Deeply Rooted with Trust

Annual Report 2013



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 2013

Dear Sir,

We are pleased to present before you a copy of the Annual Report along with Audited Financial Statements including consolidated and separate balance sheet as on 31 December 2013, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement for the year ended 31 December 2013 with the notes thereto of Trust Bank Limited (TBL) and its subsidiaries- Trust Bank Investment Limited (TBIL) and Trust Bank Securities Limited (TBSL). We have also enclosed separate Financial Statements of subsidiary companies- Trust Bank Investment Limited (TBIL) and Trust Bank Securities Limited (TBSL).

Yours Sincerely,

Khaled Mahbub Morshed, FCA Company Secretary



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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

- Faír
- Dependable
- Relíable
- 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, financial advisor productivity, 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 included 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 relating 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 relating to the Bank's activity, 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 Mílestones

Date

31 May 2009

27 January 2010 09 September 2010

14 November 2010 30 November 2011

06 June 2012

28 November 2012

26 September 2013

Particulars/Events

Registration number, C-37960(2260)/99 Date of Incorporation Date of Commencement of Banking Operations Banking License Received First Branch License Received Formal Inauguration Online Banking Operations across all the Branches Publication of Prospectus Subscription Opening Subscription Closing Listed with Chittagong Stock Exchange Ltd. Listed with Dhaka Stock Exchange Ltd. Commencement of Trading of Shares at DSE & CSE Authorized Share Capital Increased to BDT 500 Crore **TBL Mutual Fund Trading Started** Established Trust Bank Investment Limited, a 99.99% Owned subsidiary, to do Merchant **Banking operations** Commencement of Investment Banking Operations TBL shares denominated to Tk. 10 per share with market lot of 500 shares first traded in the DSE Authorized Share Capital Increased to BDT 1,000 Crore Allotment of 1 share (membership) of DSE to Trust Bank Securities Limited (TBSL) Inception of Business Operation of Trust Bank

Securities Limited (TBSL)

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 Company Limited by shares 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@trustbanklimited.com

Company Secretary

Mr. Khaled Mahbub Morshed, FCA

Chief Financial Officer

Mr. Khaled Mahbub Morshed, FCA

Head of Internal Control & Compliance

Mr. Mohammad Abdul Motaleb Patwary, EVP

Auditors

M/S ACNABIN, Chartered Accountants BDBL Bhaban (13th Floor) 12 Kawran Bazar Dhaka-1215

Corporate Governance Certificate Issuer

Hoque Bhattacharjee Das & Co. Chartered Accountants Suit# 502, Paltan Tower (5th Floor) 87 Purana Paltan Lane, Purana Paltan, Dhaka-1000

Tax Consultant M/S ADN Associates Kaizuddin Tower (8th floor), 47 Bijoy Nagar, Dhaka-1000

Legal Counsel

Dr. Monjur Kader Advocate, Supreme Court of Bangladesh, Dhaka-1000

Rating Agency Credit Rating Agency of Bangladesh Ltd. Sena Kalyan Bhaban, 195 Motijheel C/A, Dhaka-1000

Registered Office & Head Office

Peoples Insurance Bhaban, 36 Dilkusha C/A, Dhaka-1000 Tel: 9570261, 9570263, 9572012-3, Fax: 880-2-9572315

Performance at a Glance



Figure in Million

Figure in Million

Total Operating Income

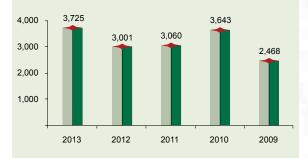
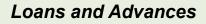
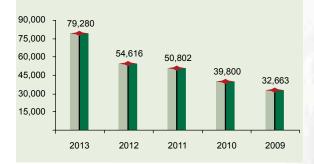


Figure in Million





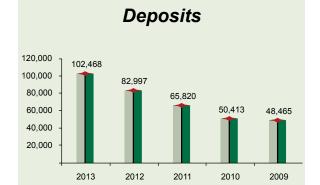


Figure in Million

Figure in Million

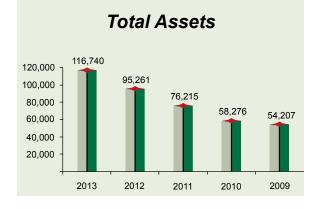
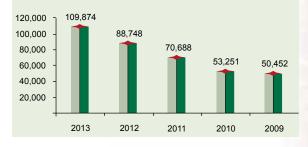
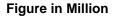


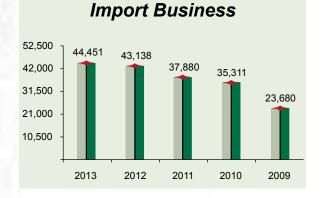
Figure in Million











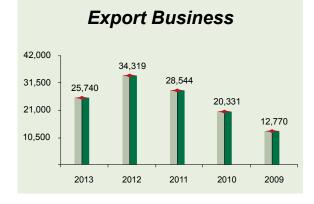


Figure in Million

4,216

2009

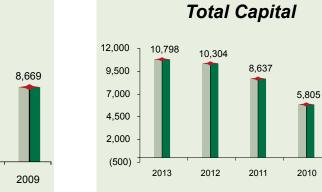
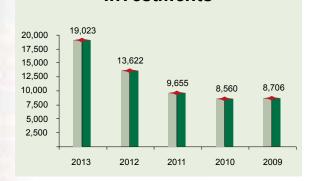


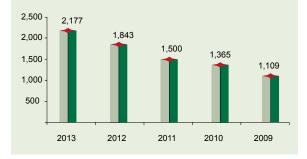
Figure in Million



Investments

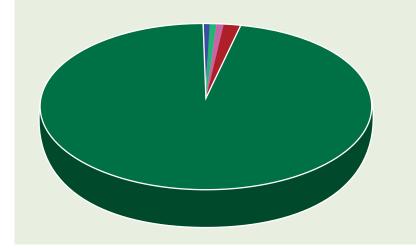
Figure in Million

Total Operating Expense

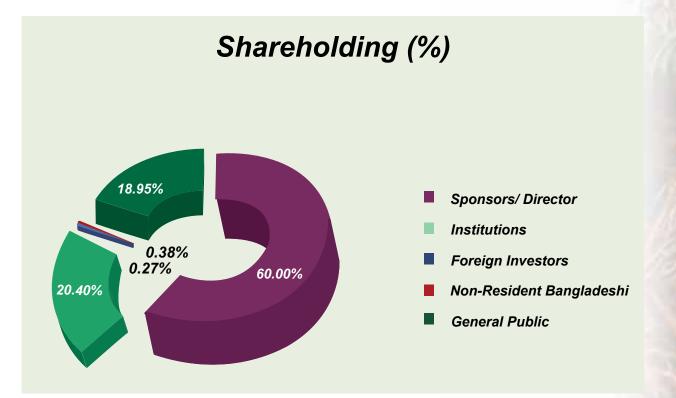


Our Shareholders

No. of Shareholders



- Sponsors/ Director
- Institutions
- Foreign Investors
- Non-Resident Bangladeshi
- General Public



Board of Directors





General Iqbal Karim Bhuiyan psc Chairman



Maj Gen Ashraf Abdullah Yussuf rcds, afwc, psc Vice Chairman



Brig Gen K A R M Mostafa Kamal ndc, psc



Ms. Begum Rokeya Din General Shareholder &



Brig Gen Md Mehdi Hassan ndc, afwc, psc Director



Mr. Helal Uddin Ahmed Depositor & Independent Director



Brig Gen Kazi A S M Arif afwc, psc Director



Brig Gen Abu Mohammad Munir Alim psc, G Director



Mr. Ishtiaque Ahmed Chowdhury Managing Director & CEO



Mr. Ashrafuzzaman Khan Independent Director

Biography of the Board of Directors



General Iqbal Karim Bhuiyan, psc Chief of Army Staff, Bangladesh Army Chairman, Trust Bank Limited

General Iqbal Karim Bhuiyan, psc was born on 02 June 1957 in Comilla, Bangladesh. The General joined Bangladesh Military Academy on 19 March 1976 and was commissioned on 30 November 1976 in the Corps of Infantry.

He has attended several professional courses both at home and abroad. His foreign courses include Company Commander's Course in Malaysia, Course on Peace-keeping for Decision Makers in the Defence Institute of International Legal Studies in Rhode Islands, USA. He is a graduate of Defence Services Command and Staff College, Mirpur and Command and General Staff College, USA. Besides, he took part in a workshop on Initiative for Conflict Management in JFK School of Government, Harvard University and Logistic Support Issues in Freetown, Sierra Leone.

General Karim has a fine mix of all three types of appointment available in the Army i.e. Staff, Instructor and Command. He commanded three Infantry Battalions, an Infantry Brigade and three Infantry Divisions. As staff he served as Colonel Staff in an Infantry Division, Chief of General Staff and Quarter Master General of Bangladesh Army at the Army Headquarters. He was Platoon Commander in Bangladesh Military Academy, Directing Staff of Defence Services Command and Staff College and Commandant of Defence Services Command and Staff College and School of Infantry and Tactics. At present he is serving as Chief of Army Staff, Bangladesh Army.

General Karim actively took part in Counter insurgency Operation in Chittagong Hill Tracts, Bangladesh and participated in "Operation Desert Storm" where he received Liberation of Kuwait Medal. He also served as Commander Sector-4 of UNAMSIL in Sierra Leone.

General Karim has widely traveled around the globe that includes countries like Canada, China, Guinea, Ghana, India, Ivory Coast, Kuwait, Kenya, Liberia, Malaysia, Pakistan, Qatar, Saudi Arab, Singapore, Sierra Leone, Thailand, USA and UK.

Besides, abreast his present responsibility he is representing different concerns of Army Welfare Trust (AWT) as Chairman. General Karim was appointed Director of Trust Bank Limited on 25 June 2012.



Major General Ashraf Abdullah Yussuf rcds, afwc, psc Adjutant General, Bangladesh Army Vice Chairman, Trust Bank Limited

Major General Ashraf Abdullah Yussuf, rcds, afwc, psc was commissioned in the Corps of Infantry from Bangladesh Military Academy in 1979. He is a graduate of Defence Services Command and Staff College, Mirpur. He attended Armed Forces Warfare Course at National Defence College and graduated from Royal College of Defence Studies, UK.

Besides Masters in Defence Studies and Masters in War Studies, he is also Masters in Social Science in Political Science and Masters in International Studies from King's College, University of London. He served as Military Observer of United Nations Iraq-Kuwait Observation Mission in Kuwait and Chief of Staff of United Nations Operation in Ivory Coast.

The General served as Executive Chairman of Bangladesh Export Processing Zone Authority (BEPZA), Director General of Special Security Force and General Officer Commanding of 9 Infantry Division. He is presently serving as Adjutant General of Bangladesh Army.



Brigadier General K A R M Mostafa Kamal, ndc, psc Director

Brigadier General Khan Abu Roushan Mohammad Mostafa Kamal, ndc, psc was commissioned in the Corps of Army Services Corps of Bangladesh Army on 21 December 1980. He served in various command, staff and instructional appointments. He is a graduate of Defence Services Command and Staff College (DSCSC), Mirpur, Dhaka and completed National Defence College Course from Bangladesh. He was on deputation in Kuwait Armed Forces. He attended courses both at home and abroad. Now he is serving as Director, Welfare and Rehabilitation at Army Headquarters. He is also serving as Managing Director, Army Welfare Trust. He has been appointed as Director, Trust Bank Limited since 11 February 2009.



Ms. Begum Rokeya Din General Shareholders' & Independent Director

Ms. Begum Rokeya Din was appointed as Director from General Shareholder of Trust Bank Limited on 28 April 2009. In addition she was appointed as Independent Director also. She obtained her Masters Degree in Political Science from Dhaka University, Dhaka. Through BCS examination, she started her career in 1977 by joining Audit and Accounts cadre of Bangladesh Civil Service. She served the Government of the People's Republic of Bangladesh for 28 years in various capacities both inside and outside of the country. At the time of retirement, she was Deputy Comptroller and Auditor General, Office of the C&AG, Bangladesh Government. She attended numerous trainings, seminars & workshops held in the country and abroad.



Mr. Helal Uddin Ahmed Depositor & Independent Director

Mr. Helal Uddin Ahmed has a good academic record. He obtained B.A. (Honours) and M.A. degree in Economics from the University of Dhaka. He started his career in the Customs & Excise Cadre of Bangladesh Civil Service in 1977 and worked in various capacities including Commissioner of Customs; President of Customs, Excise and VAT Appellate Tribunal, Dhaka and Member, National Board of Revenue. He retired from public service in the year 2008. At present he is associated with Sabuj Unnayan Limited as Director. He is also associated with a number of social and charitable organizations.

Mr. Helal Uddin Ahmed was appointed as Depositor and Independent Director of Trust Bank Limited on 28 April 2009 and also he is the Chairman of the Audit Committee of the Bank.



Brigadier General Abu Mohammad Munir Alim, psc, G

Director, Trust Bank Limited

Brigadier General Abu Mohammad Munir Alim, psc, G was born on 18 November 1964 in Comilla, Bangladesh. He was commissioned in the Artillery Regiment of Bangladesh Army on 27 June 1986. During his long 28 years of service the officer attended number of professional courses both at home and abroad. The officer is a graduate of Defence Services Command and Staff Collage. He completed Master in Defence Studies (MDS), Master in Science (MSC, Tech) and Master in Business Administration (MBA).

Brigadier General Munir commanded an Artillery Regiment and an Artillery Brigade. He was Instructor at prestigious School of Artillery. He performed as a Commandant of Army School of Education and Administration. He served as operational staff at all tiers of Bangladesh Army.

Brigadier General Munir served under blue helmet as Chief of Staff, Sector Headquarter (West), Ivory Coast and Military Observer in Iraq. Presently he is the commanding elite 6 Independent Air Defence Artillery Brigade. Also, he is the Chairman of Mirpur Cantonment Public School & Collage and Mirpur Cantonment Board School. He has been appointed as a Director of Trust Bank Limited on 06 June 2013 and Chairman of Risk Management Committee of Trust Bank Limited on 08 December 2013. He visited a good number of countries.

Brigadier General Munir is happily married and proud father of a daughter. The general has keen interest in tennis and golf.



Brigadier General Md Mehdi Hassan, ndc, afwc, psc

Director, Trust Bank Limited

Brigadier General Md Mehdi Hassan, ndc, afwc, psc was born on 30 June 1962 in Bagerhat, Bangladesh. He was commissioned in the East Bengal Regiment of Bangladesh Army in December 1983. During his long 30 years of service the officer attended number of professional courses both at home and abroad. The Officer is a graduate of Defence Services Command and Staff College, Bangladesh and also an alumnus of the Armed Forces War Course and National Defence Course of National Defence College, Bangladesh. He completed Master in Defence Studies (MDS), Master in War Studies (MWS) and Master in Business Administration (MBA). He is undergoing M.Phil on Security and Strategic Studies.

Brigadier General Mehdi commanded two infantry battalions and an Infantry Brigade. He served as the Directing Staff of Defence Services Command and Staff College and the Armed Forces War Course at National Defence College, Bangladesh. He served as the operational staff at all tiers of Bangladesh Army.

Brigadier General Mehdi has contributory service in three missions of United Nations namely UNTAES (Croatia), MONUC (Congo) and UNAMID (Darfur-Sudan) as military observer and staff. Presently he is the Director, Personnel Administration Directorate of Army Headquarters. Also he is representing 'Jalshiri Abason' as a Nominee Director. He has been appointed as a Director of Trust Bank Limited on 10 November 2013. He visited a good number of countries of all the continents.



Brig Gen Kazi A S M Arif, afwc, psc

Director, Trust Bank Limited

Brigadier General Kazi A S M Arif, afwc, psc was born on 01 January 1962 in Manikgonj, Bangladesh. He was commissioned in the Signals Corps of Bangladesh Army on 10 June 1983. During his long 30 years 07 Months of service the officer served in various command, staff and instructional appointments and attended number of professional courses both at home and abroad. The Officer is a graduate of Defence Services Command and Staff College, Bangladesh and also an alumnus of the Armed Forces War Course of National Defence College, Bangladesh. He completed Master of Defence Studies (MDS) and Master of War Studies (MWS).

Brigadier General Arif served in various command, staff & instructed operations, the remarkable few are as followings:

- Instructor Class B, School of Military Intelligence.
- General Staff Officer Second Grade (Planning and Coordination), Defence Services Command and Staff College.
- * Brigade Major, 86 Independent Signal Brigade.
- * Commanding Officer, 6 Signal Battalion.
- * Commanding Officer, 7 Signal Battalion.
- * General Staff Officer First Grade, Director General of Forces Intelligence.
- * Chief Instructor, Field Intelligence School, Director General of Forces Intelligence.
- * Director, National Security Intelligence.
- * Commandant, Signal Training Centre and School.

Brigadier General Arif has contributory service in United Nation Peace keeping mission namely UNICOM (Kuwait) and MONUC (Congo) as Military observer and staff. Presently he is the Commander, 86 Independent Signal Brigade. He is also Chairman of Cantonment Girls Public School & College. He has been appointed as a Director of Trust Bank Limited on 08 January 2014. He visited a good number of countries around the world.



Mr. Ashrafuzzaman Khan Independent Director

Mr. Ashrafuzzaman Khan has a very sound scholastic record having Honors and Masters degree in Economics from 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 is a civil sponsor of Defence Service 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. Ishtiaque Ahmed Chowdhury Managing Director & CEO

Mr. Ishtiaque Ahmed Chowdhury was appointed as Managing Director & CEO of Trust Bank Limited on February 04, 2013. Prior to assuming this office, he served the Bank as Deputy Managing Director since 2003. Immediate before joining Trust Bank Limited, Mr. Chowdhury worked in Oriental Bank Limited for one year (now ICB Islamic Bank) as EVP and Regional Manager of Dhaka city branches of the Bank.

Having started his career with Rupali Bank Limited as Probationary Officer in 1977, 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 into profitable ones within target time.

Mr. Chowdhury spent half of his career time in AB Bank Limited, first private commercial bank of the country, through 1984 to 2002. He headed major corporate branches of the Bank including Kawran Bazar, Uttara and Motijheel Corporate Branch. 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 29 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 believes in inclusive banking and has always put effort to bring banking services to the doorstep of people at large. He strongly holds that banker has to be trustworthy and dedicated towards serving people in order to uplift their livelihood and socio economic status.

He has also proven to be an effective team player and can get things done by ensuring coherent and integrated management atmosphere. He is one of the proponents of situational leadership approach and can pursue tough goals in any market scenario.

He is a dreamer, humanitarian, organizer and an art connoisseur. He is involved in Rotary club and held position of President of Jahangirnagar, Dhaka unit of Rotary District. He is also Treasurer of Combat Hunger Project Committee of Rotary International District. He is a member of Uttara Club, Kurmitola Golf Club and Childhood Cancer Foundation, Dhaka. He is presently Executive Member of Association of Bankers Bangladesh (ABB). He is a "Tax Card" holder, a very prestigious status provided by NBR for 2011-2013. Mr. Chowdhury has also won the 13th Rapport Award for Excellence in Human Resource Development – 2013.

With a distinctive academic track record, he passed S.S.C and H.S.C in 1968 and 1970 respectively. He holds MSS degree with Honors in Political Science and Law from the University of Dhaka. He is a DiplomaEd Associate of Institute of Bankers, Bangladesh.

Mr. Chowdhury visited many countries for official purpose as well as personal pleasure. He participated in a good number of professional trainings, workshops, and seminars at home and abroad.

Mr. Chowdhury was born in Sylhet in 1953. His father was a member of Assam Legislative Council of British Period in Assam, India. Mr. Chowdhury 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 is now working in HSBC Bangladesh.

Executive Committee Members

- 1. Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc
- 2. Brig Gen KARM Mostafa Kamal, ndc, psc
- 3. Ms. Begum Rokeya Din
- 4. Brig Gen Md Mehdi Hassan, ndc, afwc, psc
- 5. Mr. Ishtiaque Ahmed Chowdhury
- 6. Mr. Khaled Mahbub Morshed, FCA

Chairman Member Member Member Managing Director & CEO Secretary

Audit Committee Members

- 1. Mr. Helal Uddin Ahmed
- 2. Brig Gen Kazi A S M Arif, afwc, psc
- 3. Mr. Ashrafuzzaman Khan
- 4. Mr. Khaled Mahbub Morshed, FCA

Chairman Member Member Secretary

Rísk Management Committee

- 1. Brig Gen Abu Mohammad Munir Alim, psc, G,
- 2. Ms. Begum Rokeya Din
- 3. Mr. Helal Uddin Ahmed
- 4. Mr. Khaled Mahbub Morshed, FCA

Chairman Member Member Secretary

Senior Executives

1. Mr. Mr. Ishtiaque Ahmed Chowdhury	MD & CEO
2. Mr. Abu Zafar Hedaytul Islam	DMD
3. Mr. Mohammad Abdul Motaleb Patwary	EVP
4. Mr. S. M. Akram Sayeed	EVP
5. Ms. Musarrat Hossaini Khan	EVP
6. Mr. Shahud Ahmed	EVP
7. Mr. Hossain Shah Ali	EVP
8. Mr. Akhlasur Rahman Bhuiyan	EVP
9. Mr. Syed Mansur Mustafa	EVP
10. Mr. Md. Zillur Rahim Chowdhury	EVP
11. Ms. Hasna Hena Chowdhury	EVP
12. Mr. Abul Kalam	EVP





Dear Esteemed Shareholders

A very warm welcome to you all at the Fifteenth Annual General Meeting of your bank- Trust Bank Limited. It's a great honor for me to present the abstract comprising qualitative and quantitative information of the bank for the financial year 2013 on behalf of the Board of Directors. At the outset, I would like to express my humble gratitude for your prudent trust on the Bank.

As you know, your Bank was established with a vision to build a long-term sustainable financial institution through financial inclusion and deliver optimum level of service to all stakeholders with the highest level of compliance. In this connection, we are relentlessly trying to accommodate value adding technology for the benefit of the mass specially the unbanked people.

Directors' Report, Compliance Certificate, Auditor's Report and audited Financial Statements with the notes thereon for the year 2013 are already in your hands. With your consent, I shall take them as read.

Before I begin to discuss specific issues of your Bank, I would like to give glimpse upon the economic and banking environment in which the Bank delivered its service during the year 2013.

Economic and Banking Environment

In recent years, financial and economic turmoil have disrupted the world economy through loss of income, jobs and social stability. Despite improved global financial conditions and reduced short-term risks, the world economy continues to expand at a subdued pace. After a marked downturn over the past two years, global economic activity is expected to gain slowly momentum in the year 2014 on the back of accommodative monetary policies in developed and developing economies.

The preliminary estimate of Bangladesh Bureau of Statistics reveals that Bangladesh achieved GDP growth of 6.03% in Fiscal Year 2013. Our economy saw plummeted figure of import of raw materials and capital machinery though the same items achieved a double digit growth in the first five months of Fiscal Year 2013-2014.

As you know global factors and prevailing domestic situation are the guiding forces for analyzing the performance of any banking institution. Despite many constraints Trust Bank is sprouting and standing as a reliable and efficient bank of the country with uncompromising commitment to the society and environment.

Overview of the Bank's Performance in 2013

The financials of the Bank for the year 2013 portray that we have performed quite satisfactory in many of the key performance parameters such as profit, capital adequacy and asset quality despite many hindrance specially from down trodden business environment and sluggish world economy.

For stability and sustainable development, the Bank maintained a very careful and continuous effort in credit operation. Like previous year, growth of loans and advances through inclusion of new reputed corporate clients in addition to patronizing new entrepreneur specially in SME sector was continued in the year 2013.

The Bank has concentrated to explore new and diversified avenues for financing with the aim of developing and maintaining a sound and sustainable portfolio with mitigated risk. Apart from, our extensive work was also continued in Agriculture, Green Banking Islamic Banking, Retail, SME sectors and intensive efforts in Corporate Credit.

Focus on Customer

Customer is the corner stone of our all activities. Our profit, growth survival hinge upon customers. So customers satisfaction is prime business vision of our Bank.

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. Our mission is customer focused and we consider it as the customers' right to get modern, technology based wide range of banking services at an affordable price at anytime anywhere. We are promise-bound through our mission to make the banking hassle free for our customers and support entrepreneurship. We also take care of social causes and economic development of the country.

In fact your Bank performed well in this financial year because of the paramount importance it gave to the customers.

Quality of Assets

Safeguarding the sound asset quality is a fundamental aspect of our banking. As per our view, it is our prime responsibility to set policies and procedures to ensure that the bank retains sound asset quality, strong portfolio management, prudent risk controls, effective credit review, classification procedures, and an appropriate methodology for dealing with problem exposures. We assure all of you that the asset quality remained strong through very prudent strategic risk management steps.

Serving the Society

The issue of Corporate Social Responsibility has moved up the economic and political agenda internationally through concern over corporate power linked to globalization. The manner in which companies discharge their responsibilities towards society affects their public reputation and their ability to recruit, retain committed employees.

It has been also the vision of your Bank to empower the community through socio-economic development of underprivileged and weaker sections of the society. In its continued efforts to make a difference to the society at large, your Bank further intensified its efforts in this direction in 2013.

With the view of that, Trust Bank Limited provided financial assistance of Tk. 75.88 million in the areas of education, culture, health, sports and others as part of Corporate Social Responsibilities in the year 2013. We also recommend transferring Tk. 80.00 million for the CSR which is yet to be approved by you.

Making the Earth green

As you all aware that Bangladesh falls into the group of most climate change vulnerable countries in the world. To lessen the impact of climate change vulnerability Green Banking phenomena draws the attention of all. It considers all the social and environmental factors with an aim to protect the environment and conserve natural resources. Green Banking as a concept is proactive and smart way of thinking with a vision for future sustainability of our only Spaceship Earth.

Trust Bank has started its green journey after having the Green Banking and Environmental Risk Management Guidelines of Bangladesh Bank in 2011. Your Bank extends no finance without evaluation of impact of Environmental Risk as well as in the society and arrangement of appropriate management and mitigation for that risk. Being encouraged by dream of Green Bangladesh, the Bank so far has extended Tk. 9,098.70 million credit facility to environment friendly industry such as zigzag brick kiln, agriculture and most significantly over 1500 Bio-gas plant towards mitigating the Carbon-di-Oxide emission. It is clearly mentionable that all bio-gas plants financed by us have saved the Environment from Carbon-di-Oxide by saving 48,960 liter kerosene and 6,012 metric ton fire wood yearly.

With continued Green Banking initiatives, we are committed to contribute in building a Green Bangladesh.

Human Resources Management

For a service based organization like bank, customers' impression matters most in creating and enhancing brand value. HR Management in your Bank primarily focuses on aligning its existing HR capabilities with the future business plans with a view to maximize returns and fulfill the objective of its business transformation plan. So, hiring the right people for the right position is the key to provide the right direction for achieving business goals. Keeping this in mind, throughout the year 2013, Human Resources Division of Trust Bank had a strong focus on hiring skilled manpower and properly grooming the workforce to raise the knowledge and competencies of the bank's overall human capital.

Your Security Our Responsibility

The banking industry has changed the way they provide services to their customers, process information and maintain both privacy and security of customer. Information and Communication Technology has brought about this momentous transformation. Security of Information for any financial institution has therefore gained much importance, and it is vital for us to ensure that the risks are properly identified and managed. Moreover, information and information technology systems are essential assets for the banks as well as for their customer's and stakeholders. Bank must take the responsibility of protecting the information from unauthorized access, modification, disclosure and destruction.

During 2013, your Bank made substantial progress in its end-to-end business and IT strategy. With the introduction of modern technology emphasizing on internet banking and mobile banking services to reach customers from all walk of the society, your Bank has been able to render better and efficient services. Your Bank time to time revises ICT policy to ensure optimum IT protection thus resulting in its image enhancement and uphold the core motto "A Bank for Financial Inclusion".

Risk Management Approach

As we all know, Banking is the business of money belongs not to the bank but to depositors and whenever one seeks profit it must well aware of risk. Managing risks and the objective of risk management is to balance the trade-off between risk and return and ensure optimum risk adjusted return on the capital. That's why your Bank only adopts risks in those areas in which the Bank has a clear cut competitive advantage. In the remaining areas, the Bank, as much as possible, minimizes risks and is guided by the principle of economic expediency. The Bank's management team considers effective risk management to be the foundation of financial stability and a key competitive advantage for the Bank – determining its profitability and share price.

Initiatives in Retail Business

Another driver of our profitability was focus on improving our customers' experience. Our mission is to create lifelong relationships with our customers by being the most trusted provider of financial services that helps people achieving their goals.

Year 2013 was the year of transformation and steady growth of business for Retail Banking Unit (RBU). The change of business focus from liability to asset helped the bank to acquire new businesses and build a strong clientele. Different positive approaches have been taken and products were amended to cater the needs of different segments. From the inception of your bank till today Retail Business Unit successfully designed and implemented customer focused products. Competitive liability and asset products, dedicated Direct Sales team, strong back office team and different value added services have ensured customer satisfaction and a loyal customer base.

The Road Ahead

The financial year 2014 is going to be quite challenging for our banking industry. Given this, managing credit growth above industry-average along with superior asset quality will be the key challenge for your Bank during 2014.

However, the Bank's comfortable position with respect to capital and liquidity, strong systems of credit origination and credit monitoring, continuous investment in human capital and stable initiatives during the last couple of years gave enough confidence that will be able to shoulder this challenge well.

The Bank will remain focused on diversifying its portfolio on sector and segment wise and mobilizing low costs deposits so that an appropriate balance can be drawn between placements and sources of funds and their respective income and cost. We are hopeful by doing this we can further increase our operating profit and net profit of the bank. This will enable us to declare a sustainable and handsome dividend for our respected shareholders.

The Bank will also delve into all systems and policies so that asset quality can be retained and proper risk management is ensured. Apart from achieving excellence in core business, the bank will further work on to bring more sectors into the banking services. SMEs, agriculture, non-renewable energy and green projects will be given more importance in the year ahead.

Your Bank has been steadily building solid foundations for future growth by continuously working on enhancing its HR capabilities through various leadership development programs. It has also been focusing on speedy development of performing culture within the organization. Your Bank would concentrate on sharpening its competitive edge by improving its business strategies and by protecting its credibility by delivering on the promises.

Acknowledgement

At the eve, I admit and acknowledge that it is the support and the goodwill of the shareholders of the Bank that made our journey in the financial year 2013 and all the years past, successful. With your sincere support and co-operation, we will steer the Bank to greater glory in the years to come, adhering to the best principles enunciated and followed by the founder of the Bank.

I would like to capitalize the opportunity to convey my gratitude to all the esteemed Members of the Board of Directors for their priceless involvement, excellent support and far-sighted guidance for timely decision.

My colleagues on the Board and me place on record our appreciation for continued support and guidance received from the Government, Bangladesh Bank, Bangladesh Securities & Exchange Commission and other regulatory authorities, various financial institutions, banks and correspondents in here and abroad.

The employees of the Bank deserve a heartfelt appreciation for their dedication and hard work. I extend my humble appreciation for the trust and support of our customers, investors and vendors reposed on us.

Before I conclude, I would like to thank all of you again for your presence and interest in the Bank.

Thank you.

General Iqbal Karim Bhuiyan, psc Chairman

চেয়ারম্যান মহোদয়ের বাণী

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

ট্রাষ্ট ব্যাংক লিমিটেডের ১৫তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে উষ্ণ অভ্যর্থনা জানাচ্ছি, পরিচালনা পর্ষদের পক্ষ থেকে ব্যাংকের ২০১৩ অর্থ বছরের আর্থিক প্রতিবেদনের গুণগত ও পরিমাণগত তথ্য আপনাদের সম্মুখে উপস্থাপন করতে পেরে আমি অত্যন্ত সম্মানিত বোধ করছি। শুরুতেই ব্যাংকের উপর আপনাদের দৃঢ় আস্থার জন্য আন্তরিক কৃতজ্ঞতা জানাচ্ছি।

আপনারা অবগত আছেন যে, ট্রাষ্ট ব্যাংকের মূল লক্ষ্য হল আইনের সর্বোচ্চ পরিপালন ও অর্থনৈতিক অন্তর্ভূক্তির মাধ্যমে সবার জন্য সর্বোচ্চ পর্যায়ের আন্তরিক আর্থিক সেবা প্রদানের মাধ্যমে একটি দীর্ঘ মেয়াদী আর্থিক প্রতিষ্ঠান রূপে প্রতিষ্ঠিত হওয়া। এ লক্ষ্যকে সামনে রেখে সমাজের সবার জন্য বিশেষত ব্যাংকিং সেবা বঞ্চিত জনগোষ্ঠিকে প্রযুক্তি নির্ভর ব্যাংকিং সেবার আওতায় আনার জন্য আমরা প্রতিনিয়ত চেষ্টা করে যাচ্ছি। আপনাদের হাতে পরিচালনা পর্ষদের প্রতিবেদন, ব্যাংকের কমপ্লায়েন্স সার্টিফিকেট এবং নিরীক্ষিত আর্থিক প্রতিবেদন রয়েছে। আমার বিশ্বাস এগুলো আপনারা পড়েছেন।

আপনাদের ব্যাংক সর্ম্পকে আলোচনার পূর্বে এ পর্যায়ে আমি ২০১৩ সালের সামগ্রিক অর্থনীতি ও ব্যাংকিং খাতের উপর সংক্ষেপে আলোকপাত করতে চাই।

সামগ্রিক অর্থনীতি এবং ব্যাংকিং খাত

বিগত বছরগুলোতে আমরা দেখেছি কিভাবে বিশ্ব অর্থনৈতিক মন্দা ও বিশৃঙ্খলা আমাদের আয়, কর্মসংস্থান ও সামাজিক স্থিতিশীলতাকে ক্ষতিগ্রস্ত করেছে। অতি সম্প্রতি বিশ্ব অর্থনীতিতে ধীরগতির ইতিবাচক পরিবর্তন পরিলক্ষিত হচ্ছে। উন্নত ও উন্নয়নশীল উভয় অর্থনীতিতে কাম্য মুদ্রানীতি প্রণয়নের প্রভাবে ২০১৪ সালের সামষ্টিক বিশ্ব বাণিজ্য ও মূলধনের প্রবাহে গতিশীলতা আসবে যার দরুণ বৈশ্বিক জিডিপির প্রবৃদ্ধি ৩.৪ শতাংশ হারে প্রাক্তলন করা হয়।

বাংলাদেশ পরিসংখ্যান ব্যুরোর প্রকাশনা অনুযায়ী ২০১২-২০১৩ অর্থ বছরে আমাদের মোট দেশজ উৎপাদনে প্রবৃদ্ধির হার ছিল ৬.০৩ শতাংশ। গত অর্থ বছরে কাঁচামাল ও যন্ত্রাংশ আমদানি হ্রাস পেলেও চলতি অর্থ বছরে উভয় খাতে আশাব্যঞ্জক প্রবৃদ্ধি লক্ষ্য করা যাচ্ছে।

আপনারা জানেন যে, একটি আর্থিক প্রতিষ্ঠানের সামগ্রিক ফলাফল মূল্যায়নের ক্ষেত্রে দেশের অর্থনৈতিক পরিস্থিতি, বিশ্ব অর্থনীতির নানা সূচক এবং পারিপার্শ্বিক গুরুত্বপূর্ণ ঘটনাসমূহ বিবেচনায় আনতে হয়। এসব বিষয় বিবেচনা করে আমরা বলতে পারি যে, দীর্ঘমেয়াদে আপনাদের ব্যাংক দেশের একটি নির্ভরযোগ্য আর্থিক প্রতিষ্ঠান হিসেবে প্রতিষ্ঠিত হচ্ছে। সমাজ এবং পরিবেশের প্রতি সর্বোচ্চ গুরুত্ব দিয়ে আপনাদের ব্যাংক এর কার্যক্রম চালিয়ে যাচ্ছে।

২০১৩ সালের আর্থিক ফলাফল পর্যালোচনা

ব্যাংকের আর্থিক বিবরণী পর্যালোচনা করলে দেখা যাবে, বিশ্ব অর্থনৈতিক মন্দা ও প্রতিকূল আভ্যন্তরীণ ব্যবসায়িক পরিবেশ সত্ত্বেও ব্যাংকের পরিচালন মুনাফা, মূলধন পর্যাপ্ততা ও সম্পদের গুনগত মান ছিল সন্তোষজনক। এটি আর্থিক ও মানবসম্পদ ব্যবস্থাপনার উৎকর্ষকেই ইংগিত করে। স্থায়ী টেকসই উন্নয়নের লক্ষ্যে আপনাদের ব্যাংক প্রতিনিয়তই সতর্কতার সাথে কার্যক্রম পরিচালনা করে আসছে।

বিগত বছরগুলোর ন্যায় ২০১৩ সালেও আমরা সচ্ছল ও স্বনামধন্য বৃহৎ প্রতিষ্ঠানের পাশাপাশি নতুন উদ্যোক্তা, বিশেষ করে ক্ষুদ্র ও মাঝারি শিল্পে ঋণ ও অগ্রিম প্রদানের মাধ্যমে ঋণ কার্যক্রমে উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করেছি। ব্যাংকের ঋণ কার্যক্রম ঝুঁকিমুক্ত ও বহুমূখীকরণের লক্ষ্যে নতুন নতুন উৎপাদনশীল শিল্প ও গ্রামীণ অর্থনীতি বিশেষতঃ কৃষি, মৎস্য, ক্ষুদ্র ও মাঝারি শিল্প প্রতিষ্ঠান এবং নবায়নযোগ্য জ্বালানী উৎপাদন প্রকল্পে অর্থায়নে বিশেষ গুরুত্বারোপ করা হয়েছে।

এছাড়া প্রচলিত ব্যাংকিং এর পাশাপাশি ইসলামী ব্যাংকিং এর আওতায় গ্রাহক সেবা ও বিনিয়োগ বৃদ্ধির লক্ষ্যে প্রয়োজনীয় উদ্যোগ নেয়া হয়েছিল এবং এক্ষেত্রে আমরা আশাতীত সফলতা পেয়েছি।

উৎকৃষ্ট গ্রাহক সেবা

গ্রাহক হল আমাদের সকল কাজকর্মের কেন্দ্রবিন্দু। ব্যাংকের ব্যবসায়ের প্রসার, প্রবৃদ্ধি ও মুনাফা অর্জন নির্ভর করে গ্রাহকের উপর। সুতরাং গ্রাহকের সম্ভুষ্টিই আমাদের ব্যাংকের প্রধান লক্ষ্য।

আমরা প্রত্যেক গ্রাহককে তাদের প্রয়োজন এবং চাহিদা মোতাবেক সহনীয় মূল্যে উৎকৃষ্ট সেবা প্রদান করে উন্নয়নের অংশীদারে পরিণত করার চেষ্টা করে থাকি। আমরা মনে করি যেকোন সময়ে যেকোন স্থানে আধুনিক প্রযুক্তি নির্ভর ব্যাংকিং সেবা পাওয়া যেকোন গ্রাহকের অধিকার। আমরা গ্রাহকের এই অধিকার বাস্তবায়নে প্রতিজ্ঞাবদ্ধ। দেশের অর্থনৈতিক উন্নতি এবং সামাজিক বিষয়াবলীর ক্ষেত্রেও আমরা সর্বদাই যত্নশীল। গ্রাহক ও সমাজের প্রতি যত্নশীল থেকে সেবা প্রদান করায় আমাদের গ্রাহকের সংখ্যা বাড়ার পাশাপাশি আমরা আমানত এবং ঋণ কার্যক্রমে সন্তোষজনক প্রবৃদ্ধি অর্জন করতে সক্ষম হয়েছি।

সম্পদের গুনগত মান

সম্পদের গুণগত মান একটি ব্যাংকের অস্তিত্বের সাথে সংশ্লিষ্ট। তাই আমরা মনে করি যেকোন উপায়ে ঋণ ও অগ্রিমের প্রবৃদ্ধি ঘটিয়ে মুনাফা অর্জন করলে ব্যাংকের দীর্ঘ মেয়াদে টেকসই প্রবৃদ্ধি ধরে রাখা সম্ভব হয় না। তাই সম্পদের গুণগত মান ধরে রাখার জন্য সচেতন ভাবে যথাযথ ঝুঁকি বিবেচনা পূর্বক ঋণ কার্যক্রম পরিচালনা করা, ঋণ সংক্রান্ত বাংলাদেশ ব্যাংকের যাবতীয় নির্দেশনা পরিপালন এবং ঋণ আদায় কার্যক্রম যথাযথভাবে তদারকি করা সহ বিভিন্ন পদক্ষেপ গ্রহণ করা হয়েছে। আপনাদেরকে আমরা আশ্বস্ত করতে পারি যে আপনাদের ব্যাংকের ঋণের গুণগত মান সন্তোষজনক পর্যায়ে রয়েছে।

সামাজিক দায়বদ্ধতা

বিশ্বায়নের যুগে ব্যবসায় প্রতিষ্ঠানের সামাজিক দায়বদ্ধতা অর্থনীতি ও রাজনীতির রূপরেখায় প্রোথিত হয়েছে। সব ধরনের ব্যবসায়িক কার্যক্রম সমাজকে কেন্দ্র করে পরিচালিত হয় এবং ব্যবসায়িক সকল সিদ্ধান্ত সমাজ ও পরিবেশকে প্রভাবিত করে। প্রতিষ্ঠানের আভ্যন্তরীণ সংস্কৃতি ও মূল্যবোধ, দক্ষ কর্মী নিয়োগ এবং তাদেরকে ধরে রাখার ক্ষেত্রে গুরুত্বপূর্ণ ভূমিকা রাখে। সমাজের দুর্বল ও সুবিধা বঞ্চিত অংশের আর্থ-সামাজিক উন্নয়নের মাধ্যমে তাদেরকে ক্ষমতায়ন করা আমাদের লক্ষ্য। আর এ লক্ষ্যকে আরো সম্প্রসারিত করার জন্য আপনাদের ব্যাংক পূর্বের ন্যায় ২০১৩ সালেও সচেষ্ট ছিল। আমাদের দায়বদ্ধতা শুধু আমাদের গ্রাহক সেবার মাঝেই সীমাবদ্ধ নয় বরং সমাজের প্রতিটি অংশের জন্যও রয়েছে সমান দায়বদ্ধতা। এরই অংশ হিসাবে ট্রাষ্ট ব্যাংক ২০১৩ সালে ৭৫.৮৮ মিলিয়ন টাকা শিক্ষা, সংস্কৃতি, স্বাস্থ্য ও ক্রীড়া উন্নয়নে ব্যয় করেছে। আপনাদের অনুমোদন সাপেক্ষে এ বছর আমরা ৮০.০০ মিলিয়ন টাকা বিশেষ তহবিলে স্থানান্তর করতে চাই।

সবুজ পৃথিবীর প্রত্যয়ে

আপনারা সবাই অবগত আছেন যে, 'থিন ব্যাংকিং' ধারণাটি বর্তমানে বিশ্বব্যাপি সবার দৃষ্টি আকর্ষণ করেছে। অর্থায়নের ক্ষেত্রে আপনাদের ব্যাংক সামাজিক ও পরিবেশগত সকল ধরণের ঝুঁকি বিবেচনা করে; যাতে সম্পদ ও প্রাকৃতিক পরিবেশ ক্ষতিগ্রস্ত না হয়। 'থিন ব্যাংকিং' মূলত একটি নতুন বুদ্ধিদীপ্ত ধারণা; যা মহাবিশ্বের একমাত্র বাসযোগ্য গ্রহ পৃথিবীকে ভবিষ্যৎ প্রজন্মের জন্য নিরাপদ রাখার চেষ্টা করছে। ২০১৩ সালে বাংলাদেশ ব্যাংক কর্তৃক প্রবর্তিত ''গ্রিন ব্যাংকিং ও পরিবেশগত ঝুঁকি ব্যবস্থাপনা'' শীর্ষক নির্দেশিকার উপর ভিত্তি করে ট্রাষ্ট ব্যাংক 'থিন ব্যাংকিং' কার্যক্রম শুরু করে।

সমাজ ও পরিবেশের উপর বিনিয়োগের সম্ভাব্য প্রভাব পর্যালোচনা ব্যতিত আপনাদের ব্যাংক অর্থায়ন করেনা। এছাড়া সম্ভাব্য পরিবেশগত ঝুঁকি হ্রাস করার জন্য প্রয়োজনীয় ব্যবস্থা গ্রহণ করে। সবুজ বাংলাদেশ গড়ার প্রত্যয় নিয়ে এ পর্যন্ত আপনাদের ব্যাংক ৯,০৯৮.৭০ মিলিয়ন টাকা পরিবেশ বান্ধব শিল্পে বিনিয়োগ করেছে।

আপনার জেনে খুশি হবেন, কার্বন-ডাই-অক্সাইড নিঃস্বরণ হ্রাস করার জন্য ট্রাষ্ট ব্যাংক ১৫০০ এরও বেশী বায়োগ্যাস প্রকল্পে বিনিয়োগ করেছে, যা আমাদের দেশে একটি দৃষ্টান্ত। উল্লেখ্য যে, আমাদের অর্থায়নে পরিচালিত বিভিন্ন প্রকল্পের ফলে প্রতিবছর আমরা ৪৮,৯৬০ লিটার কেরোসিন ও ৬,০১২ মেট্রিক টন জ্বালানী কাঠ ব্যবহার কমাতে পেরেছি। সবুজ বাংলাদেশ গড়ার প্রত্যয়ে আমাদের এই অগ্রযাত্রা সামনের দিনগুলোতেও অব্যাহত থাকবে।

মানবসম্পদ ব্যবস্থাপনা

ব্যাংকের জন্য মানব সম্পদের গুণগত উৎকর্ষতা, সেবার মান, পেশাদারিত্ব ও পেশাগত সততা খুবই গুরুত্বপূর্ণ। ব্যাংকের সাফল্য ও খ্যাতি নির্ভর করে তার কর্মকর্তা-কর্মচারীর সেবার মানের উপর। ট্রাষ্ট ব্যাংকের কৌশলগত উদ্দেশ্যের সাথে মিল রেখে যুগোপযোগী মানবসম্পদ তৈরী করার লক্ষ্যে প্রয়োজনীয় দক্ষ ও মেধাবী কর্মী নিয়োগ এবং প্রশিক্ষণ প্রদানের মাধ্যমে অধিক দক্ষ করে তোলার লক্ষ্যে ব্যাংকের মানবসম্পদ ব্যবস্থাপনা বিভাগ প্রচেষ্টা অব্যাহত রেখেছে।

গ্রাহকের তথ্যের নিরাপত্তা

তথ্য প্রযুক্তির ব্যবহারের ফলে ব্যাংকিং সেবার মান যেমন বৃদ্ধি পেয়েছে তেমনি গ্রাহকের তথ্য ও লেনদেনের নিরাপত্তা বিধান করা ব্যাংকের জন্য একটা চ্যালেঞ্জ হয়ে দাঁড়িয়েছে। ট্রাষ্ট ব্যাংক তথ্য প্রযুক্তি নির্ভর সেবা যেমন ইন্টারনেট ব্যাংকিং, অনলাইন ব্যাংকিং এবং মোবাইল ব্যাংকিং এর সুবিধা প্রদান করে আসছে। গ্রাহকের তথ্য সংক্রান্ত নিরাপত্তা বিধান করার লক্ষ্যে ব্যাংক তথ্য প্রযুক্তিতে মানোন্নয়নের জন্য কাজ করে যাচ্ছে।

ঝুঁকি ব্যবস্থাপনা

ব্যাংকিং ব্যবসায় ঝুঁকি ব্যবস্থাপনার ব্যবসায়। ব্যাংক অন্যের অর্থ ধার দিয়ে ব্যবসায় পরিচালনা করে। তাই এখানে অনেক ঝুঁকি জড়িত। ঋণ গ্রহীতারা সময়মত ঋণ পরিশোধ না করা, মানি লন্ডারিং, পরিপালন ঝুঁকি এবং বৈদেশিক মুদ্রা ঝুঁকি ব্যাংকের অন্যতম ঝুঁকি হিসেবে বিবেচিত হয়। ব্যাংকে ঝুঁকি ব্যবস্থাপনা ইউনিট স্থাপন, নিয়ন্ত্রনকারী সংস্থার নিয়মাবলীর পরিপূর্ণ পরিপালন, ঋণ কার্যক্রমে যথাযথ ঝুঁকি বিবেচনা ও ঋণ কর্মসূচী বহুমুখীকরণ ইত্যাদির মাধ্যমে ব্যাংক ঝুঁকি ব্যবস্থাপনা কার্যক্রম অব্যাহত রেখেছে। আলোচ্য বছরে আমাদের শ্রেণীকৃত ঋণের পরিমান হ্রাস পেয়েছে। মূলধনের পর্যাপ্ততা বজায় ছিল, সাশ্রয়ী আমানত বেড়েছে এবং তারল্য ব্যবস্থাপনা আশানুরূপ ছিল।

রিটেইল ব্যাংকিং এ গৃহীত পদক্ষেপসমূহ

বৃহৎ প্রতিষ্ঠান নির্ভর ব্যাংকিং কার্যক্রমে ঝুঁকির পরিমান বেশী প্রতীয়মান হয়। ট্রাষ্ট ব্যাংকে ব্যক্তি সঞ্চয়কারী থেকে আমানত সংগ্রহ এবং ভোজা পর্যায়ে ঋণ প্রদান কার্যক্রম জোরদার করা হয়েছে। আমাদের ব্যাংকের রিটেইল ব্যাংকিং পূর্বে শুধু আমানতের উপর গুরুত্বারোপ করত। কিন্তু ২০১৩ সালে আমানতের পাশাপাশি ব্যক্তি বা ভোজা পর্যায়ে ঋণ কার্যক্রমেও গুরুত্বারোপ করা হয়েছে। যার ফলে আমাদের রিটেইল ব্যাংকিং কার্যক্রম এখন আমানতে ও ঋণ কার্যক্রমে প্রবৃদ্ধি অর্জনের জন্য গ্রাহক বান্ধব প্রোডাক্টস প্রণয়ন, বিক্রয় কর্মী নিয়োগ, শাখা ও প্রধান কার্যালয় থেকে যথাযথ সহযোগিতা প্রদান নিশ্চিত করার লক্ষ্যে কাজ করছে।

ভবিষ্যৎ পরিকল্পনা

২০১৪ সালও ব্যাংকিং খাতের জন্য সহজতর হবে না। বিশেষত ঋণ ও অগ্রিমের প্রবৃদ্ধি ধরে রাখা এবং শ্রেণীকৃত ঋণের পরিমান সহনীয় পর্যায়ে রাখা আমাদের জন্য মূল চ্যালেঞ্জ। ট্রাষ্ট ব্যাংকের পর্যাপ্ত তারল্য ও মূলধন, গ্রাহক পর্যায়ে ব্যাংকের সুনাম, হ্রাসকৃত সুদে ঋণ প্রদান এবং বহুমূখী ঋণ কার্যক্রম ইত্যাদির ফলে আমাদের বিশ্বাস আমরা আমাদের লক্ষ্য অর্জনে সফল হব। আমরা আমাদের ঋণ-অগ্রিম পোর্টফোলিওকে আরো বহুমুখীকরণ করার চেষ্টা করছি এবং আগামীতে উৎপাদনমূলক খাত যেমন, কৃষি, ক্ষুদ্র শিল্প, গ্রামীণ অর্থনীতি এবং নতুন নতুন শিল্পে ঋণ প্রদানের চেষ্টা আরো জোরদার করা হবে।

আমরা স্থায়ী আমানতের পরিবর্তে অন্যান্য সাশ্রয়ী আমানত যেমন সঞ্চয়ী হিসাব, চলতি হিসাবের মাধ্যমে আমানত সংগ্রহ করার চেষ্টা করছি। আমানতের ব্যয়ের সাথে ঋণ ও অগ্রিমের আয়ের সাথে সামঞ্জস্য করতে পারলে ২০১৪ সালে আমাদের মুনাফা উল্লেখযোগ্যভাবে প্রবৃদ্ধি লাভ করবে। এছাড়াও ঋণের গুণগত মান ধরে রাখার জন্য যথাযথ পরিপালন ও কার্যকর ব্যবস্থা নেয়া হবে। প্রচলিত ব্যাংকিং-এ উৎকর্ষ অর্জনের পাশপাশি ইসলামী ব্যাংকিং এর আওতায় সেবা এবং বিনিয়োগ বাড়ানোর লক্ষ্যে আরও কার্যকর ব্যবস্থা নেয়া হবে।

ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ

আমাদের ব্যাংকের সমস্ত সাফল্যের জন্য আমরা আপনাদের প্রতি কৃতজ্ঞতা প্রকাশ করছি। আপনাদের দৃঢ় আস্থা ও বিশ্বাসের ফলে ট্রাষ্ট ব্যাংক সফলভাবে এর কার্যক্রম চালিয়ে যাচ্ছে। আমি পরিচালনা পর্ষদে আমার প্রিয় সহকর্মীদের আন্তরিক সেবা এবং বিচক্ষণতার সাথে দায়িত্ব পালনের জন্য তাদের প্রতি কৃতজ্ঞতা জানাচ্ছি।

আমি পরিচালনা পর্ষদের পক্ষ থেকে বিভিন্ন সময়ে সহযোগিতা ও দিক নির্দেশনার জন্য বাংলাদেশ সরকার, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিস এন্ড এক্সচেঞ্জ কমিশনসহ অন্যান্য নিয়ন্ত্রনকারী সংস্থাগুলোর প্রতি বিশেষ ধন্যবাদ ও কৃতজ্ঞতা প্রকাশ করছি।

পরিশেষে ট্রাষ্ট ব্যাংকের সকল পর্যায়ের কর্মকর্তা-কর্মচারীকে তাদের আন্তরিক ও নিবেদিত সেবা প্রদানের জন্য আমি ধন্যবাদ জানাচ্ছি। সর্বোপরি আমি কৃতজ্ঞতা জানাচ্ছি আমাদের মূল্যবান শেয়ারহোল্ডার এবং গ্রাহকদের প্রতি, যাদের সহযোগিতা ছাড়া আমাদের কোন ব্যবসায়িক কার্যক্রম সফল হতোনা।

শেষ করার আগে আমি আপনাদের সকলকে আন্তরিক ধন্যবাদ জানাচ্ছি।

জেনারেল ইকবাল করিম ভূইয়া, পিএসসি চেয়ারম্যান

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



Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO and Ms. Begum Rokeya Din, Director of Trust Bank Limited receiving the "Tax Card" Award from Finance Minister Abul Mal Abdul Muhit. Trust Bank Limited has been awarded "Top Taxpayer Award" under the category of top ten firms for the 3rd consecutive year in Corporate Sector from National Board of Revenue (NBR) for the assessment year 2010-11 and 2011-12.

Message from the Managing Director & CEO



Dear Respected Shareholders

I feel privileged to present a round up of financial and operating performance of your Bank for the year 2013. To sum up overall activities and performance of the bank keeping in the view all other industry and economic factors, we shall say that we passed a successful year in 2013. We retained our profitability in core business and achieved remarkable growth in deposits and loans and advances.

The year is marked with prolonged political impasse and stagnation in normal functionality of almost all drivers of economy. The country had to experience slow growth in export and decline in import and for the first time in foreign remittance, erosion of confidence of investors, and rise in costs of doing business. All of these impacted our economy adversely. Nevertheless, GDP of the country grew by 6.03% in FY 2012-13 which slightly fell from 6.23% of immediate preceding FY.

Financial sector of the country experienced many external challenges namely: lower growth in credit to private sector, adverse impacts on manufacturers from external environment, challenges in apparels sectors as an aftermath of collapse of Rana Plaza and devastating fire at Tazreen Fashion, and suspension of GSP facility by U.S.A. As a result, banking industry had to indulge in holding idle cash, mainly resulted from less hunger for funds from investors. All these factors impacted the industry from the viewpoint of profitability and stability. These factors necessarily reflected in our activities but we tried to overcome hurdles.

However, the year was not a dismal one for us. We turned it into a successful one. We earned significant growth in all key business indicators in the year. 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 loans and advances, deposits, branches, capacity building, risk management, financial inclusion, and improvement in quality of our portfolio.

Strategy and Performance

We were aware of prevalent phenomena in the industry and prepared to manage challenges. We tried to enhance our lending volume to diversified business and increase advance deposit (A/D) ratio of the Bank. We strengthened our Islamic banking division and recruited required human resources for the division.

Both of these strategies tremendously worked and resulted in a big operating success for us. We achieved 42% growth in loans and advances in the year. Moreover, our Islamic Banking division has done a wonderful job. Deposits and Investments under Islamic Banking recorded a growth of 68% and 177% and stood at TK. 5189 million and TK. 3841 million respectively. Overall activities of Islamic Banking increased in manyfold compared to preceding years. This opened us new window for further growth and expansion of the Bank.

All of these have been possible through the able guidance of honourable Chairman, respected member of the Board and support from Shareholders, Depositors, Customers, and Regulators. Your Bank maintained a comfortable liquidity, growth in deposits, loans advances, and network expansions.

Consolidated Operating Result

Total deposits stood at Tk.102,524 million in 2013 from Tk.83,064 million in 2012, registering a growth of 23 percent. Loans and advances stood at Tk. 83,798 million in 2013 from Tk. 58,599 at the end of 2012, posting a growth of 42% compared to last year. This 42 percent growth rate is marked as a milestone for the Bank which was only 7.42% in 2012. Our Advance-Deposit ratio increased to almost 82% from 71% in 2012. This resulted in growth of interest income 10,207 million from TK.8,698 million in preceding year, which registered a growth over 17 percent. But net interest income decreased by 25% due to increase in interest paid on deposits by 29 percent. This mismatch which swallowed our operating profit to a great extent can be attributed to increase in competition in market and holding idle money in earlier months of the year.

The Bank earned consolidated operating profit of Tk.1,936 million which is almost 6% over that of 2012. However, our net income after tax registered a growth of 76% and grew to Tk. 322 million from Tk.183 million. Earnings per share stood at Tk.0.85 in 2013 from Tk. 0.55 in 2012.

Robust Results in Core Banking

The Bank earned total operating income of Tk.3725 million in 2013 compared to Tk.3001 million recording a growth of 24% over last year. We earned Tk.1,549 million as operating profit which was Tk.1,157 in 2012. Our operating profit from core banking grew by almost 34% compared to consolidated rate of 6 percent. On the other hand, the percentage of non-performing loans decreased from 4.28% to 2.90% during the year under review signifying strong asset quality. This implies that to enhance our loans and advances, we have not compromised quality and risk mitigating activities. Preceding facts and figures signify that our performance in core banking activities deserve a big praise.

Capital Adequacy & Solvency

Total regulatory capital stood at Tk.10,798 million in 2013 as against Tk.10,304 million in 2012. Capital adequacy ratio is maintained at 11.74 percent of total risk weighted assets against minimum regulatory requirement of 10 percent under Basel Capital II Accord. Bank also declared stock dividend to retain capital adequacy proportionate to business growth. Moreover, preparation is underway to issue second subordinated bond to further strengthen our capital adequacy.

Other Major Achievements

TBL has aimed at its core to be a Bank for financial inclusion and in this connection, we opened 09 new branches mostly in rural areas in 2013 extending network to 88 branches including 6 SME/Agri branches. We opened 17 ATMs and the number of ATMs stood 119 at end of the year. The Bank is offering full fledged mobile banking through service name and style of `Trust Mobile Money' through the thousands of outlets across the country.

The Bank has heavily invested in SME sectors including agri and bio gas plants. The Bank celebrated financing of 1000 bio-gas plants at the beginning of 2013 and number of such firms financed by us stood at 1502. Bank has provided Tk. 4,469 million worth financing to SME during the year under review.

Commitments for 2014

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 rate. Moreover, analysis of operating results of 2013 revealed that operating net profit after tax of the Bank increased significantly, we expect that it will increase further in 2014.

We also plan to further diversify our portfolio and extend our credit facilities to productive sectors such as agriculture and rural financing, micro financing and micro enterprise financing. We are also pursuing good rated corporate houses for placing our funds in the line with maintaining our required A/D ratio.

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 open 10 new branches and a good number of ATMs and T-Lobby around the country in 2014 to gradually build required network for financial inclusion. We are committed as ever to enhance our service quality and bond relationship with our clients.

Thanks and Gratitude

On behalf of Management, I am expressing my sincere thanks and gratitude to the members of the Board of Directors for their policy guidelines and adequate support to the management to implement those. An optimum mixture of Board's support and management's diligent discharge of responsibility made your bank a unique institution in the country. We pledge our commitment to build on this further and take TBL to its new heights of success while complying strictly with all regulatory and internal requirements.

On the occasion of the 15th Annual General Meeting, I would like to extend my heartfelt thanks to the respected shareholders and all other stakeholders for the trust and confidence that you have reposed in the Management of the Bank.

I would conclude by expressing my special thanks and wholehearted gratitude to clients, Government Agencies, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and my beloved colleagues of Trust Bank Limited.

With best regards,

Ishtiaque Ahmed Chowdhury Managing Director & CEO

ব্যবস্থাপনা পরিচালক মহোদয়ের বাণী

শ্রদ্ধেয় শেয়ারহোল্ডারগণ,

আপনাদের ব্যাংকের ২০১৩ সালের আর্থিক ও পরিচালন সাফল্যের চিত্র তুলে ধরতে পেরে আমি নিজেকে ভাগ্যবান মনে করছি। অর্থনীতির বিভিন্ন সূচক ও আর্থিক শিল্পের বিভিন্ন দিকের সাথে তুলনা করে আমরা সংক্ষেপে বলতে পারি যে, ২০১৩ সাল আপনাদের ব্যাংকের জন্য একটি সফল বছর ছিল। আমরা মৌলিক ব্যাংকিং এ মুনাফার প্রবৃদ্ধি ধরে রাখতে পেরেছি এবং আমানত ও ঋণ - অগ্রিমে উল্লেখযোগ্য প্রবৃদ্ধি অর্জনে সক্ষম হয়েছি।

আলোচ্য বছর ব্যবসায়ের জন্য অনেকটা প্রতিকূল ছিল। রাজনৈতিক অস্থিরতা, হরতাল কিংবা ধর্মঘটের মত কর্মসূচী অর্থনীতির প্রায় সকল সূচকে প্রভাব বিস্তার করে। রপ্তানীর নিম্ন প্রবৃদ্ধি, আমদানি ও ফরেন রেমিটেস এর হ্রাস, রাজনৈতিক অস্থিরতার ফলে উদ্যোক্তাদের আস্থার সংকট পরিলক্ষিত হয়। উপরিউক্ত কারণে দেশের অর্থনীতিতে একটা মন্দাভাব বিরাজ করে। তথাপি মোট দেশজ উৎপাদনের (জিডিপি) ৬.০৩ শতাংশ প্রবৃদ্ধি আমাদেরকে আশান্বিত করে।

দেশের সার্বিক অবস্থার ফলশ্রুতিতে আর্থিক খাত বিভিন্ন ধরনের প্রতিবন্ধকতার সম্মুখীন হয়। ব্যক্তিখাতে ঋণ প্রবাহে নিম্ন প্রবৃদ্ধি, বাধাগ্রস্থ উৎপাদন ব্যবস্থা, তাজরীন ফ্যাশন ও রানা প্লাজায় দূর্ঘটনা পরবর্তী পোশাক শিল্পের সংকট এবং যুক্তরাষ্ট্র কর্তৃক জিএসপি সুবিধা বাতিল ইত্যাদি কারণে দেশের ব্যবসায়-বাণিজ্যের স্বাভাবিক প্রবাহ বাধাগ্রস্থ হয়েছে। ফলশ্রুতিতে ব্যাংকিংখাতে তারল্য বৃদ্ধি পায় এবং মুনাফা অর্জন ক্ষমতা হাস পায়। কিন্তু আমরা সার্বিক সংকট থেকে আপনাদের ব্যাংককে মুক্ত রাখতে সক্ষম হয়েছি।

ব্যবসায়ের সাফল্যের মূল নির্দেশকগুলিতে উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করতে সক্ষম হয়েছি। আলোচ্য বছরেও আমরা পর্যাপ্ত তারল্য, রিটেইল আমানত সংগ্রহ, সচেতন ঋণ ও অগ্রিম বৃদ্ধি ও বর্তমান ঋণ ও অগ্রিমের প্রয়োজনীয় পর্যালোচনা করা হয়েছে। আমরা আমানত, ঋণ ও অগ্রিম, ঝুঁকি ব্যবস্থাপনা এবং ব্যাংকের শাখা সম্প্রসারনে সন্তোষজনক সাফল্য অর্জনে সক্ষম হয়েছি।

ব্যবসায়িক কৌশল ও সাফল্য

বছরের শুরু থেকেই আমরা দেশের সার্বিক পরিস্থিতি সম্পর্কে সচেতন ছিলাম। ব্যাংকের শক্তিশালী তারল্যকে কাজে লাগিয়ে আমরা ঋণ ও অগ্রিম বৃদ্ধির কার্যকর প্রচেষ্টা অব্যাহত ছিল। আমরা আমাদের ঋণ ও অগ্রিম প্রদানের কর্মসূচীকে বিভিন্ন খাত ও শিল্পে বহুমূখীকরণ বিশেষ প্রচেষ্টা নিয়েছিলাম। আমাদের ইসলামী ব্যাংকিং কার্যাবলীকে শক্তিশালীকরণের লক্ষ্যে প্রয়োজনীয় লোকবল নিয়োগ এবং ইসলামী ব্যাংকিং এর আওতায় বিনিয়োগ বৃদ্ধির লক্ষ্যে নতুন গ্রাহক সংগ্রহ ও ঋণ প্রদান করা হয়েছে।

উপরিউক্ত কৌশলের ফলে ব্যাংকের ঋণ ও অগ্রিমের অভূতপূর্ব প্রবৃদ্ধি অর্জন সম্ভব হয়েছে। আলোচ্য বছরে ব্যাংকের মোট ঋণ ও অগ্রিম ৪২ শতাংশ বেড়েছে। ইসলামী ব্যাংকিং আওতায় আমানত ও বিনিয়োগের পরিমান যথাক্রমে ৬৮ শতাংশ ও ১৭৭ শতাংশ বৃদ্ধি পেয়ে ৫১৮৯ মিলিয়ন ও ৩৮৪১ মিলিয়ন টাকায় উন্নীত হয়েছে। ২০১৩ সালে ইসলামী ব্যাংকের যাবতীয় কার্যক্রম বিগত বছরগুলোর তুলনায় বহুলাংশে বেঁড়েছে যা ব্যাংকের জন্য একটি নতুন দিক উন্মোচিত করেছে।

ব্যাংকের সমস্ত সাফল্যের মূলে রয়েছে ব্যাংকের মাননীয় চেয়ারম্যান ও পরিচালনা পরিষদের শ্রদ্ধেয় সদস্যদের দিকনির্দেশনা, এবং সর্বোপরি শেয়ারহোল্ডার, আমানতকারী, গ্রাহকবৃন্দ ও নিয়ন্ত্রনকারী সংস্থার যথাযথ সহযোগিতা।

পরিচালন সাফল্য

উক্ত বছরে ব্যাংকের আমানত ২০১২ সাল শেষে ৮৩,০৬৪ মিলয়ন টাকা থেকে ২৩ শতাংশ বৃদ্ধি পেয়ে ২০১৩ সাল শেষে ১০২,৫২৪ মিলিয়ন টাকায় উন্নীত হয়। ব্যাংকের মোট ঋণ ও অগ্রিম ২০১২ সাল শেষে ৫৮,৫৯৯ মিলিয়ন টাকা থেকে ৪২ শতাংশ হারে বৃদ্ধি পেয়ে ২০১৩ সাল শেষে ৮৩,৭৯৮ মিলিয়ন টাকায় উন্নীত হয়। ঋন ও অগ্রিমের ৪২ শতাংশ বৃদ্ধির মাধ্যমে ব্যাংক একটি মাইলফলক স্থাপন করতে সক্ষম হয়েছে। আমাদের ঋণ আমানত হার গত বছর শেষে ৭১ শতাংশ থেকে বৃদ্ধি পেয়ে প্রায় ৮০ শতাংশে দাঁড়ায়। ফলশ্রুতিতে আমাদের সুদ ও মুনাফা থেকে আয়ের পরিমাণ গত বছরের ৮,৬৯৮ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ১০,২০৭ মিলিয়ন টাকায় দাঁড়ায়। অর্থাৎ ব্যাংক সুদ ও মুনাফা থেকে আয়ে ১৭ শতাংশ গ্রবৃদ্ধি অর্জন করে। আমানতকারীদের উৎসাহিত করার জন্য তাঁদেরকে সন্তোষজনক হারে সুদ দেওয়া এবং উদ্যোক্তাদেরকে সহনীয় সুদের হারে ঋণ ও অগ্রিম প্রদান করায় আমানের নীট সুদ আয়ে ঋণাত্মক প্রবৃদ্ধি হয়। এর ফলে আমাদের পরিচালন মুনাফার প্রবৃদ্ধির হার একটু কম হলেও আমরা গ্রাহক সম্ভণ্ডি অর্জনে সক্ষম হয়েছি। আমরা বিশ্বাস করি, গ্রাহক সম্ভণ্টি অর্জনে আমাদের পরিচালন মুনাফার প্রবৃদ্ধি র র্জনে মূল ভূমিকা রাখবে। ব্যাংক আলোচ্য বছরে পরিচালন মুনাফা করেছে ১,৯৩৬ মিলিয়ন টাকা যা গত বছরের চেয়ে প্রায় ৬ শতাংশ বেশী। আমাদের কর পরবর্তী মুনাফায় প্রশংসনীয় প্রবৃদ্ধি ঘটছে। আমাদের কর পরবর্তী মুনাফা হয় ৩২২ মিলিয়ন টাকা যা গত বছরের ১৮৩ মিলিয়ন টাকা থেকে ৭৬ শতাংশ বেশী। ব্যাংকের শেয়ার প্রতি আয় দাঁড়ায় ০.৮৫ টাকা যা গত বছর ছিল মাত্র ০.৫৫ টাকা।

মূল ব্যাংকিং-এ সাফল্য

আলোচ্য বছরে ব্যাংকের মৌলিক পরিচালনা আয় ২০১২ সালের থেকে ২৪ শতাংশ হারে বৃদ্ধি পেয়ে ৩৭২৫ মিলিয়ন টাকা দাঁড়ায়। পরিচালন মুনাফা হয় ১৫৪৯ মিলিয়ন টাকা যা ২০১২ সালে ছিল ১১৫৭ মিলিয়ন টাকা। ট্রাষ্ট ব্যাংকের একক পরিচালন মুনাফা ৩৪ শতাংশ প্রবৃদ্ধি অর্জন করে, অন্যদিকে ব্যাংকের শ্রেণীকৃত ঋণের হার ২০১২ সালের ৪.২৪% থেকে হ্রাস পেয়ে ২.৯০% শতাংশে নেমে আসে। ব্যাংকের শ্রেণীকৃত ঋণ হারের হাসের ফলে আমরা বলতে পারি ঋণ ও অগ্রিম বাড়াতে গিয়ে ব্যাংক ঋণের ও অগ্রিমের গুনগত মান ছাড় দেয়নি। উপরিউক্ত তথ্য থেকে আমরা বলতে পারি যে আমাদের মৌলিক ব্যাংকিং এর সার্বিক সাফল্য প্রশংসার দাবী রাথে।

মূলধন পৰ্যাপ্ততা

২০১৩ সালে মূলধন সংশ্লিষ্ট কেন্দ্রীয় ব্যাংকের বিধি মোতাবেক ব্যাংকের মূলধনের পরিমান দাঁড়ায় ১০,৭৯৮ মিলিয়ন টাকা যা গত বছর শেষে ছিল ১০,৩০৪ মিলিয়ন টাকা। অর্থাৎ কেন্দ্রীয় ব্যাংকের বিধি মোতাবেক ন্যূনতম ১০ শতাংশের বিপরীতে ব্যাংক ১১.৭৪ শতাংশ হারে মূলধন সংরক্ষন করতে সক্ষম হয়। ব্যাংকের মূলধন পর্যাপ্ততা বজায় রাখার জন্য আলোচ্য বছরে ব্যাংক শেয়ার লভ্যাংশ ঘোষনা করে। অধিকন্তু ব্যাংক মূলধন বাড়ানোর লক্ষ্যে দ্বিতীয় বন্ড ছাড়ার পদক্ষেপ নিয়েছে এবং এ সংক্রান্ত কার্যক্রমে উল্লেখযোগ্য অর্থাতি হয়েছে।

অন্যান্য অর্জন

অন্তর্ভুক্তিমূলক ব্যাংকিং এর সম্প্রসারণের লক্ষ্যে ২০১৩ সালে ব্যাংক ৯টি নতুন শাখা চালু করে যা অধিকাংশ পল্লী এলাকায় অবস্থিত। ২০১৩ সাল শেষে ব্যাংকের মোট শাখা সংখ্যা দাঁড়ায় ৮৮টিতে যার মধ্যে ৬টি এসএমই/কৃষি শাখা রয়েছে। ব্যাংক ১৭টি নতুন এটিএম বুথ স্থাপন করেছে, যার ফলে ব্যাংকের এটিএম বুথের সংখ্যা দাঁড়ায় ১১৯টিতে। এছাড়াও ব্যাংক মোবাইল ব্যাংকিং এর মাধ্যমে ব্যাংকিং সেবা দিয়ে যাচ্ছে।

অর্থায়নের মাধ্যমে ব্যাংক কম সুবিধা প্রাপ্ত ব্যক্তি ও প্রতিষ্ঠানকে ঋণ সুবিধা প্রদান অব্যাহত রেখেছে। অন্যতম অগ্রাধিকার প্রাপ্ত খাতের মধ্যে রয়েছে এসএমই, কৃষি ও নবায়নযোগ্য গ্যাস উৎপাদন প্রকল্প।

ব্যাংক ২০১৩ সালের শুরুতে ১০০০টি বায়োগ্যাস প্রকল্প অর্থায়ন উৎযাপন করে এবং ২০১৩ সাল শেষে এধরনের প্রকল্পের সংখ্যা দাঁড়ায় ১৫০২টিতে। ব্যাংক ২০১৩ সালে এসএমই খাতে ৪৪৬৯ মিলিয়ন টাকা অর্থায়ন করে।

ভবিষ্যত পরিকল্পনাসমূহ

ট্রাষ্ট ব্যাংক দীর্ঘ মেয়াদে টেকসই প্রবৃদ্ধি অর্জন করার লক্ষ্যে ব্যাংক ঋণ আমানতকে একটি আদর্শ অনুপাতের মধ্যে রেখে সঠিক তারল্য ব্যবস্থাপনা ও দীর্ঘ মেয়াদে আর্থিক স্বচ্ছলতা নিশ্চিত করছে। বিগত বছরের তুলনায় আমাদের পরিচালন মুনাফা আরো বাড়ানোর চেষ্টা অব্যাহত রয়েছে।

ব্যাংকের ঋণ-অগ্রিমকে আরো বহুমূখীকরণের লক্ষ্যে এবং উৎপাদনমূলক খাত যেমন- কৃষি, ক্ষুদ্র শিল্প, গ্রামীণ অর্থনীতি ও অন্যান্য আর্থিক প্রতিষ্ঠানের মাধ্যমে ক্ষুদ্র ঋণ প্রদান কার্যক্রম অব্যাহত রাখা হয়েছে। গ্রামীণ, কৃষি, এসএমই ও ক্ষুদ্র ঋণের পাশাপাশি আমরা বৃহৎ প্রতিষ্ঠানকে অর্থায়নের কাজ জোরদার করা হবে। ব্যাংকের আমানতকে ঝুঁকিমুক্ত ও বহুমূখী করার লক্ষ্যে ব্যাংক বৃহৎ আমানতের পরিবর্তে ব্যাপক হারে রিটেইল গ্রাহক থেকে আমানত সংগ্রহ করার প্রচেষ্টা অব্যাহত রেখেছে।

প্রচলিত ব্যাংকিং এর পাশাপাশি ইসলামী ব্যাংকিং এর আওতায় আমানত ও বিনিয়োগ বৃদ্ধির লক্ষ্যে আমরা ইসলাম ব্যাংকিং সেবায় আরো প্রচার ও প্রচেষ্টা জোরদার করছি। আমরা আশা করি ইনশাল্লাহ্ অদূর ভবিষ্যতে আমাদের ঋণ ও অগ্রিম এবং বিনিয়োগের পরিমান বৃদ্ধি পাবে।

ব্যাংকের সেবার পরিসর বাড়ানোর লক্ষ্যে ২০১৪ সালে আরও ১০টি নতুন শাখা খোলা হবে। এছাড়াও প্রয়োজনীয় এটিএম বুথ ও টি-লবি খোলা হবে। গ্রাহকদের সাথে সম্পর্কন্নোয়নের লক্ষ্যে সেবার পরিসর ও মান বৃদ্ধি চেষ্টা অব্যাহত থাকবে।

ধন্যবাদ জ্ঞাপন ও কৃতজ্ঞতা প্রকাশ

ব্যবস্থাপনা কর্তৃপক্ষের পক্ষ থেকে আমি সম্মানিত পরিচালনা পর্ষদের সদস্যদের প্রতি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জানাচ্ছি। পরিচালনা পরিষদের সঠিক দিকনির্দেশনা ও সহযোগিতা ছাড়া ব্যাংকের সাফল্য কোনভাবেই তুরান্বিত হতোনা। পরিচালনা পরিষদের বিচক্ষণ দিকনির্দেশনা এবং ব্যবস্থাপনা কর্তৃপক্ষের পেশাদারিত্বের সাথে দায়িত্ব পালনের ফলে ট্রাষ্ট ব্যাংক আজকে দেশের একটি অন্যতম প্রতিষ্ঠান হিসাবে আত্মপ্রকাশ করতে সক্ষম হয়েছে।

আমরা ব্যবস্থাপনা কর্তৃপক্ষ এই প্রতিষ্ঠানকে সাফল্যের নতুন পর্যায়ে নিয়ে যাওয়ার প্রতিশ্রুতিবদ্ধ এবং সাথে সাথে নিয়ন্ত্রনকারী কর্তৃপক্ষের সকল নির্দেশনা পরিপালন নিশ্চিত করার মাধ্যমে ব্যাংককে ঝুঁকিমুক্ত রাখতেও আমরা প্রতিজ্ঞাবদ্ধ।

ব্যাংকের ১৫তম সাধারণ সভার উপস্থিত সকল শেয়ারহোন্ডার ও অন্যান্য সংশ্লিষ্ট পক্ষের প্রতি আন্তরিক ধন্যবাদ জ্ঞাপন করছি। আপনারা আমাদের প্রতি যে বিশ্বাস স্থাপন ও আস্থা রেখেছেন তার জন্য আমরা আপনাদের কাছে কৃতজ্ঞ।

সম্মানিত গ্রাহক, সরকারী সংস্থাসমূহ, পুঁজিবাজার সংশ্লিষ্ট প্রতিষ্ঠান যেমন ঢাকা স্টক এক্সচেঞ্জ ও চট্টগ্রাম স্টক এক্সচেঞ্জ এবং সর্বোপরি ট্রাষ্ট ব্যাংকের আমার প্রিয় সহকর্মীদের প্রতি বিশেষ ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপনের মাধ্যমে আমি শেষ করছি।

ধন্যবাদান্তে,

ইশতিয়াক আহমেদ সেধুরী ব্যবস্থাপনা পরিচালক ও প্রধান নির্বাহী কর্মকর্তা

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

Financial Calendar

Financial Results of 2013	Date
First quarter results (un-audited) approved on	08 May 2013
Second quarter results (un-audited) approved on	25 July 2013
Third quarter results (un-audited) approved on	28 October 2013
Annual Financial Statements for the year 2013 approved on	25 February 2014

14th Annual General Meeting Price Sensitive Disclosure Record Date Date of AGM Credit of Bonus Share on

14th Extra Ordinary General Meeting Record Date of EGM Date of EGM

Purpose of EGM

Bond Size

Tenor

15th Annual General Meeting

Price Sensitive Disclosure **Record Date** Date of AGM

24 March 2013 09 April 2013 06 June 2013 13 June 2013

Date

Date 12 January 2014 06 February 2014 Issuance of sub-ordinated bond-II worth Tk. 200 Crore Tk. 200 Crore 7 Years

25 February 2014 08 April 2014 22 May 2014

Date

Corporate Governance

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

We ensure:

- Adequate disclosure and effective decision making to achieve corporate objectives;
- Transparency in business transactions;
- Statutory and legal compliances;
- Protection of shareholder's 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 on quarterly basis so as 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 10 (Ten) 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 a 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 & 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 15th 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 guideline, the Board of Directors appointed 03 (Three) Independent Directors on the Board. A full compliance report of the said CG guidelines is provided at annexure IV.

Board Meetings

During the year 2013, there were 15 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 four 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, 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 35 times during the year 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 one Independent Director. However, 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 6 meetings during the year 2013, 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 upto 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. Company secretary is the Secretary of Risk Management Committee. The committee had 01 (One) meeting in the year 2013.

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 Tk.5000/- for attending the Board/Committee meetings. 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 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 number of executives of the Bank. The committees are MANCOM, ALCO and Basel Committee etc. Management enjoys 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 upto 2013) and rules and regulations of Bangladesh Bank, BSEC and Stock Exchanges.

Internal Control

The Board of Directors acknowledges 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 & Compliance Division and Board Audit Cell are working towards mitigation of operational and compliance risk of the Bank.

External Audit

M/S ACNABIN, 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 & 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 is 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 prices 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 Financial Statements are communicated to all the shareholders. Audited yearly financial statements are published in two national dailies. 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 SEC Notification

The Board of Directors of Trust Bank Limited has 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

15 meetings of the Board of Directors were held in the year 2013; the attendance of the directors is furnished below:

SI.	Name of Director	Position	Date of appointment	Meeting Held (after appointment)	Attended	Remarks
1	General Iqbal Karim Bhuiyan, psc	Chairman (Representing Army Welfare Trust)	25-06-2012	15	11	Leave granted
2	Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc	Vice Chairman (Nominated by Army Welfare Trust)	30-01-2012	15	15	-
3	Brig Gen Khan Abu Roushan Mohammad Mostafa Kamal, ndc, psc	Director (Nominated by Army Welfare Trust)	11-02-2009	15	14	Leave granted
4	Ms. Begum Rokeya Din	General Shareholders' & Independent Director	28-04-2009	15	15	-
5	Mr. Helal Uddin Ahmed	Depositor & Independent Director	28-04-2009	15	15	-
6	Brig Gen Abu Mohammad Munir Alim, psc, G	Director (Nominated by Army Welfare Trust)	06-06-2013	09	08	Leave granted
7	Brig Gen Md Mehdi Hassan, ndc, afwc, psc	Director (Nominated by Army Welfare Trust)	10-11-2013	02	02	-
8	Mr. Ishtiaque Ahmed Chowdhury	Managing Director & CEO	04-02-2013	15	15	-

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

Annexure-II

35 meetings of the Executive Committee were held in the year 2013; the attendance of the Directors is furnished below:

SI.	Name of Director	Position	Date of appointment	Meeting Held (after appointment)	Attended	Remarks
1	Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc	Chairman	30-01-2012	35	33	Leave granted
2	Brig Gen Khan Abu Roushan Mohammad Mostafa Kamal, ndc, psc	Member	11-02-2009	35	31	Leave granted
3	Mrs. Begum Rokeya Din	Member	28-04-2009	35	35	-
4	Brig Gen Md Mehdi Hassan, ndc, afwc, psc	Member	10-11-2013	05	05	-
5	Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO	Member	04-02-2013	35	34	Leave granted

Annexure-III

The pattern of shareholding of Trust Bank Limited as of 31 December 2013

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

ii) Shareholding by Directors:

Name of Director	Position	No. of Shares
General Iqbal Karim Bhuiyan, psc	Chairman	Representing Army Welfare Trust
Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc	Vice Chairman	715
Brig Gen Khan Abu Roushan Mohammad Mostafa Kamal, ndc, psc	Director	228
Ms. Begum Rokeya Din	General Shareholders' & Independent Director	1,229
Mr. Helal Uddin Ahmed	Depositor & Independent Director	23,795
Brig Gen Abu Mohammad Munir Alim, psc, G	Director	Nil
Brig Gen Md Mehdi Hassan, ndc, afwc, psc	Director	Nil
Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO	MD & CEO	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 at 31 December 2013: 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)	Complianc	e√ Status	
Condition	Title	(b has beer appropriat		Remarks
No.		Complied	Non- complied	(if any)
1	Board of Directors			
1.1	Board's Size:	\checkmark		
	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.	\checkmark		
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;	\checkmark		
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;	\checkmark		
1.2 (ii) (d)	Who is not a Member, Director or Officer of any Stock Exchange;	\checkmark		
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;	\checkmark		
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;	\checkmark		
1.2 (ii) (j)	Who shall not be an Independent Director in more than 3 (three) listed companies;	\checkmark		
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);	\checkmark		
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude	\checkmark		
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).	~		The appointment of Independent Director will be approved at the ensuing AGM

(Report under condition no. 7)

Condition No.	Litle	Complianc (b has beer appropriat	Put in the	Remarks (if any)
		Complied	Non- complied	(ii aiiy)
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days.	\checkmark		No Vacancy occurred
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.	\checkmark		
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.	\checkmark		
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.	\checkmark		
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)

2

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			
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1.5 The Directors' Report shall include the following additional statements:

1.5 (i)	Industry outlook and possible future developments in the industry.	\checkmark	
1.5 (ii)	Segment-wise or product-wise performance.	\checkmark	
1.5 (iii)	Risks and concerns.	\checkmark	
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	\checkmark	
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	\checkmark	
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	\checkmark	
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	\checkmark	
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.	\checkmark	

Condition No.	Title	Complianc (b has beer appropriat	n Put in the	Remarks (if any)
NO.		Complied	Non- complied	(ii airy)
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.	\checkmark		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	\checkmark		
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.	~		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	\checkmark		
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.	\checkmark		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.			N/A
1.5 (xix)	Reason for non declaration of dividend	\checkmark		
1.5 (xx)	The number of Board meetings held during the year and attendance by each Director shall be disclosed.	\checkmark		

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	\checkmark	
1.5 (xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children	\checkmark	
1.5 (xxi) (c)	Executives;	\checkmark	
1.5 (xxi) (d)	Shareholders holding ten percent (10%) or more voting interest in the company	\checkmark	
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose:	\checkmark	
1.5 (xxi)(a)	A brief resume of the director;	\checkmark	
1.5 (xxi)(b)	Nature of his/her expertise in specific functional areas;	\checkmark	
1.5 (xxi)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	\checkmark	
2.1	Appointment of CFO, HIA and CS and defining their respective roles, responsibilities & duties	\checkmark	
2.2	The CFO and the CS shall attend the meetings of the Board of Directors	\checkmark	

Condition No.	Title	Complianc (b has beer appropriat	n Put in the	Remarks (if any)
NO.		Complied	Non- complied	(ii aliy)
3 Audit Com	imittee			
3 (i)	The company shall have an Audit Committee as a sub- committee of the Board of Directors.	\checkmark		
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.	\checkmark		
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.	\checkmark		
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	\checkmark		Constituted as per BB's circular
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.	\checkmark		
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.	\checkmark		
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)	\checkmark		
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee.	\checkmark		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	\checkmark		
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.	\checkmark		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	\checkmark		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process.	\checkmark		
3.3 (ii)	Monitor choice of accounting policies and principles.	\checkmark		
3.3 (iii)	Monitor Internal Control Risk management process.	\checkmark		
3.3 (iv)	Oversee hiring and performance of external Auditors.	\checkmark		
3.3 (v)	Review along with the Management, the Annual Financial Statements before submission to the Board for approval.	\checkmark		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	\checkmark		
3.3 (vii)	Review the adequacy of internal audit function.	\checkmark		
3.3 (viii)	Review statement of significant related party transactions submitted by the Management.	\checkmark		

Condition No.	Title	Compliance√ Status (b has been Put in the appropriate column)		Remarks (if any)	
inc.		Complied	Non- complied	(11 211)	
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory Auditors.	\checkmark			
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	
3.4.1 (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	
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	1			

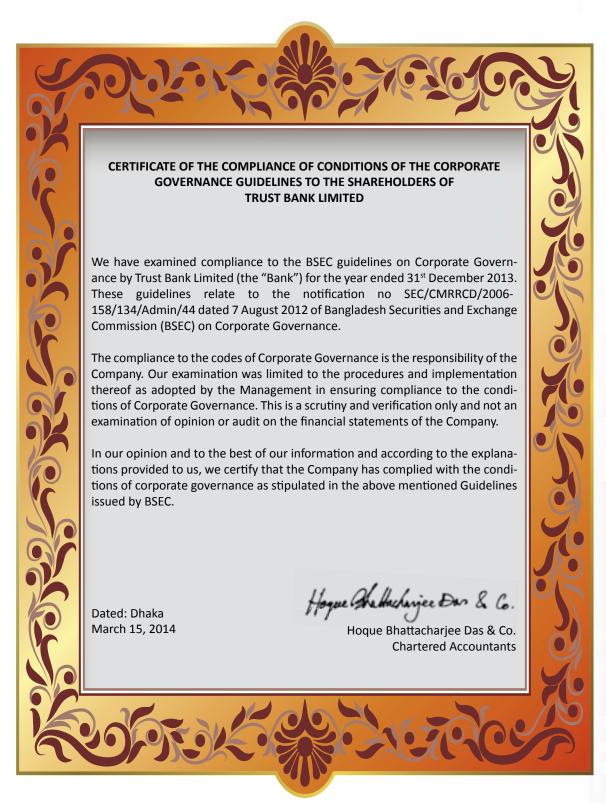
4 External/Statutory Auditors

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;	\checkmark	
4 (ii)	Financial information systems design and implementation:	\checkmark	
4 (iii)	Book-keeping or other services related to the accounting records or Financial Statements;	\checkmark	
4 (iv)	Broker-dealer services;	\checkmark	
4 (v)	Actuarial services:	\checkmark	
4 (vi)	Internal audit services; and	\checkmark	
4 (vii)	Any other service that the Audit Committee determines.	\checkmark	
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.	\checkmark	
4 (ix)	Audit/Certification services on compliance of corporate governance as required under (i) of condition No. 7	\checkmark	

Condition No.	Title		e ✓ Status Put in the e column)	Remarks (if any)
NO.		Complied	Non- complied	(ir aily)
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.	\checkmark		
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.	\checkmark		
5 (v)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the subsidiary company.	\checkmark		
6	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:	\checkmark		
6. (i) (a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	\checkmark		
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	\checkmark		
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	\checkmark		

<u>Compliance</u>Certificate



Economic Value Addition Report



Trust Bank Limited, at its core, works to enhance the interest of all stakeholders and meet their expectation. A shareholder must get his/her wealth increased via increasing cash flow from dividends and capital gain through price appreciation of shares held by him/her; a depositor must get risk free custody of deposits simultaneously a competitive return on funds; and an employee must get a justified share of income earned by the Bank. Thus, the Bank's overall mission is to deliver optimum value to our customers, employees, shareholders and the nation. Our business strategy is geared towards achieving all of these. The Bank's policy is to deliver optimum value in a manner that is consistent with the highest level of fairness and transparency. Interest of one stakeholder has not been sacrificed on the altar of maximizing interest of another.

For the Bank, it has been a case of building financial value and enhancing the bottom line through fair and ethical means. Building sustainable value of all stakeholders is an important corporate goal.

Capital Management

As part of risk management system, it is the policy of TBL to maintain strong capital adequacy ratio to have sufficient cushion to absorb any unforeseen shocks arising from any potential risk, to ensure long term solvency of the Bank and to help sustainable profit growth of the Bank that maximize value for stakeholders.

At the end of 2013, Bank's regulatory capital stood at Tk. 10,798.12 million as against Tk. 10,303.83 million as at 31 December 2012.

Summary of Total Capital and Capital Adequacy Ratio

Taka in Million

Particulars	2013	2012	Growth
Computation of capital:			
Tier I capital	7,163.18	6,841.21	4.71%
Tier II capital	3,634.94	3,462.62	4.98%
Total capital (Tier I & II)	10,798.12	10,303.83	4.80%
Risk weighted assets (RWA)	91,968.20	74,339.80	23.71%
Tier I capital (against minimum requirement of 5%)	7.79%	9.20%	
Tier II capital	3.95%	4.66%	
Total capital (against minimum requirement of 10% of RWA)	11.74%	13.86%	

Maintenance of Net Income Growth

The Bank Increased its net profit by 78% percent or Tk. 141.76 million from Tk. 324.45 million in 2013 from Tk. 182.69 million in 2012. The net profit is analyzed in the following table:

Taka in Million				
Source of Income	2013	2012	Growth	
Interest Income	9,863.28	8,343.78	18%	
Income from Investment	1,580.53	906.64	74%	
Commission, exchange brokerage	723.01	572.90	26%	
Other Operating Income	310.65	231.24	34%	
Total Income	12,477.47	10,054.56	24%	
		T	Taka in Million	
Distribution of Income	2013	2012	Growth	
Interest paid on deposits and borrowings				
Interest para en depeste ana senewinge	8,752.13	7,053.72	24%	
Operating expenses	8,752.13 2,096.61	7,053.72 1,783.41	24% 18%	
			18%	
Operating expenses	2,096.61	1,783.41	18%	
Operating expenses Contribution to Special Reserve Fund	2,096.61 80.00	1,783.41 60.00	18% 33% 15%	
Operating expenses Contribution to Special Reserve Fund Total provision	2,096.61 80.00 532.66	1,783.41 60.00 463.61	18% 33% 15%	

Contribution to National Exchequer

TBL made significant contribution to the government in boosting its revenue collection. As per the prevailing law of the country, the Bank being corporate citizen pays tax and VAT on its own income. Besides, the Bank deducts income tax, VAT and excise duty at source from employees, clients, depositors and suppliers, and deposits the same to the national exchequer. In addition to the Bank's own income tax, the Bank contributed Taka 1422.91 million to national exchequer as tax, vat, income tax and excise duty deducted at source from employees, clients, and suppliers in the reporting year.

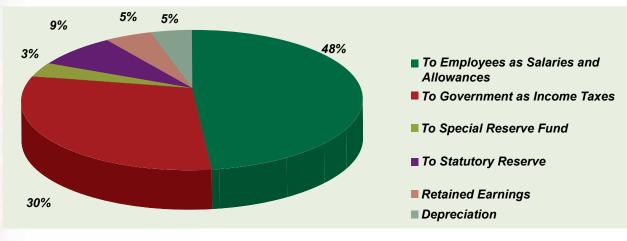
Value Added Statement

Value added is the wealth created by Trust Bank through its different banking operations. 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.

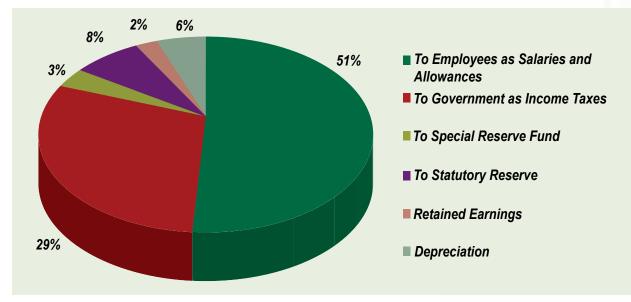
Derticulare	2013		2012		Growth	
Particulars	Taka	%	Taka	%	%	
Income from Banking Services	12,477.46		10,054.56		24%	
Less: Cost of Services and Supplies	9,596.79		7,836.70		22%	
Add: Deferred Tax Income	8.38		8.87		-6%	
Value added by banking services	2,889.05		2,226.73		30%	
Less: Provision for Loan Loss and other Provisions	532.66		463.61		15%	
Total Value Added	2,356.39		1,763.12		34%	
Distribution of added value						
To Employees as Salaries and Allowances	1,142.80	48%	900.06	51%	27%	
To Government as Income Taxes	700.00	30%	520.00	29%	35%	
To Special Reserve Fund	80.00	3%	60.00	3%	33%	
To Statutory Reserve	203.21	9%	138.76	8%	46%	
	2,126.01	90%	1,618.82	92%	31%	
Retained Earnings	121.22	5%	43.93	2%	176%	
Depreciation	109.16	5%	100.37	6%	9%	
To Expansion & Growth	230.38	10%	144.30	8%	60%	
Total Distribution of Added Value	2,356.39	100%	1,763.12	100%	34%	

Taka in Million

Distribution of Added Value 2013:



Distribution of Added Value 2012:



Economic Value Added (EVA) Statement

Economic Value Added (EVA) is used world-wide to measure the performance of an organization. It indicates how much absolute value has been created by the Bank for its shareholders after deducting the minimum rate of return required by the shareholders i.e. cost of equity. The Bank has been consistently able to depict high EVA to its shareholders:

	Taka in Million		
Particulars	2013	2012	
Shareholders' Equity	6,865.78	6,512.89	
Add: Provision for loan loss and other provisions	2,351.27	1,818.61	
Total invested fund by Shareholders	9,217.05	8,331.50	
Average Shareholders' Equity	8,774.28	7,606.63	
Net Profit after taxation	324.43	182.70	
Add: Provision for loan loss and other provisions	532.66	463.61	
Less: Loan written off	-	-	
Earning for the year	857.09	646.31	
Cost of Equity			
(Based on weighted average rate of Sanchaya Patra issued by Bangladesh Govt. plus 2% risk premium)	12.00%	12.00%	
	1.052.01	042.90	
Cost of Average Equity	1,052.91	912.80	
Economic Value Added	(195.82)	(266.49)	

Market Value Added Statement

Market value added is the difference between the total market value (based on the price quoted in the main bourse of the country) of equity and the total book value of equity of the Bank at the 31 December of the year.

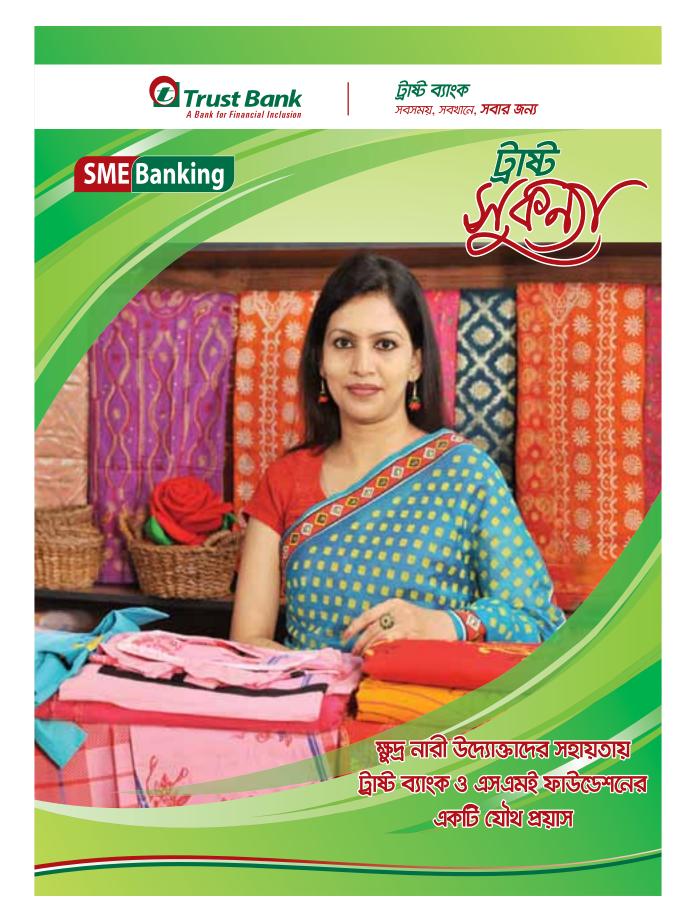
Taka in n		
Particulars	2013	2012
Total market value of the equity	7,610.82	8,648.66
Less: Total book value of the equity	3,805.41	3,459.47
Market Value added	3,805.41	5,189.19

Five Years Financial Summary

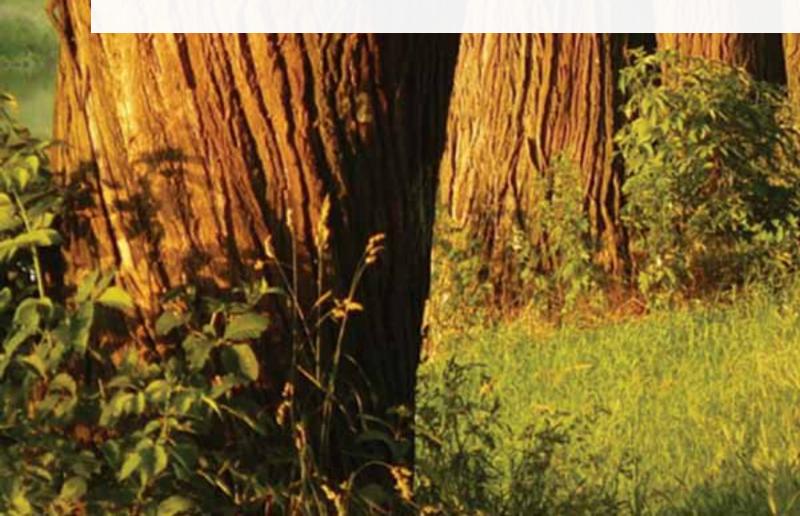
Taka in Million

Derticulare	2012	2012	2011	2010	2000
Particulars	2013	2012	2011	2010	2009
Operating Results					
Total Operating Income	3,725.32	3,000.84	3,060.47	3,643.05	2,467.67
Total Operating Expense	2,176.61	1,843.41	1,499.89	1,365.39	1,109.31
Operating Profit	1,548.71	1,157.43	1,560.58	2,277.66	1,358.35
Provision For Loans, Investment and Other	532.66	463.61	256.38	137.30	207.78
Profit Before Tax	1,016.05	693.83	1,304.20	2,140.36	1,150.57
Profit After Tax	324.43	182.70	616.21	645.74	610.91
Financial Positions	10,000,00	10,000.00	E 000 00	E 000 00	5 000 00
Authorized Capital Paid-Up Capital	10,000.00 3,805.41	3,459.47	5,000.00 2,661.13	5,000.00 2,217.61	5,000.00 1,848.00
Total Shareholders' Equity	6,865.78	6,512.89	5,526.76	5,025.36	3,754.87
Deposits	102,467.67	82,997.33	65,819.51	50,413.29	48,464.64
Loans and Advances					
	79,279.58	54,616.06	50,801.74	39,799.92	32,663.11
Total Liabilities	109,873.79	88,747.89	70,688.46	53,250.98	50,451.78
Investments	19,023.49	13,622.11	9,654.68	8,559.94	8,705.61
Fixed Assets	483.79	454.95	421.23	413.12	381.92
Earning Assets	99,026.94	79,626.50	63,120.66	47,433.50	48,845.47
Total Assets	116,739.57	95,260.78	76,215.22	58,276.33	54,206.65
Other Business				-	
Import	44,450.92	43,138.39	37,879.65	35,310.60	23,680.00
Export	25,740.38	34,319.48	28,543.65	20,331.00	12,770.00
Foreign Remittance	13,164.65	11,082.25	10,603.33	9,247.00	8,669.00
Guarantee Issued	7,367.36	2,058.01	1,794.58	4,783.19	1,527.64
Capital Measures		•		•	
Consolidated Basis					
Total Risk Weighted Assets	91,968.20	74,339.80	72,945.30	64,104.60	33,297.68
Core Capital (Tier-I)	7,163.18	6,841.21	5,860.18	4,926.74	3,632.30
Supplementary Capital (Tier-Ii)	3,634.94	3,462.62	2,777.22	878.20	583.68
Total Capital	10,798.11	10,303.83	8,637.40	5,804.94	4,215.98
Tier-I Capital Ratio	7.79%	9.20%	8.03%	7.69%	10.91%
Tier-II Capital Ratio	3.95%	4.66%	3.81%	1.37%	1.75%
Total Capital Ratio	11.74%	13.86%	11.84%	9.06%	12.66%
Credit Quality					
Non-Performing Loans	2,470.36	2,503.84	1,534.31	960.02	860.72
% Non-Performing Loans	3.12%	4.58%	3.02%	2.41%	2.65%
Share Information					
Market Price Per Share - before split	200.00	250.00	429.00	753.25	434.00
Market Price Per Share - after split	20.00	25.00	42.90		
Earnings Per Share - before split			23.16	57.48	33.06
Earnings Per Share - after split	0.85	0.55	2.33		
Price Earnings Ratio	4.26	2.21	5.40	7.63	7.62
Net Asset Per Share - before split	1.20	2.2 1	207.68	226.61	203.19
Net Asset Per Share - after split	18.04	18.83	207.00	220.01	200.10
Other Information	10.04	10.05	20.77		
Cost Income Ratio	58.43%	61.43%	49.01%	37.48%	44.95%
Return on Average Equity	4.85%	3.02%	11.68%	29.04%	17.59%
Return on Average Assets	0.31%	0.21%	0.92%	2.27%	1.32%
No of Branches	82	72	62	52	42
No of SME/AGRI Branches	6	7	7	7	42
No of Foreign Correspondent	24	24	24	24	4 24
	24	24	24	24	24

Annual Report 2013



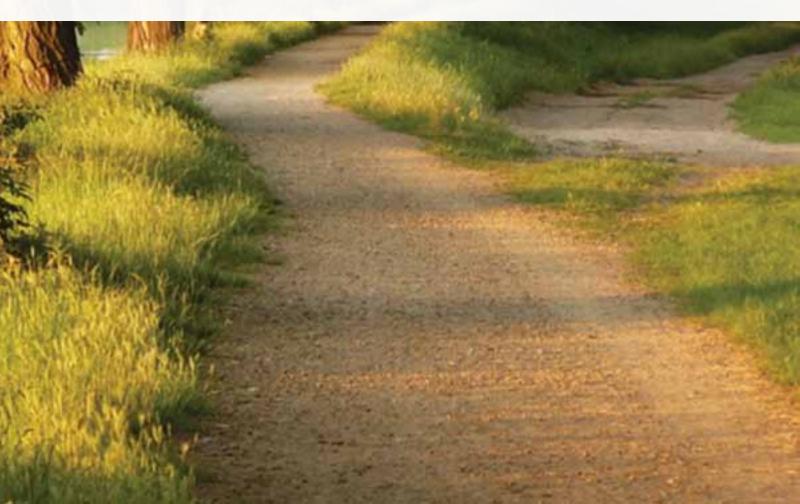
Directors' Report





Dear Shareholders

The Board of Directors has the privilege of welcoming you to the 15th 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 2013 and the Auditor's Report thereon for your consideration and approval.



EXTERNAL ENVIRONMENT REVIEW

Gross Domestic Product

The preliminary estimate of Bangladesh Bureau of Statistics reveals that Bangladesh achieved GDP growth of 6.03% in FY 2013 in contrast to 6.23% in FY 2012 and 6.71% in FY 2011. Our economy saw plummeted figure of import of raw materials and capital machinery though the same items achieved a double digit growth in the first five months of FY 2014. Capital machinery import rose 18.13% and industrial raw materials 10.80% in this time. Bangladesh achieved more than 6.00% on an average in last five years and ranks fifth in achieving such a growth rate except the countries those are rich in mineral resources. Central Bank projects a growth rate of FY 2014 between 5.70% & 6.00% whereas the World Bank and International Monetary Fund estimate it 5.70% & 5.50% respectively. Our per capita GNI & GDP increased to USD 923 and USD 838 in FY 2013 from USD 840 & USD 766 last year.

Although global growth prospects for 2014 (3.6%) is higher than the previous two years according to IMF World Economic Outlook (Oct 2013), the road to recovery in the advanced economies is projected to remain uneven. Key trading partners, the US and the EU, are projected to grow faster in 2014 but private demand still remains very sluggish in the Euro Area. On the other hand, Emerging Market and Developing Economies (EDEs) are experiencing a multispeed recovery process with growth projected at 4.5% in 2013 and 5.1% in 2014 – which have both been revised downwards by about 0.5% points since the July 2013 MPS (H1 FY14). While China is projected to grow at around 7.3% in 2014 the Indian economy is projected to grow by 5.1%.

Agriculture

Our growth in agriculture slowed during this year from 3.11% in FY 2012 to 2.17% in FY 2013. Contribution of agriculture sector to GDP has been 18.70% this fiscal, which was 19.42% in previous year. This year our growth in food grains & vegetables decreased from 1.95% last year to 0.15%. According to DAE, in FY 2013, total rice (aus, aman & boro) production was 338.33 lakh metric ton, wheat 12.55 lakh metric ton and maize 21.78 lakh metric ton. In December 2013, public food stocks were to the tune of 9.51 lakh metric ton which is 31% lower than that of December 2012 and 38% lower than that of December 2011. Lower level of domestic procurement in both boro & aman season is the main reason underwriting this situation. However, government expects overall production of boro will be higher due to ample supply of fertilizer and proper irrigation and favorable weather condition of the country.

Industry

Industry sector achieved marginal growth during this year from 8.90% in FY 2012 to 8.99% in FY 2013. Our growth in manufacturing industry comprising large, medium and small achieved growth of 9.34% in FY 2013 against 9.37% in last fiscal. Gas, a sub sector under industry, achieved growth from 4.27% in last fiscal to 9.16% in FY 2013. It is expected that construction sector will achieve a growth of 8.05% in FY 2013 due to large investment in infrastructure sector. Growth of Electricity & Water was 8.63% & 6.56% respectively. Industry sector contributed 31.99% to overall GDP growth which was 31.13% last year.

Service

Hotels & restaurant, transportation & communication, real estate, rent & others, education, social & personal service sectors under broad service sector are expected to achieve higher growth in FY 2013 than last year. Wholesale & retail trading slowed down from 5.63% to 4.69% while hotel & restaurant achieved 7.63% from 7.58%, transport & communication achieved 6.70% this year. Our financial sector & other institutional service achieved 8.99% in FY 2013 that was 11.04% previously. Overall service sector growth has been 5.73% in FY 2013 from 5.96% last fiscal. Contribution of service sector to GDP declined to 49.31% this fiscal from 49.45% last year.

Inflation

Point to point inflation data using the 2005/06 base broadly shows that inflation has risen steadily from 1.75% in September 2012 to 9.00% in December 2013. On the other hand, point to point non food inflation is steadily declining, having peaked in October 2012 at 11.28% and has declined steadily to 4.88% in December 2013. However, the rise in food inflation is pushing up average inflation which bottomed out at 6.06% in January 2013, rose to 6.78% in June 2013 and is 7.53% in December 2013. According to BB, our 7.00% inflation target announced in the Budget may prove challenging as aggregate demand is likely to pick up in second half of FY 2014. BB is targeting a monetary path to achieve this 7.00% inflation while ensuring that credit growth is sufficient to stimulate inclusive economic growth.



Interest rate

According to BB, call money rates have declined since their peaks in early 2012 when they were around 20%, and also fell in H2 FY 2013 from around 10% in January 2013 to around 7% in June 2013. They have since leveled off ranging from around 7-8% in H1 FY 2014. This is also reflected in below average loan to deposit ratios. At the retail level both deposit and lending rates fell in H2 FY 2013 and since interest rate spreads have on average fallen – from 5.13% in June 2013 to 4.97% in November 2013–we can infer that lending rates have fallen faster than deposit rates. Domestic lending rates have fallen due to lower cost of funds for banks, lower demand for credit as well as due to increasing competition from overseas lenders whose lending rates are in single digits.

Saving & Investment

The national savings rate enhanced from 29.20% of GDP in FY 2012 to 29.50% of GDP in FY 2013. On the other hand, total investment in FY 2013 estimated at 26.80% of GDP which was 26.50% in FY 2012. This fiscal, private sector investment is 19.00% while government sector was 7.90% which was 20.00% & 6.50% respectively in previous fiscal. According to The Global Competitiveness Report 2013-14 issued by the World Economic Forum, Bangladesh ranked 110 out of 148 economies of the world. Our position improved by 8 notches this year and we are still ahead of our neighboring economies, i.e. Pakistan-133 & Nepal-117. According to this report, the five most problematic factors for doing business in order of importance are Corruption, Inadequate supply of infrastructure, inefficient government bureaucracy, Access to financing and Government instability.

Export

Bangladesh export faced challenges during the last few years as our major export destination: EU have been experiencing difficult economic conditions due to sovereign debt crisis. According to July-Mar of FY 2013 our export earnings was USD 19,704 million, up 10.20% than previous fiscal. Areas that experience growth during FY 2013 are shoes, jute & related goods, leather, cottage industry, readymade garments, engineering, knitwear and ceramics. On the other hand export of tea, frozen foods, chemicals, raw jute & agricultural goods receded. USA has been the single biggest export destination of our products amounting USD 3,952.74 million which is 20.06% of our total export volume. Apart from USA, Germany accounts for 14.75%, UK 10.42% & France 5.37%. Japan, Korea, South Africa & Turkey are expected to be our next export destinations in coming days.

Import

Our import expenditure (CIF) slowed during July-Feb of FY 2013 amounting USD 22,419 million, 7.00% down from previous year. As the government discourages import of luxurious & unproductive items, our import cost plummeted. According to July-Feb FY 2013, import of capital machinery reduced 38.75%, industrial raw materials 35.52%, petroleum & petroleum related goods 37.46%. This decline in import also contributed our present higher foreign exchange reserve.

According to recent BB data, our trade deficit in first half of FY 2014 came down to USD 1.53 billion from USD 3.67 billion in first half of last fiscal. This is due to higher export earning in July-Jan FY 2014. During this time our export earning was USD 17.44 billion which was 3.04% higher than export target and 15.08% higher than same period last year. Readymade garments contributed 81.29% of total export. During first half of FY 2014, our country received foreign direct investment of USD 840 million, 5.00% up from same period last year.

Remittance

In 2013, Bangladesh faces decline in remittance earnings for the first time since 42 years of our independence. Compared to year 2012, our inward remittance reduced Taka 7,607 crore in 2013. In FY 2013, foreign remittance was 9.50% of our GDP against 11.11% & 10.55% in FY 2012 & FY 2011 respectively. The drop is keeping with the trend since last August, when it turned negative after slow down since the final half of FY 2013. Only 450,000 migrants managed overseas jobs in 2013, down by more than 33% from 2012 according to Refugee and Migratory Movements Research Unit (RMMRU). In the first seven months of FY 2014, remittance came down to USD 8.00 billion from USD 8.69 billion for the same period of last fiscal. In spite of that, our external sector stability eased due to foreign exchange reserves that reached USD 18.00 billion at the end of December 2013, sufficient to cover about 5.5 months of projected imports.

Banking Sector in 2013

Cash Reserve Ratio (CRR)

Cash reserve ratio (CRR) for the scheduled banks with Bangladesh Bank remained same at 6 percent of total demand and time liabilities since December 15, 2010. Banks are now required to maintain CRR daily at

the rate of 6 percent on average on bi-weekly basis, provided that CRR would not be less than 5.5 percent in any day with effect from December 15, 2010.

Statutory Liquidity Requirement (SLR)

Statutory liquidity requirement (SLR) of scheduled banks, excluding those banks and branches of conventional banks based and operated on Islamic Shariah and also the specialized banks (except BASIC Bank Ltd.) remain same at 19 percent for their total demand and time liabilities, excluding inter-bank items, since December 15, 2010. SLR for the Islamic Banks remained unchanged at 10 percent.

Non-Performing Loan (NPL)

The most important indicators intended to identify problems with asset quality in the loan portfolio is the ratio of gross non-performing loans (NPLs) to total loans and net NPLs to total loans. Foreign Commercial Banks (FCBs) have the lowest and State-owned Commercial Banks (SCBs) have the highest ratio of gross NPLs to total loans. The gross NPLs to the total loans of the State-owned Commercial Banks (SCBs), Private Commercial Banks (PCBs), Foreign Commercial Banks (FCBs) and Development Finance Institutions (DFIs) i.e., Specialized Banks were recorded as 26.4%, 6.6%, 4.7% and 26.2% respectively at the end of FY 2013. Although all ratios of NPL to total loans of all banks have been increased compare to the year 2012, but the ratios show an encouraging trend since its decline from the peak (34.9 percent) in 2013. The ratio ended up 11.9% at the end of FY 2013.

Activities of Trust Bank Limited

Business Operation & Strategy

Our Business Focus

The principal activities of the Bank are banking and related businesses under the Bank Company Act 1991(amended upto 2013). The core banking businesses include accepting deposits and granting loans



Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO of the Bank received a cheque from the Governor of Bangladesh Bank for one of its Power Project under IPFF project cell of Bangladesh Bank

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 & 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 & 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 customersupporter-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

We are working rigorously to enhance our brand image among public and peer groups. All the employees of the bank are groomed to provide efficient services, thereby upholding the brand image further. Our clients are the key torchbearers of our brand and we believe a delighted client is the best medium of our advertisement to enhance the brand image of the bank. Moreover, image of the bank would be harnessed through participating in festivals like sports, job fair, science fair and debate competitions; we advertise our product and services in the print & electronic media and sponsor social activities to establish our brand image.

Cluster Management

Cluster Management is considered as new and highly efficient forms of innovation support providers that provide and channel specialized and customized business support services to enterprises. Our high quality cluster management is important to ensure cluster excellence in the Bank and efficient cluster Managers act as a driving force for clusters. Their performance is very much linked to the professional expertise and the capability of cluster managers, who dispose of good cluster insight, necessary for an efficient support to cluster members.

There are eleven clusters in our Bank. Cluster Managers of those clusters do the following:

- Faster time to cluster readiness
- 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 expected by participants in the markets in which it operates. 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 Tk. 4,174.37 million for the year 2013. After keeping Tk. 772.79 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 Tk. 1,163.45

million for the year 2013. Though market was extremely volatile during the year 2013, net profit of the Bank after tax stood at Tk. 321.97 million for the year 2013.

Interest Income

Trust Bank earned Consolidated Interest Income plus Profit on Islamic Banking Investment for Tk. 10,206.65 million during the year 2013 as against Tk. 8,698.11 million in 2012 registering a growth of 17.34% or Tk. 1,508.54 million. The healthy growth in Interest Income came as a result of maintenance of sound portfolio, high yielding loan products, proper management of placement fund and efficient utilization of fund.

Interest Expenses

Consolidated Interest and Profit paid on Deposits and Borrowings measured at Tk. 8,767.47 million as against Tk. 6,785.13 million in 2012 showing a rise by 29.22%. This year Interest Expenses increased due to increase in deposits amount of the Bank. Significant Interest was paid on Fixed Deposit Receipts (FDR) during the year 2013.

Net Interest Income

The Consolidated Net Interest Income showed Tk. 1,439.18 million as against Tk. 1,912.98 million in the preceding year. During the year, Net Interest Income decreased by Tk. 473.80 million representing a negative growth of 24.77%.

Income from Investment

In the year 2013, Consolidated Income from Investment was Tk. 1,586.56 million where as it was Tk. 913.65 million in the year 2012. Tk. 672.91 million increased from last year, main income arise from Treasury Bills/Bonds.

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 Tk. 1,148.63 million in 2013 where as it was Tk. 930.68 million in 2012 and main reasons of increasing the same was dramatic upturn in the income from banking service.

Total Operating Expenses

Consolidated Operating Expenses excluding contribution to Special Reserve Fund increased by 15.46% during the year mainly due to increase in number of branches and Salary & Allowances which was triggered by promotion and recruitment. Total Consolidated Operating Expenses shown in Profit and Loss account was amounting to Tk. 2,238.14 million in 2013 compared to Tk. 1,929.11 million in the previous year.

Salary & allowances constituted 52.56% of total of Operating Expenses in 2013 and there was 23.09% increase in Salary & Allowances in the year 2013 compared to the year 2012.

Though Net interest Income decreased by Tk. 473.80 million but Consolidated Net Profit before Provision & Tax increased due to increase in income from investment and non-interest income by 48.30% compare to year 2012.

Taka in Million

Particulars	Taka in I	Taka in Million		
Falliculais	2013	2012	%	
Interest income / Profit on investment	10,206.65	8,698.11	17.34%	
Interest / Profit paid on deposits and borrowings etc.	8,767.46	6,785.15	29.22%	
Net interest income	1,439.19	1,912.96	-24.77%	
Investment Income	1,586.56	913.65	73.65%	
Non Interest Income	1,148.63	930.68	23.42%	
Total operating income	4,174.38	3,757.29	11.10%	
Total operating expenses (Excluding Contribution to Special Reserve Fund)	2,158.14	1,869.11	15.46%	

Income Mix and Growth

Profit before provision	1,996.24	1,908.17	4.62%
Provision for loans & advances / investments, Diminution in value of investment and Others	772.79	876.24	-11.81%
Contribution to Special Reserve Fund	80.00	60.00	25.00%
Total Profit before Taxes	1,163.45	951.93	22.22%
Provision for Taxation (Current & Deferred)	841.48	769.25	9.39%
Net Profit after Taxation	321.97	182.68	76.25%

Profit before Provision

Consolidated Operating Profit before Provision was Tk. 2016.24 million in the year 2013 where as it was Tk. 1,888.18 million in the year 2012 before considering contribution to Special Reserve Fund. After accounting for contribution to Special Reserve Fund of Tk. 80.00 million in 2013 and 60.00 million in 2012, operating profit stood at Tk.1,936.23 million in 2013 compared to Tk. 1,828.18 million in 2012.

Provision for Loans and Off-Balance Sheet Exposure

During the year 2013 consolidated provision for loans and advances was Tk. 604.28 million compared to Tk. 837.38 million in the year 2012 and decreased by Tk. 233.10 million due to effective credit monitoring policy of the Bank during the year 2013. Provision for Diminution in value of Investment has been increased by 57.86 million due to downturn in the capital market. Provision for unclassified loan is considered a part of Tier-II Capital of the Bank.

Profit before Taxes

After making above provision, Consolidated Net Profit before Tax of the Bank stood at Tk. 1,163.45 million in 2013 compared to Tk. 951.94 million in 2012 which refers 22.22% growth.

Provision for Income Tax

Consolidated Provision for Income Tax for the current year stood at Tk. 850.12 million against Tk. 778.71 million in 2012. However, net provision for Income Tax was Tk. 841.48 million after accounting for Deferred Tax of Tk. 8.63 million in 2013.

Net Profit after Tax

Consolidated Net Profit after Tax stood at Tk.321.97 million in the year 2013 from Tk. 182.69 million in the year 2012 and Earnings per Share (after split) was Tk. 0.85 in the year 2013 compared to Tk. 0.55 in the year 2012.

Dividend

The Board of Directors of the Bank recommended 12% (i.e. Twelve Bonus Shares for every One Hundred Shares held) stock dividend considering the results achieved in the year 2013 and to enhance the capital base of the bank required for future business growth.

Financial Position Review

Summary

Despite various external challenges, Bank's overall businesses grew significantly in 2013 over that of 2012. Deposits of the Bank increased by 23.43% and stood at Tk. 102,523.87 million at the end of year 2013. Consolidated Loans and Advances increased by 43.00% and stood at Tk. 83,798.41 million at the end of the year 2013. Investment increased significantly by Tk. 5,384.39 million showing growth of 39.37% compared to year 2012.

Total Assets

Consolidated Assets of the Bank stood at Tk. 118,308.50 million in 2013 as against Tk. 96,339.25 million in 2012 registering a growth of 22.80%. 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 70.83% of total assets while investment in government and other instruments held 16.11% of the total assets. Balance with other banks and financial institutions held at 3.02% of total assets. Bank also invested in the Call Market for Tk. 250.00 million showing 0.21% of total assets. Moreover, other assets which are very current in nature made up 1.33% of total assets leaving only 0.42% of total assets tied up in fixed assets including premises, furniture and fixtures. The above common size analysis showed that almost 91.93% of total assets of the Bank are utilized in different earning assets along with Fixed Assets and others leaving 8.07% in liquid form for meeting cash withdrawal demand of customers and maintaining Cash Reserve Ratio(CRR) requirement of Bangladesh Bank.

Dortiouloro	Taka in Million		Growth	Asset Mix	
Particulars	2013	2012	%	2013	2012
Cash in hand & Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	9,552.83	8,204.23	16.44%	8.07%	8.52%
Balance with other Banks & FIs	3,569.56	1,916.23	86.28%	3.02%	1.99%
Money at call and short notice	250.00	11,750.00	-97.87%	0.21%	12.20%
Investments	19,060.14	13,675.75	39.37%	16.11%	14.20%
Loans and Advances/Islamic Banking Investments	83,798.41	58,599.09	43.00%	70.83%	60.83%
Fixed assets including premises, furniture and fixtures	498.21	472.13	5.52%	0.42%	0.49%
Other assets	1,579.34	1,721.82	-8.27%	1.33%	1.79%
Total Assets	118,308.49	96,339.25	22.80%	100.00%	100.00%

Summary of Property & Assets:

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

As at 31 December 2013, Consolidated Cash in Hand and Balance with Bangladesh Bank & its agent banks (including foreign currencies) stood at 9,552.83 million as against Tk. 8,204.23 Million of 2012 registering a growth by Tk. 1,348.60 Million or 16.44 %. 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 8.07% of the total assets in the year 2013.

Balance with Other Banks and Financial Institutions

The International Banking Division of the Bank has to maintain some Short Term Deposit (STD) 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 at 31 December 2013, to proper use of the fund, consolidated balance outstanding with other banks and financial institutions increased to Tk. 3,569.56 million showing growth of 86.28% as compared to Tk. 1,916.23 million at the end of 2012.

Investments

At the end of year 2013, Bank's investments stood at Tk. 19,060.14 million showing an increase by 39.37% as compared to that of 2012. The reason for increase was attributable to investment in treasury bonds at maturity and investment in ordinary shares in other companies. Out of total investments, Tk. 17,179.47 million was invested in government securities and the rest amount i.e. Tk. 1,880.67 million was invested in ordinary and preference shares of different listed and unlisted companies.

Loans and Advances

Consolidated Loans and Advances of the Bank as on 31 December 2013 was Tk. 83,798.41 million as against Tk. 58,599.09 million in the year 2012, showing an increase by almost 43.00% 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 & Reconstruction of Dwelling House Loan (RRDH), Consumers Durable Scheme

Loan (CDS), Marriage Loan, 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 been further 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 Tk. 111,108.30 million at the end of year 2013 as against Tk. 89,489.47 million in 2012, representing a rise of 24.16%. Deposits constituted 92.27% of total liabilities of the Bank.

Dartiaulana	Taka in Million		Growth	Liabili	Liability Mix	
Particulars	2013	2012	%	2013	2012	
Liabilities:						
Borrowings from other banks, financial institutions and agents	3,669.28	2,836.85	29.34%	3.10%	2.94%	
Deposits and other accounts	102,523.87	83,063.00	23.43%	86.66%	86.22%	
Other liabilities	4,915.14	3,589.62	36.93%	4.15%	3.73%	
Total Liabilities/Non Owner's Claims on the Total Assets	111,108.29	89,489.47	24.16%	93.91%	92.89%	
Capital/Shareholders' Equity	3,805.41	3,459.47	10.00%	3.22%	3.59%	
Statutory Reserve	2,169.22	1,966.01	10.34%	1.83%	2.04%	
Other Reserve, Share Premium & Minority Interest	569.25	540.79	5.26%	0.48%	0.56%	
Retained Earnings	656.32	883.51	-25.71%	0.55%	0.92%	
Total Shareholders' Equity/Owner's Claims on the Total Assets	7,200.20	6,849.78	5.12%	6.09%	7.11%	
Total Liabilities & Shareholders' Equity	118,308.49	96,339.25	22.80%	100.00%	100.00%	

Summary of Liabilities & Capital:

Deposit Portfolio

In the year 2013, Consolidated Deposits of the Bank shot up by 23.43 % to Tk. 102,523.87 million from Tk. 83,063.00 million as recorded in the year 2012. 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 62.73% total deposits. The Bank's deposits include the deposits from both conventional and Islamic banking deposit vehicle.

no of Donosito	Taka in Million		Growth Depo		osit Mix	
Type of Deposits	2013	2012	%	2013	2012	
Current / Al-wadeeah current accounts and other accounts	13,638.22	10,734.63	27.05%	13.30%	12.92%	
Bills payable	1,082.67	925.78	16.95%	1.06%	1.11%	
Savings bank / Mudaraba savings deposits	8,880.85	6,590.79	34.75%	8.66%	7.93%	
Fixed deposits / Mudaraba term deposits	64,312.35	51,909.86	23.89%	62.73%	62.49%	
Short Notice Deposits / Mudaraba Short Notice Deposits	5,286.95	5,385.89	-1.84%	5.16%	6.48%	
Special Deposits Scheme	9,322.82	7,516.05	24.04%	9.09%	9.05%	
Total	102,523.86	83,062.99	23.43%	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 Tk. 3,669.28 million at the end of year as against Tk. 2,836.85 million in 2012. The Bank has no call money balance at the end of 2013.

Shareholder's Equity

Total Consolidated Shareholder's Equity increased by 5.12% and stood at Tk. 7,200.20 million at the end of year 2013 as against Tk. 6,849.79 million in the year 2012. Item wise details of Shareholder's equity are given below:

Particulars	Taka in	Change	
Faiticulais	2013	2012	%
Capital/Shareholders' Equity	3,805.41	3,459.47	10.00%
Statutory Reserve	2,169.22	1,966.01	10.34%
Other Reserve, Share Premium & Minority Interest	569.25	540.79	5.26%
Retained Earnings	656.32	883.51	-25.71%
Total Shareholders' Equity/Owner's Claims on the Total Assets	7,200.20	6,849.78	5.12%

Statutory Reserve

In accordance with the provision of the Bank Company Act 1991(amended upto 2013), minimum 20% of operating profit before tax is required to be transferred to Statutory Reserve. In the year 2013, 20% of Profit before Tax amounting to Tk. 203.21 million was transferred to Statutory Reserve and thus balance of Statutory Reserve stood at Tk. 2,169.22 million at the end of year 2013.

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 decreases from 4.28% to 2.90% during the year 2013. The asset quality may be termed as strong. Moreover, our endeavor 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	Taka in	Change	
	2013	2012	%
Unclassified Loans	81,328.04	56,095.25	44.98%
Standard	78,039.37	54,639.85	42.77%
SMA	3,288.67	1,435.40	129.11%
Classified Loans	2,470.37	2,503.84	-1.34%
Sub-standard	557.21	817.85	-31.87%
Doubtful	168.43	291.87	-42.29%
Bad/Loss	1,744.73	1,394.12	25.15%
Total Loan	83,798.41	58,599.09	43.00%
NPL (%)	2.90%	4.28%	-32.06%

Capital Management

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).

Core Capital (Tier I)

The Consolidated Core Capital Ratio (Tier - I) was 7.79% of total Risk Weighted Assets at the end of the year 2013. Core Capital represents the Paid Up capital, Minority Interest, Statutory Reserve and Retained Earnings. As on 31 December 2013, our Consolidated Core Capital stood at Tk. 7,163.18 million against

Tk. 6,841.21 million in 2012. The Core Capital constituted 66.34% of total Capital while Paid up Capital constituted 52.85% of total Shareholder's Equity.

Supplementary Capital (Tier -II)

Supplementary Capital of the Bank represents General Provision, Subordinated Bonds (not exceeding 30% of Tier I Capital) and Revaluation Reserve of Held to Maturity Securities (50% of such Reserve). At the close of business on 31 December 2013, our Consolidated Supplementary Capital stood at Tk. 3,634.94 million as against Tk. 3,462.62 million in 2012.

Total Regulatory Capital

At the end of 2013, Consolidated Regulatory Capital stood at Tk. 10,798.12 million against Tk. 10,303.83 million in 2012 registering a growth of 4.80% over the preceding year. And Consolidated Capital Adequacy Ratios were 11.74% and 13.86% of Total Risk Weighted Assets in 2013 and 2012 respectively against the Regulatory requirement of 10% for each year.

Credit Rating

Credit Rating Agency of Bangladesh (CRAB) reaffirmed long term credit rating of the Bank at AA3 in 2012 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 AA3 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 2013 is under process and will be published in due course.

SME Banking

Small and Medium Enterprises have indeed become one universally agreed motif of the development landscape when it comes to sustainable, efficient and pro-poor growth of labor-surplus economies. SMEs typically harness more workers per unit of output for production, relatively lower levels of labor productivity



Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO of the Bank is seen a spot loan disbursement program under Bank – MFI linkage jointly organized by our Jalalabad Cantonment Branch & FIVDB. In the program Tk.50.00 million was disbursed for micro and agriculture credit.

and lower rates of wages having smaller degrees of risk compared with larger enterprises. Considering all positive indicators, SME is recognized as engine of economic growth. The issue of fostering SME growth in Bangladesh can in no way be ignored as these industries have huge prospects for creating large scale employment opportunities and potentialities of innumerable income generation especially in semi-urban and rural areas. As such, the Bank is moving forward to SME customer segment with market approach to meet the credit need & considering the business potentials and return on investment. The business expansion and monitoring is carried out throughout its 82 country wide branches and 6 SME/ Krishi Branch / service centers with the full support of dedicated SME business division.

Trust Bank has launched different products based on BB policy with cluster/ area approach and marketing these products matching with the customer needs. Bank's especial emphasis is on:

- Trust Muldhon Loan for shopkeepers and Traders
- Trust Projukti Loan for light engineering,
- Trust Bunon Loan for power loom and handloom and other allied industries,
- Trust Shufola Loan for Bio-gas, Solar panel, Livestock, Fisheries & Agro-Processing units,
- Trust Ekota Group Loan with Cluster approach,
- Trust Sukonnaya Loan for Women Entrepreneurship,
- Trust Easy pay Loan for Contractors to encourage service sectors
- Peak seasons loan and

SME (others)

The bank is also financing under refinancing scheme of Bangladesh Bank, namely, ADB, JAICA, WE fund.

During 2013, Trust Bank's strategy was to focus on marketing the products to Cluster wise financing under the agreement with SME Foundation through branche network and outsourcing agent on area/ group approach to manufacturing, service, Agri and renewable energy sector to meet the requirement of clint's sbusiness plan, growth and profitability and ultimately for the expansion of SME portfolio. Bank's exposure is thus well diversified to different sectors viz. power loom, Handloom, light engineering, handicrafts, Nakshi kantha, garments accessories, Bio-gas, Bio-fertilizer, Irrigation by Bio gas, Fisheries, Poultry and other agri-business and the portfolio stands at Tk. 5370.00 million resulting growth of 20% against the previous year. Disbursement for the year was Tk.4469.00 million against the target of Tk.3000.00 million under SME business. 4 Cow model integrated farm model under Trust – Shufola covered 1502 farm families for Bio-gas plant. 355 Women entrepreneurs have been financed whose outstanding stands at Tk. 97.00 million.

This extension of SME financing has increasingly created the employment opportunity directly or indirectly throughout the country and expanding small and medium enterprises and help minimizing the financial risk.

Retail Banking Activities

Year 2013 was the year of transformation and steady growth of business for Retail Banking Unit (RBU). The change of business focus from liability to asset helped the Bank to acquire new businesses and build a strong clientele. Different positive approaches have been taken and products were modified to cater to the needs of different segment.

Retail Banking Unit: Today and Tomorrow

Continued from 2006 RBU successfully designed and implemented customer focused products with the guidance of bank management. Competitive liability and asset products, dedicated Direct Sales team, strong back office team and different value added services have ensured customer satisfaction and a loyal customer base. Our continuous effort to provide quality financial services has inspired us to deliver the best.

2013: Major Retail Activities

Deposit Campaign

Liability:

With a different business approach RBU designed a low cost deposit campaign 'CASA UTSHOB 2013'. The target was to generate low cost deposit to minimize Bank's interest risk and maintain balance of overall deposit. The campaign surpassed the net growth target by Tk.2830 million and reached a staggering amount of Tk.5830 million.

Asset:

First ever asset campaign was launched in 2013. It created a positive vibe among all employees in the bank and the campaign saw a total disbursement of BDT 2.8 million within 3 months span.

Training & Development

Retail Banking carried out extensive training to the Direct Sales Representative (DSR) on retail products, current retail business market and our approaches towards customers.

Product Development

Revision of Product Program Guideline (PPG) of Personal Loan, Loan against Salary and Doctor's Loan has been made. A comprehensive Risk Fund Policy and Credit Card Policy were designed by RBU. Liability products were developed targeting the institutional customers.

Participation in First School Banking Conference

Trust Bank participated in the 'First School Banking Conference 2013' held at Bangladesh Bank Training Academy on April 2013. Bangladesh Bank arranged the whole conference where Trust Bank provided wholehearted support to make the event a great success.

Trust Youniverse

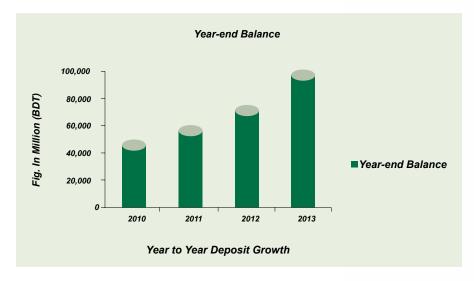
Our relentless efforts continue to expand the horizon of 'Trust Youniverse' to serve our customers with a sweet topping on the ice cream! Last year we signed MoUs with prominent business entities like: BTI, Ocean Paradise Hotel & Resort, Fiore, Praasad Paradise etc. to allow our Credit & Debit Card holders to enjoy discount facility while using our cards.

Asset Liability Performance 2013

Liability/Deposit: Different initiatives to boost the deposit growth have earned the Bank a stable and strong liability position. The outcome of the low cost campaign, overall monitoring and guidance of the bank management and most importantly dedicated service towards our respected clients have ensured a mammoth year end retail deposit balance which is 33% higher from 2012.

				Taka in Million	
Year	2010	2011	2012	2013	
Year-end Balance	45,260	55,990	70,560	93,889	

Graph-deposit:

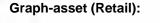


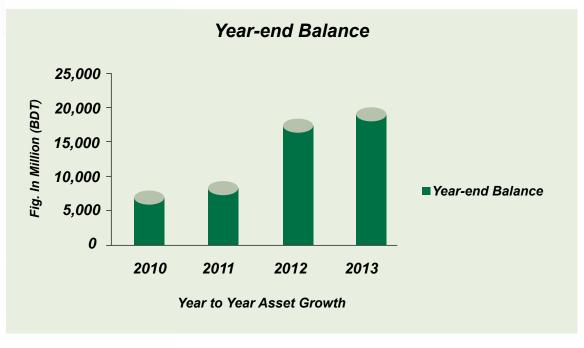
Asset:

The asset campaign was a true success which can be resembled in the yearend asset balance. Total portfolio rose up to BDT 19080 Million!!

* Taka in Million

Year	2010	2011	2012	2013
Year-end Balance	6,820	8,210	17,470	19,080





Credit Card

Trust Bank has put emphasis on its Credit Card services. Already a Credit Card Policy has been designed and in near future the bank will come up with attractive features to provide multi level benefits to Card Holders. Already we have 2075 Credit Card users with an outstanding amount of Tk. 71 million.

RETAILS BANKING PRODUCTS AT A GLANCE

Deposit Products

- Savings Accounts: Savings Bank Account, Trust Porua Account, Trust Sristi Account, Trust Privilege Account, Trust Unfixed Deposit, Trust Payroll
- **Current Account:** Current Deposit Account, Defence Personnel Salary Account (DPSA)
- **Deposit Scheme Account:** Trust Assurance Deposit Scheme (TADS), Trust Maxmill, Trust Echo, Trust Echo Plus, Trust Jhinuk, Trust Smart Savers Scheme (TSSS), Lakhopoti Saving Scheme, Trust Money Double Scheme (TMDS), Trust Kotipati Scheme and Trust Kotipati Plus.
- Fixed Deposit Receipt (FDR): with several convenient Tenors
- Student File
- Trust Mobile Money

Loan Products

- **Unsecured Loan:** Personal Loan, Loan against Salary, Education Loan, Doctor's Loan, Trust Digital Loan. Any Purpose Loan for Defence Officers, Motor Cycle Loan for Defence Personnel, Marriage Loan for Defence Personnel, House Hold Durable Loan for Defence Officers, CNG Conversion Loan Defence Officers, OD against Salary for Defence Officers, RRDH for JCO's and Others.
- Secured Loan: Car Loan, Apon Nibash Loan (House Finance), HBL against Registered Mortgage for Defence Officers, Army Officers Housing Loan Scheme, Trust Thikana- Home Loan, Loan against Commutation Benefits for Defence Personnel.

Credit Card

- VISA Classic: VISA Classic Local and VISA Dual Classic International
- VISA Gold: VISA Gold local and VISA Dual Gold Inernational

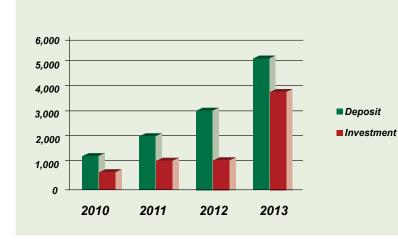
Islamic Banking Activities:

Islamic banking refers to a system of banking or banking activity that is consistent with Islamic law (Sharia) as stated in the Holy Qur'an and Sunnah of the Prophet Muhammad, pbuh. The most important features of Sharia are (i) the prohibition of Riba, the collection & payment of interest, and (ii) prohibition of investment in business which are Haram (unlawful) in Islam. Islamic banking is a trade based operation and structured on the basis of the underlying contract of sale or investment between the bank and the client in compliance of Sharia guidelines.

Trust Islamic Banking (TIB) started its operation from later part of 2008 through 5 (five) Islamic banking windows at the TBL-Principal Br., Gulshan Br., Dilkusha Br. in Dhaka, CDA Avenue Br. in Chittagong & Sylhet Corporate branch in Sylhet. In addition to the above mentioned 5 (five) branches, all TBL branches are now providing Islamic banking services to their clients under centralized on-line operation system. In addition to the Sharia guidelines, Trust Islamic banking operations are strictly complied with the Bangladesh Bank instructions regarding Islamic banking operations and adhere to the followings;

- Completely Separate Fund management no mingling of fund with the conventional banking deposits of the Bank.
- Separate book-keeping, Profit & Loss Account by Islamic banking software.
- Investment from the Islamic banking deposits only.
- Profit sharing with the depositors at 70:30 ratios.

A dedicated team of resources with skill in Islamic finance & banking, trade & investment, product development at Head Office closely monitors and supervises the entire operations to ensure compliance, development and growth of Islamic Banking business. Islamic banking operations of Trust Bank offer the full range deposit



& investment products including corporate, retail & SME sectors.

As of close of the year 2013, total deposits of TIB stands at Tk.5,188.55 million & investments Tk.3,841.29 million showing a growth of 68% & 177% respectively from the corresponding position of 2012.

A separate Balance sheet, Profits & Loss account and statement of Cash-Flows are shown in the Annexure D(1), D(2) and D(3). The figures appearing the Annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank. In spite of the substantial growth in 2013, TBL is yet to capitalize the full potentials of the Islamic banking market. Investment figures have been increased only in the last quarter of the year to a satisfactory level but the AD ratio is yet to reach the expected 82-85 level to ensure a healthy return. However, Islamic banking operations of the bank are expected to substantially improve its performance in the upcoming year considering the already attained business position.

Information Technology:

In January 2007, Trust Bank Limited successfully launched Online Banking Services which facilitate any branch banking, ATM banking, Phone banking, SMS banking & Internet banking. All the branches of the Bank are currently using Centralized Banking Software for their daily transaction processing and routine reporting. The Bank has subscribed to ATM, VISA Debit and Credit cards, which is an important milestone in automation of banking services. The Bank has also launched Mobile Financial Services. With the introduction of modern technology, the Bank has been able to render better and efficient services to its customers, resulting in image enhancement of the Bank.

Online Transaction- Definition

Online transaction facilitates 'Any Branch Banking' to all customers mean customer is able to deposit or withdraw money from any Branch of Trust Bank Limited nationwide. In addition, ATM Banking, Phone Banking, SMS Banking, Internet Banking & Mobile Banking are alternate delivery channels offered by the bank which support online transactions.

Any Branch Banking

Any Branch Banking is a facility for our customers to operate their accounts from any of our network branches. The branch where the customer maintains his account is the base branch and the branch from where he carries out his transactions is referred as the remote branch. Any Branch Banking facility is available at all branches of Trust Bank Limited.

At present, following online banking services are with the system:

- a. Cash deposits i.e. accountholders of one branch can deposit cash in account at another branch.
- b. Cash withdrawals, i.e. accountholder of one branch can withdraw cash from another branch.
- c. TBL cheque deposits i.e. accountholder of one branch can deposit TBL cheque in his/her account at another branch.
- d. Online Clearing i.e. account holder of one branch can deposit clearing instruments in his/her account at another branch.

Phone Banking:

TBL customers can access to their accounts information using any phone even after regular banking hours. A customer can have the following information through the phone banking services:

- 1. Balances in accounts
- 2. Performed operations
- 3. Access to the bank's hot line
- 4. Information about bank products
- 5. Currency rates
- 6. Existing deposit terms, accrued interests and amounts
- 7. Loan repayment schedule
- 8. Account statements
- 9. Blocking/unblocking VISA cards
- 10. Credit card information

SMS Banking

SMS Banking is a mobile technology that allows customer to request and receive banking information from bank on customer mobile phone via Short Message Service (SMS). Individuals or corporate bodies can manage their bank accounts, check their account balances and last few transactions (Mini Statement) using their mobile phones. With SMS banking, convenience can be achieved 24 hours a day.

This service enables safe and easy:

1. Check-up of customer account balance - at request and upon movement,

2. Security of using SMS banking services is based on a PIN and customer mobile telephone number, as well as on pre-defined and registered account numbers to which payments are possible.

SMS Alerts

SMS Alerts is a service that allows customer to stay updated on his/her account transactions through mobile. To receive these alerts you have to register for the service. The system generates alerts for the following types of transactions and send to the customer's mobile.

Transaction types are:

ATM Cash through debit and credit card POS through debit and credit card

Salary Bill Pay through Internet CASH CLG-Cheque Return CLG-Inward Internet-Transfer On-Line Cash Transaction On-Line Transfer Transaction Interest/Profit

Internet Banking

Internet Banking Service permits the customer to interact with bank from any terminal accessing to the Internet. Internet Banking is a facility provided by Trust Bank Limited to its customers who does not have enough time to visit bank repeatedly. It saves the operation, time and cost of both the bank and customer. One of the important benefits of internet banking is its ability to increase customer retention.

Internet Banking is now a colossal success for Trust Bank Limited. At present, Trust Bank Limited allows to view account balance and detail transaction Statement. In near future, fund transfer and utility bill payment facilities will be available in internet banking service. Internet banking users can log on to the bank's website with the unique username and password provided by the bank to access his or her bank account. At present Trust Bank Limited has around 46,554 customers availing this facility.

ATM

ATM's now allow customers to access their account, check account balance and withdraw cash 24x7 hours. ATM's located on the premises of financial institutions or elsewhere, through which customers' may withdraw their fund as they would through a bank teller. At present total number of ATM's are 119 as on 31 December 2013.

Debit cards (VISA or Q-Cash Branded) require electronic authorization for every transaction and the debits are reflected in the user's account immediately. The transaction may be additionally secured with the personal identification number (PIN) authentication system. Customers may directly access their savings/

current/short term deposit accounts with the card through ATM, POS and Internet etc. Approximately 2,50,000 customers have debit cards as on 31 December 2013 and this number is increasing day by day.

VISA Credit Card

Trust Bank Limited has introduced Visa Credit Cards, both local and international, to serve it's existing and potential valued customers. Credit cards can now be used at shops & restaurants in Bangladesh and even internationally. Customers can also withdraw cash from ATM machines and can purchase products and services in Bangladesh and even internationally by using these cards. Trust Bank Limited has recently introduced SMS notification for monthly credit card statement and also for every transaction. The bank has issued approximately 4,500 credit cards to the eligible customers. This number is also growing day by day.

TBL as the Settlement Bank for Q-Cash Network

Trust Bank Limited is a member of Q-Cash network which is a consortium of ATM network of more than 32 member banks in Bangladesh. Trust Bank Limited has established itself as the settlement bank for the entire Q-Cash network along with settlement with Dutch-Bangla Bank and BRAC Bank on behalf of all the member banks of Q-Cash.

Interface with other ATM networks

Being the Settlement Bank for Q-Cash network, Trust Bank Limited plays a lead role for expansion and sharing ATM network with different Banks at a competitive rate. Customers of Trust Bank Limited may also use most of the bank's ATMs in Bangladesh along with Dutch Bangla & BRAC Bank ATMs for a nominal fee. This arrangement makes 24 hour banking transactions flexible for the customers of all banks involved in this expanded network.

Local and International Prepaid card

In order to fulfill customer needs and TC arrangement & related services Trust Bank Limited has launched International Prepaid cards against travel quota entitlement. In addition, the local prepaid card has been launched to drag then on-accountholders of the bank under the service of plastic card. Moreover the prepaid card has given an alternative collection method of remitted money by Western Union.

Trust Bank Limited was the first bank to enable all the cardholders to pay Tax online through National Board of Revenue website. A Prepaid card has been specially designed to pay Tax online with added security.

Expansion of ATM Network & Bank POS Deployment

In order to adopt the automated banking TBL has extended the ATM network (119 ATMs) all over Bangladesh. TBL is selecting the ATM locations to reach the valued customers round the clock which will indirectly add value to the existing services. At the same time the deployment of Bank's POS in every branch is enabling the customer to withdraw cash, deposit cash and also transfer fund with the help of Card. Bank's POS is established with the view of making the teller system automated.

TBL has also placed POS terminals to some educational institutions and implemented 48 no's of Merchant POS at different location of Bangladesh Including CSD's of different Cantonment Areas.

E-Commerce

Trust Bank Limited has recently started acquiring E-Commerce Merchants. All cardholders of the Trust Bank Limited and most of the Q-Cash member bank cardholders will be able to purchase products and services from these Merchant websites. Trust Bank Limited has setup this environment with much higher security than practiced in the market. Cardholders who want to purchase product or services from these sites using Q-Cash channel will be requested to provide a separate PIN (i-PIN) which only the cardholder should know.

Currently cardholders can buy BPL match tickets, Movie Tickets, Recharge Mobile Airtime, Internet Prepaid Card, Gift items, Dresses and Jewelry from most renowned brand shops of the country etc. Trust Bank

Limited is increasing the list of merchants to offer the cardholders with more services and products on regular basis.

Defence Digital Salary

In line with the commitment of implementing Digital Bangladesh, Trust Bank Limited has taken a noteworthy step to automate the Defence Personal Salary System. By the digital salary system the Defence personnel are provided with a debit card by which they can access to their salary account round the clock. As per the project requirement Trust Bank Limited has also extended the ATM network all over Bangladesh to make the salary system successful.

Trust Bank Limited disburses around Tk. 5000 million each month as part of the project to Defence personnel.

Mobile Banking Services

Trust Bank Limited launched "Trust Bank Mobile Money" on 31 August 2010 especially for the unbanked rural people to materialize the motto "A Bank for financial Inclusion". In Bangladesh most of the rural people are not educated and thus cannot write cheque or sign. Also they need to maintain a minimum balance in their accounts to pay various charges which tends to be difficult for the rural people.

Through Trust Bank Mobile money service the customer can use their mobile phone to authenticate a transaction by typing their secret PIN (instead of having to write a cheque and signing it); if the combination of the PIN and the customer's mobile phone number is correct, the transaction will be done successfully and a confirmation SMS will be sent to the user end.

Trust Bank Mobile Money 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 (SMS & USSD) or Internet. Any mobile subscriber can avail Trust Bank Mobile Money services using any mobile handset from low end to high end.

Customer of Trust Bank Mobile Money can avail the service at all Trust Bank Branches SME Centers, T-Lobby and accredited Pay points. Trust Bank is deploying its Pay point Network through different distributor such as Teletalk, Robi, Citycel, Arena, Quantum, A2i (UISC, PISC) and Third Eye NC Limited.



Trust Bank Limited & Computer Network Systems Limited signed an agreement for collections of Motor Vehicle Taxes & Fees for BRTA.

The features of Trust Bank Mobile Money are as follows:

- 1. Cash in/out from Pay-Point
- 2. Payment of Inward Foreign Remittance
- 3. Electronic Fund Transfer
- 4. Local Remittance (P2P)
- 5. Payment at Point of Sale
 - i. At partner Merchant Stores
 - ii. At Partner Service Providers (hospital, cinema, gas station, etc.)
- 6. School Banking
 - i. Admission Fees Collection
 - ii. Tuition Fees Collection
- 7. Bangladesh Navy Requirement Fund Collection (BNRF)
- 8. Utility payment
 - i. Air time recharge(All Telco)
 - ii. MetLife Alico Insurance premium

Bangladesh Electronic Funds Transfer Network (BEFTN)

BEFTN has started here with the objective to decrease paper-based payment methods and encourage paper-less payment methods for secured, faster & cost-effective transactions.

It facilitates the transmission of payments between the banks electronically, which makes it faster and efficient means of inter-bank clearing over the existing paper-based system i.e. BACPS. It is able to handle a wide variety of credit transfers such as payroll, foreign and domestic remittances, social security, cash & fractional dividends, retirement, expense reimbursement, bill payments, corporate payments, government tax payments, veterans payments, government license fees and person to person payments as well as debit transfers such as mortgage payments, membership dues, loan payments, insurance premiums, utility bill payments, company cash concentration, government tax payments, government licenses and fees etc.

Trust Bank Investment Limited

Trust Bank Investment Limited (TBIL), a fully owned subsidiary of Trust Bank Limited, was formed and incorporated on September 09, 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 October 25, 2010 as a full-fledged Merchant Bank and started its operation on November 14, 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, i.e. portfolio management, underwriting, issue management & corporate advisory services.

After two tumultuous years of 2011 and 2012, the capital market passed a flat year in 2013 with the DSEX index being 5% up on December 30, 2013 compared to its starting date on January 27, 2013. Average daily trade fell down to Tk. 4,003 million from Tk. 4,206 million in 2012 and Tk. 6,642 million in 2011. Though market was slightly up in 2013, the investors, as well as the institutions, are yet to recover from the brunt of 2011 and 2012. TBIL has been successful in containing the negative impact of the downfall of 2011 and 2012, and throughout the year 2013, it has been working towards the recovery of the clients' portfolio as well as its own financial health. For the year 2013, operating profit of TBIL was Tk. 389.88 million as against Tk. 670.75 million in 2012.

Till date portfolio management services are the major sources of earnings for TBIL. TBIL is providing "Portfolio Management Services" to its clients through IDA, BDA, and NIDA accounts. TBIL manages investors' portfolio of its clients valuing Tk. 6,100.25 million including the margin lending of Tk. 4,881.90 million as on 30 December 2013. Revenues 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 December 30, 2013, TBIL has underwriting commitments with 9 (nine) issues for a total amount of Tk. 471.58 million. TBIL has been appointed as Co-issue Manager for the IPO of Ratanpur Steel Re-rolling Mills Ltd. (RSRM) and is working actively along with the Issue Manager to conclude the IPO within this year.

Managing own investment portfolio is a regulatory requirement and also a core business objective of TBIL to ensure higher return on equity. TBIL has established an investment process and has been maintaining its own portfolio in compliance with the TBIL Investment Policy approved by the Board of Directors. In the year 2013, TBIL has realized a profit of Tk. 6.03 million from its own portfolio investments.

Busin	Taka in Million	
SL	Particulars	Taka
01.	No. of Accounts	5,524
02.	Total Loan against Securities(Taka)	4,881.90
03.	Total Portfolio Value at Market Price (Taka)	6,100.25
04.	Average Daily Trade Volume (Taka) 74.2	
05.	Average (%) of Total Trade of DSE	1.86
06.	Operating Profit	389.88

All the business sectors in Bangladesh have passed a turbulent time in 2013 and the capital market is not out of this turbulence. Once the economy and the business environment get stable, the capital market will follow suit. Notable global analyses have been positive on the future outlook of Bangladesh and its economy. In due time, this positive outlook will be reflected on the capital market too. TBIL is well equipped to remain a top performer and compliant player in the market and at the same time it is always evolving to accommodate itself with all the new developments in the market.

Trust Bank Investment Limited at a glance

Taka in Million

SI. No.	Particulars	2012	2013
1	Deposit	78.24	90.47
2	Loans	4,485.99	4,881.90
3	Total Income	833.76	521.12
4	Total Expenditure	163.01	131.24
5	Operating Profit/(Loss)	670.75	389.88
6	Borrowing	505.00	368.33

Trust Bank Securities Limited

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of Trust Bank Limited (TBL) and a corporate member of Dhaka Stock Exchange (DSE) Limited. The Company was incorporated with the Registrar of Joint Stock Companies & Firms (RJSC) under Companies Act, 1994 on 07 February 2013. The Company obtained license from the Bangladesh Securities and Exchange Commission (BSEC) on 05 August 2013 to carry on the stock brokerage and stock dealer business with DSE. TBSL obtained license from BSEC to act as a Full Service Depository Participant (DP) with Central Depository Bangladesh Limited (CDBL) on 02 September 2013. Operation of the Company started on 26 September 2013 and the Company obtained stock dealer and internet trading permission (iTrade) from DSE on 28 November 2013.

TBSL offers full-fledged brokerage services that include BO account opening, securities trading, Full DP services etc. The Company maintains its own portfolio in dealer account. TBSL is operated by a team of highly skilled and qualified professionals. TBSL provides international standard brokerage services with a team of expertise people with cutting-edge technology.

The Capital market of the country witnessed a mixed reaction during the year. The local Securities Market showed sign of improvement reflecting restoration of confidence of both individual and institutional investors. There was a huge foreign direct investment (FDI) in the capital market during the year. The budget for fiscal year 2013-2014, has stressed on finding resources from capital market rather borrowing from banking system to mobilize long term capital. Development of capital market would go ahead because of the Demutualization of the Stock Exchanges (DSE & CSE). BSEC and other regulatory authorities became more vibrant and transparent. As a result, the confidence of investors is restored. Though there was political violence during the year, it is expected that there would be stable growth in the capital market in the New Year.



The Chairman of Trust Bank Securities Ltd. and Adjutant General of Bangladesh Army Major General Ashraf Abdullah Yussuf, rcds, afwc, psc formally inaugurated Trust Bank Securities Limited (TBSL).

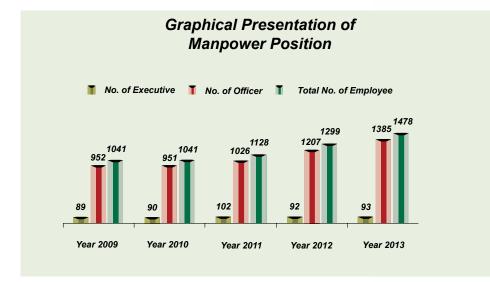
TBSL commenced its trading activities at the end of September of the year 2013. Though the political situation as well as the securities market of the country was not so stable, the Company was able to attract new investors and to transact a satisfactory amount of securities. Within this short period, the Company commenced iTrade for its local and foreign investors and also started dealer operation. The overall performance of the Company is shown in the following table:

Overall Performance of TBSL as on 31 December 2013

SI	Particulars	Quantity/Amount in Taka
01.	No. of BO A/C (Individual)	55
02.	No. of BO A/C (Company)	04
03.	Total no. of BO A/C	59
04.	Total Deposit	8,33,91,279.00
05.	Total Turnover	22,94,31,987.95
06.	Total Commission	6,87,371.96

Human Resources Division – Towards a culture of performance

For a service based organization like bank, customers' impression matters most in creating and enhancing brand value. So, hiring the right people for the right position is the key to provide the right direction for achieving business goals. Keeping this in mind, throughout the year 2013, the Trust Bank Human Resources Division had a strong focus on hiring skilled manpower and properly grooming the workforce to raise the knowledge and competencies of the bank's overall human capital. Keeping in line with the tradition of recruiting fresh new talents, last year the bank recruited 40 Management Trainee Officers, 10 Trainee Assistant Officers and 161 Trainee Assistant Cash Officers for building home grown talents. The total number of permanent employees at the close of year 2013 stood at 1,478. A Comparison of last four years on number of employees is given below:



During 2013, TBL HRD took a number of initiatives to streamline various HR processes and polices, and to improve the overall service quality of the division. To demonstrate a direct link between employee performance and reward, and to encourage a culture of performance, the bank initiated performance based rewards for its employees. HRD also upgraded and improved policies and procedures involving disciplinary issues, better leave management, organization structure and salary disbursement among others.

Moreover, the bank provided Internship opportunities to a total of 125 Interns during 2013 as part of the effort to perform a civic and professional responsibility by providing students with real work experience and thereby enhanced employer branding of the bank. HRD also had a strong focus on increasing Employee Engagement and taken a number of measures, including publication of a newsletter for the bank employees.

Future Initiatives

As part of the ongoing drive to create a high performing workforce, HRD is initiating a number of measures in the coming days. From 2014, the bank is moving into an era of objective based Performance Appraisal Process to evaluate employee performance in a more systematic method. A state-of-the-art Reward & Recognition Program to recognize outstanding employee and business performances is expected to be introduced during 2014.

Increased employee job rotation within the bank is also being planned to make them multi-faced skilled. Necessary training/workshops will bring them leadership traits. The MTO program (eVolve) will be improved more in this regard.

Scope of employee benefits will be broaden along with introduction of new benefits. Corporate agreements with health sector institutes and other will be emphasized to enrich employees' life.

To ensure employee engagement, HRD is planning to introduce an employee feedback process. Existing Newsletter (Trust Timeline) will be made more communicative to meet this purpose.

Training and Development

We also attached high priority in raising the quality and quantity of training & development opportunities for our new and seasoned employees. Participating in regular training and development programs is a key to creating a competitive workforce that is capable of navigating the bank through the challenging business environment. Keeping this in mind, the bank provided opportunities to a large number of bank officials various functional and soft skill trainings, workshops and seminars throughout the whole year of 2013 to refresh as well as sharpen their critical skills and knowledge. A total of 1,057 employees participated in 153 training program, of which 30 programs were in-house and 123 were public courses at external venues.



Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO of the Bank received 13th Rapport award for "Excellence in Human Resource Development-2013" from Dr. Akbar Ali Khan, former Advisor, Caretaker Government of Bangladesh.

Risk Management Unit

A sound risk governance structure is a fundamental requirement for management of risks in an integrated fashion. The failure to appraise risk exposures at the highest level can be costly. Thus the competitive advantage of Trust Bank Limited relies on how well it manages the risk in relation to the opportunities available in the market. As such, the Bank has continued to invest significantly to enhance its Risk Management capabilities.

As risk management is an important function under the Basel Accord, the bank aims at delivering higher shareholder value by striking a balance between risk and returns. Since commencement of business, Trust Bank Limited has taken several steps to continuously improve its risk management practices in order to ensure that it falls in line with good corporate governance practices as prescribed by the Bangladesh Bank and Basel II Accord.

These include:

- Setting up a Board -Level Integrated Risk Management Committee.
- Formulation of an Integrated Risk Management Framework.
- Setting up of Management Level Risk Management Committees to implement and monitor risk management policies and procedures.
- Intensified Risk Management training has been initiated to include a risk management culture at all levels of the Bank's operations.
- Transition to Basel II framework has been commenced in line with the directives of Bangladesh Bank.

 Risk management Unit has been established to assist in achieving continuous development, implementation and management of risk functions in the Bank. This includes the facilitation of the day-to-day management, operations and administration of risk taking activities.

The Bank has progressed under Risk Management Framework from structural perspective since its inception; it is now working on improving the Risk Management Control Framework.

Issues of Risk and Concern

Risk is an integral ingredient of return and return is maximized through mitigation of risk. But, the issue is complex; as banks have to concern on clear understanding of various systematic & unsystematic risks, appropriate identification, disciplined assessment as well as measurement procedure and continuous monitoring.

Credit risk Management:

Financial institutions have faced difficulties over the years for a multitude of reasons, the major cause of solemn banking problems continues to be directly related to lax credit standards for clients and counterparties, poor portfolio risk management, or a lack of attention to changes in economic or other circumstances that can lead to a weakening in the credit standing of a bank's counterparties. Credit risk is most simply defined as the potential that a bank's borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The target of credit risk management is to maximize a bank's risk adjusted rate of return by maintaining credit risk exposure within acceptable parameters. Banks need to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. Banks should also consider the relationship between credit risk and other risks. The effective management of credit risk is a critical component of a comprehensive approach to risk management and essential to the long-term success of any banking organization.

The sound practices set out in this regard specifically address the following areas:

- Establish an appropriate credit risk management environment;
- Operating under a sound credit granting process;
- Maintaining an appropriate credit administration, measurement and monitoring process;
- Ensuring adequate controls over credit risk.

Establishing an appropriate credit risk management environment under a sound credit sanctioning process

Bank identifies and manages credit risk inherent in all products and activities. Bank ensures that the risks of products and activities new to them are subject to adequate procedures and control before being introduced or undertaken, and approved in advance by the Board of Directors or its appropriate committee in order to streamline risk control features in a more effective manner.

Credit facilities are allowed in a manner so that credit expansion goes on ensuring optimum asset quality i.e., bank's standard of excellence shall not be compromised;

TBL carefully avoids name lending. Credit facility is being allowed absolutely on business consideration after conducting due diligence; Risks inherent in a credit proposal are being identified and appropriate mitigating factors are applied; Collateral offered against a credit facility is properly and professionally valued and verified.

A thorough credit risk assessment is done before sanctioning loan. The credit risk assessment includes borrower risk analysis, industry risk analysis, historical financial analysis, projected financial performance, the conduct of the account and security against the loan.

Maintaining an appropriate credit administration, measurement and monitoring process with adequate controls over credit risk

The bank has in place a system for monitoring the condition of individual credits, including determining the adequacy of provisions and reserves. For NPL provisioning and write-off, the guidelines established by Bangladesh Bank for CIB reporting, provisioning and write-off of bad and doubtful debts, and suspension of interest are followed in all cases.

TBL has established a system of independent, ongoing credit review. TBL ensures that the credit-sanctioning function is being properly managed and that credit exposures are within levels consistent with prudential standards.

Along with this management principle in our 2013 journey, we were more alert for mitigating compliant risk and NPL risk and we have achieved the control on it.

Recovery of Non-Performing Credit

TBL team endlessly sticks to pursue for improvement of problem credits from January to December, 2013 by providing independent follow up on customers before the level of delinquency becomes irreversible. We started in January, 2013 with weight of BDT 2503.840 million non-performing asset. Even in the event of country's turmoil condition round the year additional asset was compelled to turn to non-performing facing economic and financial crisis. Struggling against all chaos we have succeeded to touch bright amount on December 31, 2013 from recovering the non-performing asset. The picture is stands as under:

Taka in Million

Duration	2013	2012	% of achievement against 2012
Total Recovery: Cash	1297.89	752.40	173%

Anti-Money Laundering Risk Management:

Money Laundering is no more a local or regional issue that cannot be ignored – with the globalization of economy, we are living in a global village and are not immune to others problem. Money laundering & CFT is an issue that affects our nation, business, society and ultimately even the livelily hood of individuals. As a member country of Asia Pacific & Egmont Group Bangladesh is committed to comply with the recommendations of Financial Action Task Force (FATF).

Bangladesh has enacted the Money Laundering Prevention Act, 2012 & Anti-Terrorism Act, 2012 which covers all the international standards and requirements and assigned BFIU of BB to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country safe & compliance.

Trust Bank Limited (TBL) is a compliant & responsible institution committed to the highest standards of Anti-Money Laundering (AML) compliance and adhere to the set rules & declared standards to prevent use of our products and services for money laundering purposes. In addition to the legal compliance, Trust Bank Limited considers AML & CFT compliance as part of its social responsibility & commitment.

Like other banks and FSI (Financial Services Industry) across the globe TBL reckons that prevention of Money Laundering & Combating Terrorist Financing is the two challenges that confront the financial sector today.

The TBL Anti Money Laundering Policy Guidelines which is drafted in line with the Bangladesh Bank Guidance notes on Prevention of Money Laundering and Terrorist Financing encompasses the following major issues as part of its AML measures;

- Mandatory maintenance of KYC (Know Your Customer) Forms for all types of accounts.
- Maintenance & monitoring the TP (Transaction Profile) of the accounts/client. Monitoring of unusual/suspicious transaction and report to Bangladesh Bank if required.
- Submission of Cash Transaction Report (CTR) to Bangladesh Bank as per regulatory requirement.
- Keeping of records for 05 (five) years from the date of closing of any type of account.
- Appointment of Compliance Officer in every branch and Chief Compliance Officer at Head Office.
- Adequately train officials on Anti-Money Laundering and Combating Financing of Terrorism.
- Classification of customers on the basis of risk.
- Declared Customer Acceptance Policy.
- Reporting of STR/SAR to Bangladesh Bank as and when detected.
- Prohibition of opening of any anonymous or fictitious account.
- Prohibition of any numbered account.

- · Prohibition of establishing banking relationship with any shell company.
- Compliance of UN sanction list.

For mitigating the risks the bank has a designated Chief Anti-Money Laundering Compliance Officer (CAMLCO) & Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) at Head Office and Branch Anti Money laundering Compliance Officers (BAMLCO) at branches, who independently review the transactions on the accounts to verify suspicious transactions and other AML measures.

Green Baking

Under the guideline of our prudential and visionary Central Bank, Trust Bank Ltd. has started its green journey after having received the Green Banking and Environmental Risk Management Guidelines of Bangladesh Bank in 2011. Trust Bank Ltd. extends no finance without evaluation of impact of Environmental Risk on the credit as well as the society and arrangement of appropriate management and mitigation for that risk. Being encouraged by dream of Green Bangladesh, Trust bank Ltd. so far has extended BDT 9,098.70 million credit facility to industry, zigzag brick kiln, agriculture and most mentionable product over 1500 Biogas plant towards mitigating the Carbon- di-Oxide emission. Our financed all biogas plants are saving the Environment from Carbon- di-Oxide by saving 48,960 liter kerosene and 6,012 metric ton fire wood yearly.

Trust Bank Ltd. has an Environmental Policy Manual for overall guidelines to be followed for mitigating the environmental risk and conservation of environment while providing financial facility to the customers. Now, subject specific sectoral policy is prepared on the basis of Environmental Conservation Act, 1995, Environmental Rule, 1997 of GOB and Bangladesh Bank's policy guideline for green banking.

Corporate Social Responsibility

There are a number of conflicting perceptions with respect to the term 'Corporate Social Responsibility' (CSR). Some people consider it as an obligation of a corporate entity, but others think it as a discretionary step by a corporate citizen. At Trust Bank Limited, we consider social responsibility as our obligation to the society. However, we do not confine our social responsibility activities to philanthropic only; rather we conclude that social responsibility should be holistic one.

Economic Responsibilities:

We focus on sustainable long term profitability of our business. We have been earning very steady profit over years for shareholders.

Legal Responsibilities:

Our organization policy is to ensure full compliance of all internal and external regulatory requirements. There is followed zero tolerance to non-compliant activities over years.

Ethical Responsibilities:

We do not indulge in any unethical practices in our business activities, such as evasion of tax, hiding charges and/or charging exorbitant fees or interest. Our commitment to socially responsible business is reflected in our business policy, products pricing, rewarding employees, discharging duties to regulators, Government.

Philanthropic Responsibilities:

Contributing to the society through financial assistance to the cause of social concern. As part of CSR through direct participation program, the Bank established a special reserve fund named 'Trust Bank Limited Special Reserve Fund' in 2009. An amount not exceeding 5 percent of Bank's operating income every year is transferred to the fund.

Year wise donations to CSR fund is provided in the below table.

Year	Transferred to the Fund	Contribution from the fund		
2009	59.08	55.10		
2010	64.20	41.49		
2011	115.60	81.46		
2012	60.00	122.05		
2013	80.00	75.88		
Total	378.88	375.98		

Taka in Million

Modus of operandi of the fund

The fund is run by a Board of Trustees which comprises the Chairman of Trust Bank Limited as Chairman of BOT and six members from Board of Directors and Management of Trust Bank Limited.

CSR Policy and Principles

Trust Bank Special Reserve Fund which was created in 2009 for CSR activities has a by-laws guiding modus operandi for donations to various institutions such as schools, colleges, universities, hospitals, not-for-profit organizations and individuals.

There are organizations which get financial assistance on regular basis for development of infrastructure and incurring operating expenses. Two such organizations are 'Proyash' a school for autistic children and 'Trust Technical Training Institute' (TTTI), a vocational training institute for young people. Combined Medical Hospital (CMH) gets financial assistance each year for subsequent donations to needy patient for bearing costly medicine.

Some hospital got ambulance and many people affected with hard curable diseases were provided financial assistance to get treatment at home and abroad.

Notable donations during 2013

As per approved policy of the Bank, 5 percent of total profit of 2012 amounting to Tk.60.00 million was transferred to the Special Reserve Fund for conducting CSR activities during 2013. We proudly contributed to various benevolent and philanthropic activities from the fund like previous years. We provided financial assistance of Tk.75.88 million in 2013.



Mr. Ishtiaque Ahmed Chowdhury, Managing Director & CEO of the Bank handing over a cheque to Lt. Col. (Retd.) Muhammad Faruk Khan for Proyash, Dhaka.

Education and training sector followed by health sector dominates in getting major donations from under our CSR activities. Under the education and training, we provide core donation to Trust Technical Training Institute. In 2013, TTTI received financial assistance of Tk.27.00 million for running their full year operating expenses. TTTI is actually providing vocational training to retired and civil young people of the country.

There comes PROYASH, a school for autistic children received financial assistance worth Tk.10.00 million in 2013. Under health sector, Combined Military Hospital (CMH) received Tk.10.00 million for providing medical support to needy patients. We also provided financial assistance of Tk.21.11 million to 40 individuals suffering from critical diseases for medical treatment at home and abroad. We distributed blanket worth Tk.1.75 million to the cold affected people of the country.

Taka in million Sectors % of Total Donations Education and Training 39.93 52.62% Health 31.11 41.00% Natural Disaster 1.75 2.31% 1.25 1.65% Sports Others 1.84 2.42% Total 75.88 100%

Sector wise classification of CSR

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 Company. 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 &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 15th Annual General Meeting.

As per clause 109 of the Articles of Association of the Company 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. ACNABIN, Chartered Accountants based on their audit of Financial Statements for the year ended 31 December 2013. The Auditor didn't 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 of the year 2013.

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 ACNABIN, Chartered Accountants has completed their third consecutive year in 2013. Therefore, they are not eligible for re-appointment as Auditor for the year 2014. Hence the shareholders will be required to appoint new audit firm from among those have expressed their interest to appoint as auditor for the year 2014.

Directors' responsibility for Internal Control & Financial Reporting

The Board of Directors of the Bank is 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 & effectiveness of internal control system of the bank.

The MANCOM also reviews the overall effectiveness of the control system of the bank & provide a certificate on yearly basis to the Board of Directors on the effectiveness of internal control policies, practices & 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 subsidiary as at the end of the financial year, profit & loss and cash flows for that period.

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 subsidiary will have adequate resources to continue in operational existence and as a going concern for the foreseeable future.

The 2013 annual financial statements were approved by the Board of Directors on 25 February 2013 and signed on its behalf directors.

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 & 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 2013 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 & 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 expresses gratitude and thanks to the Government of Bangladesh, Ministry of Finance, Bangladesh Bank, Bangladesh Securities & 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.

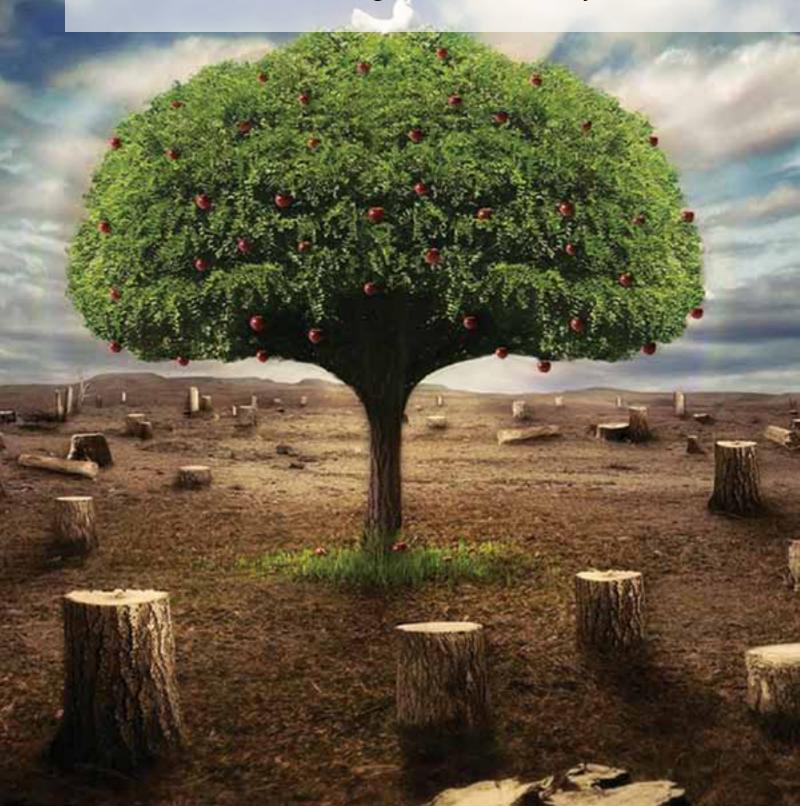
The Board of Directors also like to place on record the warm appreciation for sincere and dedicated service rendered by the executives, officers and staffs of the Bank that played an instrumental role for sustaining the growth of the Bank.

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 2013 for approval.

On behalf of the Board of Directors,

General Iqbal Karim Bhuiyan, psc Chairman

Rísk Management Report



Risk Management

Banking is the business of managing risks and the objective of risk management is to balance the trade-off between risk and return and ensure optimum risk adjusted return on the capital. It entails the identification, measurement and management of risks across the various businesses of the Bank. Risk is managed through a framework of policies and principles approved by the Board of Directors and supported by an independent risk function that ensures that the Bank operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities at the transaction level or at the portfolio level, as appropriate, through quantitative or qualitative examination of the embedded risks. The Bank continues to focus on refining and improving its risk measurement systems not only to ensure compliance with regulatory requirements, but also to ensure better risk adjusted return and optimal capital utilization keeping in view the business objectives.

Goals Of The Risk Management System:

The Bank understands that taking on risks is essential in the financial sector, and that businesses in this industry are susceptible to risks. The Bank has not set a goal of avoiding all risks. However, it attempts to achieve an optimal balance between profitability and operating risks in the long-term. In this situation, the Bank only adopts risks in those regions in which the Bank has a clear cut competitive advantage. In the remaining areas, the Bank, as much as possible, minimizes risks and is guided by the principle of economic expediency. The Bank's management team considers effective risk management to be the foundation of financial stability and a key competitive advantage for the Bank – determining its profitability and share price. The basic goals of risk management are avoiding bankruptcy and maximizing the Bank's long-term share price. The basic criteria for judging the effectiveness of the risk management system is that the Bank does not need support from the State or shareholders during periods of financial and economic crisis. The Bank is subjected to the following risks: credit risks, liquidity risks, operating risks and market risks.

Board Risk Management Committee:

As per instruction of Bangladesh Bank, Board of Directors of the Bank formed Risk Management Committee composed of 03 directors from the board. The roles and responsibilities of the committee are mentioned in details in Bangladesh Bank's BRPD Circular No: 11 Dated: 27th October, 2013. The committee will discuss and review different areas of the risk and report to the Board of Directors to minimize the bank's risk.

Credit Risk Management:

Credit Risk is the risk of financial loss if a customer or counterparty fails to meet payment obligation under a contract. It arises principally from direct lending, trade finance and leasing business, and also from off balance sheet products such as letters of credit and guarantees. Credit risk generates the largest regulatory capital requirement of the risk we incur. The Bank manages the credit risk in the entire portfolio as well as individual credits or transactions with a view to minimize the non-performing loans and also to manage any concentrations as well as to maximize returns.

Credit risk management reviews and manages the credit process from origination to collection. Trust Bank has a well – defined credit policy approved by the Board of Directors. It defines the

- credit culture of the Bank
- target markets for lending
- prohibited lending which the Bank under no circumstances will entertain due to either the very high risks involved in such proposals and/or its negative social /ethical consideration.
- acceptable risk parameters
- remedial and recovery actions

Following principles guide credit risk management across the Bank:

- Diligently manage its risk asset portfolio to ensure that the risk of excessive concentration to any industry, sector or individual customer is minimized.
- Ensure that exposure to any industry or customers are determined by the regulatory guidelines, clearly defined internal policies, debt service capability and Balance Sheet management guidelines.
- Extend credit to only suitable and well-identified customers and never where there is any doubt as to their ethical standards and record
- Never extend credit where the source of repayment is unknown or speculative nor where the purpose /destination of funds is undisclosed.
- Never take a credit risk where the ability of the customer to meet obligations is based on the most optimistic forecast of events. Risk considerations shall have priority over business and profit considerations.
- Ensure that the primary source of repayment for each credit is from an identifiable cash flow from the counterparty's normal business operations or other financial arrangements, the realization of security remains a fall –back option
- Adopt a pricing mechanism that reflects variation in the risk profile of various exposures to ensure that higher risks are compensated by higher returns
- The financial performance of borrowers is to be continuously monitored and frequently reviewed, as is the manner in which the borrower operates his accounts.

Strategy and priority:

The credit risk management strategy ties into the overall corporate strategy and is focused on making the Bank a clear leader in sound risk management practices. This is governed by the following:

High quality assets measured by the following key Performance Indicators:

- 1. Ratio of non-performing loans to total loans.
- 2. Ratio of loan loss provision to gross non-performing loans.

Financial and prudential ratios should be at a level more conservative than the regulatory requirements and better than the average of benchmark banks.

Asset Quality:

Risk Management work closely with the Bank's business units at every stage of the credit process from facility origination to approval to collections, adding value as appropriate and developing the proposal in terms of risk, mitigates and returns. A post sanction review and monitoring mechanism is in place to ensure quality of credit is not compromised. Any deteriorating credits with emphasis on internal and external early warning signals are identified and such accounts are "Watch Listed". The Watch Listed clients are monitored closely with quarterly reports submitted to the management. Further, based on the Watch List the Bank assesses the portfolio at risk in the event, such accounts deteriorates further. Non-performing assets are identified at an early stage, enabling management to take action as appropriate.

Collateral Policy:

Collateral policy differs from business line to business line according to the products offered. Borrower's cash flows and income –generating capacity is the prime consideration. Collateral is only a second way out. Considering the view, a policy on Valuation of Collateral Security was approved by the Board of Directors.

Principle /Methodology of Valuation:

a) Physical Collateral: Bank Officials have to physically visit/inspect the property offered by the client as collateral security for assessing the sale price at worst condition keeping in mind that such situation may arises when the bank has to recover its loan through legal action. Bank Official has to assess both market value and distressed value of the property.

- **b)** Financial Security: Such securities will be valued as per the rules and guidelines of the circulars issued in this aspect by Bangladesh Bank from time to time.
- c) Guarantee: Such securities will be valued as per the rules and guidelines of the circulars issued in this regard by Bangladesh Bank, National Board of Revenue and TBL from time to time.

Market Risk Management:

Market risk is the risk in movements in market factors such as foreign exchange rates, interest rates, equity prices, credit spreads and commodity prices, that could reduce our income or the value of our portfolios.

Financial Institutions are exposed to market risk in a verity of ways. Exposure may be explicit in portfolios of securities, equities and other actively traded instruments, or it may be implicit manifesting itself, for example, as interest rate risk arising from a mismatch of loans and deposits.

Exposures to market risk in portfolios are of two ways:

- Trading Portfolios: Positions arising from market –making and position –taking and others designated as marked to market.
- Non-Trading Portfolios: Positions that primarily arise from the interest rate management of our retail and commercial banking assets and liabilities, financial investments designated as available for sale and held to maturity.

The associated market risks are:

- Exchange risk , the risk that foreign exchange rates and /or the implied volatility will change.
- Interest rate risk, the risk that interest rates and /or the implied volatility will change.
- Equity risk, the risk that stock prices and / or the implied volatility will change.
- Commodity risk, the risk that commodity prices and /or implied volatility will change.

Foreign Exchange Risk:

Foreign exchange risk represents the current or prospective risk to earnings and capital arising from adverse movements in the exchange rates in relation to foreign currency transactions or assets denominated in foreign currency. The foreign currency risk for Trust Bank arises from proprietary positions taken by the Treasury and transactions undertaken to meet the requirements of customers. To control currency risks, the Bank utilizes the following tools:

- Estimating currency risks based on the VaR method for open currency positions, carrying out stress-testing;
- Establishing and controlling the observance of limits on currency risks: stop-loss limits, limits on the volume of open positions, limits on the volume of potential bank losses, connected with changes in currency risk factors (VaR-limits);
- System indicators for early warnings about potential financial market crises;

Interest Rate Risk:

Interest rate risk can be termed as the risk of loss in the net interest income or the net worth due to the adverse changes in the market interest rates. The interest rate risk arises when there are mismatches between lending and funding positions which are subject to interest rate adjustment within a given period. The immediate impact of variation in interest rates is on the net interest income and spreads on lending. To manage interest rate risks, the Bank uses the following tools:

- Identifying and softening the interest rate risks for Bank products;
- Estimating interest rate risks, conducting gap-analysis and completing stress-testing;
- Establishing and controlling the observance of limits on the Bank's potential losses, connected with shifts in the profitability curve;

 Transformation price formation system, which makes it possible for the Bank to operationally react to changing market conditions

The Bank attempts to balance its asset and liability structure during periods in which interest rates are overestimated.

Funding Price Risk:

Trust Bank has funding price risks due to its operations on the security market. To control funding price risks, the Bank uses the following instruments:

- Estimating the funding price risk utilizing the VaR method based on commercial portfolio tools, conducting stress-testing
- Establishing and controlling the observance of funding price risk limits: stop-loss limits, limits on the volume of open positions, limits on the volume of the Bank's potential losses, connected with changes in the funding price risk factor (VaR-limits)
- System indicators for early warnings about potential financial market crisis;

Liquidity Risk Management:

Liquidity risk refers to the probability that the Bank will incur financial losses due to its inability to meet its financial obligations in full, in a timely manner and at minimal expense.

The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury Division under policy guidelines. Front office of this division is supported by a very structured Mid Office and Back Office. The liquidity management is monitored by Asset Liability Committee (ALCO) on a regular basis.

To control liquidity risks, the Bank shapes the structure of its assets and liabilities:

- Maintains the ability to fully, in an appropriate timeframe, and at minimum costs fulfill financial obligations;
- Satisfies clients' current demand for the Bank's assets and liabilities;
- Realizes its own plans with respect to maintaining and developing business

When managing liquidity risks, the Bank addresses the following problems:

- Evaluate and control the Bank's liquidity risks for different time horizons;
- Estimate and make predictions on financial market liquidity and how this will affect the Bank's liquidity;
- Optimize sources for completing liquidity reserves and directions for arranging them.

The Bank manages liquidity risks via the following instruments:

- Evaluating liquidity risks by estimating instantaneous, short-term and long-term Bank liquidity, planning client payments and injections, gap-analysis, stress-testing and calculating required liquidity norms that comply with Bangladesh Bank requirements;
- Forming liquidity reserves, which consist of the most liquid financial instruments with the highest credit quality, and maintaining their volume at the level necessary to guarantee the Bank's steady position in both normal and crisis situations. In the process of stress-testing, the Bank examined numerous stress-scenarios. Based on analyzing the current and forecast environmental state, the Bank selected a target scenario and based on evaluating its influence on the Bank's liquidity, the required level of liquidity reserves is determined;
- An early warning indicator system exists for the liquidity crisis;

The liquidity positions of the bank strengthened in 2013 with the inflows of customer deposits and maintained good access to wholesale markets. Our Loan- Deposit Ratio is 77.23% at 31 ^December,2013 reflecting the strong liquidity profile of the Balance Sheet. The Bank will continue to focus liability generation, which will be necessary precondition for significant asset growth.

Operational Risk Management:

Operational Risk is the risk of incurring loss due to failure of systems, technology, processes, employees, projects, disasters, external factors, frauds etc., including legal and regulatory risk. The Bank seeks to ensure that key operational risks are managed in a timely and effective manner through a framework of policies, procedures and tools to identify, assess, monitor, control and report such inherent risks in its business.

Managing operating risks is based on the following principles:

- Supporting the side with the strongest leadership;
- Ensuring that the management system for operating risks complies with regulatory norms and legislative standards;
- Developing a strong culture of risk management among employees;
- Employees of sub-divisions accept responsibility for risks;
- Employees are informed about risk levels and adopted measures to decrease these risks;
- Constantly monitoring risks;
- A fixed mechanism for collecting information about operating risks;
- Regularly accounting for operating risks to Heads of structural sub-divisions, executive bodies and the Board of Directors;
- Managing operating risks is achieved within the principle of economic expediency;
- Decision-making by all employees and collegial bodies takes into account operating risks;
- Separating authority and responsibility between structural sub-divisions / Bank employees.

Managing operating risks is controlled through the following steps:

1. Identifying Risks

Identifying operating risks is carried out within the framework of analyzing all newly introduced and modified banking products, business processes and processes of controlling banking risks, as well as within the framework of the Bank's current activities. Unfavorable events related to operating risk will be included in the corporate loss base. By identifying risks, the Bank can determine necessary measures to reduce the Bank's susceptibility to said risks; the Bank realizes and controls effectiveness.

2. Estimating Risks

To estimate operating risks, the Bank utilizes both expert and statistical estimation methods. Such as the Basic Indicator Approach (BIA) of Basel II. The Bank maintains 15% capital allocation under Basic Indicator Approach of Basel-II of average gross income for the last three years of the bank.

3. Policies and process for mitigating operational Risk

To mitigate operational risk, the Bank has established a suitable operational risk management governance structure and framework of processes to:

- I. Ensure an appropriate understanding and awareness of operational risk at all levels in the Bank;
- II. Effectively anticipate operational risks and implement appropriate mitigation in line with the Bank's operational risk appetite;
- III. Effectively manage operational risk events to minimize their recurrence; and
- IV. Implement the Bank's operational risk capital strategy to ensure the Bank is adequately capitalized for operational risk requirements.

Internal Control & Compliance Risk Management:

Under Internal Control:

The Bank's internal audit department assesses business and control risks of all branches and businesses to formulate a risk-based internal audit plan, as recommended by the Bangladesh Bank. The audit process followed is as below:

- An annual risk-based internal audit plan is drawn up on the basis of risk profiling of Bank's branches and businesses/ departments which is approved by the audit committee.
- The audit plan is prioritized based on areas which pose a higher risk to the Bank and such areas and branches are targeted for more frequent audits. The Internal Audit policy includes the risk assessment methodology which provides for coverage of all auditable areas.
- After assessing the overall risk of a branch or business or department, the Bank takes corrective measures to minimize the risk. Respective officers also assess and evaluate the mitigating measures taken by the branch during their visits.
- Post issue of audit reports there is a detailed process for monitoring of progress on implementation of action plans.
- Status of resolution tracking as well as pending issues is reported to senior management on a regular basis to take necessary action.

In 2013 IC&C Division conducted following No. of audit:

No. of Comprehensive Audit on Branches	79
No. of Comprehensive Audit at Head Office	12
No. of Spot Audits	24
No. of Spot Inspection on Anti Fraud Internal Control	16

Under Compliance:

TBL has institutionalized a strong compliance culture across the organization, pursuant to its strategic goals of transparency and trust amongst all its stakeholders. TBL has a dedicated Compliance Department for ensuring regulatory compliance across all its businesses and operations. The key functions of this department includes dissemination of key regulatory updates affecting the various businesses of the Bank, review of new products and processes from a regulatory compliance perspective, provide guidance on compliance related matters, impart training to employees on compliance aspects, etc. TBL has also put in place a "Know Your Customer" & "Anti-Money Laundering Policy" approved by the Board of Directors and transaction monitoring procedures as per Bangladesh Bank guidelines.

To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 22nd August, 2013 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.

ICT Security Risk Management:

Trust Bank follows the guideline issued by Bangladesh Bank stated in BRPD circular no. 14 dated 23rd October, 2005 regarding guideline on Information & Communication Technology for schedule banks and BRPD circular no 21st May, 2010 "Guide line of ICT Security.

Trust Bank has brought in high levels of functionalities to all channels such as internet banking, ATMs, mobile banking and phone banking and at the same time continued to improve and strengthen internal technology infrastructure, processes and capabilities. Our information technology strategy has remained focused around increasing customer convenience, reducing customer complaints and reducing turnaround time.

To protect sensitive information of core banking software and other software in the event of any disaster, the bank has implemented a disaster recovery site. The bank has already developed it's own ICT policies for various operation and services complying with ICT guide line of Bangladesh Bank. Our IT department also

established a strong Data ware House to protect our banking information. The bank has been continuously conducting training sessions on sensitive IT task for the employees. The Bank is strictly following the Information Security Standard of Bangladesh Bank covering Password Control, User ID Maintenance, Input Control, Network Security, Data Encryption, Virus Protection and Access Control of all the systems including Internet and Emailing. Internally, we also continued with our focus to improve our processes and capabilities. We installed note-sorting machines in identified branches. These machines can detect fake currency notes and hence generate clean cash at the branch level itself.

We continue to invest in innovation and partnering with business teams on ways to leverage technology to enhance customer convenience, accelerate financial inclusion and deliver a superior experience to our customers.

Environmental Risk Management:

Environmental risk is a facilitating element of credit risk arising from such environmental issues. These can be due to environmental impacts caused by and / or due to the prevailing environmental conditions. These increase risks as they bring an element of uncertainty or possibility of loss in the context of a financing transaction. Environmental and climate change risk can hamper the business stability of the borrowers in respect of both- i) profitability and ii) reputation. The Bank is complying with Bangladesh Bank guidelines to the above effect from time to time and reporting activities on ERM and Green Banking every quarter.

Environmental Risk Management (ERM) has incorporated into the CRM guidelines of Trust Bank Limited as per Bangladesh Bank Circular no: 01 dated 30 January 2011 through environmental due diligence checklists. This environmental risk evaluation process enables the bank to judge whether the client is capable of managing the environmental risk in a way that limits the bank's exposure. Banks need to reduce their exposure to credit risks arising from environmental and climate changes issues that lead to lower NPLs. ERM improved borrower's environmental performance implies greater acceptance, particularly in international markets. Trust Bank Limited maintains the following two (2) guidelines for credit approval procedures:

- i. Credit Risk Management including Credit Risk Grading as borrower analysis.
- Environmental Risk Management due diligence checklists for Environmental Risk Rating (EnvRR).



Dísclosures on Rísk Based Capítal (Basel II)



Trust Bank is subject to the Basel II framework with effect from January 1, 2010 as stipulated by the Bangladesh Bank (BB). The Basel II framework consists of three-mutually reinforcing pillars:

Pillar 1 - Minimum capital requirements for credit risk, market risk and operational risk

Pillar 2 - Supervisory review process

Pillar 3 - Market discipline

Market discipline (Pillar 3) comprises a set of disclosures on the capital adequacy and risk management framework of the Bank. These disclosures have been set out in the following sections

Scope of application

A. Qualitative Disclosure:

- a) The name of the corporate entity in the group to which the guidelines applies: Trust Bank Limited (TBL)
- 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
- (ii) that are neither consolidated nor deducted (e.g. where the investment is risk weighted).

Trust Bank Limited prepared its RBCA report on 'Solo Basis' as well as 'Consolidated Basis' where two (02) subsidiaries belongs to Trust Bank Ltd.

A brief description of the Bank and its subsidiary are given below:

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. It was listed with Dhaka Stock Exchange Limited as on 24th September, 2007 and Chittagong Stock Exchange Limited as on 25th September, 2007 respectively.

Presently the Bank is operating its business through head office having 82 branches and 06 SME centers all over Bangladesh.

The Bank has two subsidiaries namely-

- 1) Trust Bank Investment Limited.
- 2) Trust Bank Securities Limited.

Legal Status and nature of the company is given below:

1. Trust Bank Investment Ltd:

Trust Bank Investment Limited was incorporated as on 9th 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 25th October, 2010 as a full fledged Merchant Bank bearing Certificate No. MB-45/10. The Company started its operation on 14th November, 2010.The registered office of the Company is located at 36, Dilkusha Commercial Area, Dhaka - 1000.

Trust Bank Investment Limited offers full-fledged of merchant banking services that include Portfolio Management, Underwriting, Issue Management & Corporate advisory services etc.

2. Trust Bank Securities Limited:

Trust Bank Limited was incorporated as 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-1206.

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

c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group: Not applicable

B. Quantitative Disclosure:

d) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation i.e. that are deducted and name(s) of such subsidiaries.

No Capital deficiency in Consolidated or Solo assessment.

Capital Structure

A. Qualitative Disclosure:

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 Tier 1 or in Tier 2.

As per RBCA guideline by Bangladesh Bank, Regulatory capital will be categorized into three tiers:

- 1) Tier 1 Capital: It is called 'Core Capital' comprises of highest quality of capital elements.
- 2) Tier 2 Capital: It is called 'Supplementary Capital' represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank.
- 3) Tier 3 Capital: It is called 'Additional Supplementary Capital' consists of short-term subordinated debt (original maturity less than or equal to five years but greater than or equal to two years would be solely for the purpose of meeting a proportion of the capital requirements for market Risk.

Compliance status of TBL as per condition for maintaining regulatory capital:

- The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.
- ✓ Status of Compliance: Complied.
- 50% of revaluation reserves for fixed assets and securities eligible for Tier 2 capital.
- ✓ Status of Compliance: Complied.
- 10% of revaluation reserves for equity instruments eligible for Tier 2 capital.
- \checkmark There was no unrealized gain from quoted equities as on the reporting date.
- Subordinated debt shall be limited to a maximum of 30% of the amount of Tier 1 capital.
- ✓ Status of Compliance: Complied.
- Limitation of Tier 3: A minimum of about 28.5% of market risk needs to be supported by Tier 1 capital. Supporting of Market Risk from Tier 3 capital shall be limited up to maximum of 250% of a bank's Tier 1 capital that is available after meeting credit risk capital requirement.
- ✓ Status of Compliance: Complied.

As on year end 2013, there was no Tier III component of capital at TBL.

B. Quantitative Disclosure:

Capital Adequacy of Trust Bank Limited under Basel-II during 2013 as below:

Particulars	Taka in million
Tier-1 (Core Capital):	
Fully Paid-up Capital/Capital Deposited with BB	3805.41
Statutory Reserve	2169.22
Non-repayable Share premium account	532.23
Retained Earnings	656.32
Total Eligible Tier-1 Capital	7163.18
Tier-2 (Supplementary Capital):	
General Provision (Unclassified loans + SMA+ off Balance Sheet exposure)	2016.42
Revaluation Reserves for Securities up to 50%	18.51
Subordinated debt	1600.00
Total Eligible Tier-2 Capital	3634.94
Total eligible capital:	10798.11

Capital Adequacy

A. Qualitative Disclosure:

a) A summary discussion of the bank's approach to assess the adequacy of its capital to support current and future activities.

The Bank actively manages its capital to meet regulatory norms and current and future business needs considering the risks in its businesses, expectation of rating agencies, shareholders and investors, and the available options of raising capital.

TBL has a process for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. The process provides an assurance that the Bank has adequate capital to support all risks in its business. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through sound governance and control practices, robust risk management framework and an elaborate process for capital calculation and planning.

The Bank has a structured management framework in the Internal Capital Adequacy Assessment Process (ICAAP) for the identification and evaluation of the significance of all risks that the Bank faces, which may have an adverse material impact on its financial position. The Bank considers the following as material risks it is exposed to in the normal course of its business and therefore, factors these while assessing / planning capital:

Following Risk under Minimum CapitalFollowing Risk under Additional Capital RRequirement Under Pillar-1Under Pillar-2		ollowing Risk under Additional Capital Requirement Under Pillar-2	
1	Credit Risk	1	Residual Risk
2	Market Risk	2	Concentration Risk
3	Operational Risk	3	Liquidity Risk
		4	Reputation Risk
		5	Strategic Risk
		6	Settlement Risk
		7	Evaluation of Core Risk
		8	Environmental & Climate Change Risk
		9	Other Material Risk

The Bank has implemented Bangladesh Bank approved stress testing framework which forms an integral part of the Bank's ICAAP. Stress testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions. The changes in the level of credit risk, market risk, liquidity risk and Interest Rate Risk in the Banking Book (IRRBB), in the on and off balance sheet positions of the Bank, is assessed under assumed "stress" scenarios. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis and the stress test results are put up to the Board quarterly, for their review and guidance. The Bank periodically assesses and refines its stress tests in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of business environment conditions. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in the ICAAP.

In line with the guidelines of the Bangladesh Bank, the Bank has adopted Standardized Approach for Credit Risk, Basic Indicator Approach for Operational Risk and Standardized Approach for Market Risk for computing Capital Adequacy Ratio (CAR).

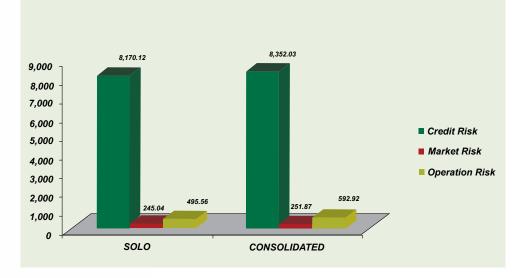
TBL has maintained capital adequacy ratio at **10.91% & 11.74%** on the basis of "Solo" and "Consolidated" respectively as against the minimum regulatory requirement of 10%. Tier-I capital adequacy ratio under "Solo" basis is **7.66**% which "Consolidated" basis is **7.79**% as against the minimum regulatory requirement of 5%. The Bank's policy is to manage and maintain strong Capital Adequacy Ratio (CAR) with high rating grade of investment clients. The Bank maintains adequate capital that is sufficient to absorb all material

risks associated with the Bank. The Bank also ensures that the levels of capital comply with regulatory requirements and satisfy the external rating agencies and other all stakeholders including depositors.

B. Quantitative Disclosure:

Capital requirement under following Risk:

	Taka in l				
	Particulars	Solo	Consolidated		
	Capital requirement for Credit Risk				
Α.	On- Balance sheet	7,084.81	7,266.72		
	Off-Balance sheet	1,085.31	1,085.31		
В.	Capital requirement for Market Risk	245.04	251.87		
C.	Capital requirement for Operational Risk	495.56	592.92		
	Total Capital Requirement (A+B+C)	8910.72	9,196.82		

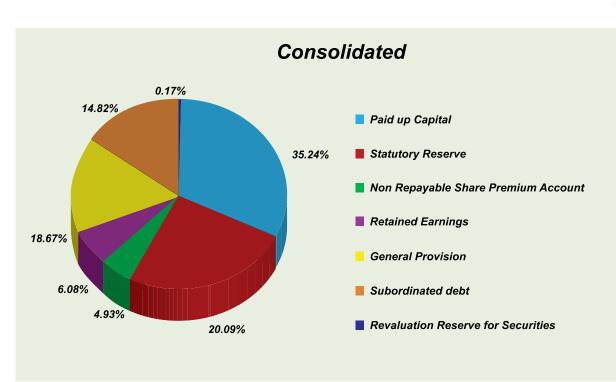


Capital Requirement: Credit Risk, Market Risk & Operation Risk

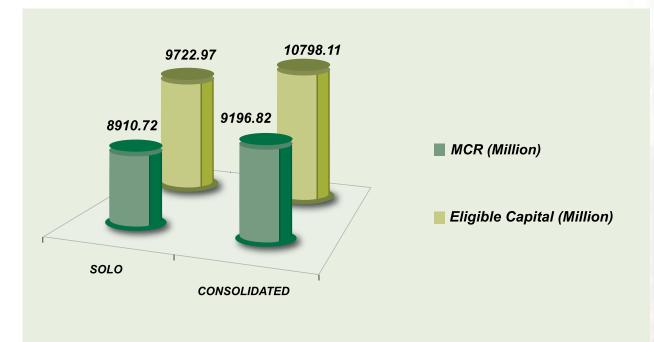
Minimum Capital Requirement (MCR) & Capital Adequacy Ratio (CAR) of TBL:

Taka in Million

Particulars	Consolidated
A. Eligible Capital :	
1. Tier-1 (Core Capital)	7163.18
2 .Tier-2 (Supplementary Capital)	3634.94
3. Tier-3 (eligible for market risk only)	
4. Total Eligible Capital	10798.11
B. Capital Adequacy Ratio (CAR)	11.74%
C. Core Capital to RWA	7.79%
D. Supplementary Capital to RWA	3.95%
E. Minimum Capital Requirement (MCR)	9196.82
F. Excess Capital	1601.31



Capital Composition: Tier 1 & Tier 2



Eligible Capital & Minimum Capital Requirement

Credit Risk

- A. Qualitative Disclosure:
- (a) The general qualitative disclosure requirement with respect to credit risk:

Definition of Credit Risk:

Credit risk covers the inability of a borrower or counter-party to honor commitments under an agreement and any such failures, which have an adverse impact on the financial performance of the Bank. The Bank is exposed to credit risk through lending and capital market activities.

Credit risk management processes:

Credit risk management is an integral part of the management and governance process within the Bank. The Bank focuses on ensuring that credit risk taking is in line within approved policies, while meeting riskreward objectives. The Bank expects to achieve its earnings objectives and to satisfy its customers' needs while maintaining a sound portfolio. Credit exposures are managed through targeting market identification, appropriate credit approval processes, post-disbursement monitoring and remedial management procedures. Proactive managing of risks on its portfolio has helped the Bank foresee and restrict the impact of the global turmoil on its credit operations. Periodic portfolio review, clear identification of early warning signals and prompt action on the legal and recovery front ensure a healthy credit portfolio. Timely and indepth research on industries and sectors ensure that funds are directed to positive outlook sectors. Adverse developments in sectors are tracked to facilitate timely decisions to exit Companies in negative outlook sectors. The Bank also constantly reviews its concentration across borrowers, groups, portfolio segments, geography, maturity, sectors and ratings. This helps the Bank maintain a well diversified portfolio. The Bank has also put in place a rating based approval matrix for sanctioning wholesale bank loans.

Credit Risk Management Principles:

The Bank measures and manages its credit risk based on the following principles:

- The extension and renewal of any credit facility to a particular borrower requires credit approval at the appropriate authority level. The approval authorities' policy indicates the sanctioning authorities and the rating tool helps the authorities in such decisions.
- The approval procedure of all limits to counterparties should be in line with the credit policy and credit risk mitigation policy of the bank. Such approval should generally be within the Bank's portfolio guidelines and credit strategies.
- The credit worthiness of borrowers is regularly reviewed and monitored. Customers with emerging credit problems are identified early and classified accordingly. Remedial action is initiated promptly to minimize the potential loss to the bank

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 six months of the expiry date.

PAST DUE/OVER DUE:

IMPAIRED LOAN:

All classified loan are treated as impaired loans, impaired can be defined as above:

Type of loan	Sub standard	Doubtful	Bad / Loss
Continuous Loan	3≤O<6	6≤O<9	O≥9
Demand Loan	3≤O<6	6≤O<9	O≥9
Fixed Term Loan (More than 10.00 Lac)	3≤O<6	6≤O<9	O≥9
SAC/MC	12 <o≤36< th=""><th>36<o≤60< th=""><th>O>60</th></o≤60<></th></o≤36<>	36 <o≤60< th=""><th>O>60</th></o≤60<>	O>60
Fixed Term Loan (Upto 10.00 Lac)	6≤O<9	9≤O<12	O≥12

Note : O = Overdue, SAC= Short term Agricultural Credit, MC= Micro Credit

QUALITATIVE JUDGMENT FOR LOAN CLASSIFICATION:

If any uncertainty or doubt arises in respect of recovery of any Continuous Loan, Demand Loan or Fixed Term Loan, the same will have to be classified on the basis of qualitative judgment be it classifiable or not on the basis of objective criteria. If any situational changes occur in the stipulations in terms of which the loan was extended or if the capital of the borrower is impaired due to adverse conditions or if the value of the collateral decreases or if the recovery of the loan becomes uncertain due to any other unfavorable situation, the loan will have to be classified on the basis of qualitative judgment.

Condition for Qualitative Judgment:

	i)	Assets must be classified no higher than Sub-standard if any of the following deficiencies of the obligor is present: recurrent overdrawn, low account turnover, competitive difficulties, location in a volatile industry with an acute drop in demand; very low profitability that is also declining; inadequate liquidity; cash flow less than repayment of principal and interest; weak management; doubts about integrity of management; conflict in corporate governance; unjustifiable lack of external audit; pending litigation of a significant nature.
Sub-standard:	ii)	Assets must be classified no higher than Sub-standard if the primary sources of repayment are insufficient to service the debt and the bank must look to secondary sources of repayment, including collateral.
	iii)	Assets must be classified no higher than Sub-standard if the banking organization has acquired the asset without the types of adequate documentation of the obligor's net worth, profitability, liquidity, and cash flow that are required in the banking organization's lending policy, or there are doubts about the validity of that documentation.
Doubtful:		Assets must be classified no higher than Doubtful if any of the following deficiencies of the obligor is present: permanent overdrawn; location in an industry with poor aggregate earnings or loss of markets; serious competitive problems; failure of key products; operational losses; illiquidity, including the necessity to sell assets to meet operating expenses; cash flow less than required interest payments; very poor management; non-cooperative or hostile management; serious doubts of the integrity of management; doubts about true ownership; complete absence of faith in financial statements.
Bad/Loss:		Assets must be classified no higher than Bad/Loss if any of the following deficiencies of the obligor are present: the obligor seeks new loans to finance operational losses; location in an industry that is disappearing; location in the bottom quartile of its industry in terms of profitability; technological obsolescence; very high losses; asset sales at a loss to meet operational expenses; cash flow less than production costs; no repayment source except liquidation; presence of money laundering, fraud, embezzlement, or other criminal activity; no further support by owners.

Improvement in Classification

If any loan is classified by the on-site Inspection Team of Bangladesh Bank, the same can be declassified after recovery of required amount of overdue or through Rescheduling as per fulfillment of respective terms and condition. But this declassified will be effective after having consent of Bangladesh Bank.

A bank may request the concerned Department of Banking Inspection of Bangladesh Bank to review the classification of any loan for which there is a disagreement on classification that is not resolved during the on-site inspection. Bangladesh Bank will respond to the bank within 15 days of receiving such request. However, in any case where there is a lingering disagreement between the classification determined by bank management and the classification determined by Bangladesh Bank, the judgment of Bangladesh Bank will prevail.

Description of approaches followed for specific and general allowances:

Loan Status	Type of Loan	Rate of Provision
	Small & Medium Enterprise Financing (SMEF)	0.25%
	Consumer Financing (Other than HF & LP)	5%
	Consumer Financing (House Financing, HF)	2%
Unclassified Loan	Consumer Financing (Loans for Professional to setup business, LP)	2%
	Loans to BHs/ MBs/ Sds against Shares etc.	2%
	All Other Credit	1%
	Short Term Agri Credit & Micro Credit	5%
	Small & Medium Enterprise Financing (SMEF)	0.25%
	Consumer Financing (Other than HF & LP)	5%
	Consumer Financing (House Financing, HF)	2%
Special Mention Account	Consumer Financing (Loans for Professional to setup business, LP)	2%
	Loans to BHs/ MBs/ Sds against Shares etc.	2%
	All Other Credit	1%
	Short Term Agri Credit & Micro Credit	-

General Provision: Bank maintains general provision in the following way-

Specific Provision: Bank maintain specific provision in respect of Continuous, Demand and Fixed Term Loans-

Loan Status	Type of Loan	Rate of Provision
Substandard	Short Term Agri Credit & Micro Credit	5%
	Other than Short Term Agri Credit & Micro Credit	20%
Doubtful Short Term Agri Credit & Micro Credit		5%
	Other than Short Term Agri Credit & Micro Credit	50%
Bad/Loss	100%	

Eligible Collateral:

As per Bangladesh Bank the following collateral will be included as eligible collateral in determining base for provision:

- 100% of deposit under lien against the loan.
- 100% of the value of government bond/savings certificate under lien.
- 100% of the value of guarantee given by Government or Bangladesh Bank.
- 100% of the market value of gold or gold ornaments pledged with the bank.
- 50% of the market value of easily marketable commodities kept under control of the bank.
- Maximum 50% of the market value of land and building mortgaged with the bank.

 50% of the average market value for last 06 months or 50% of the face value, whichever is less, of the shares traded in stock exchange.

Base for Provision:

Provision will be maintained on the outstanding balance of the classified loans less the amount of Interest Suspense and the value of eligible collateral:

Deposit with the same bank under lien against the loan,

Government bond/savings certificate under lien,

Guarantee given by Government or Bangladesh Bank.

For all other eligible collaterals, the provision will be maintained at the stated rates on the balance calculated as the greater of the following two amounts:

Outstanding balance of the classified loan less the amount of Interest Suspense and the value of eligible collateral; and

15% of the outstanding balance of the loan.

Interest treatment of classified account:

SI	Status	Interest will be credited to	If recovered
1	SS	Interest Suspense A/c	
2	DF	Interest Suspense A/c	First the interest charged or not charged is to be
3	BL	Interest Memo A/c (i.e. no charging in loan a/c)	recovered and the principal to be adjusted afterwards

Discussion of the bank's credit risk management policy:

The credit risk management policy of the bank aims at ensuring sustained growth of healthy loan portfolio 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 thereby optimization of value of stakeholders and striving towards maintaining and increasing its market share. 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 and segments. The policy also aims at ensuring consistency in and standardization of credit practices and has a well-defined credit appraisal & credit approval authority, reporting cum monitoring / follow-up system and loan review mechanism/ credit audit system.

B. Quantitative disclosures:

(b) Total gross credit risk exposures broken down by major types of credit exposure:

Taka in Million

Outstanding (as on 31 December 2013)	Domestic	Overseas	Total
Loans & advances	83,798.42		83,798.42
Commitments			
Other non-derivative off-balance sheet exposures			
Debt securities			
OTC derivatives			
Total	83,798.42		83,798.42

(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure:

Division	Continuous Loan	Demand Loan	Term Loan	Short Term Agri. Credit	Total
Dhaka	15,920.32	14,184.74	28,786.51	16.25	58,907.82
Chittagong	2,771.86	11,683.83	4,288.49	0.94	18,745.13
Sylhet	491.13	407.02	1,607.97	0.43	2,506.55
Rajshahi	468.49	12.55	543.78	3.42	1,028.23
Barishal	40.95	0	32.92	-	73.87
Khulna	202.19	788.45	1,128.48	-	2,119.12
Rangpur	63.65	4.97	349.07	-	417.69
Total	19,958.60	27,081.56	36,737.22	21.04	83,798.42

Taka in Million

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

Taka in Million

Industry Type	Publi	ic Sector	Private Sector		
Industry Type	Term Loan	Working Capital	Term Loan	Working Capital	
Small & Cottage Industry	0.00	0.00	15096.30	22042.10	
Medium Scale Industry	0.00	76.00	1963.70	1655.50	
Large Scale Industry	0.00	0.00	361.20	577.50	
Total	0.00	76.00	17421.20	24275.10	

(e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure:

Taka in Million

Time band	Continuous Loan	Demand Loan	Term Loan	Agricultural Credit	Total
Up to 1 month	7200.97	10661.39	1277.38	0.51	19140.25
1 to 3 months	2858.07	9179.13	88.4	0	12125.60
3 to 6 months	3981.27	4881.38	804.73	0.99	9668.37
6 to 12 months	5918.3	2359.66	1383.88	3.25	9665.09
1 to 2 years	0	0.00	5337.93	47.59	5385.52
2 to 3 years	0	0.00	3070.54	250.34	3320.88
3 to 4 years	0	0.00	3447.66	5.53	3453.19
4 to 5 years	0	0.00	8053.55	0	8053.55
5 to 7 years	0	0.00	5320.9	0	5320.90
7 to 10 years	0	0.00	1824.83	0	1824.83
Over 10 years	0	0.00	5840.24	0	5840.24
Total	19958.61	27081.56	36450.04	308.21	83798.42

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

(Amount of Impaired Loans and if vailable, Past Due Loans, provided separately):

Taka in Million

Industry	Impaired	Past due
Agriculture	39.85	133.11
Industry (Other than Working capital)	457.36	2267.80
Working Capital	375.76	1261.74
Export Financing	65.60	82.75
Import Financing	159.83	188.48
Transport & communication	25.58	35.51
Internal trade financing	495.78	833.11
Housing	392.32	507.86
Special Programme	0.00	0.00
Others	454.10	796.49
Inland & Foreign Bills	4.16	45.26
Total	2470.36	6152.11

• Specific and General Provision of TBL:

Taka in Million

Sector	General Provision	Specific Provision
Consumer Financing	167.26	70.64
Small & Medium Enterprise Financing	11.83	133.68
Housing Finance	153.63	69.82
Loans to BHs/MBs/SDs against Shares etc.	8.66	0.00
Loans for Professionals to setup business	0.11	0.03
Other Corporate Credit	616.41	633.46
Agricultural Credit	1.04	0.02
Total	958.94	907.65

Charges for specific allowances and charge-offs during the period.

Taka in Million

Against Classified Loans & Advances	
Provision held on 1 January	763.34
Fully provided debts written off	0
Recoveries from previously written off debts	0
Provisions made during the year	144.31
Net Charge to the Profit Loss Account	144.31
Provision held at end of year	907.66

Taka in Million

Taka in Million

Against Unclassified Loans & Advances	
Provision held on 1 January	677.40
Provisions made during the year	245.77
Provision held at end of year	923.17
Against Special Mention Accounts	
Provision held on 1 January	67.85
Provisions made during the year	(32.07)
Provision held at end of year	35.77

General Provision for Off Balance Sheet Exposures	
Provision held on 1 January	220.74
Provisions made during the year	96.00
Provision held at end of year	316.74

(g) Gross Non Performing Assets (NPAs) of TBL:

Gross Non Performing Assets (NPAs) 2470.36 Non Performing Assets (NPAs) to outstanding loans & advances 3.12% Movement of Non Performing Assets for NPAs Opening balance 2503.84 Additions 1264.32 (1297.80)Reductions 2470.36 **Closing Balance** Movements of specific provisions for NPAs 763.34 Opening balance 144.30 Provision made during the period Write-off Write back of excess provisions **Closing Balance** 907.65

Equities: Disclosures for Banking Book Position

A. Qualitative Disclosure:

a) The general qualitative disclosure requirement with respect to equity risk, including:

• Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and

Investment of TBL in equity securities is broadly categorized into two parts: securities (Ordinary shares, Mutual Fund) that are traded in the secondary market (trading book assets) and Un-quoted securities (including preference share and subscription for private placement). 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) 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 or investment for making capital gains.

 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.

Bank investment in these equity securities for the purpose of capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received. 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 guidelines, the HFT equity securities are revaluated once in each week using marking to market concept and HTM equity securities are amortized once a year according to Bangladesh Bank guideline.

B. Quantitative Disclosure:

b) 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.

Value of Investments in Balance Sheet	
Shares in Listed Companies (valuation at average cost price)	Tk.1105.96 million
Fair Market Value of shares in Listed Securities	Tk. 948.34 million

c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

Tk.20.78 million

d) • Total unrealized gains (losses)

Tk. (157.62) million

• Total latent revaluation gains (losses)

-Nil.

Any amounts of the above included in Tier 2 capital.
 -Nil.

e) 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.

-Not applicable.

Interest rate risk in the banking book (IRRBB)

A. Qualitative Disclosure:

(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.

IRRBB is the framework to monitor and measure the adverse impact of interest rates on the Bank's financial condition. This impact is calculated from following perspectives:

- 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.

The Asset - Liability Management Committee (ALCO) is responsible for evaluating and institutionalizing appropriate systems and procedures for monitoring and managing the IRRBB. The Risk Management Committee reviews various decisions taken by the ALCO for managing IRRBB. The ALM Policies define the framework for managing IRRBB through measures such as:

- Interest Rate Sensitivity Report: Measures mismatches between rate sensitive liabilities and rate sensitive assets (including off-balance sheet positions) in various tenor buckets based on repricing or maturity, as applicable.
- Duration Gap Analysis: The gap or mismatch risk as at a given date, is measured by calculating gaps over different time intervals. Gap analysis measures mismatches between rate sensitive liabilities (RSL) and rate sensitive assets (RSA). The report is prepared by grouping liabilities and assets into time buckets according to maturity. The Gap report provides a good framework for determining the earnings impact.
- Stress Testing : Trust Bank has also been exercising the Stress Testing for measuring the Interest Rate Risk on its on-balance sheet exposure for estimating the impact of the net change in the market value of equity on the Capital Adequacy Ratio (CAR) due to change in interest rates only on its on-balance sheet positions (as the bank holds no interest bearing off -balance sheet positions and/or derivatives) under the assumption of different interest rate changes as per Bangladesh Bank guideline.

B. Quantitative Disclosures:

(b) The increase (decline) in earnings or economic value (or relevant measure used by anagement) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency.

Taka in Million

On Solo Basis:

Interest Risk-Increase in Interest Rate:	Situation-1	Situation-2	Situation-3
(Magnitude of Shock)	1%	2%	3%
Regulatory Capital (After shock)	8840.45	7853.37	6866.29
RWA (After shock)	89076.99	89076.99	89076.99
CAR (After shock)	9.92%	8.82%	7.71%
Total Assets	116,738.85	116,738.85	116,738.85
Duration Gap in years	0.93	0.93	0.93
Changes in Market value of Equity due to an increase in interest Rate, Δ MVE	(987.08)	(1974.16)	(2961.24)

Market Risk:

A. Qualitative Disclosure:

Views of BOD on trading/investment activities

The Board of Directors approves all policies related to the market risk components, reviews compliance and set limits on regular basis to check key performance indicators of trading and investment activities of the bank. The objective is to provide cost effective funding to finance assets growth and trade related transactions.

Methods used to measure Market risk:

Trust Bank Limited follows measurement of Market Risk through the Standardized Approach as prescribed in the RBCA guidelines.

The interest rate risk is measured through calculation of "specific risk" and "general market risk". Specific risk is applicable for each interest sensitive instruments/security whether it is a short or a long position, and general market risk is applicable for the interest rate risk in the portfolio where long and short positions in different securities or instruments are offset.

Equity Risk is measured through applying the minimum capital adequacy ratio to the current market value in bank's trading book for both specific risk and the general market risk. This is applied to all instruments that exhibit market behavior similar to equities except non-convertible preference shares.

Foreign Exchange Risk is measured through applying the rate of the required minimum capital adequacy ratio of bank's overall foreign exchange exposure including gold. The calculation of foreign exchange exposure is done on consolidated basis including subsidiaries.

As the *Commodities Market* is non-existent in Bangladesh and with no exposure of TBL, Commodity Risk is not applicable.

Market Risk Management System

The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.

Policies and processes for mitigating market risk:

There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. 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, forex position and transactions to mitigate foreign exchange risks.

Foreign Exchange Risk:

Foreign Exchange Risk can be defined as a measure by the variance of the domestic currency value of an asset, liability or operating income that is attributable to unanticipated change in the exchange rates. Simply put it, is the risk that relates to the gain/losses that arise due to fluctuations in the exchange rates.

Measurement of Foreign Exchange Risk Position:

- (a) Currency wise holding review
- (b) Instances of limit breaches
- (c) Sensitivity analysis
- (d) Un-reconciled Nostro accounts over 90 days

Key Requirements of Foreign Exchange Risk Management Policy:

- (a) A statement of risk principles and objectives governing the extent to which the institution is willing to assume foreign exchange risk;
- (b) Explicit and prudent limits on the institutions' exposure to foreign exchange risk;
- (c) Clearly defined levels of delegation of trading authorities.

Interest Rate Risk:

It is the potential loss from unexpected changes in interest rates which can significantly alter a bank's profitability and market value of equity. The amount at risk is a function of the magnitude and direction of interest rate change and the size and maturity structure of the mismatch position.

If Interest Rate rises, the cost of fund increases more rapidly than the yield on assets, thereby reducing net Income. If the exposure is not managed properly it can erode both the profitability and shareholder value.

Measurement of Interest Rate Risk Position:

- (a) Maturity Gap analysis
- (b) Duration Gap Analysis
- (c) Value at Risk

Key Requirements of an Interest Rate Risk Management Policy:

- (a) The measurement of appropriate limits on risk taking;
- (b) Adequate systems and standards for measuring risk;
- (c) Standards for valuing positions and measuring performance;
- (d) A comprehensive interest rate risk reporting and interest rate risk management review process;
- (e) Effective internal controls.

Liquidity Risk:

Liquidity risk is defined as the risk that the bank will be unable to meet its payment obligations on a day-to-day basis. In broader sense structural liquidity risk is defined as the possibility that the financial resources to meet future payment obligations will not be available as and when they fall due, in full, in standard market terms.

Measurement of Liquidity Position:

Our Risk Management Unit uses the following tools for review the Liquidity Risk:

- (a) Indicators
 - Statutory Liquidity Requirement (SLR)
 - Cash Reserve Ratio (CRR)
 - ► Advance Deposit Ratio
 - Structural Liquidity Profile
 - Liability Concentration
 - Category-wise growth of Deposit
 - Wholesale Borrowing Guideline
 - ► Maximum Cumulative Outflow (MCO)
 - ► Medium Term Funding Ratio (MTF)
 - ► Volatile Liability Dependence
 - ► Liquid Asset to Total Deposit
 - ► Liquid Assets to Short Term Liabilities
 - Borrowed Funds to Total Assets
 - ► Liquidity Coverage Ratio (LCR)
 - ► Net Stable Funding Ratio (NSFR)
- (b) Maturity Mismatch Analysis
- (c) Cash Flow Projections
- (d) Stock of Liquid Assets

Key Requirements of a Liquidity Risk Management Policy:

The liquidity risk management policy must reflect the daily strategy and longer-term liquidity plans, and have as its major components:

- (a) The measurement of liquidity position;
- (b) Monitoring liquidity; and
- (c) Contingency planning.

B. Quantitative Disclosures:

The Capital requirements for specified risk are as follows:

Taka in Million

SL	Market Risk	Capital Requirement
А	Interest Rate Related instruments	21.48
В	Equities	189.67
С	Foreign Exchange Position	40.71
D	Commodities	0
	Total	251.87

Operational Risk:

A. Qualitative Disclosure:

• Views of BOD on system to reduce Operational Risk:

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. Operational risk includes legal risk but excludes strategic and reputational risks. Operational risk is inherent in the Bank's business activities in both domestic as well as overseas operations and covers a wide spectrum of issues. Operational risk can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. Operational risk in the Bank is managed through a comprehensive system of internal controls, systems and procedures to monitor transactions, key back-up procedures and undertaking regular contingency planning. The control framework is designed based on categorization of functions into front-office comprising business groups, middle office comprising credit and treasury middle offices, back-office comprising operations, corporate and support functions.

The overall objective of the Operational Risk Management is:

- Determine Bank's appetite for Operational Risk
- Framework to identify, assess and monitor operational risk for effective mitigation.
- ► Strengthen overall control environment at the Bank
- Improvement in customer service and minimize operational losses

The Board of Directors, through establishment of Audit committee, is fulfilling its responsibilities including implementation of the policies and procedures to identify, measure, monitor and control these risks. Audit committee of the Board oversees the activities of Internal Control & Compliance Division (ICCD) to protect against all operational risk.

The Board of Directors has put in place a comprehensive internal audit framework for Operational Risk Management. Each year Internal Audit Department of IC&C Division of Head Office sets out an audit plan which is approved by the Managing Director and submitted to the Audit Committee of the Board.

A separate meeting of the Board of Directors is arranged every year for review and assessing the compliance level of the Bank on the comprehensive inspection report of Bangladesh Bank, where the representatives of Bangladesh Bank also remain present.

Besides, on behalf of the Board, the Audit Committee-

- ▶ Reviews the efficiency & effectiveness of Internal Control and Internal audit function of the bank.
- Reviews the findings & recommendations made by Internal Audits for removing the irregularities detected in course of conducting audit in the branch & division/department of Head office.
- Reviews the corrective measures taken by the management as regards fraud, forgery & deficiency detected by internal & external auditors.

In 2013 IC & C Division conducted following No. of audit:

No. of Comprehensive Audit on branches	79
No. of Comprehensive Audit at Head Office	12
No. of Spot audits	24
No. of Spot Inspection on Anti Fraud Internal Control	16

To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 22nd August, 2013 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.

Performance gap of executives and staffs:

Trust Bank Limited always tries to be the best pay master in the sector and ensure best workplace safety for its employees to avoid inconsistent employment practices and unsound workplace safety by way of discrimination regarding employee's compensation, health and safety. TBL strong brand image plays an important role in employee motivation. As a result there is no significant gap.

Potential External Events:

TBL has identified some potential external events as enumerated below:

- o Losses due to acts intended to defraud, misappropriate property or circumvent the law, by a third party.
- o Work Place Safety
- o Clients, Products and Business Practices
- o Losses arising from loss or damage to physical assets from unexpected events (e.g. natural disasters)
- o Business Disruption and System failures.
- o Deteriorated social or political context.
- o Execution, Delivery and Process Management.

Trust Bank Limited has invested heavily in IT infrastructure for better automation and online transaction environment. The bank also has huge investment on alternative power supply (both UPS & generators) and network links to avoid business description and system failure. Its IT system does not allow any kind of external access to avoid external fraud by way of theft/ hacking of information assets, forgery etc. TBL has also invests considerable on security from terrorism and vandalism to avoid damage to physical assets.

Policies and Processes for mitigating operational risk:

The policy for operational risks including internal control & compliance risk is approved by Board taking into account relevant guidelines of Bangladesh Bank. The Bank developed a Risk Management Unit and supervisory review Committee for review and managing operation risk as well as evaluating of the adequacy of the capital. For mitigating operational risk Internal Control and compliance division undertakes periodical and special audit of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements.

Approach for calculating capital charge for operational risk:

In line with RBCA guidelines, Bank has adopted the Basic Indicator Approach to compute the capital requirements for Operational Risk. Under Basic Indicator Approach, average income of last 3 years is taken into consideration for arriving at Risk Weighted Assets.

Quantitative Disclosures:

Taka in Million

Particulars	RWA	Capital Requirement
Minimum Capital Requirement for : Operational Risk	5,929.20	592.92



Green Banking

Green Banking

Green Banking is an environment friendly solution to save energy, to reduce carbon emission, to transform waste and other natural resources into energy and save environment from pollution. The Banking Industry can adopt these activities by practicing eco friendly investment and undertake other external activities to mitigate the environmental risk.

Environmental Risk Management is the possible step to create awareness of environmental and climate change issues among all stakeholders. Bank is to take necessary measures to reduce water, air, noise pollution while financing a project or Industry for its financial and ethical performance. In perspective of the banks, it is the issue of Green Banking to make a linkage between sustainability and financial performance.

Policy & Organizational responsibility

Trust Bank is committed to conduct its business activities in an environmentally conscious manner through adherence to Bangladesh Bank and its own environmental policy. We are committed to deliver the service and perform our responsibility by following policy framework.

- Using online banking for customers transaction
- On line payment of bills, mobile banking
- On line presentation of statements , e statements
- Protect and conserve the environment through financing and CSR
- Safeguard the interests of our stakeholders from unacceptable levels of environmental risk
- Support the policy and principles of sustainable development of the country.

We integrate these practices into our core business activities through the 10 principles of our environmental policy in the areas of: stakeholder engagement, communication and reporting, community values, compliance, procurement, facilities management, credit and investment risk management, products and services, and continuous improvement.

Policy implementation is the responsibility of the Environmental Risk Management group. This group engages with the bank's businesses and functional groups to facilitate policy and program implementation and best practices across the firm. This group also maintains an Environmental Management System that acts as the framework for the implementation of environmental policy requirements.

We believe, bank can manage Environmental Risk in economic perspective better than others because Banks are involved nearly in all industrial and financial ventures & activities. We trust that we can move forward to encourage the clients about environmental risk and comply the rules, regulations and conditions to follow-

- The Bangladesh Environment Conservation Act, 1995
- The Environment Conservation Rule, 1997
- Dhaka Imarat Nirman Bidhimala, 2008
- Real Estate Act, 2010
- Bangladesh National Building Code and monitor their implementation during our visit to the projects.

One of our financed real estate/Commercial building, complying the Building code is demonstrated below:



Thus, we continuously encourage our clients to comply the Act .and regulation to build the projects to protect from environmental risk complying the Building code.

Environment

Environment encompasses with living and non living things occurred naturally on earth or created any odd by human . We can't separate, transfer or disseminate it from our living place. All of we know, human being has not created nature or natural resource but has changed the natural structure of Environment by using natural resource beyond limit for their short-term pleasure living without considering the opposite effect of the nature or degradation of balanced Environmental condition which was suitable for creature. Now, we are all facing the attack of destruction of Forests, Hills

and Water bodies and pollution of soil, air and water-the major components of natural Environment. The unseasonal and un-forecasted cyclone, snow-storm, draught, flood and fire in the forest what are happening here & there , all are the ultimate result of over consumption of fossil fuel i.e. coal, gas , petroleum oils and deforestation. The Carbon-di-Oxide emitting from the burning of fuel accumulates in the air which is feed for the plants, but as we are destroying the plant day by day, the Carbon- di-Oxide consuming plant decreases gradually. As a result, the amount of Carbon-di-Oxide is increasing in the air at the rate of inversely proportion and rising the air temperature at direct proportion creating the weather and Environment unbalanced.

Environment : a development issue

Bangladesh is a low-lying riverine country along with vast Bay of Bengal sea basin in the south. The country has modest weather however; the rapid climate changes become impact the ecological imbalance. Once, this region was naturally available of pure surface water. Sometimes, the country affected by floods, tornadoes and cyclones etc.



Cyclone heat disaster areas

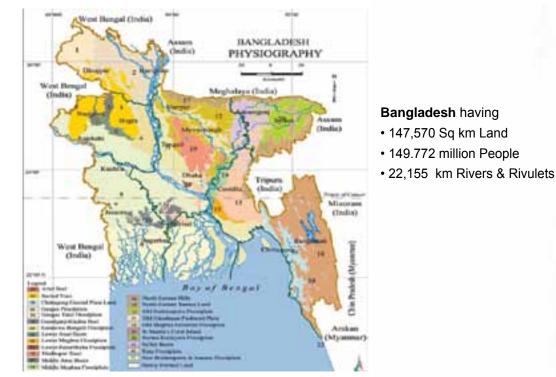


Climate Risk Fund

Trust Bank has got an allocation of fund for Tk.2.00 million in 2013 for the clients/people affected by natural disaster.

Moving towards Future

Trust Bank, day by day, is moving forward more with green approach in its functional area and brings back Green Bangladesh in the Globe. Practically, what we will do in this aspect, will do for the economy and the country.



This is how, Trust Bank carry out its responsibility for the people and society by Climate risk fund and CSR activities.

Trust Bank believes in -

Balanced Development

&
• Sustainable Development

Considering this approach, Trust Bank provide loans for eligible customers from Tekhnaf to Tetulia both in urban and rural area.



The Core Ethics of Trust Bank can be strongly demonstrated as -

- Compliance First
- Profit Next

Common Compliance

- a. Save Green
- b. Protect Natural Environment
- c. Mitigate Carbon Emission

Common Selection Criteria for financing

· Is the proposed Enterprise-

Working Friendly	Yes √	No X
Worker's Friendly	Yes √	No X
Disposal Threat to Nature	Yes X	No √
Effluent Destroy Green	Yes X	No √



A TBL financed Environment friendly Chemical Plant.

TBL Journey

Trust Bank has a Green Banking Committee Headed by Deputy Managing Director to manage and Head of green banking is to monitor-

- In-House Green Activities
- Green Financing Activities



A Green Building

In-House Green Activities

We are constantly enhancing our officials capability through training. Our regular recovery monitoring meetings are being held/ conducted through Tele-Conference to save time and fuel cost. But, ultimate result what we see, we have saved the air from Carbon- di-Oxide nearly 20 metric ton in a year.

We believe in Save Green – Go Green which will ensure understand-Good Working Environment. So, we have started our 2nd green branch at Lalmonirhat.



Trust Bank's Regular Capacity Building Program:

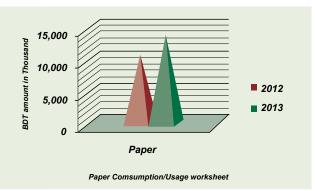


Using Intranet facility we place materials to the Board of Directors / Managing Director.

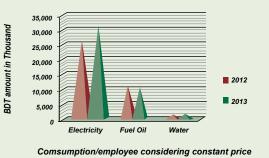


- Send other office note, memo, materials to branch and Head Office Executives.
- Trust Bank has to arrange Recovery monitoring 1-4 meeting per month according to percentage of Non-Performing loan.
- We hold led those meetings through Video-Conference to lessen fuel cost & time.
- Branch Manager & Credit In-charge take part in the meeting.
- Instead of coming to head office by plane, car & train whice saves cost.
- It is observed, 73 Executives from Dhaka region, 13 from Chittagong, 02 from Sylhet, 03 from Khulna and 02 Executives from Rajshahi region participate in the Meeting in a month.
- Considering the average meeting intensity 02/month for Dhaka, Chittagong & Sylhet and 1 for Khulna & Rajshahi region.

As a result, paper consumption has been increased scarcely in 2013 from 2012 due to opening of 10 new branches.



> And the rate of other utility consumption does not increase much although number of Branches & ATM has increased.



Green Financing Activities

Under the policy of Bangladesh Central Bank, Trust Bank Ltd. has started its green journey after having received the Green Banking and Environmental Risk Management Guidelines of Bangladesh Bank in 2011. Trust Bank. extends no finance without evaluation of impact of Environmental Risk on the credit as well as the society and arrangement of appropriate management and mitigation for that risk. Being encouraged by dream of Green Bangladesh, Trust bank. so far has extended BDT 9,098.70 million credit facility to industry, zigzag brick kiln, agriculture and most mentionable product over 1500 Bio-gas plant towards mitigating the Carbon- di-Oxide emission. Our financed all biogas plants are saving the Environment from Carbon- di-Oxide by saving 48,960 liter kerosene and 6,012 metric ton fire wood yearly.



Solar Home System financed by Trust Bank Limited.



4 cow integrated farm and Biogas plant financed by Trust Bank Limited



Sector Specific Environmental Policy for Chemical & Pharmaceuticals

Trust Bank Ltd. has an Environmental Policy Manual for overall guidelines to be followed for mitigating the environmental risk and conservation of environment while providing financial facility to the customers. Now, subject specific sectoral policy is prepared on the basis of Environmental Conservation Act, 1995, Environmental Rule, 1997 of GOB and Bangladesh Bank's policy guideline for green banking.

Mustard field to provide raw material for mustard oil.

Sectoral Coverage and Product-mix/Commodities

The sector covers the Industries/Concerns having the production facility of producing product-mix/ commodities shown in the following table:

SI.	Industry/Concern	Product-mix
	Basic Chemical Processing Plant	Respective chemicals (solid/liquid/gaseous)
	Soap & Detergent	Soap & Detergent
1	Paint, Varnish, Dyes	Paint, Varnish, Dyes
	Cement	Cement
	Pesticide, Insecticide, Disinfectant	Pesticide, Insecticide, Disinfectant
	Petro—chemical: Refinery	LNG, LPG, Petrol, Diesel, Octane, Kerosene, Wax Naphtha, etc.
2	Lubricating Oil	Lube Oil, Engine Oil, Cooling Oil, Grease etc.
2	Synthetic Fiber	Yarn, Chip.
	Synthetic Sheet	Rexene, Artificial Leather, PVC/Polythene sheet/bag etc.
2	Pharmaceuticals	Raw Materials
3	Pharmaceuticals	All types of Medicines & drugs (solid/liquid/gaseous)

Risk Associated/Concerned

The risks may arise according to the category of intensity are as under:

SI.	Industry/Concern	Risk Associated/ Concerned	Category as per Environmental Rule, 1997 of GOB
	Basic Chemical Processing Plant	Water, air & sound pollution and soil degradation.	Red
	Soap & Detergent	Water, air & sound pollution and soil degradation	Red
1	Paint, Varnish, Dyes	Water, air & sound pollution and soil degradation	Red
	Cement	Water, air & sound pollution and soil degradation	Red
	Pesticide, Insecticide, Disinfectant	Water, air & sound pollution and soil degradation	Red
	Petro—chemical: Refinery	Water, air & sound pollution and soil degradation	Red
2	Lubricating Oil	Water, air & sound pollution and soil degradation	Red
	Synthetic Fiber	Air & sound pollution and soil degradation	Orange-B
	Synthetic Sheet	Air & sound pollution and soil degradation	Orange-B
3	Pharmaceuticals: Raw materials	Water, air & sound pollution and soil degradation	Red
	Pharmaceuticals: Medicines & drugs	Water, air & sound pollution and soil degradation	Orange-B

Current Environmental and Climate Change Condition

Land and life are closely entwined in Bangladesh. The prevailing climate is monsoonal and the dominantly agricultural economy is attuned to its wet and dry seasons. But, for years due to increase in average air temperature abnormal changes occurred in climate condition. For which lands are frequently flooded by heavy rains, over-full river channels, and sea surges associated with cyclones. Disasters are relatively common. Changes in climate in Bangladesh could, therefore, have serious implications for local economies and human livelihood. But, the industrial effluent/emission of the subject sector if not treated to neutralize before disposal will degrade/spoil land and river which kill plant water species and create health hazard. On the other hand, heavy draught and excessive rainfall will continue to occur making the many people hard to living.

Economic Contribution:

The subject sector is playing an expanding role in Bangladesh's economy/GDP with the pace of time. It is expected, the role will continue to grow because in near future and Bangladesh is forecasted as an emerging economy.

Fundamental Infrastructural and Technical Facility requirement for conservation of Environment & Mitigating Environmental Risk

While providing financial facility to any concern of the sector bank will look after and consider whether the said concern has NOC from the Department of Environment having/with the condition of having the Infrastructural and Technical facility requirement for Conservation of Environment & Mitigating Environmental Risk threatening to mankind and ecology:

SI.	Industry/Concern	Environmental Standard/ Parameter as per Environmental Rule,1997 of GOB	Infrastructural & Technical Facility for conservation of Environment &_ Mitigating Environmental Risk
	Basic Chemical Processing Plant	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule12(B) (enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
	Soap & Detergent	Air: as per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule12(B) (enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
1	Paint, Varnish, Dyes	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule12(B)(enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
	Cement	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule-12(D (enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
	Pesticide, Insecticide, Disinfectant	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule12(B)(enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
	Petro—chemical Refinery	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule12(G)(enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
	Lubricating Oil	Air: As per schedule-2(enclosed) Sound: As per schedule-4(enclosed) Odor: As per schedule-8(enclosed) Discharged Water: As per schedule12(G)(enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
2	Synthetic Fiber	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule-3(enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB.
	Synthetic Sheet	Air: As per schedule-2(enclosed) Sound: As per schedule-4 (enclosed) Odor: As per schedule-8 (enclosed) Discharged Water: As per schedule-3(enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.

	Pharmaceuticals: Raw material	Sound: As per schedule-8 (enclosed)	As per instruction&/ clearance certificate of Department of Environment, GOB and ETP.
	Pharmaceuticals:		As per instruction&/ clearance certificate of Department of Environment, GOB.

Risk Rating Grading

The Environmental Risk Rating Grading will be same as fixed in the Environmental Rule, 1997 of GOB and Bangladesh Bank's policy guideline for green banking; i.e. Low, Moderate & High. The Risk associated will be rated through the Environmental Due Diligence (EDD) Check-list Format (enclosed in annexure-A & B).

Due Diligence for Financing

For providing any type of financial facility, TBL will carefully appraise its risk parameter, rate the risk grading and check whether the necessary arrangements and facilities have been adopted for Conservation of Environment & Mitigating Environmental Risk threatening to mankind and ecology. Then, as per Bangladesh Bank **BRPD Circular no.01 dated 30.01.2011** weightage of risk grading score to be taken into consideration for financing decision.

Equator Principle

The principle of financing in any concern/industry will be sustainable business with efficient management of environmental risk evolved from any concern/industry financed by Trust Bank Ltd.

Scope of Review and Update

The subject policy is prepared for Trust Bank's internal office use and it will be reviewed & updated as per need and necessity from time to time.

Bio Gas facility:

Trust Bank Ltd is pioneer in financing Bio Gas plant in the country. It has financed over 1500 Bio gas plant up to 2013. A Bio Gas plant-

- Reduces CO2 Emission replacing 48 Ltr. Kerosene/ month per family & 6 MT of Firewood in every year.
- Improve rural earning, health and hygiene.



Bio fertilizer

The farmer is using Bio-fertilizer disposed from bio gas plant in his vegetable field producing healthy crop.



Contributed Sectors

Trust Bank committed to bring back Green Bangladesh through its financing tools. For fulfilling its commitment, TBL always takes passion for good finance. So far, TBL contributed to 1509 Bio-gas, 16 Brick Kilns, 2 ETPs, 36 Projects having ETP, Maize, Mustered, Sugarcane and Banana towards reducing the environmental risk creating elements and materials.

This automatic Brick manufacturing plant was established in 2007 with the finance of Trust Bank. It Saves Air from the attack of 11,200 MT / year of CO2 than traditional Brick Kiln.





A Chemical Plant which Recycle it's Flue Gas & Water before disposal to minimize emission of CO_2 & CI_2 .

Financing with Bangladesh Bank's Policy Initiative

With the Policy Support of Bangladesh Bank, Trust Bank has been moving forward to finance in maize & mustard culture.



Disbursement

We make Environmental Due Diligence as well as evaluation of Environmental Risk assessment for 106 proposals and discard 16 proposals for financing in this respect. However, the total green finances position as on 31.12.2013 stands at BDT 9098.70 million.

Organizational Responsibility

The approval of TBL's Green Banking Policy and Environmental Risk Management Policy in 2011 has redefined and increased formal responsibilities for these issues and will involve the Board of Directors more directly in this aspect.

Training and awareness

Workshop on Green Banking and Environmental Risk Management took place in the Training Academy of Trust Bank Limited.

It was attended by a number of senior executives of Trust Bank Limited and discussed various aspects of Green Banking and Environmental Risk Management, highlighting the importance of the subject matter - climate change, social impacts, sustainable development, the information society and sustainable financing.

Monitoring and follow-up

TBL's environmental performance is monitored by the Green Banking Unit under the supervision of the Deputy Managing Director of the Bank.

ENVIRONMENTAL PERFORMANCE INDICATORS

Materials used by weight or volume

TBL does not have a systematic arrangement for calculating the total weight of raw materials used in its commercial network; the data is gathered in monetary terms. TBL has utilized following raw materials during its daily operation:

Breakdown of materials used by monetary values (BDT million)

Raw Materials Used	2010	2011	2012	2013
Paper	6.36	9.41	10.78	13.93

The increase in use of consumables from 2010, 2011 and 2012 to 2013 was due to increase in number of branches and business portfolio but, average consumption per client has been decreased.

Percentage of materials used that are recycled input materials:

TBL does not use recycled paper in its offices and branches. The paper used throughout our network of branches and central buildings (Legal and A4 only) is produced in Bangladesh and procured locally.

Direct energy consumption by primary energy source:

TBL's direct energy consumption is based on both non-renewable and renewable sources. Non-renewable energy is received from the national electrical power distribution network. In addition it used fuel as follows: octane and petrol in its fleet, diesel in generators and natural gas in the CNG converted vehicles.

Direct energy consumption in buildings (BDT Million)

Particulars	2010	2011	2012	2013
Fuel Oil	25.95	6.47	11.30	10.64
Gas	0.33	0.51	1.19	.60

The use of fuel oil & gas has been decreased during 2013 from 2012.

Energy saved due to conservation and efficiency improvements:

TBL assesses the performance of initiatives of this type. However, we are not in a position to provide total savings figures. We can, however, give several examples of this type of initiative and reductions achieved.

Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives:

TBL offers products and services of this kind , though it is not possible to provide figures for benefits achieved. Communicating this figure depends both on Trust Bank Limited and on end-users of this type of equipment, i.e. customers.

Initiatives to reduce indirect energy consumption and reductions achieved:

TBL assesses the performance of initiatives of this type. However, we are not in a position to provide total savings figures.

Trend Analysis of Green Banking:

1.4	Introducing	Green Finar	ice												
									Ar	mount in mi	llion Taka				
						Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total	Remarks
					Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	
		For Installation			-	-	-	-	-	-	-	-	-	-	
ETP		Projects finar ETP(Full amo			11	1,363.57	13	2,506.50	8	1,018.09	8	3,555.89	40	8,444.05	
Bio-gas	Plant				111	33.30	176	51.57	129	39.00	68	19.55	484	143.42	
Solar Pa	l anel/Renev	vable Energy	Plant		-	-	-	-	-	-	1	0.18	1	0.18	
Bio-ferti	lizer Plant				-	-			-	-	-	-	-	-	
Hybrid H	loffman Kil	n (HHK)			-	-	-	-	-	-	-	-	-	-	
Others (Please spe	cify) Bricks K	iln		4	27.30	-	-	-	-	4	83.75	8	111.05	
Green F	inance at r	educe rate of	interest		-	-	-	-	-	-					
1.5	Utilization	of Climate Ris	sk Fund												
		rt of CSR activi limate Change		ka)		Quarter 1		Quarter 2		Quarter 3		Quarter 4	Total		Remarks
		rt of CSR activ limate Change				-		-		-			-		
1.6	Introducing	Green Mark	eting												
		n of Green Ba Please Specif			In add	lition to exis	sting produ			rporate, SM ing green fi					

1.7	Online Banking											
				Quarter 1		Quarter 2		Quarter 3	Quarter 4	Total	R	Remarks
1.7.1	No. of ATM (Data in ea	ch quarter		104		Quarter 2 109		115	119	119	Cum	nulative.
1.7.1	will reflect the cumulativ	ve figure)	_	829		960		1021	1095	1095	Curr	nulative.
		No. of Total		70		80		04	00	00		
		Branches		79		80		81	88	88	Cun	nulative.
1.7.2	Online Banking	No. of Branches										
	_	with online		79		80		81	88	88	Cum	nulative.
		coverage										
	No. of Total Accounts			511,950		532,566		557,657	566,097	566,097	Curr	nulative.
		No. of		011,000		002,000		001,001	000,001	000,007	Oun	ididitito.
		Accounts		~~ ~~~		05.040					-	
		facilitated with Internet		32,702		35,010		37,983	41223	41,223	Curr	nulative.
1.7.3	Internet Banking											
		Banking % of Account	s									
		facilitated		6.388%		6.57%		6.81%	7.28%	7.28%	Cum	nulative.
		with Internet Banking										
		No. of Accounts										
		facilitated with	h	16,693		21,891		24,555	29,686	29,686	Curr	nulative.
		Mobile/SMS		.,		,		,		-,		
1.7.4	Mobile/SMS Banking	Banking % of Account	0									
		facilitated with									-	
		Mobile/SMS		3.261%		4.11%		4.40%	5.24%	5.24%	Curr	nulative.
		Banking	_									
1.7.5	Others (Please specify)	1										
	Employee Training, Cor		ness and									
1.8	Green Event	isumer Aware										
				Quarter 1		Quarter 2		Quarter 3	Quarter 4	Total	D	Remarks
	No. of Training Program	ns/Seminars /		Quarter I		Quarter 2		Quarter 3	Quarter 4	Total	N	<u>emarks</u>
1.8.1	Workshops/ Awareness			1		-				1		
	exclusively conducted for Banking	or Green										
1												
1.8.2	No. of Participants cove Employees	ered	_			-		-		28 28		
	Customers			-		-		1		-		
1.0.0	Green Events (Please S	Specify)										
1.8.3	(Thousand Biogas Cele			1		-				1		
	Disclosure of Green Ba	nking										
1.9	Activities	INITY										
Disclos			Duklis		al Denert	of 2010 at						
	Annual Repot		Publis	hed in Annu per reau		uirements.						
	Website		_	porroge		Poste	d in Bank	s website a	as per regulatory req Published in the	uirements	of Banglades	h Bank.
Prepa	Media Aration of Independent G	Freen Banking	&									
		ainability Repo			[Prepared	and publi	sned in An	nual Report of 2012	as per reg	liatory require	ements.
2.1	Sector Specific Environ	ment Policy										
					Vaa		Nia					
211	Formulation of Sector S Policy (Under Phase 2)				Yes		No					Remarks
	1 · · · · · · · · · · · · · · · · · · ·		•		٧						Sheet at	
2.1.2	Name of the Sectors for	r which Specifi	ic	Chemica	al and Pha	irmaceutica	als, Const	ruction and	Housing, Engineerir	ng and Bas		
	Environment Policy For Green Strategic Plannir	mulated									a	pparels.
	Formulation of Green S		ing (If yee		Yes		No				D	Remarks
2.2.1	please describe in a ser		ing (ii yes,				110				Sheet at	
-												
2.3	Environment Risk Mana Plan	gement										
		na sifis Enri	Di-i		V.							
2.3.1	Formulation of Banks S Management Plan and		inent Risk		Yes		No No				to be con	Remarks
L	management i lan anu							1				

Total water withdrawal by source:

TBL does not have a systematic mechanism and system for calculating the total volume of mains water used in its commercial network, due to the fact that TBL has branches all over the country and they have different water suppliers. Furthermore, the total amount of water used by TBL was not identified in our materiality study as a material issue to be reported.



ĺ.

Percentage and total volume of water recycled and reused:

TBL does not use recycled water in its offices and branches.

Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high bio-diversity value outside protected areas:

This is not applicable for TBL in 2013.

Description of significant impacts of activities, products, and services on bio-diversity in protected areas and areas of high bio-diversity value outside protected areas:

This is not applicable for TBL in 2013.

Habitats protected or restored:

This is not applicable for TBL in 2013.

Strategies, current actions, and future plans for managing impacts on bio-diversity:

TBL will develop it gradually in the days to come.

Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk:

These indicators do not apply to TBL, as its operations are located in urban and rural residential and commercial areas. No branches are located in forests or environmentally protected areas to have any impact on biodiversity. However, TBL is contributing BDT 0.12 million per year for bird conservation project namely Pokkhikuler Asroy & Khaddo NischiTkoron Prakalpa at Bonpara, Natore.

Total direct and indirect greenhouse gas emissions by weight:

Total direct and indirect greenhouse gas emissions resulting from TBL's operation arise essentially from its energy consumption. However, TBL does not have a systematic mechanism and arrangement for calculating total greenhouse gas emissions, both direct and indirect.

Initiatives to reduce greenhouse gas emissions and reductions achieved:

TBL has taken up initiatives to reduce greenhouse gas emissions in its operations through concerted efforts of its Head Office and Branches through in-house environmental management systems, reduction of electricity usage replacement of existing lighting equipment with energy efficient ones, carpooling, teleconferencing, etc.

Emissions of ozone-depleting substances by weight:

According to the Global Reporting Initiative, ozone-depleting substances in products and equipment from use or disposal are not covered by this indicator. It therefore does not apply to TBL.

NO2, SO2 and other significant air emissions by type and weight:

Considering the energy consumption by the emergency generators and TBL's vehicles is insignificant, this indicator is not considered material.

Total water discharge by quality and destination:

TBL's premises are located in urban and rural residential and commercial areas with sewer and rainwater drainage systems, which mean that this indicator does not apply to its activities.

Total weight of waste by type and disposal method:

TBL does not have a systematic procedure for calculating the total volume of waste produced in its commercial network.

Total number and volume of significant spills:

This indicator does not apply to TBL, as it does not use chemical products in any significant quantities that might cause spills with relevant environmental impacts.

Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations:

In 2013 there were no significant fines or non-monetary sanctions for violation of environmental laws or regulations.

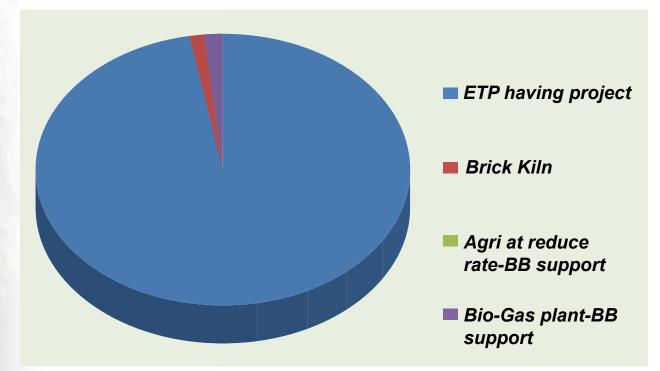
Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce:

TBL does not have a systematic procedure for calculating total greenhouse gas emissions, from its vehicle fleet's fuel usage.

Total environmental protection expenditures and investments by type:

TBL's environmental protection expenditures and investments are accounted for. Full communication of this type of expenditure pursuant to environmental accounting standards is a future commitment.

Position of Green & Environmental Finance as on 2013 BDT 9,098 million



Environmental CSR

Bank also extends hand through Corporate Social Responsibility to make the country Green.

Green Strategic Plan

- At least 10% reduction of cost of paper per client & utilities per employee/floor area for the period of 2013- 15 against such expenses in 2012.
- At least 10% of credit budget to be provided for financing to green areas/sector for the period of 2013-2015.
- Setting 3 nos of green branch each year by using solar panel.
- Celebration of a green day/hour in every year.
- Arranging 2 workshops for TBL Officers in every year.
- Arranging rigorous program for educating clients continuously & creating consumer awareness in every year.

- Preparation of sector specific environmental policies.
- Utilization of climate risk fund.
- Preparation of Bank's specific Risk Management Plan & Guideline.
- Designing and introducing innovative new green product.
- Preparation of independent annual green report as per standard of global report initiatives (GRI) and verification by external agency & publishing it within next year.
- Model solar village, Mini Solar grid, Solar Irrigation, Bio fertilizer, Environment friendly Brick Kiln project, ETP and green projects will be given preference for financing.

To Conserve Environment and Biodiversity

Trust Bank is committed to preserve our biodiversity for not only the benefit of mankind but also for all living creature. So, TBL always supports the project with environment friendly technology and process.

Trust Bank's Dream-

"Green will Remain Green"



Environmental Risk Management Approach:

Green banking can help reducing environmental degradation, desertification, biodiversity depletion and mitigation of environment risk. It can also help to improve energy access to rural Bangladesh through different types of renewable energy product. Trust Bank is continuously striving to design and adopt innovative green products both in house and external environment to bring a qualitative change in the economy. Trust Bank is also willing to create a supply chain for the investors, manufacturers and users of green technology. Trust Bank started to provide green credit, allocate budget for green marketing, capacity building and climate risk fund with the aim to build a sustainable green economy.

Social Sustainability Approach

Environmental Risk Management

Environmental Risk is an integral as well as independent risk for the credit and society. TBL extends no finance without evaluation of impact of Environmental Risk on the credit as well as the society and arrangement of appropriate management and mitigation for that risk. The environmental risk has been incorporated into the bank's overall risk rating system that defines whether:

- credit to be rationed
- term of the loan to be limited
- Price of the loan be affected and identifying and implementing ways to reduce the risk to the portfolio.

For managing Environmental Risk, TBL uses generalized and sector specific Environmental Due Diligence (EDD) format of Bangladesh Bank for identifying and rating the degree of risk. Then, for managing the risk TBL confirms whether the concern has requisite clearance certificate from department of Environment (DOE) of GOB and the client is going to install the appropriate infrastructural facilities to mitigate the risks which may arises from the manufacturing plant.

Even, no Fund is disbursed before having **Clearance from Department of Environment**, GOB as per:

- > The Bangladesh Environment Conservation Act, 1995
- Environment Conservation Rule, 1997

Under the guideline of our prudential and visionary Central Bank, Trust Bank Ltd. has started its green journey after having the Green Banking and Environmental Risk Management Guidelines of Bangladesh Bank in 2011. Trust Bank Ltd. extends no finance without evaluation of impact of Environmental Risk on the credit as well as in the society and arrangement of appropriate management and mitigation for that risk. Environmental Risk is an integral as well as independent risk for the credit and society.

The environmental risk that banks has incorporated into their overall risk rating system-

- The Environment Conservation Rule, 1997
- > Dhaka Imarat Nirman Bidhimala, 2008
- Real Estate Act, 2010
- Bangladesh National Building Code

We believe bank can manage Environmental Risk better than others; because banks are involved nearly in all industrial and economical ventures & activities, if we all move forward to encourage the clients and apply conditions in the light of above law as applicable to follow and to monitor its implementation during visit, then achieving Green Environment will not be impossible.

Position of Environmental Risk Management in 2013:

No. of project Environmental Due Diligence (EDD)			
	312		
Environmental Risk Rating	Moderate	5	
	High	34	
	Total	351	

Taka in million

	Low	296	38,005.57
Rated Projects Financed	Moderate	5	161.50
	High	21	1,079.65
	Total	322	39,246.68

Employment Relations Approach

Goals and performance

Promotion on next hierarchy designation is considered subject to availability of vacancy in the next grade alone with adequate skill set, potentially to take over broader responsibility. No employee will have a claim to be promoted to a higher grade by virtue of his seniority alone. All promotions shall be made on the basis of performance and criterion laid down by the Management of TBL from time to time.

Policies

TBL has created an atmosphere of trust and support within the organization which will encourage employees to work well together as a team. TBL also guarantees employment opportunities conform to the established and acceptable practices of the country.

Organizational responsibility

TBL has developed an effective internal communication and attachment system which will encourage the employees to identify them with the organizations and its activities.

Training and awareness

The Bank identifies the interdependence between the employer and the employee and believes that each should give the other a fair treatment. Therefore, Bank usually arranges, as well as, participate various trainings and workshops on different types' compliance related issues to act in accordance with the laws and practice of industry and the country for raising awareness in relation to Employment Relations aspects.

Labor Performance Indicators

LA1 Total workforce by employment type, employment contract, and region

Direct employees by type of contract and employment as at 31 December 2013

Type of Contract				2013		
Fixed Term Contract	Part-time	Full-time	Total	Part-time	Full-time	Total
Fixed Term Contract	0	144	144	0	9	9

Internship programs

	2012	2013
No of Internship	124	125
No of Student Internship	124	125

LA2 Total number and rate of employee turnover by age group, gender and region

Trust Bank Limited has a diversified team in terms of gender and age group. In 2013, 103 employees left, 75.76% of them in the 18 to 34 age group (for better opportunities).

Total number of employees leaving by age and gender

Gender	Age Group	2012	2013
	Over 65	0	0
	55 to 64	0	0
Female	45 to 54	0	2
Female	35 to 44	4	4
	18 to 34	17	12
	Total	21	18

	Over 65	0	0
	55 to 64	3	4
Mala	45 to 54	4	3
Male	35 to 44	11	12
	18 to 34	77	66
	Total	95	85

Turnover percentage by age and gender

Gender	Age Group	2012	2013
	Over 65	0	0
	55 to 64	0	0
Female	45 to 54	0	1.94
	35 to 44	5.10	3.88
	18 to 34	7.25	11.65
	Over 65	0	0
	55 to 64	31.58	3.88
Male	45 to 54	9.30	2.91
	35 to 44	6.04	11.65
	18 to 34	11.91	64.08

Methodological note: Turnover for each period was calculated as follows: [(No. of employees leaving during the period/Average no. of employees during the period)]*100

LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Benefit	Permanent Emp.	Contractual Emp.
Invalidity Pension	Superannuation Fund	N/A
Retirement benefits	Provident Fund, Gratuity & Leave Encashment	N/A

LA4 Percentage of employees covered by collective bargaining agreements

These indicators do not apply to TBL.

LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements

As per Employees' Service Manual of TBL, minimum notice period varies on case to case basis.

LA6 Percentage of total workforce represented in formal joint management- worker health and safety committees that help monitor and advice on occupational health and safety programs

These indicators is under in process and will be shortly completed

LA7 Rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities by region

These indicators do not apply to TBL.

LA8 Education, training, counseling, prevention and risk-control programs in place to assist workforce member, their families or community members regarding serious diseases

These indicators do not apply to TBL.

LA9 Health and safety topics covered in formal agreements with trade unions

These indicators do not apply to TBL.

LA10 Average hours of training per year per employee by employee category

Hours of Training by employee category

Training Catagory	Year 2012		Year 2013	
Training Category	Tr. Program	Participants	Tr. Program	Participants
In-house	19	813	110	523
Local	134	1219	105	672
Foreign	2	3	4	4
Total	155	2035	219	1199

LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

TBL ensures that each employee is developed as fully as his or her ability, performance and opportunity within which the Bank may permit. To this end periodic reviews made to determine the performance and potential of employees and, if necessary, the training required to enable them to progress more senior positions.

LA12 Percentage of employees receiving regular performance and career development reviews

Hundred percent of confirmed employees are receiving regular performance and career development reviews.

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity

Employees by category and gender

	Male		Female	
	2012	2013	2012	2013
Executive	83	85	9	8
Officer	873	1023	334	362
Total	956	1108	343	370

Number of employees by category and age group

GRI Category	Age group	2012	2013
	18 to 34	3	2
	35 to 44	45	43
Everythere	45 to 54	36	38
Executive	55 to 64	8	10
	Over 65	0	0
	Total	92	93

	18 to 34	902	988
	35 to 44	277	365
Officer	45 to 54	25	28
Officer	55 to 64	3	4
	Over 65	0	0
	Total	1207	1385

LA14 Ratio of basic salary of men to women by employee category

Ratio of average salaries of men and women by category

Category	Ratio in 2012	Ratio in 2013
Executive	1.20 : 1	1 : 1.17
Officer	1 : 1.09	1 : 0.85
Total	1 : 0.91	1 : 1.01

Goals and performance

The way in which human rights issues are managed at TBL is reflected in its labor management approach. TBL deals with people, not the rigid application with policies.

Organizational responsibility

Policy/Program	Corporate Bodies With Formal Responsibility
Human Resource Aspects	Human Resources Division
Supplier Relations	General Services & Security Department

Training and Awareness

Trust Bank Training Academy has been working with its full dedication & efforts and continuous support from Management to provide excellence in Banking through development of attitude, knowledge and skill, keeping in view the organizational goal. The human rights aspects are a well-established part of the numerous training curriculums of Foundation and Advanced Training programs undertaken each year by the academy.

Human Rights Performance Indicators

HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening

These indicators do not apply to TBL.

HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken

TBL undertakes to treat all suppliers equally in accordance with the procurement policy approved by its Board of Directors. Although we do not yet conduct specific human rights screening of suppliers, this aspect is one of TBL's future commitments.

HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.

Total Hours of Employee Training

Name of Training	No. of Training	Total hours	Emp. Trained	% of Emp.
Foundation	5	400	152	45
Advance	7	560	204	94
Refresher Course	16	640	438	67.38

HR4 Total number of incidents of discrimination and actions taken

There have been no incidents of discrimination in TBL during 2013.

HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights

These indicators do not apply to TBL.

HR6 Operations identified as having significant risk for incidents of child labor and measures taken to contribute to the elimination of child labor

These indicators do not apply to TBL.

HR7 Operations identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of forced or compulsory labor

These indicators do not apply to TBL.

Social Management Approach

Goals and performance

TBL sets clearly defined goals for a wide variety of society-related aspects. Examples are our different commitments, such as financial inclusion, community engagement and compliance. The performance indicators on these issues can be found in this section.

Policies

The following are examples of TBL's social policies:

- The TBL Employees' Service Manual is for all its employees and it reinforces TBL's commitment to the highest ethical and moral standards;
- The operational risk management, internal control & compliance risk management and money laundering risk management manual requires internal control systems to guarantee respect for the law and regulations on the prevention of money laundering and funding of terrorism;
- The annual plans of activities of the Internal Control & Compliance Division, which ensure that legislation, regulations and internal rules are respected by the different corporate bodies;
- Internal control procedures for money laundering.

Organizational responsibility

The Board of Directors are ultimately responsible for the correct implementation of the above policies, programs and commitments which have been formally delegated to corporate bodies as detailed below.

Policies and programs and organizational responsibility

Policy/Program	Corporate Bodies With Formal Responsibility
Employees' Service Manual	Human Resources Division
Operational Risk Management	Internal Control & Compliance Division
Internal Control & Compliance Risk Management	Internal Control & Compliance Division
Money Laundering Risk management	Central Compliance Unit & AML Department

Training and Awareness

Trust Bank Training Academy has been working with its full dedication & efforts and continuous support from Management to provide excellence in Banking through development of attitude, knowledge and skill, keeping in view the organizational goal. The human rights aspects are a well-established part of the numerous training curriculums of Foundation and Advanced Training programs undertaken each year by the academy.

Social Performance Indicators

SO1 Nature, scope and effectiveness of any programs and practices that access and manage the impacts of operations on communities, including entering, operating and exiting

As decisions on opening or closing branches and officers are included in the bank's strategic growth, as a rule TBL conducts studies of the impact of these decisions on the region's economy and economic development conducted by the Operations Division.

Before TBL begins operations in a new location, it drafts a business plan, which includes an analysis of the impact on the local community. Several factors are analyzed when identifying these impacts, such as the current and future scale of the region, the community's socio-economic conditions, existing business activity, the needs of local SMEs, existing competition and potential complementarily and improvement in the services of the local commercial network.

After these analyses, it may happen that TBL will open a branch even though the prospects for business growth in the area are not favorable. This is because its intention is to be present in many points of the country and promote access to banking services to as many people as possible, even in places with low population density and buying power, with a view to financial inclusion.

These practices are closely related to the fact that TBL always seeks to establish long-lasting, personalized business relationships with companies and private customers, which means that employees', customers' and the community's interests are considered when entering or exiting.

SO2 Percentage and total number of business units analyzed for risks related to corruption

Risks of corruption are analyzed in the Internal Control & Compliance Risk Management and by the Internal Control & Compliance Division.

In 2013 the Internal Control & Compliance Division conducted on-site audits of:

- No. of Comprehensive Audit: 79 Branches, 12 Division & 6 TBIL Branches and 1 TBIL Head Office
- > No. of Spot Inspection: 40 Branches (24 regular spot inspection & 16 Anti Fraud Internal Control)

SO 3 Percentage of employees trained in TBL's anti-corruption policies and procedures

Number of employees trained in prevention of money laundering and funding of terrorism by category

Category	No. of Emp.	No. of Training	Total Hours
Officers/Executives	68	8	130

SO4 Actions taken in response to incidents of corruption

There was no incident of corruption in TBL in 2013.

SO5 Public policy positions and participation in public policy development and lobbying

TBL responds to requests for opinions on current standards from regulatory bodies, providing them with its views and positions, which contribute to the drafting of legal documents regarding the sector's activity. It also participates in sector working groups, where it expresses its opinions.

SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country

This indicator is not applicable for TBL as there were no contributions of this form during 2013.

SO7 Total number of legal actions for anticompetitive behavior, anti-trust and monopoly practices and their outcomes

No legal actions were brought against TBL for anticompetitive behavior or monopoly practices in 2013.

SO8 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations

No instances of monetary or non-monetary fines/sanctions were brought against TBL for non-compliance with laws and regulations in 2013.

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 of Trust Bank Limited (TBL) was at first formed on 5 February 2003 in the 64th Board meeting. Major objectives of 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 the 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 and in compliance to the circular issued by Bangladesh Bank, the Committee was reconstituted with the consistence of the following members of Board:

Mr. Helal Uddin Ahmed	Chairman
Brig Gen Kazi A S M Arif, afwc, psc	Member
Mr. Ashrafuzzaman Khan	Member
Mr. Khaled Mahbub Morshed	Secretary

In compliance with Bangladesh Securities and Exchange Commision's Notification No. SEC/ CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, Mr. Helal Uddin Ahmed, Independent Director of the Bank has been appointed as Chairman of the Committee. The Company Secretary also acts as the Secretary of the Audit Committee.

Roles and Responsibilities of Audit Committee

The purpose, 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:

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;
- Review the corrective measures taken by the management as regards the reports relating to fraudforgery, 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
- 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 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;

- 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 the 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 companies.

Financial Reporting

- 1. Review along with the management, 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.

Reporting to the Board of Directors

- 1. The Audit Committee shall report on its activities to the Board of Directors.
- 2. The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:
 - a) report on conflicts of interests;
 - b) suspected or presumed fraud or irregularity or material defect in the internal control system;
 - c) suspected infringement of laws, including securities related laws, rules and regulations;
 - d) Any other matter which shall be disclosed to the Board of Directors immediately.

Reporting to the Authorities

In case the Audit Committee has reported to the Board of Directors about material impact on the financial condition and results of operation and has discussed with the Board of Directors and in case the management feel that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.

Reporting to the Shareholders and General Investors

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition of Corporate Governance guideline, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.

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 findings 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.

External Audit

- 1. Review the auditing performance of the external auditors and their audit reports;
- 2. Review that 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 external auditors.

Compliance with existing laws and Regulations

To review as to whether the laws and regulations framed by the regulatory authorities (Bangladesh Bank, BSEC and other authorities) and internal regulations approved by the Board have been complied with.

Other Responsibilities

- Place compliance report before the board on quarterly basis regarding regularization of the errors & 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.

Meetings of the Committee

During the year 2013, 6 (six) meetings of the committee were held. In these meetings Managing Director, Head of IC&C, Head of Credit Administration and Chief Financial Officer (CFO) were invited to attend as and when the Committee deemed their presence necessary. The Committee had another meeting dated 24 February 2014 to deal in the Auditors' Report and financial statements of 2013, wherein external auditors of the Bank were present.

Functioning of Audit Committee

The Board of Directors has an auditor under the designation 'Board Auditor', who assists the Audit Committee in discharging its oversight function. Board Auditor reviews the audit reports of internal and external auditors, inspection reports of regulatory authorities and submits his findings to Audit Committee. Besides, he also conducts audit of different branches and divisions/departments of Head Office of TBL and submits his report to the Committee.

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 the Board Auditor and also of IC&C;
- 2. Review of significant internal audit reports of different branches and divisions/departments of Head Office (both of Board Auditor and IC&C) and compliance thereof by Management;
- 3. Review the status of classified loans of the Bank; Monitoring the top 20 defaulters;
- 4. Review the external auditors' report and their Management Letter and compliance thereof by Management;
- 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 & Divisions of Head Office of TBL.

Review of Financial Statements of 2013

The Committee in its 45 (01/2014) meeting held on 24 February 2014 reviewed the annual financial statements for the year 2013 wherein representative of external auditors was 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 3-years period. The representative further opined that quality of Bank's financial reporting has also improved and assured the Audit Committee that the financial statements for the year 2013 prepared by 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.

Helal Uddin Ahmed Chairman, Audit Committee



With completely separate book-keeping & strict Sharia adherence Trust Islamic Banking Services are available at all branches of Trust Bank Itd.

Lead a beneficial life for here & hereafter

We have

Deposit Products

- > Al-Wadeeah Current Account
- Mudaraba Savings Account
- Mudaraba SpecialNotice Deposit Account >> Hire Purchase under Shirkatul Meilk
- Mudaraba Term Deposit
- > Mudaraba Scheme Deposit Accounts
- \triangleright Qard facility

Investment Products

- > Bai-Murabaha
- > Bai-Muajjal
- > Bai-Istisna
- > Musharaka
- ➢ Bai-Salam
- > Retail products:

House Building Investment/Car/HD/Doctors' Scheme



Report of Shariah Supervisory Committee-2013



All praise is for Allah Subhanu-Wa- Ta'la, the most Beneficent & Merciful, Who is the One & Second to none. Durud & Salam is for the Prophet (SM) who is Rahmat for the entire mankind.

All the members of the Shariah Supervisory Committee of Trust Bank Ltd. express its satisfaction on the performance & growth of Islamic banking business of the Bank in the year 2013. The Shariah Supervisory Committee takes this opportunity to express its appreciation to the Board of Directors of the Bank for its continuous support and all members of the Management Team for their endeavor for the development of Islamic banking business of Trust Bank Ltd.

We report the following to the honorable Shareholders:

- i. The accounts of the Islamic banking operations of Trust Bank Ltd. are being maintained separately from its conventional banking accounts. Mingling of funds or the earnings thereof is strictly avoided.
- ii. The shariah committee gave considered decision & guidelines on Shariah issues of Islamic banking operations referred by the Management and reviewed the operational issues in respect of Islamic banking business of the Bank.
- iii. Management sought committee's approval on the features of any Islamic banking products before launching.
- iv. Shariah Supervisory Committee is satisfied on the business performance of Islamic banking in the year 2013 and on the commitment of the Management team regarding Shariah compliance in its Islamic banking operations.

We pray to Almighty Allah Subhanu-Wa-Ta'la for His unbound blessings for the growth & success of Islamic banking business of Trust Bank Ltd.

Ma Assalam-Wa-Rahmatullah

Hanlen

Mufti Dr. Muhammad Abdullah Chairman, Trust Bank Shariah Supervisory Committee

Positive Indicators in 2013

Trust Bank Limited Positive Indicators in 2013 Exclusive Information for Shareholders

			Growth in %
	Particulars	Consolidated (inclu	uding subsidiaries)
	Falticulars	ТК	%
Total	Loans & Advances	83,798,413,248	43.00%
Total	Investment	19,060,144,443	39.37%
Total	Assets	118,308,498,267	22.80%
Total	Deposits	102,523,874,084	23.43%
Total	Regulatory Capital	10,798,114,983	4.80%
Paid	up Capital	3,805,412,200	10.00%
Tier-I	(Core Capital)	7,163,179,295	4.71%
Total	Shareholder's Equity	7,200,202,748	5.12%
Statu	tory Reserve	2,169,218,210	10.34%
Total	Interest / Profit on Investment	10,206,650,839	17.34%
Net A	sset Value (NVA)	7,200,202,748	5.12%
Total	operating income	4,174,373,333	11.10%
Total	Profit before Taxes	1,163,446,548	22.22%
Earni	ng per share (EPS)	0.85	53.25%
Cred	t Deposit Ratio	81.74%	15.86%
NPL	Ratio	2.90%	4.28%
Retu	n on Investment (ROI)	3.00%	69.45%

Independent Audítor's Report To The Shareholders Of Trust Bank Límíted



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

Report on the Financial Statements

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 2013, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements 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 # 02 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and 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 also 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 2013, 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 # 02.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Company Act, 1991 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 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 note # 2.22.4 to the financial statements appeared to be materially adequate;
 - 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 the subsidiaries, namely, Trust Bank Securities Limited, Trust Bank Investment Limited of the Bank have been audited by other auditors and 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 accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate 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 and we have spent around 2,950 person hours for the audit of the books and accounts of the Bank.

Dhaka, 25 February 2014

ACNABIN Chartered Accountants

Annual Report 2013

TRUST BANK LIMITED

and its subsidiaries

Consolidated Balance Sheet

As of 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
PROPERTY AND ASSETS Cash	3	9,552,829,710	8,204,226,900
Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent bank(s)		2,437,947,691	2,080,875,831
(including foreign currencies)		7,114,882,019	6,123,351,069
Balance with other banks and financial institutions	4 (a)	3,569,557,204	1,916,230,614
In Bangladesh Outside Bangladesh		2,297,984,760 1,271,572,444	559,737,387 1,356,493,227
Money at call and short notice	5	250,000,000	11,750,000,000
Investments	6 (a)	19,060,144,443	13,675,751,211
Government	()	17,179,471,760	11,840,161,167
Others		1,880,672,683	1,835,590,044
Loans and Advances/Islami Banking Investments	7 (a)	83,798,413,248	58,599,090,157
Loans, Cash Credit, Overdrafts etc./ Investment		82,337,313,951	57,267,550,409
Bills purchased and discounted		1,461,099,297	1,331,539,748
Fixed assets including premises, furniture and fixtures	8 (a)	498,214,234	472,134,824
Other assets	9 (a)	1,579,339,428	1,721,819,901
Non-banking assets Total Assets		- 118,308,498,267	
LIABILITIES AND CAPITAL			
Liabilities	10 (a)	2 660 294 021	0 006 051 707
Borrowings from other banks, financial institutions and agents Deposits and other accounts	10 (a) 11 (a)	3,669,284,921 102,523,874,084	2,836,851,787 83,062,998,348
Current / Al-wadeeah Current Accounts and other Accounts	Π (α)	13,638,221,358	10,734,624,967
Bills Payable		1,082,668,864	925,782,935
Savings Bank / Mudaraba Savings Deposits		8,880,854,696	6,590,789,934
Fixed Deposits / Mudaraba Term Deposits		78,922,129,166	64,811,800,512
Bearer Certificates of Deposit Other Deposits		-	-
Other liabilities Total Liabilities	12 (a)	4,915,136,514	3,589,621,523
		111,108,295,519	89,489,471,658
Capital/Shareholders' Equity			
Paid up Capital	13.2	3,805,412,200	3,459,465,640
Minority Interest	13 (a)	789 532 225 500	522 225 500
Share Premium Account Statutory Reserve	14	532,225,500 2,169,218,210	532,225,500 1,966,008,097
Other Reserve	14	37,023,453	8,567,858
Retained Earnings	16 (a)	656,322,596	883,514,075
Total Shareholders' Equity	X- 7	7,200,202,748	6,849,781,949
Total Liabilities and Shareholders' Equity		118,308,498,267	96,339,253,607

Ν	otes	31.12.2013 Taka	31.12.2012 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	17	31,672,787,874	22,073,999,640
Acceptances and endorsements		8,657,249,978	6,384,512,348
Letter of Guarantees		7,935,554,690	3,078,321,328
Irrevocable Letter of Credits		12,234,899,460	10,031,156,394
Bills for collection		2,845,083,746	2,580,009,570
Other Contingent Liabilities Value of travelers' cheques in hand Total:		- 31,672,787,874	
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

The annexed notes form an integral part of these Financial Statements.

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31,672,787,874

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Managing Director

22,073,999,640

ACNABIN **Chartered Accountants**

Vice Chairman

Director

The Consolidated Balance Sheet referred to in our separate report of even date

Director

Dhaka, 25 February 2014

TRUST BANK LIMITED and its subsidiaries

Consolidated Profit and Loss Account For the year ended 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
Interest income / Profit on Investment	19 (a)	10,206,650,839	8,698,111,402
Interest / Profit paid on deposits and borrowings etc.	20 (a)	8,767,472,123	6,785,135,493
Net interest income		1,439,178,716	1,912,975,909
Income from investments	21(a)	1,586,562,050	913,646,094
Commission, exchange and brokerage	22 (a)	723,926,881	574,349,716
Other operating income	23 (a)	424,705,686	356,320,674
		2,735,194,617	1,844,316,484
Total operating income		4,174,373,333	3,757,292,393
Salaries and allowances	24(a)	1,165,592,962	946,911,325
	24 (a) 25 (a)	293,007,330	240,901,067
Rent, taxes, insurance, electricity, etc. Legal expenses	25 (a)	652,180	2,067,721
Postage, stamps, telecommunications, etc.	26 (a)	92,311,461	87,965,981
Stationery, printing, advertisement etc.	20 (a) 27 (a)	78,203,116	119,694,420
Managing Director's salary and benefits	27 (d)	10,750,339	8,944,837
Directors' fees	28 (a)	1,586,100	1,490,000
Auditors' fee	20 (u)	517,500	653,250
Charges on loan losses		-	
Depreciation and repair of bank's assets	29 (a)	144,597,399	134,944,994
Other expenses	30 (a)	450,923,388	385,534,194
Total operating expenses	()	2,238,141,775	1,929,107,789
Profit before provision		1,936,231,558	1,828,184,604
Provision for loans & advances / Investments	21(a)	604,277,620	837,377,540
Provision for Diminution in value of Investment	31 (a) 32(a)	66,783,479	8,924,833
Other provision	32(a) 33	101,723,911	29,932,904
	55	772,785,010	876,235,277
Total Profit before Taxes		1,163,446,548	951,949,327
Provision for Taxation		1,100,110,010	001,040,021
Current tax	12.5 (a)	850,114,718	778,711,885
Deferred tax		(8,633,364)	(9,461,848)
		841,481,354	769,250,037
Net Profit after Taxation Appropriations		321,965,194	182,699,290
Statutory Reserve	14.1	203,210,113	138,765,027
General reserve	17.1	-	
		203,210,113	138,765,027
Retained surplus		118,755,081	43,934,263
Earning per share (EPS)	35 (a)	0.85	0.55

The annexed notes form an integral part of the Profit & Loss Account.

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Vice Chairman

Director

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

م مراجع Director

Managing Dire

ACNABIN Chartered Accountants

Dhaka, 25 February 2014

TRUST BANK LIMITED and its subsidiaries

Consolidated Cash Flow Statement For the year ended 31 December 2013

	Notes	31.12.2013	31.12.2012
		Taka	Taka
A. Cash flow from operating activities			
Interest received in cash		10,529,340,872	8,713,884,240
Interest payments		(8,677,622,077)	(6,487,496,870)
Dividend receipts		26,678,268	42,566,453
Fees and commission receipts in cash		757,324,083	595,750,083
Recoveries of loans previously written off		-	-
Cash paid to employees		(1,105,023,966)	(947,097,411)
Cash paid to suppliers		(49,464,246)	(46,441,230)
Income Taxes paid		(867,900,242)	(1,166,621,320)
Received from other operating activities (item-wise)	36 (a)	2,105,815,201	1,206,095,534
Payments for other operating activities (item-wise)	37 (a)	(964,305,851)	(845,987,043)
Operating profit before changes in operating			
Assets and Liabilities		1,754,842,042	1,064,652,436
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(45,082,639)	105,725,410
Loan & advance to other banks		-	-
Loan & advance to customers		(24,728,092,558)	(3,278,708,659)
Other assets (item-wise)	38 (a)	657,353,542	(303,738,545)
Deposits from other banks		(69,539,853)	215,780,186
Deposits from customers		19,440,782,382	16,621,045,880
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39 (a)	(20,460,244)	93,580,347
Net cash from operating activities (A)		(3,010,197,328)	14,518,337,055
B. Cash flow from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(4,983,021,598)	(4,110,416,192)
Purchase of property, plant & equipment		(149,049,241)	(141,711,103)
Purchase of intangible assets		(3,269,075)	(4,409,995)
Sale of property, plant & equipment		4,660,943	6,601,428
Net cash from investing activities (B)		(5,130,678,971)	(4,249,935,862)
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:			
Call Ioan		-	-
Re-Purchase agreement (REPO)		-	-
Other borrowings		329,476,013	(159,154,196)
Share Capital A/c		10	532,225,500
Share Premium A/c			532,225,500
Dividend paid in cash		-	(266,112,740)
Net cash from financing activities (C)		329,476,023	639,184,064
D. Net increase in Cash and Cash Equivalent (A+B+C)		(7,811,400,276)	10,907,585,257
E. Effects of exchange rate changes on cash		(1,011,400,210)	10,001,000,201
and cash equivalents		(37,116,924)	(23,476,692)
F. Opening Cash and Cash Equivalent		21,873,736,814	10,989,628,249
G. Cash and cash equivalents at end of year (D+E+F)	40(a)	14,025,219,614	21,873,736,814
		,	

TRUST BANK LIMITED and its subsidiaries Consolidated Statement of changes in Equity As of 31 December 2013

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2013	3,459,465,640	532,225,500	779	1,966,008,097	8,567,858	883,514,075	6,849,781,949
Changes in accounting policy	-	-		-	-	-	-
Restated Balance	3,459,465,640	532,225,500	779	1,966,008,097	8,567,858	883,514,075	6,849,781,949
Surplus/Deficit on revaluation of properties	-	-		-	-	-	-
Surplus/Deficit on revaluation of investment	-	-		-	28,455,595	-	28,455,595
Currency transaction difference	-	-		-	-	-	-
Net gain and losses not recognized in the income statement	-	-		-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	321,965,194	321,965,194
Statutory reserve	-	-		203,210,113	-	(203,210,113)	-
Dividends (Bonus Share)	345,946,560	-		-	-	(345,946,560)	-
Dividends (Cash)	-	-	-	-	-	-	-
Issue of Share Capital	-	-	10	-	-	-	10
Balance as at 31 December 2013	3,805,412,200	532,225,500	789	2,169,218,210	37,023,453	656,322,596	7,200,202,748
Balance as at 01 January 2012	2,661,127,400		774	1,827,243,070	3,475,004	1,371,805,297	5,863,651,545
Changes in accounting policy	-	-		-	-	-	-
Restated Balance	2,661,127,400	-	774	1,827,243,070	3,475,004	1,371,805,297	5,863,651,545
Surplus/Deficit on revaluation of properties	-	-		-	-	-	
Surplus/Deficit on revaluation of investment	-	-		-	5,092,854	-	5,092,854
Currency transaction difference	-	-		-	-	-	-
Net gain and losses not recognized in the income statement	-	-		-	-	-	-
Net profit/(loss) for the year after tax	-	-	5	-	-	182,699,285	182,699,290
Statutory reserve	-	-		138,765,027	-	(138,765,027)	-
Dividends (Bonus Share)	266,112,740	-		-	-	(266,112,740)	-
Dividends (Cash)	-	-	-	-	-	(266,112,740)	(266,112,740)
Issue of Share Capital	532,225,500	532,225,500	-	-	-	-	1,064,451,000
Balance as at 31 December 2012	3,459,465,640	532,225,500	779	1,966,008,097	8,567,858	883,514,075	6,849,781,949

TRUST BANK LIMITED Balance Sheet As of 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		2,437,947,691	2,080,875,831
Balance with Bangladesh Bank and its agent bank(s)			
(including foreign currencies)		7,114,882,019	6,123,351,069
		9,552,829,710	8,204,226,900
Balance with other banks and financial institutions	4		
In Bangladesh		2,296,044,905	559,737,387
Outside Bangladesh		1,271,572,444	1,356,493,227
	_	3,567,617,349	1,916,230,614
Money at call and short notice	5	250,000,000	11,750,000,000
Investments	6		44.040.404.407
Government		17,179,471,760	11,840,161,167
Others		1,844,021,486	1,781,948,645
Loone and Advances/Jelemi Deuking Investments	7	19,023,493,246	13,622,109,812
Loans and Advances/Islami Banking Investments Loans, Cash Credit, Overdrafts etc./ Investment	7	77,818,478,310	E2 204 E20 210
Bills purchased and discounted		1,461,099,297	53,284,520,310
Bills purchased and discourted		79,279,577,607	1,331,539,748 54,616,060,058
Fixed assets including premises, furniture and fixtures	8	483,785,223	454,945,687
Other assets	9	4,582,270,713	4,697,205,102
Non-banking assets	3	-,502,270,715	-,037,200,102
Total Assets		116,739,573,848	95,260,778,173
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	3,664,026,268	2,834,806,984
Deposits and other accounts	11		
Current / Al-wadeeah Current Accounts and other Accounts		13,547,752,319	10,656,385,414
Bills Payable		1,082,668,864	925,782,935
Savings Bank / Mudaraba Savings Deposits		8,880,854,696	6,590,789,934
Fixed Deposits / Mudaraba Term Deposits		78,956,397,391	64,824,367,795
Bearer Certificates of Deposit		-	-
Other Deposits		- 102,467,673,270	- 82,997,326,078
Other liabilities	12	3,742,093,197	2,915,754,159
Total Liabilities		109,873,792,735	88,747,887,221
Capital/Shareholders' Equity			
Paid up Capital	13.2	3,805,412,200	3,459,465,640
Share Premium Account		532,225,500	532,225,500
Statutory Reserve	14	2,169,218,210	1,966,008,097
Other Reserve	15	37,023,453	8,567,858
Retained Earnings	16	321,901,750	546,623,857
Total Shareholders' Equity		6,865,781,113	6,512,890,952
Total Liabilities and Shareholders' Equity		116,739,573,848	95,260,778,173

	Notes	31.12.2013 Taka	31.12.2012 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	17	31,672,787,874	22,073,999,640
Acceptances and endorsements Letter of Guarantees Irrevocable Letter of Credits		8,657,249,978 7,935,554,690 12,234,899,460	6,384,512,348 3,078,321,328 10,031,156,394
Bills for collection Other Contingent Liabilities Value of travelers' cheques in hand Total:		2,845,083,746	2,580,009,570
Other commitments		31,672,787,874	22,073,999,640
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	5	-	-
Total Off-Balance Sheet items including contingent liabilities		- 31,672,787,874	- 22,073,999,640

Total Off-Balance Sheet items including contingent liabilities

The annexed notes form an integral part of these Financial Statements.

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

Aayuss

Vice/Chairman

Director

In dry daw Director

Managing Director

ACNABIN **Chartered Accountants**

Dhaka, 25 February 2014

TRUST BANK LIMITED

Profit and Loss Account

For the year ended 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
Interest income / Profit on Investment	19	9,863,277,066	8,343,784,809
Interest / Profit paid on deposits and borrowings etc.	20	8,752,142,555	7,053,722,027
Net interest income		1,111,134,511	1,290,062,782
Income from investments	21	1,580,528,080	906,640,920
Commission, exchange and brokerage	22	723,006,672	572,896,012
Other operating income	23	310,646,629	231,242,009
		2,614,181,381	1,710,778,941
Total operating income		3,725,315,892	3,000,841,723
Salaries and allowances	24	1,132,518,634	891,112,956
Rent, taxes, insurance, electricity, etc.	25	283,052,846	229,374,484
Legal expenses		652,180	2,067,721
Postage, stamps, telecommunications, etc.	26	90,280,954	85,577,715
Stationery, printing, advertisement etc.	27	77,431,168	118,929,578
Managing Director's salary and benefits		10,286,159	8,944,837
Directors' fees	28	1,403,100	1,250,000
Auditors' fee		287,500	496,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29	140,560,989	131,118,654
Other expenses	30	440,132,229	374,537,233
Total operating expenses		2,176,605,759	1,843,409,678
Profit before provision		1,548,710,133	1,157,432,045
Provision for loans & advances / Investments	31	358,006,000	432,975,000
Provision for Diminution in value of Investment	32	72,929,656	699,007
Other provision	33	101,723,911	29,932,904
		532,659,567	463,606,911
Total Profit before Taxes		1,016,050,566	693,825,134
Provision for Taxation Current tax	12.5.1	700,000,000	520,000,000
	12.5.1		
Deferred tax		(8,384,000)	(8,874,156)
Not Drofit ofter Terretien		691,616,000	511,125,844
Net Profit after Taxation		324,434,566	182,699,290
Appropriations	44.4	202.240.442	100 705 007
Statutory Reserve	14.1	203,210,113	138,765,027
General reserve		203,210,113	- 138,765,027
Retained surplus		121,224,453	43,934,263
ורבימוויבת או אותא		121,224,433	43,334,203
Earning per share (EPS)	35	0.85	0.55

The annexed notes form an integral part of these Financial Statements.

Й Vice Chairman

Director

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

dm d M Director

Managing Director

ACNABIN Chartered Accountants

Dhaka, 25 February 2014

TRUST BANK LIMITED

Cash Flow Statement

For the year ended 31 December 2013

	Notes	31.12.2013	31.12.2012
		Taka	Taka
A. Cash flow from operating activities			
Interest received in cash		9,828,899,592	8,359,464,531
Interest payments		(8,662,292,509)	(6,756,083,404)
Dividend receipts		26,678,268	42,566,453
Fees and commission receipts in cash		757,091,246	594,296,379
Recoveries of loans previously written off		-	-
Cash paid to employees		(1,075,273,293)	(888,887,042)
Cash paid to suppliers		(48,999,807)	(45,726,507)
Income Taxes paid		(618,550,669)	(811,539,907)
Received from other operating activities (item-wise)	36	1,985,621,986	1,074,011,695
Payments for other operating activities (item-wise)	37	(938,953,014)	(820,006,484)
Operating profit before changes in operating			
Assets and Liabilities		1,254,221,800	748,095,714
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(62,072,841)	148,712,577
Loan & advance to other banks		-	-
Loan & advance to customers		(24,695,244,137)	(3,692,547,833)
Other assets (item-wise)	38	305,863,842	(320,510,342)
Deposits from other banks		(69,539,853)	215,780,186
Deposits from customers		19,450,253,838	16,665,908,854
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	39	(17,418,989)	99,961,136
Net cash from operating activities (A)		(3,833,936,340)	13,865,400,292
B. Cash flow from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(4,661,301,598)	(4,110,416,192)
Purchase of property, plant & equipment		(147,850,303)	(139,662,018)
Purchase of intangible assets		(3,269,075)	(4,409,995)
Sale of property, plant & equipment		3,797,901	6,601,428
Net cash from investing activities (B)		(4,808,623,075)	(4,247,886,777)
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:		-	-
Call Ioan		-	-
Re-Purchase agreement (REPO)		-	-
Other borrowings		829,219,284	491,733,482
Share Capital A/c		-	532,225,500
Share Premium A/c		-	532,225,500
Dividend paid in cash		-	(266,112,740)
Net cash from financing activities (C)		829,219,284	1,290,071,742
D. Net increase in Cash and Cash Equivalent (A+B+C)		(7,813,340,131)	10,907,585,257
E. Effects of exchange rate changes on cash			(00.470.000)
and cash equivalents		(37,116,924)	(23,476,692)
F. Opening Cash and Cash Equivalent	10	21,873,736,814	10,989,628,249
G. Cash and cash equivalents at end of year (D+E+F)	40	14,023,279,759	21,873,736,814

TRUST BANK LIMITED Statement of changes in Equity As of 31 December 2013

Particulars	Paid up Capital	Share Premium Account	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2013	3,459,465,640	532,225,500	1,966,008,097	8,567,858	546,623,857	6,512,890,952
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	3,459,465,640	532,225,500	1,966,008,097	8,567,858	546,623,857	6,512,890,952
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	28,455,595	-	28,455,595
Currency transaction difference	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	324,434,566	324,434,566
Statutory reserve	-	-	203,210,113	-	(203,210,113)	-
Dividends (Bonus Share)	345,946,560	-	-	-	(345,946,560)	-
Dividends (Cash)	-	-	-	-	-	-
Issue of Share Capital (Rights Share)	-	-	-	-	-	-
Balance as at 31 December 2013	3,805,412,200	532,225,500	2,169,218,210	37,023,453	321,901,750	6,865,781,113
Balance as at 01 January 2012	2,661,127,400		1,827,243,070	3,475,004	1,034,915,074.00	5,526,760,548
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	2,661,127,400	-	1,827,243,070	3,475,004	1,034,915,074.00	5,526,760,548
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	5,092,854	-	5,092,854
Currency transaction difference	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	182,699,290.00	182,699,290
Statutory reserve	-	-	138,765,027	-	(138,765,027.00)	-
Dividends (Bonus Share)	266,112,740	-	-	-	(266,112,740.00)	-
Dividends (Cash)	-	-	-	-	(266,112,740.00)	(266,112,740)
Issue of Share Capital (Rights Share)	532,225,500	532,225,500	-	-	-	1,064,451,000
Balance as at 31 December 2012	3,459,465,640	532,225,500	1,966,008,097	8,567,858	546,623,857.00	6,512,890,952

TRUST BANK LIMITED Liquidity Statement (Asset and Liability Maturity Analysis) As of 31 December 2013

						Amount in Taka
Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
Assets:						
Cash in Hand	2,437,947,691	-	-	-	-	2,437,947,691
Balance with Bangladesh Bank and Sonali Bank	2,122,972,019	-	-	-	4,991,910,000	7,114,882,019
Balance with other banks and financial institutions	1,867,617,349	1,180,000,000	520,000,000	-	-	3,567,617,349
Money at call and short notice	250,000,000	-	-	-	-	250,000,000
Investments	904,936,865	4,519,009,230	5,616,467,477	2,719,044,771	5,264,034,903	19,023,493,246
Loans and Advances	12,066,927,382	14,471,678,677	28,874,440,366	15,804,937,893	8,061,593,289	79,279,577,607
Fixed Assets including premises, furniture and fixtures	-	-	-	-	483,785,223	483,785,223
Other assets	323,332,322	397,953,224	372,542,274	107,491,226	3,380,951,667	4,582,270,713
Non-banking assets	-	-	-	-	-	-
Total Assets	19,973,733,628	20,568,641,131	35,383,450,117	18,631,473,890	22,182,275,082	116,739,573,848
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	401,697,107	392,335,539	785,385,222	2,084,608,400	-	3,664,026,268
Deposits	24,523,059,388	21,895,902,588	38,821,572,882	8,804,200,534	3,779,966,204	97,824,701,596
Other accounts	4,642,971,674	-	-	-	-	4,642,971,674
Provision and other liabilities	780,898,367	545,834,951	1,504,983,285	575,785,072	334,591,522	3,742,093,197
Total Liabilities	30,348,626,536	22,834,073,078	41,111,941,389	11,464,594,006	4,114,557,726	109,873,792,735
Net Liquidity Gap	(10,374,892,908)	(2,265,431,947)	(5,728,491,272)	7,166,879,884	18,067,717,356	6,865,781,113

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 as of 31 December 2013

1 The Bank and its 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 Eighty Two (82) branches and six (6) SME Service Centers/Krishi Branch are operating in Bangladesh as at 31 December 2013. The Bank has no overseas branches as at 31 December 2013. 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 36, Dilkusha Commercial Area, Dhaka - 1000.

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

1.1 Off-shore Banking Unit

The Bank obtained Off-shore Banking Unit Permission vide letter no. BRPB(P-3)744(116)/2010-2462 dated 2 June 2010. The Bank commenced its opration from 24 October 2013 through our Dilkusha Corporate 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-E

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 Septemebr 2010 with an initial paid up capital of Taka 3,000 million upon receiving consent from SEC on 25 October 2010.

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

1.1.3 Trust Bank Securities Limited

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

1.2 Islami Banking Activities

Islamic banking refers to a system of banking or banking activity that is consistent with Islamic law (Sharia) as stated in the Holy Qur'an and Sunnah of the Prophet Muhammad, pbuh. The most important feature of Sharia is (i) the prohibition of Riba, the collection & payment of interest, and (ii) prohibition of investment in business which are Haram (unlawful) in Islam. Islamic banking is a trade based operation and structured on the basis of the underlying contract of sale or investment between the bank and the client in compliance of Sharia guidelines.

Trust Islamic Banking (TIB) started its operation from latter part of 2008 through 5 (five) Islamic banking windows at the TBL-Principal Br., Gulshan Br., Dilkusha Br. in Dhaka, CDA Br. in Chittagong & Sylhet Corporate branch in Sylhet. In addition to the above mentioned 5 (five) branches all TBL branches are now providing Islamic banking services to their clients under centralized on-line operation system. In addition to the Sharia 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.
- · Separate book-keeping, Profit & Loss Account by Islamic banking software.
- Investment from the Islamic banking deposits only.
- Profit sharing with the depositors at 80:20 ratios.

As of close of year 2013, total deposits of TIB stands at Tk.5,188.55 million & investments Tk.3,841.29 million showing a growth of 68% & 177% respectively from the corresponding position of 2012.

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

In spite of the substantial growth in 2013, TBL is yet to capitalize the full potentials of the Islamic banking market. Investment figures have been increased only in the last quarter of the year to a satisfactory level but the AD ratio is yet to reach the expected 82-85 level to ensure a healthy return. However, Islamic banking operations of the bank are expected to substantially improve its performance in the upcoming year considering the already attained business position.

1.3 Retail Banking Activities

Year 2013 was the year of transformation and steady growth of business for Retail Banking Unit (RBU). The change of business focus from liability to asset helped the bank to acquire new businesses and build a strong clientele. Different positive approaches have been taken and products were amended to cater the needs of different segment.

From 2006 till today RBU successfully designed and implemented customer focused products with the guidance of bank management. Competitive liability and asset products, dedicated Direct Sales team, strong back office team and different value added services have ensured customer satisfaction and a loyal customer base. Our continuous effort to provide quality financial services has inspired us to deliver the best.

Deposit Campaign

Liability

With a different business approach RBU designed a low cost deposit campaign 'CASA UTSHOB 2013'. The target was to generate low cost deposit to minimize bank's interest risk and maintain balance of overall deposit. The campaign surpassed the net growth target by BDT 283 Crore and reached a staggering amount BDT 583 Crore.

Assets

First ever asset campaign was launched in 2013. It created a positive vibe among all employees in the bank and the campaign saw a total disbursement of BDT 28 Crore within 3 months span.

Training & Development

Retail Banking carried out extensive training to the Direct Sales Representative (DSR) on retail products, current retail business market & our approaches towards customers.

Product Development

Revision of Product Program Guideline (PPG) of Personal Loan, Loan Against Salary and Doctor's Loan has been made. A comprehensive Risk Fund Policy and Credit Card Policy were designed by RBU. Liability products were developed targeting the institutional customers

Participation in First School Banking Conference

Trust Bank participated in the 'First School Banking Conference 2013' held at Bangladesh Bank Training Academy on April 2013. Bangladesh Bank arranged the whole conference where Trust Bank provided wholehearted support to make the event a great success.

Trust Youniverse

Our relentless efforts continues to expand the horizon of 'Trust Youniverse' to serve our customers with a sweet topping on the ice cream! Last year we signed MoUs with prominent business entities like: BTI, Ocean Paradise Hotel & Resort, Fiore, Praasad Paradise etc. to allow our Credit & Debit Card Holders to enjoy discount facility while using our cards.

ASSET LIABILITY PERFORMANCE 2013

Liability/Deposit

Different initiatives to boost the deposit growth have earned the bank a stable and strong liability position. The outcome of the low cost campaign, overall monitoring and guidance of the bank management and most importantly dedicated service towards our respected clients have ensured a mammoth yearend retail deposit balance which is 33% higher from 2012.

Asset

The asset campaign was a true success which can be resembled in the yearend asset balance. Total portfolio rose up to BDT 19080 Million.

Credit Card

Trust Bank is putting emphasis on its Credit Card services. Already a Credit Card Policy has been designed and in near future the bank will come up with attractive features to provide multi level benefits to its Card Holders. Already we have 2075 Credit Card users with an outstanding amount of BDT 7.1 Crore.

RETAILS BANKING PRODUCTS AT A GLANCE

Deposit Products

• Savings Accounts: Savings Bank Account, Trust Porua Account, Trust Sristi Account, Trust Privilege Account, Trust Unfixed Deposit, Trust Payroll

• Current Account: Current Deposit Account, Defence Personnel Salary Account (DPSA)

• Deposit Scheme Account: Trust Assurance Deposit Scheme (TADS), Trust Maxmill, Trust Echo, Trust Echo Plus, Trust Jhinuk, Trust Smart Savers Scheme (TSSS), Lakhopoti Saving Scheme, Trust Money Double Scheme (TMDS), Trust Kotipati Scheme and Trust Kotipati Plus.

• Fixed Deposit Receipt (FDR) with several convenient Tenors

- Student File
- Trust Mobile Money

Loan Products

Unsecured Loan

Personal Loan, Loan Against Salary, Education Loan, Doctor's Loan, Trust Digital Loan. Any Purpose Loan for Defence Officers, Motor Cycle Loan for Defence Personnel, Marriage Loan for Defence Personnel, House Hold Durable Loan for Defence Officers, CNG Conversion Loan Defence Officers, OD Against Salary for Defence Officers, RRDH for JCO's and Others.

Secured Loan

Car Loan, Apon Nibash Loan (House Finance), HBL against Registered Mortgage for Defence Officers, Officers, Army Officers Housing Loan Scheme, Trust Thikana- Home Loan, Loan against Commutation Benefits for Defence Personnel.

Credit Card

Credit Card Local: VISA Classic and VISA Gold

Credit Card International: VISA Classic and VISA Gold/Dual

1.4 SME Financing

Small and Medium Enterprises have indeed become one universally agreed motif of the development landscape when it comes to sustainable, efficient and pro-poor growth of labor-surplus economies. SME's typically harness more workers per unit of output for production, relatively lower levels of labor productivity and lower rates of wages having smaller degrees of risk compared with larger enterprises. Considering all positive indicators, SME is recognized as engine of economic growth. The issue of fostering SME growth in Bangladesh can in no way be ignored as these industries have huge prospects for creating large scale employment opportunities and potentialities of innumerable income generation especially in semi-urban and rural areas. As such, the Bank is moving forward to SME customer segment with market approach to meet the credit need & considering the business potentials and return on investment. The business expansion and monitoring is carried out throughout its 82 no. country wide branches and 6 SME/ Krishi Branch / service centers with the full support of dedicated SME business division.

Trust Bank has launched different products based on BB policy with cluster/ area approach and marketing these products matching with the customer need. Its especial emphasis is on:

"Trust - Muldhon" Loan for shopkeepers and Traders

"Trust - Projukti" Loan for light engineering,

"Trust - Bunon" Loan for power loom and handloom and other allied industries,

"Trust - Shufola" Loan for Bio-gas, Solar panel, Livestock, Fisheries & Agro- Processing units,

"Trust - Ekota" Group Loan with Cluster approach,

"Loan for Women Entrepreneurship",

"Trust - Easy pay" Loan for Contractors to encourage service sectors

"Peak seasons loan" and SME (others)

The bank is also financing under refinancing scheme of Bangladesh Bank, namely, ADB, JAICA, WE fund

During 2013, Trust Bank's strategy was to focus on marketing the products to Cluster wise financing under the agreement with SME Foundation through branches network and outsourcing agent on area/ group approach to manufacturers, service, Agri and renewable energy sector to meet the requirement of business plan, growth and profitability and ultimately for the expansion of SME portfolio. Banks exposure is thus well diversified to different sectors viz. power loom, Handloom, light engineering, handicrafts, Nakshi kantha, garments accessories, Bio-gas, Bio-fertilizer, Irrigation by Bio gas , Fisheries, Poultry and other agri-business and the portfolio stands at Tk. 53700.00 million resulting growth of 20% against the previous year. Disbursement for the year was Tk.4469.00 million against the target of Tk.3000.00 million under SME business. 4 – Cow model integrated farm model under Trust – Shufola covered 1502 farm families for Bio-gas plant. A number of 355 Women entrepreneurs have been financed whose outstanding stands at Tk. 97.00 million.

This extension of SME financing has increasingly created the employment opportunity directly or indirectly throughout the country and expanding small enterprises and help minimizing the financial risk.

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) financial statements of Trust Bank Limited as at and for the year ended 31 December 2013 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 appliable 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 recognised at cost.

ii) Revaluation gains/losses on Government securities

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

Bangladesh Bank: According to DOS CIrcular 05 dated 26 May 2008 and subsquently 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 recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on loans and advances/investments

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

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012) 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 recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

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

v) Other comprehensive income

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

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

vi) Financial instruments – presentation and disclosure

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

vii) Financial guarantees

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

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

viii) 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.

ix) Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS. **Bangladesh Bank:** As per BRPD 14, there must exist a face item named Non-banking asset.

x) Cash flow statement

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

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

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

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

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

xii) Presentation of intangible asset

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

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

xiii) Off-balance sheet items

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

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

xiv) 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 and Trust Bank Securities 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 recognised in the period in which the estimate is revised and in any future periods affected.

2.5 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.

2.6 Foreign currencies

Transactions in foreign currencies are translated into reporting currency at the rates of exchange prevailing on the date of such transactions and resulting gains or losses are credited or charged to profit & loss account as per BAS-21" The Effects of Changes in Foreign Exchange Rates".

The assets and liabilities of foreign operations are translated to Bangladeshi Taka at exchange rates prevailing at the balance sheet date. The income and expenses of foreign operations are translated at average rate of exchange for the year.

2.7 Reporting Period

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

2.8 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.

2.10 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.

2.11 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.

2.12 Taxation

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

2.12.1 Current Tax

In compliance with BAS-12 " Income Taxes", provision for current income tax has been made @ 42.50% 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.

2.12.2 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 recognised 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 recognised in the profit and loss account as per BAS-12 "Income Taxes".

2.13 Provision and accrued expenses

In compliance with BAS-37, provisions and accrued expenses are recognised 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 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

2.15 Provision for nostro accounts

The Bank does not rquired to maintain provision for nostro accounts for the year 2013 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.

2.16 Assets and basis of their valuation

2.16.1 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.

2.16.2 Loans and advances / Investments

Effort for sustainable credit operation was constantly streamed throughout the 2013 to gaze better and beautiful Bangladesh with our little and limited span. This dream has leaded us forward through rocky road to reach the goal. But, in this journey, no compliance and risk management was spared to have good asset & retain healthy credit. So, conquering the wave of unrest situation and creating prudent path through sluggishness in the financial sector of the country, TBL with its team has been able to reach new height of credit rise in all inclusive manner. We have proved ourselves one of the leading banks in stand beside the entrepreneur with financial solution according to need. In return, TBL has succeeded to achieve significant credit growth of 45% touching to BDT79,279.278 million from the point of BDT54,616.060 million of 2012. In this flight, we have been new partner in progress through finance in Rice Bran Oil, Green Building, and Hospitality Service etc.

2.16.3 **Provision for loans And advances**

When a bank sanctions and disburses a loan, it anticipates that the loan will be repaid in due time but practically it does not happen. As such, all loans and advances are classified according to their condition. The objective of the system of the classification and provisioning is to strengthen the credit discipline and to improve the recovery position of loans and advances by the banks.line with the instructions contained in BRPD Circular no.14 dated 23 Septemebr 2012 issued by Bangladesh bank, Details of which are shown in Note # 12.1:

The procedure of classification and provisioning for all types of bank loans & advances will be governed by the guidelines of BRPD circular on this aspect issued by Bangladesh Bank from time to time. It is now governed by Bangladesh Bank's BRPD's Circular # 14, dated September 23, 2012, BRPD Circular #19 dated 27.12.2012 and BRPD Circular #05 dated 29.05.2013.

TBL as its culture has maintained adequate provision as BDT 1,869.210 million in 2013 against required amount of BDT 1849.915 million for Loans and Advances. On the other hand, provision against off-balance

sheet exposure for 2013 stands at BDT316.748 million. The provision amount for both aspects has rise from 2012 due to the bright growth of credit as well as 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	5%
f. Loans to BHs/ MBs/ Sds against Shares etc	2%
g. All other Credit	1%
h. Special Mention Account	0.25% to 5%
Specific provision on	
a. Substandard Loans and Advances	
i. Short Term Agri Credit & Micro Credit	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
b. Doubtful Loans and Advances	
 Short Term Agri Credit & Micro Credit 	5%
ii. Other than Short Term Agri Credit & Micro Credit	20%
c. Bad/Loss Loans and Advances	100%

2.16.4 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.

2.17 Investments

Investments have been initially recognised at cost, including acquisition charges associated with the investment. Premiums have been amortised 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 dateted 28 January 2009.

The valuation methods of investment used are:

2.17.1 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. 24 dated December 27, 2011 a bank can only hold securities of maximum 85% of the total SLR requirement (usually kept as approved government securities) as HTM category. These investment securities can be transferred to and/or re-categorized as HFT any time after getting approval from the Board of Directors of the Bank.

2.17.2 Held for trading

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

Investment Class	Initial recognition	Subsequent Mesuarement	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.

2.18 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	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 acquisition and in case of sale upto the date of sale.

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

2.18.1 Intangible assets

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

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

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 amortisation and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customising the software for its intended use. Software is amortised using the straight line method over the estimated useful life of 5 (five) years commencing from the month at which the aplication software is made available for use.

2.18.2 Non-Banking Assets

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

2.18.3 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 recognised amounts and there is an intention to settle on a net basis, or realise 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.

2.19 Liabilities and Provisions

2.19.1 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 Incom 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 Incom Tax Ordinance 1984 w.e.f. 22 December 2004. The Bank pays Tk. 1,600,000 annually as bank's contribution to the Fund.

2.19.2 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.

2.20 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 recognised 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 recognised on accrual basis

vi) Management and other expenses

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

2.21 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.

2.22 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.

2.22.1 Credit risk management

The bank believes that risk management is the core function that makes its business sustainable. Ability to generate profit consistently and sustainably is a function of risk management and the bank is breaklessly pursuing continuous improvement in this area. One of the prime risks the bank is exposed arises from credit facility to extended customers through lending operations. In this regard, objective of risk management is to maximize risk-adjusted returns lasting within own risk appetite. TBL Risk management and continuous monitoring of such risks. The policies and procedures established for the purpose are constantly reviewed to adopt regulatory changes and improvements. Bank's Board of Directors is first and foremost responsible for establishing risk appetites, approving related strategies and policies and overseeing policy compliance and the effectiveness of the risk management framework through reports from Internal Control and Compliance Department.

Credit risk policy covers corporate, retail, small and medium enterprise exposure. Policies and procedures together have structured and standardized credit risk management process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure in the bank that covers Industry/ Business risk, management risk, infra-structure & technical risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk. To ascertain better internal control and check, and to reduce conflict of interest, Credit risk management function is self-regulating of business originating functions. The Head of Credit Risk Management (HoCRM) has clear responsibility for management of credit risk.

2.22.2 Asset liability risk management

Asset Liability Management (ALM) especially focuses on "Risk Management". It covers the widest range of the banking activities in day-to-day operation. Introduction of ALM in a bank simply ensures the existence of healthy and prudent asset liability management system in the institute. In the complex banking era, there are so many risk factors any one which is good enough to a negative growth. Therefore, identification of factors and effective control over them are important and essential. Under the ALM system, it is ensured that then senior management would be attentive to balance sheet items for the great interest of the bank. As per Bangladesh Bank guideline, TBL (Trust Bank Limited) has formed a committee of Assets and Liability Management called ALCO (Assets Liability Management Committee).

ALM has been designed under main 4 (four) broader heads including (i) Understanding of Asset Liability Management (ALM), (ii) Strategic for ALM, (iii) Operational policy of ALM and (iv) Review, Monitoring & Control.

Understanding part has described the ALM from different angle along with the major risk forces prevailing in the financial market. Strategic policy guideline that the TBL has set on some particular issues such as LD Ratio (Loan Deposit ratio), MCO (Maximum Cumulative Outflow), determination of interest rate on deposits,

determination of Interest rate on Inter Bank General Account (TBL Gen A/C), Wholesale Deposit Guideline (WDG), Commitments, Placement Limit with other Banks, Liquidity Contingency Plan, Regulatory Compliance etc. Moreover a good number of specific reporting formats have been embodied covering almost every corner of information sector that will help the management to take their decision. Operational part explains the structure of ALCO along with meeting, Agendas, ALCO papers etc. need to be followed on regular basis by the Bank. Finally, last part includes overall monitoring and control measure purview of the stated policy guidelines of the Asset Liability Management of the Trust Bank Ltd.

2.22.3 Foreign exchange risk management

Foreign Exchange Risk represents the fluctuation in exchange rate movements which may affect the bank's open position on some currency. Foreign exchange risk arises when the Bank deals in foreign currency transactions which lead to overbought or oversold foreign exchange position such as foreign exchange transaction, investments, loans, borrowings, contractual commitments, and the use of foreign exchange related derivatives. The Bank may incur gains or losses as a result of changes in foreign exchange rates.

Foreign exchange rate risk factors relate to the increasing volatility of foreign exchange rates for various reasons, such as global trade imbalance, the pace and size of international capital movements, fragile global economic recovery and foreign money market stress as well as the economic and political situation in Bangladesh.International Division independently conducts the transactions relating to Foreign Exchange and is responsible for verification of deals and passing of their entries in the books of account. Foreign exchange risk are measured and monitored by treasury division of our Bank. To address the issue, all foreign exchange activities have been segregated between front office, mid office, and back office which are responsible for currency transactions, deal verification, limit monitoring and settlement of transactions separately. Mid office acts to bridge between the front office and back office in terms of providing MIS, analytical observation/recommendation, projection of market trends, budget planning, contingency planning of both local and foreign currency. All foreign exchange transactions should be revalued at Market rate as determined by Bangladesh Bank in the daily basis. All nostro accounts are reconciled on monthly basis and outstanding entry is reviewed by the management for its settlement. The F.Ex position maintained by the bank at the end of the day has to be within the limit prescribed by the Bangladesh Bank.

2.22.4 Internal control and compliance risk management

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of 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 & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place through establishment of Audit Committee as per the instructions of Bangladesh Bank, which reviews the internal and external audit reports and ensures that the management takes effective measures in case of any deficiency/ lapse is found in the internal control system. 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 & 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.

In addition, the bank has conducted 'Spot Inspection' in the branches on different areas of banks operations. With the regular spot inspection on different areas of banking operations, Bank has also introduced 'Spot Inspection on Anti Fraud Internal Control' (AFIC) in the year 2013 to develop Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in Bank. In setting out a strong internal control framework within the organization, the bank has already brought out its Internal Control Manual, which focuses on monitoring the functions of various departments/divisions of Head Office and branches of the bank periodically on regular basis. 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.

In 2013, IC&C Division conducted comprehensive audit in 82 branches and 12 divisions/ departments at Head Office of the bank. In the same year the internal audit team of IC&C division carried out 40 spot inspections

in different branches, of which 24 were regular spot inspection and 16 were on Anti Fraud Internal Control. In addition, audit was also conducted in 06 TBIL branches & Trust Bank Investment Ltd, Head Office in 2013.

Each year the IC&C Division sets out an audit plan (internal) for the year which is approved by the Managing Director. At the end of the year a summary report on audit findings and corrective action taken, is placed in a meeting of the Audit Committee of the Board for information and necessary advice/suggestions. To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 22 August 2013 to review the implementation/ compliance status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

2.22.5 Money laundering risk management

Money Laundering is no more a local or regional issue that cannot be ignored – with the globalization of economy, we are living in a global village and are not immune to others problem. Money laundering & CFT is an issue that affects our nation, business, society and ultimately even the livelily hood of individuals. As a member country of Asia Pacific & Egmont Group Bangladesh is committed to comply with the recommendations of Financial Action Task Force (FATF).

Bangladesh has enacted the Money Laundering Prevention Act, 2012 & Anti-Terrorism Act, 2012 which covers all the international standards and requirements and assigned BFIU of BB to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country safe & compliance. Trust Bank Limited (TBL) is as a compliant & responsible institution committed to the highest standards of Anti-Money Laundering (AML) compliance and adhere to the set rules & declared standards to prevent use of our products and services for money laundering purposes. In addition to the legal compliance, Trust Bank Limited considers AML & CFT compliance as part of its social responsibility & commitment

Like other banks and FSI (Financial Services Industry) across the globe TBL reckons that prevention of Money Laundering & Combating Terrorist Financing is the two challenges that confront the financial sector today.

The TBL Anti Money Laundering Policy Guidelines which is drafted in line the Bangladesh Bank Guidance notes on Prevention of Money Laundering and Terrorist Financing encompasses the following major issues as part of its AML measures;

- 1. Mandatory maintenance of KYC (Know Your Customer) Forms for all types of accounts
- 2. Maintenance & monitoring the TP (Transaction Profile) of the accounts/client. Monitoring of unusual/ suspicious transaction and report to Bangladesh Bank if required
- 3. Submission of Cash Transaction Report (CTR) to Bangladesh Bank as per regulatory requirement
- 4. Keeping of records for 05 (five) years from the date of closing of any type of account
- 5. Appointment of Compliance Officer in every branch and Chief Compliance Officer at Head Office
- 6. Adequately train officials on Anti-Money Laundering and Combating Financing of Terrorism
- 7. Classification of customers on the basis of risk
- 8. Declared Customer Acceptance Policy.
- 9. Reporting of STR/SAR to Bangladesh Bank as and when detected.
- 10. Prohibition of opening of any anonymous or fictitious account
- 11. Prohibition of any numbered account.
- 12. Prohibition of establishing banking relationship with any shell company
- 13. Compliance of UN sanction list

For mitigating the risks the bank has a designated Chief Anti-Money Laundering Compliance Officer (CAMLCO) & Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) at Head Office and Branch Anti Money laundering Compliance Officers (BAMLCO) at branches, who independently review the transactions on the accounts to verify suspicious transactions and other AML measures

2.22.6 IT risk management

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. Organizations across sectors and industries have begun to consolidate functions to develop a more comprehensive, focused approach to IT Risk. IT Risk includes security, availability, performance and compliance elements. As IT has become widely and deeply interconnected with business operations, IT Risk has grown to prominence as a component of total operational risk. More than just specialty area of Operational Risk Management, IT Risk Management is emerging separate practice because of the unique role IT plays in today's organizations. Considering the circumstances the major factor of IT Risk Management includes Management of IT assets and configuration and change processes as particular problem areas Best-inclass. 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 - securing confidentiality of private and personal information, for example against identity theft.

b) Data Retention - ensuring that enterprise data is stored securely and retained for access by legitimate users.

c) Corporate Governance - assuring that public disclosures accurately reflect corporate performance.

d) National Security - protecting citizens and national infrastructure from terrorism, war, or national disaster.
 e) Civil & Criminal legal Framework - assuring that IT systems and network systems support legal infrastructure through electronic signatures, data movement and use of IT resources.

f) Intellectual Property Protection - protecting individual and corporate intellectual property

IT Risk profile of the department

Trust Bank Limited follows a robust, effective and efficient Information Technology with its Centralized Core Banking System. Trust Bank's IT has been designed to achieve the following goals:

Enhance communication among employees.

Deliver complex material throughout the institution.

Provide an objective system for recording and aggregating information.

Reduce expenses related to labor-intensive manual activities.

Support the organization's strategic goals and direction.

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 through a dedicated link. The infrastructure design is up to standard and completely secure. Trust Bank uses Active Directory Service to control the user access into the workstation throughout the organization. The Active Directory Configuration Structure is good and efficient and provides optimum security.

2.22.7 Liquidity risk management

The risk that bank or business will be unable to meet its commitment as they fall due leading to bankruptcy or rise in funding cost. It is the solvency of business and which has special reference to the degree of readiness in which assets can be converted into cash without loss. Banks traditionally use the statutory liquidity reserve and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management. Liquidity Risk arises from funding of long term assets by short term liabilities, thereby making the liabilities subject to rollover or refinancing Risk.

2.23 Interest rate risk management

Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholder value. However, excessive interest rate risk can pose a significant threat to a bank's earnings and capital base. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. Changes in interest rates also affect the underlying value of the bank's assets, liabilities and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. Accordingly, an effective risk management process that maintains interest rate risk within prudent levels is essential to the safety and soundness of banks.

2.24 Operation risk management

Operational risk is defined as the risk of loss resulting from inadequate or failed internal process, people and system or from external event. It is relatively difficult to identify or assess level of operational risk and its

many sources. Trust Bank has established an effective operational risk management framework to mitigate the risk through strengthening the internal control (process and system), setting rules and procedures with the changed scenario, maintaining adequate clarification & documentation and establishing anti-fraud mechanism. Continuous actions are also being taken against damage of physical assets and avoid business disruption and system failure

2.25 Internal Audit

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. Internal Audit is a part of Internal Control, which reinforces the control activities of the Bank through regular review.

To comply with the guidelines on Internal Control & Compliance of Bangladesh Bank, Trust Bank Limited 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 & 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.

In 2013, IC&C Division conducted comprehensive audit in 88 branches and 12 divisions/ departments at Head Office of the bank. In the same year the internal audit team of IC&C division carried out 40 spot inspections in different branches, of which 24 were regular spot inspection and 16 were on Anti Fraud Internal Control. In addition, audit was also conducted inTrust Bank Investment Ltd and its 06 branches during 2013.

Each year, the IC&C Division sets out an audit plan (internal) for the year which is approved by the Managing Director. At the end of the year a summary report on audit findings and corrective action taken, is placed in a meeting of the Audit Committee of the Board for information and necessary advice/suggestions.

2.26 Fraud & Forgeries

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

In the year 2013, IC&C Division, TBL, has started to further develop the Risk & Fraud awareness culture among the employees & reduce the likelihood of fraud occurring in the Bank. Internal Control & Compliance Division of Trust Bank Limited has arranged to conduct Spot Inspection on

Anti Fraud Internal Control (AFIC) systems to protect the bank from anticipated fraud & forgery in addition to regular comprehensive Audit & Inspection in the branches. In 2013, IC&C Division has conducted 16 spot inspections on AFIC and 24 regular spot inspections.

In connection with dealing the situation and ensuring safety checking measures against fraud & forgery related issues, IC&C division has developed a questionnaire/ Checklist to perform spot AFIC, which shall continue upon regular review, up-gradation & improvisation.

2.27 Preparation of Basel II Accord

2.27.1 Basel II:

Basel II is a new set of international standards & best practices that define the minimum Capital requirement (MCR) of a Bank. This framework has been developed by the Basel Committee on Banking Supervision (BCBS), which is a committee in the Bank for International Settlements (BIS), the world's oldest International Financial organization. BCBS was established in 1974.

Capital adequacy, the regulatory capital prescribes how much capital a bank must have in relation to the size of its risk taking, expressed in the form of risk weighted assets. The Bank's high level of capital adequacy ratio provides its stakeholders, reassurance against unexpected losses. The Basel II principle stands on the following three pillars

Pillar-I: Minimum Capital Requirement

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. TBL 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)

SRP basically deals with other risks faced by a bank but not covered in pillar-1. The key principle of SRP is that banks have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. 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 asses for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline

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

Pillar-III: Market Discipline

The objective of Market Discipline in (Basel-II) is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss

of assets. For the said purpose, this "Disclosures on Risk Based Capital (Basel II)" is made as per Bangladesh Bank's Guideline

Basel III

"Basel III", developed by the Basel Committee on Banking Supervision and published in December 2010, is a comprehensive set of reform measures including that of Basel II, to strengthen the regulation, supervision and risk management of the banking sector. These measures aim to

a) Improve the banking sector's ability to absorb shocks arising from financial and economic stress

b) improve risk management and governance

c) strengthen banks' transparency and disclosures.

TBL has already submitted the Quantitative Impact Survey (QIS) of Bangladesh Bank towards formulation of their roadmap for implementation of the Basel III framework in the Banking sector of Bangladesh

Trust Bank initiatives to ensure adequate capital include the following

Issuance of subordinated debt to raise Tier-2 capital. Consistently encouraging corporate clients to complete external credit rating to assess counterparty Credit

Risk status, and to reduce capital requirements

Improving and enhancing eligible collateral, by way of collateral optimization Assessment of risk profile and credit rating of new clients CAR is periodically reviewed and assessed in Trust Bank Limited by the Risk Management Unit (RMU), and reported to senior management

2.28 Capital Adequacy & Stress Testing:

In order to have a sound and robust banking industry and to make the banks in Bangladesh more shock absorbent as well as to cope with international best practice for risk management, Bangladesh Bank introduced 'Risk Based Capital Adequacy (RBCA) for all Banks effective from January, 2010.

As per Risk Based Capital Adequacy (RBCA) guideline, according to Pillar 1 of Basel II, RWA of Trust Banks is calculated against Credit Risk, Market Risk and Operational Risk. Under Pillar 2 in Supervisory Review Process (SRP) Banks deals with other risks faced but not covered in pillar-1. Finally under Pillar-3 in Market Discipline bank publish its capital adequacy disclosure on regular basis for market participants to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank.

The Bank has also implemented Bangladesh Bank approved stress testing framework which forms an integral part of the Bank's ICAAP. Stress testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions. The changes in the level of credit risk, market risk, liquidity risk and Interest Rate Risk in the Banking Book (IRRBB), in the on and off balance sheet positions of the Bank, is assessed under assumed "stress" scenarios. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis and the stress test results are put up to the Board quarterly, for their review and guidance.

2.29 Risk Management Unit

Trust Bank has also established Risk Management Unit as per Bangladesh Bank DOS Circular No: 02, dated 15th February, 2012. The objective of risk management is to identify and analyze risks and manage their consequences. Trust Bank Limited has taken several steps to continuously improve its risk management practices in order to ensure that it falls in line with good corporate governance practices as prescribed by the Bangladesh Bank and Basel II Accord.

These include:

Setting up a Board -Level Integrated Risk Management Committee. Formulation of an Integrated Risk Management Framework.

Setting up of Management Level Risk Management Committees to implement and monitor risk management policies and procedures.

Intensified risk management training has been initiated to include a risk management culture at all levels of the bank's operations.

Transition to Basel II framework has been commenced in line with the directives of Bangladesh Bank.

Risk Management Unit has been completed to assist in the optimum development, implementation and management of risk functions in the bank. This includes the facilitation of the day-to-day management, operations and administration of risk taking activities.

The Bank has progressed under Risk Management Framework from structural perspective since its inception; it is now working on improving the Risk Management Control Framework.

2.30 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 & loss Account and the computation of EPS is stated in Note 35.

2.31 Non controlling interest

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

2.32 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	Applied
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied
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	Applied
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	Applied
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied

2.33 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.

3	CASH	31.12.2013 Taka	31.12.2012 Taka
3.1	Cash in hand		
	In local currency	2,332,850,696	1,881,002,154
	In foreign currencies	105,096,995	199,873,677
		2,437,947,691	2,080,875,831
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank	5,492,166,401	4,772,873,928
	In local currency	1,374,581,048	1,116,691,434
	In foreign currencies	6,866,747,449	5,889,565,362
	Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	248,134,570	233,785,707
		7,114,882,019	6,123,351,069

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 no.05, dated 01 December 2010 issued by Bangladesh Bank.

The Cash Reserve Requirement (CRR) has been calculated @ 5.5% on the Bank's time & demand liabilities of the month earlier of the previous month and maintained with Bangladesh Bank in current account and 19% 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 2013 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	90,762,000,000	74,890,094,447
3.3.1.1	Average Required Reserve (6% of Average Demand and Time Liabilities) "Average Reserve held (6.12% of Average Demand and Time Liabilities)"	5,445,720,000	4,493,405,667
		5,555,743,572	4,563,852,641
	Surplus	110,023,572	70,446,974
3.3.1.2	Minimum Required Reserve (5.5% of Average Demand and Time Liabilities) Actual Reserve held with B. Bank (5.63% of Average Demand and Time Liabilities) Surplus	4,991,910,000 5,108,676,055 116,766,055	4,118,955,195 4,563,852,641 444,897,446
3.3.2	Statutory Liquidity Ratio for Coventional Banking (SLR) Required Reserve (19% of Average Demand and Time Liabilities)	17,244,780,000	14,229,117,945
	Actual Reserve held with B. Bank (27.25% of Average Demand and Time Liabilities) Surplus	24,734,254,075 7,489,474,075	18,599,445,350 4,370,327,405
3.3.3	Components of Statutory Liquidity Requirement (SLR) Cash in Hand Balance with B. Bank and its agent Bank(s) Government Bills Government Bonds Reverse Repo Other Approved Securities (Prize Bond)	2,437,971,690 5,356,810,625 5,739,683,009 10,546,956,051 650,000,000 2,832,700 24,734,254,075	2,081,645,835 4,797,638,348 3,575,520,234 8,141,361,633 - 3,279,300 18,599,445,350
3.3.4	Cash Reserve Ratio (CRR) for Islamic Banking: Average Demand and Time Liabilities of the month earlier of the previous month	4,741,485,000	3,004,923,904

	31.12.2013	31.12.2012
	Taka	Taka
3.3.4(a) Average Required Reserve (6% of Average Demand and Time Liabilities)	284,489,100	180,295,434
Average Reserve held (16.72% of Average Demand and Time Liabilities)	792,795,220	258,644,332
Surplus	508,306,120	78,348,898
3.3.4(b) Minimum Required Reserve (5.5% of Average Demand and Time Liabilities)	260,781,675	165,270,815
Actual Reserve held with B. Bank (9.53% of Average Demand and Time Liabilities)		258,644,332
Surplus	191,138,325	93,373,517
3.3.5(a) Statutory Liquidity Requirement for Islamic Banking (SLR)		
Required Reserve (11.5% of Average Demand and Time Liabilities)	545,270,775	345,566,249
Actual Reserve held with B. Bank (14.59% of Average Demand and Time	691,920,000	378,644,332
Liabilities)		
Surplus	146,649,225	33,078,083
3.3.6 Held for Statutory Liquidity Requirement		
Cash in Hand Balance with B. Bank and its agent Bank(s)	- 451,920,000	- 258,644,332
Government Bills	451,920,000	250,044,552
Government Islamic Investment Bonds	240,000,000	120,000,000
	691,920,000	378,644,332
4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
4.1 In Bangladesh		
Current Deposits	45 400 004	444 500 057
Sonali Bank Ltd. Rupali Bank Ltd.	45,160,381 86,525	144,590,057 3,188,170
The City Bank Ltd.	40,306	3,641,536
Janata Bank Ltd.	56,598	1,458,748
Agrani Bank Ltd.	56,646	43,008,250
Brac Bank Ltd.	85,989,433	56,297,351
Sonali Bank Ltd. (TAX Settlement A/C)	584,558 131,974,447	683,515 252,867,627
Short Term Deposits		
Sonali Bank Ltd.	13,757,256	146,712,583
AB Bank Ltd. CITI Bank NA	3,672,649	3,546,023 6,774,309
Rupali Bank Ltd.	8,705,822	42,269
Janata Bank Ltd.	22,015,822	10,011,424
Prime Bank Ltd.	42,231	3,050,381
Standard Chartered Bank	21,731,520	8,232,969
Dutch Bangla Bank Ltd. Bank Asia Limited	25,759,452 194,662,809	35,463,890 37,163,087
Standard Bank Limited	2,588,202	2,482,272
Al Arafah Islami Bank Limited	3,107,811	123,765
NCC Bank Limited	49,422	47,615
Southeast Bank Limited	48,728	3,219,173
	296,141,724	256,869,760
Mudaraba Short Term Deposit		
AB Bank Ltd.	162,689,909	-
The City Bank Lmited EXIM Bank Ltd	1,024,589 3,702,809	-
Bank Asia Ltd.	511,427	
	167,928,734	-

		31.12.2013 Taka	31.12.2012 Taka
	Fixed Deposits in local Currency Fixed With Bank	Τάλά	Τάκα
	Southeast Bank Limited The City Bank Lmited	100,000,000	-
	Standard Bank Ltd.	500,000,000 600,000,000	-
	Fixed With NBFI Prime Finance Ltd.	100,000,000	-
	Uttara Finance Ltd. GSP Finance Ltd.	- 100,000,000	-
	International Leasing Ltd. Union Capital Ltd.	- 150,000,000	-
	Fareast Finance Ltd.	100,000,000 450,000,000	-
	Fixed Deposits in FC		-
	Mudaraba Term Deposits		
	Union Bank Ltd. Islami Finance & Investment Ltd	500,000,000 20,000,000	-
	Hajj Finance Company Ltd.	130,000,000 650,000,000	50,000,000 50,000,000
		2,296,044,905	559,737,387
4.2	Outside Bangladesh <u>Current Account</u> Dollar Account		
	Citibank N.A., USA Union De Banques, HKG	-	516,172,664 13,352,722
	Mashreqbank psc, USA Standard Chartered Bank, USA	95,854,134 246,842,291	42,044,571 39,706,178
	HSBC Bank, USA ICICI Bank Ltd., Hongkong	403,094,386 70,731,996	420,476,671 24,020,796
	Conimez Bank, AG Germany Habib Bank Limited	113,887,000 25,885,076	8,648,240
	United Bank Of India Sonali Bank Ltd. UK	12,619,436 61,073,038	- 25,740,094
	GBP Account	7 007 075	6 000 405
	Standard Chartered Bank, UK Citibank N.A., UK	7,887,975	6,998,435 8,929,466
	Sonali Bank Ltd. UK HSBC, PLC, UK	1,294,521 8,720,864	3,076,692 10,821,220
	Japanese Yen Account Standard Chartered Bank, Japan	3,468,505	1,385,018
	EURO Account HSBC, PLC, UK	13,635,610	63,759,675
	Standard Chartered Bank, UK	2,711,172	57,144,881
	ICICI Bank Ltd., Mumbai, India Citibank N.A., UK	557,159 -	556,670 16,131,212
	Sonali Bank Ltd. UK Commerzbank AG, Germany	6,523,207 60,058,031	2,463,412 5,885,289

		31.12.2013 Taka	31.12.2012 Taka
	ACUD Account		
	Citibank N.A., Mumbai, India	-	6,794,234
	ICICI Bank Ltd., Mumbai, India	41,247,300	22,082,200
	HSBC Bank, Pakistan	-	12,847,151
	HSBC Bank, Mumbai, India	18,185,680	13,507,574
	AB Bank, Mumbai, India	27,287,480	9,299,449
	Mashreqbank, Mumbai, India	21,168,733	17,149,426
	Standard Chartered Bank, Mumbai, India	26,643,338	5,396,415
	CHF Account	2 105 512	2 402 872
	Habib Bank, Zurich Details are given in Annexure - A	2,195,512 1,271,572,444	2,102,872 1,356,493,227
	Details are given in Annexure - A	3,567,617,349	1,916,230,614
		3,307,017,343	1,910,230,014
4.3	Remaining maturity grouping of balance with other banks and financial in	nstitutions	
	On demand	1,403,546,891	1,609,360,854
	Upto 1 month	464,070,458	256,869,760
	Over 1 month but not more than 3 months	1,180,000,000	-
	Over 3 months but not more than 1 Year	520,000,000	50,000,000
	Over 1 Year but not more than 5 Years Over 5 Years	-	-
		3,567,617,349	1,916,230,614
4 (a)	Consolidated Balance With Other Banks And Financial Instit In Bangladesh	tutions	
	Trust Bank Limited (Note-4.1)	2,296,044,905	559,737,387
	Trust Bank Securities Limited	24,809,409	-
	Trust Bank Investment Limited	11,398,671	12,567,283
		2,332,252,985	572,304,670
	Less : Inter Company Transaction	34,268,225	12,567,283
		2,297,984,760	559,737,387
	Outside Bangladesh (Note-4.2)		1,356,493,227
		3,569,557,204	1,916,230,614
5	Money At Call And Short Notice		
0	Banking company		
	Prime Bank Ltd	_	2,500,000,000
	BRAC Bank Ltd.	_	1,200,000,000
	Jamuna Bank Ltd.	-	800,000,000
	Eastern Bank Ltd.	-	1,500,000,000
	Uttara Bank Ltd	-	1,900,000,000
	Mercantile Bank Ltd.	-	1,000,000,000
	Standard Bank Ltd.	250,000,000	-
	National Bank Ltd.	-	-
	BASIC Bank Ltd.	-	300,000,000
	AB Bank Ltd.	-	700,000,000
	Mutual Trust Bank Ltd.	-	750,000,000
	Southeast Bank Ltd.	-	1,000,000,000
		250,000,000	11,650,000,000
	Non-Banking Financial Institutionsss	-	100,000,000
	Investment Corporation of Bangladesh	- 250,000,000	100,000,000 11,750,000,000
		200,000,000	11,750,000,000

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			31.12.2013 Taka	31.12.2012 Taka
6	INVESTMENTS			
	Government Securities Treasury Bills	(Note-6.1)	5,739,683,009	3,575,520,234
	Treasury Bills -HTM	(1000 011)	-	177,302,654
	Treasury Bills-HFT		5,739,683,009	3,398,217,580
	Treasury Bonds	(Note-6.2)	10,786,956,051	8,261,361,633
	Treasury Bond - HFT		-	-
	Treasury Bond - HTM Bangladesh Govt. Islamic Ir	westment Rend HTM	10,546,956,051 240,000,000	8,141,361,633 120,000,000
	National Investment Bond		- 240,000,000	- 120,000,000
	Reverse REPO		650,000,000	-
	Bangladesh Bank Bill Prize Bond		- 2,832,700	- 3,279,300
	Flize Dolla		17,179,471,760	11,840,161,167
			, , , ,	,, - , -
	Other Investment			
	Preference Share	200,000,000	-	
	20,000,000 Shares United Power Generation & Distribution Co. Ltd.@ Tk. 10 each 20,000 Shares of Khulna Power Company Ltd. @ Tk.1000 each		20,000,000	40,000,000
			220,000,000	40,000,000
	Ordinary Shares	(Note-6.3)	1 060 212 156	1 077 040 045
	Quoted Unquoted		1,069,313,156 24,708,330	1,077,240,315 24,708,330
	Onquoted		1,094,021,486	1,101,948,645
	Debentures and Bond		530,000,000	640,000,000
			1,844,021,486	1,781,948,645
			19,023,493,246	13,622,109,812
6 (a)	Consolidated Investments			
	Government Securities Trust Bank Limited		17,179,471,760	11,840,161,167
	Trust Bank Securities Limited	ł		- 11,040,101,107
	Trust Bank Investment Limite		-	-
			17,179,471,760	11,840,161,167
	Other Investment Trust Bank Limited		1,844,021,486	1,781,948,645
	Trust Bank Securities Limited	b		-
	Trust Bank Investment Limite	-	36,651,197	53,641,399
			1,880,672,683	1,835,590,044
			19,060,144,443	13,675,751,211

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

Particulars		31.12.2013			31.12.2012	
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Listed Securities	19	1,069,313,156	914,194,313	19	1,077,240,315	995,051,128
Unlisted Securities :						
Bond	5	530,000,000	530,000,000	5	640,000,000	640,000,000
Ordinary Share	2	24,708,330	24,708,330	2	24,708,330	24,708,330
Preference Share	2	220,000,000	220,000,000	2	40,000,000	40,000,000
Balance as on 31 December 13	28	1,844,021,486	1,688,902,643	28	1,781,948,645	1,699,759,458

31.12.2013	31.12.2012
Taka	Taka

Listed Securities

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 year is 30 December 2013).

Sector wise investment in listed securities at cost

Banking Companies	16,374,084	14,480,671
Manufacturing Companies and others	92,650,540	62,771,706
Power Sector	21,690,180	58,459,552
IBBL Bond	81,658,383	81,658,386
Mutual Fund	856,939,969	859,870,000
	1,069,313,156	1,077,240,315

Unlisted Securities

Ordinary Share

Investment in ordinary share includes Tk 20 million in ITCL & Tk.4.71 Million in Central Depository Bangladesh Limited (CDBL). The unlisted investments are shown at cost.

Preference Share

Trust Bank Limited invested in preference shares of Khulna Power Company Limited for Tk. 20 million, representing 0.57% and United Power Generation and Distribution Company Limited for Tk.200 million representing 5.78% of their total capital (ordinary and preference)

Since the holding of Trust Bank Limited is less than 20% in both the cases and having no voting right, the investment in preference share does not fall with in the principle of Bangladesh Accounting Standard 28: "Accounting for Investment in Associate".

6.1	Treasury Bills-at Present Value		
	28 days Treasury Bills	-	-
	91 days Treasury Bills	112,976,297	1,688,667,118
	182 days Treasury Bills	289,304,137	1,715,560,851
	364 days Treasury Bills	5,337,402,575	171,292,265
		5,739,683,009	3,575,520,234
6.2	Treasury Bonds-at Present Value		
	02 years Treasury Bonds	387,422,970	4,683,989,559
	05 years Treasury Bonds	5,135,498,178	-
	10 years Treasury Bonds	3,976,483,803	2,436,341,574
	15 years Treasury Bonds	1,156,008,045	1,060,564,320
	20 years Treasury Bonds	131,543,055	80,466,180
		10,786,956,051	8,261,361,633

Repo & Reverse Repo Transctions during the year ended on 31 December 2013

Disclouser required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of repo and reverse repo during the year ended 31 December 2013.

a. (i) Disclosure regarding outstanding REPO as on 31 December 2013

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

(ii) Disclosure regarding outstanding Reverse REPO as on 31 December 2013

S N	l lo.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1		Bangladesh Bank	30-12-13	01-01-14	650,000,000

b. Disclosure regarding overall transaction of REPO and Reverse REPO:

		Minimum Outstanding during the year	Daily Average Outstanding during the year
Securities sold under REPO:			
i) with Bangladesh Bank	_	_	_
ii) with other Banks & Financial Inst.	-	-	-
Securities purchased reunder REPO:			
i) with Bangladesh Bank	600,000,000	650,000,000	3,424,658
ii) with other Banks & Financial Inst.			

31.12.2013

31.12.2012

			Taka	Taka
6.3	Investnment in Corporate Bonds	Rate of Interest		
	Prime Bank Ltd. (Subordinated Bond)	11.50%	130,000,000	130,000,000
	Dhaka Bank Ltd. (Subordinated Bond)	11.65%	50,000,000	50,000,000
	National Bank Ltd.(Subordinated Bond)	11.50%	40,000,000	50,000,000
	Orascom Telecom Bd Ltd.	13.50%	200,000,000	300,000,000
	MTBL (Partly Convertible Subordinated Bond)	11.00%	110,000,000	110,000,000
	(,		530,000,000	640,000,000
6.4	Investment in Ordinary Share - Quoted			
	Under Conventional Banking		940,438,907	959,030,808
	Under Islamic Banking		128,874,249	118,209,507
	5		1,069,313,156	1,077,240,315
6.5	Remaining maturity grouping of Investment	s		
	On demand		652,832,700	3,279,300
	Upto 1 month		252,104,165	2,639,256,136
	Over 1 month but not more than 3 months		4,519,009,230	445,611,870
	Over 3 months but not more than 1 Year		5,616,467,477	2,912,443,085
	Over 1 Year but not more than 5 Years		2,719,044,771	540,000,000
	Over 5 Years		5,264,034,903	7,081,519,421
			19,023,493,246	13,622,109,812
7	Loans And Advances/Islami Banking Invest			
	Loans And Advances Under Coventional Ba	inking		
	Repair & Recon. of Dwelling House (RRDH)		1,776,045,475	1,777,349,679
	Consumer Durable Scheme Loans (CDS)		3,536,108	3,734,701
	Marriage Loans (ML)		75,424,666	53,591,291
	Car Loans (CL)		107,717,935	174,160,188
	House Building Loans (HBL)		5,179,134,115	4,985,811,137
	Term Loans		21,638,311,669	13,717,387,544
	Other Retail Loans		1,303,890,520	1,130,302,624
	Time Loan		17,225,748,873	8,963,691,851
	Other Loans		3,638,058,369	2,149,929,409
	Staff Loans		478,642,276	322,323,873
	Loans against Credit Card		104,133,968	72,763,822
	Loans against Trust Receipts (LTR)		6,461,083,893	5,621,691,923
	Payment Against Documents (PAD)		694,737,920	482,710,676
	Packing Credit (Loan agt. Packing Credit)		152,734,276	81,025,275
			58,839,200,063	39,536,473,993
	Loans And Advances under Islamic Banking	9		
	Bai-Muajjal		1,960,419,940	306,893,862
	Hire Purchase under Shirkatul Melk		880,991,842	280,311,050
	IHSAN Apartment Purchase Scheme		18,262,656	10,022,938
	BARAKAT Home Construction Scheme		22,640,718	16,304,820

		31.12.2013 Taka	31.12.2012 Taka
		- Cirta	
	BARAKAT Car Scheme	13,583,967	15,212,508
	HPSM-Real Estate	41,872,169	48,058,800
	Murabaha TR	367,805,946	-
	Bai-Salam	78,716,658	66,502,229
	TIB House Building Scheme-HBL (RM)	70,816,693	65,211,225
	FDBP - TIB	-	242,535,982
	HPSM General	186,964,007	-
		3,642,074,596	1,051,053,414
	Cash Credit		
	Cash Credit	1,807,486,430	1,442,815,805
	Cash Collateral	979,169,550	372,718,632
		2,786,655,980	1,815,534,437
	Overdraft		
	Overdrafts	3,827,926,775	2,840,123,291
	Secured Overdrafts	8,722,620,896	8,041,335,175
		12,550,547,671	10,881,458,466
	Total Loans, Cash Credits and Overdrafts	77,818,478,310	53,284,520,310
	Bills Purchased and Discounted (Note-7.6)		
	Under Conventional banking	1,261,883,682	1,285,884,002
	Under Islamic banking	199,215,615	45,655,746
	onder islamie banking	1,461,099,297	1,331,539,748
		79,279,577,607	54,616,060,058
		13,213,311,001	34,010,000,030
7.1	Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted		
	Repayable on demand	7,927,957,761	5,251,875,469
	Upto 1 month	4,138,969,621	3,757,641,448
	Over 1 month but not more than 3 months	14,471,678,677	7,530,563,336
	Over 3 months but not more than 1 Year	28,874,440,366	18,886,442,608
	Over 1 Year but not more than 5 Years	15,804,937,893	15,307,327,147
	Over 5 Years	8,061,593,289	3,882,210,050
		79,279,577,607	54,616,060,058
7.2	Loans and Advances including Bills Purchased and Discounted		
	Inside Bangladesh		
	Loans	62,481,274,659	
	Cash Credit	2,786,655,980	
	Overdraft	12,550,547,671	10,881,458,466
	Bills purchased and discounted	1,461,099,297	1,331,539,748
		79,279,577,607	54,616,060,058
	Outside Bangladesh	-	-
		79,279,577,607	54,616,060,058
7.3 7.3.1	Loans and Advances on the basis of significant concentration Advances to Directors and Others		
	Advance to Directors and their allied concerns	44,962,730	58,711,108
	Advances to CEO and Senior Executives	250,549,358	22,152,569
	Advances to Customers (Group wise)	20,201,505,120	17,591,823,000
	Industrial Advances (Project finance)	10,425,065,317	5,463,764,860
	Other Staff Loan	478,642,276	322,323,873
	Other Customers	47,878,852,806	31,157,284,648
		79,279,577,607	54,616,060,058
7.3.2	Disclosure of Large Loan		

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:

	31.12.2013 Taka	31.12.2012 Taka
Total Capital	9,722,968,387	9,425,902,951
Total Loans and Advancesss	33,865,409,324	14,179,516,816
No. of Customers	21	8
Classified amount thereon	Nil	Nil
Measures taken for recovery of classified loans:	N/A	N/A

Details of Large Loans

2

SL	Name of the Client	CL	Outstanding Loan		Total	Total
			Funded	Non-Funded	31.12.2013	31.12.2012
1	SQ Celcius Limited	UC	1,180,796,515	1,902,402,982	3,083,199,497	1,844,816,001
2	Masud & Brothers	UC	1,250,669,776	1,789,425,000	3,040,094,776	1,797,635,606
3	BRAC	UC	606,077,212	1,836,039,377	2,442,116,589	-
4	RSRM Group	UC	1,366,988,211	526,790,070	1,893,778,281	
5	Shabnam Vegetable Oil Ind. Ltd.	UC	1,015,898,889	820,900,000	1,836,798,889	-
6	GPH Ispat Ltd.	UC	1,343,611,315	412,397,045	1,756,008,360	-
7	Barakatullah Electro Dynamics Ltd., Baraka Patenga Power Ltd., Royal Homes Ltd.	UC	1,356,572,380	343,137,158	1,699,709,538	-
8	Summit Group	UC	1,432,017,105	250,049,056	1,682,066,161	4,408,926,320
9	Abul Khair Group	UC	1,060,450,002	599,306,420	1,659,756,422	1,115,233,914
10	Kabir Group	UC	1,184,357,541	376,727,838	1,561,085,379	-
11	Simtex Industries Ltd.	UC	885,058,097	630,618,905	1,515,677,002	-
12	Danish Condensed Milk Ltd. &	UC	941,256,207	443,216,329	1,384,472,536	-
13	Scandex Textile Ind. Ltd., Scandex	UC	908,072,040	451,826,115	1,359,898,155	-
14	Rising Steel Limited	UC	1,290,953,800	13,140,630	1,304,094,430	1,170,679,204
15	Pacific Motors Ltd. & Pacific Bangladesh Telecom Ltd. (Citycell)	UC	1,218,061,599	5,425,074	1,223,486,673	1,269,495,112
16	The ACME Laboratories Ltd.	UC	1,146,026,754	30,186,521	1,176,213,275	-
17	Anwar Group of Industries	UC	942,620,741	173,381,316	1,116,002,057	-
18	Teletalk Bangladesh Ltd.	UC	1,071,764,588	-	1,071,764,588	-
19	S.A. Group	UC	867,260,592	162,849,989	1,030,110,581	-
20	Dhaly Construction Ltd.	UC	880,543,000	136,873,635	1,017,416,635	-
21	Nasir Group of Industries	UC	980,881,152	30,778,348	1,011,659,500	-
22	Modern Steel Mills Ltd.	UC	-	-	-	1,517,307,333
23	Jalshiri Abashon	UC	-	-	-	1,055,423,326
				Total	33,865,409,324	14,179,516,816

31.12.2012

31.12.2013

		Taka	Taka
7.3.3	Industry-wise concentration of Loans and Advances		
	Agro-sector	1,303,264,574	1,234,664,700
	Automobiles	279,510,811	212,749,156
	Cement & Building Materials	1,201,138,732	1,068,818,769
	Chemical & Pharma	1,608,025,595	1,250,428,253
	Paper	1,038,061,074	961,660,269
	Rubber & Plastic	1,106,008,593	691,301,958
	Edible Oil	1,329,854,818	196,564,374
	Energy & Power	3,950,471,350	1,132,227,915
	Fisheries	31,730,202	19,489,283
	Steel & Engineering	6,216,976,574	4,699,025,535
	Textile & Garments	9,363,040,458	6,352,096,970
	Food & Allied	2,440,093,740	1,852,487,710
	Construction	2,718,556,052	1,875,766,086
	Housing	9,426,866,906	11,708,123,729
	Trading	10,619,726,658	5,574,775,116
	Telecom & Transport	3,821,449,116	2,553,603,044
	NBFI/NGO	1,278,846,356	526,634,175

		31.12.2013 Taka	31.12.2012 Taka
	Medical services	1,242,109,214	530,848,759
	Personal services	4,757,147,741	3,733,551,648
	Trust Bank Investment Limited	363,068,289	502,957,121
	Others	15,183,630,754	7,938,285,488
		79,279,577,607	54,616,060,058
7.3.4	Geographical location-wise concentration of Loans and Advances Inside Bangladesh		
	Dhaka Division	54,627,996,065	38,304,144,432
	Chittagong Division	18,701,311,707	12,311,936,226
	Khulna Division	2,115,794,748	1,663,485,979
	Sylhet Division	2,503,651,648	1,148,148,159
	Rangpur Division	416,627,870	372,068,867
	Barisal Division	73,871,473	33,932,527
	Rajshahi Division	840,324,096	782,343,868
		79,279,577,607	54,616,060,058
	Outside Bangladesh	-	-
		79,279,577,607	54,616,060,058
7.3.5	Nature wise Loans and Advances		
	Continuous	15,580,487,048	12,765,014,596
	Demand Loan	26,940,830,831	16,214,265,844
	Term Loans	36,258,576,103	25,236,671,183
	Short Term Agri. Credit & Micro Credit	21,041,349	79,571,817
	Staff Loan	478,642,276	320,536,618
		79,279,577,607	54,616,060,058
7.4 a	Classification of Loans and Advances including Bills Purchased and Discounted Unclassified Loans and Advances (including staff loan)		
a 1		7,484,600,769	6,328,095,330
a 1 2	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP)	4,900,305	7,464,624
a 1 2 3	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP)	4,900,305 3,285,290,442	7,464,624 3,194,874,369
a 1 2 3 4	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF)	4,900,305 3,285,290,442 4,530,153,502	7,464,624 3,194,874,369 3,459,176,945
a 1 2 3 4 5	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc	4,900,305 3,285,290,442 4,530,153,502 432,641,319	7,464,624 3,194,874,369 3,459,176,945 582,182,995
a 1 2 3 4 5 6	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592
a 1 2 3 4 5 6 7	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430
a 1 2 3 4 5 6	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349
a 1 2 3 4 5 6 7 8	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634
a 1 2 3 4 5 6 7 8 b c	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 <u>319,205,349</u> 50,676,816,634 1,435,401,277
a 1 2 3 4 5 6 7 8 b c 1	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 <u>319,205,349</u> 50,676,816,634 1,435,401,277 817,852,922
a 1 2 3 4 5 6 7 8 b c 1 2	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances Doubtful Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 <u>319,205,349</u> 50,676,816,634 1,435,401,277 817,852,922 291,868,705
a 1 2 3 4 5 6 7 8 b c 1	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611 1,744,725,604	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634 1,435,401,277 817,852,922 291,868,705 1,394,120,520
a 1 2 3 4 5 6 7 8 b c 1 2	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances Doubtful Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611 1,744,725,604 2,470,364,796	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634 1,435,401,277 817,852,922 291,868,705 1,394,120,520 2,503,842,147
a 1 2 3 4 5 6 7 8 b c 1 2	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances Doubtful Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611 1,744,725,604	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634 1,435,401,277 817,852,922 291,868,705 1,394,120,520
a 1 2 3 4 5 6 7 8 b c 1 2	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances Doubtful Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611 1,744,725,604 2,470,364,796	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634 1,435,401,277 817,852,922 291,868,705 1,394,120,520 2,503,842,147
a 1 3 4 5 6 7 8 b c 1 2 3	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances Doubtful Loans and Advances Bad /Loss Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611 1,744,725,604 2,470,364,796	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634 1,435,401,277 817,852,922 291,868,705 1,394,120,520 2,503,842,147
a 1 3 4 5 6 7 8 b c 1 2 3	Unclassified Loans and Advances (including staff loan) Consumer Financing (House Financing, HF) Consumer Financing (Loans for Professional, LP) Consumer Financing (Other than HF & LP) Small & Medium Enterprise Financing (SMEF) Loans to BHs/ MBs/ Sds against Shares etc All Other Credit Short Term Agri Credit Staff Loans Special Mentioned Accounts Classified Loans and Advances Sub-Standard Loans and Advances Doubtful Loans and Advances Bad /Loss Loans and Advances	4,900,305 3,285,290,442 4,530,153,502 432,641,319 57,284,682,042 20,683,106 477,595,975 73,520,547,460 3,288,665,351 557,213,581 168,425,611 1,744,725,604 2,470,364,796 79,279,577,607	7,464,624 3,194,874,369 3,459,176,945 582,182,995 36,716,145,592 69,671,430 319,205,349 50,676,816,634 1,435,401,277 817,852,922 291,868,705 1,394,120,520 2,503,842,147 54,616,060,058

		31.12.2013 Taka	31.12.2012 Taka
	(iv) Debts considered doubtful or bad not provided for	-	
	(v) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person.	774,154,364	403,187,550
	(vi) Debts 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.	774,154,364	403,187,550
	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.		-
	(ix) Due from Banking Companies.	-	
	(x) Amount of classified loan on which no interest has been charged:		
	a) Increase/(Decrease) in provision Amount of loan written off	144,307,000 -	423,956,000
	Amount realized against loan previously written off b) Provision kept against loans classified as bad debts c) Interest credited to interest Suspense Account	- 838,594,000 384,874,874	- 621,953,716 416,601,462
	 (xi) Cumulative amount of written off loans Opening Balance Amount written off/(recovery) during the year 	2,700 (2,700)	2,700
	The amount of written off loans for which law suit has been filed		
7.6	Bills purchased and discounted Payable in Bangladesh	1,246,588,425	1,052,080,969
	Payable out side Bangladesh	214,510,872 1,461,099,297	233,803,033 1,285,884,002
7.7	Remaining maturity grouping of bills purchased and discounted		
	Payable with in one month Over one month but less than three months Over three months but less than 01 year More than 01 year	181,943,747 908,603,995 370,551,555	307,691,383 257,238,188 720,954,431
		1,461,099,297	1,285,884,002
7 (a)	Consolidated Loans and Advances/Islami Banking Investments Loans And Advances		
	Trust Bank Limited (Note-7) Trust Bank Securities Limited	77,818,478,310	53,284,520,310
	Trust Bank Investment Limited Less : Inter Company Transaction	4,881,903,930 82,700,382,240 363,068,289	4,485,987,220 57,770,507,530 502,957,121
		82,337,313,951	57,267,550,409

			31.12.2013 Taka	31.12.2012 Taka
	Bills purchased and discounted			
	Trust Bank Limited Trust Bank Securities Limited		1,461,099,297	1,331,539,748
	Trust Bank Investment Limited		_	
			1,461,099,297 83,798,413,248	1,331,539,748 58,599,090,157
			03,790,413,240	30,339,030,137
8	Fixed Assets Including Premises, Furniture And Cost	Fixtures		
	Leasehold Land		160,469	160,469
	Office Building Furniture and fixtures		12,680,000 152,038,034	12,680,000 135,722,197
	Office equipment		506,602,925	433,794,763
	Motor vehicles		66,095,233	56,098,859
	Office renovation		296,289,863	273,919,273
	Less: Accumulated depreciation		1,033,866,524 550,081,301	912,375,561 457,429,874
			483,785,223	454,945,687
	Details are given in Annexure - B			
8 (a)	Consolidated Fixed assets including premises, f			
	Trust Bank Limited	(Note-8)	483,785,223	454,945,687
	Trust Bank Securities Limited Trust Bank Investment Limited		900,762 13,528,249	17,189,137
			498,214,234	472,134,824
9 i)	Other Assets Investment in shares of subsidiary companies (In Bangladesh and outside)			
	In Bangladesh		3,349,999,290	2,999,999,300
::>	Outside Bangladesh		-	-
ii) iii)	Stationery, stamps, printing materials in stock etc.; Advance Rent and Advertisement		32,624,118 215,133,744	35,670,192 126,647,288
iv)	Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and	(Note-9.1)	210,100,111	120,017,200
	other income receivable;		403,997,457	298,834,162
V)	Security Deposits		8,926,581	9,587,953
vi)	Preliminary, formation and organization expenses, renovation/ development		22 576 605	10 012 414
vii)	expenses and prepaid expenses; Branch Adjusting (net)	(Note-9.2)	23,576,605	18,813,414
viii)	Suspense Account	()	135,300,060	618,140,204
ix)	Adjusting Account for Online GL		-	-
x) xi)	Silver Others	(Note-9.3)	- 412,712,858	589,512,589
Л		(11010-0.0)	4,582,270,713	4,697,205,102
9.1	Interest/Profit accrued on investment but not col and brokerage receivable on shares and debentu income receivable;			
	Interest accrued on investments and deposits	(Note-9.1.1)	394,725,060	292,594,115
	Interest accrued on Loans & advances Commission Receivable on SP & WEDB	(Note-9.1.2)	- 9,272,397	- 6,240,047
		(403,997,457	298,834,162

9.1.1 Interest accrued on Fixed Deposits Interest accrued on Short Ferm Deposits Interest accrued on Money at Call Interest accrued on Bonds Interest accrued on Government Treasury Bond 41,986,918 587,222 9.1.1 Interest accrued on Government Treasury Bond 97,222 7,119,444 9.1.1 Interest accrued on Government Treasury Bond 97,222 7,119,444 9.1.1 Interest accrued on Government Treasury Bond 94,725,060 292,594,115 9.1.1 Interest accrued on Fixed Deposits/MTDR Interest accrued on MTDR 41,986,918 587,222 9.1.2 Interest accrued on Loans & advances Profit Receivable on TIB Investment 1 1 9.1.2 Interest accrued on Conventional Loans & advances Profit Receivable on TIB Investment 1 1 9.3 Others 23,576,605 18,813,414			31.12.2013 Taka	31.12.2012 Taka
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Interest accrued on Bonds Interest accrued on Government Treasury Bond 328 498 315 254 078 520 394,725,060 394,725,060 394,725,060 292,594,115 254,078 520 394,725,060 292,594,115 254,078 520 394,725,060 292,594,115 254,078 520 394,725,060 292,594,115 254,078 520 292,594,115 254,078 520 292,594,115 201 201 292,594,115 201 201 292,594,115 201 201 292,594,115 201 201 201 201 201 201 201 201 201 201			97,222	7,119,444
394,725,060 292,594,115 9.1.11 Interest accrued on Fixed Deposits 41,986,918 Profit accrued on MTDR 41,986,918 9.1.2 Interest accrued on Conventional Loans & advances Interest accrued on Conventional Loans & advances 41,986,918 9.2 Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses; Pre-opening Expenses 23,576,605 9.2 Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses; Pre-opening Expenses 23,576,605 9.3 Others 23,576,605 18,813,414 9.3 Otheres 3,500,00 <td< td=""><td></td><td></td><td>23,742,605</td><td></td></td<>			23,742,605	
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Trust Bank Limited8,384,0008,874,156Trust Bank Securities LimitedTrust Bank Investment Limited249,364587,692			+3,300,471	57,202,471
Trust Bank Limited8,384,0008,874,156Trust Bank Securities LimitedTrust Bank Investment Limited249,364587,692		Cosolidated Deferred tax Asset		
Trust Bank Securities LimitedTrust Bank Investment Limited249,364587,692			8,384,000	8,874,156
			-	-
<u>8,633,364</u> <u>9,461,848</u>		Trust Bank Investment Limited		
			8,633,364	9,461,848

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

Particulars	Book Value	Tax Base	(Deductibe)/Taxable Temporary Difference	(Deferred Tax Assets)/Liabilty
Fixed Assets (Annex-B)	482,357,819	591,047,509	(108,689,690)	(46,193,118)

	31.12.2013 Taka	31.12.2012 Taka
Balance as at 31 December		
Deferred Tax Asset	37,202,471	28,328,315
Deferred Tax Liability	-	-
Net Deferred Tax Assets	37,202,471	28,328,315
Increase of deferred Tax Assets recognized in to the P&L Account	8,384,000	8,874,156
Decreased of deferred Tax Liability recognized in to the P&L Account	-	
Total Deferred tax Income recognized into P&L Account during the year 2013	45,586,471	37,202,471

Trust Bank Limited recognise deferred tax 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.

Adjustment

To recognized the entity should assess its recoverability as being probable

9.3.1.1 To maintain the deferred tax Asset of Tk.45586471 as on 31 December 2013, a deferred tax Income of Tk.-8384000 has been made during the period ended 31 December 2013 as per BAS-12 -Income Taxes

9.4 Break-up of Other Assets

Income generating other assets Non income generating other asset

3,349,999,290	2,999,999,300
1,232,271,423	1,697,205,802
4,582,270,713	4,697,205,102

- **9.5** As on 31 December 2013 there were no outstanding balance with inter Branch adjustment Account of the Bank, Hence no disclouser is provided here.
- **9.6** Provision for other asset has been made @ 50% for prepaid legal expenses against unsettled suit on reporting date as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note # 12.2 under Other Liability.

9 (a)	Cosolidated other assets			
	Trust Bank Limited	(Note-9)	4,582,270,713	4,697,205,102
	Trust Bank Securities Limited		323,676,263	-
	Trust Bank Investment Limited		23,391,742	24,614,099
			4,929,338,718	4,721,819,201
	Less: Investment in Subsidearies Company.		3,349,999,290	2,999,999,300
			1,579,339,428	1,721,819,901
10	BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITU	ITIONS AND AGENTS		
10	In Bangladesh	onono and Adento		
	Call loans			
	Call Loan from Banks		-	_
	Call Loan from Leasing Co.		-	-
	Call Loan from Insurance Co.		-	-
	Call Loan from Other Institutions		-	-
	Other Borrowings			
	Borrowing from Bangladesh Bank - EDF		478,717,463	316,518,662
	Borrowing from SME Foundation		23,000,000	-
	Borrowing from Bangladesh Bank - IPFF		452,283,500	-
	Borrowing from JICA A/c		9,324,900	-
	Trust Bank Subordinated Bond		2,000,000,000	2,000,000,000
	Bangladesh Bank: Re-finance		700,700,405	518,288,322
			3,664,026,268	2,834,806,984
	Outside Bangladesh		-	-
			3,664,026,268	2,834,806,984

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

Unsecured Subordinated Non-Convertible Bond

Trust Bank Limited Issued Unsecured Subordinated Non-Convertible Bond of Taka 2,000,000,000 for a term of Seven years (7) to strengthen the capital base of the Bank on the consent of SEC vide letter ref # SEC/CI/CPLC-48/2001-339 date:May 03, 2011& Bangladesh Bank permission letter ref # BRPD (BIC)661/14B(P)/2011-264 dateed:May 31, 2011 for consideration of 30% of Tire-I capital as a component of Supplementary Capital (Tire-II) of the Bank.The interest rate is 12.5% per annum. Repayment of this bond will start after three years from the date of issue.

			31.12.2013 Taka	31.12.2012 Taka
10.1	Security wise borrowings			
	Secured Borrowings		-	-
	Unsecured Borrowings		3,664,026,268	2,834,806,984
			3,664,026,268	2,834,806,984
40.0	Demoving and notices when however,			
10.2	Repayment nature wise borrowings Repayment on Demand			
	Others		3,664,026,268	2,834,806,984
	Others		3,664,026,268	2,834,806,984
			0,001,010,100	_,,,
10.3	Remaining maturity grouping of Borrowings	from other banks,		
	financial institutions and agents			
	Payable			
	On demand		-	-
	Upto 1 month		401,697,107	316,518,662
	Over 1 month but within 3 months		392,335,539	51,828,832
	Over 3 months but within 1 Year		785,385,222	529,572,080
	Over 1 Year but within 5 Years		2,084,608,400 3,664,026,268	1,936,887,410 2,834,806,984
			3,004,020,200	2,034,000,904
10 (a)	Consolidated borrowings from other Banks,final	cial institutions and agents	;	
• • •	Trust Bank Limited	(Note- 10)	3,664,026,268	2,834,806,984
	Trust Bank Securities Limited		-	-
	Trust Bank Investment Limited		368,326,942	505,001,924
			4,032,353,210	3,339,808,908
	Less: Inter company transcation		363,068,289	502,957,121
			3,669,284,921	2,836,851,787
11	DEPOSITS AND OTHER ACCOUNTS			
	Current / Al-wadeeah Current Accounts	(Note- 11.2)		
	and other Accounts	(1010 11.2)	13,547,752,319	10,656,385,414
	Bills Payable	(Note- 11.3)	1,082,668,864	925,782,935
	Savings Bank Deposits/Mudaraba Savings	(Note- 11.4)	8,880,854,696	6,590,789,934
	Deposits			
	Fixed Deposits/Mudaraba Term Deposits	(Note- 11.5)	78,956,397,391	64,824,367,795
			102,467,673,270	82,997,326,078

11.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh	Banks	Other than Banks		
Payable				
On demand	42,051,220	12,192,608,999	12,234,660,219	1,846,971,881
Upto 1 month		16,931,370,843	16,931,370,843	26,436,900,000
Over 1 month but within 3 months	104,189,113	21,791,713,475	21,895,902,588	31,310,943,326
Over 3 months but within 1 Year		38,821,572,882	38,821,572,882	17,572,752,820
Over 1 Year but within 5 Years		8,804,200,534	8,804,200,534	4,329,758,940
Over 5 Years		3,779,966,204	3,779,966,204	1,499,999,111
	146,240,333	102,321,432,937	102,467,673,270	82,997,326,078
Outside Bangladesh	-	-	-	-
	146,240,333	102,321,432,937	102,467,673,270	82,997,326,078

			31.12.2013 Taka	31.12.2012 Taka
11.2	Current / Al-wadeeah Current Accounts and other Accounts			
	Under Conventional Banking	(Note- 11.2.1)	13,226,446,938	10,556,779,566
	Under Islamic Banking	(Note- 11.2.2)	321,305,381	99,605,848
			13,547,752,319	10,656,385,414
11.2.1	Under Conventional Banking			
	Current Account		8,583,475,264	5,759,466,654
	Other Accounts	(Note- 11.2.3)	4,642,971,674 13,226,446,938	4,797,312,912 10,556,779,566
			13,220,440,330	10,550,779,500
11.2.2	Under Islamic Banking		00.054.405	40,000,004
	Al-wadeeah Current Accounts Foreign Currency Deposits		99,851,425 6,753,064	40,009,201
	Sundry Deposits		129,013,723	-
	Other Accounts - profit payable		85,687,169	59,596,647
			321,305,381	99,605,848
11.2.3	Other Accounts			
11.2.0	Foreign Currency Deposits		1,972,157,933	2,408,973,134
	Interest Payable on Deposits		1,655,334,405	1,591,791,720
	Sundry Deposits		1,015,479,336	796,548,058
			4,642,971,674	4,797,312,912
11.3	Bills Payable			
	Demand Draft payable		15,385,646	12,284,366
	Pay Order payable		1,067,283,218	913,498,569
			1,082,668,864	925,782,935
	On the Dank Dana dia (Madamba			
11.4	Savings Bank Deposits/Mudaraba Savings Deposits			
	Savings Bank Deposits		8,457,145,901	6,255,039,955
	Mudaraba Savings Deposits		423,708,795	335,749,979
			8,880,854,696	6,590,789,934
11.5	Fixed Deposits/Mudaraba Term Deposits			
11.5.1				
	Fixed Deposits		60,059,002,584	49,406,318,017
	Short Notice Deposits Scheme Deposits		5,278,124,369 9,174,934,621	5,379,230,593 7,423,494,630
			74,512,061,574	62,209,043,240
11.5.2	Under Islamic Banking Mudaraba Term Deposits		4,287,6s19,781	2,516,105,703
	Mudaraba Term Deposits		4,287,6819,781	6,659,709
	Mudaraba Scheme Deposits		147,888,429	92,559,143
	·		4,444,335,817	2,615,324,555
			78,956,397,391	64.824.367.795

31.12.2013	31.12.2012
Taka	Taka

11.5.3 Fixed Deposits

	Banks	Other than Banks		
One month	-	1,643,258,661	1,643,258,661	1,130,314,934
Three months	-	39,021,632,858	39,021,632,858	16,795,466,165
Six months	-	4,917,578,974	4,917,578,974	13,529,516,656
One year	-	13,496,465,370	13,496,465,370	12,568,709,967
Three years	-	666,611,097	666,611,097	4,833,932,440
Five Years	-	95,478,339	95,478,339	317,907,997
More than five years	-	217,977,285	217,977,285	230,469,858
	-	60,059,002,584	60,059,002,584	49,406,318,017

11.5.3.a Mudaraba Term Deposits

	Banks	Other than Banks		
One month	-	18,921,063	18,921,063	13,092,028
Three months	-	3,337,782,523	3,337,782,523	1,936,058,108
Six months	-	278,522,476	278,522,476	105,657,070
One year	-	640,950,969	640,950,969	458,251,782
Three years	-	9,842,750	9,842,750	602,774
Five Years	-	1,600,000	1,600,000	2,443,941
	-	4,287,619,781	4,287,619,781	2,516,105,703

11.6	Geographical location-wise concentration of Deposits & Other Accounts Inside Bangladesh Dhaka Division Chittagong Division Khulna Division Sylhet Division Rangpur Division Barisal Division Rajshahi Division Outside Bangladesh	8,082,610,430 13,604,478,203 3,358,969,239 3,552,726,372 1,486,651,927 193,151,181 2,189,085,918 102,467,673,270	64,060,624,057 10,469,788,593 2,427,160,274 3,025,216,325 1,121,822,246 104,969,289 1,787,745,294 82,997,326,078 - 82,997,326,078
11.7	Sector-wise deposits Government Deposit money banks Other public Private	4,069,250,805 146,240,333 5,278,000,270 89,346,689,524 1,972,157,933 1,655,334,405 102,467,673,270	3,911,125,446 215,780,186 3,929,337,862 70,940,317,730 2,408,973,134 1,591,791,720 82,997,326,078
11 (a)	CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS Current / Al-wadeeah Current Accounts and other Accounts Trust Bank Limited Trust Bank Securities Limited Trust Bank Investment Limited Bills Payable Savings Bank Deposits/Mudaraba Savings Deposits Fixed Deposits/Mudaraba Term Deposits Less: Inter company Transaction	13,547,752,319 - 90,469,039 13,638,221,358 1,082,668,864 8,880,854,696 78,956,397,391 34,268,225 78,922,129,166 102,523,874,084	10,656,385,414 - 78,239,553 10,734,624,967 925,782,935 6,590,789,934 64,824,367,795 12,567,283 64,811,800,512 83,062,998,348

			31.12.2013 Taka	31.12.2012 Taka
12	OTHER LIABILITIES Provision for Loans and Advances Provision for Investment Provision for other asset Provision for CSR Fund Unearned profit on TIB Investment Interest Suspense Account Provision for Income Tax Less Advance Income Tax Interest Payable on Uncecured Subordinated Bonds Accrued Expenses Audit Fees Payable Sundry Creditors Others	(Note- 12.1) (Note- 12.2) (Note- 12.3) (Note- 12.4)	2,183,354,000 155,118,843 12,795,077 80,000,000 207,262,735 384,874,874 222,670,922 44,165,137 233,922,138 287,500 216,691,729 950,242 3,742,093,197	1,729,347,000 82,189,187 7,072,166 60,000,000 18,402,071 416,601,462 141,221,591 43,953,298 181,618,924 287,500 233,653,564 1,407,396 2,915,754,159
12.1	Provision for Loans and Advances/ Islami Banking Investments Specific Provision Against Classified Loans & Advances General Provision Against Unclassified Loans & Advances Against Special Mention Accounts Against Off Balance Sheet Exposures	(Note- 12.1.1) (Note- 12.1.2) (Note- 12.1.3) (Note- 12.1.5)	907,655,000 923,176,000 35,775,000 316,748,000 1,275,699,000 2,183,354,000	763,348,000 677,405,000 67,847,000 220,747,000 965,999,000 1,729,347,000
12.1.1	Against Classified Loans & Advances Provision held on 1 January Provisions made during the year Provision held at end of year		763,348,000 144,307,000 907,655,000	339,392,000 423,956,000 763,348,000
12.1.2	Against Unclassified Loans & Advances Provision held on 1 January Provisions made during the year Provision held at end of year		677,405,000 245,771,000 923,176,000	715,257,000 (37,852,000) 677,405,000
12.1.3	Against Special Mention Accounts Provision held on 1 January Provisions made during the year Provision held at end of year		67,847,000 (32,072,000) 35,775,000	20,976,000 46,871,000 67,847,000

12.1.4 Required Provision against Loans and Advances

Particulars	Base for Provision	Rate		
Unclassified		_		
a. Consumer Financing (House Financing)	7,484,600,769	2.00%	149,692,000	126,562,000
b. Consumer Financing (Loans to Professional)	4,900,305	2.00%	98,000	149,000
c. Consumer Financing (Other than a & b)	3,285,290,442	5.00%	164,265,000	159,744,000
d. Small & Medium Enterprise Financing	4,530,153,502	0.25%	11,325,000	8,648,000
e. Loans to BHs/ MBs/ Sds against Shares etc	432,641,319	2.00%	8,653,000	11,644,000
f. Short Term Agriculture & Micro Credit	20,683,106	5.00%	1,034,000	3,484,000
g. All other Credit	57,143,954,690	1.00%	571,440,000	367,161,000
	72,902,224,133	17.25%	906,507,000	677,392,000
Special Mention Account		-		
a. Consumer Financing (House Financing)	197,554,116	2.00%	3,951,000	67,746,000
b. Consumer Financing (Loans to Professional)	_	2.00%	_	_
c. Consumer Financing (Other than a & b)	59,711,508	5.00%	2,986,000	_
d. Small & Medium Enterprise Financing	197,634,468	0.25%	494,000	_
e. Loans to BHs/ MBs/ Sds against Shares etc	_	2.00%	_	_
f. Short Term Agriculture & Micro Credit	_	5.00%	_	_
g. All other Credit	2,832,718,958	1.00%	28,327,000	_
	3,287,619,050	17.25%	35,758,000	67,746,000
Classified		_		
a. Substandard				
i. Short Term Agri Credit & Micro Credit	314,673	5.00%	16,000	231,000
ii. Other than Short Term Agri Credit & Micro Credit	162,805,027	20.00%	32,561,000	64,470,000
b. Doubtful				
i. Short Term Agri Credit & Micro Credit	_	5.00%		125,000
ii. Other than Short Term Agri Credit & Micro Credit	72,959,665	50.00%	36,480,000	76,564,000
c. Bad/Loss	838,593,916	100.00%	838,594,000	621,953,716
	1,074,673,281	_	907,651,000	763,343,716
	77,264,516,464	_	1,849,916,000	1,508,481,716

12.1.5	General Provision for Off Balance Sheet Exposures
	Provision held on 1 January
	Provisions made during the year

12.1(a) Consolidated General Provision for Loans and Advances
Trust Bank Limited
Trust Bank Securities Limited
Trust Bank Investment Limited

12.2 Provision for other asset Balance on 1 January Provisions made during the year

12.3 Interest Suspense Account Balance on 1 January Amount transferred during the year Amount recovered during the year Amount written off / waived during the year

220,747,000	193,257,000
96,001,000	27,490,000
316,748,000	220,747,000
1,275,699,000 -	965,999,000
740,724,961	492,339,925
2,016,423,961	1,458,338,925
7,072,166	4,629,262
5,722,911	2,442,904
12,795,077	7,072,166
416,601,462	294,833,472
551,411,885	512,297,207
(492,238,783)	(384,766,303)
(90,899,690)	(5,762,914)
384,874,874	416,601,462

	31.12.201 Taka	3 31.12.2012 Taka
12.4 Provision for Income Tax Less Advance Income Ta Provision for Income Tax	x	
Balance on 1 January	3,167,500,	000 2,647,500,000
Provisions made during the year	700,000,	
	3,867,500,	000 3,167,500,000
Less: Advance Income Tax		
Balance on 1 January	3,026,278,	409 2,214,738,502
Paid during the year	618,550,	669 811,539,907
	3,644,829,	078 3,026,278,409
Net Closing Balance	222,670,9	922 141,221,591
12.5(a) Consolidated tax expenses		
Trust Bank Limited (N	lote- 12.5.1) 700,000,0	000 520,000,000
Trust Bank Securities Limited	114,	
Trust Bank Investment Limited	150,000,	
	850,114,	718 778,711,885

12.5.1 Provision for current tax of Tk.700,000,000 has been made @ 42.50% on Business Income, @ 20% on Dividend Income and @ 10% on captal gain on sale of shares of the accounting profit made by the Bank during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

	3,742,093,197	0.045 754 450
Trust Bank Limited (Note- 12)	5,7 +2,035,137	2,915,754,159
Trust Bank Securities Limited	1,855,806	-
Trust Bank Investment Limited	1,171,187,511	673,867,364
4	4,915,136,514	3,589,621,523
Less: Inter company transcation	4,915,136,514	3,589,621,523
 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	-
380,541,220		3,805,412,200	3,459,465,640

13.3 Capital Adequacy Ratio

In terms of section 13 (2) of the Bank Company Act, 1991 and Bangladesh Bank BRPD circulars no. 1, 14, 10, 7, 5 and 3 dated January 08, 1996, November 16,1996, November 25, 2002, August 28, 2006, May 14, 2007 and March 12, 2008 respectively, required capital, available core capital and supplementary capital of the Bank for the period ended as at 31 December 2013 is shown below:

	31.12.2013 Taka	31.12.2012 Taka
13.3.1 Capital Adequacy Ratio under SOLO basis		
<u>Tier – I (Core Capital)</u>		0.450.405.040
Paid up Capital Share Premium Account	3,805,412,200 532,225,500	3,459,465,640
Statutory Reserve	2,169,218,210	532,225,500 1,966,008,097
Retained Earnings	321,901,750	546,623,857
	6,828,757,660	6,504,323,094
<u>Tier –II (Supplementary Capital)</u>		
General Provision	1,275,699,000	965,999,000
Bond (30% of Tier-1)	1,600,000,000	1,951,296,928
Revaluation reserves (50% of such reserve)	18,511,727 2,894,210,727	4,283,929 2,921,579,857
A. Total Capital (Tier-I + Tier-II)	9,722,968,387	9,425,902,951
B. Total Risk Weighted Assets (RWA)	89,107,200,000	72,166,700,000
C. Required Capital based on RWA @ 10% on B	8,910,720,000	7,216,670,000
D. Surplus Capital as per Bank weighted Assets (A - C)	812,248,387	2,209,232,951
Capital Adequacy Ratio		
Core Capital to RWA	7.66%	9.01%
Supplementary Capital to RWA	3.25%	4.05%
	10.91%	13.06%
13.3(a) Capital Adequacy Ratio under Consolidated basis <u>Tier – I (Core Capital)</u>		
Paid up Capital	3,805,412,200	3,459,465,640
Minority Interest	789	779
Share Premium Account	532,225,500	532,225,500
Statutory Reserve	2,169,218,210	1,966,008,097
Retained Earnings	656,322,596	883,514,075
<u>Tier –II (Supplementary Capital)</u>	7,163,179,295	6,841,214,091
General Provision	2,016,423,961	1,458,338,925
Bond (30% of Tier-1)	1,600,000,000	2,000,000,000
Revaluation reserves (50% of such reserve)	18,511,727	4,283,929
	3,634,935,688	3,462,622,854
A. Total Capital (Tier-I + Tier-II)	10,798,114,983	10,303,836,945
B. Total Risk Weighted Assets (RWA)	91,968,200,000	74,339,800,000
C. Required Capital based on RWA @ 10%	9,196,820,000	7,433,980,000
D. Surplus Capital as per Bank weighted Assets (A - C)	1,601,294,983	2,869,856,945
Capital Adequacy Ratio		
Core Capital to RWA	7.79%	9.20%
Supplementary Capital to RWA	3.95%	4.66%
	11.74%	13.86%
Total Risk Weighted Assets (RWA) Risk Wieghted Assets (RWA) has been calculated considering the Cro	edit risk. Market Risk	and Operationa

Risk Wieghted Assets (RWA) has been calculated considering the Credit risk, Market Risk and Operational risk as per Guidellines on Risk Based Capital Adequacy - Revised Regulatory Framework in line with Basel II issued by Bangladesh Bank on August 2010.

13.4 Percentage of shareholdings at the closing date

	Amount (in Taka) 31.12.2013 31.12.2012		Percentage (%)	
			31.12.2013	31.12.2012
Sponsors	2,283,474,170	2,075,887,450	60.00%	60.00%
Financial Institutions	776,040,820	800,872,170	20.39%	23.15%
Foreign Investors	10,226,850	5,448,900	0.27%	0.16%
Non-Resident Bangladeshi	14,331,130	13,158,640	0.38%	0.38%
General Public	721,339,230	564,098,480	18.97%	16.32%
Total	3,805,412,200	3,459,465,640	100.00%	100.00%

13.5 Shareholding Range on the basis of shareholdings as on 31 December 2013

Shareholding Range		No. of Sh. Holders	Number of Shares	%	
1	to	500	14,389	2,245,563	0.59%
501	to	5,000	16,293	25,320,261	6.65%
5,001	to	10,000	1,241	8,592,290	2.26%
10,001	to	20,000	649	9,096,258	2.39%
20,001	to	30,000	163	3,966,398	1.04%
30,001	to	40,000	87	3,018,482	0.79%
40,001	to	50,000	50	2,223,354	0.58%
50,001	to	100,000	94	6,794,980	1.79%
100,001	to	1,000,000	90	24,280,056	6.38%
1,000,001	to	100,000,000	19	66,682,128	17.52%
100,000,001	and More	1,000,000,000	1	228,321,450	60.00%
		Total	33,076	380,541,220	100.00%

			31.12.2013 Taka	31.12.2012 Taka
13 (a)	MINORITY INTEREST	st Bank Investment Limited @ Tk. 100		
	each & 1 nos Share of TBSL)	St Bank investment Limited @ TK. 100	710	700
	Profit as of 1 January 2013		79	74
	Profit for the year		-	5
			79	79
			789	779
14	STATUTORY RESERVE			
	Balance on 1 January		1,966,008,097	1,827,243,070
	Reserve made during the year	(Note: 14.1)	203,210,113	138,765,027
	Closing Balance		2,169,218,210	1,966,008,097

14.1 Reserve for current year

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

	Profit before Taxation 20% of net profit before tax	1,016,050,566 203,210,113	693,825,134 138,765,027
15	OTHER RESERVE Revaluation Reserve		
	Balance on 1 January	8,567,858	3,475,004
	Reserve made/(adjusted) during the year	28,455,595	5,092,854
	Closing Balance	37,023,453	8,567,858

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 Equirty' under the head Other Reserve as Surplus/Deficit on revaluation of investment.

		31.12.2013 Taka	31.12.2012 Taka
16	RETAINED EARNINGS		
	Balance on 1 January	546,623,857	1,034,915,074
	Issue of Bonus Shares	(345,946,560)	(266,112,740)
	Cash Dividend	-	(266,112,740)
		200,677,297	502,689,594
	Net Profit for the year transferred from Profit and Loss Account	324,434,566	182,699,290
	Less: Transferred to Statutory Reserve	203,210,113	138,765,027
		121,224,453	43,934,263
	Closing Balance	321,901,750	546,623,857
16 (a)	Consolidated retained earnings		
	Trust Bank Limited (Note: 16)	321,901,750	546,623,857
	Trust Bank Securities Limited	(2,469,372)	-
	Trust Bank Investment Limited	336,890,297	336,890,297
		656,322,675	883,514,154
	Less minority interest	79	79
	Closing Balance	656,322,596	883,514,075
17	CONTINGENT LIABILITIES		
17.1	Acceptances and endorsements		
	Acceptance Bills - Local	2,095,871,071	2,383,854,491
	Acceptance Bills - Foreign	5,702,116,084	3,230,209,923
	Acceptance Liabilities - Back to Back L/C	859,262,823	770,447,934
		8,657,249,978	6,384,512,348
17.2	Letters of Guarantee		
	Letters of Guarantee - Local	7,927,492,262	3,067,958,900
	Letters of Guarantee -Foreign	8,062,428	10,362,428
		7,935,554,690	3,078,321,328
17.2.1	Money for which the bank is contingently liable in		
	respect of guarantees given favoring :		
	Directors or Officers Government	- 2,175,736,817	-
	Banks and other financial institutions	2,888,492,862	1,251,016,148 216,005,415
	Others	2,871,325,011	1,611,299,765
	Others	7,935,554,690	3,078,321,328
		7,333,334,030	3,070,321,320
17.3	Irrevocable Letter of Credits		
	Letter of Credit - Local	242,669,567	153,231,960
	Letter of Credit - Foreign	7,788,402,620	5,282,137,296
	Letter of Credit - Back to Back L/C	2,170,186,633	1,409,791,292
	Letter of Credit - Usance (Foreign)	2,033,640,640	3,185,995,846
		12,234,899,460	10,031,156,394
17.4	Bills for Collection		
	Outward Bills for Collection	27,999,904	19,180,676
	Local Documentary Bill for Collection	1,897,195,062	2,032,190,379
	Foreign Documentary Bills for Collection	918,676,030	528,638,515
		2,845,083,746	2,580,009,570

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		2013 Taka	2012 Taka
18	INCOME STATEMENTS		
	Income:		
	Interest/Profit, discount and similar income	11,396,345,637	9,190,937,196
	Dividend income	26,678,268	42,566,453
	Fees, commission and brokerage	723,006,672	572,896,012
	Gains less losses arising from dealing in securities	20,781,241	16,922,080
	Gains less losses arising from investment securities	-	-
	Gains less losses arising from dealing in foreign currencies	-	-
	Income from non-banking assets	-	-
	Other operating income	310,646,629	231,242,009
	Profit less losses on interest rate changes	-	-
	Evenness	12,477,458,447	10,054,563,750
	Expenses:	8,752,142,555	7,053,722,027
	Interest / profit paid on deposits, borrowings etc, Losses on loans and advances	0,752,142,555	1,000,722,027
		- 1,785,077,095	1,438,126,750
	Administrative expenses Other operating expenses	360,132,229	
	Depreciation on banking assets		374,537,233
	Depreciation on Danking assets	31,396,435 10,928,748,314	30,745,695 8,897,131,705
		1,548,710,133	1,157,432,045
		1,540,710,155	1,157,452,045
19	INTEREST INCOME		
19.1	Interest Income under Conventional banking		
	Interest from Loans and Advances		
	Interest on Repair & Recon. of Dwelling House (RRDH)	149,123,992	157,110,872
	Interest on Consumer Durable Scheme	70,126	101,943
	Interest on Marriage Loans	2,587,969	3,345,597
	Interest on Car Loans	20,260,447	33,584,618
	Interest on House Building Loans	409,772,860	352,325,317
	Interest on Term Loans	2,447,462,276	1,797,082,623
	Interest on Other Loans	2,453,238,137	1,674,704,085
	Interest on SME Loan	192,172,636	130,447,580
	Interest on PAD - EDF	19,120,901	11,642,821
	Interest on Staff Loan	24,513,517	20,518,996
	Interest on LTR	881,938,003	1,003,077,579
	Interest on Payment Against Documents (PAD)	38,397,974	122,918,483
	Interest on Cash Credit	236,272,067	230,333,842
	Interest on Cash Collateral	89,615,636	40,432,715
	Interest on Overdraft	412,727,652	347,557,413
	Interest on SOD	1,292,698,006	1,200,550,380
	Interest on Inland Bills Purchased and Discounted	164,198,915	229,034,911
	Interest on Foreign Bills Purchased and Discounted	14,457,685	29,715,919
		8,848,628,799	7,384,485,694
	Interest from Banks and Other Financial Institutions		
	Interest on FDR Account	205,367,817	24,750,676
	Interest on Bangladesh Bank Foreign Currency Accounts	876,697	1,789,306
	Interest on SND Account	1,640,662	1,567,195
	Interest on Call Deposits	475,785,700	763,238,755
		683,670,876	791,345,932
	Interest received from Foreign Banks	135,898	958,019
	-	9,532,435,573	8,176,789,645
10.2	Profit under Islamic banking		
19.2	Profit under Islamic banking Profit on Murabaha (RM)		3,175,167
		- 98,064,900	
	Profit on Bai-Muajjal Profit on HPSM Capital Machinery	98,064,900 65,947,404	1,454,415
	Profit on HPSM-Capital Machinery	05,947,404	2,380,657

Profit on IHSAN Apartment Purchase Scheme Profit on BARAKAT Home Construction Scheme Profit on BARAKAT Car Scheme Profit on HPSM- Real Eastate Profit on Murabaha TR Profit on Bai-Salam Profit on Murabaha Import Bills (MIB) Profit on TIB House Building Scheme-HBL (RM) Profit on HPSM General Profit on FDBP - TIB Profit on Musharaka agt. IBP

Profit from Banks and Other Financial Institutions Profit on Mudaraba Term Deposits

19 (a) Consolidated Interest Income/profit on investment Trust Bank Limited (Note- 19) Trust Bank Securities Limited Trust Bank Investment Limited

Less : Inter Company Transaction

20 INTEREST PAID ON DEPOSITS AND BORROWINGS

20.1 Interest paid on deposits

Interest on SND Account Interest on FDR Account Interest on Foreign Currency Deposit Interest on Savings Account Interest on Scheme Deposits

20.2 Profit paid on Islamic Banking Deposits

Profit Paid on Mudaraba Savings Account Profit Paid on Mudaraba SND Interest Paid on Mudaraba TDR Profit Paid on Mudaraba MTDR - 1 Month Prifit Paid on TBL Barakat Hajj Deposit Scheme Profit on Mudaraba Kotipati Scheme (MKS) Profit on Mudaraba Millionaire Scheme (MMS) Profit on Mudaraba Money Double Scheme (MMDS) Profit Paid on DPMSA Profit Paid on TEMSA Profit Paid on Mudaraba Monthly Savings Scheme

20.3 Interest paid on borrowings Interest on Call Deposits. Interest on Repo

Discount & Commission paid Interest on Other Borrowings

2012	2012
2013 Taka	2012 Taka
1,742,218	43,411,737
2,327,674	11,475,053
2,346,467	-
5,728,509 50,735,153	30,453,522 9,533,144
20,679,220	47,022,379
1,216,006	250,250
4,918,900 13,015,289	2,073,513
1,240,533	2,620
4,915,065	15,762,707
272,877,338	166,995,164
57,964,155	-
330,841,493	166,995,164
9,863,277,066	8,343,784,809
9,863,277,066	8,343,784,809
-	-
400,817,831 10,264,094,897	700,220,868 9,044,005,677
57,444,058	345,894,275
10,206,650,839	8,698,111,402
166,787,386	105,018,048
6,499,393,139	5,477,471,158
22,931,557 299,475,672	18,007,869 243,189,312
1,036,899,930	668,654,769
8,025,487,684	6,512,341,156
17,355,578	14,632,950
602,960	228,859
399,788,211 595,093	247,140,193 461,324
248,115	143,235
389,653	26,844
489,571	31,225
895,764	-
1,553 97,475	_
10,039,455	6,796,940
430,503,428	269,461,570
5,892,431	4,183,333
-	-
۔ 290,259,012	-
290,259,012 296,151,443	267,735,968 271,919,301
9 752 142 555	7 052 722 027

8,752,142,555

7,053,722,027

		2013 Taka	2012 Taka
20 (a)			
	borrowings etc. on investmentTrust Bank Limited(Note- 20)Trust Bank Securities Limited	8,752,142,555	7,053,722,027
	Trust Bank Investment Limited	72,773,626 8,824,916,181	77,307,741 7,131,029,768
	Less : Inter Company Transaction	57,444,058 8,767,472,123	345,894,275 6,785,135,493
21 21.1	INCOME FROM INVESTMENTS Income from Conventional Banking		
	Income from Treasury bills Income on Bangladesh Bank Bill Income from Treasury bonds	30,489,643 6,451,000 1,418,065,704	61,660,138 686,389,640
	Income from Reverse REPO Profit on sale of Securities	172,603	-
	Income from Other Approved Securities Income from Debentures & Bond Dividend Income	- 73,827,391 18,101,011	- 88,075,329 42,222,333
	Gain from sales of shares	7,561,588 1,554,668,940	7,155,422 885,502,862
21.2	Income from Islamic Banking Investments Dividend Income Profit on Bangladesh Govt. Islamic Investment Bond	8,577,257 4,062,230	344,120 11,027,280
	Profit on Sale of Shares	13,219,653 25,859,140	9,766,658 21,138,058
		1,580,528,080	906,640,920
21(a)	Consolidated Income from Investment Trust Bank Limited	1,580,528,080	906,640,920
	Trust Bank Securities Limited Trust Bank Investment Limited	- 6,033,970	- 7,005,174
		1,586,562,050	913,646,094
22	Commission, exchange and brokerage		5 000 000
	Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order Travelers Cheque	507	5,228,208 3,064
	Bills Letter of Guarantees Letter of Credits	17,400,408 77,163,481 198,169,006	15,385,460 36,011,645 177,333,061
	Foreign Remittances Commission on Sale of Government Securities	5,267,740 9,758,870	4,548,762 6,833,287
	Fund Transfer Commission Commission on Sale & Purchase of Shares	12,200 151,712	17,505
	Under writing Commission Acceptance Commission	1,016,958 97,669,840	1,853,594 75,913,252
	Foreign Correspondence Charges Miscellaneous Commission	6,750 14,561,866	- 18,439,999
	Foreign Currency Exchange Gain	425,563,332 297,443,340	341,657,819 231,238,193
		723,006,672	572,896,012

			2013 Taka	2012 Taka
22 (a)	Consolidated Commission, exchan Trust Bank Limited Trust Bank Securities Limited Trust Bank Investment Limited	ge and brokerage (Note- 22)	723,006,672 687,372 232,837 723,926,881	572,896,012 - 1,453,704 574,349,716
			723,320,001	
23	OTHER OPERATING INCOME Locker Rent Swift Charge (Net) Postage Charge (Net) Incidental Charges Sale Proceeds of Forms Service Charges Service Compensation Front End Fees Notice Pay		1,478,050 24,311,559 - - 573,430 51,069,595 790,400 74,312,761 3,449,533	1,086,775 9,159,685 - 2,501 903,254 44,777,853 643,200 52,098,428 3,544,402
	Closing Charge Sale Proceeds of Cheque books Income form Mobile Banking O/W Cheque Processing Fees EFTN Org Processing Fees Introductory Commission Syndication Fees		912,311 118,500 71,060 438,071 30,109 - 7,920,450	779,766 100,000 3,825 50 - - 6,935,000
	Income through Credit & ATM Card Profit on sale of Fixed Assets Port Folio Management Fees Take up Commission Extra Ordinary Gain Port Folio Transaction Fees Insurance Premium Income SMS Notification Fees Service Charges on e-GP		30,338,425 - - - - - - - - - - - - - - - - - - -	21,751,210 1,030,641 - 41,976
	Service Charge on Passport Miscellaneous Foreign Exchange Inco Miscellaneous Earnings	ome	62,675,480 52,062,591 310,646,629	51,243,981 37,139,462 231,242,009
23 (a)	Consolidated other oprating incom	e		
	Trust Bank Limited Trust Bank Securities Limited Trust Bank Investment Limited	(Note- 23)	310,646,629 23,603 114,035,454 424,705,686	231,242,009 - 125,078,665 356,320,674
24	Colorian and allowersan			
24	Salaries and allowances Basic Salary House Rent Allowances Conveyance Allowances Medical Allowances Leave Fare Assistances Leave Encashment Utility Allowances Telephone Allowance Club Membership Allowance Personal Pay		395,256,525 197,341,223 21,782,897 74,802,795 30,742,777 6,665,806 3,092,586 282,290 1,047,576	319,151,303 154,057,656 18,305,741 66,624,977 27,107,544 8,098,056 2,987,759 211,020 995,162

		2013 Taka	2012 Taka
	House Maintenance Allowance Entertainment Allowance Guard/Domestic Aid/Mali etc. Contractual Staffs Salary Managers' Charge Allowance Key Holding Allowance Commission to Sales Promotion Officers Festival Bonus Incentive Bonus Bank's Contribution to Provident Fund Bank's Contribution to Superannuation Fund Bank's Contribution to Employees' Gratuity Fund	- - - 13,594,368 1,987,179 967,500 - 73,619,750 186,393,452 36,555,669 1,600,000 86,786,241 1,132,518,634	- 9,380,228 1,515,516 994,833 1,511,482 59,187,491 124,223,434 29,604,203 1,600,000 65,556,551 891,112,956
24 (a)	Consolidated salaries and allowancesTrust Bank Limited(Note- 24)Trust Bank Securities LimitedTrust Bank Investment Limited	1,132,518,634 1,455,460 31,618,868 1,165,592,962	891,112,956 - 55,798,369 946,911,325
25	RENT, TAXES, INSURANCE, ELECTRICITY, ETC.	164,452,609	130,435,565
	Rent	35,291,494	28,406,536
	Electricity and Lighting	70,055,806	49,147,107
	Insurance	563,409	378,102
	Rates, Taxes & Excise Duty	5,195,426	14,029,246
	Fees & Renewals	6,045,958	5,644,226
	Generator Fuel	1,448,144	1,333,702
	Gas/Water Bill	283,052,846	229,374,484
25 (a)	Consolidated rent,taxes,insurance, electricity,etc.	283,052,846	229,374,484
	Trust Bank Limited (Note- 25)	247,900	-
	Trust Bank Securities Limited	9,706,584	11,526,583
	Trust Bank Investment Limited	293,007,330	240,901,067
26	POSTAGE, STAMPS, TELECOMMUNICATION, ETC.	3,350,361	4,881,688
	Postage	177,237	158,950
	Stamp	761,613	627,830
	ATM Connectivity Charges	1,514,900	6,000,400
	ATM Maintenance Charges	66,498,079	49,830,480
	Online Expenses	4,081,948	10,593,865
	ATM Card Expenditure	2,350,823	2,912,727
	Internet Charge	2,447,917	2,490,579
	Router Charge	9,098,076	8,081,196
	Telegram, Telex, Telephone, Trunk Call etc. (Net)	90,280,954	85,577,715
26 (a)	Consolidated postages, stamps, telecommunication, etc.	90,280,954	85,577,715
	Trust Bank Limited (Note- 26)	140,548	-
	Trust Bank Securities Limited	1,889,959	2,388,266
	Trust Bank Investment Limited	92,311,461	87,965,981

		2013 Taka	2012 Taka
27	STATIONERY, PRINTING, ADVERTISEMENT, ETC.		
	Printing and Stationery (Net)	52,231,102	50,660,515
	Publicity and Advertisement	25,200,066 77,431,168	68,269,063 118,929,578
		11,431,100	110,929,576
27 (a)	Consolidated stationery, printing, advertisement, etc.		
	Trust Bank Limited (Note- 27) Trust Bank Securities Limited	77,431,168	118,929,578
	Trust Bank Securities Limited	208,415 563,533	- 764,842
		78,203,116	119,694,420
			, ,
28	DIRECTORS' FEES Meeting fees	1,403,100	1,250,000
	Other benefits	-	1,230,000
		1,403,100	1,250,000
28 (a)	Consolidated directors fees Trust Bank Limited (Note- 28)	1 402 100	1,250,000
	Trust Bank Limited (Note- 28) Trust Bank Securities Limited	1,403,100	1,250,000
	Trust Bank Investment Limited	183,000	240,000
		1,586,100	1,490,000
29	Depreciation and repair of bank's assets Depreciation		
	Fixed assets (For details please refer to Annexure - B)	109,164,554	100,372,959
	Repairs	004 750	0.000.045
	Building Furniture and fixtures	981,759 1,469,998	2,032,315 1,359,427
	Office equipment	13,584,740	10,580,076
	Bank's vehicles	3,344,291	6,105,238
	Maintenance	12,015,647	10,668,639
		31,396,435	30,745,695
		140,560,989	131,118,654
29 (a)	Consolidated depreciation and repair of bank's assets Trust Bank Limited (Note- 29)	140,560,989	131,118,654
	Trust Bank Securities Limited	33,726	-
	Trust Bank Investment Limited	4,002,684	3,826,340
		144,597,399	134,944,994
30	OTHER EXPENSES		
	Business Development Expenses	31,917,377	50,648,984
	Clearing House Charge Conveyance	102,318 10,527,142	84,893 7,834,332
	Entertainment	21,443,012	17,392,369
	Car Expenses	61,583,298	60,022,147
	Cash Handling Charge	2,441,530	1,952,486
	Bank charges	216,941	98,104
	Meeting Expenses Donation, Subscription and Membership Fees	8,417,413 23,860,770	9,629,771 4,241,408
	News Paper and Periodicals	712,513	629,334
	Oil and Lubricant	5,981,228	5,647,786

		31.12.2013 Taka	31.12.2012 Taka
	Remittance Charges	4,018,392	4,107,502
	Other Contractual Service	122,028,322	88,531,685
	Internship Allowances	1,712,193	1,613,707
	Honorarium for Banking Diploma	505,000	574,000
	Training & Recruitment Expenses	7,946,117	10,162,438
	Traveling Expenses	11,888,353	9,547,877
	Up Keep of Office Premises	6,291,850	5,209,704
	Washing Charges	1,320,401	1,143,378
	Loss on Sale of Fixed Assets	6,048,312	-
	Car Leasing Expenses	1,509,732	1,383,921
	Outsource Agency Fees	-	6,451
	Foreign Correspondence Expenses	3,220,191	2,923,414
	Pre-opening Expenses	-	274,793
	Amortization of Intangible Assets	16,090,490	16,722,609
	Special Reserve Fund	80,000,000	60,000,000
	CDBL Charges	586,810	1,844,792
	Security Expenses Foreign Remittance Expenses	1,381,056 42,989	3,287,911 455,556
	Brocker's Expenses	42,989	400,000
	Share/Bond Issue Expense	153,222	1,290,281
	Sales Commission	3,437,282	4,205,705
	Fixed assets written off	- 0,407,202	90,023
	Cash Carrying Charges	3,014,303	1,691,781
	Wages paid to daily Labor	211,838	97,745
	Purchase of Utensils	843,249	499,762
	Medical Expenses	6,729	8,402
	Contact Point Verification Fees (RB)	125,600	189,270
	Miscellaneous Expenses	542,197	492,912
	·	440,132,229	374,537,233
20 (-)			
30 (a)	Consolidated other expenses Trust Bank Limited (Note- 30)	440,132,229	274 537 222
	Trust Bank Securities Limited	922,080	374,537,233
	Trust Bank Investment Limited	9,869,079	10,996,961
		450,923,388	385,534,194
		430,323,300	303,334,134
24	PROVISION FOR LOANS AND ADVANCES / INVESTMENTS		
31	Specific Provisions-against classified loans & advances	144,307,000	423,956,000
	General Provisions-against un-classified loans & advances	245,771,000	(37,852,000)
	General Provisions-against special mentioned accounts	(32,072,000)	46,871,000
		358,006,000	432,975,000
			402,010,000
21 (~)	Concelidated Provision for Leans & Advances / Investment		
31 (a)	Consolidated Provision for Loans & Advances / Investment Trust Bank Limited (Note- 31)	358,006,000	432,975,000
	Trust Bank Limited (Note- 31) Trust Bank Securities Limited	356,006,000	432,975,000
	Trust Bank Investment Limited	246,271,620	404,402,540
		604,277,620	837,377,540
		004,277,020	037,377,340
32	PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS		
	Decline in value of investment should consist of the following divisions:		
	(a) Dealing securities		
	- Quoted	-	-
	- Unquoted	-	-
		-	-

31.12.2013 Taka	31.12.2012 Taka
72,929,656	699,007
72,929,656	699,007
72,929,656	699,007
	Taka 72,929,656 - 72,929,656

Provision for Investment in Share has been made as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.

32(a)	Consolidated Provision for diminution in value of investments		
	Trust Bank Limited	72,929,656	699,007
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	(6,146,177)	8,225,826
		66,783,479	8,924,833
33	OTHER PROVISION		
	General Provision for Off Balance Sheet Exposures	96,001,000	27,490,000
	Provision for Other Assets	5,722,911	2,442,904
		101,723,911	29,932,904

- **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.
- **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 share holders	324,434,566	182,699,290
	Nos of Ordinary Outstanding Share	380,541,220	330,931,177
	Basic Earning per Share	0.85	0.55
35 (a)	Consolidated Earning per Share (EPS) Profit attributable to outstanding ordinary share holders	321,965,194	182,699,290
	Nos of Ordinary Outstanding Share	380,541,220	330,931,177
	Basic Earning per Share	0.85	0.55
36	INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES Locker Rent Swift Charge (Net) Postage Charge (Net) Incidental Charges Sale Proceeds of Forms Service Charges Service Compensation Front End Fees Notice Pay closing Charge Sale Proceeds of Cheque books Income form Mobile Banking O/W Cheque Processing Fees	1,478,050 24,329,911 - 573,430 51,069,595 790,400 74,312,761 3,449,533 912,311 118,500 71,060 438,071	1,086,775 8,862,009 - 2,501 903,254 44,777,853 643,200 52,098,428 3,544,402 779,766 100,000 3,825 50

	31.12.2013 Taka	31.12.2012 Taka
EFTN Org Processing Fees Introductory Commission Syndication Fees Income through Credit & ATM Card Income from Government Securities Interest on Debentures & Bond Profit on Investment in Islamic Bank Bond Income from sale proceed of shares Port Folio Management Fees Take up Commission Port Folio Transaction Fees Insurance Premium Income SMS Notification Fees Service Charges on e-GP Service Charge on Passport Miscellaneous Foreign Exchange Income Miscellaneous Earnings	Taka 30,109 - 7,920,450 30,338,425 1,576,286,143 73,827,391 4,062,230 20,781,241 - 33,180 50,624 10,500 - 62,675,480 52,062,591 1,985,621,986	Taka - - - - - - - - - - - - -
36 (a) Consolidated Income from Other Operating Activities Trust Bank Limited (Note- 36) Trust Bank Securities Limited Trust bank Investment Limited	1,985,621,986 123,791 120,069,424 2,105,815,201	1,074,011,695 - 132,083,839 1,206,095,534
 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES Business Development Expenses Clearing House Charge Conveyance Entertainment Car Expenses Cash Handling Charge Bank charges Meeting Expenses Donation, Subscription and Membership Fees News Paper and Periodicals Oil and Lubricant Remittance Charges Other Contractual Service Internship Allowances Honorarium for Banking Diploma Ex- Gratia Pre-opening Expenses Up Keep of Office Premises Washing Charges Financial Assistance Loss on Sale of Fixed Assets Car Leasing Expenses Outsource Agency Fees Foreign Correspondence Expenses Special Reserve Fund CDBL Charges 	(31,917,377) (102,318) (10,527,142) (21,402,162) (61,583,298) (2,441,530) (216,941) (8,417,413) (23,860,770) (700,772) (5,995,642) (3,816,684) (121,955,229) (1,712,193) (505,000) (1,712,193) (505,000) (1,712,193) (505,000) (1,712,193) (505,000) (1,320,401) (1,320,401) (1,509,732) (3,220,191) (60,000,000) (586,810)	(50,648,984) (84,893) (7,834,332) (17,815,545) (60,022,147) (1,952,486) (98,104) (9,629,771) (4,241,408) (612,315) (5,488,237) (4,307,332) (88,590,773) (1,613,707) (574,000)

		31.12.2013 Taka	31.12.2012 Taka
	Security Expenses	(1,381,056)	(3,287,911)
	Foreign Remittance Expenses	(42,989)	(455,556)
	Brocker's Expenses	(4,059)	-
	Share/Bond Issue Expense	(153,222)	(1,290,281)
	Sales Commission	(3,437,282)	(4,205,705)
	Fixed assets written off	-	(90,023)
	Cash Carrying Charges	(3,014,303)	(1,691,781)
	Wages paid to daily Labor	(211,838)	(97,745)
	Purchase of Utensils Medical Expenses	(843,249)	(499,762)
	Contact Point Verification Fees (RB)	(6,729) (125,600)	(8,402) (189,270)
	Miscellaneous Expenses	(123,000)	(1,699,700)
	Publicity and Advertisement	(25,180,066)	(68,269,063)
	Rent, Taxes, Insurance, Lighting etc.	(371,438,904)	(250,391,910)
	Legal Expenses	(3,990,002)	(6,953,529)
	Postage, Telegram, Telephone	(89,834,118)	(82,399,099)
	Audit Fee	(287,500)	(470,250)
	Directors Fee	(1,403,100)	(1,250,000)
	Repairs and maintenance of Fixed Assets	(31,396,435)	(30,745,695)
		(938,953,014)	(820,006,484)
37 (a)	Consolidated Expenses paid for Other Operating Activities		
. ()	Trust Bank Limited (Note- 37)	(938,953,014)	(820,006,484)
	Trust Bank Securities Limited	(2,559,536)	-
	Trust Bank Investment Limited	(22,793,301)	(25,887,443)
		(964,305,851)	(845,893,927)
38	CHANGES IN OTHER OPERATING ASSETS		
	Security Deposits	661,372	(1,107,167)
	Intl. Credit Report Agency Charge	1,383,352	3,288,636
	Investment in Subsidiary Company	(349,999,990)	-
	Encashment of Sanchaya patra awaiting reimbursement-Principal	139,381,195	(114,765,857)
	Encashment of Sanchaya patra awaiting reimbursement-Interest	56,545,276	(4,311,166)
	Encashment of WEDB awaiting reimbursement-Principal	12,019,463	37,253,987
	Encashment of WEDB awaiting reimbursement-Interest	4,480,688	(29,416,532)
	US\$ Premium Bond - Principal	-	-
	US\$ Premium Bond - Interest	(520,425)	-
	US\$ Investment Bond - Principal	(3,590,300)	987,000
	US\$ Investment Bond - Interest	(1,440,475)	(612,695)
	Inter Office Adjusting Account	- (120,000)	146,286,853
	Receivable on Death Risk Benefit-WEDB Receivable from Exchange House	(120,000)	-
	Advance against Capital Expenditure	(12,071,803) (20,579,587)	- (1,867,673)
	Clearing Adjustment	(3,125,068)	(20,178,589)
	EFTN Adjustment Account	(0,120,000)	(20,110,000)
	Suspense Account	482,840,144	(67,844,595)
	Adjusting Account for Online GL		(268,222,544)
		305,863,842	(320,510,342)
38 (a)	Consolidated Changes in Other Operating Assets		
00 (u)	Trust Bank Limited (Note- 38)	305,863,842	(320,510,342)
	Trust Bank Securities Limited		(010,010,012)
	Trust Bank Investment Limited	1,489,710	16,771,797
		307,353,552	(303,738,545)
	Less : Inter Company Transaction	(349,999,990)	_
		657,353,542	(303,738,545)

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	31.12.2013 Taka	31.12.2012 Taka
39 CHANGES IN OTHER LIABILITIES		
Sundry Creditors	(16,961,835)	99,769,700
Branch Adjusting (net)		-
Others	(457,154) (17,418,989)	191,436 99,961,136
	(11,110,000)	
39 (a) Consolidated Changes in Other Operating Liabilities Trust Bank Limited (Note- 39)	(17 419 090)	00.061.126
Trust Bank Limited (Note- 39) Trust Bank Securities Limited	(17,418,989)	99,961,136
Trust bank lovestment Limited	(3.041.255)	(6,380,789)
	(20,460,244)	93,580,347
40 CLOSING CASH AND CASH EQUIVALENT		
Cash in hand (including foreign currencies)	2,437,947,691	2,080,875,831
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	7,114,882,019	6,123,351,069
Balance with Other Bank and Financial Institutions	3,567,617,349	1,916,230,614
Call Loan to other Banks	250,000,000	11,750,000,000
Reverse REPO	650,000,000	-
Prize Bond	2,832,700	3,279,300
	14,023,279,759	21,873,736,814
40 (a) CONSOLIDATED CLOSING CASH AND CASH EQUIVALENT		
Trust Bank Limited	14,023,279,759	21,873,736,814
Trust Bank Securities Limited	1,939,855	-
Trust Bank Investment Limited	-	-
	14,025,219,614	21,873,736,814

41 EXPENDITURE INCURRED FOR EMPLOYEES

Salaries, allowances and benefits

Number of employees at 31 December 2013 was 1477; (31 December 2012 was 1299) 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 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 2013 the Honorable Members of the committee were as follows:

Name	Status with Bank	Status with committee	Educational Qualification
Mr. Helal Uddin Ahmed	Director	Chairman	MA
* Brig Gen Kazi A S M Arif, afwc, psc	Director	Member	MDS
Mr. Khalded Mahbub Morshed	Company Secretary	Member Secretary	M. Com, FCA

* Brig Gen Kazi A S M Arif, afwc, psc was appointed as Director on 29 December 2013 subject to approval of Bangladesh Bank. Bangladesh Bank approved his appointment with effect from 08 January 2014

42.b During the year end as on 31 December 2013, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

Meeting Number	Date of Meeting
1 st	18-Mar-13
2 nd	21-Apr-13
3 rd	8-May-13
4 th	18-Jul-13
5 th	27-Oct-13
6 th	22-Dec-13

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

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

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

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

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

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

Formulation of HRM policy and other operating procedures.

43 Related Party Disclosures

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

Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
		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, Chairman, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
		Military Institute of Science & Technology, Vice Chairman	Nominated
Consul Jubal Karim Dhuiyan	Chairman, (Representing Army	Council of the College, Armed Forces Medical College, Chairman	Nominated
General Iqbal Karim Bhuiyan psc	Welfare Trust)	Sena Paribar Kalyan Samiti, Chief Patron	Nominated
p		Advisory Committee of Proyash, President	Nominated
		Bangladesh Olympic Association, President	Nominated
		National Defence College & Defence Services Commandand Staff College Governing Body, Vice Chairman	Nominated
		All Golf Clubs, President	Nominated
		Defence Officers Housing Scheme Committee, Chairman	Nominated
		Sena Kalyan Sangstha – Chairman, Management Committee	Nominated
		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
Maj Gen Ashraf Abdullah Yussuf	Vice Chairman,	Army Housing Scheme, Chairman- Board of Directors	Nominated
rcds, afwc, psc	(Nominated Director)	Trust Bank Investment Limited, Vice-Chairman, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
		Trust Bank Securities Limited Chairman, Board of Directors (TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
		Trust Technical Training Institute, Chairman, Board of Directors	Nominated
		Chairman, Governing Bodies of Cadet Colleges	Nominated
		Army Welfare Trust - Managing Director	Ex-Officio
		Trust Bank Investment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
Brig Gen K A R M Mostafa Kamal ndc, psc	Director, (Nominated Director)	Trust Bank Securities Limited-Director, Board of Directors (TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
		Trust Technical Training Institute, Director, Board of Directors	Nominated
		Sena Hotel Development Ltd Director, Board of Directors	Nominated
			Nominated
Ms. Begum Rokeya Din	General Shareholders' and Independent Director	Sena Kalyan Sangstha- Member, Management Committee Trust Bank Investmen tLimited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominated
	independent Director	Ascot Trading Company- Proprietor	-
		Sabuj Unnayan Limited- Director	-
Mr. Helal Uddin Ahmed	Depositor and		Nominated
	Independent Director	Trust BankI nvestment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	Nominaleu
		Trust Bank Securities Limited, Director, Board of Directors (TBSL is a fully owned subsidiary of Trust Bank Limited)	Nominated
Brig Gen Abu Mohammad Munir Alim psc, G	Director, (Nominated Director)	Cantonment Board High School, Mirpur, Chairman	Nominated
		Jolshiri Abashon Prokolpo, Nominated Director	Nominated
Brig Gen Md Mehdi Hassan ndc, afwc, psc	Director, (Nominated Director)	Trust Bank Investment Limited, Director, Board of Directors (TBIL is a fully owned subsidiary of Trust Bank Limited)	-
		Trust Bank Securities Limited -Director, Board of Directors	Nominated

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 Principal Branch		General Iqbal Karim Bhuiyan, psc
Welfare Trust		Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen Ashraf Abdullah Yussuf, rcds,afwc, psc
		Vice- Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen K A R M Mostafa Kamal, ndc, psc
		Managing Director, Army Welfare Trust
Lease Agreement with Sena	Sena Kalyan Bhaban Branch	General Iqbal Karim Bhuiyan, psc
Kalyan Sangstha	Khulna Branch	Chairman, Board of Trustees, Sena Kalyan Sangstha
	Tongi Branch	Maj Gen Ashraf Abdullah Yussuf, rcds,afwc, psc
		Vice chairman, Board of Trustees, Sena Kalyan Sangstha.
Advertisement Agreement	Head Office	General Iqbal Karim Bhuiyan, psc
with Army Welfare Trust		Chairman, Board of Trustees, Army Welfare Trust
		Maj Gen Ashraf Abdullah Yussuf, rcds,afwc, psc
		Vice- Chairman, Board of Trustees, Army Welfare Trust
		Brig Gen K A R M Mostafa Kamal, ndc, psc
		Managing Director, Army Welfare Trust

iii) Shares issued to Directors and Executives without consideration or exercisable at discount: iv) Related party Transactions:

Nil

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

a) Transactions relating to rent

Name of the Company/Person	Nature of Relation ship	Nature of Transactions	Amount of transaction made during the year	
Army Welfare Trust	Common Director	Office Rent	7,368,400	
Sena Kalyan Sangstha	Common Director	Office Rent	9,705,906	

b) Trasactions with Subsidiaries:

Bank balance of subsidiaries with Trust Bank Limited

Name of the Subsidiaries	Nature of Account	Balance as on 31/12/2013
Trsut Bank Investment Ltd.	Special Notice Deposit (SND)	11,398,671
Trust Bank Securiries Ltd.	Current Deposit (CD)	22,869,554

v) Lending Policies to related Parties: Related parties are allowed Loans & Advances as per General Loan Policy of the Bank.

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 in Tk.
Trust Securities & Logistic Support Ltd.	Common Director	Securities Services to the Bank	122,028,322

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

43.1 The Bank's Directors' loan and advances as have been shown above in serial no. (vi), fall within purview of scheme loan.

44 Events After The Reporting Date

The Board of Directors in its 216 (02/2014) Meeting held on 25 February 2014 recommended 12% stock dividend i.e. 12 (twelve) Bonus shares for every 100 (one hundred) Shares held, out of premium, for the year 2013, 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 2013 has been shown in Annexure - C.

Vice Chairman

Dhaka, 25 February 2014



Director

Managing Directo

Tk. 44,962,730

Nil

vi) Loan and Advances to Directors and their related concern:

Annexure - A Schedule of Balance with Other Banks-Outside Bangladesh (Nostro Accounts)							
Schedule of Balanc	e with O	ther Banks-		angladesh (N	ostro Accou		
Name of the Bank	Name of the foreign currency	Amount in foreign currency	31.12.2013 Exchange rate as on 31.12.2013	Total amount equivalent to Taka	Amount in foreign currency	31.12.2012 Exchange rate as on 31.12.2012	Total amount equivalent to Taka
Citibank N.A., USA	USD	-	-	-	6,408,102.60	80.55	516,172,664
Union De Banques, HKG	USD	-	-	-	165,769.36	80.55	13,352,722
Mashreqbank psc, USA	USD	1,228,111.91	78.05	95,854,134	521,968.60	80.55	42,044,571
Standard Chartered Bank, USA	USD	3,162,617.44	78.05	246,842,291	492,938.27	80.55	39,706,178
HSBC Bank, USA	USD	5,164,566.12	78.05	403,094,386	5,220,070.41	80.55	420,476,671
ICICI Bank Ltd., Hongkong	USD	906,239.54	78.05	70,731,996	298,209.76	80.55	24,020,796
Commerz Bank, AG Germany	USD	1,459,154.39	78.05	113,887,000	107,364.87	80.55	8,648,240
Habib Bank Limited	USD	331,647.36	78.05	25,885,076	-	-	-
Sonali Bank Ltd. UK	USD	782,486.07	78.05	61,073,038	319,554.24	80.55	25,740,094
United Bank Of India	USD	161,683.98	78.05	12,619,436	-	-	-
Standard Chartered Bank, UK	GBP	60,573.48	130.22	7,887,975	53,068.30	131.88	6,998,435
Citibank N.A., UK	GBP	-	-	-	67,711.08	131.88	8,929,466
Sonali Bank Ltd. UK,GBP	GBP	9,940.91	130.22	1,294,521	23,330.19	131.88	3,076,692
HSBC, PLC, UK	GBP	66,838.30	130.48	8,720,864	82,056.02	131.88	10,821,220
Standard Chartered Bank, Japan	YEN	4,497,543.00	0.77	3,468,505	1,433,469.00	0.97	1,385,018
HSBC, PLC, UK	EURO	125,354.60	108.78	13,635,610	586,668.09	108.68	63,759,675
Standard Chartered Bank, UK	EURO	24,924.29	108.78	2,711,172	525,803.78	108.68	57,144,881
ICICI Bank Ltd., Mumbai, India	EURO	5,122.05	108.78	557,159	5,122.05	108.68	556,670
Citibank N.A., UK	EURO	-	-	-	148,427.16	108.68	16,131,212
Sonali Bank Ltd. UK, EURO	EURO	59,969.00	108.78	6,523,207	22,666.45	108.68	2,463,412
Commerz Bank, AG Germany	EURO	552,124.22	108.78	60,058,031	54,151.96	108.68	5,885,289
Citibank N.A., Mumbai, India	ACU	-	-	-	84,348.03	80.55	6,794,234
ICICI Bank Ltd., Mumbai, India	ACU	528,472.77	78.05	41,247,300	274,142.77	80.55	22,082,200
HSBC Bank, Pakistan	ACU	-	-	-	159,492.88	80.55	12,847,151
HSBC Bank, Mumbai, India	ACU	233,000.39	78.05	18,185,680	167,691.79	80.55	13,507,574
AB Bank, Mumbai, India	ACU	349,615.39	78.05	27,287,480	115,449.40	80.55	9,299,449
Mashreqbank, Mumbai, India	ACU	271,220.15	78.05	21,168,733	212,904.11	80.55	17,149,426
Standard Chartered Bank, Mumbai, India	ACU	341,362.43	78.05	26,643,338	66,994.60	80.55	5,396,415
Habib Bank, Zurich	CHF	24,875.39	88.26	2,195,512	23,623.71	89.02	2,102,872
Total				1,271,572,444			1,356,493,227

Annexure - B

	Schedule of Fixed Assets										
			Asa	at 31 Dece	mber 201	3					
				COST			DE	PRECIATION	WRITTEN		
PARTICULARS	Balance on 1 January 2013	Additions during the year	Disposal/ adjustment during the year	Balance at 31 December 2013	Balance on 1 January 2013	Charge for the year	Disposal/ adjustment during the year	Balance at 31 December 2013	DOWN VALUE at 31 December 2013		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka		
Leasehold Land	160,469	-		160,469	-	-	-	-	160,469		
Office Building	12,680,000	-	-	12,680,000	1,294,439	317,004	-	1,611,443	11,068,557		
Furniture and Fixtures	135,722,197	18,236,167	1,920,330	152,038,034	60,765,190	11,002,634	417,490	71,350,334	80,687,700		
Office Equipment	433,794,763	82,848,691	10,040,530	506,602,925	257,321,704	67,503,916	9,135,819	315,689,802	190,913,123		
Motor Vehicles	56,098,859	11,314,531	1,318,157	66,095,233	31,424,916	10,180,207	1,256,280	40,348,843	25,746,390		
Office Renovation	273,919,273	35,450,914	13,080,324	296,289,863	106,623,625	20,160,793	5,703,539	121,080,879	175,208,985		
31 December 2013	912,375,561	147,850,303	26,359,341	1,033,866,524	457,429,874	109,164,554	16,513,128	550,081,301	483,785,224		
31 December 2012	783,959,658	139,662,018	11,246,115	912,375,561	362,732,243	100,372,959	5,675,328	457,429,874	454,945,687		

	Annexure - C			
	Financial Highlight	s		
SI No	Particulars	Base	31.12.2013	31.12.2012
1	Paid up Capital	Taka	3,805,412,200	3,459,465,640
2	Total Capital	Taka	10,798,114,983	10,303,836,945
3	Capital surplus/(deficit)	Taka	1,601,294,983	2,869,856,945
4	Total Assets	Taka	116,739,573,848	95,260,778,173
5	Total Deposits	Taka	102,467,673,270	82,997,326,078
6	Total Loans and Advances	Taka	79,279,577,607	54,616,060,058
7	Total Contingent Liabilities and Commitments	Taka	31,672,787,874	22,073,999,640
8	Credit Deposit Ratio	%	77.37	65.80
9	Percentage of classified loans against total loans and advances	%	3.12	4.58
10	Profit after tax and provision	Taka	324,434,566	182,699,290
11	Amount of classified loans during current year	Taka	(33,477,351)	969,531,639
12	Provisions kept against classified loan	Taka	907,655,000	763,348,000
13	Provision surplus/(deficit)	Taka	15,240,000	118,284
14	Cost of fund	%	9.05	9.18
15	Interest earning Assets	Taka	99,026,939,439	79,626,503,119
16	Non-interest earning Assets	Taka	17,712,634,409	15,634,275,054
17	Return on Investment (ROI)	%	3.00	1.77
18	Return on Asset (ROA)	%	0.28	0.19
19	Income from Investment	Taka	1,580,528,080	906,640,920
20	Earning per Share (EPS)	Taka	0.85	0.55
21	Net income per Share	Taka	0.85	0.55
22	Price Earning Ratio	Times	4.26	2.21
23	Net Asset Value (NAV)	Taka	6,865,781,113	6,512,890,952
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	(10.07)	40.08

		Annexure - D(1)
Balance Sheet of Islami B	anking Division	
As of 31 Decemb	er 2013	
	31.12.2013 Taka	31.12.2012 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	-	-
Balance with Bangladesh Bank and its agent bank(s)		
(including foreign currencies)	418,128,138	258,644,332
	418,128,138	258,644,332
Balance with other banks and financial institutions		
In Bangladesh	817,928,734	50,000,000
Outside Bangladesh	-	
	817,928,734	50,000,000
Placement with banks and other financial institution	-	
Investments in Shares and Securities		
Government	240,000,000	120,000,000
Others	128,874,249	118,209,507
	368,874,249	238,209,507
Investments		
General Investments etc.	3,674,926,987	1,052,143,105
Bills purchased and discounted	166,363,224	44,566,057
	3,841,290,211	1,096,709,162
Fixed assets including premises	-	
Other assets	84,347,620	1,479,791,593
Non-banking assets	-	
Total Assets:	5,530,568,952	3,123,354,594
LIABILITIES AND CAPITAL		
Liabilities:		
Placement from banks and other financial institutions	-	
Al-wadeeah Current Accounts and Other Deposit Accounts	321,305,381	136,461,475
Mudaraba Savings Deposits	423,708,795	335,749,979
Mudaraba Term Deposits	4,444,335,817	2,615,324,555
Other Mudaraba Deposits	-	
Bills Payable	426,975	
	5,189,776,968	3,087,536,009
Other liabilities	340,791,984	35,818,585
Total Liabilities:	5,530,568,952	3,123,354,594

		Annexure - D(2)				
Profit and Loss Account of Islami Banking Division						
For the year ended 31 December 2013						
	31.12.2013 Taka	31.12.2012 Taka				
Investment Income	330,841,493	170,012,995				
Profit paid on deposits	430,503,427	269,461,570				
Net Investment Income	(99,661,934)	(99,448,575)				
Income from investments in Shares/Securities	25,983,940	19,990,582				
Commission, exchange and brokerage	28,456,708	18,648,060				
Other operating income	10,670,808	5,625,997				
	65,111,456	44,264,639				
Total operating income	(34,550,478)	(55,183,936)				
Salaries and allowances	7,116,340	1,032,690				
Rent, taxes, insurance, electricity, etc.	144,538	10,000				
Legal expenses	-	-				
Postage, stamps, telecommunications, etc.	34,921	46,868				
Stationery, printing, advertisement etc.	2,400	-				
Chief Executive's Salary & Fees	-	-				
Directors' Fees and Expenses	30,800	-				
Shariah SupervisoryCommittee's Fees ad Expenses	-	-				
Auditors' Fees	-	-				
Changes in Investment Losses	-	-				
Depreciation and repair to bank's assets	-	-				
Zakat Expenses	-	-				
Other expenses	71,026	-				
Total operating expenses	7,400,025	1,089,558				
Profit before provision	(41,950,503)	(56,273,494)				

	Cash Flow Statement of Isla	ami Banking Division	
	For the year ended 31	December 2013	
		31.12.2013	31.12.2012
		Taka	Taka
Α.	Cash flow from operating activities		400.405
	Interestss/Investment Income received in cash	309,833,712	169,425,
	Interest/Profit paid on Deposits	(430,503,427)	(269,461,5
	Dividend receipts	8,577,257	514,
	Fees and commission receipts in cash	-	
	Recoveries of written off Loans/Investments	-	
	Cash paid to employees	(7,116,340)	(1,032,6
	Cash paid to suppliers	-	
	Income Taxes paid	-	
	Received from other operating activities	56,534,199	43,751,
	Payments for other operating activities	(7,400,025)	(1,089,5
	Operating profit before changes in operating		(),,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	Assets and Liabilities	(70,074,624)	(57,892,4
		(10,014,024)	(07,002,-
	Increase/(Decrease) in operating assets & liabilities		
	Statutory Deposits		
	Net Investment in trading securities	(10 664 742)	57,564,
	Loan & advance/Investments to other banks	(10,664,742)	57,304,
		-	(0.004.0
	Loan & advance/Investments to customers	(2,744,581,049)	(6,801,2
	Other assets	1,465,518,597	(793,540,3
	Deposits from other banks	-	
	Deposits from customers	2,102,240,959	1,006,656,
	Other liabilities account of customers	-	
	Trading liabilities	-	
	Other liabilities	304,973,399	(3,116,8
	Net cash from operating activities (A)	1,047,412,540	202,869,
В.	Cash flow from investing activities		
	Proceeds from sale of securities	-	
	Payments for purchase of government securities	(120,000,000)	(50,000,0
	Purchase of property, plant & equipment	-	
	Purchase of intangible assets	-	
	Sale of property, plant & equipment	-	
	Net cash from investing activities (B)	(120,000,000)	(50,000,0
			, , , ,
C.	Cash flow from financing activities		
	Increase/(Decrease) in Borrowing:		
	Call loan	-	
	Other borrowings	_	
	Share Capital A/c		
	-		
	Share Premium A/c		
	Net cash from financing activities (C)		
	Net increase in Cash and Cash Equivalent		
	(A+B+C)	927,412,540	152,869,
_	Effects of each success in the		
Е.	Effects of exchange rate changes on cash		
	and cash equivalents	-	
_			
F.	Opening Cash and Cash Equivalent	308,644,332	155,774,
	Cash and cash equivalents at end of year (D+E+F)	1,236,056,872	308,644,

TRUST BANK LIMITED Offshore Banking Unit Balance Sheet As of 31 December 2013

PROPERTY AND ASSETS Cash USD Taka Cash In hand (including foreign currencies) Balance with Bangladesh Bank and Its agent bank(s) In Bangladesh 1 Outside Bangladesh 1.581 Outside Bangladesh 1.581 Outside Bangladesh 1.581 Outside Bangladesh 1.581 It cans and Advances/Islami Banking Investments 1 Cash Cash Credit, Overdrafts etc./ Investment 554,000 Bils purchased and discounted 1,803,070 Fixed assets including premises, furniture and fixtures 544,000 Other assets 1,803,070 Italis purchased and discounted 1,803,070 Fixed assets including premises, furniture and fixtures 3,118 Other assets 1,804,651 Italis purchased and discounted 1,803,070 Italis purchased and discounted 1,803,070 Fixed assets including premises, furniture and fixtures 3,118 243,360 Other assets 1,800,000 140,729,614 Cash of ther banks, financial institutions and agents 1,803,070 Deposits and other accounts 3,118 243,360 Savings Bank / Mudraba Savings Deposits 1,800,000 Fixed Deposits / Mudraba Savings Deposits 1,800,400		31.12.2013		31.12.2012
Cash - - Cash in hand (including foreign currencies) - - - Balance with other banks and financial institutions - - - In Bangladesh 1,581 123,397 - Outside Bangladesh - - - - Others -		USD	Taka	Taka
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) Imangladesh Imangla				
(including foreign currencies) - - - Balance with other banks and financial institutions 1.581 123.397 In Bangladesh 1.581 123.397 Outside Bangladesh 1.581 123.397 Money at call and short notice 1.581 123.397 Investments - - Government - - Others - - Loans, Cash Credit, Overdrafts etc./ Investment 554.000 43.239.700 Bils purchased and discounted 1.249.070 97.489.914 Fixed assets including premises, furniture and fixtures - - Other assets 1.803.070 140.729.614 Fixed assets including premises, furniture and fixtures - - Other assets 1.804.651 140.853.011 - Liabilities - - - - Sorings Bank / Mudaraba Savings Deposits - - - Fixed Deposits / Mudaraba Term Deposits 1.803.118 140.733.360 - Other liabilities 1.803.118 140.733.360 - Other liabilities	Cash in hand (including foreign currencies)	-	-	-
Balance with other banks and financial institutions In Bangladesh 1.581 123.397 Outside Bangladesh 1.581 123.397 Money at call and short notice Investments Government 1.581 123.397 Utarise Bangladesh 1.581 123.397 Money at call and short notice Investments Government 1 1 Utarise Banking Investments Bills purchased and discounted 1 1 Dills purchased and discounted 1,803.070 43.239.700 Fixed assets including premises, furniture and fixtures Other assets 1 1.40,853.011 Non-banking assets 1 1.804,651 140,853.011 Utabilities Borrowings from other banks, financial institutions and agents Deposits and other accounts Bills Payable 1 1.40,453.011 Savings Bank / Mudaraba Savings Deposits Fixed Deposits / Mudaraba Term Deposits 1,803,118 140,490.000 Bearer Certificates of Deposit 1,803,118 140,490.000 1 Cher liabilities 1,803,118 140,493.360 1 Other liabilities 1,803,118 140,493.360 1 Other Reserve 1,803,118 140,493.360 1 Total Liabilities 1,533 1	Balance with Bangladesh Bank and its agent bank(s)			
In Bangladesh 1.581 123.397 Outside Bangladesh 1.581 123.397 Money at call and short notice 1.581 123.397 Investments - - Government - - Others - - Loans and Advances/Islami Banking Investments - - Loans, Cash Credit, Overdrafts etc./ Investment 554,000 97.489.914 Bills purchased and discounted 1,803,070 140.729,614 Fixed assets including premises, furniture and fixtures - - Other assets 1,804,651 140,853,011 Total Assets 1,804,651 140,490,000 Barry Cartificates of Deposits - - Savings Bank / Mudaraba Savings Deposits - - Fixed Deposits / Mudaraba Term Deposits 1,803,118 140,490,000 Barry Cartificates of Deposit 1,804,651 140,853,011 Other liabilities 1,803,118 140,733,360 - Other Capital - - - Share Premium Account - - - Share Premium Account<	(including foreign currencies)	-	-	-
Outside Bangladesh 1.581 123.397 Money at call and short notice 1.581 123.397 Investments 1.581 123.397 Government 1.581 123.397 Others - - Loans and Advances/Islami Banking Investments - - Loans, Cash Credit, Overdrafts etc./ Investment 554,000 43,239,700 Bills purchased and discounted 1,249,070 97,489,914 Fixed assets including premises, furniture and fixtures - - Other assets - - Non-banking assets - - - Total Assets 140,729,614 - - LIABILITIES AND CAPITAL - - - Liabilities 1,804,651 140,853,011 - Deposits and other accounts - - - Bills Payable Savings Bank / Mudaraba Savings Deposits - - Fixed Deposits / Mudaraba Term Deposits 1,803,011 - - Other liabilities 1,804,651 140,490,000 - Baraer Certificates of Deposit 1,	Balance with other banks and financial institutions	-	-	-
Money at call and short notice 1,581 123,397 Investments	In Bangladesh	-	-	-
Money at call and short notice - <	Outside Bangladesh	1,581	123,397	-
Investments		1,581	123,397	-
Government	Money at call and short notice	-	-	-
Others - - Loans and Advances/Islami Banking Investments - - Loans, Cash Credit, Overdrafts etc./ Investment 554,000 43,239,700 - Bills purchased and discounted 1,249,070 97,489,914 - Fixed assets including premises, furniture and fixtures - - - Other assets - - - - Non-banking assets - - - - Total Assets 1,803,070 140,729,614 - - LiABILITIES AND CAPITAL - - - - - Liabilities 1,804,651 140,853,011 - - - - Borrowings from other banks, financial institutions and agents -<	Investments	-	-	-
Loans and Advances/Islami Banking Investments Loans, Cash Credit, Overdrafts etc./ Investment Bills purchased and discounted Fixed assets including premises, furniture and fixtures Other assets Non-banking assets Total Assets ILABILITIES AND CAPITAL Liabilities Borrowings from other banks, financial institutions and agents Deposits and other accounts Current / Al-wadeeah Current Accounts and other Accounts Bills Payable Savings Bank / Mudaraba Savings Deposits Fixed Deposits / Mudaraba Term Deposits Total Liabilities Other liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Asset Deposits Other liabilities Total Liabilities	Government	-	-	-
Loans, Cash Credit, Overdrafts etc./ Investment554,00043,239,700Bills purchased and discounted1,249,07097,489,914Fixed assets including premises, furniture and fixtures1,803,070140,729,614Other assets1,803,070140,729,614Non-banking assets11Total Assets1,804,651140,853,011LIABILITIES AND CAPITAL1,804,651140,853,011Liabilities5avings from other banks, financial institutions and agents-Deposits and other accounts3,118243,360Current / Al-wadeeah Current Accounts and other Accounts3,118243,360Bills PayableSavings Bank / Mudaraba Term Deposits1,800,000-Bearer Certificates of Deposit1,803,011-Other liabilities1,803,011-Total Liabilities1,804,651140,853,011Other liabilities1,804,651140,853,011Total LiabilitiesTotal LiabilitiesTotal LiabilitiesTotal LiabilitiesTotal LiabilitiesTotal LiabilitiesTotal LiabilitiesTotal LiabilitiesTotal Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained Earnings-	Others	-	-	-
Loans, Cash Credit, Overdrafts etc./ Investment554,00043,239,700Bills purchased and discounted1,249,07097,489,914Fixed assets including premises, furniture and fixtures1,803,070140,729,614Other assets1,803,070140,729,614Non-banking assets11Total Assets1,804,651140,853,011LIABILITIES AND CAPITAL11Liabilities11Borrowings from other banks, financial institutions and agents-Deposits and other accounts3,118243,360Current / Al-wadeeah Current Accounts and other Accounts3,118243,360Bills PayableSavings Bank / Mudaraba Term Deposits1,800,000-Bearer Certificates of Deposit1,803,011-Other liabilities1,803,118140,733,360Other liabilities1,804,651140,853,011Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' Equity	Loans and Advances/Islami Banking Investments			
Fixed assets including premises, furniture and fixtures 1,803,070 140,729,614 Other assets - - Non-banking assets - - Total Assets 1,804,651 140,853,011 LIABILITIES AND CAPITAL - - Liabilities - - Borrowings from other banks, financial institutions and agents - - Deposits and other accounts 3,118 243,360 - Savings Bank / Mudaraba Savings Deposits - - - Fixed Deposits / Mudaraba Term Deposits 1,800,000 140,490,000 - Bearer Certificates of Deposit 1,803,118 140,733,360 - Other liabilities 1,804,651 140,853,011 - Capital/Shareholders' Equity - - - Paid up Capital - - - - Share Premium Account - - - - Statutory Reserve - - - - Other Reserve - - - - Total Liabilities - - <	Loans, Cash Credit, Overdrafts etc./ Investment	554,000	43,239,700	-
Fixed assets including premises, furniture and fixtures -	Bills purchased and discounted	1,249,070	97,489,914	-
Other assets - <t< td=""><td></td><td>1,803,070</td><td>140,729,614</td><td>-</td></t<>		1,803,070	140,729,614	-
Non-banking assetsTotal Assets1,804,651140,853,011LIABILITIES AND CAPITAL Liabilities1,804,651140,853,011Borrowings from other banks, financial institutions and agents Deposits and other accountsCurrent / Al-wadeeah Current Accounts and other Accounts3,118243,360Bills PayableSavings Bank / Mudaraba Savings Deposits1,800,000140,490,000Bearer Certificates of Deposit1,803,118140,733,360Other Deposits1,803,118140,733,360Other Iiabilities1,533119,651Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveTotal Shareholders' EquityTotal Shareholders' Equity	Fixed assets including premises, furniture and fixtures	-	-	-
Total Assets1,804,651140,853,011LIABILITIES AND CAPITAL LiabilitiesItabilitiesItabilitiesBorrowings from other banks, financial institutions and agentsDeposits and other accounts3,118243,360Current / Al-wadeeah Current Accounts and other Accounts3,118243,360Bills PayableSavings Bank / Mudaraba Savings DepositsFixed Deposits / Mudaraba Term Deposits1,800,000140,490,000Bearer Certificates of DepositOther Deposits1,803,118140,733,360Other liabilities1,803,118140,733,360Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveTotal Shareholders' EquityTotal Shareholders' Equity	Other assets	-	-	-
LIABILITIES AND CAPITAL Liabilities Borrowings from other banks, financial institutions and agents Deposits and other accounts Dills Payable Savings Bank / Mudaraba Savings Deposits Fixed Deposits / Mudaraba Term Deposits Barro Certificates of Deposit Other Deposits 1,803,118 140,490,000 Barro Certificates of Deposit Other Iiabilities 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,803,118 1,804,651 140,853,011 Capital/Shareholders' Equity Paid up Capital Share Premium Account Statutory Reserve Other Reserve Retained Earnings Total Shareholders' Equity - - - - - - <	Non-banking assets	-	-	-
LiabilitiesBorrowings from other banks, financial institutions and agents-Deposits and other accounts3,118Current / Al-wadeeah Current Accounts and other Accounts3,118Bills Payable-Savings Bank / Mudaraba Savings Deposits-Fixed Deposits / Mudaraba Term Deposits1,800,000Bearer Certificates of Deposit140,490,000Other Deposits-Other Iiabilities1,533Total Liabilities1,804,651Share Premium Account-Statutory Reserve-Other Reserve-Charle Earnings-Total Shareholders' Equity-Total Shareholders' Equity-To	Total Assets	1,804,651	140,853,011	-
Borrowings from other banks, financial institutions and agents Deposits and other accountsCurrent / Al-wadeeah Current Accounts and other Accounts3,118243,360-Bills PayableSavings Bank / Mudaraba Savings DepositsFixed Deposits / Mudaraba Term Deposits1,800,000140,490,000Bearer Certificates of DepositOther Deposits1,803,118140,733,360	LIABILITIES AND CAPITAL			
Deposits and other accountsImage: Current / Al-wadeeah Current Accounts and other Accounts3,118243,360Bills PayableSavings Bank / Mudaraba Savings DepositsFixed Deposits / Mudaraba Term Deposits1,800,000140,490,000Bearer Certificates of DepositOther Deposits1,803,118140,733,360Other Iabilities1,533119,651Total Liabilities1,804,651140,853,011Share Premium AccountStatutory ReserveOther ReserveStatutory ReserveOther ReserveStatutory ReserveOther ReserveRetained Earnings	Liabilities			
Current / Al-wadeeah Current Accounts and other Accounts3,118243,360Bills PayableSavings Bank / Mudaraba Savings Deposits1,800,000140,490,000Fixed Deposits / Mudaraba Term Deposits1,800,000-Bearer Certificates of DepositOther Deposits1,803,118140,733,360Other liabilities1,533119,651Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' EquityTotal Shareholders' EquityOther ReserveCapital Shareholders' Equity	Borrowings from other banks, financial institutions and agents	-	-	-
Bills Payable Savings Bank / Mudaraba Savings DepositsFixed Deposits / Mudaraba Term Deposits1,800,000140,490,000Bearer Certificates of Deposit1,803,000-Other Deposits1,803,118140,733,360Other liabilities1,533119,651Total Liabilities1,804,651140,853,011Paid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' EquityOther ReserveOther ReserveCapital Shareholders' EquityStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' EquityOther ReserveOther ReserveOther ReserveOther ReserveRetained EarningsTotal Shareholders' EquityTotal Shareholders' EquityOther ReserveOther ReserveOther ReserveOther ReserveOther ReserveOther ReserveOther ReserveOther ReserveOther Reserve- <t< td=""><td>Deposits and other accounts</td><td></td><td></td><td></td></t<>	Deposits and other accounts			
Savings Bank / Mudaraba Savings DepositsFixed Deposits / Mudaraba Term Deposits1,800,000140,490,000Bearer Certificates of DepositOther Deposits1,803,118140,733,360Other liabilities1,533119,651Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' EquityItal Shareholders' EquityPaid up CapitalStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' EquityItal Shareholders'	Current / Al-wadeeah Current Accounts and other Accounts	3,118	243,360	-
Fixed Deposits / Mudaraba Term Deposits1,800,000140,490,000Bearer Certificates of DepositOther Deposits0ther liabilities1,803,118140,733,360Other liabilities1,533119,651Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' Equity	Bills Payable	-	-	-
Bearer Certificates of DepositOther Deposits1,803,118140,733,360Other liabilities1,533119,651Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' Equity		-	-	-
Other Deposits1,803,118140,733,360Other liabilities1,533Total Liabilities1,533Total Liabilities1,804,651140,853,011-Capital/Shareholders' Equity-Paid up Capital-Share Premium Account-Share Premium Account-Statutory Reserve-Other Reserve-Other Reserve-Retained Earnings-Total Shareholders' Equity		1,800,000	140,490,000	-
1,803,118 140,733,360 0ther liabilities 1,533 119,651 Total Liabilities 1,804,651 140,853,011 Capital/Shareholders' Equity - - Paid up Capital - - Share Premium Account - - Statutory Reserve - - Other Reserve - - Retained Earnings - - Total Shareholders' Equity - -	·	-	-	-
Other liabilities1,533119,651Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveOther ReserveRetained EarningsTotal Shareholders' EquityTotal Shareholders' Equity	Other Deposits	-	-	-
Total Liabilities1,804,651140,853,011Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveOther ReserveRetained EarningsTotal Shareholders' EquityOthers' Equity				-
Capital/Shareholders' EquityPaid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' Equity				-
Paid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' Equity	Total Liabilities	1,804,651	140,853,011	-
Paid up CapitalShare Premium AccountStatutory ReserveOther ReserveRetained EarningsTotal Shareholders' Equity	Capital/Shareholders' Equity			
Share Premium Account - - - Statutory Reserve - - - Other Reserve - - - Retained Earnings - - - Total Shareholders' Equity - - -		-	-	-
Other Reserve - - - Retained Earnings - - - Total Shareholders' Equity		-	-	-
Other Reserve - - - Retained Earnings - - - Total Shareholders' Equity	Statutory Reserve	-	-	-
Total Shareholders' Equity -	Other Reserve	-	-	-
	Retained Earnings	-	-	-
Total Liabilities and Shareholders' Equity 1,804,651 140,853,011		-	-	-
	Total Liabilities and Shareholders' Equity	1,804,651	140,853,011	-

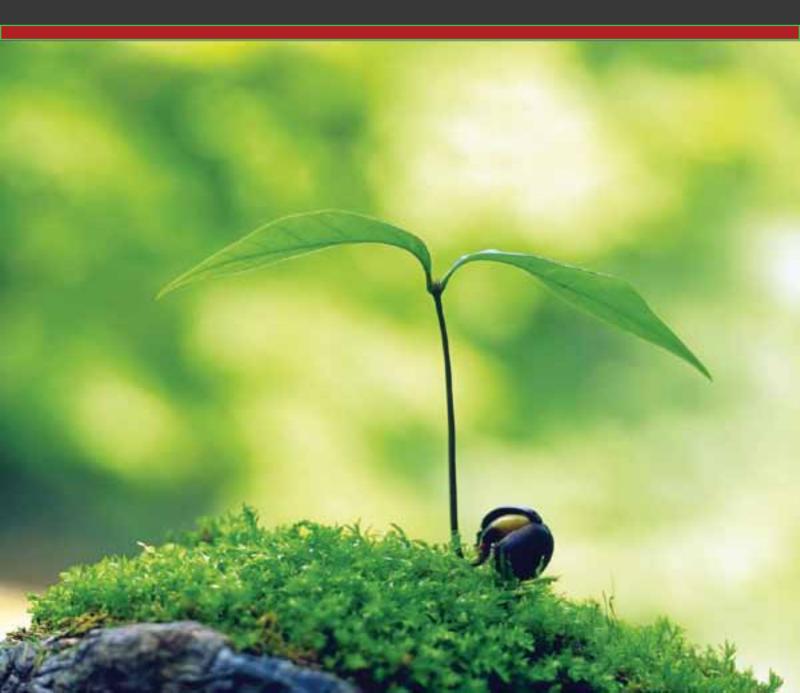
TRUST BANK LIMITED Offshore Banking Unit Profit and Loss Account For the year ended 31 December 2013

	31.1	31.12.2012	
	USD	Taka	Taka
Interest income / Profit on Investment	4,651	363,011	-
Interest / Profit paid on deposits and borrowings etc.	3,118	243,360	-
Net interest income	1,533	119,651	-
Income from investments	-	-	-
Commission, exchange and brokerage Other operating income	-	-	-
Total operating income	1,533	119,651	
	1,555		-
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	-	-	-
Total operating expenses	-	-	-
Profit before provision	1,533	119,651	-
Provision for loans & advances / Investments	-	-	-
Provision for Diminution in value of Investment	-	-	-
Other provision	-	-	-
Total Profit before Taxes	4 522	440.654	-
Provision for Taxation	1,533	119,651	-
Current tax Deferred tax	-	-	-
	-		
Net Profit after Taxation	1,533	119,651	
Appropriations	1,555	119,031	
Statutory Reserve			
General reserve	-	-	-
	-	-	-
Retained surplus	1 522	- 119,651	
Retained surplus	1,533	119,001	-

TRUST BANK LIMITED Offshore Banking Unit Cash Flow Statement For the year ended 31 December 2013

	31.12	31.12.2012	
	USD	Taka	Taka
A. Cash flow from operating activities			
Interest received in cash	-	-	-
Interest payments	-	-	-
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	-	-	-
Payments for other operating activities	-	-	-
Operating profit before changes in operating			
Assets and Liabilities	-	-	-
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits	-	-	-
Net Investment in trading securities	-	-	-
Loan & advance to other banks	-	-	-
Loan & advance to customers	(1,803,070)	(140,729,614)	-
Other assets	-	-	-
Deposits from other banks	1,803,118	140,733,360	-
Deposits from customers	-	-	-
Other liabilities account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities	1,533	119,651	-
Net cash from operating activities (A)	1,581	123,397	-
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 Ioan	-	-	-
Re-Purchase agreement (REPO)	-	-	-
Other borrowings	-	-	-
Share Capital A/c	-	-	-
Share Premium A/c	-	-	-
Dividend paid in cash	-	-	-
Net cash from financing activities (C)	-	-	-
D. Net increase in Cash and Cash Equivalent (A+B+C)	1,581	123,397	-
E. Effects of exchange rate changes on cash	,	.,	
and cash equivalents	-	-	-
F. Opening Cash and Cash Equivalent	-	-	-
G. Cash and cash equivalents at end of year (D+E+F)	1,581	123,397	-

Audítors' Report And Audíted Fínancíal Statements Of Trust Bank Investment Límíted



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 2013 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 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 2013 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 Rules 1987, 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;

A. Qasem & Co. Chartered Accountants

Dated, Dhaka 25 February 2014

TRUST BANK INVESTMENT LIMITED Balance Sheet

As at 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
PROPERTY AND ASSETS Cash	3		
Cash in hand (including foreign	0	-	-
currencies) Balance with Bangladesh Bank and its agent bank(s)			
(including foreign currencies)		-	-
Balance with other banks and financial institutions	4	-	
In Bangladesh Outside Bangladesh		11,398,671 -	12,567,283
Money at call and short notice	5	11,398,671	12,567,283
Investments	6		
Government Others		- 36,651,197	- 53,641,399
	-	36,651,197	53,641,399
Loans and Advances Loan to Investors	7	4,881,903,930	4,485,987,220
Other Loan		- 4,881,903,930	4,485,987,220
Fixed assets including premises,	8	13,528,249	17,189,137
furniture and fixtures Other assets	9	23,391,742	24,614,099
Non-banking assets	10	-	-
Total Assets:		4,966,873,789	4,593,999,138
Liabilities Borrowings	11	368,326,942	505,001,924
Deposits and other accounts Deposit from Investors	12	90,469,039	78,239,553
Other Deposits		-	-
Other liabilities	13	90,469,039 1,171,187,511	78,239,553 673,867,364
Total Liabilities		1,629,983,492	1,257,108,841
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 Total Shareholders' Equity	17	336,890,297 3,336,890,297	336,890,297 3,336,890,297
Total Liabilities and Shareholders' Equity		4,966,873,789	4,593,999,138

Notes	31.12.2013 Taka	31.12.2012 Taka
OFF-BALANCE SHEET ITEMS Contingent Liabilities: 18		
Acceptances and endorsements Letter of Guarantees Irrevocable Letter of Credits	- 471,578,500 -	- 590,098,500 -
Bills for collection	471,578,500	- 590,098,500
Other Contingent Liabilities Value of travelers' cheques in hand	-	-
Total:	471,578,500	590,098,500
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:	471,578,500	590,098,500

Total Off-Balance Sheet items including contingent liabilities:

The annexed notes form an integral part of the Balance Sheet.

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Vice Chairman

Director

acher Directo

ARMENT

Managing Director (Acting)

Signed as per annexed report on even date

A. Qasem & Co. **Chartered Accountants**

Dated: Dhaka 25 February 2014

TRUST BANK INVESTMENT LIMITED

Profit and Loss Account

For the year ended as on 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
Interest income	20	400,817,831	700,220,868
Interest paid on deposits and borrowings etc.	21	72,773,626	77,307,741
Net interest income		328,044,205	622,913,127
Income from investments	22	6,033,970	7,005,174
Commission, exchange and brokerage	23	232,837	1,453,704
Other operating income	24	114,035,454	125,078,665
		120,302,261	133,537,543
Total operating income		448,346,466	756,450,670
Salaries and allowances	25	31,618,868	49,065,109
Rent, taxes, insurance, electricity, etc.	26	9,706,584	11,526,583
Postage, stamps, telecommunications, etc.	27	1,889,959	2,388,266
Stationery, printing, advertisement etc.	28	563,533	764,842
Managing Director's salary and benefits		464,180	6,733,260
Directors' fees	29	183,000	240,000
Auditors' fee		172,500	156,750
Depreciation and repair of bank's assets	30	4,002,684	3,826,340
Other expenses	31	9,869,079	10,996,961
Total operating expenses		58,470,387	85,698,111
Profit before provision		389,876,079	670,752,559
Provision for loans & advances	32	246,271,620	404,402,540
Provision for diminution in value of	33		0.005.000
investment	33	(6,146,177)	8,225,826
Other provision	34	-	-
		240,125,443	412,628,366
Total Profit before Taxes		149,750,636	258,124,193
Provision for Taxation			
Current tax	13.2.1	150,000,000	258,711,885
Deferred tax		(249,364)	(587,692)
		149,750,636	258,124,193
Net Profit after Taxation		-	-
Appropriations:			
Statutory Reserve		-	-
General Reserve		-	-
Retained surplus		-	-
•			
Earning per share (EPS) The annexed notes form an integral part of the Profit & Loss	35 Account.	-	

AM/VSSV Vice Chairman

m Director

newsilling ✓ ^Director

Signed as per annexed report on even date

Managing Director (Acting)

A. Qasem & Co.

Chartered Accountants

Dated: Dhaka 25 February 2014

Annual Report 2013

TRUST BANK INVESTMENT LIMITED

Cash Flow Statement

For the year ended as on 31 December 2013

	Notes	31.12.2013 Taka	31.12.2012 Taka
A. Cash flow from operating activities			
Interest received in cash		757,885,338	700,220,868
Interest payments		(72,773,626)	(77,307,741)
Fees and commission receipts in cash		232,837	1,453,704
Cash paid to employees		(32,083,048)	(58,210,369)
Cash paid to suppliers		(464,439)	(714,723)
Income Taxes paid		(249,234,855)	(355,081,413)
Received from other operating activities (item-wise)	36	120,069,424	132,083,839
Payments for other operating activities (item-wise)	37	(22,864,233)	(25,887,443)
Operating profit before changes in operating			
Assets and Liabilities		500,767,398	316,556,722
Increase/(Decrease) in operating assets & liabilities			
Net Investment in trading securities		16,990,202	(42,987,167)
Loan & advance to customers		(395,916,710)	(89,117,947)
Other assets (item-wise)	38	1,489,710	16,771,797
Deposits from customers		12,229,486	(56,396,112)
Other liabilities (item-wise)	39	(637,948)	(6,380,789)
Net cash from operating activities (A)		134,922,138	138,446,504
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(278,810)	(2,049,085)
Sale of property, plant & equipment		863,042	-
Net cash from investing activities (B)		584,232	(2,049,085)
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:		-	-
Other borrowings		(136,674,982)	(147,930,557)
Net cash from financing activities (C)		(136,674,982)	(147,930,557)
D. Net increase in Cash and Cash Equivalent (A+B+C)		(1,168,612)	(11,533,138)
E. Effects of exchange rate changes on cash and cash equivalents		-	-
F. Opening Cash and Cash Equivalent		12,567,283	24,100,421
G. Cash and cash equivalents at end of year (D+E+F)	40	11,398,671	12,567,283

TRUST BANK INVESTMENT LIMITED Statement of changes in Equity For the period as at 31 December 2013

	Paid up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2013	3,000,000,000	-	-	336,890,297	3,336,890,297
Changes in accounting policy	-	-	-	-	-
Restated Balance	3,000,000,000	-	-	336,890,297	3,336,890,297
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 2013	3,000,000,000	-	-	336,890,297	3,336,890,297

TRUST BANK INVESTMENT LIMITED Liquidity Statement (Asset and Liability Maturity Analysis) As at 31 December 2013

Particulars	Up to 01 Month	1- 3 Months	3-12 Months	1- 5 Years	More than 5 Years	Total
Assets:						
Cash in Hand	-	-	-	-	-	-
Balance with Bangladesh Bank and Sonali Bank	-	-	-	-	-	-
Balance with other banks and financial institutions	11,398,671	-	-	-	-	11,398,671
Investments	36,651,197	-	-	-	-	36,651,197
Loans and Advances	488,190,393	732,285,590	1,220,475,983	2,440,951,965	-	4,881,903,930
Fixed Assets including premises, furniture and fixtures	2,850,684	3,563,355	4,988,697	1,710,410	415,103	13,528,249
Other assets	12,438,867	15,307	-	-	10,937,568	23,391,742
Non-banking assets	-	-	-	-	-	-
Total Assets	551,529,812	735,864,251	1,225,464,680	2,442,662,375	11,352,671	4,966,873,789
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	368,326,942	-	-	-	-	368,326,942
Deposits	90,469,039	-	-	-	-	90,469,039
Other accounts	-	-	-	-	-	-
Provision and other liabilities	1,713,922	93,407,743	337,744,192	738,321,654	-	1,171,187,511
Total Liabilities	460,509,903	93,407,743	337,744,192	738,321,654	-	1,629,983,492
Net Liquidity Gap	91,019,909	642,456,508	887,720,488	1,704,340,721	11,352,671	3,336,890,297

Amount in Taka

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

TRUST BANK INVESTMENT LIMITED

Notes to the Financial Statements

As at 31 December 2013

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 & 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 dimunition

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".

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	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 acquisition and in case of sale upto the date of sale.

Repairs and maintenance costs of fixed assets are charged to profit & 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 & 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
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

2

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.

		31.12.2013 Taka	31.12.2012 Taka
3 3.1	CASH Cash in hand In local currency In foreign currencies	-	-
4	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS In Bangladesh Special Notice Deposits		
	Trust Bank Limited	11,398,671 11,398,671	12,567,283 12,567,283
	Outside Bangladesh	-	-
		11,398,671	12,567,283
4.1	Remaining maturity grouping of balance with other banks and financial institutions		
	On demand Upto 1 month	۔ 11,398,671	- 12,567,283
	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	- 11,398,671	- 12,567,283
		11,000,071	12,001,200
5	MONEY AT CALL AND SHORT NOTICE		
Ū		-	-
6	INVESTMENTS Government Securities	-	_
	Other Investments Ordinary Shares	-	-
	Quoted Unquoted	36,651,197 -	53,641,399
		36,651,197	53,641,399 53,641,399
		36,651,197	53,041,399
6.1	Remaining maturity grouping of Investments On demand		
	Upto 1 month Over 1 month but not more than 3 months	- 36,651,197 -	- 53,641,399 -
	Over 3 months but not more than 5 Years Over 1 Year but not more than 5 Years Over 5 Years	:	-
		36,651,197	53,641,399
7	LOANS AND ADVANCES		
	Loans and Advances		
	Loan to Investors	4,881,903,930 4,881,903,930	4,485,987,220 4,485,987,220
		-,001,903,930	4,403,301,220

	31.12.2013 Taka	31.12.2012 Taka
 Residual maturity grouping of Loans and Advances Repayable on demand Upto 1 month 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 Over 5 Years Over 1 Part Second Secon	- 4,881,903,930 - - - - 4,881,903,930	- 4,485,987,220 - - - - 4,485,987,220
7.2 Loans and Advances Inside Bangladesh Loans Cash Credit Overdraft Bills purchased and discounted Outside Bangladesh	4,881,903,930 - - 4,881,903,930 - 4,881,903,930	4,485,987,220 - - 4,485,987,220 - 4,485,987,220
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	- - 4,881,903,930 4,881,903,930	- - 4,485,987,220 4,485,987,220
7.3.2 Geographical location-wise concentration of Loans and Advances Inside Bangladesh Dhaka Division Chittagong Division Khulna Division Sylhet Division Barisal Division Rangpur Division Rajshahi Division Outside Bangladesh	4,881,903,930 - - - - - - - - - - - - - - - - - - -	4,485,987,220 - - - - - 4,485,987,220 - 4,485,987,220
 7.4 Classification of Loans and Advances including Bills Purchased and Discounted a Unclassified Loans and Advances (including staff loan) b Special Mentioned Accounts c Classified Loans and Advances 1 Sub-Standard Loans and Advances 2 Doubtful Loans and Advances 3 Bad /Loss Loans and Advances 	4,881,903,930	4,485,987,220
	-	-

		31.12.2013 Taka	31.12.2012 Taka
8	FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES		
	Cost		
	Furniture and fixtures	2,447,953	2,568,258
	Office equipment	8,480,065	9,678,773
	Office renovation	11,689,540	11,689,540
		22,617,558	23,936,571
	Less: Accumulated depreciation	9,089,309	6,747,434
		13,528,249	17,189,137
	For details please refer to Annexure - A		
9	OTHER ASSETS		
i	 Stationery, stamps, printing materials in stock etc.; 	22,846	690
i	i) Advance Rent and Advertisement	9,877,520	7,678,974
iv	 Security Deposits 	222,992	222,992
ix	() Others 9.1	13,268,384	16,711,443
		23,391,742	24,614,099
9.1	Others		
•	Intangible Assets	_	4,167
	Deferred Tax Asset 9.1.1	837,056	587,692
	Brockers Account	72	66
	Sundry Debtors	12,431,256	16,119,518
		13,268,384	16,711,443
	Deffered Tax Asset		
	Balance as on 01 January	587,692	
	Addition during the year	249,364	587,692
	Closing Balance	837,056	587,692
		001,000	001,032
9.1.1	To maintain the deferred tax Asset of Tk. 837,056 as on 31 Decemb 249,364 has been made during the year ended 31 December 2013 a	-	

		31.12.2013	31.12.2012
		Taka	Taka
9.2	Break-up of Other Assets		
	Income generating other assets	-	-
	Non income generating other asset	23,391,742	24,614,099
		23,391,742	24,614,099
10	NON BANKING ASSET	-	-
11	BORROWINGS		
	In Bangladesh		
	Borrowing from Trust Bank Limited	368,326,942	505,001,924
		368,326,942	505,001,924
	Outside Bangladesh	-	-
		368,326,942	505,001,924
11.1	Security wise borrowings		
	Secured Borrowings	368,326,942	505,001,924
	Unsecured Borrowings	368,326,942	505,001,924
		500,520,942	303,001,924

		31.12.2013 Taka	31.12.2012 Taka
11.2	Repayment nature wise borrowings Repayment on Demand Others	368,326,942	- 505,001,924 505,001,924
44.2	Demoining meturity and uning of Demousings from other banks	368,326,942	303,001,324
11.3	Remaining maturity grouping of Borrowings from other banks, financial institutions and agents Payable		
	On demand Upto 1 month Over 1 month but within 3 months Over 3 months but within 1 Year	- 368,326,942 -	- 505,001,924 -
	Over 1 Year but within 5 Years Over 5 Years	368,326,942	- - 505,001,924
40			
12	DEPOSITS AND OTHER ACCOUNTS Current and Other Accounts	90,469,039 90,469,039	78,239,553 78,239,553

12.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh	Banks	Other than Banks		
Payable				
On demand	-	-	-	-
Upto 1 month	-	90,469,039	90,469,039	78,239,553
Over 1 month but within 3 months	-	_	-	_
Over 3 months but within 1 Year	-	-	-	-
Over 1 Year but within 5 Years	-	-	-	_
Over 5 Years	-			_
	-	90,469,039	90,469,039	78,239,553
Outside Bangladesh	-		-	-
	-	90,469,039	90,469,039	78,239,553

12.2	Unclaimed Deposits for 10 Years and Above	-	-
13	OTHER LIABILITIES		
	Provision for Loans and Advances 13.1	738,321,654	492,339,925
	Provision for Investment	2,505,881	8,652,058
	Provision for Gratuity	-	-
	Interest Suspense Account	357,357,398	-
	Provision for Income Tax Less Advance Income Tax 13.2	65,663,610	164,898,465
	Accrued Expenses	6,250,051	7,603,475
	Audit Fees Payable	172,500	172,500
	Sundry Creditors	753,367	-
	Others	163,050	200,941
		1,171,187,511	673,867,364

		31.12.2013 Taka	31.12.2012 Taka
13.1	Provision for Loans and AdvancesSpecific ProvisionAgainst Classified Loans & AdvancesGeneral ProvisionAgainst Unclassified Loans & AdvancesAgainst Unclassified Loans & AdvancesAgainst Special Mention AccountsAgainst Off Balance Sheet Exposures	- 738,321,654 - - 738,321,654 738,321,654	- 492,339,925 - 492,339,925 492,339,925
13.1.1	Against Unclassified Loans & Advances Provision held on 01 January Provisions made during the year Provision held at end of year	492,339,925 245,981,729 738,321,654	87,937,385 404,402,540 492,339,925

13.1.1.1 As of reporting date, negative equity against Loans and Advances of the Company stood at Tk. 1,193,990,535 out of which an aggregate amount of Tk. 738,321,654 has been made as provision against such negative equity.

13.2	Provision for Income Tax Less Advance Income Tax Provision for Income Tax		
	Balance on 01 January	535,132,509	317,776,266
	Provisions made during the year	150,000,000	258,711,885
	Provision made for previous year(s)	-	-
	Settlement for previous year(s)	(270,019,724)	(41,355,642)
		415,112,785	535,132,509
	Less: Advance Income Tax		
	Balance on 01 January	370,234,044	56,508,273
	Paid during the year	249,234,855	355,081,413
	Settlement for previous year(s)	(270,019,724)	(41,355,642)
		349,449,175	370,234,044
	Net Closing Balance	65,663,610	164,898,465

13.2.1 Provision for current tax of Tk. 150,000,000 has been made @ 37.50% on Business Income and @ 20% on Dividend Income, 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
 3,000,000
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14.3 Pattern of shareholdings

Total	30,000,000	3,000,000,000	3,000,000,000
Mr. A. Z. Hedaytul Islam	1	100	100
Mr. Ishtiaque Ahmed Chowdhury	1	100	100
Ms. Begum Rokeya Din	1	100	100
Mr. Helal Uddin Ahmed	1	100	100
Brig Gen Mehdi Hassan, ndc, afwc, psc	1	100	100
Brig Gen KARM Mostafa Kamal, ndc, psc	1	100	100
Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc	1	100	100
Trust Bank Limited represented by General Iqbal Karim Bhuiyan, psc	29,999,993	2,999,999,300	2,999,999,300
Name	Nos. of shares subscribed		

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 2013

Total

Shar	eholding Range		No. of	Number of	%
Onar	cholding Range		Sh. Holders	Shares	
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%

	8	30,000,000	100.00%

31.12.2013 Taka	31.12.2012 Taka
_	_
-	-
-	-
-	-
-	-

15 STATUTORY RESERVE

Opening Balance Reserve made during the year Closing Balance

16 OTHER RESERVE

		31.12.2013 Taka	31.12.2012 Taka
17	RETAINED EARNINGS		
	Opening Balance Adjustment of Deferred Tax	336,890,297	336,890,297
		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	471,578,500	590,098,500
		471,578,500	590,098,500
19			
	Income: Interest/Profit, discount and similar income	400 917 921	700,220,868
	Fees, commission and brokerage	400,817,831 232,837	1,453,704
	Gains less losses arising from investment ecurities	6,033,970	7,005,174
	Other operating income	114,035,454	125,078,665
		521,120,092	833,758,411
	Expenses:		
	Interest / profit paid on deposits, borrowings etc,	72,773,626	77,307,741
	Administrative expenses Other operating expenses	44,598,624 12,945,735	70,874,810 14,270,829
	Depreciation on banking assets	926,028	552,472
		131,244,013	163,005,852
		389,876,079	670,752,559
~~			
20	INTEREST INCOME Interest from Loans and Advances		
	Interest from Loans and Advances	400,746,638	700,220,868
		400,746,638	700,220,868
	Interest from Banks and Other Financial Institutions	,	,,
	Interest on Special Notice Deposits	71,193	-
		71,193	-
		400,817,831	700,220,868

As of reporting date, an aggregate amount of Tk. 357,357,398 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.

		31.12.2013 Taka	31.12.2012 Taka
21	INTEREST PAID ON DEPOSITS AND BORROWINGS Interest paid on deposits		
	Interest on TBIL Depositors Account	1,383,068	1,456,495
		1,383,068	1,456,495
	Interest paid on borrowings		
	Interest on Other Borrowings	71,390,558	75,851,246
		71,390,558	75,851,246
		72,773,626	77,307,741
22	INCOME FROM INVESTMENTS	6,033,970	7,005,174
		6,033,970	7,005,174
23	Commission on		
	Introductory Commission	32,837	313,604
	Manager to the Issue Commission		100,000
	Underwriting Commission	200,000	1,040,100
	Family Currency Fuchance Cain	232,837	1,453,704
	Foreign Currency Exchange Gain	- 232,837	- 1,453,704
		232,037	1,433,704
24	OTHER OPERATING INCOME		
	Documentation Charges	17,280	31,960
	BO Account Transaction Fees	-	-
	Account Maintenance Fee	555,300	1,398,750
	Notice Pay		121,500
	Port Folio Management Fees	75,351,726	82,051,984
	Port Folio Transaction Fees	33,845,666	37,182,726
	Other Service Charges Profit on sale of Fixed Asset	4,265,482	4,291,745
	Miscellaneous Earnings		-
		114,035,454	125,078,665
25	Salaries and allowances		
	Basic Salary	11,440,188	13,011,994
	House Rent Allowances	5,719,794	6,505,996
	Conveyance Allowances	639,084	656,157
	Medical Allowances Leave Fare Assistances	2,208,909	2,858,119
	Leave Encashment	845,484	1,251,257 25,700
	Utility Allowances	73,000	183,000
	Telephone Allowance	1,600	19,200
	Club Membership Allowance	23,000	66,000
	Festival Bonus	2,046,400	2,343,000
	Incentive Bonus	2,332,375	4,603,577
	Employer's Contribution to Provident Fund	1,129,522	1,296,709
	Employer's Contribution to Employees' Gratuity Fund	5,159,512	16,244,400
		31,618,868	49,065,109

		31.12.2013 Taka	31.12.2012 Taka
26	RENT, TAXES, INSURANCE, ELECTRICITY, ETC.		
20	Rent	7,553,978	9,912,459
	Electricity and Lighting	897,265	920,000
	Insurance	97,944	87,534
	Rates, Taxes & Excise Duty+ AC bill	727,475	17,700
	Fees & Renewals	289,775	372,575
	Generator Fuel Gas/Water Bill	245 139,902	150,000 66,315
	Gas/Water Dill	9,706,584	11,526,583
27	POSTAGE, STAMPS, TELECOMMUNICATION, ETC.		
	Stamp	12,564	15,770
	Online Expenses	1,453,802	1,926,759
	Internet Charge	126,500 21,299	186,013
	Postage Charge Telegram, Telex, Telephone, Trunk Call etc.	275,794	20,314 239,410
		1,889,959	2,388,266
		,,	,,
28	STATIONERY, PRINTING, ADVERTISEMENT, ETC.		
	Printing and Stationery	442,283	721,763
	Publicity and Advertisement	121,250	43,079
		563,533	764,842
29	DIRECTORS' FEES Meeting fees @ Taka 3,000 per Director	183,000 183,000	240,000 240,000
30	Depreciation and repair of bank's assets Depreciation Fixed assets For details please refer to Annexure - A Repairs	3,076,656	3,273,868
	Furniture and fixtures	50,750	21,570
	Office equipment	549,015	51,742
	Company's vehicles	-	-
	Maintenance	326,263 926,028	479,160 552,472
		4,002,684	3,826,340
•			
31	OTHER EXPENSES Travelling Expense Training Expense	52,638	19,629 1,750
	Utility & Service Charge	259,083	59,798
	Conveyance	129,758	160,855
	Entertainment	367,512	373,178
	Bank Charges	55,648	12,040
	Car Expenses	1,280,500	4,780,959
	News Paper and Periodicals	43,875	42,357

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		31.12.2013 Taka	31.12.2012 Taka
	Books and Periodicals	330	930
	Other Contractual Service	3,830,566	3,506,998
	Internship Allowances Up Keep of Office Premises	- 342,845	24,000 350,749
	Washing Charges	11,050	10,430
	CDBL Charge	3,435,000	1,584,588
	Purchase of Utensils	7,107	5,032
	Wages paid to Temporary Employees	-	-
	Amortization of Intangible Assets	4,167	16,668
	Honararium for Banking Diploma Uniform and Other Apparels		10,000
	Miscellaneous Expenses	49,000	37,000
		9,869,079	10,996,961
	Specific Provisions-against classified loans & advances General Provisions-against un-classified loans & advances General Provisions-against special mentioned accounts	- 246,271,620 - 246,271,620	404,402,540 - 404,402,540
33	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 - Unquoted	(6,146,177) -	8,225,826
	- Quoted	(6,146,177) - (6,146,177) (6,146,177)	8,225,826 - 8,225,826 8,225,826

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

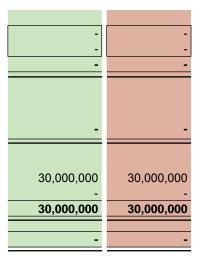
General Provision for Off Balance Sheet Exposures Provision for Other Assets

35 EARNING PER SHARE (EPS)

Profit attributable to outstanding ordinary share holders

Share Outstanding before right issue

Share Outstanding as on 1 January Issue of Bonus Share



Earning per Share

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36 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES Documentation Charge BO Account Transaction Fees Account Maintenance Fee Notice Pay 17,280 31,980 90 Port Folio Management Fees 555,300 1,388,750 91 Folio Management Fees 555,300 1,280 91 Folio Management Fees 75,351,726 82,2051,944 91 Folio Transaction Fees 33,845,666 37,182,726 91 Folio Transaction Fees 4,265,482 4,221,745 91 Forian Investment 6,033,970 7,005,174 Miscellaneous Earnings 120,069,424 132,063,839 93 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES (19,029) Training Expense (12,07,68) (19,029) 0 Conveyance (12,07,68) (19,029) Conveyance (12,040) (337,178) (367,612) (37,317,87) Bank charges (12,040) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01) (330,01)		31.12.2013 Taka	31.12.2012 Taka
Documentation Charge 17,280 31,960 BO Account Maintenance Fee 555,300 1,338,750 Notice Pay - 121,500 Port Folio Management Fees 7,531,726 82,051,984 Other Service Charge 4,265,462 4,265,462 Other Service Charge 6,033,970 7,005,174 Miscellaneous Earnings 120,069,424 132,083,839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES 120,069,424 132,083,839 Travelling Expense (1,750) (1,150) (1,150) Utility & Service Charge (259,083) (59,798) (100,655) Entertainment (367,512) (373,178) (160,655) Entertainment (33,675) (42,357) (42,357) Bank charges (1,280,00) (47,878) (160,655) Other Sep of Office Premises (33,00) (330) (330) Other Appenses (1,280,00) (1,280,00) (1,280,00) (1,280,00) (1,280,00) (1,280,00) (1,280,00) (1,000) (1,000) (1,000) <	36 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES		
Account Maintenance Fee 555,300 1.388,750 Notice Pay 75,351,726 22,051,944 Port Folio Management Fees 33,845,666 37,182,726 Other Service Charge 33,845,666 37,182,726 Income from Investment 6,033,970 7,005,174 Miscellaneous Earnings 120,069,424 132,083,839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES (52,838) (19,629) Training Expense (123,033,970) (1,750) (11,76) Utility & Service Charge (259,083) (59,798) (59,798) Conveyance (127,768) (160,855) (17,276) (160,855) Entertainment (3367,512) (333,01) (35,505,998) (41,20,400) (4,780,550) (4,28,57) Bank charges (12,50,500) (4,3,875) (4,24,577) (24,000) (33,30) (35,505,998) (342,845) (35,505,998) (10,500) (10,430) (10,430) (10,430) (10,430) (10,430) (10,430) (10,430) (10,430) (10,430) (10,430) (10,430)	Documentation Charge	17,280	31,960
Port Folio Transaction Fees 33.845.666 37.182.726 Other Service Charge 4.285.482 4.291.745 Income from Investment 6.033.970 7.005.174 Miscellaneous Earnings 120.069.424 132.083.839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES 120.069.424 132.083.839 Travelling Expense (1.750) (1152.638) (19.629) Travelling Expense (1.20.509.833) (19.629) Conveyance (25.088) (120.057.812) (37.178) Bank charges (55.548) (12.00.509) (4.780.559) News Paper and Periodicals (33.066) (3.506.988) (12.400.000) News Paper and Periodicals (343.850) (10.430) (10.430) Other Contractual Service (3.435.000) (1.54.858) (10.430) Other Charge (11.500) (10.430) (10.430) Other Charge (11.20.500) (1.54.858) (342.845) (35.021) Up Keep of Office Premises (49.000) (10.430) (10.430) (10.000) Up Ke	Account Maintenance Fee	555,300 -	
Other Service Charge Income from Investment 4,265,482 4,291,745 Miscellaneous Earnings 120,069,424 132,083,839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES Travelling Expense (5,2,638) (19,629) Training Expense (250,083) (59,788) (160,855) Ontertationment (367,512) (37,178) Bank charges (12,20,758) Conveyance (12,20,758) (12,40,500) (47,80,559) Detertationment (367,512) (37,178) Bank charges (35,648) (12,40,500) Other Contractual Service (33,830,566) (3,80,566) (3,60,598) Internship Allowances (342,845) (342,845) (24,000) Up Keep of Office Premises (342,845) (10,000) (10,000) Uniform and Other Apparels (11,050) (10,430) (24,000) (37,009) Uniform and Advertisement (12,250) (11,250,00) (16,67,50) (11,50,538) Postage, Telegram, Telephone (188,9,959) (2,388,266) (2,388,266) (22,887,443) 38	-		
Income from Investment Miscellaneous Earnings 6.033.970 7.005,174 Miscellaneous Earnings 120,069,424 132,083,839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES Travelling Expense (52,638) (19,629) Utility & Service Charge (259,083) (59,788) (17,00) Utility & Service Charge (259,083) (59,788) (120,758) (160,855) Entertainment (367,512) (37,178) (37,178) (120,000) (4,780,959) News Paper and Periodicals (43,875) (42,367) (42,367) (42,367) Bonk Charges (11,050) (10,430) (10,430) (154,44) (350,749) Ub Keep of Office Premises (343,8500) (142,875) (350,749) (343,8500) (10,430) Up Keep of Office Premises (11,050) (10,430) (10,430) (10,430) (10,532) Wages paid to Temporary Employees (7,107) (5,632) (343,676) (343,676) Miscellaneous Expenses (49,000) (10,000) (10,000) (10,000) (10,000) (10,000)			
Miscellaneous Earnings 120,069,424 132,083,839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES Travelling Expense (52,638) (19,629) Training Expense (25,9,033) (57,958) (60,855) Conveyance (129,756) (160,855) (17,750) Dilitity & Service Charge (367,512) (373,178) (373,178) Bank charges (12,20,500) (4,780,959) News Paper and Periodicals (43,875) (42,357) Books and Periodicals (43,875) (42,357) Other Contractual Service (3,830,566) (3,500,988) Internship Allowances - (24,000) Up Keep of Office Premises (342,845) (360,749) Washing Charges (11,050) (10,000) Purchase of Utensils (10,000) (7,107) (5,032) Wages paid to Temporary Employees - - (10,000) Publicity and Advertisement (12,203) (13,009) (240,000) (37,000) Niscellaneous Expenses (49,000) (37,000) (10,000) -	Ū		
37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES Travelling Expense 120,069,424 132,083,839 37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES Travelling Expense (52,638) (19,629) Training Expense (259,083) (65,798) (160,855) Conveyance (367,512) (373,178) Bank charges (129,758) (160,855) Conveyance (367,512) (373,178) Bank charges (129,758) (160,855) Conveyance (330, 603) (42,957) Books and Periodicals (43,875) (42,000) Up Keep of Office Premises (343,850) (15,84,588) Other Contractual Service (3,435,500) (15,84,588) Purchase of Utensits (11,050) (11,0430) Up Keep of Office Premises (49,000) (37,000) Uniform and Other Apparels (11,050) (11,050) Miscellaneous Expenses (49,000) (37,000) Publicity and Advertisement (12,250) (43,079) Rent, Taxes, Insurance, Lighting etc. (9,809,59) (22,864,233) (2		6,033,970	7,005,174
Travelling Expense (52,638) (19,629) Training Expense (1,750) Utility & Service Charge (259,083) (59,798) Conveyance (129,758) (160,855) Entertainment (367,512) (373,178) Bank charges (120,758) (120,0500) Conveyances (120,758) (120,0500) Bank charges (120,0500) (47,80,959) News Paper and Periodicals (330) (930) Books and Periodicals (330) (930) Other Contractual Service (3,830,566) (3,506,998) Internship Allowances - (24,000) Up Keep of Office Premises (342,845) (350,749) Washing Charges (11,050) (10,430) CDEL Charge (3,435,000) (1,584,588) Purchase of Utensils (7,107) (5,032) Wages paid to Temporary Employees - - Honaratium for Banking Diploma - (11,50) Miscellaneous Expenses (49,000) (37,000) Publicity and Advertisement (121,250) (152,553) <t< th=""><th></th><th>120,069,424</th><th>132,083,839</th></t<>		120,069,424	132,083,839
Travelling Expense (52,638) (19,629) Training Expense (1,750) Utility & Service Charge (259,083) (59,798) Conveyance (129,758) (160,855) Entertainment (367,512) (373,178) Bank charges (120,758) (120,0500) Conveyances (120,758) (120,0500) Bank charges (120,0500) (47,80,959) News Paper and Periodicals (330) (930) Books and Periodicals (330) (930) Other Contractual Service (3,830,566) (3,506,998) Internship Allowances - (24,000) Up Keep of Office Premises (342,845) (350,749) Washing Charges (11,050) (10,430) CDEL Charge (3,435,000) (1,584,588) Purchase of Utensils (7,107) (5,032) Wages paid to Temporary Employees - - Honaratium for Banking Diploma - (11,50) Miscellaneous Expenses (49,000) (37,000) Publicity and Advertisement (121,250) (152,553) <t< th=""><th>37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES</th><th></th><th></th></t<>	37 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES		
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Wages paid to Temporary Employees (10,000) Honararium for Banking Diploma (10,000) Uniform and Other Apparels (49,000) Miscellaneous Expenses (49,000) Publicity and Advertisement (121,250) Rent, Taxes, Insurance, Lighting etc. (9,706,584) Postage, Telegram, Telephone (172,500) Audit Fee (172,500) Directors Fee (172,500) Repairs and maintenance of Fixed Assets (926,028) Security Deposits (22,864,233) Advance Rent (200,000) Advance Rent (2,198,546) Others 3,688,256 9,120,426 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES 753,367 Sundry Creditors 753,367 Accrued Expense (1,353,424) (2,497,038) (2,497,038)	CDBL Charge	(3,435,000)	(1,584,588)
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Publicity and Advertisement (121,250) (43,079) Rent, Taxes, Insurance, Lighting etc. (9,706,584) (11,526,583) Postage, Telegram, Telephone (1,889,959) (2,388,266) Audit Fee (172,500) (156,750) Directors Fee (183,000) (240,000) Repairs and maintenance of Fixed Assets (926,028) (552,472) (22,864,233) (25,887,443) (200,000) Advance Rent (2,198,546) 7,851,371 Suspense Account (2,198,546) 7,851,371 Others 3,688,256 9,120,426 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES 753,367 (3,965,250) Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)		-	- (37,000)
Rent, Taxes, Insurance, Lighting etc. (9,706,584) (11,526,583) Postage, Telegram, Telephone (1,889,959) (2,388,266) Audit Fee (172,500) (156,750) Directors Fee (183,000) (240,000) Repairs and maintenance of Fixed Assets (926,028) (552,472) (22,864,233) (25,887,443) 38 CHANGES IN OTHER OPERATING ASSETS (20,000) Security Deposits - (200,000) Advance Rent (2,198,546) 7,851,371 Suspense Account - - Others 3,688,256 9,120,426 39 CHANGES IN OTHER LIABILITIES 753,367 (3,965,250) Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)			
Postage, Telegram, Telephone (1,889,959) (2,388,266) Audit Fee (172,500) (156,750) Directors Fee (183,000) (240,000) Repairs and maintenance of Fixed Assets (926,028) (552,472) (22,864,233) (25,887,443) 38 CHANGES IN OTHER OPERATING ASSETS (200,000) Security Deposits (200,000) Advance Rent (2,198,546) Suspense Account (200,000) Others 3,688,256 9,120,426 1,489,710 16,771,797 16,771,797 39 CHANGES IN OTHER LIABILITIES 753,367 Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)	•		
Audit Fee (172,500) (156,750) Directors Fee (183,000) (240,000) Repairs and maintenance of Fixed Assets (926,028) (552,472) (22,864,233) (25,887,443) 38 CHANGES IN OTHER OPERATING ASSETS (200,000) Security Deposits (200,000) Advance Rent (2,198,546) 7,851,371 Suspense Account (2,198,546) - Others 3,688,256 9,120,426 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES 753,367 (3,965,250) Sundry Creditors 753,367 (3,965,250) (2,497,038)			
Repairs and maintenance of Fixed Assets (926,028) (552,472) (25,887,443) (25,887,443) (25,887,443) (200,000) <th></th> <td></td> <td></td>			
38 CHANGES IN OTHER OPERATING ASSETS Security Deposits Advance Rent Suspense Account Others (22,864,233) (25,887,443) 38 CHANGES IN OTHER OPERATING ASSETS Suspense Account Others (200,000) (200,000) 39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense 3,688,256 9,120,426 39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense 753,367 (3,965,250)	Directors Fee	(183,000)	(240,000)
38 CHANGES IN OTHER OPERATING ASSETS Security Deposits Advance Rent Suspense Account Others (200,000) (2,198,546) 39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense 3,688,256 9,120,426 1,489,710 16,771,797 (3,965,250) (2,497,038) (3,965,250) (2,497,038)	Repairs and maintenance of Fixed Assets	· · · · · ·	
Security Deposits (200,000) Advance Rent (2,198,546) 7,851,371 Suspense Account 3,688,256 9,120,426 Others 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES 753,367 (3,965,250) Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)		(22,864,233)	(25,887,443)
Advance Rent (2,198,546) 7,851,371 Suspense Account - - Others 3,688,256 9,120,426 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES 753,367 Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)	38 CHANGES IN OTHER OPERATING ASSETS		
Suspense Account Others 3,688,256 9,120,426 3,688,256 9,120,426 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense 753,367 (3,965,250) (1,353,424) (2,497,038)	Security Deposits	-	(200,000)
Others 3,688,256 9,120,426 1,489,710 16,771,797 39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense 753,367 (3,965,250) (1,353,424) (2,497,038)		(2,198,546)	7,851,371
39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense 1,489,710 16,771,797 (3,965,250) (3,965,250) (2,497,038)		-	-
39 CHANGES IN OTHER LIABILITIES Sundry Creditors Accrued Expense (1,353,424) (2,497,038)	Others		
Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)		1,469,710	10,771,797
Sundry Creditors 753,367 (3,965,250) Accrued Expense (1,353,424) (2,497,038)	39 CHANGES IN OTHER LIABILITIES		
		753,367	(3,965,250)
Others (37.891) 81.499			
	Others	(37,891)	81,499
(637,948) (6,380,789)		(637,948)	(6,380,789)

31.12.2013 Taka	31.12.2012 Taka
11,398,671	12,567,283
11,398,671	12,567,283

41 EXPENDITURE INCURRED FOR EMPLOYEES Salaries, allowances and benefits

CLOSING CASH AND CASH EQUIVALENT Balance with Other Bank and Financial Institutions

Number of employees at 31 December 2013 was 30; (31 December 2012 was 35) 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

40

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 2013

Name of the Directors	Status with Bank	Entities where they have interest		% of Interest
General Iqbal Karim Bhuiyan	Chairman	Sena Kalyan Shangstha	Chairman, Board of Trustee	Nominated
psc		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 Directors	Nominated
		Trust Bank Limited	Chairman, Board of Directors	Nominated
Maj Gen Ashraf Abdullah Yussuf	Vice Chairman	Sena Kalyan Shangstha	Member, Board of Trustees	Nominated
rcds, afwc, psc		Sena Hotel Development Ltd.	Vice Chairman, Board of Directors	Nominated
		Army Welfare Trust	Vice Chairman, Board of Trustees	Nominated
		Trust Bank Limited	Vice Chairman, Board of Directors	Nominated
Brig Gen K A R M Mostafa Kamal ndc, psc	Director	Army Welfare Trust	Managing Director, Board of Trustees	Nominated
		Trust Bank Limited	Director, Board of Directors	Nominated
Brig Gen Md.Mehedi Hassan ndc, afwc, psc	Director	Trust Bank Limited	Director, Board of Directors	Nominated
Mr. Helal Uddin Ahmed	Independent Director	Purbachal Green Enterprise	Director, Board of Directors	Nominated
		Trust Bank Limited	Director, Board of Directors	Nominated
Ms. Begum Rokeya Din	Independent Director	Trust Bank Limited	Director, Board of Directors	Nominated
Mr. Ishtiaque Ahmed Chowdhury	Director	Trust Bank Limited	Managing Director	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) 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 Directors 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

44 FINANCIAL HIGHLIGHTS

As per DFIM Circular # 11, dated 23 December 2009, Financial Highlights of the Company for the year ended on 31 December 2013 has been shown in Annexure - B.

aayusset.

Vice Chairman

Director

Directo

ALMENT

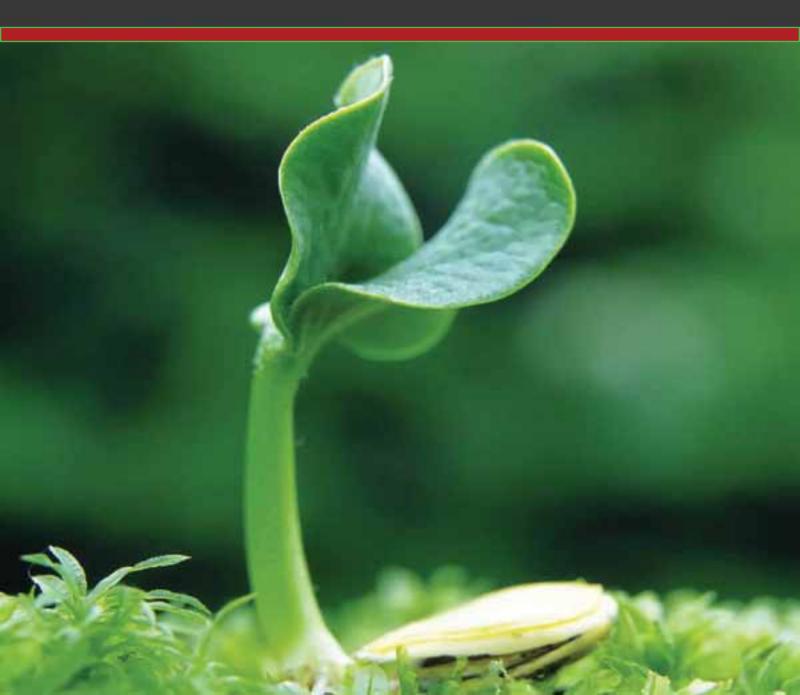
Managing Director (Acting)

								Ar	nnexure - A
			Schee	dule of F	ixed Asso	ets			
			А	s at 31 Dece	mber 2013				
		CC	OST			DEPRE	CIATION		
PARTICULARS	Balance on 1 January 2013	Additions during the year	Disposal/ adjustment during the year	Balance at 31 December 2013	Balance on 1 January 2013	Charge for the year	Disposal/ adjustment during the year	Balance at 31 December 2013	Writen down value at 31 December 2013
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Furniture and Fixtures	2,568,258	162,790	283,095	2,447,953	529,744	236,648	121,448	644,944	1,803,009
Office Equipment	9,678,773	116,020	1,314,728	8,480,065	3,851,858	1,721,163	613,333	4,959,688	3,520,377
Office Renovation	11,689,540			11,689,540	2,365,832	1,118,845	-	3,484,677	8,204,863
31 December 2013	23,936,571	278,810	1,597,823	22,617,558	6,747,434	3,076,656	734,781	9,089,309	13,528,249
31 December 2012	21,887,486	2,049,085	-	23,936,571	3,473,566	3,273,868	-	6,747,434	17,189,137

				Annexure - B
SI No	Particulars	Base	31.12.2013	31.12.2012
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	4,966,873,789	4,593,999,138
4	Total Deposits	Taka	90,469,039	78,239,553
5	Total Loans and Advances	Taka	4,881,903,930	4,485,987,220
6	Credit Deposit Ratio	%	5,396.22	5,733.66
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	4,929,953,798	4,552,195,902
11	Non-interest earning Assets	Taka	36,919,991	41,803,236
12	Return on Investment (ROI)	%	-	-
13	Return on Asset (ROA)	%	-	-
14	Income from Investment	Taka	6,033,970	7,005,174
15	Earning per Share	Taka	-	-
16	Net income per Share	Taka	-	-
17	Price Earning Ratio	%	-	-
18	Operating Profit	Taka	389,876,079	670,752,559
19	Pre tax Profit	Taka	389,876,079	670,752,559
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

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Audítors' Report & Audíted Fínancíal Statements of Trust Bank Securítíes Límíted



Auditors' Report

to the Shareholders of

Trust Bank Securities Limited

Introduction

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 2013 and and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash flow 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, 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 our 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, we 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, prepared in accordance with the International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Company's affairs as of December 31, 2013 and of the results of its operations and its cash flows for the year then ended and comply with the applicable sections of the Companies Act, 1994 and other applicable laws and regulations.

We further report that:

i) 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;

- 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;
- iii) The statement of financial position dealt with by the report are in agreement with the books of account;
- iv) The financial position of the company as at 31 December 2013 been properly reflected in the financial statements, and the financial statements have been prepared in accordance with the generally accounting Principles;
- v) The financial statements conform to the prescribed standards set in the accounting regulations after consultation with the professional accounting bodies of Bangladesh;
- vi) The information and explanations required by us have been received and found satisfactory;

Hussain Farhad **Charered Accountants**

Trust Bank Securities Limited Statement of Financial Position As at 31 December 2013

Particulars	Note	31.12.2013 Taka
ASSETS:		
Non-current Assets		323,989,841
Property, Plant & Equipment	2.00	900,762
Membership of DSE at Cost	3.00	321,720,000
Preliminary Expense	4.00	832,432
Pre-operational Expenses	5.00	536,647
Current Assets		25,396,593
Receivables from client	6.00	55,854
Deposits & Prepayments	7.00	204,000
Other Current Assests	8.00	327,330
Cash & Cash Equivalents	9.00	24,809,409
Total Assets		349,386,434
SHAREHOLDERS' EQUITY & LIABILITIES:		
Shareholders Equity		347,530,628
Ordinary Share Capital	10.00	350,000,000
Retained Earnings		(2,469,372)
Current Liabilities		1,855,806
Payables to Client	11.00	1,175,831
Payables to Dhaka Stock Exchange	12.00	64,317
Other Liability	13.00	615,658
Total Shareholders Equity & Liabilities		349,386,434

(The annexed notes 1 to 13 form an integral part of these financial statements.)

ice Chairman

Managing Director

Director

Director

Signed as per our annexed report of event date

Hussain Farhad & Co. Chartered Accountants

Statement of Comprehensive Income

For the period from 7th February 2013 to 31 December 2013

Particulars	Notes	31.12.2013 Taka
Operating Income:		710,975
Brokerage Commission		687,372
Other Income	14.00	23,603
Less : Direct Expenses		61,108
Howla Charge		6,680
Laga Charge		45,887
CDBL Charge		8,541
Profit before Operating Exp.		649,867
Less : Operating Expenses		3,004,521
Salaries and Allowances	15.00	1,455,460
Rent, taxes, Insurance, electricity etc.	16.00	247,900
Legal expenses		-
Postage, stamps, telecommunications, etc.	17.00	140,548
Stationary, Printing, advertisement etc.		208,415
Managing Director's Salary and Benefits		-
Directors' fees		-
Auditors' Fees		57,500
Charges on loan losses	40.00	-
Depreciation and repair of bank's assets	18.00	33,726
Other expenses	19.00	860,972
Net Profit/(Loss) befor Tax		(2,354,654)
Less : Provision for Income Tax		114,718
Net Profit/(Loss) after Tax		(2,469,372)
EPS	20.00	(0.07)

(The annexed notes 14 to 20 form an integral part of these financial statements.)

Vice Chairman

Managing Director

Director

Dm 2nd day Director

Signed as per our annexed report of event date

Auditor

Hussain Farhad & Co. **Chartered Accountants**



Statement of changes in Equity

For the period from 7th February 2013 to 31 December 2013

					Amo	ount In Taka
Particulars	Paid up Capital	Share Premium Account	Statutory Reserve	Other Reserve	Retained Earnings	Total
Opening Balance	-	-	-	-	-	-
Changes in accounting policy	-	-	-	-	-	-
Adjustment for prior period error	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-
Changes in equity for the period						
Issue of share capital	350,000,000	-	-	-	-	350,000,000
Income for the year	-	-	-	-	(2,469,372)	(2,469,372)
Dividends	-	-	-	-	-	-
Balance as at 31 December, 2013	350,000,000	-	-	-	(2,469,372)	347,530,628

Vice Chairman

Director

Ind day

Director

Managing Director

Date: Dhaka 18 February 2014 Signed as per our annexed report of event date

Hussain Farhad & Co. Chartered Accountants

Statement of Cash Flows

For the period ended 31 December, 2013.

	Particulars	Notes	Amount in Taka
Α.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Cash Received from Customers and others	21.00	123,791
	Cash paid to Customers, Suppliers, Employees, CDBL & others	22.00	(734,097)
	Income Tax Paid		(114,718)
	Net cash (used) / provided in operating activities		(725,024)
в.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Acquisition of Fixed Assets		(920,128)
	Membership (DSE)		(321,720,000)
	Preliminary Expenses		(1,109,909)
	Pre-Operational Expenses		(715,530)
	Net cash used in investing activities		(324,465,567)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Paid Up Capital		350,000,000
	Net cash provided for financing activities		350,000,000
D.	Net increase/(decrease) in cash and cash equivalents (A+B+C)		24,809,409
E.	Opening Cash & Cash Equivalents		-
	Closing Cash and Cash Equivalents(D+E)		24,809,409

(The annexed notes 21 to 22 form an integral part of these financial statements.)

Vice Chairman

Managing Director

Director

Director

Signed as per our annexed report of event date

Hussain Farhad & Co. Chartered Accountants



Notes to the Financial statements

As at 31 December 2013

1 LEGAL STATUS AND NATURE OF THE COMPANY

1.1 Legal status of the Company:

Trust Bank Securities Limited was incorporated on 07th 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 (Two hundred crore Taka.) only 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 & securities, Fixed income Securities, Bonds, Debentures etc.

1.3 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.3.1 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 the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994, Bangladesh Securities & Exchange Commission ACT, Rules and other laws and rules applicable in Bangladesh.

1.3.2 Basis of Preparation and Measurement :

Financial Statements have been prepared on a going concern basis using accrual accounting method under the historical cost convention.

1.3.3 Functional and level of precision :

The financial statements have been prepared in Bangladeshi taka, which is the company's functional currency. All financial information are presented in Bangladeshi taka and these have been rounded off to the nearest taka. The Accounting policies set out below are applied consistently to the related items in the financial statements by using BAS-1, BAS-7.

1.3.4 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 except office equipment, and motore vehicle where straight-line method is applied.Depreciation rates have mentioned below:

Particulars	Rate of Depreciation
Building	2.50%
Furniture & Fixture - Office	10.00%
Equipments	20.00%
Decoration & Renovation	12.00%
Motor Vehicles	20.00%

2.00: Property, Plant & Equipment

								Written Down Value
Particulars	Purchased during the period	Deletion during the period	Balance as on 31.12.2013	Rate	Depreciation during the period	Deletion during the period	Balance as on 31.12.2013	As at 31 December, 2013
Office Renovation								
Interior Decoration	276,478	-	276,478	12%	6,738	-	6,738	269,740
Overhead Cabinet	11,200	-	11,200	12%	158	-	158	11,042
Vertical Blind & Name Plate	16,452	-	16,452	12%	141	-	141	16,311
Office Equipment		-	-				-	
Photocopy Machine	82,000	-	82,000	20%	3,999	-	3,999	78,001
Box Fan	6,500	-	6,500	20%	295	-	295	6,205
Printer	83,500	-	83,500	20%	1,327	-	1,327	82,173
Computer & Computer Accessories	420,600	-	420,600	20%	6,400	-	6,400	414,200
Air Conditioner	23,398	-	23,398	20%	308	-	308	23,090
Total	920,128		920,128		19,366		19,366	900,762

Particulars	31.12.2013 Taka
03: Investment-Membership of DSE at Cost :	
Shares in DSE	321,720,000
Total	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 shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013.

	31.12.2013
	Taka
04: Preliminary Expenses:	
	035 495
Registration fees and stamp for incorporation	935,485
Consent fees for Paid up Capital	115,000
Processing fees of MOA & AA	58,824
Name Clearance Fees	600
	1,109,909
Less: Amortization	(277,477)
Total	832,432
Preliminary Expenses is amortizing by 12 months equally from October-2013	
05: Pre-operational Expenses:	
Salary & Allowances	553,612
Monthly Subscription Fees of DSE	44,700
Stationery & Printing items	39,014
Legal & Professional Fees	37,854
Trade License	13,100
DP Registration Fees	12,500
Advertisements	7,838
Conveyance	3,180
Authorized Representative fee to DSE	2,500
Bank Charges	575
Entertainment	415
Photocopy	242
	715,530
Less: Amortization	(178,883)
Total	536,647
Pre-operational Expenses is amortizing by 12 months equally from October-2013	
06: Receivable from Clients:	
Receivables from Client for Share Trading	55,854
Total	55,854
07.00:Deposits & Prepayments:	
CDBL refundable security deposit & BTCL	204,000
Total	204,000
8.00 : Other Assets:	
Advance Income Tax	114,718
Sundry Debtors	212,612
Total	327,330
9.00: Cash & Cash Equivalent:	
Trust Bank Limited. C/D A/C	22,869,554.00
Pubali Bank Limited. SND, A/C	1,939,855.00
Total	24,809,409

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Particulars		31.12.2013 Taka
10.00: Share Capital: Authorised Capital 200,000,000 Shares @ Tk. 10 each		2,000,000,000
Issued, Subscribed, Called up and Paid up Capital 35,000,000 Ordinary shares @ Tk. 10 each. Total	-	350,000,000 350,000,000
11.00: Payables to Client: Payables to Clients Total		1,175,831 1,175,831
12.00: Payables to Dhaka Stock Exchange: Payable to DSE Total		<u>64,317</u> 64,317
13.00: Other liabilities : TDS Payable Auditor Fees Office Rent Provident Fund contribution (Both) Hospitalization Benefit Fund Provision for revenue expenses Total	Note 13.01	21,478 57,500 99,000 183,934 7,200 246,546 615,658
13.01: Other Provission : Electricity and Generator Fuel Advance Income Tax Provision for CDBL Charges Total		111,000 114,718 20,828 246,546 2013
14.00: Other Income: BO Account Opening Bank Interest Total		2013 Taka 23,600 <u>3</u> 23,603
15.00: Salaries and Allowances: Basic Salary House Rent Allowance Conveyance Allowance Medical Allowance Leave Fare Assistance Festival Bonus Employer's Contribution to Provident Fund Total		663,600 331,800 34,200 133,800 59,800 165,900 66,360 1,455,460
16.00: Rent, taxes, Insurance, electricity etc. Office Rent Electricty & Generator Fuel Fees, Renewal & Subscription Authorized Representative Expenses Total		99,000 111,000 33,900 4,000 247,900
17.00: Postage, stamps, telecommunications, etc. Telephone Expenses Mobile Stamp Charges Internet & Online Charges Total		5,900 16,328 3,320 <u>115,000</u> 140,548

Total33,7219.00: Other Indirect Expense: Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares25,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission Bank Interest687,37B. Account Opening Bank Interest23,60Functional Expenses23,60Total710,97Less : Increase In Current Assets(587,184	Particulars	2013 Taka
Fixed assets (For details please refer to note#2)19,36Repair & Repair & Maintenance Office14,36Total33,7219.00: Other Indirect Expense: Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance2,23Paper Bill2,23Paper Bill1,36Wade10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses277,47Amortization for Pre-Operational Expenses277,47Amortization for Preshares: A. Profit-Preferred Dividends 		
Repairs Repair & Maintenance Office14,36Total33,7219.00: Other Indirect Expense: Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses277,47Amortization for Pre-Operational Expenses26,000Total860,9720.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares Earning Per Share(EPS)=A/B687,3721.00: Cash Received from Customers and others: Revenue from Brokerage Commission Bo Account Opening Bank Interest687,37Less : Increase In Current Assets710,97Less : Increase In Current Assets(587,184)		10.266
Repair & Maintenance Office14,36Total33,7219.00: Other Indirect Expense: Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses178,88Total860,9720.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares Earning Per Share(EPS)=A/B(2,469,37,37,36,000,00)21.00: Cash Received from Customers and others: Revenue from Brokerage Commission Bo Account Opening Bank Interest687,37 23,60Less : Increase In Current Assets710,97 (587,184)		19,300
Total33,7219.00: Other Indirect Expense: Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares25,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission Bank Interest687,37B. Account Opening Bank Interest23,60Functional Expenses23,60Total710,97Less : Increase In Current Assets(587,184		14,360
Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance241,53Water Bill22,22Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses178,88Total860,9720.00: Earning Per Shares:A. Profit-Preferred Dividends35,000,00B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(2,469,372)21.00: Cash Received from Customers and others: Revenue from Brokerage Commission Bo Account Opening Bank Interest687,37Less : Increase In Current Assets710,97Less : Increase In Current Assets(587,184)	Total	33,726
Entertainment22,22Travelling expenses5,45Other Contractual Service113,37Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses178,88Total860,9720.00: Earning Per Shares:A. Profit-Preferred Dividends35,000,00Earning Per Shares:35,000,00Earning Per Share(EPS)=A/B(2,469,372)21.00: Cash Received from Customers and others:687,37Revenue from Brokerage Commission687,37BO Account Opening23,60Bank Interest710,97Less : Increase In Current Assets710,97	19.00: Other Indirect Expense:	
Other Contractual Service113,37Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares:(2,469,372A. Profit-Preferred Dividends35,000,00B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,37Zuses : Increase In Current Assets710,97Less : Increase In Current Assets(587,184		22,227
Car Maintenance241,53Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares:(2,469,372A. Profit-Preferred Dividends(2,469,372B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,37Less : Increase In Current Assets710,97Less : Increase In Current Assets687,184		5,455
Water Bill2,23Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares:(2,469,372A. Profit-Preferred Dividends(2,469,372B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,37Less : Increase In Current Assets710,97(587,184)(587,184)		113,375
Paper Bill1,36Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares:A. Profit-Preferred Dividends(2,469,372B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission Bo Account Opening Bank Interest687,37Less : Increase In Current Assets710,97(587,184)(587,184)		
Wage10Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares:20,00A. Profit-Preferred Dividends(2,469,372B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0,0721.00: Cash Received from Customers and others:687,37Revenue from Brokerage Commission687,37BO Account Opening23,60Bank Interest710,97Less : Increase In Current Assets(587,184		
Bank Charges18,33Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares Earning Per Share(EPS)=A/B(2,469,37221.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,3723,60710,97Less : Increase In Current Assets710,97(587,184)(587,184)		100
Amortization for Preliminary Expenses277,47Amortization for Pre-Operational Expenses178,88Total860,9720.00: Earning Per Shares:(2,469,372A. Profit-Preferred Dividends(2,469,372B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others:687,37Revenue from Brokerage Commission687,37BO Account Opening23,60Bank Interest710,97Less : Increase In Current Assets(587,184		18,330
Total860,9720.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares Earning Per Share(EPS)=A/B(2,469,372 35,000,00 (0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,37 23,6021.00: Less : Increase In Current Assets710,97 (587,184)	Amortization for Preliminary Expenses	277,477
20.00: Earning Per Shares: A. Profit-Preferred Dividends B. Number Of Weight Average Common Shares Earning Per Share(EPS)=A/B(2,469,372 35,000,00 (0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,37 23,6021.00: Less : Increase In Current Assets710,97 (587,184)		178,883
A. Profit-Preferred Dividends(2,469,372B. Number Of Weight Average Common Shares35,000,00Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,3723,60710,97Less : Increase In Current Assets(587,184	Total	860,972
B. Number Of Weight Average Common Shares 35,000,00 Earning Per Share(EPS)=A/B (0.07 21.00: Cash Received from Customers and others: 687,37 Revenue from Brokerage Commission 687,37 BO Account Opening 23,60 Bank Interest 710,97 Less : Increase In Current Assets (587,184	20.00: Earning Per Shares:	
Earning Per Share(EPS)=A/B(0.0721.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest687,37 23,6023,60710,97Less : Increase In Current Assets(587,184		(2,469,372)
21.00: Cash Received from Customers and others: Revenue from Brokerage Commission BO Account Opening Bank Interest T10,97 Less : Increase In Current Assets (587,184)		35,000,000
Revenue from Brokerage Commission 687,37 BO Account Opening 23,60 Bank Interest 710,97 Less : Increase In Current Assets (587,184)	Earning Per Share(EPS)=A/B	(0.07)
BO Account Opening 23,60 Bank Interest 710,97 Less : Increase In Current Assets (587,184)	21.00: Cash Received from Customers and others:	
Bank Interest 710,97 Less : Increase In Current Assets (587,184		687,372
710,97 Less : Increase In Current Assets (587,184		23,600
Less : Increase In Current Assets (587,184	Bank Interest	710 075
	Less : Increase In Current Assets	
		123,791
		,
22.00: Cash paid to Customers, Suppliers, Employees, CDBL & others:	22 00: Cash naid to Customers, Sunnliers, Employees, CDBL & others:	
		6,680
		45,887
		8,541
		247,900
		208,415
		57,500 140,548
		1,455,460
Repair & Maintenance Office 14,36	Repair & Maintenance Office	14,360
		860,972
		(3,046,263)
Less : Depreciation Expenses Amortization 456.36		456,360
		1,855,806
		(734,097)

Photo Gallery

14th Annual General Meeting



Presence of Board of Directors in 14th Annual General Meeting of the Bank



Registration Points of 14th Annual General Meeting



Hon'ble Vice-Chairman of the Bank exchange greetings with the shareholders



Attendance of the hon'ble shareholders at 14th AGM



Hon'ble member of the bank giving his opinion at 14th AGM



Members of the Bank delivered their speech in the 14th Annual General Meeting



Members of the Bank delivered their speech in the 14th Annual General Meeting



Hon'ble Board of Directors with members of the Bank at 14th Annual General Meeting

Corporate Social Responsibilites



Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc, Vice Chairman of the Bank Handing over a cheque to Bangladesh Taekwondo Federation.



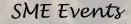
Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc, Vice Chairman of the Bank Handing over a cheque to Dhaka CMH.



Maj Gen Ashraf Abdullah Yussuf, rcds, afwc, psc, Vice Chairman of the Bank Handing over a cheque to TTTI.



Blanket distribution at Rangpur from CSR fund of the Bank.





Mr. Rashad Khan Menon, Mp & Honorable Minister of Civil Aviation & Tourism Ministry visiting a stall at SME Fair financed by Trust Bank Limited.



Participation of SME Department and Women Entrepreneurs at the event of "Women Entrepreneurs' Conference & Product Display"

SME Events



Trust Bank financed to women entrepreneurs at Jessore under "Trust Sukonnya", a joint collaboration of Trust Bank & SME Foundation



Launching of The Guide to SME Help Desk & Women Entrepreneur Desk

Branch Opening



Grand Opening of Mohakhali Branch



Grand Opening of Madina Market Branch, Sylhet



Grand Opening of Golapganj Branch, Sylhet



Grand Opening of Auliapur Branch, Dinajpur

Branch Opening



Grand Opening of Bhaderganj Branch, Sariatpur

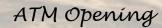


Grand Opening of Kushtia Branch

T-Lobby



Opening of t-lobby (Trust Lobby) at Azimpur Circle





Opening of ATM adjacent to BGB HQ

Mobile Banking



Trust Bank Mobile Banking participation in Digital Innovation Fair

Branch Network

Branch Network

- 1. Number of Branches & SME Service Centre as on 31 December 2013: 88 (eighty eight)
- 2. Number of ATM Booths as on 31 December 2013: 119 (one hundred nineteen)
- 3. Number of ATM Booths opened in 2013: 17 (seventeen)
- 4. Number of t-lobbys as on 31 December 2013 : 02 (two)

Dhaka

Principal Branch

98 Shaheed Sarani, Dhaka Cantonment, Dhaka Direct- 02-8713282, 02- 8750298 PABX- 02-8712751-3, Fax-02-8750276

SKB Branch

Sena Kalyan Bhaban, 195 Motijheel C/A, Dhaka – 1000. Direct – 02-9561721 PABX – 02-7126157, 02-7121263 Fax- 02-7163977

Momenshahi Cantonment Branch Momenshahi Cantonment Mymensingh Direct- 091-62371

Savar Cantonment Branch Savar Cantonment, Dhaka PABX- 7791931 Fax-7791263

Shaheed Salahuddin Cantt (SSC) Branch Shaheed Salahuddin

Cantonment, Ghatail, Tangail Direct-09225- 56141

Dhanmondi Branch

BGB Gate No.- 4, Pilkhana, Sat Masjid Road, Dhanmondi, Dhaka PABX - 02-8623401, 9677553 Fax-02-9677571

Gulshan Corporate Branch 110 Gulshan Avenue, Gulshan, Dhaka -1212 Direct-02-886594,9886592 PABX-02- 8828088, 02-8815594,02-9862520, Fax- 9881508

Dilkusha Corporate Branch

Peoples Insurance Bhaban, (1st Floor), 36 Dilkusha C/A, Dhaka-1000 Direct-02-9560944, 02-9561821 Fax-9560793

Radisson Water Garden Hotel Branch. (RWGH) Airport Road, Zoar Shahara, Dhaka Cantonment, Dhaka – 1206 Direct- 02-8752065

Millennium Corporate Branch Bir Sreshtha Shahid Jahangir Gate 546 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, Block, 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-7768097, PABX -7768096 Fax-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 City Corporation, Thana- Kafrul, Dist- Dhaka Direct -02-8715457 Fax-8715458 PABX- 87154859

Tongi Branch

1st Floor of Senakallyan 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 Bhuiyan National Plaza-1, Jamgara Chowrasta, Ashulia, Dhaka Direct – 02-7790843 Fax- 02-7790867

Elephant Road Branch

1 st Floor of M. R. Mansion 19, Elephant Road, Dhaka Direct – 02-9614126, 02-9614127 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, Dhaka 1st Floor of Plot no 36 Khawja Gharib Newaz Avenue, Sector- 11, Uttara, Dhaka Direct -02-7914667, PABX 02-7914666 Fax-02-7914668

Banani branch, Dhaka

1st Floor of dalta Dahlia Complex, 36, Kamal Ataturk Avenue, Dhaka PABX- 02-9863053, 02-9863107 Fax-02-9884927

Kishorganj 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 Fax-02-9471500

Keraniganj Branch

1st Floor, Azhar Plaza, Ferry Ghat, Bus Road, Zinjira, Keraniganj, Dhaka Direct-02-7764267, 02-7764268

Gopalganj Branch

1st Floor of Holding no. 172, Adhunik Shamobay Biponi, Puratan Bazar Road, Gopalgonj Direct- 6681166 Fax-6681188

Fridpur Branch

M K Shopping Complex, Holding no-15/18, Faridpur Sadar, Faridpur Direct-0631-65249

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 Mobile – 01755636238

Patuatuly Branch

1st Floor, Lucky Mansion 70/A, Patuatuly, Katwali, Dhaka Mobile- 01713201661

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 Mobile- 01730304864

Matuail Branch

1st Floor, Mainuddin Bhaban Saddam Market, South Matuail Kadamtali, Dhaka-1213 Mobile- 01730091692

Chittagong

Comilla Cantonment Branch Comilla Cantonment, Comilla Direct-081-65005 PABX – 081-65004 Fax-77023

Chittagong Cantonment Branch Chittagong, antonment, Chittagong Direct - 031-683680 PABX - 031-2581170-71 Fax- 25811722

Agrabad Branch

Rafique Tower, 92 Agrabad C/A, Chittaging. PABX- 031- 2524462-3, 2514708-9 Direct -031- 2524461, Fax-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

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-0331-63535, PABX-0331-63536 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, Up : Char Char Tala, Thana: Ashugonj, Dist: Brahmanbaria Direct - 0852-874026 Fax-0852-874027

Amirabad Lohagara Branch

Best Chowdhury Plaza, Amirabad, Lohagara, Chittagong Direct - 03034-56612 Fax-03034-56349

Chowmuhuni Branch

Feni Road, Holding # 309,310, Chowmuhuni, Paurashova Thana – Begumgonj, Dist- Noakhali Direct - 0321-54192, 0321-54193 Fax - 0321-54194

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- 61885-6 0351-61932

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), PS- Bandarban Sadar Bandarban Hill Tracts Direct-0361-63204, PABX-0361-63205 Fax-63206

Dewan Bazar Branch

lqbal Tower (1st Floor), 85/86 Dewan Bazar, Nawab Sirajuddowla Road, Chittagong Direct-031-2869825 Fax-031-2869826

Titas Branch

Bhai Bhai Italian Plaza (1st floor), Karikandi Bazar, PS- Titas, Comilla Mobile- 01730304862

Rajshahi

Bogra Cantonment. Branch Bogra Cantonment , Bogra PABX – 051- 82032, 82033

KYAMCH(KhajwaYounus Ali

Medical College & Hospital) Branch Khajwa Younus Ali Medical College & Hospital, Enayetpur, Sirajgonj Direct - 0751-63897 PABX- 0751-63761-3 Fax-63898

Rajshahi Branch

1st floor of Dainik Bartta 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 Cantt Road, Doyarampur Direct - 07722-72351 Fax - 07722-72351

Khulna

Jessore Cantonment Branch Jessore Cantonment, Jessore

PABX- 0421-61043

Khulna Branch

Sena Kallayan Bhaban, 1, KDA Avenue, Khulna City Corporation, Thana: Sonadanga, Dist: Khulna Direct - 041-2831570 PABX-041-2831571-2 Fax-041-2831573

Mongla Branch

1st Floor of BN School & College Campus, PS-Mongla,, Bagerhat Direct-04662-75395, Fax-75396

Munshiganj Branch

Vill: Munshiganj, PO-Kalinagar PS-Shyamnagar, SaTkhira Mobile-01755552689

Jahanabad Cantonment Branch

Cinema Hall Complex, jahanabad Cantonment, Gilatala, Fultala, Khulna Direct -041-785100, 785101 Fax- 785102

Jhenadah 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

Sylhet

Jalalabad Cantonment Branch Jalalabad Cantonment, Sylhet Direct- 0821 - 2870115 Fax - 0821-2872135

Sylhet Corporate Branch

BMA Bhaban, (1st Floor, Basement Floor), 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 Direct - 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

Rangpur

Rangpur Cantonment Branch Rangpur, Cantonment, Rangpur Direct - 0521 – 66653, Fax - 67371

Saidpur Branch

Old CMH Complex, Building no-TOI-28, Bir Sharasto Ruhul Amin Sarani, Saidpur Cantt, Saidpur Direct -05526-73631, Fax - 73630 **Bir Uttam Shaheed Mahbub** Cantonment Branch Cantonment Board Market, Bir Uttam Shaheed Mahbub Cantonment, Dinajpur Mobile -01755552688

Auliapur Branch VII: Auliapur, PO: Pulhat, Bisic Road, PS–Sadar, Dinajpur. Direct-0531-66629 Fax: 0531-66635

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,Rrangpur. Mobile - 01730304863 Fax: 0522- 556314

Barisal

Barisal Branch

Ground Floor of S Rahman Marker,78, Sadar Road, Barisal City Corporation Area, Barisal Direct -0431-64506 PABX- 0431-2177324 Fax - 0431- 2177323

SME/Kríshí Branches and Service Center

Dhaka

Mirer Bazar SME/Krishi Branch Salam Complex ,Mirer Bazar Chowrasta (Tongi Kaligonj Road) Union – Pubail Thana – Gazipur Sadar, Dist-Gazipur Direct - 02-9816765 Fax – 02-9816766

Madhabdi SME/Krishi Branch

R M Building - 3, Phalpatri Road Poourasava – Madhabdi , Thana – Madhabdi Dist- Narsingdi Direct - 02-9446806 Fax- 02-9446807

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

Rajshahi

Tamai SME/Krishi Branch Protigga Banijjik BhabanUP – Vangabari 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



Registered Office: Peoples Insurance Bhaban 36 Dilkusha C/A, Dhaka – 1000, Bangladesh www.trustbank.com.bd

Notice of the 15th Annual General Meeting

Notice is hereby given that the 15th Annual General Meeting of Trust Bank Limited will be held on Thursday, 22 May, 2014 at 11.00 a.m. at Army Golf Club, Airport Road, 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 2013 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 2013 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 2014.

30 April, 2014

By order of the Board of Directors

Khaled Mahbub Morshed, FCA Company Secretary

- Notes:
 - a) The Record Date of AGM was 08 April, 2014. Members' names appearing 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 Company 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) Attendance Slip and Proxy Form along with the Notice are being sent to the entitled Member (Shareholder) 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 & Exchange Commission's Circular No. SEC/CMRRCD/2009/193/154 dated 24 October 2013, no gift/food box will be distributed at the 15th AGM.



Registered Office: Peoples Insurance Bhaban 36 Dilkusha C/A, Dhaka – 1000, Bangladesh www.trustbank.com.bd

PROXY FORM

I/We	of				
being					
of		as my/ our PF	OXY to atter	nd & vote on	my/our behalf at
the 15th Annual General Meeting	g of the Company to b	e held on Thursd	ay, 22 May, 2	014 at 11.00 a	a.m. at Army Golf
Club, Airport Road, Dhaka and a	at any adjournment th	ereof.			
As witness my/our hand this	day of .	2014.			

Signature of Shareholder(s)									 г	Signature of PR	OXY				
No. of Shares	held									_				Revenue	
Folio No.														Stamp Tk.20.00	
BO ID No.														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

Authorized Signatory



ATTENDANCE SLIP

I do hereby record my attendance at the 15th Annual General Meeting of the Company being held on Thursday, 22 May, 2014 at 11.00 a.m. at Army Golf Club, Airport Road, Dhaka.

Name of the Shareholder/Proxy								
Folio No.								
BO ID No.								
Contact No.								

Signature of Shareholder/Proxy

Signature verified by

Notes: Please deposit this Slip at the Reception Desk. Children and non-Shareholders will not be allowed at the meeting.

Notes

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Corporate Head Office Peoples Insurance Bhaban, 36 Dilkusha C/A, Dhaka 1000 Phone : 02-9572012-13 www.trustbank.com.bd