601,410	549,201
Furniture and fixtures		2,325,525	9,473,139
Office equipment		20,031,880	25,813,531
Bank's vehicles		3,750,430	3,777,687
Maintenance		20,151,734	25,528,347
		46,860,979	65,141,905
		234,417,444	248,637,909

29 (a) Consolidated Depreciation and Repair of Bank's Assets			
Trust Bank Limited	Note : 29	234,417,444	248,637,909
Trust Bank Securities Limited		1,047,464	931,139
Trust Bank Investment Limited		1,946,132	2,964,342
		237,411,040	252,533,390

30 OTHER EXPENSES			
Business Development Expenses		20,626,358	20,350,408
Clearing House Charge		102,932	111,525
Conveyance		11,693,289	11,685,197
Entertainment		34,105,791	33,487,535
Car Expenses		93,068,855	85,755,244
Cash Handling Charge		3,362,450	3,100,340
Bank Charges		308,351	233,521
Meeting Expenses		421,169	1,980,249
Donation, Subscription and Membership Fees		10,565,383	14,914,555
News Paper and Periodicals		1,007,715	834,417
Oil and Lubricant		8,387,598	8,464,773
Remittance Charges		1,499,677	2,058,285
Other Contractual Service		263,188,809	207,122,349
Internship Allowances		1,321,921	1,964,370
Honorarium for Banking Diploma		1,132,000	917,000
Training & Recruitment Expenses		6,489,337	9,616,673

	31.12.2016 Taka	31.12.2015 Taka
Traveling Expenses	17,593,324	19,143,386
Up Keep of Office Premises	8,333,529	8,582,009
Washing Charges	2,168,853	2,151,370
Loss on Sale of Fixed Assets	5,373,341	15,918,060
Car Leasing Expenses	5,387,844	5,513,655
Penalty**	-	(1,869,000)
Outsource Agency Fees	-	131,500
Foreign Correspondence Expenses	5,194,145	12,822,388
Amortization of Intangible Assets	4,882,556	4,011,085
Special Reserve Fund	120,000,000	120,000,000
CDBL Charges	325,341	80,080
Security Expenses	4,115	44,520
Broker's Expenses	-	3,003
Share/Bond Issue Expense	39,185,680	-
Sales Commission	13,346,692	4,958,375
Cash Carrying Charges	8,008,288	6,421,006
Wages paid to daily Labor	493,684	386,567
Purchase of Utensils	837,084	913,073
Medical Expenses	-	890
Contact Point Verification Fees (RB)	100,650	56,500
Loss on sale of Treasury Bills	371,750	-
Miscellaneous Expenses	288,648	209,823
	689,177,159	602,074,731

**Tk. 1,869,000 paid to Bangladesh Bank during the year 2014 against non-achievement of SME targets. Which was returned by Bangladesh Bank in 2015 due to achievement of SME Targets for the year 2015 along with the deficit amount of 2014.

30 (a) Consolidated other Expenses			
Trust Bank Limited	Note : 30	689,177,159	602,074,731
Trust Bank Securities Limited		3,335,929	3,248,363
Trust Bank Investment Limited		8,423,384	11,600,776
		700,936,472	616,923,870

31 PROVISION FOR LOANS AND ADVANCES/ INVESTMENTS			
Specific Provisions-against classified loans & advances		760,195,709	417,511,000
General Provisions-against un-classified loans & advances		203,732,505	299,474,000
General Provisions-against special mentioned accounts		(7,296,295)	46,605,000
		956,631,919	763,590,000

31 (a) Consolidated Provision for Loans & Advances/ Investment			
Trust Bank Limited	Note : 31	956,631,919	763,590,000
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		122,230,476	183,665,958
		1,078,862,395	947,255,958

	31.12.2016 Taka	31.12.2015 Taka
32 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:		
Decline in value of investment should consist of the following divisions:		
(a) Dealing securities		
- Quoted	-	-
- Unquoted	-	-
(b) Investment securities		
- Quoted	(8,298,923)	(92,188,069)
- Unquoted	-	-
	(8,298,923)	(92,188,069)
Provision for decreased NAV of Trust Bank Securities Ltd	(2,403,718)	2,403,718
	(10,702,641)	(89,784,351)

Provision for Investment in Share has been made as per BRPD Circular No. 14 dated 25 June 2001 and DOS Circular Letter No. 03 dated 12 March 2015 issued by Bangladesh Bank.

32 (a) Consolidated Provision for Diminution in Value of Investments		
Trust Bank Limited	(10,702,641)	(89,784,351)
Trust Bank Securities Limited	(320,866)	155,130
Trust Bank Investment Limited	-	8,234,414
	(11,023,507)	(81,394,807)
33 OTHER PROVISION		
General Provision for Off Balance Sheet Exposures	36,368,500	101,910,000
Provision for Other Assets	1,540,870	2,064,940
	37,909,370	103,974,940

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

33.2 Provision for Other Assets has been made on the amount of Prepaid Legal Expenses that remained unadjusted as at 31 December 2016 as per rules and regulations enumerated in the BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.

33 (a) Consolidated other Provision		
Trust Bank Limited	37,909,370	103,974,940
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	605,300	-
	38,514,670	103,974,940

34 The Bank has no secured liabilities on the reporting date and therefore the Bank has no asset pledged as security against such liabilities.

35 EARNING PER SHARE (EPS)		
Profit attributable to outstanding ordinary shareholders	2,008,844,736	1,539,330,248
Nos of Ordinary Outstanding Share	506,332,924	506,332,924
Basic Earning per Share	3.97	3.04

	31.12.2016 Taka	31.12.2015 Taka
Earning per share has been calculated in accordance with BAS-33		
35 (a) Consolidated Earning Per Share (EPS)		
Profit attributable to outstanding ordinary shareholders	2,015,823,127	1,540,524,967
Consoloted Earning per share has been calculated in accordance with BAS-33		
Nos of Ordinary Outstanding Share	506,332,924	506,332,924
Earning per Share	3.98	3.04

36 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES

Locker Rent	1,871,295	1,684,050
Swift Charge (Net)	46,387,462	47,542,838
Postage Charge (Net)	6,269,212	4,091,980
Incidental Charges	13,120	-
Sale Proceeds of Forms	1,055,631	889,192
Service Charges	76,232,516	65,874,377
Service Compensation	415,321	767,592
Front End Fees	21,488,559	45,352,260
Notice Pay	1,143,572	1,734,918
Closing Charge	1,454,727	1,336,548
Sale Proceeds of Cheque books	91,500	139,000
Income form Mobile Banking	1,157,181	350,337
O/W Cheque Processing Fees	664,521	619,641
EFTN Org Processing Fees	23	23
Service Charge - Transaction Agent (TA)	-	648
Introductory Commission	-	471
Syndication Fees	46,265,523	9,059,526
Income through Credit & ATM Card	84,087,231	59,464,719
Income from Government Securities	1,921,152,227	1,981,313,001
Interest on Corporate Bonds	90,502,092	37,756,101
Income on Investment in Commercial Paper	33,054,915	37,499,306
Profit on Investment in Islamic Bank Bond	3,205,521	3,107,632
Income from sale proceed of shares	5,371,929	4,863
Insurance Premium Income	37,897	23,651
SMS Notification Fees	22,780,897	1,400,945
Service Charges on e-GP	1,774,545	2,071,467
Service Charge on Passport	1,275,125	4,900
Miscellaneous Foreign Exchange Income	94,518,792	117,720,629
Trustee Fees	3,900,000	2,200,000
Service Charge on BRTA Transaction	2,182,472	1,823,499
Income from Priority Pass	-	8,226
RTGS Settlement Charge	19,600	-
Charges for Footage	11,500	3,000
NID Verification Fees	8,909	-
Miscellaneous Earnings	67,274,756	94,612,254
	2,535,668,571	2,518,457,594

		31.12.2016 Taka	31.12.2015 Taka
36 (a)	Consolidated Income from other Operating Activities		
	Trust Bank Limited	2,535,668,571	2,518,457,594
	Trust Bank Securities Limited	172,575,045	218,218,461
	Trust Bank Investment Limited	17,251,690	16,692,442
		2,725,495,306	2,753,368,497
37	EXPENSES PAID FOR OTHER OPERATING ACTIVITIES		
	Business Development Expenses	(20,626,358)	(20,350,408)
	Clearing House Charge	(102,932)	(111,525)
	Conveyance	(11,693,289)	(11,685,197)
	Entertainment	(34,147,597)	(33,507,027)
	Car Expenses	(93,068,855)	(85,755,244)
	Cash Handling Charge	(3,362,450)	(3,100,340)
	Bank charges	(308,351)	(233,521)
	Meeting Expenses	(421,169)	(1,980,249)
	Donation, Subscription and Membership Fees	(10,565,383)	(14,914,555)
	News Paper and Periodicals	(1,010,736)	(840,285)
	Oil and Lubricant	(8,397,806)	(8,619,857)
	Remittance Charges	(1,585,356)	(2,409,204)
	Other Contractual Service	(263,356,545)	(207,022,897)
	Internship Allowances	(1,321,921)	(1,964,370)
	Honorarium for Banking Diploma	(1,132,000)	(917,000)
	Training Expenses	(6,489,337)	(9,616,673)
	Traveling Expenses	(17,593,324)	(19,143,386)
	Up Keep of Office Premises	(8,333,529)	(8,582,009)
	Washing Charges	(2,168,853)	(2,151,370)
	Car Leasing Expenses	(5,387,844)	(5,513,655)
	Penalty**	-	1,869,000
	Outsource Agency Fees	-	(131,500)
	Foreign Correspondence Expenses	(5,194,145)	(12,822,388)
	Special Reserve Fund	(120,000,000)	(120,000,000)
	CDBL Charges	(325,341)	(80,080)
	Security Expenses	(4,115)	(44,520)
	Broker's Expenses	-	(3,003)
	Share/Bond Issue Expense	(39,185,680)	-
	Sales Commission	(13,346,692)	(4,958,375)
	Cash Carrying Charges	(8,008,288)	(6,421,006)
	Wages paid to daily Labor	(493,684)	(386,567)
	Purchase of Utensils	(837,084)	(913,073)
	Medical Expenses	-	(890)
	Contact Point Verification Fees (RB)	(100,650)	(56,500)
	Miscellaneous Expenses	19,980,309	(11,140,781)
	Publicity and Advertisement	(6,366,730)	(10,136,653)
	Rent, Taxes, Insurance, Lighting etc.	(556,760,630)	(673,975,669)
	Legal Expenses	(4,795,613)	(6,162,358)
	Postage, Telegram, Telephone	(136,321,643)	(122,989,059)
	Audit Fee	(402,500)	(287,500)
	Directors Fee	(2,306,000)	(1,809,400)
	Repairs and maintenance of Fixed Assets	(46,860,979)	(65,141,905)
		(1,412,403,100)	(1,474,010,999)

		31.12.2016 Taka	31.12.2015 Taka
37 (a)	Consolidated Expenses Paid for other Operating Activities		
	Trust Bank Limited Note : 37	(1,412,403,100)	(1,474,010,999)
	Trust Bank Securities Limited	(23,787,605)	(25,015,482)
	Trust Bank Investment Limited	(11,712,474)	(11,597,099)
		(1,447,903,179)	(1,510,623,580)
38	CHANGES IN OTHER OPERATING ASSETS		
	Security Deposits	(1,348,594)	(2,014,885)
	Intl. Credit Report Agency Charge	50,797	1,317,062
	Encashment of Sanchaya patra awaiting reimbursement-Principal	(93,017,007)	(215,745,068)
	Encashment of Sanchaya patra awaiting reimbursement-Interest	160,820,750	(343,280,920)
	Encashment of WEDB awaiting reimbursement-Principal	2,257,356	17,896,638
	Encashment of WEDB awaiting reimbursement-Interest	(11,908,916)	72,561,956
	US\$ Premium Bond - Principal	(7,970,000)	-
	US\$ Premium Bond - Interest	1,343,805	(158,858)
	US\$ Investment Bond - Principal	2,752,750	(2,293,550)
	US\$ Investment Bond - Interest	5,623,793	(5,211,754)
	Receivable from Exchange House	(27,078,969)	12,033,033
	Advance against Capital Expenditure	97,030,690	48,422,225
	Clearing Adjustment	(5,802,773)	14,851,333
	Suspense Account	(4,197,854)	524,375,971
		118,555,828	122,753,183
38 (a)	Consolidated Changes in other Operating Assets		
	Trust Bank Limited Note : 38	118,555,828	122,753,183
	Trust Bank Securities Limited	(30,384,238)	1,893,727
	Trust Bank Investment Limited	(14,902,668)	(1,322,557)
		73,268,922	123,324,353
	Less : Inter Company Transaction	-	-
		73,268,922	123,324,353
39	CHANGES IN OTHER LIABILITIES		
	Sundry Creditors	(1,138,123)	170,369,757
	Others	5,031,498	(1,569,729)
		3,893,375	168,800,028
39 (a)	Consolidated Changes in other Operating Liabilities		
	Trust Bank Limited Note : 39	3,893,375	168,800,028
	Trust Bank Securities Limited	104,991,418	4,286,328
	Trust Bank Investment Limited	(243,918,453)	(1,004,379,042)
		(135,033,660)	(831,292,686)
40	CLOSING CASH AND CASH EQUIVALENT		
	Cash in hand (including foreign currencies)	3,354,653,593	2,714,773,207
	Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	12,290,974,572	11,287,838,567
	Balance with Other Bank and Financial Institutions	14,664,509,575	5,026,402,674
	Call Loan to other Banks	1,040,000,000	-
	Prize Bond	3,905,100	4,313,600
		31,354,042,840	19,033,328,048

	31.12.2016 Taka	31.12.2015 Taka
40.a CONSOLIDATED CLOSING CASH AND CASH EQUIVALENT		
Trust Bank Limited	31,354,042,840	19,033,328,048
Trust Bank Securities Limited	70,337,357	36,693,768
Trust Bank Investment Limited	-	-
	31,424,380,197	19,070,021,816

41 EXPENDITURE INCURRED FOR EMPLOYEES

Salaries, allowances and benefits

Number of employees at 31 December 2016 was 1877; (31 December 2015 was 1854) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than TK. 3,000 per month.

42 AUDIT COMMITTEE

42.a Particulars of Audit Committee

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

As on 31 December 2016 the Honorable Members of the committee were as follows:

Name	Status with Bank	Status with Committee	Educational Qualification
Mr. Shahedul Islam	Independent Director	Chairman	B.A., CS
Brig Gen Mohammad Omar Zahid, psc	Nominated Director	Member	MDS
Mr. Mohamed Naser Alam	Independent Director	Member	LLM, Bar-at-law

42.b During the period end as on 31 December 2016, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

Number of Meeting	Date of Meeting
1 st	27-Jan-16
2 nd	15-Mar-16
3 rd	20-Apr-16
4 th	6-Jun-16
5 th	19-Jul-16
6 th	23-Oct-16

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

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

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

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

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

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

Formulation of HRM policy and other operating procedures.

43 Related Party Disclosures

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

i) Directors' interest in different entities:

Name of Director's and their interest in different entities as at 31 December 2016:

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
1	Gen Abu Belal Muhammad Shafiu Huq , SBP, ndc, psc,	Chairman (Representing Army Welfare Trust)	Sena Kalyan Sangstha - Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. - Chairman, Board of Directors	Nominated
			Bangladesh Machine Tools Factory Ltd. - Chairman, Board of Directors	Nominated
			Army Welfare Trust - Chairman, Board of Trustees	Nominated
			Trust Bank Investment Limited (TBIL) - Chairman, Board of Directors	Nominated
			Military Institute of Science & Technology - Vice Chairman	Nominated
			Council of the College, Armed Forces Medical College - Chairman	Nominated
			Sena Paribar Kalyan Samiti - Chief Patron	Nominated
			Advisory Committee of Proyash - President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body - Vice Chairman	Nominated
			Bangladesh Golf Federation - President	Nominated
			Kurmitola Golf Club - President	Nominated
			Defence Officers Housing Scheme Committee - Chairman	Nominated
			BAIJET Comilla/BAUET Quadirabad/BAUST Saidpur - Chairman	Nominated
			Bangladesh Olympic Association - President	Nominated
Bangladesh Diesel Plant Ltd. - Chairman	Nominated			

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
2	Maj Gen S M Matiur Rahman, afwc, psc	Vice Chairman (Nominated Director)	Sena Kalyan Sangstha - Vice Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd.- Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust - Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services - Chairman, Board of Directors	Nominated
			Army Housing Scheme - Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges - Chairman	Nominated
			Trust Technical Training Institute - Chairman, Board of Directors	Nominated
			Trust Bank Investment Limited (TBIL) - Vice Chairman, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL) - Chairman, Board of Directors	Nominated
			BAIUET Comilla/BAUET Quadirabad/BAUST Saidpur - Member	Nominated
3	Mr. Ashrafuzzaman Khan	Independent Director	Executive Attire Limited - Managing Director	-
			Trust Bank Investment Limited - Independent Director, Board of Directors	Nominated
			Trust Bank Securities Limited - Independent Director, Board of Directors	Nominated
4	Mr. Shahedul Islam	Independent Director	Bengal Pacific (Pvt.) Ltd. - Managing Director	-
			Bengal Braided Rugs Limited - Managing Director	-
			Promises Medical Ltd. - Chairman	-
			Bengal Poly & Paper Sack Ltd. - Independent Director	-
			Trust Bank Investment Limited - Independent Director, Board of Directors	Nominated
5	Brig Gen Md Jalal Ghani Khan, ndc, psc	Director (Nominated)	Army Welfare Trust (AWT) - Managing Director	Ex-Officio
			Sena Hotel Development Limited - Director, Board of Directors	Nominated
			Trust Technical Training Institute (TTTI) - Director, Board of Directors	Nominated
			Trust Bank Investment Limited (TBIL) - Director, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL) - Vice Chairman, Board of Directors	Nominated
			Army Housing Scheme (AHS) - Managing Director	Nominated
			Trust Transport Services (TTS) - Member	Nominated
6	Brig Gen Mohammad Omar Zahid, psc	Director (Nominated)	Service	-
7	Brig Gen Md Mohsin, SGP, ndc, psc	Director (Nominated)	Service	-
8	Brig Gen Md Main Ullah Chowdhury, awc, psc		Trust Bank Investment Limited (TBIL) - Director, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL) - Director, Board of Directors	Nominated
			Army Sports Control Board - Chairman	Nominated
			BUP, DSCSC, NDC, MIST - Member	Nominated
			BKSP - Board of Member	Nominated
9	Mr. Mohamed Naser Alam	Independent Director	Matin Spining Mills Ltd. - Independent Director, Board of Directors	-
10	Brig Gen Mohammad Sumon Reza, psc	Director (Nominated)	Service	-

ii) Significant contracts where Bank is a party and wherein Directors have interest:

Nature of Contract	Branch Name	Name of Directors and related by
Lease Agreement with Army Welfare Trust	Principal Branch	Gen Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen S M Matiur Rahman, afwc, psc, Vice Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen Md Jalal Ghani Khan, ndc, psc Managing Director, Army Welfare Trust
Lease Agreement with Sena Kalyan Sangstha	Sena Kalyan Bhaban Branch	Gen Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc Chairman, Board of Trustees, Sena Kalyan Sangstha
	Khulna Branch	Maj Gen S M Matiur Rahman, afwc, psc, Vice Chairman, Board of Trustees, Sena Kalyan Sangstha.
	Tongi Branch	
Lease Agreement with Sena Paribar Kalyan Samiti	Head Office Millennium Corporate Branch	Gen Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc Chief Patron, Sena Paribar Kalyan Samiti
Advertisement Agreement with Army Welfare Trust	Head Office	Gen Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen S M Matiur Rahman, afwc, psc Vice Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen Md Jalal Ghani Khan, ndc, psc Managing Director, Army Welfare Trust

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

iv) Related party Transactions:

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

a) Transactions relating to rent

Name of the Company/Person	Nature of Relationship	Nature of Transactions	Amount of transaction made during the Period
Army Welfare Trust	Common Director	Office Rent	26,520,000
Sena Kalyan Sangstha	Common Director	Office Rent	14,591,554
Sena Paribar Kalyan Samiti	Common Director	Office Rent	47,969,400

b) Transactions with Subsidiaries:

Bank balance of subsidiaries with Trust Bank Limited

Name of the Subsidiaries	Nature of Account	Balance as on 31 December 2016
Trust Bank Investment Ltd.	Special Notice Deposit (SND) and Current Account	363,170,224
Trust Bank Securities Ltd.	Special Notice Deposit (SND) and Current Account	71,941,152

v) Lending Policies to related Parties:

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

vi) Loan and Advances to Directors and their related concern: 357,606,100

vii) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act – 1991:

Name of Party	Relationship	Name of Transaction	Amount
Trust Securities & Logistic Services Ltd.	Common Director	Securities Services to the Bank	263,188,809

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

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

44 EVEN AFTER THE REPORTING DATE

The Board of Directors in its 262 (03/2017) Meeting held on 14 March 2017 recommended 10% Stock Dividend i.e. 10 (Ten) Bonus shares for every 100 (One Hundred) Shares held and 15% Cash Dividend subject to the approval of the shareholders at the next Annual General Meeting (AGM).

45 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the year ended on 31 December 2016 has been shown in Annexure - C.

Annexure - A

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

Name of the Bank	Name of the foreign currency	31.12.2016			31.12.2015		
		Amount in foreign currency	Exchange rate	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate	Total amount equivalent to Taka
Mashreq Bank psc, USA	USD	5,131,661.38	79.70	408,993,413	2,125,214.23	78.95	167,785,663
Standard Chartered Bank, USA	USD	11,662,237.94	79.70	929,480,364	5,905,889.20	78.95	466,269,952
HSBC Bank, USA	USD	-	-	-	9,964,961.32	78.95	786,733,696
ICICI Bank Ltd., Hongkong	USD	3,235,337.53	79.70	257,856,401	746,450.54	78.95	58,932,269
Commerzbank, AG Germany	USD	4,607,652.95	79.70	367,229,940	5,394,807.35	78.95	425,920,040
Habib Bank Limited	USD	75,925.06	79.70	6,051,227	80,173.04	78.95	6,329,662
Sonali Bank Ltd. UK	USD	7,920.97	79.70	631,301	336,742.70	78.95	26,585,836
United Bank of India	USD	471,331.85	79.70	37,565,148	407,754.85	78.95	32,192,245
Commerzbank AG, Frankfurt, Germany	AUD	42,106.67	59.25	2,494,715	6,809.61	59.49	405,095
Standard Chartered Bank, UK	GBP	84,703.94	99.06	8,390,696	84,680.52	118.47	10,032,081
Sonali Bank Ltd. UK, GBP	GBP	6,625.43	99.06	656,309	12,118.51	118.47	1,435,679
HSBC, PLC, UK	GBP	-	-	-	118,941.12	118.47	14,090,943
Standard Chartered Bank, Japan	YEN	85,323.00	0.71	60,852	1,599,418.00	0.69	1,096,721
Commerzbank AG, Frankfurt, Germany	YEN	1,157,669.00	0.71	825,650	3,955,659.00	0.69	2,712,395
HSBC, PLC, UK	EURO	-	-	-	52,698.57	87.85	4,629,659
Standard Chartered Bank, UK	EURO	261,676.02	84.81	22,191,775	265,023.73	87.85	23,282,785
ICICI Bank Ltd., Mumbai, India	EURO	17,456.19	84.81	1,480,395	20,772.79	87.85	1,824,925
Sonali Bank Ltd. UK	EURO	9,243.88	84.81	783,939	10,492.66	87.85	921,798
Commerzbank, AG Germany	EURO	72,305.41	84.81	6,131,954	38,547.90	87.85	3,386,499
ICICI Bank Ltd., Mumbai, India	ACU	667,144.42	79.70	53,171,410	520,326.05	78.95	41,079,742
AB Bank, Mumbai, India	ACU	1,031,632.51	79.70	82,221,111	833,964.87	78.95	65,841,527
Mashreq Bank, Mumbai, India	ACU	537,368.76	79.70	42,828,290	212,746.66	78.95	16,796,349
Standard Chartered Bank, Mumbai, India	ACU	545,165.26	79.70	43,449,671	351,685.60	78.95	27,765,539
Bank Aljazira	SAR	99,985.00	21.50	2,149,498	100,000.00	21.28	2,128,370
Habib Bank, Zurich	CHF	41,455.13	78.46	3,252,582	41,061.02	80.66	3,311,842
Total				2,277,896,641			2,191,491,312

Annexure - B

Schedule of Fixed Assets

As at 31 December 2016

PARTICULARS	COST				DEPRECIATION				WRITTEN DOWN VALUE at 31 December 2016 Taka
	Balance on 1 January 2016 Taka	Additions during the year Taka	Disposal/ adjustment during the year Taka	Balance at 31 December 2016 Taka	Balance on 1 January 2016 Taka	Charge for the year Taka	Disposal/ adjustment during the year Taka	Balance at 31 December 2016 Taka	
Leasehold Land	160,469	-	-	160,469	-	-	-	-	160,469
Office Building	12,680,000	-	-	12,680,000	2,258,472	260,544	-	2,519,016	10,160,984
Furniture and Fixtures	195,967,955	19,536,409	2,175,013	213,329,351	68,243,381	16,420,964	1,427,791	83,236,554	130,092,797
Office Equipment	832,519,531	60,605,758	1,560,114	891,565,175	494,117,922	120,285,975	1,560,110	612,843,787	278,721,388
Motor Vehicles	79,837,795	-	-	79,837,795	58,241,059	8,591,110	-	66,832,169	13,005,626
Office Renovation	491,623,670	87,685,533	8,978,317	570,330,886	162,377,172	41,997,872	3,976,707	200,398,337	369,932,549
31 December 2016	1,612,789,420	167,827,700	12,713,444	1,767,903,676	785,238,006	187,556,465	6,964,608	965,829,863	802,073,813
31 December 2015	1,273,256,447	426,435,739	86,902,766	1,612,789,420	669,616,372	183,496,004	67,874,370	785,238,006	827,551,414

Financial Highlights

Sl.	Particulars	Base	31.12.2016	31.12.2015
1	Paid up Capital	Taka	5,063,329,240	4,688,267,820
2	Total Capital	Taka	19,797,750,454	13,922,314,764
3	Capital Surplus/(deficit)	Taka	6,858,196,846	5,157,800,000
4	Total Assets	Taka	210,241,516,718	180,229,572,689
5	Total Deposits	Taka	173,059,881,651	150,854,195,426
6	Total Loans and Advances	Taka	141,987,433,313	130,614,645,769
7	Total Contingent Liabilities and Commitments	Taka	61,427,606,181	57,787,045,772
8	Credit Deposit Ratio	%	82.05	86.58
9	Percentage of Classified Loans against Total Loans and Advances	%	3.21	2.74
10	Profit after Tax and Provision	Taka	2,008,844,736	1,539,330,248
11	Amount of Classified Loans During Current Year	Taka	967,619,180	973,714,085
12	Provisions Kept against Classified Loan	Taka	1,694,673,290	1,455,151,000
13	Provision Surplus/(Deficit)	Taka	22,955,379	68,759,931
14	Cost of Fund	%	5.02	6.79
15	Interest Earning Assets	Taka	168,285,817,880	154,765,832,780
16	Non-interest Earning Assets	Taka	41,955,698,838	25,463,739,909
17	Return on Investment (ROI)	%	10.15	11.06
18	Return on Asset (ROA)	%	0.96	0.85
19	Income from Investment	Taka	2,165,563,008	2,010,603,555
20	Earning Per Share (EPS)	Taka	3.97	3.04
21	Net Income Per Share	Taka	3.97	3.04
22	Price Earning Ratio	Times	6.00	7.93
23	Net Asset Value (NAV)	Taka	11,175,164,632	9,512,048,529
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	28.70	9.62

Balance Sheet of Islami Banking Division

As at 31 December 2016

	31.12.2016 Taka	31.12.2015 Taka
PROPERTY AND ASSETS		
Cash		
Cash in Hand (including foreign currencies)	7,670,018	11,563,961
Balance with Bangladesh Bank and Its Agent Bank(s) (including foreign currencies)	890,819,111	840,303,471
	898,489,129	851,867,432
Balance with other Banks and Financial Institutions		
In Bangladesh	2,095,966,428	2,028,781,869
Outside Bangladesh	-	-
	2,095,966,428	2,028,781,869
Placement with Banks and other Financial Institution	-	-
Investments in Shares and Securities		
Government	750,000,000	750,000,000
Others	264,651,921	267,790,742
	1,014,651,921	1,017,790,742
Investments		
General Investments etc.	11,412,941,714	8,869,930,081
Bills Purchased and Discounted	418,807,719	311,187,682
	11,831,749,433	9,181,117,763
Fixed Assets Including Premises	-	-
Other Assets	46,193,616	525,876,907
Non-banking Assets	-	-
Total Assets:	15,887,050,527	13,605,434,713
LIABILITIES AND CAPITAL		
Liabilities:		
Placement from Banks and other Financial Institutions	1,168,771,633	427,402,257
Deposits and other Accounts:		
Al-wadeeah Current Accounts and other Deposit Accounts	1,200,365,315	817,378,405
Mudaraba Savings Deposits	1,360,653,375	983,057,953
Mudaraba Term Deposits	11,236,301,432	10,580,206,141
Other Mudaraba Deposits	-	-
Bills Payable	883,543	4,455,355
	13,798,203,665	12,385,097,854
Other Liabilities	625,158,483	433,244,540
Total Liabilities:	15,592,133,781	13,245,744,651
Capital/Shareholders' Equity		
Paid up Capital	-	-
Foreign Currency Transaction Difference	-	-
Statutory Reserve	-	-
Other Reserve	-	-
Retained Earnings	294,916,746	359,690,062
Total Shareholders' Equity	294,916,746	359,690,062
Total Liabilities and Shareholders' Equity	15,887,050,527	13,605,434,713

Profit and Loss Account of Islami Banking Division

For the year ended 31 December 2016

	31.12.2016 Taka	31.12.2015 Taka
Investment Income	1,123,890,401	1,038,840,886
Profit Paid on Deposits	734,191,074	758,140,039
Net Investment Income	389,699,327	280,700,847
Income from Investments in Shares/Securities	30,872,833	16,003,940
Commission, Exchange and Brokerage	64,841,784	68,202,383
Other Operating Income	27,478,235	27,951,640
	123,192,852	112,157,963
Total Operating Income	512,892,179	392,858,810
Salaries and Allowances	37,657,338	30,785,616
Rent, Taxes, Insurance, Electricity, etc.	310,276	90,000
Legal Expenses	-	-
Postage, Stamps, Telecommunications, etc.	96,411	38,065
Stationery, Printing, Advertisement, etc.	75,953	-
Chief Executive's Salary & Fees	-	-
Directors' Fees and Expenses	-	-
Shariah Supervisory Committee's Fees and Expenses	90,000	88,400
Auditors' Fees	-	-
Changes in Investment Losses	-	-
Depreciation and Repair to Bank's Assets	-	-
Zakat Expenses	-	-
Other expenses	3,412,955	2,166,667
Total Operating Expenses	41,642,933	33,168,748
Profit before Provision	471,249,246	359,690,062
Provision for Loans & Advances / Investments	116,683,500	-
Other Provision	59,649,000	-
	176,332,500	-
Total Profit before Taxes	294,916,746	359,690,062

Statement of Cash Flows of Islami Banking Division

For the year ended 31 December 2016

	31.12.2016 Taka	31.12.2015 Taka
A. Cash Flow from Operating Activities		
Interest/Investment Income Received in Cash	1,127,731,168	1,045,702,297
Interest/Profit Paid on Deposits	(734,191,074)	(758,140,039)
Dividend Receipts	6,545,985	7,027,815
Fees and Commission Receipts in Cash	-	-
Recoveries of Written off Loans/Investments	-	-
Cash Paid to Employees	(37,657,338)	(30,785,616)
Cash Paid to Suppliers	-	-
Income Taxes Paid	-	-
Received from other Operating Activities (item-wise)	116,646,867	105,130,148
Payments for Other Operating Activities (item-wise)	(3,985,595)	(2,383,132)
Operating Profit before Changes in Operating Assets and Liabilities	475,090,013	366,551,473
Increase/(Decrease) in Operating Assets & Liabilities		
Statutory Deposits	-	-
Net Investment in Trading Securities	3,138,821	(200,000,000)
Loan & Advance/Investments to other Banks	-	-
Loan & Advance/Investments to Customers	(2,650,631,670)	(2,762,598,805)
Other Assets (item-wise)	475,842,524	(254,095,458)
Deposits from other Banks	-	-
Deposits from Customers	1,413,105,811	4,783,104,640
Other Liabilities Account of Customers	-	-
Trading Liabilities	-	-
Other Liabilities (item-wise)	(344,108,619)	(118,306,363)
Net Cash from Operating Activities (A)	(627,563,120)	1,814,655,487
B. Cash Flow from Investing Activities		
Proceeds from Sale of Securities	-	-
Payments for Purchase of Government Securities	-	(340,000,000)
Purchase of Property, Plant & Equipment	-	-
Purchase of Intangible Assets	-	-
Sale of Property, Plant & Equipment	-	-
Net Cash from Investing Activities (B)	-	(340,000,000)
C. Cash Flow from Financing Activities		
Increase/(Decrease) in Borrowing:		
Call Loan	-	-
Other Borrowings	741,369,376	79,449,149
Share Capital A/c	-	-
Share Premium A/c	-	-
Net Cash from Financing Activities (C)	741,369,376	79,449,149
D. Net Increase in Cash and Cash Equivalent (A+B+C)	113,806,256	1,554,104,636
E. Effects of Exchange Rate Changes on Cash and Cash Equivalents	-	-
F. Opening Cash and Cash Equivalent	2,880,649,301	1,326,544,665
Cash and Cash Equivalents at End of Period (D+E+F)	2,994,455,557	2,880,649,301

TRUST BANK LIMITED

Offshore Banking Unit

Balance Sheet

as of 31 December 2016

	31.12.2016		31.12.2015
	USD	Taka	Taka
PROPERTY AND ASSETS			
Cash			
Cash in Hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)	-	-	-
	-	-	-
Balance with other Banks and Financial Institutions			
In Bangladesh	-	-	-
Outside Bangladesh	116,017.00	9,246,541	18,499,248
	116,017.00	9,246,541	18,499,248
Money at Call and Short Notice	-	-	-
Investments			
Government	-	-	-
Others	-	-	-
	-	-	-
Loans and Advances/Islami Banking Investments			
Loans, Cash Credit, Overdrafts etc./ Investment	9,576,069.00	763,212,701	724,759,105
Bills Purchased and Discounted	26,818,187.00	2,137,409,487	1,686,038,278
	36,394,256.00	2,900,622,188	2,410,797,383
Fixed Assets Including Premises, Furniture and Fixtures	-	-	-
Other Assets	87,274.00	6,955,750	-
Non-banking Assets	-	-	-
Total Assets	36,597,547.00	2,916,824,479	2,429,296,631
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	16,993,206.00	1,354,358,493	2,353,095,671
Deposits and other Accounts			
Current/Al-wadeeah Current Accounts and other Accounts	19,046,958.00	1,518,042,553	43,039,040
Bills Payable	-	-	-
Savings Bank / Mudaraba Savings Deposits	-	-	-
Fixed Deposits / Mudaraba Term Deposits	-	-	-
Bearer Certificates of Deposit	-	-	-
Other Deposits	-	-	-
	19,046,958.00	1,518,042,553	43,039,040
Other Liabilities	-	-	-
Total Liabilities	36,040,164.00	2,872,401,046	2,396,134,711
Capital/Shareholders' Equity			
Paid up Capital	-	-	-
Foreign Currency Transaction Difference	-	222,950	42,002
Statutory Reserve	-	-	-
Other Reserve	-	-	-
Retained Earnings	557,383.00	44,200,483	33,119,918
Total Shareholders' Equity	557,383.00	44,423,433	33,161,920
Total Liabilities and Shareholders' Equity	36,597,547.00	2,916,824,479	2,429,296,631

TRUST BANK LIMITED

Offshore Banking Unit

Profit and Loss Account

For the year ended as of 31 December 2016

	31.12.2016		31.12.2015
	USD	Taka	Taka
Interest Income / Profit on Investment	1,928,142.00	152,901,658	139,515,298
Interest / Profit Paid on Deposits and Borrowings etc.	1,367,699.00	108,458,517	98,159,182
Net Interest Income	560,443.00	44,443,141	41,356,116
Income from Investments	-	-	-
Commission, Exchange and Brokerage	-	-	-
Other Operating Income	-	-	-
Total Operating Income	560,443.00	44,443,141	41,356,116
Salaries and Allowances	-	-	-
Rent, Taxes, Insurance, Electricity, etc.	-	-	-
Legal Expenses	-	-	-
Postage, Stamps, Telecommunications, etc.	-	-	-
Stationery, Printing, Advertisement, etc.	-	-	-
Managing Director's Salary and Benefits	-	-	-
Directors' Fees	-	-	-
Auditors' Fee	-	-	-
Charges on Loan Losses	-	-	-
Depreciation and Repair of Bank's Assets	-	-	-
Other Expenses	3,060.00	242,658	8,236,198
Total Operating Expenses	3,060.00	242,658	8,236,198
Profit before Provision	557,383.00	44,200,483	33,119,918
Provision for Loans & Advances / Investments	-	-	-
Provision for Diminution in Value of Investment	-	-	-
Other Provision	-	-	-
Total Profit before Taxes	557,383.00	44,200,483	33,119,918
Provision for Taxation			
Current Tax	-	-	-
Deferred Tax	-	-	-
Net Profit after Taxation	557,383.00	44,200,483	33,119,918
Appropriations			
Statutory Reserve	-	-	-
General Reserve	-	-	-
Retained Surplus	557,383.00	44,200,483	33,119,918

TRUST BANK LIMITED

Offshore Banking Unit

Statement of Cash Flows

For the year ended as of 31 December 2016

	31.12.2016		31.12.2015
	USD	Taka	Taka
A. Cash Flow from Operating Activities			
Interest Received in Cash	1,928,142.00	152,901,658	139,515,298
Interest Payments	(1,367,699.00)	(108,458,517)	(98,159,182)
Dividend Receipts	-	-	-
Fees and Commission Receipts in Cash	-	-	-
Recoveries of Loans Previously Written off	-	-	-
Cash Paid to Employees	-	-	-
Cash Paid to Suppliers	-	-	-
Income Taxes Paid	-	-	-
Received from other Operating Activities (item-wise)	-	-	-
Payments for other Operating Activities (item-wise)	(3,060.00)	(242,658)	(8,236,198)
Operating Profit before Changes in Operating Assets and Liabilities	557,383.00	44,200,483	33,119,918
Increase/(Decrease) in Operating Assets & Liabilities			
Statutory Deposits	-	-	-
Net Investment in Trading Securities	-	-	-
Loan & Advance to other Banks	-	-	-
Loan & Advance to Customers	(5,858,507.00)	(489,824,805)	715,971,053
Other Assets (item-wise)	(87,274.00)	(6,955,750)	-
Deposits from other Banks	18,501,815.00	1,475,003,513	43,039,040
Deposits from Customers	-	-	-
Other Liabilities Account of Customers	-	-	-
Trading Liabilities	-	-	-
Other Liabilities (item-wise)	-	-	-
Net Cash from Operating Activities (A)	13,113,417.00	1,022,423,441	792,130,011
B. Cash Flow from Investing Activities			
Proceeds from Sale of Securities	-	-	-
Payments for Purchase of Government Securities	-	-	-
Purchase of Property, Plant & Equipment	-	-	-
Purchase of Intangible Assets	-	-	-
Sale of Property, Plant & Equipment	-	-	-
Net Cash from Investing Activities (B)	-	-	-
C. Cash Flow from Financing Activities			
Increase/(Decrease) in Borrowing:			
Call Loan	(12,811,679.00)	(998,737,178)	(749,749,854)
Re-purchase Agreement (REPO)	-	-	-
Other Borrowings	-	-	-
Share Capital A/c	-	-	-
Share Premium A/c	-	-	-
Profit Transfer to Head Office	(420,037.00)	(33,119,918)	(29,369,259)
Net Cash from Financing Activities (C)	(13,231,716.00)	(1,031,857,096)	(779,119,113)
D. Net Increase in Cash and Cash Equivalent (A+B+C)	(118,299.00)	(9,433,655)	13,010,898
E. Effects of Exchange Rate Changes on Cash and Cash Equivalents	-	180,948	(145,661)
F. Opening Cash and Cash Equivalent	234,316.00	18,499,248	5,634,011
G. Cash and Cash Equivalents at End of Year (D+E+F)	116,017.00	9,246,541	18,499,248

Independent Auditors' Report & Financial Statements of **TRUST BANK INVESTMENT LIMITED**



Auditors' Report to the Shareholders of Trust Bank Investment Limited

We have audited the accompanying financial statements of Trust Bank Investment Limited, which comprise the Balance Sheet as at 31 December 2016 and the Profit and Loss Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of the results of its operations and of its cash flows for the year then ended, and comply with the applicable sections of the Financial Institutions Act 1993, the Companies Act 1994, the Securities and Exchange Commission (Merchant Bankers and Portfolio Manager) Rules 1996, the rules and regulations issued by Bangladesh Bank, and other applicable laws and regulations.

We also report that:

- a. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c. the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of accounts;

- d. the financial statements conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- e. the expenditure incurred and payments made were for the purposes of the Company's business;
- f. the information and explanations required by us have been received and found satisfactory;
- g. the financial statements have been drawn up in conformity with the Bank Companies Act 1991 and in accordance with the rules and regulations issued by Bangladesh Bank;

Dated: Dhaka
March 14 2017



A. Qasem & Co.
Chartered Accountants

TRUST BANK INVESTMENT LIMITED

Balance Sheet

As at 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in Hand (including foreign currencies)		-	-
Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies)		-	-
Balance with other Banks and Financial Institutions	4		
In Bangladesh		362,747,462	5,184,381
Outside Bangladesh		-	-
		362,747,462	5,184,381
Money at Call and Short Notice	5	-	-
Investments	6		
Government		-	-
Others		1,725,123,621	1,585,479,128
		1,725,123,621	1,585,479,128
Loans and Advances	7		
Loan to Investors		2,466,163,409	3,163,752,069
Other Loan		-	-
		2,466,163,409	3,163,752,069
Fixed Assets Including Premises, Furniture and Fixtures	8	9,214,067	8,825,161
Other Assets	9	39,308,505	24,491,791
Non-banking Assets	10	-	-
Total Assets:		4,602,557,064	4,787,732,530
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings	11	26,459,602	129,823,381
Deposits and other Accounts	12		
Deposit from Investors		114,154,207	53,211,145
Other Deposits		-	-
		114,154,207	53,211,145
Other Liabilities	13	1,125,052,958	1,267,807,707
Total Liabilities		1,265,666,767	1,450,842,233
Capital/Shareholders' Equity			
Paid up Capital	14.2	3,000,000,000	3,000,000,000
Share Premium Account		-	-
Statutory Reserve	15	-	-
Other Reserve	16	-	-
Retained Earnings	17	336,890,297	336,890,297
Total Shareholders' Equity		3,336,890,297	3,336,890,297
Total Liabilities and Shareholders' Equity		4,602,557,064	4,787,732,530

	Notes	31.12.2016 Taka	31.12.2015 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities:			
	18		
Acceptances and Endorsements		-	-
Letter of Guarantees		60,530,000	143,830,000
Irrevocable Letter of Credits		-	-
Bills for Collection		-	-
		60,530,000	143,830,000
Other Contingent Liabilities			
Value of Travelers' Cheques in Hand		-	-
Total:		60,530,000	143,830,000
Other Commitments:			
Documentary Credit and Short Term Trade-related Transactions		-	-
Forward Assets Purchased and Forward Deposits Placed		-	-
Undrawn Note Issuance and Revolving Facilities		-	-
Undrawn Formal Standby Facilities, Credit Lines and other Commitments		-	-
		-	-
Total Off-balance Sheet Items Including Contingent Liabilities:		60,530,000	143,830,000

The annexed notes form an integral part of the Balance Sheet.



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report on even date

Dated: Dhaka
14 March 2017



A. Qasem & Co.
Chartered Accountants

TRUST BANK INVESTMENT LIMITED

Profit and Loss Account

For the year ended as on 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
Interest Income	20	57,294,088	104,150,509
Interest Paid on Deposits and Borrowings etc.	21	15,994,278	3,726,769
Net Interest Income		41,299,810	100,423,740
Income from Investments	22	115,059,729	147,022,895
Commission, Exchange and Brokerage	23	220,304	387,382
Other Operating Income	24	57,515,316	71,195,566
		172,795,349	218,605,843
Total Operating Income		214,095,159	319,029,583
Salaries and Allowances	25	32,084,054	40,865,485
Rent, Taxes, Insurance, Electricity, etc.	26	12,544,243	12,702,861
Legal Expense		262,310	-
Postage, Stamps, Telecommunications, etc.	27	1,413,321	1,475,681
Stationery, Printing, Advertisement, etc.	28	416,238	479,437
Managing Director's Salary and Benefits		1,879,200	624,730
Directors' Fees	29	102,000	165,000
Auditors' Fee		172,500	172,500
Depreciation and Repair of Bank's Assets	30	1,946,132	2,964,342
Other Expenses	31	8,423,383	11,600,776
Total Operating Expenses		59,243,381	71,050,812
Profit before Provision		154,851,778	247,978,771
Provision for Loans & Advances	32	122,230,476	183,665,958
Provision for Diminution in Value of Investment	33	-	8,234,414
Other Provision	34	605,300	-
		122,835,776	191,900,372
Total Profit before Taxes		32,016,002	56,078,399
Provision for Taxation			
Current Tax	13.2.1	32,000,000	56,500,000
Deferred Tax		16,002	(421,601)
		32,016,002	56,078,399
Net Profit after Taxation		-	-
Appropriations:			
Statutory Reserve		-	-
General Reserve		-	-
		-	-
Retained Surplus		-	-
Earning Per Share (EPS)	35	-	-

The annexed notes form an integral part of the Profit & Loss Account.



Vice Chairman



Director




Director



Managing Director

Signed as per annexed report on even date

Dated: Dhaka
14 March 2017



A. Qasem & Co.
Chartered Accountants

TRUST BANK INVESTMENT LIMITED

Statement of Cash Flows

For the year ended as on 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
A. Cash Flow from Operating Activities			
Interest Received in Cash		57,294,088	104,150,509
Interest Payments		(15,994,278)	(3,726,769)
Fees and Commission Receipts in Cash		220,304	387,382
Cash Paid to Employees		(33,963,254)	(41,490,215)
Cash Paid to Suppliers		(407,468)	(363,313)
Income Taxes Paid		(53,178,580)	(65,836,081)
Received from other Operating Activities (item-wise)	36	172,575,045	218,218,461
Payments for other Operating Activities (item-wise)	37	(23,787,605)	(25,015,482)
Operating Profit before Changes in Operating Assets and Liabilities		102,758,252	186,324,492
Increase/(Decrease) in Operating Assets & Liabilities			
Net Investment in Trading Securities		(139,644,493)	(610,969,298)
Loan & Advance to Customers		697,588,660	1,415,148,588
Other Assets (item-wise)	38	(14,902,668)	1,893,727
Deposits from Customers		60,943,062	(55,007,378)
Other Liabilities (item-wise)	39	(243,918,453)	(1,006,088,209)
Net Cash from Operating Activities (A)		462,824,360	(68,698,078)
B. Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment		(1,922,485)	(1,069,240)
Purchase of Intangible Asset		-	-
Sale of Property, Plant & Equipment		24,985	98,333
Net Cash from Investing Activities (B)		(1,897,500)	(970,907)
C. Cash Flow from Financing Activities			
Increase/(Decrease) in Borrowing:		-	-
Other Borrowings		(103,363,779)	71,331,251
Net Cash from Financing Activities (C)		(103,363,779)	71,331,251
D. Net Increase in Cash and Cash Equivalent (A+B+C)		357,563,081	1,662,266
E. Effects of Exchange Rate Changes on Cash and Cash Equivalents		-	-
F. Opening Cash and Cash Equivalent		5,184,381	3,522,115
G. Cash and Cash Equivalents at End of Year (D+E+F)	40	362,747,462	5,184,381



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report on even date

Dated: Dhaka
14 March 2017



A. Qasem & Co.
Chartered Accountants

TRUST BANK INVESTMENT LIMITED

Statement of Changes in Equity

For the period as at 31 Decemebr 2016

Particulars	Paid up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2016	3,000,000,000	-	-	336,890,297	3,336,890,297
Changes in Accounting Policy	-	-	-	-	-
Restated Balance	-	-	-	-	-
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-
Surplus/Deficit on Revaluation of Investment	-	-	-	-	-
Currency Transaction Difference	-	-	-	-	-
Net Profit/(Loss) for the Year After Tax	-	-	-	-	-
Statutory Reserve	-	-	-	-	-
Balance as at 31 December 2016	3,000,000,000	-	-	336,890,297	3,336,890,297


Vice Chairman


Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
14 March 2017


A. Qasem & Co.
Chartered Accountants

TRUST BANK INVESTMENT LIMITED

Notes to the Financial Statements

As at 31 December 2016

1 LEGAL STATUS AND NATURE OF THE COMPANY

1.1 Legal Status of the Company

Trust Bank Investment Limited was incorporated on 09 September 2010 as a Public Limited Company bearing registration No. C-86981/10 under the Companies Act, 1994 in Bangladesh. The company accorded consent from the Securities and Exchange Commission on 25 October 2010 as a full fledged Merchant Bank bearing Certificate No. MB-45/10. The Company started its operation on 14 November 2010.

The registered office of the Company is located at 36, Dilkusha Commercial Area, Dhaka - 1000.

1.2 Nature of Business Activities

Trust Bank Investment Limited offers full range of merchant banking services that include Issue Management, Underwriting, Portfolio Management etc.

2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis of Preparation and Presentation of the Financial Statements

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with International Accounting Standards and International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994, The Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh and in the format prescribed by Bangladesh Bank vide DFIM Circular # 11 dated 23 December 2009 in accordance with the "First Schedule" (Sec-38) of the Bank Companies Act, 1991.

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.

2.3 Taxation

2.3.1 Provision for Taxation

In compliance with BAS-12 "Income Taxes", provision for current income tax has been made @ 37.50% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the N.B.R.

2.4 Assets and Basis of their Valuation

2.4.1 Cash and Cash Equivalents

Cash and cash equivalents include 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.

2.4.2 Investment

These are acquired and held primarily for the purpose of selling them in future or held for dividend income and reported at cost. Unrealized gains are not recognized in the Profit and Loss Account. Provision for diminution in value of investment is provided in the Financial Statements on those securities whose market price is below the cost of investment.

2.4.3 Loans and Advances

Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as liability. Interest income is accounted for on accrual basis until the loans and advances are defined as Special Mention Account (SMA) or classified accounts as per Bangladesh Bank guidelines.

2.5 Fixed Assets and Depreciation

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

Category of Fixed Assets	Rate
Land	Nil
Building	5% p.a.
Furniture & Fixtures	10% p.a.
Office Equipment	20% p.a.
Motor Vehicles	20% p.a.
Office Decoration	12% p.a.

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

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their acquisition and in case of sale upto the date of sale.

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

2.6 Revenue Recognition

i) Interest Income

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

ii) Fees and commission income

Fees and commission income arises on services provided by the Company are credited to income at the time of effecting the transactions.

iii) 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.

2.7 Earning Per Share (EPS)

The Company calculates Earning per Share (EPS) in accordance with BAS-33 “Earning per Share” which has been shown on the face of Profit and loss Account and the computation of EPS is stated in Note 35.

2.8 Cash Flow Statement

Cash Flow Statement is prepared in accordance with BAS-7 “Statements of Cash Flow” and Bangladesh Bank DFIM Circular No. 11 dated 23 December 2009 issued by Bangladesh Bank.

2.9 Statement of Liquidity

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

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

2.10 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Investment Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied

Name of BAS	BAS No.	Status
Construction Contracts	11	N/A
Income Taxes	12	Applied
Segment Reporting	14	Applied
Property, Plant and Equipment	16	Applied
Lease	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rate	21	N/A
Borrowing Cost	23	Applied
Related Party Disclosures	24	Applied
Accounting for Investments	25	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Disclosures in the Financial Statements of Banks and Similar Financial Institutions	30	Applied
Interest in Joint Ventures	31	N/A
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	Applied
Agriculture	41	N/A
Name of BFRS	BFRS No.	Status
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	N/A
Operating Segments	8	N/A

2.11 General

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

3 CASH

3.1 Cash in hand

In local currency
In foreign currencies

	31.12.2016 Taka	31.12.2015 Taka
	-	-
	-	-
	-	-

	31.12.2016 Taka	31.12.2015 Taka
4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
In Bangladesh		
Special Notice Deposits		
Trust Bank Limited	362,747,462	5,184,381
	362,747,462	5,184,381
Outside Bangladesh	-	-
	362,747,462	5,184,381
4.1 Remaining Maturity Grouping of Balance with other Banks and Financial Institutions		
On demand	-	-
Upto 1 month	362,747,462	5,184,381
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 1 Year	-	-
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	362,747,462	5,184,381
5 MONEY AT CALL AND SHORT NOTICE	-	-
6 INVESTMENTS		
Government Securities	-	-
Other Investments		
Ordinary Shares		
Quoted	1,725,123,621	1,585,479,128
Unquoted	-	-
	1,725,123,621	1,585,479,128
	1,725,123,621	1,585,479,128
6.1 Remaining Maturity Grouping of Investments		
On Demand	-	-
Upto 1 month	1,725,123,621	1,585,479,128
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 1 Year	-	-
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	1,725,123,621	1,585,479,128
7 LOANS AND ADVANCES		
Loans and Advances		
Loan to Investors	2,466,163,409	3,163,752,069
	2,466,163,409	3,163,752,069

		31.12.2016 Taka	31.12.2015 Taka
7.1	Residual Maturity Grouping of Loans and Advances		
	Repayable on demand	-	-
	Upto 1 month	2,466,163,409	3,163,752,069
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 Year	-	-
	Over 1 Year but not more than 5 Years	-	-
	Over 5 Years	-	-
		2,466,163,409	3,163,752,069
7.2	Loans and Advances Inside Bangladesh		
	Loans	2,466,163,409	3,163,752,069
	Cash Credit	-	-
	Overdraft	-	-
	Bills purchased and discounted	-	-
		2,466,163,409	3,163,752,069
	Outside Bangladesh	-	-
		2,466,163,409	3,163,752,069
7.3	Loans and Advances on the Basis of Significant Concentration		
7.3.1	Advances to Directors and Others		
	Advance to Directors and their allied concerns	-	-
	Advances to CEO and Senior Executives	-	-
	Advances to Customers (Group wise)	-	-
	Others Loan	2,466,163,409	3,163,752,069
		2,466,163,409	3,163,752,069
7.3.2	Geographical Location-wise Concentration of Loans and Advances		
	Inside Bangladesh		
	Dhaka Division	2,466,163,409	3,163,752,069
	Chittagong Division	-	-
	Khulna Division	-	-
	Sylhet Division	-	-
	Barisal Division	-	-
	Rangpur Division	-	-
	Rajshahi Division	-	-
		2,466,163,409	3,163,752,069
	Outside Bangladesh	-	-
		2,466,163,409	3,163,752,069
7.4	Classification of Loans and Advances Including Bills Purchased and Discounted		
a	Unclassified Loans and Advances (including staff loan)	2,466,163,409	3,163,752,069
b	Special Mentioned Accounts		

	31.12.2016 Taka	31.12.2015 Taka
c Classified Loans and Advances		
1 Sub-Standard Loans and Advances	-	-
2 Doubtful Loans and Advances	-	-
3 Bad /Loss Loans and Advances	-	-
	-	-
	2,466,163,409	3,163,752,069
8 FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES		
Cost		
Furniture and fixtures	2,209,553	2,309,553
Office equipment	10,636,229	9,455,029
Office renovation	12,482,875	11,741,590
	25,328,656	23,506,172
Less: Accumulated depreciation	16,114,590	14,681,011
	9,214,067	8,825,161
For details please refer to Annexure - A		
9 OTHER ASSETS		
i) Stationery, stamps, printing materials in stock etc.;	13,366	16,646
ii) Advance Rent and Advertisement	4,081,794	6,081,916
iv) Security Deposits	222,992	222,992
ix) Others 9.1	34,990,353	18,170,237
	39,308,505	24,491,791
9.1 Others		
Intangible Assets	27,764	94,436
Deferred Tax Asset 9.1.1	1,780,244	1,796,246
Brokers Account	69	73
Sundry Debtors	31,765,657	13,703,427
ASI Block	429,606	1,095,550
ASI Waiver	987,013	1,480,505
	34,990,353	18,170,237
9.1.1 Deferred Tax Asset		
Balance as on 01 January	1,796,246	1,374,645
Addition during the year	(16,002)	421,601
Closing Balance	1,780,244	1,796,246
To maintain the deferred tax Asset of Tk. 1,780,244 as on 31 December 2016, a deferred tax expense of Tk. 16,002 has been made during the year ended 31 December 2016 as per BAS-12 -Income Taxes.		
9.2 Break-up of other Assets		
Income generating other assets	-	-
Non-income generating other asset	39,308,505	24,491,791
	39,308,505	24,491,791

		31.12.2016 Taka	31.12.2015 Taka
10	NON BANKING ASSET	-	-
11	BORROWINGS		
	In Bangladesh		
	Borrowing from Trust Bank Limited	26,459,602	129,823,381
		26,459,602	129,823,381
	Outside Bangladesh	-	-
		26,459,602	129,823,381
11.1	Security-wise Borrowings		
	Secured Borrowings	26,459,602	129,823,381
	Unsecured Borrowings	-	-
		26,459,602	129,823,381
11.2	Repayment Nature-wise borrowings		
	Repayment on Demand	-	-
	Others	26,459,602	129,823,381
		26,459,602	129,823,381
11.3	Remaining Maturity Grouping of Borrowings from other Banks, Financial Institutions and Agents Payable		
	On demand	-	-
	Upto 1 month	26,459,602	129,823,381
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 Year	-	-
	Over 1 Year but within 5 Years	-	-
	Over 5 Years	-	-
		26,459,602	129,823,381
12	DEPOSITS AND OTHER ACCOUNTS		
	Current and Other Accounts	114,154,207	53,211,145
		114,154,207	53,211,145

12.1 Remaining Maturity Grouping of Deposits and other Accounts

Inside Bangladesh	Banks	Other than Banks	31.12.2016 Taka	31.12.2015 Taka
Payable				
On demand	-	-	-	-
Upto 1 month	-	114,154,207	114,154,207	53,211,145
Over 1 month but within 3 months	-	-	-	-
Over 3 months but within 1 Year	-	-	-	-
Over 1 Year but within 5 Years	-	-	-	-
Over 5 Years	-	-	-	-
	-	114,154,207	114,154,207	53,211,145
Outside Bangladesh	-	-	-	-
	-	114,154,207	114,154,207	53,211,145

	31.12.2016 Taka	31.12.2015 Taka
12.2 Unclaimed Deposits for 10 Years and Above	-	-
13 OTHER LIABILITIES		
Provision for Loans and Advances	139,854,229	286,100,005
Provision for Investment 13.1	52,969,730	52,969,730
Interest Suspense Account	902,145,823	877,527,645
Provision for Income Tax Less Advance Income Tax 13.2	22,327,546	43,506,126
Accrued Expenses	6,035,762	5,799,181
Audit Fees Payable	172,500	172,500
Sundry Creditors	216,798	8,450
Provision for ASI	987,013	1,480,505
Others	343,558	243,565
	1,125,052,958	1,267,807,707
13.1 Provision for Loans and Advances		
Specific Provision		
Against Classified Loans & Advances	-	-
General Provision		
Against Unclassified Loans & Advances 13.1.1	139,248,929	286,100,005
Against Special Mention Accounts	-	-
Against Off Balance Sheet Exposures	605,300	-
	139,854,229	286,100,005
	139,854,229	286,100,005
13.1.1 Against Unclassified Loans & Advances		
Provision held on 01 January	286,100,005	664,799,933
Provision made during the year	122,230,476	183,665,958
Provisions adjusted during the year	(269,081,553)	(562,365,886)
Provision held at end of year	139,248,929	286,100,005
13.1.1.1 As per BSEC circular # SEC/CMRRCD/2009-193/196 dated: December 28, 2016 Merchant Banks are required to keep 20% provision for the unrealized loss in clients portfolio at the year ending as on December 31, 2016 and TBIL has Interest Suspense of Tk. 902,145,823 and Loan provision of Tk. 122,230,476 as on December 31, 2016 totaling Tk. 1,024,376,299 against negative equity of Tk. 1,300,165,431 as on December 31, 2016.		
13.2 Provision for Income Tax Less Advance Income Tax		
Provision for Income Tax		
Balance on 01 January	544,612,785	488,112,785
Provisions made during the year	32,000,000	56,500,000
Provision made for previous year(s)	-	-
Settlement for previous year(s)	-	-
	576,612,785	544,612,785
Less: Advance Income Tax		

	31.12.2016 Taka	31.12.2015 Taka
Balance on 01 January	501,106,659	435,270,578
Paid during the year	53,178,580	65,836,081
Settlement for previous year(s)		
	554,285,239	501,106,659
Net Closing Balance	22,327,546	43,506,126

13.2.1 Provision for current tax of Tk. 32,000,000.00 has been made @ 37.50% on Business Income and @ 20% on Dividend Income and 10% on Capital Gain, of the accounting profit made by the Company during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

14 CAPITAL

14.1 Authorized Capital

50,000,000 Ordinary shares of Tk. 100 each

5,000,000,000

5,000,000,000

14.2 Issued, Subscribed and Paid Up Capital

30,000,000 Ordinary shares of Tk. 100 each issued for cash

3,000,000,000

3,000,000,000

14.3 Pattern of Shareholdings

Name	Nos. of shares Subscribed	31.12.2016 Taka	31.12.2015 Taka
Trust Bank Limited represented by General Abu Belal Muhammad Shafiul Huq, SBP, ndc, psc	29,999,993	2,999,999,300	2,999,999,300
Maj Gen S M Matiur Rahman, afwc, psc	1	100	100
Brig Gen Md Jalal Ghani Khan, ndc, psc	1	100	100
Brig Gen Md Main Ullah Chowdhury, awc, psc	1	100	100
Mr. Ashrafuzzaman Khan	1	100	100
Mr. Ishtiaque Ahmed Chowdhury	1	100	100
Mr. Abu Zafar Hedayetul Islam	1	100	100
Mr. Shahud Ahmed	1	100	100
Mr. Shahedul Islam	NIL	NIL	NIL
Total	30,000,000	3,000,000,000	3,000,000,000

14.4 Percentage of Shareholdings at the Closing Date

	Amount (in Taka)	Percentage (%)
Sponsors	3,000,000,000	100.00%
Financial Institutions	-	0.00%
Foreign Investors	-	0.00%
Non-Resident Bangladeshi	-	0.00%
General Public	-	0.00%
Total	3,000,000,000	100.00%

14.5 Shareholding Range on the Basis of Shareholdings as on 31 December 2016

Shareholding Range			No. of Shareholders	Number of Shares	Percentage (%)
1	to	500	7	7	0.00%
501	to	5,000	0	-	0.00%
5,001	to	10,000	0	-	0.00%
10,001	to	20,000	0	-	0.00%
20,001	to	30,000	0	-	0.00%
30,001	to	40,000	0	-	0.00%
40,001	to	50,000	0	-	0.00%
50,001	to	100,000	0	-	0.00%
100,001	to	1,000,000	0	-	0.00%
1,000,001	and More		1	29,999,993	100.00%
Total			8	30,000,000	100.00%

	31.12.2016 Taka	31.12.2015 Taka
15 STATUTORY RESERVE		
Opening Balance	-	-
Reserve made during the year	-	-
Closing Balance	-	-
16 OTHER RESERVE	-	-
17 RETAINED EARNINGS		
Opening Balance	336,890,297	336,890,297
Adjustment of Deferred Tax	-	-
	336,890,297	336,890,297
Net Profit for the year transferred from Profit and Loss Account	-	-
Less: Issue of Bonus Share	-	-
Less: Transferred to Statutory Reserve	-	-
Closing Balance	336,890,297	336,890,297
18 CONTINGENT LIABILITIES AND COMMITMENTS		
18.1 Claims against the Company Not Acknowledged as Debts		
Money for which the Company is contingently liable in respect of guarantee given favoring:		
Directors	-	-
Government	-	-
Banks and other Financial Institution	-	-
Others	60,530,000	143,830,000
	60,530,000	143,830,000

	31.12.2016 Taka	31.12.2015 Taka
19 INCOME STATEMENTS		
Income:		
Interest/Profit, discount and similar income	57,294,088	104,150,509
Fees, commission and brokerage	220,304	387,382
Gains less losses arising from investment securities	115,059,728	147,022,895
Other operating income	57,515,316	71,195,566
	230,089,437	322,756,352
Expenses:		
Interest / profit paid on deposits, borrowings etc,	15,994,278	3,726,769
Administrative expenses	48,873,865	56,485,694
Other operating expenses	9,931,978	14,237,837
Depreciation on banking assets	437,538	327,281
	75,237,659	74,777,581
	154,851,778	247,978,771
20 INTEREST INCOME		
Interest from Loans and Advances		
Interest on Other Loans	55,933,494	101,477,375
	55,933,494	101,477,375
Interest from Banks and other Financial Institutions		
Interest on Special Notice Deposits	1,360,594	2,673,134
	1,360,594	2,673,134
	57,294,088	104,150,509
As of reporting date, an aggregate amount of Tk. 902,145,823 have been transferred to "Interest Suspense Account" instead of "Interest from Loans and Advances" as these income charged to negative equity holders account which were doubtful of recovery.		
21 INTEREST PAID ON DEPOSITS AND BORROWINGS		
Interest Paid on Deposits		
Interest on TBIL Depositors Account	1,117,220	1,443,493
	1,117,220	1,443,493
Interest Paid on Borrowings		
Interest on Other Borrowings	14,877,058	2,283,276
	14,877,058	2,283,276
	15,994,279	3,726,769
22 INCOME FROM INVESTMENTS	115,059,729	147,022,895
	115,059,729	147,022,895
23 Commission on		
Introductory Commission	20,304	37,382
Manager to the Issue Commission	200,000	-
Underwriting Commission	-	350,000
	220,304	387,382
Foreign Currency Exchange Gain	-	-
	220,304	387,382

	31.12.2016 Taka	31.12.2015 Taka
24 OTHER OPERATING INCOME		
Documentation Charges	26,000	28,850
BO Account Transaction Fees	-	617,717
Account Maintenance Fee	642,750	465,800
Port Folio Management Fees	27,745,478	38,912,447
Port Folio Transaction Fees	25,206,064	27,428,247
Other Service Charges	3,837,010	3,742,225
Miscellaneous Earnings	58,015	280
	57,515,316	71,195,566
25 SALARIES AND ALLOWANCES		
Basic Salary	11,606,373	14,293,197
House Rent Allowances	5,803,186	7,146,598
Conveyance Allowances	766,341	859,483
Medical Allowances	2,327,292	2,848,989
Leave Fare Assistances	785,187	1,043,663
Festival Bonus	2,109,539	2,423,700
Incentive Bonus	4,569,628	4,695,482
Employer's Contribution to Provident Fund	1,160,638	1,419,431
Employer's Contribution to Employees' Gratuity Fund	2,689,380	6,134,942
	32,084,054	40,865,485
26 RENT, TAXES, INSURANCE, ELECTRICITY, etc.		
Rent with car parking	10,157,963	10,446,401
Electricity and Lighting	1,634,240	1,540,991
Insurance	23,261	52,220
Rates, Taxes & Excise Duty	68,000	60,000
Fees & Renewals	406,069	430,732
Gas/Water Bill, Fuel bill	254,710	172,517
	12,544,243	12,702,861
27 POSTAGE, STAMPS, TELECOMMUNICATION, etc.		
Stamp	3,080	11,364
Online Expenses	1,189,943	1,214,551
Internet Charge	25,805	23,805
Courier Charge	7,964	15,226
Telegram, Telex, Telephone set, Mobile bill etc.	186,529	210,735
	1,413,321	1,475,681
28 STATIONERY, PRINTING, ADVERTISEMENT, etc.		
Printing and Stationery	410,748	360,877
Publicity and Advertisement	5,490	118,560
	416,238	479,437
29 DIRECTORS' FEES		
Meeting fees @ Taka 3,000 per Director	102,000	165,000
	102,000	165,000

	31.12.2016 Taka	31.12.2015 Taka
30 DEPRECIATION AND REPAIR OF BANK'S ASSETS		
Depreciation		
Fixed assets	1,508,594	2,637,061
For details please refer to Annexure - A		
Repairs		
Furniture and fixtures	51,800	23,150
Office equipment, com access, repal elec light	182,638	116,031
Maintenance-software	203,100	188,100
	437,538	327,281
	1,946,132	2,964,342
31 OTHER EXPENSES		
Travelling Expense-Local	4,700.00	16,700
Training Expense	8,000.00	61,000
Utility & Service Charge	169,668.26	170,337
Conveyance	95,313.00	71,820
Entertainment	386,990.00	445,646
Bank Charges	49,716.00	40,898
Car Expenses	804,258.00	1,352,800
News Paper and Magazine	30,366.00	32,843
Books and Periodicals	4,530.00	1,260
Other Contractual Service	4,831,770.00	4,544,811
Internship Allowances	-	24,000
Upkeep of Office Premises	312,103.00	355,929
Washing Charges	10,790.00	7,665
CDBL Charge	1,946,890.72	2,528,161
Purchase of Utensils	599.00	11,000
Wages paid to Temporary Employees	2,700.00	3,430
Amortization of Intangible Assets	66,672.00	66,672
Write off Loan-For ASI	(301,682.49)	1,865,804
	8,423,383	11,600,776
32 PROVISION FOR LOANS AND ADVANCES		
Specific Provisions-against classified loans & advances	-	-
General Provisions-against un-classified loans & advances	122,230,476	183,665,958
General Provisions-against special mentioned accounts	-	-
	122,230,476	183,665,958
33 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:		
Decline in value of investment should consist of the following divisions:		
(a) Dealing securities		
- Quoted	-	-
- Unquoted	-	-

	31.12.2016 Taka	31.12.2015 Taka
(b) Investment securities		
- Quoted	-	8,234,414
- Unquoted	-	-
	-	8,234,414
	-	8,234,414

Provision for Investment in Share has been made as per DFIM Circular No. 11 dated 23 December 2009 issued by Bangladesh Bank.

34 OTHER PROVISION		
General Provision for Off Balance Sheet Exposures	605,300	-
Provision for Other Assets	-	-
	605,300	-
35 EARNING PER SHARE (EPS)		
Profit attributable to outstanding ordinary shareholders	-	-
Share Outstanding before Right Issue		
Share Outstanding as on 1 January	30,000,000	30,000,000
Issue of Bonus Share	-	-
	30,000,000	30,000,000
Earning per Share	-	-
36 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES		
Documentation Charge	26,000	28,850
BO Account Transaction Fees	-	617,717
Account Maintenance Fee	642,750	465,800
Port Folio Management Fees	27,745,478	38,912,447
Port Folio Transaction Fees	25,206,064	27,428,247
Other Service Charge	3,837,010	3,742,225
Income from Investment	115,059,728	147,022,895
Miscellaneous Earnings	58,015	280
	172,575,045	218,218,461
37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES		
Travelling Expense	(4,700)	(16,700)
Training Expense	(8,000)	(61,000)
Utility & Service Charge	(169,668)	(170,337)
Conveyance	(95,313)	(71,820)
Entertainment	(386,990)	(445,646)
Bank Charges	(49,716)	(40,898)
Car Expenses	(804,258)	(1,352,800)
News Paper and Periodicals	(30,366)	(32,843)
Books and Periodicals	(4,530)	(1,260)

	31.12.2016 Taka	31.12.2015 Taka
Other Contractual Service	(4,831,770)	(4,544,811)
Internship Allowances	-	(24,000)
Up Keep of Office Premises	(312,103)	(355,929)
Washing Charges	(10,790)	(7,665)
CDBL Charge	(1,946,891)	(2,528,161)
Purchase of Utensils	(599)	(11,000)
Wages paid to Temporary Employees	(2,700)	(3,430)
Publicity and Advertisement	(5,490)	(118,560)
Rent, Taxes, Insurance, Lighting etc.	(12,544,243)	(12,702,861)
Postage, Telegram, Telephone	(1,413,321)	(1,475,681)
Audit Fee	(172,500)	(172,500)
Legal Expense	(262,310)	-
Directors Fees	(102,000)	(165,000)
Repairs and maintenance of Fixed Assets	(437,538)	(327,281)
Write off Loan-For ASI	(191,810)	(385,299)
	(23,787,605)	(25,015,482)
38 CHANGES IN OTHER OPERATING ASSETS		
Security Deposits	-	-
Advance Rent	2,000,122	933,268
ASI Block	665,944	(1,095,550)
ASI Waiver	493,492	(1,480,505)
Others	(18,062,226)	3,536,514
	(14,902,668)	1,893,727
39 CHANGES IN OTHER LIABILITIES		
Interest Suspense Account	(244,463,375)	(554,816,926)
Sundry Creditors	208,348	(450,004,576)
Accrued Expense	236,581	(1,327,758)
Others	99,993	61,051
	(243,918,453)	(1,006,088,209)
40 CLOSING CASH AND CASH EQUIVALENT		
Balance with Other Bank and Financial Institutions	362,747,462	5,184,381
	362,747,462	5,184,381
41 EXPENDITURE INCURRED FOR EMPLOYEES		
Salaries, Allowances and Benefits		

Number of employees at 31 December 2016 was 26; (31 December 2015 was 31) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than TK. 3,000 per month.

42 AUDIT COMMITTEE

Since the Company started its operation on 14 November 2010, the Board of Directors of the Company yet to form any Audit Committee as on reporting date.

43 Related Party Disclosures

a) Name of Directors' and their interest in different Entities as on 31 December 2016

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of interest
1	Gen Abu Belal Muhammad Shafiu Huq, SBP, ndc, psc	Chairman (Representing Trust Bank Ltd.)	Sena Kalyan Sangstha - Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. - Chairman, Board of Directors	Nominated
			Bangladesh Machine Tools Factory Ltd. - Chairman, Board of Directors	Nominated
			Army Welfare Trust - Chairman, Board of Trustees	Nominated
			Trust Bank Limited - Chairman, Board of Directors	Nominated
			Military Institute of Science & Technology - Vice Chairman	Nominated
			Council of the College, Armed Forces Medical College - Chairman	Nominated
			Sena Paribar Kalyan Samiti - Chief Patron	Nominated
			Advisory Committee of Proyash - President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body - Vice Chairman	Nominated
			Bangladesh Golf Federation - President	Nominated
			Kurmitola Golf Club - President	Nominated
			Defence Officers Housing Scheme Committee - Chairman	Nominated
			BAIJET Comilla/BAUET Quadirabad/BAUST Saidpur -Chairman	Nominated
Bangladesh Olympic Association- President	Nominated			
Bangladesh Diesel Plant Ltd.- Chairman	Nominated			
2	Maj Gen S M Matiur Rahman, afwc, psc	Vice Chairman (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Sena Kalyan Sangstha - Vice Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. - Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust - Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services - Chairman, Board of Directors	Nominated
			Army Housing Scheme - Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges - Chairman	Nominated
			BAIJET Comilla/BAUET Quadirabad/BAUST Saidpur - Member	Nominated
			Trust Technical Training Institute - Chairman, Board of Directors	Nominated
			Trust Bank Limited - Vice-Chairman, Board of Directors	Nominated
			Trust Bank Securities Limited - Chairman, Board of Directors	Nominated

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of interest
3	Mr. Ashrafuzzaman Khan	Independent Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Executive Attire Limited - Managing Director	-
			Trust Bank Limited - Independent Director, Board of Directors	-
			Trust Bank Securities Limited - Independent Director, Board of Directors	Nominated
4	Mr. Shahedul Islam	Independent Director (Nominated by Trust Bank Ltd.)	Bengal Pacific (Pvt.) Ltd. - Managing Director	-
			Bengal Braided Rugs Limited - Managing Director	-
			Promises Medical Ltd. - Chairman	-
			Bengal Poly & Paper Sack Ltd. - Independent Director	-
			Trust Bank Limited - Independent Director, Board of Directors	-
5	Brig Gen Md Jalal Ghani Khan, ndc, psc	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Army Welfare Trust (AWT) - Managing Director	Ex-Officio
			Sena Hotel Development Limited - Director, Board of Directors	Nominated
			Trust Technical Training Institute - Director, Board of Directors	Nominated
			Trust Bank Limited - Director, Board of Directors	Nominated
			Trust Bank Securities Limited - Vice Chairman, Board of Directors	Nominated
			Army Housing Scheme - Managing Director	Nominated
			Trust Transport Services (TTS)- Member	Nominated
6	Brig Gen Md Main Ullah Chowdhury, awc, psc	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited (TBL)- Director, Board of Directors	Nominated
			Trust Bank Securities Limited (TBSL)- Director, Board of Directors	Nominated
			Army Sports Control Board- Chairman	Nominated
			BUP, DSCSC, NDC, MIST- Member	Nominated
			BKSP- Board of Member	Nominated
7	Mr. Ishtiaque Ahmed Chowdhury	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited - Managing Director & CEO	Service
			Trust Bank Securities Limited - Director, Board of Directors	Nominated
8	Mr. Abu Zafar Hedaytul Islam	Director (Shareholder as well as Director Nominated by Trust Bank Ltd.)	Trust Bank Limited - Deputy Managing Director	Service
			Trust Bank Securities Limited - Director & Managing Director, Board of Directors	Nominated

- b) Significant contracts where Company is a party and wherein Directors have interest: Nil
- c) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil
- d) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act – 1991: Not applicable
- e) Investments in the Securities of Directors and their related concern: Not applicable

44 FINANCIAL HIGHLIGHTS

As per DFIM Circular # 11, dated 23 December 2009, Financial Highlights of the Company for the year ended on 31 December 2016 has been shown in Annexure - B.



Vice Chairman



Director



Director



Managing Director

Annexure - A

Schedule of Fixed Assets
As at 31 December 2016

PARTICULARS	COST				DEPRECIATION				Written down value 31 December 2016
	Balance on 1 January 2016	Additions during the year	Disposal/ adjustment during the year	Balance at 31 December 2016	Balance on 1 January 2016	Charge for the year	Disposal/ adjustment during the year	Balance at 31 December 2016	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Furniture and Fixtures	2,309,553	-	100,000	2,209,553	960,406	141,463	75,015	1,026,854	1,182,699
Office Equipment	9,455,029	1,181,200	-	10,636,229	8,374,014	535,184	-	8,909,198	1,727,031
Office Renovation	11,741,590	741,285	-	12,482,875	5,346,591	831,947	-	6,178,538	6,304,337
31 December 2016	23,506,172	1,922,485	100,000	25,328,657	14,681,011	1,508,594	75,015	16,114,590	9,214,067
31 December 2015	22,536,932	1,069,240	100,000	23,506,172	12,045,617	2,637,061	1,667	14,681,011	8,825,161

Financial Highlights

SI	Particulars	Base	31.12.2016	31.12.2015
1	Paid up Capital	Taka	3,000,000,000	3,000,000,000
2	Total Capital	Taka	3,336,890,297	3,336,890,297
3	Total Assets	Taka	4,602,557,064	4,787,732,530
4	Total Deposits	Taka	114,154,207	53,211,145
5	Total Loans and Advances	Taka	2,466,163,409	3,163,752,069
6	Credit Deposit Ratio	%	2,160.38	5,945.66
7	Profit After Tax and Provision	Taka	-	-
8	Provisions Kept against Classified Loan	Taka	-	-
9	Cost of Fund (Deposit Cost & Administrative Cost)	%	-	-
10	Interest Earning Assets	Taka	4,554,034,492	4,754,415,578
11	Non-interest Earning Assets	Taka	48,522,572	33,316,952
12	Return on Investment (ROI)	%	-	-
13	Return on Asset (ROA)	%	-	-
14	Income from Investment	Taka	115,059,728	147,022,895
15	Earning Per Share	Taka	-	-
16	Net Income Per Share	Taka	-	-
17	Price Earning Ratio	%	-	-
18	Operating Profit	Taka	154,851,778	247,978,771
19	Pre Tax Profit	Taka	154,851,778	247,978,771
20	Post Tax Profit	Taka	-	-
21	CSR	Taka	-	-
22	Net Asset Value (NAV)	Taka	3,336,890,297	3,336,890,297
23	NAV Per Share	Taka	111.23	111.23

**Independent Auditors' Report & Financial Statements
of
TRUST BANK SECURITIES LIMITED**



Independent Auditors' Report to the Shareholders of Trust Bank Securities Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Trust Bank Securities Limited “(the Company)” which comprise the Statement of Financial Position as at 31 December 2016 and the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs); Bangladesh Accounting Standards (BASs); the Companies Act, 1994; and other applicable laws and regulations; and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at December 31, 2016 and its financial performance and cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BASs); the Companies Act, 1994 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act, 1994, we also report the following:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

- ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- iii) the statement of financial position, and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.



Auditor

Hussain Farhad & Co.
Chartered Accountants

Place: Dhaka
Date: 9 March 2017

Trust Bank Securities Limited

Statement of Financial Position

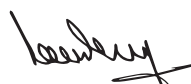
As at 31 December 2016


	Notes	31.12.2016 Taka	31.12.2015 Taka
ASSETS:			
Non-current Assets			
Property, Plant and Equipment	2	1,534,870	2,111,978
Intangible Assets	3	55,556	388,889
Membership of Dhaka Stock Exchange	4	321,720,000	321,720,000
Deferred Tax Assets	5	258,793	121,455
		323,569,219	324,342,322
Current Assets			
Advances, Deposits and Prepayments	6	30,204,000	204,000
Trade and Other Receivables	7	7,652	170,700
Receivables from Dhaka Stock Exchange	8	786,793	-
Other Current Assets	9	8,998,766	6,909,575
Short Term Investments	10	17,500,000	-
Cash and Cash Equivalents	11	125,679,943	37,349,101
		183,177,154	44,633,376
Total Assets		506,746,373	368,975,698
SHAREHOLDER'S EQUITY & LIABILITIES:			
Shareholders' Equity			
Ordinary Share Capital	12	350,000,000	350,000,000
Retained Earnings		4,424,043	(2,233,482)
Fair Valuation Surplus/ (Deficit) of Investments		150,630	(170,236)
		354,574,673	347,596,282
Current Liabilities			
Trade and Other Payables	13	26,286,630	9,269,740
Payables to Dhaka Stock Exchange	14	23,820,547	4,093,026
Provision for Expenses	15	1,058,038	541,324
Short Term Loans	16	23,088,662	-
Other Liabilities	17	77,917,823	7,475,326
		152,171,700	21,379,416
Total Shareholders' Equity & Liabilities		506,746,373	368,975,698

(The annexed notes 1 to 28 form an integral part of these financial statements.)


Vice Chairman


Director


Director


Managing Director

as per our report of same date

Place: Dhaka
Date: 9 March 2017


Auditor
Hussain Farhad & Co.
Chartered Accountants

Trust Bank Securities Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
Revenue			
Brokerage Commission		14,731,900	15,163,150
Realized Gain on Shares		2,055,718	60,846
BO Account Opening Charges		45,200	57,000
BO Renewal Income Charges		59,100	22,000
IPO/Commission		7,420	3,241
Total Revenue		16,899,338	15,306,237
Less: Cost of Services			
Laga Charge		1,462,181	1,405,136
CDBL Charge		359,537	487,446
		1,821,718	1,892,582
Gross Profit		15,077,620	13,413,655
Add: Non-operating Income	18	8,664,117	1,346,838
Less : Operating Expenses			
Salaries and Allowances	19	7,309,580	6,412,055
Rent, Taxes, Insurance, Electricity etc.	20	990,920	904,229
Legal Expenses		22,980	-
Postage, Stamps, Telecommunications, etc.	21	851,360	827,237
Stationery, Printing, Advertisement, etc.		89,150	98,944
Board Meeting Attendance Fees		141,000	24,000
Audit Fees		57,500	57,500
Depreciation, Amortization and Repair of Bank's Assets	22	1,047,464	931,139
Other Expenses	23	1,514,211	1,355,781
		12,024,165	10,610,885
Net Profit before Income Tax		11,717,572	4,149,608
Less: Income Tax Expenses		(5,060,047)	(2,799,759)
Current Tax Expenses		(5,197,384)	(2,890,922)
Deferred Tax Income		137,337	91,163
Net Profit/(Loss) for the Period		6,657,525	1,349,849
Other Comprehensive Income			
Gain/Loss on Fair Valuation of Income		320,866	(155,130)
Total Comprehensive Income for the Year		6,978,391	1,194,719

(The annexed notes 1 to 28 form an integral part of these financial statements.)


Vice Chairman


Director


Director


Managing Director

as per our report of same date



Auditor
Hussain Farhad & Co.
Chartered Accountants

Place Dhaka
Date 9 March 2017

Trust Bank Securities Limited

Statement of Changes in Equity


For the year ended 31 December 2016

Particulars	Share Capital	Retained Earnings	Fair Valuation Surplus/ (Deficit) of Investments	Total
Opening Balance as at 01 January 2015	350,000,000	(3,583,331)	(15,106)	346,401,563
Profit for The Year	-	1,349,849	-	1,349,849
Gain/Loss on Fair Valuation of Income	-	-	(155,130)	(155,130)
Balance as at 31 December 2015	350,000,000	(2,233,482)	(170,236)	347,596,282
Opening Balance as at 01 January 2016	350,000,000	(2,233,482)	(170,236)	347,596,282
Profit for The Year	-	6,657,525	-	6,657,525
Gain/Loss on Fair Valuation of Income	-	-	320,866	320,866
Balance as at 31 December 2016	350,000,000	4,424,043	150,630	354,574,673

(The annexed notes 1 to 28 form an integral part of these financial statements.)


Vice Chairman


Director


Director


Managing Director

Trust Bank Securities Limited

Statement of Cash Flows

For the year ended 31 December 2016

	Notes	31.12.2016 Taka	31.12.2015 Taka
A Cash Flows from Operating Activities			
Income Taxes Paid		(4,612,547)	(3,027,991)
Dividend Receipts		7,223,856	-
Received from Operating Activities	24	17,251,690	15,520,567
Payments Towards Operating Activities	25	(12,919,918)	(11,597,099)
Cash Generated from Operating Activities before Changes in Operating Assets and Liabilities		6,943,081	895,477
Increase/(Decrease) in Operating Assets and Liabilities			
Others Assets	26	(30,384,238)	(1,322,557)
Other Liabilities	27	104,991,418	4,286,328
Net Cash Generated from Operating Activities (A)		81,550,261	3,859,248
B Cash Flows from Investing Activities			
Purchase of Property, Plant & Equipment		(15,525)	(427,728)
Short Term Investment		(17,500,000)	-
Proceedes from STI	28	1,207,444	1,171,875
Net Cash Flow from/ (used in) Investing Activities (B)		(16,308,081)	744,147
C Cash Flows from Financing Activities			
Proceeds from Loan		23,088,662	-
Net Cash from Financing Activities (C)		23,088,662	-
D Net Increase in Cash and Cash Equivalents (A+B+C)		88,330,842	4,603,395
E Effects of Exchange Rate Changes on Cash and Cash Equivalents		-	-
F Opening Cash and Cash Equivalents		37,349,101	32,745,706
G Cash and Cash Equivalents at End of Year (D+E+F)		125,679,943	37,349,101



Vice Chairman



Director



Director



Managing Director

Trust Bank Securities Limited

Notes to the Financial Statements

For the year ended 31 December 2016

1 LEGAL STATUS AND NATURE OF THE COMPANY

1.1 Legal Status of the Company:

Trust Bank Securities Limited (hereinafter referred to as “the Company”) was incorporated on 7th February 2013 as a Private Limited Company bearing registration No. C-107267/13 under the Companies Act, 1994. The registered office of the company is located at 28, North Kafrul, Dhaka Cantonment, Dhaka-1206. The Company has an authorized share capital of Tk. 2,000,000,000 divided into 200,000,000 ordinary shares of Tk. 10 each and a paid-up capital of Tk. 350,000,000 only divided into 35,000,000 ordinary shares of Tk.10 each.

1.2 Nature of Business Activities:

Trust Bank Securities Limited offers full range business of stock brokers that includes buy and sell of shares and securities fixed income securities, bonds, debentures etc. The principal activities of the company are to act as a member of Dhaka Stock Exchanges Ltd. to carry on the business of brokers or dealers in stocks, shares and securities, commercial papers, bonds, debentures, debentures stocks. The company has one more branch in Bangladesh namely Dhaka-Dilkusha Branch.

1.3 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

1.3.1 Components of the Financial Statements:

The financial statements referred to here comprise:

- a) Statement of Financial Position;
- b) Statement of Profit or Loss and Other Comprehensive Income;
- c) Statement of Changes in Equity;
- d) Statement of Cash Flows; and
- e) Notes to the Financial Statements.

1.3.2 Basis of Preparation of the Financial Statements :

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other laws and regulations applicable in Bangladesh.

1.3.3 Date of Authorization

The Board of Directors accorded its approval and authorized these financial statements on 09 March 2017.

1.3.4 Presentation and Functional Currency and Level of Precision:

There financial statements have been presented in Bangladesh Taka, which is the Company's functional currency. All financial information has been rounded off to the nearest integer.

1.3.5 Uses of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provision and accrued expenses are recognized in the financial statements in line with the Bangladesh Accounting Standard (BAS) 37 “Provisions, Contingent Liabilities and Contingent Assets” when

- The Company has a legal or constructive obligation as a result of past event.
- It is probable that an outflow of economic benefit will be required to settle the obligation.
- A reliable estimate can be made for the amount of the obligation.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

1.3.6 Going Concern:

The Company has adequate resources to continue its operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations to continue.

1.3.7 Materiality and Aggregation

Each material item as considered by management significant has been presented separately in financial statements. No amount has been set off unless the Company 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 only when permitted by the relevant accounting standards.

1.3.8 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost less accumulated depreciation as per BAS 16 “Property, Plant and Equipment”. Depreciation is charged at the following rates per annum using reducing balance method on all Property, Plant and Equipment except office equipment and motor vehicle where straight-line method is applied.

Grounds of Property, Plant and Equipment	Rate of Depreciation
Building	2.50%
Furniture and Fixture - Office	10.00%
Equipment	20.00%
Decoration and Renovation	12.00%
Motor Vehicles	20.00%

1.3.9 Intangible Assets and Amortization of Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives (which is 3 years) based on the management best estimates. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

1.3.10 Investments in Securities:

Investment in quoted shares and unquoted shares are initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at market price at the reporting date. Unrealized gain and loss has been recognized in Other Comprehensive Income.

1.3.11 Cash and Cash Equivalents:

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial institutions and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value. Statement of Cash Flows has been prepared in accordance with the Bangladesh Accounting Standard (BAS) 7, “Statement of Cash flow” under direct method.

1.3.12 Provision for Income Tax:

Current Tax

Provision for current tax is made in accordance with the provision of Income Tax Ordinance, 1984 and subsequent amendments made thereto from time to time.

Deferred Tax

Deferred Tax is calculated as per Bangladesh Accounting Standard (BAS) 12 “Income Taxes”. Deferred Tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred Tax liabilities are recognized for all taxable temporary differences. Deferred Tax assets are generally recognized for all deductible temporary differences. Deferred Tax is measured at the tax rate that is expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

1.3.13 Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the company accordance with the Bangladesh Accounting Standard (BAS) 18 “Revenue”

Brokerage Commission

Brokerage commission is recognized as income at execution of selling or buying order.

Interest Income from Margin Loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

Dividend income and profit/(loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when share are sold in the market and profit is realized or loss is incurred.

1.3.14 Related Party Disclosure

As per Bangladesh Accounting Standard (BAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with related parties.

1.3.15 Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year’s financial statements.

In addition to that certain comparative figures have been reclassified to conform with current year’s presentation.

Details are:

- In statement of financial position under the element of current assets, receivables to clients has been changed by trade and other receivables BDT 170,700.
- In statement of financial position under the element of shareholders' equity and liabilities, retained earnings BDT (2,403,718) has been reclassified under fair valuation surplus/ (deficit) of investment BDT (170,236) and retained earnings BDT (2,233,482).
- In statement of financial position under the element of current liabilities, amount of other liabilities BDT 8,016,650 has been reclassified under provision for expenses BDT 541,324 and rest of the amount BDT 7,475,326 exist in other liabilities.
- In statement of profit or loss and other comprehensive income, operating income BDT 16,653,075 has been reclassified under revenue and other non operating income BDT 15,306,237 and BDT 1,346,838 accordingly.
- In statement of profit or loss and other comprehensive income, provision for diminution in value of investment BDT (155,130) has been shifted in other comprehensive income.

1.3.16 Reporting Period:

There financial Statements cover the period from 1 January 2016 to 31 December 2016.

2 Property, Plant and Equipment

As at 31 December 2016

Particulars	Cost			Depreciation			Balance at 31 December 2016 Taka	Carrying Amount
	Balance on 1 January 2016 Taka	Addition During the Year	Disposal/ Adjustment During the Year	Balance at 31 December 2016 Taka	Balance at 1 January 2016 Taka	Charge for the Year		
Office Renovation								
Interior Decoration	276,478	-	-	276,478	64,548	24,141	88,689	187,789
Overhead Cabinet	11,200	-	-	11,200	2,525	989	3,514	7,686
Vertical Blind & Name Plate	16,452	-	-	16,452	3,637	1,460	5,097	11,355
Office Equipment								
Photocopy Machine	82,000	-	-	82,000	36,900	16,400	53,300	28,700
Box Fan	6,500	-	-	6,500	2,924	1,300	4,224	2,276
Printer	165,150	-	-	165,150	53,943	33,030	86,973	78,177
Computer & Computer Accessories	664,600	-	-	664,600	217,782	132,924	350,706	313,894
Air Conditioner	275,527	-	-	275,527	61,637	55,104	116,741	158,786
UPS	52,200	15,525	-	67,725	20,010	12,165	32,175	35,550
Fax Machine	9,100	-	-	9,100	2,275	1,820	4,095	5,005
Rack Server	1,467,000	-	-	1,467,000	537,900	293,400	831,300	635,700
Television	99,500	-	-	99,500	9,648	19,900	29,548	69,952
Total	3,125,707	15,525		3,141,232	1,013,729	592,633	1,606,362	1,534,870

As at 31 December 2015

Particulars	Cost			Depreciation			Balance at 31 December 2015 Taka	Carrying Amount
	Balance on 1 January 2015 Taka	Addition During the Year	Disposal/ Adjustment During the Year	Balance at 31 December 2015 Taka	Balance on 1 January 2015 Taka	Charge for the Year		
Office Renovation								
Interior Decoration		-	-	276,478	37,384	27,164	64,548	211,930
Overhead Cabinet	276,478	-	-	11,200	1,413	1,112	2,525	8,675
Vertical Blind & Name Plate	11,200	-	-	16,452	1,994	1,643	3,637	12,815
Office Equipment	16,452					-		
Photocopy Machine		-	-	82,000	20,399	16,501	36,900	45,100
Box Fan	82,000	-	-	6,500	1,595	1,329	2,924	3,576
Printer	6,500	23,900	-	165,150	22,458	31,485	53,943	111,207
Computer & Computer Accessories	141,250	145,000	-	664,600	97,030	20,752	217,782	446,818

Particulars	Cost			Depreciation				Carrying Amount
	Balance on 1 January 2015 Taka	Addition During the Year	Disposal/ Adjustment During the Year	Balance at 31 December 2015 Taka	Balance on 1 January 2015 Taka	Charge for the Year	Balance at 31 December 2015 Taka	
Air Conditioner	519,600	159,328	-	275,527	21,361	40,276	61,637	213,890
UPS	116,199	-	-	52,200	9,181	10,829	20,010	32,190
Fax Machine	52,200	-	-	9,100	394	1,881	2,275	6,825
Rack Server	9,100	-	-	1,467,000	227,485	310,415	537,900	929,100
Television	1,467,000	99,500	-	99,500	-	9,648	9,648	89,852
Total	2,697,979	427,728	-	3,125,707	440,694	573,035	1,013,729	2,111,978

3 Intangible Asset

As at 31 December 2016

Particulars	Cost				Amortization			Carrying Amount
	Balance at 1 January 2016 Taka	Addition During the Year	Disposal/ Adjustment During the Year	Balance at 31 December 2016 Taka	Balance at 1 January 2016 Taka	Charge for the Year	Balance at 31 December 2016 Taka	
ADA Software	1,000,000	-	-	1,000,000	611,111	333,333	944,444	55,556
Total	1,000,000	-	-	1,000,000	611,111	333,333	944,444	55,556

As at 31 December 2015

Particulars	Cost				Amortization			Carrying Amount
	Balance on 1 January 2015 Taka	Addition During the Year	Disposal/ Adjustment During the Year	Balance at 31 December 2015 Taka	Balance on 1 January 2015 Taka	Charge for the Year	Balance at 31 December 2015 Taka	
ADA Software	1,000,000	-	-	1,000,000	277,778	333,333	611,111	388,889
Total	1,000,000	-	-	1,000,000	277,778	333,333	611,111	388,889

	31.12.2016 Taka	31.12.2015 Taka
4 Membership of DSE at Cost		
Shares in DSE	321,720,000	321,720,000
	321,720,000	321,720,000

This represents total cost and other expenses of 1 nos membership of DSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Security Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange (DSE) allotted total 72,15,106 nos ordinary Shares at face value of Tk.10.00 each against the membership of DSE and out of the above DSE transferred 2,886,042 nos shares directly to the credit of the Beneficiary Owner's account of the company. The rest of the shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013.

5 Deferred Tax Assets:

The tax effect of temporary differences as per BAS 12 that resulted in deferred tax assets or liabilities

Depreciation as on balance sheet date (Note 2 & 3)	1,590,426	2,500,867
Less: Tax base as on balance sheet date	2,421,511	2,847,881
Deductible temporary defERENCE	(831,085)	(347,014)
Deferred tax assets (35% on taxable temporary defERENCE)	(290,880)	(121,455)
Deferred tax assets (10% on diminution in Value of Investment)	32,087	
Deferred tax assets	(258,793)	(121,455)

6 Advances, Deposits & Prepayments:

Advances		
Application for IPO	30,000,000	-
Total	30,000,000	-
Deposits		
Refundable security deposit-CDBL	200,000	200,000
Refundable security deposit & BTCL	4,000	4,000
Total	204,000	204,000
	30,204,000	204,000

7 Trade and other Receivables:

Receivables from Clients	7,652	170,700
	7,652	170,700

8 Receivable from Dhaka Stock Exchange:

Receivables from DSE	786,793	-
	786,793	-

9 Other Current Assets:

Advance Income Tax	7,614,317	5,316,714
Interest Receivable on FDR	13,021	155,555
Investment in Dealer at Market Price	1,348,428	1,437,306
Dividend receivable	23,000	-
	8,998,766	6,909,575

	31.12.2016 Taka	31.12.2015 Taka
10 Short Term Investment:		
FDR with Delta Brac Housing Finance Corporation Limited	17,500,000	-
	17,500,000	-
11 Cash & Cash Equivalents:		
Trust Bank Limited. C/D A/C-00170210011174	197,876	78,681
Pubali Bank Limited. SND, A/C-2982102000367	51,739,809	23,969,454
Trust Bank Limited. SND A/C-00170320001306	5,931,058	574,135
Trust Bank Limited, SND IPO-00410320000343	66,713,652	2,517
One Bank Limited . SND, A/C-001300000707	1,097,548	224,314
Standard Chartered. SND, A/C- 01-1184109-01	-	-
Cash at Other Institution		
Delta Brac Housing Finance Corporation Limited	-	12,500,000
	125,679,943	37,349,101
12 Ordinary Share Capital:		
Authorised Capital		
200,000,000 Shares @ Tk. 10 each	2,000,000,000	2,000,000,000
Issued, Subscribed, Called up and Paid up Capital		
35,000,000 Ordinary shares @ Tk. 10 each.	350,000,000	350,000,000
	350,000,000	350,000,000
13 Trade and other Payables:		
Deposit of Clients	26,286,630	9,269,740
	26,286,630	9,269,740
14 Payables to Dhaka Stock Exchange:		
Payable to DSE	23,820,547	4,093,026
	23,820,547	4,093,026
15 Provision for Expenses:		
Provision for audit fees	57,500	57,500
Provision for online	126,400	-
Provision for other contractual service	19,224	-
Provision for CDBL Charges	83,074	20,398
Provision for incentive bonus	771,840	463,426
	1,058,038	541,324
16 Short Term Loan:		
TBSL OD A/C No.-00170136000120	15,058,958	-
Loan from DBH Deposit No.-710008218	4,515,407	-
Loan from DBH Deposit No.-7100021760	3,514,297	-
	23,088,662	-
17 Other Liabilities :		
TDS Payable	-	21,566
VAT Payable	-	10,372
Provident Fund contribution (Both)	1,581,748	1,056,874
Hospitalization Benefit Fund	53,300	36,300
Gratuity Fund	1,510,690	1,000,332
IPO Application	66,710,000	-
Other Provision Note 17.01	8,062,085	5,349,881
	77,917,823	7,475,326

	31.12.2016 Taka	31.12.2015 Taka
17.01 Other Provision :		
Provision for Income Tax	8,062,085	5,179,645
Provision for Investment	-	170,236
	8,062,085	5,349,881
18 Other Non-operational Income:		
Interest on Margin Loan	4,733	6,263
Interest from Bank	346,618	197,867
Interest from FDR	1,064,910	1,142,708
Chque Dishonour	1,000	-
Dividend Income	7,246,856	
	8,664,117	1,346,838
19 Salaries and Allowances:		
Basic Salary	2,744,400	2,344,336
House Rent Allowance	1,372,200	1,172,168
Conveyance Allowance	181,500	147,194
Medical Allowance	710,460	597,461
Leave Fare Assistance	292,140	251,114
Festival Bonus	504,671	384,400
Incentive Bonus	731,414	463,426
Employer's Contribution to Provident Fund	262,437	229,620
Employer's Contribution to Gratuity Fund	510,358	822,336
	7,309,580	6,412,055
20 Rent, Taxes, Insurance, Electricity etc.		
Office Rent	198,000	446,640
Service charges	426,240	-
Electricity & Generator Fuel	222,000	222,000
Fees, Renewal & Subscription	48,615	156,886
Renewal (Stock DLR, Broker, CDBL)	77,300	59,000
Insurance premium	18,765	19,703
	990,920	904,229
21 Postage, Stamps, Telecommunications, etc.		
Telephone Expenses	9,282	14,245
Mobile	21,829	27,707
Stamp Charges	575	2,385
Postage & Courier	300	
Internet & Online Charges	819,374	782,900
	851,360	827,237
22 Depreciation, Amortization and Repair & Maintenance		
Depreciation of PPE	592,632	573,035
Amortization of Intangible Assets	333,333	333,333
Repair & Maintenance	121,499	24,771
	1,047,464	931,139

	31.12.2016 Taka	31.12.2015 Taka
23 Other Expenses:		
Entertainment	84,255	67,432
Travelling Expenses	10,235	17,810
Other Contractual Service	584,224	431,418
Repair Maintenance(Car Allowance)	652,800	652,800
Water Bill	6,324	5,800
Paper Bill	4,990	4,990
Software Maintance	-	104,500
Bidding Fees IPO	5,000	-
Authorized Representative	500	2,500
Bank Charges	77,746	58,099
Interest Expenses	81,162	-
TWS Set up Expenses	-	5,000
Investor Protection Fees	6,975	5,432
	1,514,211	1,355,781
24 Received from Operating Activities		
Brokerage Commission	14,731,900	15,163,150
Interest on Margin Loan	4,733	6,263
BO Account Opening	45,200	57,000
Interest from Bank	346,618	197,867
Other Receivale	-	10,200
Realized Gain/(Loss)	2,055,718	60,846
BO Renewal Income	59,100	22,000
Cheque Dishonour	1,000	-
IPO-Commission	7,420	3,241
	17,251,690	15,520,567
25 Payments of Operating Activities		
Laga Charge	(1,462,181)	(1,405,136)
CDBL Charge	(359,537)	(487,446)
Salary & Allowance	(7,309,580)	(6,412,055)
Legal Expenses	(22,980)	
Rent, taxes, insurance, electricity etc.	(990,920)	(904,229)
Postage, stamps, telecommunications, etc.	(851,360)	(827,237)
Stationery, Printing, advertisement etc.	(89,150)	(98,944)
Auditors' Fees	(57,500)	(57,500)
Director's Fees	(141,000)	(24,000)
Depreciation, Amortization and repair of bank's assets	(121,499)	(24,771)
Other expenses	(1,514,211)	(1,355,781)
	(12,919,918)	(11,597,099)
26 Changes in Other Operating Assets		
Investment in IPO	(30,000,000)	-
Receivable from DSE	(786,793)	
Receivable from Clients	163,048	38,843
Investment in Dealer at Cost	239,507	(1,361,400)
	(30,384,238)	(1,322,557)

	31.12.2016 Taka	31.12.2015 Taka
27 Changes in Other Operating Liabilities		
Payables to clients	17,016,890	4,413,950
Payables to DSE	19,727,521	(1,395,027)
TDS payable	(21,566)	21,566
VAT Payable	(10,372)	10,372
Provision for online	19,224	-
Provision for other contractual service	126,400	-
provident fund contribution	524,874	459,240
Hospitalization benefit fund	17,000	14,700
Gratuity fund	510,358	822,336
Incentive Bonus	308,414	249,526
IPO application	66,710,000	(299,000)
Provision for CDBL	62,676	(11,336)
	104,991,418	4,286,328
28 Received from FDR		
Interest from FDR	1,064,910	1,142,708
Less: Interest Accrued from FDR	(13,021)	(155,555)
Add: FDR Last year Accrued	155,555	184,722
	1,207,444	1,171,875


Note: 29 Related Party Disclosures


Note 29 a) Name of Directors' and their interest in different entities as at 31 December 2016:

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of interest
1	Maj Gen S M Matiur Rahman, afwc, psc	Chairman (Representing Trust Bank Ltd.)	Sena Kalyan Sangstha - Vice Chairman, Board of Trustees	Nominated
			Sena Hotel Development Ltd. - Vice Chairman, Board of Directors	Nominated
			Army Welfare Trust - Vice Chairman, Board of Trustees	Nominated
			Trust Transport Services - Chairman, Board of Directors	Nominated
			Army Housing Scheme - Chairman, Board of Directors	Nominated
			Governing Bodies of Cadet Colleges - Chairman	Nominated
			BAIUET Comilla/BAUET Quadirabad/ BAUST Saidpur - Member	Nominated
			Trust Technical Training Institute - Chairman, Board of Directors	Nominated
			Trust Bank Limited - Vice-Chairman, Board of Directors	Nominated
			Trust Bank Investment Limited - Vice Chairman, Board of Directors	Nominated

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of interest
2	Mr. Ashrafuzzaman Khan	Independent Director (Nominated)	Executive Attire Limited - Managing Director	-
			Trust Bank Limited - Independent Director, Board of Directors	-
			Trust Bank Investment Limited - Independent Director, Board of Directors	Nominated
3	Brig Gen Md Jalal Ghani Khan, ndc, psc	Director (Nominated)	Army Welfare Trust (AWT) - Managing Director	Ex-Officio
			Sena Hotel Development Limited - Director, Board of Directors	Nominated
			Trust Technical Training Institute - Director, Board of Directors	Nominated
			Trust Bank Limited - Director, Board of Directors	Nominated
			Trust Bank Investment Limited - Director, Board of Directors	Nominated
			Army Housing Scheme - Managing Director	Nominated
			Trust Transport Services (TTS) - Member	Nominated
4	Brig Gen Md Main Ullah Chowdhury, awc, psc	Director (Nominated)	Trust Bank Limited (TBL)- Director, Board of Directors	Nominated
			Trust Bank Investment Limited (TBSL)- Director, Board of Directors	Nominated
			Army Sports Control Board- Chairman	Nominated
			BUP, DSCSC, NDC, MIST- Member	Nominated
			BKSP- Board of Member	Nominated
5	Mr. Ishtiaque Ahmed Chowdhury	Director (Shareholder as well as Nominated Director)	Trust Bank Limited - Managing Director & CEO	Service
			Trust Bank Investment Limited - Director, Board of Directors	Nominated
6	Mr. Abu Zafar Hedaytul Islam	Director & Managing Director (Nominated)	Trust Bank Limited - Deputy Managing Director	Service
7	Mr. Shahud Ahmed	Director (Nominated)	Trust Bank Limited - Senior Executive Vice President	Service
8	Mr. Zillur Rahim Chowdhury	Director (Nominated)	Trust Bank Limited - Senior Executive Vice President	Service
9	Mr. Akhlasur Rahman Bhuiyan	Director (Nominated)	Trust Bank Limited - Senior Executive Vice President	Service
10	Ms. Musarrat Hossaini Khan	Director (Nominated)	Trust Bank Limited - Senior Executive Vice President	Service

b) Significant contracts where company is a party and where in Directors have interest	Nil
c) Shares issued to Directors and Executives without consideration or exercisable at discount	Nil
d) Related party transactions	Nil
e) Lending policies to related parties	Not Applicable
f) Loan and advances to Directors and their related concern	Nil
g) Business other than banking business with any related concern of the Director as per section 18(2) of the Bank Companies Act-1991	Not Applicable
h) Investments in the Securities of Directors and their related concern	Not Applicable


Vice Chairman


Director


Director


Managing Director

Photo Gallery



Board of Directors at 17th Annual General Meeting of Trust Bank Limited.



Shareholders of the Bank.



Shareholders registration at 17th AGM.



Shareholders of the Bank.



Photo Gallery

Shareholders of the Bank delivered their speech at 17th Annual General Meeting.



Photo Gallery



Mr. Fazle Kabir, Governor of Bangladesh Bank handing over a souvenir to Maj Gen S M Matiur Rahman, afwc, psc, Vice Chairman of Trust Bank Limited.



Trust Bank Limited has been awarded certificate of Merit as the Best Corporate in the Banking Sector (Private Commercial Banks-Traditional Operation) of ICMAB Best Corporate Award-2015.



Donation by Trust Bank Limited to Dhaka North City Corporation for installing CCTV Cameras at Gulshan, Banani, Niketan and Baridhara Residential & Diplomatic Zone of Dhaka.



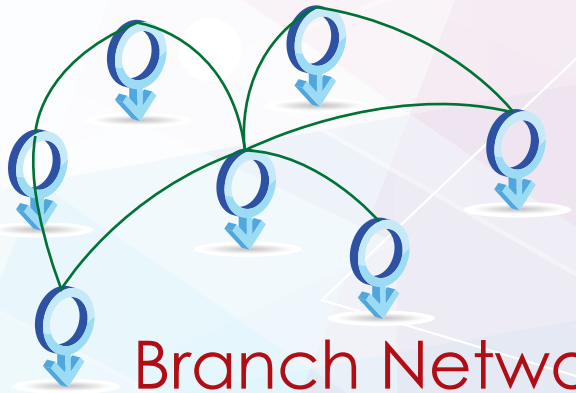
Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO of Trust Bank Ltd. speaking in "USA conference-New York" organized by Centre for NRB.



Remittance payment service agreement between Trust Bank Limited & RIA Financial Services.



Inauguration of relocated Dhanmondi Corporate Branch, Trust Bank Limited.



Branch Network

Number of Branches & SME Service Centres	110
Number of ATM Booths	199
Number of ATM Booths opened in 2016	16
Numbers of t-Lobby	10
Number of Collection Booths:	04
Number of Passport Fee Collection Booth:	01

DHAKA

Principal Branch

98 Shaheed Sarani, Dhaka
Cantonment, Dhaka
Direct- 02-8713282, 02- 8750298,
PABX- 02-8712751-3
Fax- 02-8750276, 02-9832376

SKB Branch

Sena Kalyan Bhaban, 195
Motijheel C/A, Dhaka-1000.
Manager-02-9513086
Sub-manager 02-9561721,
PABX – 57164384, 47114019,
Fax- 02-7163977, 9590390

Momenshahi Cantonment Branch

Aklima Complex (1st Floor),
Sankipara, Momenshahi
Cantonment, Mymensingh
Direct- 091-62371, Fax- 09162371

Savar Cantonment Branch

Ground Floor, Bank Complex,
Savar Cantonment, Dhaka
PABX- 02-7791931
Fax- 02- 7791263

Shaheed Salahuddin Cantonment (SSC) Branch

Shaheed Salahuddin
Cantonment, Ghatail, Tangail
Direct- 09225- 56141

Dhanmondi Corporate Branch

Design Concepts Ltd (1st
floor), House-35, Road-2,
Dhanmondi, Dhaka-1205
PABX-02-8623401, 02-
9677553, Fax-02-9677571

Gulshan Corporate Branch

110 Gulshan Avenue, Gulshan,
Dhaka -1212
Direct-02-9886594,02 -9886592,
PABX-02- 8828088, 02-8815594,
02-9862520, Fax- 9881508

Dilkusha Corporate Branch

Peoples Insurance Bhaban,(1st
Floor), 36 Dilkusha C/A, Dhaka-1000
Direct-02-9561821, 02-
9560944 PABX – 9576421,
9577186, Fax-9560793, 47120048

Radisson Blue Water Garden Hotel Branch. (RBWGH)

Airport Road, Zoar Shahara,
Dhaka Cantonment, Dhaka-1206
Direct- 02-9833865, (PABX and FAX)

Millennium Corporate Branch

Shadhinata Tower, Bir Sreshtha
Shahid Jahangir Gate, Dhaka
Cantonment, Dhaka- 1206
Direct- 8812032, 8812028,
PABX-02-8712076
Fax-02-8712075

Uttara Corporate Branch

House No.- 111/a, Road No.-7,
Sector-4, Uttara, Dhaka
Direct –02-7913335, 02-8921312,
PABX-02-7914658, 02-7914732,
Fax-02-8922650

Mirpur Branch

Swapnapuri, Holding No. 24,
Main Road 3, Section-11,
Mirpur, Pallabi, Dhaka
Direct-02-9008218
PABX-02-9008310, Fax-02-9008359

Karwan Bazar Branch

EDB Trade Centre, 93 Kazi Nazrul
Islam Avenue (Ground Floor),
Karwan Bazar, Tejgaon, Dhaka
Direct-02-9126554
PABX -02-8189602-3, Fax-9126544

Joypara Branch

Azhar Ali Mozahar Ali Shopping
Complex, Dohar, Dhaka
Direct -02-7768096
PABX- 02-7768097
Fax- 02-7768098

Joydevpur Branch

Vaowal Point, Vill: Vogra, Up:
Bason, Po: National University,
Thana: Joydevpur, Dist: Gazipur
Direct - 02-9262852
PABX - 02-9262853
Fax-02-9262859

Narsingdi Branch

Salam Mansion, Holding-13/9,
Thana & Dist-Narsingdi
Direct -02-9451684, PABX-02-
9451686, Fax-02-9451685

Narayangonj Branch

1, Alam Khan Lane, Po+Thana:
Narayangonj, Dist: Narayangonj
Direct-02-7648282
PABX-02-7648283
Fax-02-7648208

Kafrul Branch

Holding - 28, North Kafrul,
Dhaka Cantonment,
Thana- Kafrul, Dist- Dhaka
Direct -02-8715457
PABX- 02-8715459
Fax- 02-8715458

Tongi Branch

1st Floor of Sena Kalyan
Commercial Complex Tongi
Paurashova, Thana - Tongi,
Dist - Gazipur
Direct - 02-9816721
PABX-02-9816722-3
Fax-02-9816724

Progati Sarani Branch

1st Floor of Ka- 74, Progati Sarani,
Kuril Chowrasta, Dhaka
PABX –02-8412258, 02-8412245,
Fax Ext -203

Ashulia Branch

1st Floor of Chowdhury Bhaban, Baipail,
Dhaka EPZ Sarak, Ashulia, Dhaka
Direct-02-7790867, Fax- 02-7790867

DHAKA

Elephant Road Branch

1st Floor of M. R. Mansion 19,
Elephant Road, Dhaka
Direct 02-9614127, PABX-02-9614126,
Fax -02-9611032

Rajendrapur Cantonment Branch

Holding no 551, Nayanpur, Mirzapur,
Ward no. 02, Police Station: Gazipur
Sadar, District: Gazipur
PABX-02-9201791-2, Fax-02-9201790

Khawja Garib Newaz Avenue Branch

1st Floor of Plot no 36 Khawja Garib
Newaz Avenue, Sector- 11, Uttara, Dhaka
Direct -02-7914667, PABX 02-7914666,
Fax-02-7914668

Banani Branch

1st Floor of Delta Dahlia Complex,
36, Kamal Ataturk Avenue, Dhaka
PABX-02-9863053, 02-9863107,
Fax-02-9884927

Kishoreganj Branch

1st Floor of Hajee Abdul Majid Munshi
Building, Ishakhan Road, Terripatty,
Bara Bazar, Kishoregonj
Direct- 0941-62609, Fax-0941-62615

Bhairab Branch

Ground Floor, Holding # 173, Kali
Bari Road, Bhairab Bazar, Bhairab, Kishoregonj
Direct-02-9471501
Sub-Manager -02-9471500

Keraniganj Branch

1st Floor, Azhar Plaza, Ferry Ghat,
Bus Road, Zinjira, Keraniganj, Dhaka
Direct - 02-7764268, PABX-02-7764267

Gopalganj Branch

1st Floor of Holding no. 172,
Adhunik Shamobay Biponi,
Puratan Bazar Road, Gopalganj
Direct- 6681166, Fax-6681188

Faridpur Branch

M K Shopping Complex, Holding
no-15/18, Faridpur Sadar, Faridpur
Direct-0631-65249, (PABX and FAX)

Dhamrai Branch

1st Floor of Siddique Super
Market, Holding # A - 29, Dhamrai
Pourashava, Dhamrai, Dhaka
Direct-7731026, Fax-7731027

Sreenagar Branch

1st Floor, M Rahman Complex,
Sreenagar Bazar, Bhagyakul
Road, Sreenagar, Munshiganj
Direct - 7627175, Fax-7627190,
Mobile-01755636238

Patuatuly Branch

1st Floor, Lucky Mansion, 70/A,
Patuatuly, Kotwali, Dhaka
Direct-02-57396167, PABX-02-57396168,
Fax-02-7341266

Mohakhali Branch

Holding No 100 (1st floor), Bir Uttam
AK Khandaker Road, Mohakhali
C/A, PS- Banani, Dhaka-1212
Direct - 02-9881750
PABX: 02-9881350, 02-9881360,
Fax: 02-9881350, 02-9881360, EXT- 100

Bhedorgonj Branch

1st floor of SEBA Tower, Shaheed
Mohiuddin Sarak, Bhedarganj
Pourashava, PS- Bhedarganj, Sariatpur
Direct-06022-56121, PABX-06022-56122

Matuail Branch

1st Floor, Mainuddin Bhaban,
Saddam Market, South Matuail,
Kadamtali, Dhaka-1213
Direct-02-7553416, Fax-02-7553426,
Mobile- 01730091692

Kanchpur Branch

Sonargaon Mega Shopping
Complex (1st Floor), Kanchpur,
Sonargaon, Narayanganj.
Mobile- 01755540561

Shambhugonj Branch

1st Floor of Hazi Nurul Islam
Tower, Sambhugonj Main Road,
Shambhugonj, Mymensingh.
Direct: 091-65650, Mobile- 01755690426

Kakrail Branch

38, Kakrail, Inner Circular
Road, Bijoy Nagar, Dhaka.
Direct-9348201, PABX-9361265,
Fax-9348202, Mobile-01730335496

Bangabandhu Cantonment Branch

Bhuapur, Tangail
Direct-09234-76002, Mobile-01716302089

Pangsha Branch

Mahamud Plaza, (1st Floor), College
Road, Pangsha Sadar, Pangsha, Rajbari
Mobile-01911508398

Centennial Branch

Dream by Icon, 2/4 Block
A, Mohammadpur Housing
Estate, Mirpur Road, Dhaka.
Direct-9142902, 9142904,
PABX: 02 -9142903

Taranagar Branch

Ghatarchar, Taranagar,
Keranigonj Model Thana,
Keranigonj, Dhaka
Mobile-01709648578, 01743106263

Takerhat Branch

Shahbuddin Mollah Complex,
Vill-Takerhat, Thana- Raoir, Dist-
Madaripur, Mobile-01716608426

Gazipur Cantonment Branch

BOF Complex, Shahid Jaman
Shorok, Word # 24, Gazipur City
Corporation, Thana: Joydevpur,
Dist: Gazipur. Mob: 01708-494254

CHITTAGONG

Comilla Cantonment Branch

Comilla Cantonment, Comilla
Direct-081-65005, PABX-081-65004,
Fax-77023

Chittagong Cantonment Branch

Bangladesh Tea Board Bhaban
(Ground Floor) 171-172 Baijid
Bostami Road Nasirabad, Chittagong
Direct-031-683680
PABX-031-2581170-71
Fax- 031-2581172

Agrabad Branch

Rafique Tower, 92 Agrabad
C/A, Chittagong.
Direct -031- 720188
PABX- 031- 2524462-3,
2514708-9, Fax- 031-715791

Khatungonj Branch

205, Main Road, Plot No.-218,
Khatungonj, Chittagong
Direct-031-2861718, PABX-031- 627860,
285235-6, Fax-2861719

CDA Avenue Branch

Holding No.1837(New), Elite House
(1st and Ground Floor), CDA
Avenue, Chittagong
Direct-031-2550938, PABX-031- 2550936-7,
2553091-4, Fax -2550939

Halishahar Branch

Holding No.-2030/A, Block-G, Road No.-3, Plot
2, Bara Pul, Port, Connecting Road, Chittagong
Direct-031-2512593
PABX-031-2512592, Fax-2512591

CHITTAGONG

Naval Base Branch

BNS Isha Kha, Naval Base
Anchor Building (1st Floor),
Potenga, Chittagong.
PABX-031-741833, 031-741834,
Fax-741831

Feni Branch

Kazi Centre (Ground Floor),
Holding No.-106, A.S.K Road, Feni
Direct-0331- 63536, PABX-0331-63535,
Fax-0331-63537

Jubilee Road Branch

Royal Tower, Jubilee Road,
Chittagong, City Corporation,
Thana- Kotwali, Chittagong
Direct-031-2857212, PABX -031-2859061-2,
Fax-031-285713

Ashugonj Branch

Mouza : Char Char Tala, Thana:
Ashugonj, Dist: Brahmanbaria
Direct-0852-874026
(PABX), Fax-0852-874027

Amirabad Lohagara Branch

Best Chowdhury Plaza,
Amirabad, Lohagara, Chittagong
Direct-03034-56612
Fax & PABX-03034-56349

Chowmuhuni Branch

Feni Road, Holding # 309,310,
Chowmuhuni, Paurashova,
Thana-Begumgonj, Dist- Noakhali
Direct-0321-54193, 0321-54192,
Fax-0321-54194

Bogra Cantonment. Branch

Bogra Cantonment, Bogra
PABX – 051- 82032, 82033

KhajwaYounus Ali Medical College & Hospital (KYAMCH) Branch

KhajwaYounus Ali Medical College
& Hospital, Enayetpur, Sirajgonj
Direct - 0751- 63897
PABX- 0751-63761-3, Fax-63898

Jessore Cantonment Branch

Trust Commercial Complex,
Arabpur MP Check Post,
Jessore Cantonment, Jessore
PABX - 0421-61043, FAX - 111

Mongla Branch

1st Floor of BN School & College
Campus, PS-Mongla, Bagerhat
Direct-04662-75395, Fax-75396

Cox's Bazar Branch

1st Floor of Degenta Annexure
Complex, Cinema Hall Super
Market, Bazar Ghat Cox's Bazar
Direct-0341- 52108
PABX-0341- 52109, Fax-52110

Kadamtali Branch

1st & 2nd Floor of Royal Plaza,
431, DT Road, Kadamtali Bus
Station, Kadamtali, Chittagong
Direct-031-2529951, PABX- 2529953,
2529954, Fax-2529952

Rangamati Branch

1st Floor of SR Tower, 107,
Shahid Abdul Rashid Sarak,
Banarupa, Rangamati
Direct-0351-61885, 0351-61932,
PABX-0351-61886

Comilla Branch

1st & 2nd floor of Omori
Mansion Badurtala 1st Lane,
Kandirpar, Comilla
PABX-081-64249, Fax-081-64250

Khagrachari Branch

Mahdi Complex (Ground floor),
Santinagar, Changi Square,
PS-Khagrachari Sadar
Direct-0371-61370, PABX- 0371-61390,
Fax-0371-61374

Bandarban Branch

1st Floor of Chairman Market,
Bandarban Bazar Fund, Plot no 240/C,
Bandarban Sadar, Bandarban
Direct-0361- 63204,
PABX- 0361-63205, Fax-63206

Rajshahi Branch

1st floor of Dainik Barta Complex,
Alupatty, Ghoramara, Rajshahi
Direct - 0721- 770958, PABX-0721-774051,
770655, Fax - 0721-772820

Dayarampur Branch, Natore

1st Floor of MK Shopping
Complex, Doyarampur Bazar,
Kadirabad Cantonment Road,
Doyarampur
Direct - 07722-72351
Fax - 07722-72351

Khulna Branch

Sena Kalayan Bhaban,
1, KDA Avenue, Khulna
City Corporation, Thana:
Sonadanga, Dist: Khulna
Direct - 041-2831570, PABX-041-
2831571-2, Fax-041-2831573

Dewan Bazar Branch

Iqbal Tower (1st Floor), 85/86 Dewan
Bazar, Nawab Sirajuddowla Road,
Chittagong, Direct-031-2869825,
PABX -031-2869826. FAX - 2869827

Titans Branch

Bhai Bhai Italian Plaza (1st floor),
Karikandi Bazar, PS- Titas, Comilla
Mobile- 01730304862, 01915652100

Maligaon Branch

Maligaon Bhuiyan Bari (Bara
Bari), Jame Mashjid Complex
Market, Daudkandi, Comilla
Mobile- 01713010894

Chandpur Branch

1st Floor of Notun Bazar
Super Market, Chandpur,
Direct-0841-66541
PABX -0841-66543, Fax-0841-66542
Mobile- 01713012561, 01708140980

RBCBVH Branch

Radisson Blu Chittagong Bay
View (RBCBV) Hotel, Chittagong
Manager- 01713122929

Ramu Branch

Alhaji Jahed Shopping Complex,
Mandolpara, Fatekharkul,
Ramu, Cox's Bazar
Direct: 03425-56011, PABX: 03425-56017

Companygonj Branch

Khokon tower, Vill- Poia Pathor (Companygonj),
Union- Nobipur, Thana- Muradnagar
Dist- Comilla, Mobile - 01709654653

Kabirhat Branch

Haque Tower, Ward No.-2, Kabirhat
Pourashova, Kabirhat, Noakhali
Mobile no 01708140986

Dashuria Branch

Abdul Khalaque Market (1st Floor),
Dashuria, Ishwardi, Pabna.
Mobile- 01755690421

Chapainawabgonj Branch

16 Jhilim Road, Ward No- 02,
Pourasava - Chapai Nawabgonj,
Thana- Chapai Nawabgonj,
Dist. Chapai Nawabgonj
0781-52684-6, Mobile - 01733005020

Sherpur Branch

Shah Turkan Plaza, Sherpur, Bogra.
Mobile - 01770790786

Munshiganj Branch

Vill: Munshiganj, PO-Kalinagar,
PS - Shyamnagar, Satkhira
Mobile-01755552689

Jahanabad Cantonment Branch

Cinema Hall Complex, Jahanabad
Cantonment, Gilatala, Fultala, Khulna
Direct – 785101, PABX -041-785100,
Fax- 785102

RAJSHAHI

KHULNA

KHULNA

Jhenaidah Branch

Ground Floor, Holding # 54,
Jhenaidah Sadar, Jhenaidah
(Adjacent to Shishu Kunjo School
& College inside Jhenaidah
Cadet College campus)
Direct- 0451-61316, Fax-61317

Kushtia Branch

1st floor of Shatabdi Bhaban,
Holding No- 92/A, Nabab Siraj-
Ud- Doula Road, PS-Kushtia
Sadar, Kushtia
PABX - 071-73218
Fax: 071-73851

Bagerhat Branch

7/2, Khan Jahan Ali Road (1st
Floor), Bagerhat Sadar, Bagerhat.
Direct – 0468-64572
Fax – 0468- 64573
Mobile- 01787672377

Daulatpur Branch

1/1 SS Centre (1st Floor),
Upper Jessore Road,
Daulatpur, Khulna.
Mob: 01708-494259

SYLHET

Jalalabad Cantonment Branch

Jalalabad Cantonment, Sylhet
Direct- 0821 - 2870115
Fax - 0821-2872135

Sylhet Corporate Branch

BMA Bhaban, Chouhatta,
Kotwali, Sylhet
Direct - 0821-727531
PABX - 0821-719063
Fax - 0821 -719139

Beani Bazar Branch

Al-Amin Super Market, College
Road, Beani Bazar, Sylhet
Direct - 08223-56008
Fax - 08223-56009

Moulvi Bazar Branch

Holding No.-10, Court Road,
Chowmohona, Kotowali,
Moulvibazar
Direct - 0861-62981
PABX - 0861-62883
Fax - 0861-62884

Goalabazar Branch

Hazi Nasib Ullah Market, (1st
Floor), Main Road, Goalabazar,
Osmani Nagar, Sylhet
Direct - 08242-56297
Fax - 08242-56327

Shahjalal Upa-Shahar Branch

Syed Plaza, Plot No:1,
Block-D, Shahjalal Housing
Estate, Sylhet City Corporation,
Thana-Kotwali, Sylhet
PABX - 0821-727691
Fax - 0821-727692

Modina Market Branch

Hoque Mansion (1st floor)
Holding No-711, Modina
Market, Pathantula, Sylhet
Direct -0821-721811
Fax - 0821-721811

Golapganj Branch

1st Floor of Rahman Shopping
Complex, Holding No-76
PS- Golapganj, Sylhet
Direct - 08227-56077
Fax: 08227-56078

Hobiganj Branch

Mannan Shopping Center,
Badiuzzaman Khan Road,
Habiganj Sadar, Habiganj.
Direct - 0831-54142
PABX: 0831-54143
Fax: 0831-54144
Mobile - 01755690420

Sunamgonj Branch

233 Alfat Bhaban, Old
Bus Station, Ward no- 06,
Paurasava- Sunamgonj,
Thana- Sunamgonj Sadar
Dist. Sunamgonj
Mobile - 01730334648

RANGPUR

Rangpur Cantonment Branch

Sena Shomver Complex, RK
Road, Rangpur
Direct-0521-66653, Fax-67371

Saidpur Cantonment Branch

1st floor of Shaheed Sarani
Market, Airport Road, Saidpur
Cantonment, Saidpur, Nilphamary.
Direct-05526-73631, Fax-73630

Bir Uttam Shaheed Mahbub Cantonment Branch

Cantonment Board Market,
Bir Uttam Shaheed Mahbub
Cantonment, Dinajpur
Mobile -0175552688

Auliapur Branch

Vill: Auliapur, PO: Pulhat, Bisic
Road, PS- Sadar, Dinajpur.
Fax: 0531-66635,
Direct-0531-66629

Lalmonirhat Branch

1st floor of Simanto Shopping Complex,
Holding No- 755, Misson More Zero Point,
PS-Lalmonirhat Sadar, Lalmonirhat
Direct -0591-62092, Fax - 0591-62090.

Shathibari Branch

1st Floor of Atique Market, Shathibari
Bazar, PS- Mithapukur, Rangpur.
Direct: 0522- 556314

BARISAL

Barisal Branch

Ground Floor of S Rahman
Market,78, Sadar Road, Barisal
City Corporation Area, Barisal
Direct -0431-64506
PABX- 0431-2177324
Fax - 0431- 2177323

SME/Krishi Branches and Service Center

DHAKA

Mirer Bazar SME/Krishi Branch

1st Floor, Ishtiaque Commercial
Complex, Holding # 52, Block # B
Mirer Bazar, Asian Highway
Dist- Gazipur Direct-02-9816765
Fax-02-9816765

Manikgonj SME/Krishi Branch

1st Floor of Anjoli Super
Market, 75, Shaheed Rafique
Sarak, Kali Bari, Manikgonj
Direct -02 7711061, 02-7711058,
Fax-7711067

Dholaikhal SME Service Center

31/1, Lal Mohan Saha Street,
Dholaikhal, Dhaka
Direct -02-9571362
Fax- 02-9571362

Madhabdi SME/ Krishi Branch

R M Building-3, Phalpatri Road,
Pourasava-Madhabdi,
Thana-Madhabdi
Dist-Narsingdi, Direct-02-9446806
Fax- 02-9446807

RAJSHAHI

Tamai SME/Krishi Branch

Protigga Banijjik Bhaban,
Thana-Belkuchi, Dist- Sirajgonj,
Direct -07522-56357
Mobile - 01730334646

Natore SME/ Krishi Branch

1st Floor of Shahara Plaza,
Kanai Khali Natore Sadar,
Natore, Direct -0771-66889,
66916, Fax- 0771-66942

Notice of the 18th Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of Trust Bank Limited will be held on Wednesday, 24 May, 2017 at 11.00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 December 2016 including approval of transfer of an amount not exceeding 5% of total income to Special Reserve Fund together with the Directors' and Auditors' Report thereon.
2. To declare Dividend for the year ended 31 December 2016 as recommended by the Board of Directors.
3. To elect/re-elect/approve the appointment of Directors (including Independent Director).
4. To appoint/re-appoint Auditors and fix their remuneration for the financial year 2017.

30 April, 2017

By order of the Board of Directors



Md. Mizanur Rahman, FCS
Company Secretary (Acting)

Notes:

- a) The Record Date of AGM was 06 April, 2017. The members' whose names appeared in the Register of Members of the Company on Record Date are eligible to attend the meeting and vote thereat.
- b) Any Member of the Bank entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. A Member being a corporation or company may appoint its representative, duly appointed and authorized, to attend and vote on its behalf.
- c) The Proxy Form, duly signed by the Member and stamped by the Revenue Stamp of TK. 20.00 (Twenty) each, must be submitted at the Share Department of the Company at any time not less than 72 hours before the time fixed for the meeting.
- d) Members of the Bank are requested to submit their written option to the Share Department regarding the way of receiving their dividend within May 15, 2017, otherwise, the dividend will be paid through BEFTN or any other mode as may be deemed appropriate by the Bank.
- e) Attendance Slip and Proxy Form along with the Notice will be sent to the entitled Member by post/courier. These can also be collected, if so required, from the Share Department or the website of the Bank: www.trustbank.com.bd.

Special Note: In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009/193/154 dated 24 October 2013, no gift/food box will be distributed at the 18th AGM.



Head Office & Registered Office:

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment
Dhaka-1206, Bangladesh
www.trustbank.com.bd

PROXY FORM

I/We.....of.....
.....being a member of Trust Bank Limited, do hereby appoint Mr. /Ms.
.....of.....as my/ our PROXY to attend and
vote on my/our behalf at the 18th Annual General Meeting of the Bank to be held on Wednesday, 24 May,
2017 at 11.00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka and at any
adjournment thereof.

As witness my/our hand this day of 2017.

.....
Signature of Shareholder(s)

.....
Signature of PROXY

No. of Shares held

Folio No.

BO ID No.

Revenue
Stamp
Tk. 20.00

Note: A member entitled to attend at the Annual General Meeting may appoint a PROXY to attend in his/her behalf. The Proxy Form, duly stamped, must be deposited at the Share Department of the Company at least 72 hours before the scheduled time of the meeting. Signature of the Member should agree with the specimen signature registered with the Company/CDBL.

Signature verified by

.....
Authorized Signatory



Head Office & Registered Office:

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment
Dhaka-1206, Bangladesh
www.trustbank.com.bd

ATTENDANCE SLIP

I do hereby record my attendance at the 18th Annual General Meeting of the Bank being held on Wednesday,
24 May, 2017 at 11.00 a.m. at Trust Milonayaton, 545 Old Airport Road, Dhaka Cantonment, Dhaka.

Name of the Shareholder/Proxy	<input type="text"/>
Folio No.	<input type="text"/>
BO ID No.	<input type="text"/>
Contact No.	<input type="text"/>

.....
Signature of Shareholder(s)/Proxy

.....
Signature verified by

Note: Please deposit this slip at the reception desk. Children and non-shareholders will not be allowed at the meeting.





Trust Bank

www.trustbank.com.bd



Trust Bank Limited

Head Office & Registered Office

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment

Dhaka-1206, Bangladesh

Tel: 02-9850635, 02-9850638, 02-44 870030-2, Fax: 02-9850651

e-mail: info@tblbd.com