



Letter of Transmittal

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 and Firms**

Annual Report for the year ended on 31 December 2019.

Dear Sir,

We are pleased to present a copy of the Annual Report 2019 with Audited Financial Statements. The report includes consolidated and separate Balance Sheet, Profit and Loss Account, Statement of Cash Flows, Statement of Changes in Equity, Liquidity Statement for the year ended on 31 December 2019 with the notes thereto. Statements are prepared on Trust Bank Limited (TBL) and its Subsidiaries-Trust Bank Investment Limited (TBIL) and Trust Bank Securities Limited (TBSL).

Yours Sincerely,



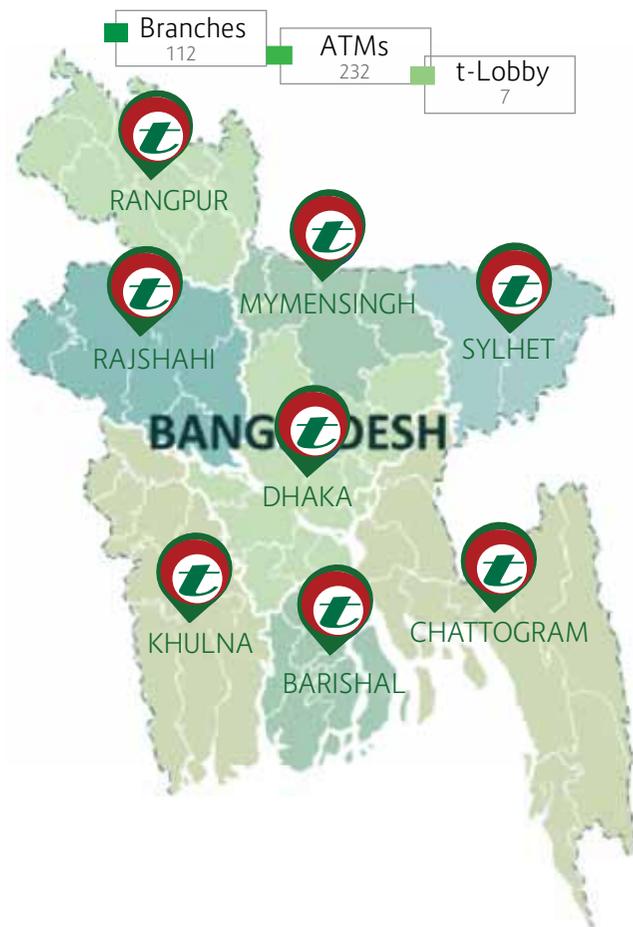
Md. Mizanur Rahman, FCS
Company Secretary

About Us

Trust Bank Limited (TBL) was established as a scheduled bank in 1999 to ensure useful and affordable banking services with optimum value to the people of Bangladesh. With a successful journey of 20 years, the Bank has emerged as a leading, sound and stable commercial private bank in Bangladesh. The Bank offers the entire spectrum of financial services to customer segments, spanning large and mid-corporates, SME and retail businesses.

Trust Bank, first of its kind in the history of Bangladesh, was initially sponsored by Army Welfare Trust (AWT) of Bangladesh Army. In 2007, the Bank listed itself with the stock exchanges and floated the shares for general public. Now, AWT is the largest shareholder, holding 60% of stake of the Bank.

Over the years, the Bank has developed long-term relationship with its customers by being their preferred financial solutions partners, leveraging profound insights and superior services. Considering the business volume and manifold customers demand, the Bank has upgraded its technology and managed the growth for achieving public confidence.



Credit Rating

AA2 Long Term
ST- 2 Short Term

Financial Highlights

BDT in Million

	Total Assets	296,453
	Loans and Advances	212,836
	Deposits	241,822
	Total Shareholders Equity	15,279

Financial Ratio

	Return on Average Assets	0.73%
	Cost to Income	36.04%
	Tier-I Capital Ratio	8.10%

Trust Bank- 'A Bank for financial inclusion' extends relentless efforts for bringing the unbanked population into banking network through low cost and technology driven service delivery. To enrich the service delivery standard, the Bank has added alternative delivery channels (i.e. ATM, Cards, i-banking, mobile banking etc.) in its day-to-day banking activities. Moreover, the Bank is always focused on meeting the financial needs of the customers by providing high-quality products and services through regular customer engagements.

We believe our diversified business and robust risk management strategies are significant catalyst to ensure long term sustainable growth of the country. Therefore, we are dedicated to meet up with the ever growing expectations of all the stakeholders including the customers, shareholders, employees and regulators with highest level of accountability.



Corporate Information

Corporate Information

Registered Name of the Company

Trust Bank Limited

Legal Form

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

Registration Number and Date

C-37960 (2260)/99, 17 June 1999

Sponsor Shareholder

Army Welfare Trust

Corporate Website

www.tblbd.com

Email

info@tblbd.com

Company Secretary

Mr. Md. Mizanur Rahman, FCS

Chief Financial Officer

Mr. Mohammad Aminul Haque, FCA

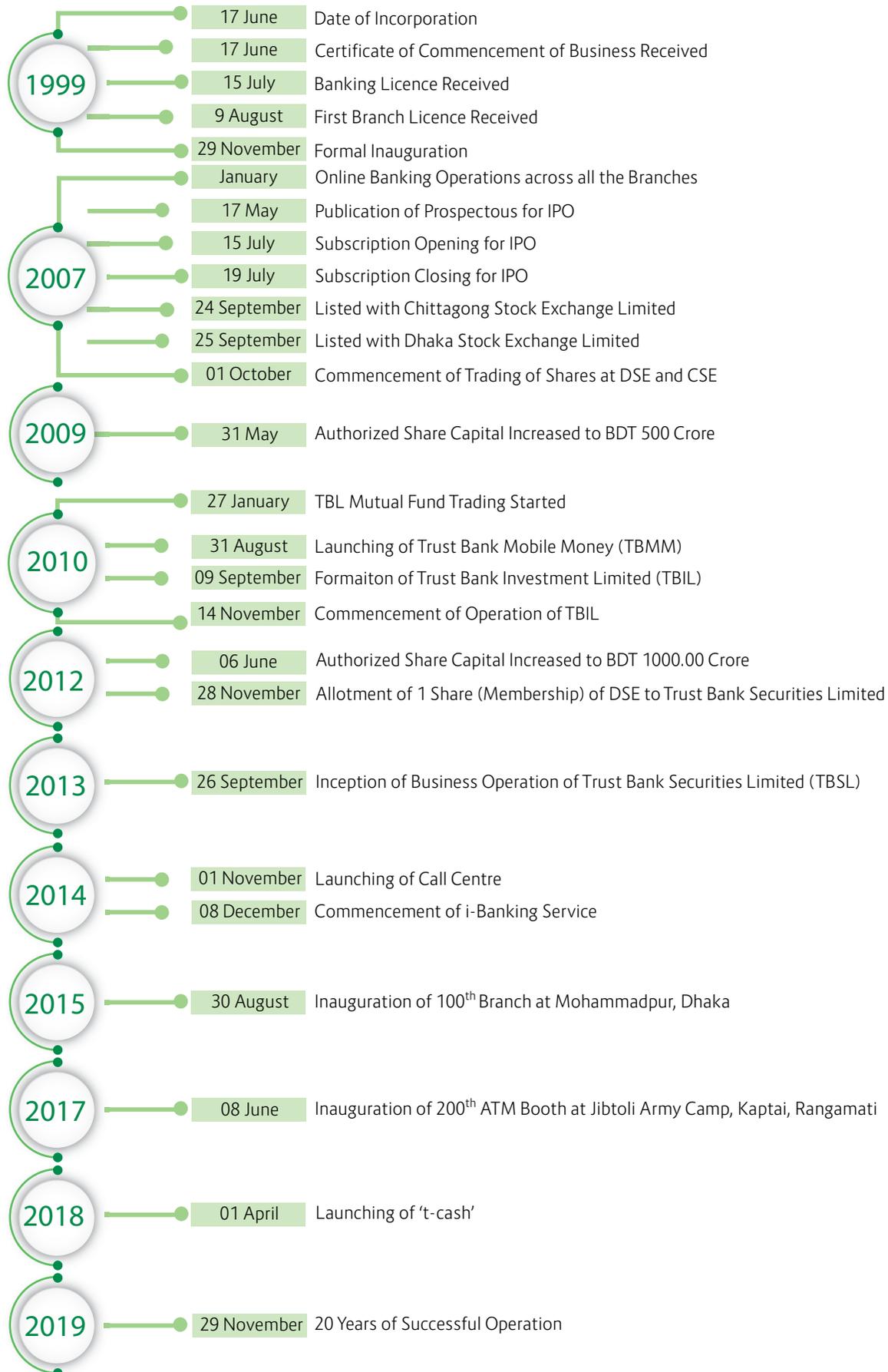
Head of Internal Control and Compliance

Mr. Md. Kamal Uddin Kutubi

Registered Office

Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

Key Milestone



Professional Partners and Memberships

External Auditors



Hussain Farhad & Co.

Chartered Accountants
House # 15, Road # 12, Block # F
Niketon, Gulshan-1, Dhaka-1212.



MABS & J Partners

Chartered Accountants
Corporate Office , SME Tower (7th Floor)
33, Banani C/A, Road # 17, Dhaka-1213.

Corporate Governance Auditor



K.M. Hasan & Co.

Chartered Accountants
Hometown Apartment (7th , 8th and 9th Floor)
87, New Eskaton Road, Dhaka-1000.

Tax Consultants



M/s. ADN Associates

Rupayan Karim Tower, Flat # A-11
80, Kakrail, Dhaka-1000.

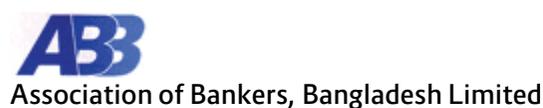
Rating Agency



Credit Rating Agency of Bangladesh Limited

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

Memberships





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Performance Highlights of 2019

Solo Basis (BDT in Million)

Total Operating Income



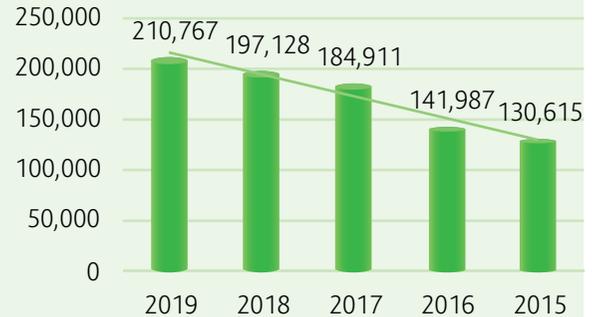
Total Operating Expense



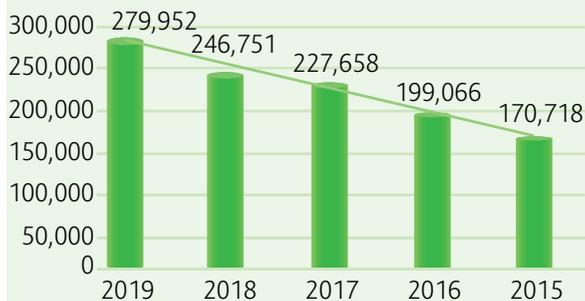
Deposits



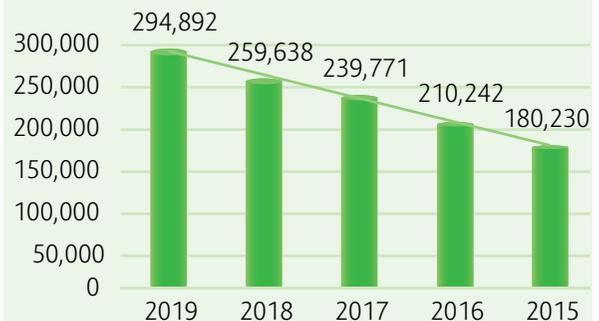
Loans and Advances



Total Liabilities

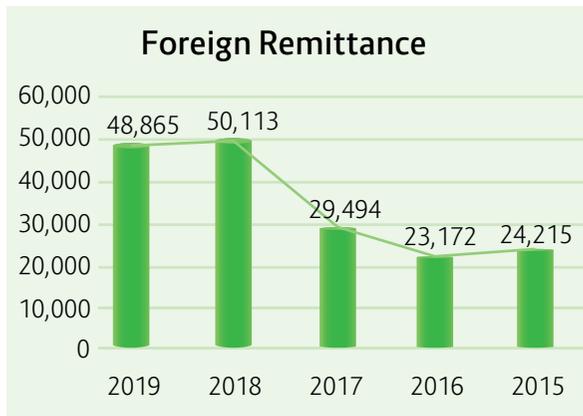
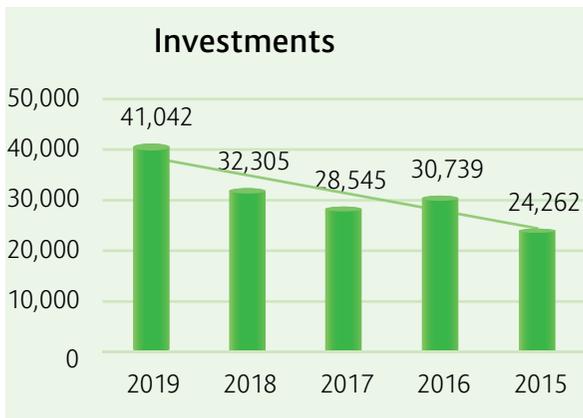
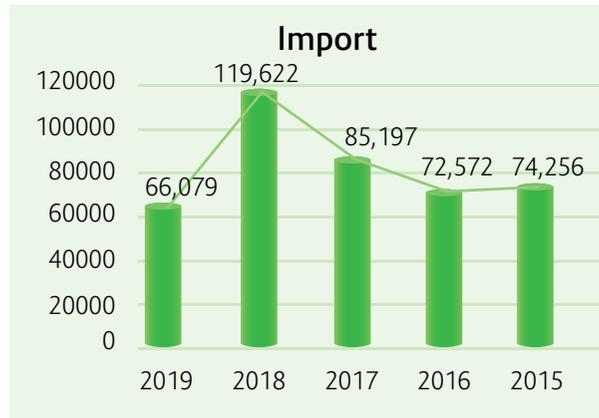
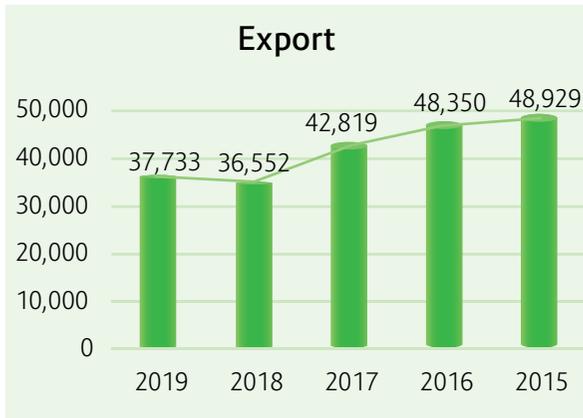


Total Assets



Performance Highlights of 2019

Solo Basis (BDT in Million)



Governance at a Glance

Our Board

The Board has ten directors (excluding the MD & CEO) comprising the Chairman, one Vice Chairman, two Independent Directors and six other Directors. Biographies of each director can be found on pages From 13 to 23

The Board is bestowed with the responsibilities to formulate policy-guidelines and supervising business activities of the bank efficiently as well as ensuring good governance in the bank management. They are also liable for various responsibilities relating to work-planning and strategic management, Credit and risk management, Internal control management, Human resources management and development, Financial management. A 'Directors' Responsibility Statement' can be found on 'Directors' Report' at pages 90 to 92.

Chairman

Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G

Vice Chairman

Maj Gen Md Enayet Ullah, BSP, ndu, psc

Directors

Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD

Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc

Brig Gen Rakib Uddin Ahmed, SUP, psc, G

Brig Gen Abul Mansur Md Ashraf Khan, ndc, psc

Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc

Brig Gen Sheikh Mohammad Sarwar Hossain, SUP, psc

Independent Directors

Mr. Shahedul Islam

Mr. Arshad Jamal

Managing Director & CEO

Mr. Faruq Mainuddin Ahmed

Board Committees

In order to ensure effective oversight and leadership, the Board has sub-committees with particular responsibilities. The terms of reference for each of these committees are prepared following the statutory guidelines.



An overview of functions of the Board sub-committees are discussed in their individual reports. The full Governance report is on pages 40 to 57 of the Annual Report 2019.

Sub-Committees of the Board

Executive Committee

Maj Gen Md Enayet Ullah, BSP, ndu, psc	Chairman
Brig Gen Rakib Uddin Ahmed, SUP, psc, G	Member
Brig Gen Abul Mansur Md Ashraf Khan, ndc, psc	Member
Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Member
Mr. Faruq Mainuddin Ahmed	MD & CEO

Audit Committee

Mr. Shahedul Islam	Chairman
Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD	Member
Mr. Arshad Jamal	Member

Risk Management Committee

Brig Gen Sheikh Mohammad Sarwar Hossain, SUP, psc	Chairman
Mr. Shahedul Islam	Member
Mr. Arshad Jamal	Member

Management Committee (ManCom)

Mr. Faruq Mainuddin Ahmed	MD & CEO
Ms. Humaira Azam	AMD & CRO
Mr. Akhlasur Rahman Bhuiyan	Head of CRM
Brig Gen Md Mehdi Hassan, SGP, ndc, afwc, psc (Retd)	Head of PPCCRD
Mr. Ahsan Zaman Chowdhury	Head of Business
Ms. Hasna Hena Chowdhury	Head of Operations
Brig Gen Akhtaruzzaman Siddique, PBGM, psc, te (Retd)	IT Advisor
Brig Gen Kamrul Islam, BGBM, ndc, psc (Retd)	Head of HRD
Lt Col Showkat Akhter (Retd)	Head of GSSD
Mr. Md. Kamal Uddin Kutubi	Head of IC&C
Major Dr. Khondaker Saifuzzaman (Retd)	Principal, TBTA
Mr. Retanti Talukder	Head of SME&AD
Ms. Mahmuda Momen	Head of RFC
Ms. Khandker Bedoura Mahbub	Head of IT
Mr. Mohammad Aminul Haque, FCA	Chief Financial Officer
Mr. Md. Mizanur Rahman, FCS	Company Secretary

Board of Directors



General Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G
Chief of Army Staff, Bangladesh Army
Chairman



Major General Md Enayet Ullah, BSP, ndu, psc
Adjutant General, Bangladesh Army
Vice Chairman



Brigadier General Saleem Ahmad Khan
SGP, ndc, afwc, psc, te, PhD
Director



Brigadier General Abu Naser Md Elias
SGP, ndc, afwc, psc
Director



Brigadier General Rakib Uddin Ahmed
SUP, psc, G
Director



Brigadier General Abul Mansur Md Ashraf Khan
ndc, psc
Director



Brigadier General Md Golam Faruque
SGP, SUP, nswc, afwc, psc
Director



Brigadier General Sheikh Mohammad Sarwar Hossain
SUP, psc
Director



Mr. Shahedul Islam
Independent Director



Mr. Arshad Jamal
Independent Director



Mr. Faruq Mainuddin Ahmed
Managing Director and CEO



**General Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G
Chief of Army Staff, Bangladesh Army
Chairman**

General Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G was born on 01 January 1961 in Narayanganj, Bangladesh while he hails from Chandpur district. The General was commissioned in the Corps of Artillery on 10 June 1983 with 8th BMA Long Course. He has taken over the Command of Bangladesh Army as the Chief of Army Staff on 25 June 2018.

The General is a graduate of Defence Services Command and Staff College, Mirpur, Bangladesh. He did Masters in Defence Studies, Masters in Science (Technical) and Masters in Business Administration. He has completed Gunnery Staff Course both in Field and Air Defence Artillery at home and also completed Long Gunnery Staff Course from School of Artillery, Deulali, India. The General attended a number of professional courses, seminars and symposiums at home and abroad. General Aziz has a good number of military and non-military publications to his credit. The General is now pursuing PhD in Border Management under Bangladesh University of Professionals.

In his long glorious military career, General Aziz served in various staff, instructional and command appointments. He was previously the General Officer Commanding (GOC) of Army Training and Doctrine Command and Director General of Border Guards Bangladesh. He has a vast experience of Command at different stages of his military career. He Commanded 33 Infantry Division as GOC and also commanded 6 Air Defense Artillery Brigade and 33 Artillery Brigade as Brigade Commander. In addition, he commanded a BGB Sector as Sector Commander as well. At the early stage of his career, he also commanded one Artillery Regiment and one BGB Battalion. Before he took over the Command of Bangladesh Army as the 'Chief of Army Staff', he had been serving as the 'Quarter Master General' of Bangladesh Army.

In his colorful military career, he held a number of important staff appointments. He actively participated in Counter Insurgency Operations in the Chittagong Hill Tracts as GSO-3 (Operations). He also served as Brigade Major of an Infantry Brigade, GSO-2 in AHQ Military Training Directorate and GSO-1 of AHQ Pay, Pension and Allowance Directorate. The General served as instructor for more than 07 years in School of Artillery and School of Military Intelligence.

He has served as a Military Observer in the United Nations Iraq-Kuwait Observation Mission (UNIKOM) in the war-ravaged situations in 1995-1996 and as Military Advisor (MA) to Force Commander of Sudan (UNAMIS) in 2005-2006.

While serving as Sector Commander, Bangladesh Rifles (BDR), the General was awarded BGBM Padak for playing important role in implementing different measures as recommended by the National Investigation Court. As Director General, he was awarded PBGM and BGBMS by the Honorable President as the recognition for rendering extra ordinary service in transforming BGB in a highly professional outfit of the Country. He also played a leading role in establishing BGB Welfare Trust and Shimanto Bank as the Founding Chairman.

The General has keen interest in reading and playing golf. He is happily married to Dilshad Nahar Aziz and is a proud father of three sons.

Besides his present responsibility, he is representing different concerns of Army Welfare Trust as Chairman. General Aziz Ahmed was appointed as Chairman of Board of Directors of Trust Bank Limited on 26 June 2018.



Major General Md Enayet Ullah, BSP, ndu, psc
Adjutant General, Bangladesh Army
Vice Chairman

Major General Md Enayet Ullah, BSP, ndu, psc has undertaken the coveted responsibility of the Adjutant General of Bangladesh Army with effect from 08 March 2020. Prior to his current assignment, he was the Commandant, Defence Services Command and Staff College (DSCSC), Mirpur.

He was born in Kurigram District, Bangladesh on 07 January 1965. An ex-cadet of Rangpur Cadet College, Major General Enayet was commissioned in the Regiment of Artillery on 19 May 1985 with 12th Bangladesh Military Academy Long Course.

In his long 34 years of illustrious career, the General Commanded 33 Infantry Division, He had been the Commandant of Bangladesh Institute of Peace Support Operation Training, Commander of 9 Artillery Brigade and Commanding Officers of 27 Field Regiment Artillery. He was the Chairman, Bangladesh Tea Board - an autonomous regulatory body to oversee the business and production of Tea in Bangladesh.

Apart from the regimental staff duties, Major General Enayet served as General Staff Officer-1 (Operational Art and Tactics Section) in Army Training and Doctrine Command (ARTDOC), General Staff Officer-2 at the Military Operations Directorate, General Staff Branch, Army Headquarters and, Brigade Major of 66 Artillery Brigade. He was the Formation Training Evaluator and Chief of Doctrine Division at ARTDOC. The General also served as the Director in Administration and Logistics Directorate at the Armed Forces Division. As a peacekeeper, he had been Military Observer in the United Nations Mission in Kuwait (UNIKOM) and in East Timor (UNMISSET). He served as Directing Staff in the Defence Services Command and Staff College for more than 3 years.

Major General Enayet is a graduate of National Defence University (NDU), China and DSCSC, Mirpur. He obtained Masters in Defence Studies and Masters in Business Administration from National University, Bangladesh and Royal University, Dhaka respectively. The General also obtained Masters in Military Science and Science of Military Strategy from National Defence University, Beijing, China. He has undertaken numerous professional training courses, seminars, and symposiums at home and abroad.

A keen golfer, Major General Enayet is the Senior Vice President of Bangladesh Golf Federation and the Vice President of Kurmitola Golf Club, Dhaka. In his professional and personal capacity, the General visited almost all the continents of the globe.

A traditional family man, the General is married to Mrs Mahbub Ara Begum and is a proud father of three sons, of whom the eldest one is an officer in Bangladesh Air Force. The second son is an officer in Bangladesh Army while the youngest one is a student.



**Brigadier General Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD
Director**

Brigadier General Saleem Ahmad Khan was commissioned in the Bangladesh Army on 25 December, 1986. He has wide range of experience in the military including international peacekeeping experience with the United Nations Mission in Sierra Leone and United Nations Mission in Sudan. He participated in Contingent Owned Equipment (COE) Working Group 2004 meeting held in the UNHQ as a representative of Bangladesh and COE Working Group 2014 meeting as a Vice Chairman. He facilitated the UN Integrated Mission Staff Officers' Course, conducted by Pearson Peacekeeping Centre, Ottawa, Canada in 2010 and enlisted as Community of Expert. From 2012 to 2019, he was a facilitator in a seminar on UN Peace Operations organized by Canadian Defence Academy (CDA) in Uruguay, Indonesia and the US. He presented conference paper on different fields of UN peace operations in the University of Dhaka (2014), National Defence College Bangladesh (2014), Rotary International peace conference (2015), and UN High Level Panel Regional Consultation (2015). In 2018, he chaired a panel as well as delivered a presentation, Warfare in the Information Age during the annual conference at the Gregg Centre, University of New Brunswick, Canada. He also presented conference papers at the Dalhousie University, Halifax, Central Michigan University, and University of Maine in 2018.

General Saleem earned his Bachelor of Technology from Jawaharlal Nehru University, New Delhi, India and became a telecom engineer. He has completed Masters in Philosophy, Masters in Defence Studies, Masters in War Studies, and Masters in Security and Development Studies.

General Saleem was a faculty member in the Armed Forces War Course of National Defence College and served as an instructor in Signal Training Centre and School, and Bangladesh Military Academy. He served as the Dean of Faculty of Technical and Engineering Studies in Bangladesh University of Professionals, as the Director Overseas Operations of Bangladesh Army, and Commandant of the Signal Training Center and School.

General Saleem obtained his PhD from the University of New Brunswick under Department of History. His thesis topic is, "The History of United Nations Peace Operations in Africa: The Emergence of Civil-Military Coordination in State-building".

General Saleem presented conference papers on Father of the Nation Bangabandhu Sheikh Mujibur Rahman in different universities in the US and Canada. He also published a good number of articles on the Father of the Nation in national dailies.

At present he is serving as the Director, Information Technology Directorate at the Army HQ. He took personal initiative to establish a telecom and IT firm 'Trust Innovation Ltd.' under Army Welfare Trust.

General Saleem is married to Dr. Nawshin Shabnam, who is a Pediatrician at the Armed Force Hospital, Kuwait and they are proud parents of two daughters Saiha and Manha.



**Brigadier General Abu Naser Md Elias, SGP, ndc, afwc, psc
Director**

Brigadier General Abu Naser Md Elias, SGP, ndc, afwc, psc was born on 31 August 1967 in Jamalpur. He was commissioned in the Regiment of Artillery on 26 June 1987. Being qualified in field and air defense artillery, the officer has held all types of regimental appointments in both field and medium regiments. With the way of time, the General persuaded all mandatory and utility professional courses both at home and abroad.

He graduated from Defence Services Command and Staff College, Mirpur and Armed Forces War Course and National Defence Course from National Defence College, Bangladesh. Brigadier General Elias has five post graduate degrees at his credit which include Masters in Defense Studies, Masters in War Studies, Masters in Strategy and Development Studies, Masters in Business Administration (Major in HRM) and M Phil in Strategy and Development Studies. Presently he is pursuing his PhD programme in Development Studies under Bangladesh University of Professionals. Brigadier General Elias was selected as a Defence Diplomacy Scholar by the United Kingdom Ministry of Defence and successfully completed “The Governance of National Security and Defence Course” from 22nd - 26th February 2015 and “The Strategic Leadership Programme” under Cranfield University, UK.

Brigadier General Elias commanded three artillery regiments and two artillery brigades in Cumilla and Sylhet Cantonment. As an extra regimental appointment, he also served in Special Security Force, GSO-1 in the Armed Forces Division, Station Commander and Deputy Director General in the Directorate General Defence Purchase under Ministry of Defence. He participated in three UN missions; in Haiti as contingent member, in Sierra Leone as Military Observer and as Sector Commander in the most challenging UN mission in Mali.

He has visited number of countries around the world. He participated and also led many Bangladeshi delegations in international seminars and workshops on regional security, humanitarian law, trade and business issues etc. Brigadier General Elias is a proud father of one daughter and one son, both are students. His wife, Shahwari Farzana Luna is a house maker, who commits herself in upbringing and educating her children. Brigadier General Elias is a keen golfer and his hobby includes reading books and watching television.

Presently he is serving as Director Personnel Services and Provost Marshal in Army Headquarters.



**Brigadier General Rakib Uddin Ahmed, SUP, psc, G
Director**

Brigadier General Rakib Uddin Ahmed, SUP, psc, G has been appointed at Army Headquarters as Director, Budget Directorate in General Staff Branch on 08 February 2017. He was born on 31 May 1966. He was commissioned in the Regiment of Artillery on 26 June 1987.

He Commanded and raised a new Brigade in Sylhet, 17 Division. He has commanded two Battalions, both in operational areas and served in six units. He has the experience of serving in UN peacekeeping missions: MONUC in 2005-2006 as Operations officer in Eastern Division Headquarters in DRC and Force Chief of Staff in Force Headquarters in United Nations Organization Stabilization Mission in the DR Congo (MONUSCO) and led the largest fleet of Mil and Civil officers of more than 50 countries to plan, prepare operational estimates, concepts, supervise, and manage military operations. Brigadier General Rakib was the first Force Chief of Staff from Bangladesh of MONUSCO, in DR Congo; the largest UN Mission in the Globe.

Brigadier General Rakib Uddin Ahmed, SUP, psc, G held important appointments in command, staff and instructional positions. Besides diverse regimental appointments in number of units, he also served as Brigade Major in two Brigades, Grade 1 Staff Officer and Formation Training Evaluator as Colonel in ARTDOC. He was awarded the honour of “distinguish instructor” for his admirable instructional ability. He has an excellent academic record with Masters in Defence Studies, Masters in Business Administration, Masters in Science and technology and Honors in War Studies, all with first-class grading.

He excelled in all military training courses, which include Management Course, Gunnery Staff Course, Army Staff Course from Defence Services Command and Staff College, Mirpur, second staff course from Command and Staff College, Quetta, Pakistan, Advance Command and Staff Course (overseas) from Defence Academy, Shrivenhem, UK, London, Management Course and course on Managing Defence at Wider Security Context.

Apart from working as Instructor class “C” and “B” in schools of instruction, He has served as Directing Staff of Defence Services Command and Staff College. He also worked as Directing Staff in Srilankan Staff College as subject matter expert (SME) on Joint Warfare and Campaign Planning. He was a visiting lecturer of IPSTC (Institute for Peace Support Training Centre), Kenya, Nairobi on Challenges of UN Mission in Congo. He was awarded with Chief of Army Staff (CAS) Commendation in 2003.

Brigadier General Rakib Uddin Ahmed, SUP, psc, G is a proud father of one son and one daughter, both are students. His wife Shaila Parvin is a house wife, who commits herself in upbringing and educating the children.



Brigadier General Abul Mansur Md Ashraf Khan, ndc, psc
Director

Brigadier General Abul Mansur Md Ashraf Khan, ndc, psc, was born in Chattogram on 27 October 1968, He did his schooling from Faujdarhat Cadet College where he was groomed to join the Army since his early days. He was commissioned into the Infantry Regiment on 22 Dec 1989. In a span of 30 years with Bangladesh Army, he has held a variety of important command and staff appointments. Beside his regimental appointments as Quarter Master, Company Second in Command and Company Commander in two Infantry Battalion, he Commanded 17 Bangladesh Infantry Regiment. He served in several Infantry Regiments at home both in the plains and in the Chattogram Hill Tracts operating in the Counter-Insurgency operational environment. He also served with two Bangladesh Battalions with the UN Peacekeeping Mission at Iraq-Kuwait in 1995 and Ivory Coast in 2006-2007 periods. He also had been a UN Military Observer at DR Congo during 2013-2014. He commanded an Infantry Regiment in 2008-2009. As Brigadier General, he commanded a Mechanized Brigade and an Independent Infantry Brigade. He also commanded a Military Outfit in Kuwait as part of military co-operation with Kuwait Armed Forces. As Staff he has held several appointments like ADC to GOC, PS to PSO, Armed Forces Division, GSO-1 (Counter Insurgency) in Headquarters 24 Infantry Division and Colonel Staff of Headquarters 19 Infantry Division. He was an Instructor of Tactics Wing at School of Infantry and Tactics and a Directing Staff of Defense Services Command and Staff College, Mirpur. He attended foreign courses at USA and Turkey. He has obtained Masters on Defence Studies from National University of Bangladesh, M Phil (Part 1) from Bangladesh University of Professionals and Master of Business Administration (MBA) from Atish Dipankar University of Science and Technology. He is a graduate of Defence Services Command and Staff College, and National Defence College, Dhaka. He was part of Military Delegation to China, Germany, Nepal and Brunei. He takes interest in travelling and sports like golf. He is happily married to Nasrin Jahan Munni, a senior teacher in Cantonment Public School, and an Invigilator of British Council, Bangladesh. They have two grown-up sons.



**Brigadier General Md Golam Faruque, SGP, SUP, nswc, afwc, psc
Director**

Brigadier General Md Golam Faruque, SGP, SUP, nswc, afwc, psc was born on 01 January 1970 in Jessore, Bangladesh. He joined Bangladesh Military Academy on 12 January 1988 and was commissioned on 22 December 1989.

He attended several professional courses both at home and abroad. His foreign courses include Infantry Officers Advance Course in USA, Seminar, Leadership Forum on Counter Terrorism in Philippine, Pacific Endeavor 2012 MCIP Workshop in Singapore, Course on Laws of Armed Conflict in Turkey, International Counter Terrorism Fellows Programme in Washington DC and National Security and War Course in Pakistan. He is a graduate of Defence Services Command and Staff College, Mirpur, National Defence College, Mirpur and completed his Masters on Defence Studies and Masters on Security Studies under National University, Bangladesh, Masters of Arts in Strategic Security Studies under National Defence University, USA.

Brigadier General Md Golam Faruque has a fine mix of all types of appointments in the Army i.e. staff, instructor and command. He served as Directing Staff Class 'B' in the School of Infantry and Tactics, Sylhet and Colonel General Staff in HQ DGFI and DET DGFI, Cox's Bazar. He has commanded an Infantry Battalion and two Infantry Brigades. Besides, he served as Platoon Commander and Company Staff Officer, UNIKOM and Military Observer at MONUSCO. He was Platoon and Term Commander in Bangladesh Military Academy.

Brigadier General Md Golam Faruque took part in Counter Insurgency Operations in Chittagong Hill Tracts, Bangladesh. He was also assigned to United Nations Peace Keeping Missions in Iraq, Kuwait and DR Congo.

Brigadier General Md Golam Faruque travelled widely to include countries like Saudi Arabia, Cyprus, Egypt, Thailand, USA, Philippine, India, Uganda, UAE, Singapore, Turkey, UK and Iran.

Brigadier General Md Golam Faruque's hobby is travelling.

He is happily married to Nazneen Nahar. He has one daughter and one son.

Brigadier General Md Golam Faruque is presently serving as Director of Military Operations Directorate, Army Headquarters, Bangladesh Army.



Brigadier General Sheikh Mohammad Sarwar Hossain, SUP, psc Director

Brigadier General Sheikh Mohammad Sarwar Hossain, SUP, psc was commissioned in the Corps of Infantry in December 1991. Currently, he is serving as Director, Internal Affairs Bureau in DGFI. Brigadier General Sarwar served as Director, CTIB for about 2 years (July 2018-May 2020). He commanded a Mechanized Brigade and an Infantry Brigade of Bangladesh Army. During his distinguished military career, he attended various courses at home and abroad and served in various command, staff and instructional appointments. He participated in the United Nations Peacekeeping Mission in Kuwait and Ivory Coast and served in United Nations Headquarters, New York as Force Generation Planning Officer (P-4).

He holds an Executive Master's of Business Administration (EMBA) from Dhaka University and Masters in Defence Studies (MDS) from National University, Dhaka. He is also graduated from following Institutions:

- Defence Services Command and Staff College, Mirpur, Bangladesh.
- Arms Forces Command and Staff College, Riyadh, Saudi Arabia.
- Canadian Forces College, Toronto, Canada.
- Pulada, Johor Bahru, Malaysia.

His areas of interest are National Security, Conflict Resolution, Chittagong Hill Tracts Development and Peace Affairs, Crisis Management, Counter Terrorism and Preventive/Counter Violent Extremism issues.

He visited few countries as part of his official/personal tour. Some of those are: USA, Canada, China, Saudia Arabia, Kuwait, Malaysia, Singapore, Cambodia, Ivory Coast, Uganda, Oman, Turkey Italy, UK, Thailand, Myanmar, Jordan, Indonesia, Switzerland and Netherlands.

He is married and proud father of one son and one daughter.



Mr. Shahedul Islam
Independent Director

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

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

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

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

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



Mr. Arshad Jamal
Independent Director

Mr. Arshad Jamal (Dipu), Chairman of Tusuka Group was born in the year 1968. He was meritorious and bright since his boyhood. He completed Honors and MBA (Finance) from IBA (Institute of Business Administration) of Dhaka University in the year 1992, before that he studied in the BUET (Bangladesh University of Engineering and Technology) for 3 years. Afterwards he also earned MDS (Master of Development Studies) from BRAC University and finished MDP Course from Colombia University (USA) in the year 2008.

Mr. Jamal started Buying House business while he was a student of Dhaka University. His hard work and perseverance started to bring success one after another in the business. He established Tusuka Fashions Ltd, first manufacturing unit in this group in the year 2000. Now Tusuka Jeans Ltd, Tusuka Trousers Ltd, Tusuka Processing Ltd and Tusuka Apparels Ltd are the successful units in this process. Not only in Garments sector he also entered into the International Telecom business with NovoTel Ltd, milestone success for him.

NovoTel is one of the IGW Company that got the license from the BTRC through an open bid in the year 2007. All his business units are well managed with high level of professionalism. His wise, judicious and well-composed directives are the key success factors in this regard. He also started chartered operation of China Southern Airlines in the year 2008.

In 2013 he entered in Air Transport business, with a private passenger airlines as Novo Air, which is serving domestic routes in Bangladesh with an immediate intention for regional connectivity.

He is Vice President of BGMEA from 2019. He was the successful Chairman of the Foreign Mission Cell of BGMEA and visited US Congress, Senate and State Department as an active member of the BGMEA Lobbying Team in the year 2006 and 2010 to facilitate the Duty Free Access in the USA market. He also attended WTO conference at Geneva as BGMEA representative in the year 2009. He was also the sole representative from the private sector in Bangladesh for First US Bangladesh Partnership Dialogue in Washington DC on 2012. In the year 2010 he worked as representative from Commerce ministry to facilitate the Duty Free Access in the Indian market. He also accompanied Prime Minister during her visit to Japan and India.

For consecutive three terms, he was elected as board member of Bangladesh Garments Manufacturers and Exporters Association (BGMEA). As Director in Research and Policy matters, he was the facilitator between GOB (Commerce Ministry) and BGMEA in GSP issue. He was the only representative of BGMEA and BKMEA in the minimum wage board of 2013.

He was also declared CIP (Commercially Important Person) by The Government of Bangladesh for the year 2008, 2010, 2011, 2013-2017. His father Late Mustafa Jamal was the high level Government Officer; Freedom fighter. He served different ministry with his honesty, sincerity and professionalism.



Mr. Faruq Mainuddin Ahmed
MD & CEO

Mr. Faruq Mainuddin Ahmed has been appointed as MD & CEO of Trust Bank Limited (TBL) with effect from 18 February 2018. Prior to assuming this appointment, he worked as Additional Managing Director of the Bank.

Before joining TBL, Mr. Ahmed served the City Bank Limited as Additional Managing Director and had been holding the position of Chief Risk Officer and CAMLCO of the Bank. He also served Mercantile Bank and AB Bank Limited as Deputy Managing Director.

After completing MSS in Economics from University of Dhaka, Mr. Ahmed started his career as Probationary Officer at AB Bank Limited in 1984. He received Bangladesh Bank Gold Medal and BCCI (erstwhile) Gold Medal in the Banking Diploma examination, 1987 for securing first position. He gained grounded experience and knowledge through working in different capacities in almost all the fields of banking both at home and abroad. He is a well-rounded banker and led different major branches and divisions of AB Bank Limited in different phases of his service tenor with the bank. He was posted at Mumbai Operation of AB Bank as Country Manager for about 5 years. Mr. Ahmed is the Founder Chairman of the Association of Anti Money Laundering Compliance Officers of Banks in Bangladesh and a life member of Bangladesh Economic Association.

Mr. Ahmed has participated in a good number of professional trainings, workshops, and seminars both at home and abroad. A regular columnist on banking and economic issues in the national dailies, Mr. Ahmed so far authored 24 books and many articles on economy and banking, capital market, accounting, literature and travel. For his noteworthy contributions to Bangla language and literature, he received Bangla Academy Award in 2019 in Travel writing category. He also received IFIC Bank Literary Award 2011 for excellent translation of "A Poet Apart", the literary biography of poet Jibanananda Das written by Clinton B. Seely.

Mr. Ahmed, a scholastic and keen traveler, was born on 10 October 1958 in a respectable Muslim family of Sitakund, Chattogram. He is happily married with Ms. Farzana Ahmed and blessed with one son and one daughter. Mr. Ahmed is a widely travelled person and extensively visited many countries including USA, Canada, UK, Australia, France, Switzerland, Spain, Belgium, Netherlands, Turkey, India, Singapore, China, Vietnam, Malaysia, Indonesia, Mongolia, Kenya etc. around the globe.

Chairman's Message

Bismillahir Rahmanir Rahim

Dear Shareholders

Assalamu Alaikum

It's a privilege for me once again in welcoming you all to the 21st Annual General Meeting of Trust Bank Limited. On behalf of the Board of Directors of the Bank, it's an honour for me to present before you the Annual Report and audited financial statements of the Bank for the year 2019.

While unveiling the financial performance of 2019, I would like to share with you that last year your Bank has marked its 20th anniversary. Twenty years ago, Trust Bank was founded to emerge as a new kind of Bank which deeply values its shareholders' interest and country's economy by supporting entrepreneurs and creating jobs. At this prestigious milestone, we would like to affirm our commitment to carry out our business in an inclusive manner to create long lasting value for our stakeholders. Our sincere thanks to you for your continued support and interest in Trust Bank over the years.

The year 2019 was a challenging one for Bangladesh yet the economy experienced over 7.00% growth for the fifth consecutive fiscal year. Despite global upheavals, mostly emanating from US-China trade tensions, BREXIT and lowering oil prices disrupting Middle Eastern economies, Bangladesh was considered one of the fastest growing economies by World Bank and IMF. However, the COVID-19 pandemic will significantly slow down economic activities as the country was heading to achieve its targeted growth of 8.20% in 2019-2020 fiscal year. Given our interconnectedness with global economy and disruption in supply chain, financial institutions will be pivotal in boosting private investment for creating new businesses and job creation.

Today, the economic disruption caused by COVID-19 threatens millions of livelihoods in Bangladesh, especially our informal sector which hosts nearly 50 million workers. People of Bangladesh have previously shown commendable resilience in facing many crises. But as present situation is of completely of different magnitude, the government was quick to come up with various stimulus packages to support export oriented industries, small, medium and large industries, agricultural sector, social safety programs etc. These initiatives are extremely significant to strengthen our economic backbone and accelerate after resumption of normalcy in global trade regimes, especially Europe and North America.

However, amidst this unprecedented crisis, there are now some promising signs for Bangladesh as major economies are considering to relocate their industrial setups from China. It will be a greater challenge for the country to capitalize this opportunity and maintain momentum of economy considering domestic energy security, rising non-performing loans and maintaining good governance. We are confident to succeed as the nation has enormously improved in accelerating resource mobilization, infrastructure projects implementation and training human resources much needed prerequisites for attracting foreign investment.

Dear Shareholders

As always, Trust Bank strived to come up to your expectations and deliver a respectable set of results. In 2019, the Bank achieved its budgetary targets in various parameters by registering an impressive operating profit of BDT 7,228.57 million surpassing the previous year by 13.36 percent. At this time of economic downturn resulting from unprecedented spread of COVID-19 which has exposed the industry to uncertain financial risks, our approach will be to focus on reasonable business risk in making credit decision. As part of our continual endeavor to understand our areas for improvement, our strategic thinking in 2020 will be focused on:

- Maintaining strong liquidity base while ensuring fair return to our depositors and shareholders.
- Minimization of concentration risk. A measured and balanced approach towards corporate, SME and retail customers will be pursued. This will help the bank to maintain its asset quality and protect its capital.
- Modern-day digital platform for all segments of customers. Ensuring customer security at an affordable price will top our agenda.

Banking has been much different than it was pre-pandemic. It is also widely recognized that digitization in banking will give this sector resilience against the current Covid-19 situation and ensure sustained growth in post Covid era. Given this, Trust Bank has addressed the issue in a befitting manner to quickly adapt and look towards elevating customers' needs and experience to retain and engage them remotely by accelerating digital transformation.

With sense of responsibility, Trust Bank has been enthusiastic in contributing CSR activities related to education, healthcare, skill development and sports to help create an energetic and inclusive workforce. As always, the Bank takes pride in its human capital. Employees, individually and collectively, have contributed in delivering service excellence. Therefore, recruiting, training and retaining a committed and enthusiastic workforce remains at the forefront of our strategic thinking. As a responsible corporate citizen, the Bank remains vigilant in the area of green banking to safeguard the environment. The Bank also ensured its highest level of compliance to the regulators and transparency to its stakeholders. I once again thank our valued shareholders for their unwavering support and putting their trust on us.

Finally, I would like to thank my colleagues in the Board for their insight, support and leading the Bank in right direction. We are also grateful to all our regulators, especially Bangladesh Bank for their constant cooperation and befitting guidance. I would also congratulate the Management and entire team of the Bank for their hard work and devotion for making 2019 a success.



General Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G
Chairman

Message from MD & CEO

Bismillahir Rahmanir Rahim

Dear Shareholders

Assalamu Alaikum

It is indeed an honor for me to present before you the Annual Report of Trust Bank Limited for the year 2019. I take this opportunity to thank you for your continued interest and enthusiastic support which has been unending source of inspiration for us in our last twenty-year journey.

As anticipated, 2019 was a very challenging year for Bangladesh. Though the country navigated through subdued global economic conditions, its growth momentum continued in 2018-2019 fiscal year with impressive GDP growth of 8.13%. However, the unprecedented outbreak of Covid-19 will take serious toll on almost every economy of the globe disrupting mostly manufacturing units, supply chains, aviation, and tourism. As a consequence, the global economy is expected to contract by 3% posing serious challenges for developing economies like ours. However, both World Bank and IMF have painted high hopes and forecasted Bangladesh's economy will rebound in 2021. Our entire attempt will now hinge on accelerating resource mobilization, higher investment, efficiency in infrastructure implementation, skilled human resources and strong institutional setup.

The gradual increase of non-performing loans has been a serious concern for banking industry for last few years which blurred many valuable contributions of our financial system. Last year, we assured our stakeholders to improve NPL position of the Bank. Our intense focus on recovery, monitoring and sound financing/investment decision paved the way to reduce NPL ratio to 5.49% which was 7.90% last year signifying that we are on the right way. At this critical crossroad, we look forward to government's initiatives to widen our judiciary system necessary for early disposal of pending cases.

Business Performance

The year 2019 was a promising year for Trust Bank. It displayed impressive result in terms of profitability, risk mitigation, good governance of liquidity management. Total deposit of the bank stood at BDT 2,41,822 million at the end of 2019 in comparison to BDT 2,12,535 million in 2018 registering growth of 13.78% - a testament of growing confidence of our valued depositors.

Loans and advances stood at BDT 2,12,835 million in 2019 from BDT 1,99,205 million at the end of 2018 posting a growth of 6.84% largely at core business activities. Interest income, the main source of our revenue, increased to BDT 19,755 million from BDT 17,468 million of the previous year registering an increase in by 13.10%. On the other hand, interest expense increased to BDT 13,473 million in the year 2019 from BDT 11,209 million which registered an increase in interest expense by 20.19%. Consequently, Bank earned net interest income of BDT 6,282 million in the year 2019 from BDT 6,258 million in the year 2018 with stable positive growth.

The Bank also earned consolidated operating profit of BDT 7,228 million which is 13.34% higher from BDT 6,377 million of 2018. Besides, bank's net income after tax stood at BDT 2,036 million from BDT 1,864 million posting a positive growth of 9.22%. Earnings per share (EPS) also positively increased and reached to BDT 3.32 in 2019 from 3.04 in 2018.

Basel III: Capital adequacy and solvency

The main objective of Basel III accord is to augment the banking sector's ability to absorb shocks arising from financial and economic stress and to improve risk management, governance and strengthening bank's transparency and disclosure. In this sequel, total consolidated regulatory capital was maintained at BDT 26,767 million in 2019 as against BDT 24,679 million in 2018. Capital adequacy ratio (consolidated) is successfully maintained at 14.38% of total risk weighted assets against minimum regulatory requirement of 10 percent under Basel III accord.

Major Achievements

Digitalization is no longer a mere option for Trust Bank, it has rather become the most viable way of rendering banking services to people. Verily we have increased our digital footprint, ensured proper use of our resources and meaningful implementation of green banking to keep operational expenses at minimum level. All these facilitated the Bank to maintain a Cost-to-Income Ratio of 36.04% which is far below the industry average. Around 85% of our export comes from readymade garments- a massive task behind which a huge volume of import also takes place to support backward linkage industry. Moreover, numerous importers and exporters operating away from metropolitan areas today need special attention and care. Keeping all these in our mind, last year, we opened Centralized Trade Processing Unit (CTPU) at Bank's Head Office. This unit exclusively supports all trade related functions of 95 Non-Authorized Dealer (AD) branches of the Bank. In pursuit of our strategic planning to make transaction convenient and omnipresent for our customers, we have opened 8 new ATMs in 2019 making it total to 232 at the end of year 2019. You will get our mobile apps named 'Trust Money' very soon which will be one step forward towards digitalization and another window for alternative delivery channel.

Challenges & Commitments

Driven by Covid-19 pandemic, world economy is entering into new phase superseding the previous sharing economies. Amidst these uncertainties; RMG, Remittance and FDI (Foreign Direct Investment) will be three core sectors that will determine performance of Bangladesh economy in coming years. Though the impact of Covid-19 on our economy is yet unclear, certainly this pandemic has already made millions jobless and businesses, mainly RMG and SMEs, have been put in dire state. Needless to say, a collective approach is essential now to address the core issues of private sector investment and employment generation. However, recent capping on interest rate, government's increasing dependence on banking channel for fund and delay in reopening of major economies in North America and Europe will have deep impact on banking industry in 2020 and onwards.

Though the ongoing pandemic has necessitated digital-oriented way of banking, we believe a hybrid model of offline and online engagement with increasing importance on digitalization is the best option in the context of Bangladesh at this moment. For this, we will continue to support our customers by making banking easier and affordable to conduct both offline and online. Trust Bank will continue to invest in its human resources so that they come up with positive mindset and dedication. At the same time, we will attach maximum priority on cost optimization, service excellence and eco-friendly transactions.

Thanks and Gratitude

On behalf of the Management, I am expressing my sincere thanks and gratitude to the members of the Board of Directors for their policy guidelines and 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. We pledge our commitment to build and grow on this and take Trust Bank to its new heights of success. On this auspicious occasion of 21st Annual General meeting, I would like to express my heartfelt thanks to the respected shareholders and stakeholders for their trust and confidence that you have reposed on the Management of the Bank.

I would conclude by expressing my special thanks and gratitude to the clients, all Government agencies, especially Bangladesh Bank for their tremendous support and guidance and my beloved colleagues at Trust Bank for teamwork, commitment and dedication for this Bank.

With best regards,



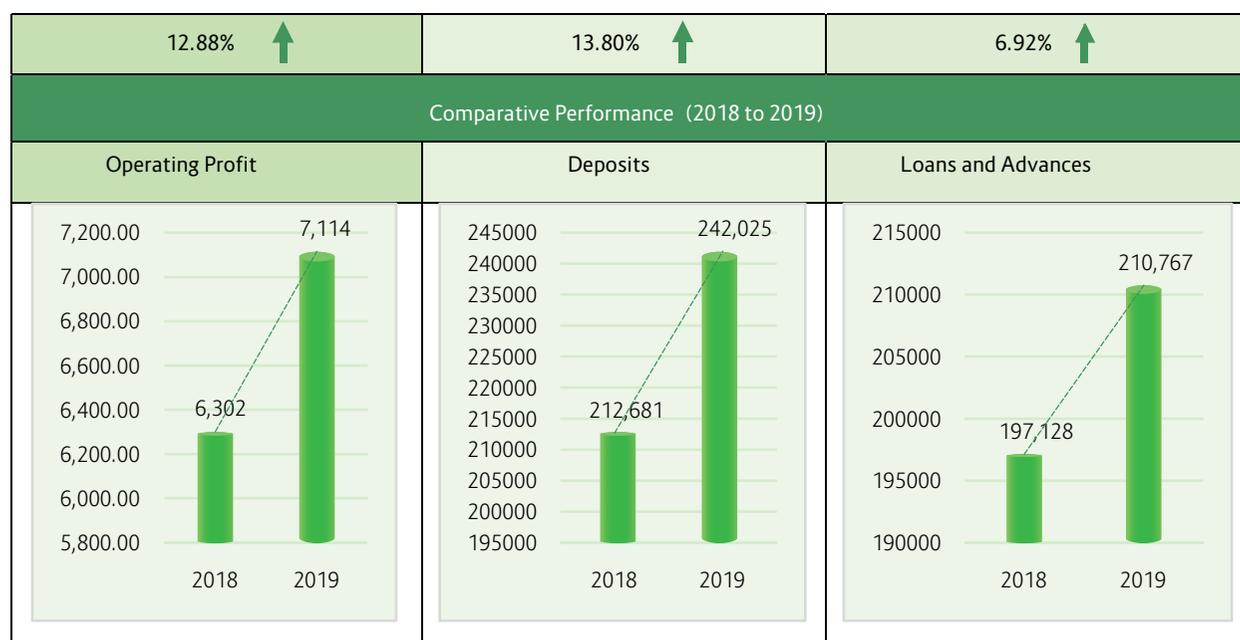
Faruq Mainuddin Ahmed
MD & CEO

Performance Summary

Trust Bank reported BDT 7,113.52 million operating profit in 2019.

- Operating profit of BDT 7,113.52 million in 2019, an increase of BDT 811.81 million (12.88%) as compared with BDT 6,301.71 million of 2018.
- Growth in deposit increased to 13.80%, an increase of BDT 29,344.15 million as compared to 2018.
- Loan Growth: Loan growth for Trust Bank in 2019 by 6.92%, an increase of BDT 13,638.68 million as compared to 2018.
- 13.10% increase in interest earning assets and stood at BDT 245,622.16 million in 2019.
- Non-Performing Loans (NPL) decreased to BDT 11,577.08 million from BDT 15,580.01 million of 2018. In terms of total loans, the NPL stood at 5.49% in 2019 as compared to 7.90% of 2018.

BDT in Million



Our Continued Effort for Attaining Objectives

Growth of Profit: Net profit after tax increased by BDT 138.98 million, or 7.34% as compared to 2018.

Growth of Capital: Total Capital increased by BDT 2384.14 million or 9.91% as compared to 2018.

Significant Capital Build throughout 2019: Tier-I Capital increased by 2014.80 million or 15.83% as compared to 2018.

Growth of Earnings Per Share: Increased by 7.44%.

Prioritizing Investment Acceleration: Increased investment by 8736.90 million.

Forward Looking Statement

This report contains forward-looking statement reflecting management's plans, estimates and beliefs. Actual results could differ materially from those described in these forward-looking statement. Examples of such forward-looking statements include statement of the company's plans, intentions, positioning, expectations, objectives or goals, including those relating to asset flows, affluent client acquisition strategy, client retention and growth of our client base, retention, recruiting and enrollments, acquisition, integration, general and administrative costs; consolidated tax rate, return of capital to shareholders and excess capital position and financial flexibility to capture additional growth opportunities.

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

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

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

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

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

Towards a Sustainable Banking

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 have adopted sustainable approaches (i.e. both environmental and social responsibility) in our banking operations.

Compliance First
Profit Next

We follow the following policy guidelines for rendering services:

• Our Focus on Green Banking

Green Finance: Sustainable financing for protection and conservation of environment is our greatest priority.

- LEED certified industry (Certified Green Industry & Green Building/Green Featured Building).
- Recycling & Recyclable Product (PET Bottle recycling plant).
- Ensuring Work Environment and Security of Factories Workers.
- Effluent Treatment Plant (ETP).
- Hybrid Hoffman Kiln (HHK), Zigzag or equivalent Technology in Brick Kiln.
- Renewable Energy (Bio-Gas Plant, Solar Home System & Solar Irrigation Pumping System).

✓ Installed 2934 Bio Gas Plants ✓ Disbursed BDT 641.15 million	4 cow model
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Online Banking: we have online banking for-

- banking transactions
- payment of bills
- statements (e-statements)

- 112 online branches
- 24x7 internet banking facilities

Use of Energy: We are committed to our future generations for a safer world. Therefore, we strive to continue our focus on the efficient use of energy.

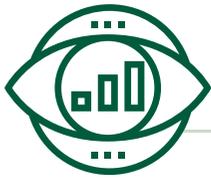
Apart from financing in green activities, we encourage our employees to ensure in-house green activities.

• Our focus on Corporate Social Responsibility

- The Bank established a special reserve fund named 'Trust Bank Limited Special Reserve Fund (TBL SRF)'.
- The Fund is approved by Finance Ministry and National Board of Revenue. An amount not exceeding 5.00 percent of Bank's operating income is allowed to transfer this Special Reserve Fund.
- The Board approved CSR policies and CSR activities are carried out by dedicated CSR desk of Trust Bank Limited.
- TBL donated BDT 151.00 million in Health Sector in 2019.
- TBL contributed BDT 27.95 million to disaster risk reduction and resilience building activities in 2019.
- In 2019, the Bank continued its supports to different areas by donating BDT 180.08 million from the fund.

• Our Focus on Financial Inclusion

- 60 Rural Branches for ensuring banking services to underprivileged part of population
- 232 ATM Booths
- BDT 21,851.00 million SME loans
- Financing through micro-financing institutions
- Introduction of low cost banking services
- Mobile Banking
- School Banking
- Farmers Account



Our Vision

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



Our 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 and regulators.



Highest level of compliance and transparency at all levels of operation.



Our Values



Fair



Professional



Dependable



Dynamic



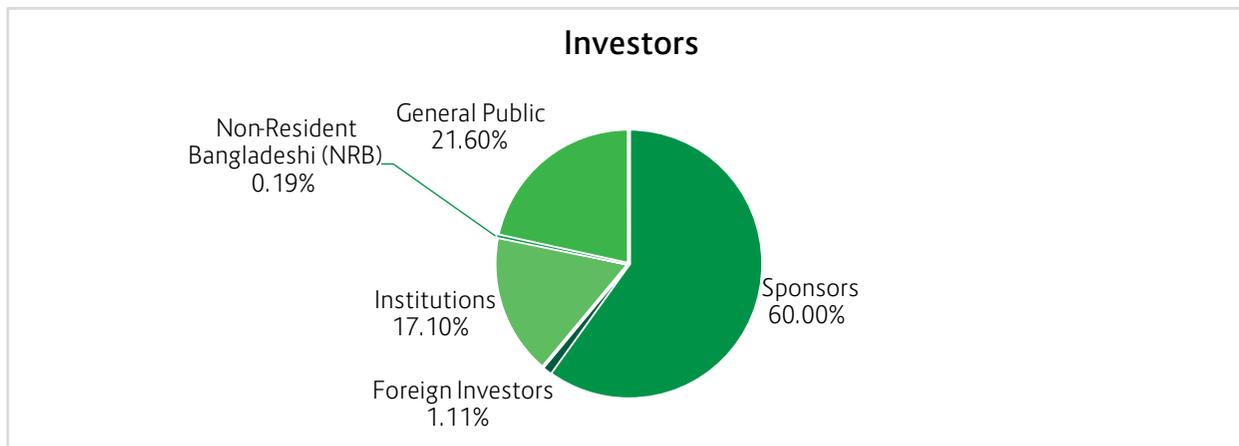
Reliable



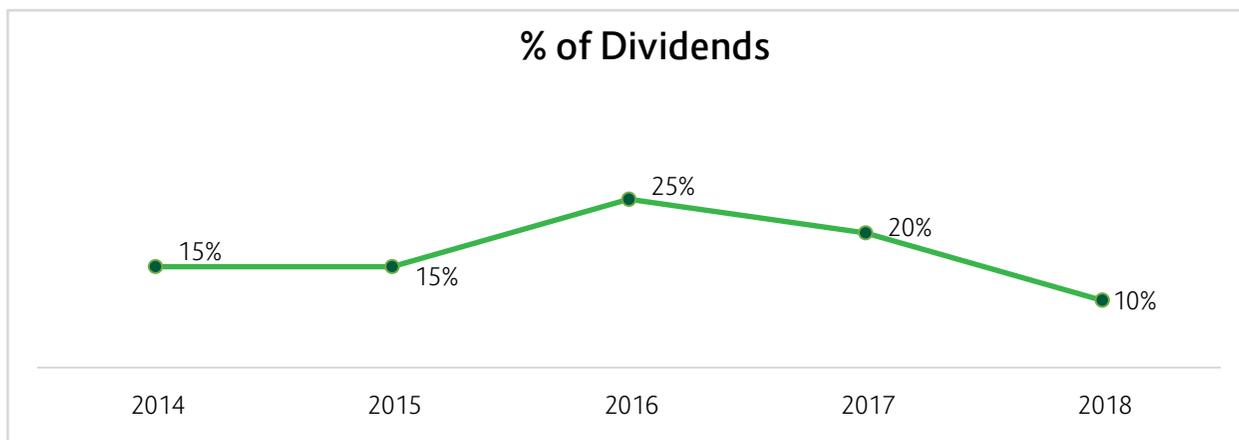
Trustworthy

Our Investors

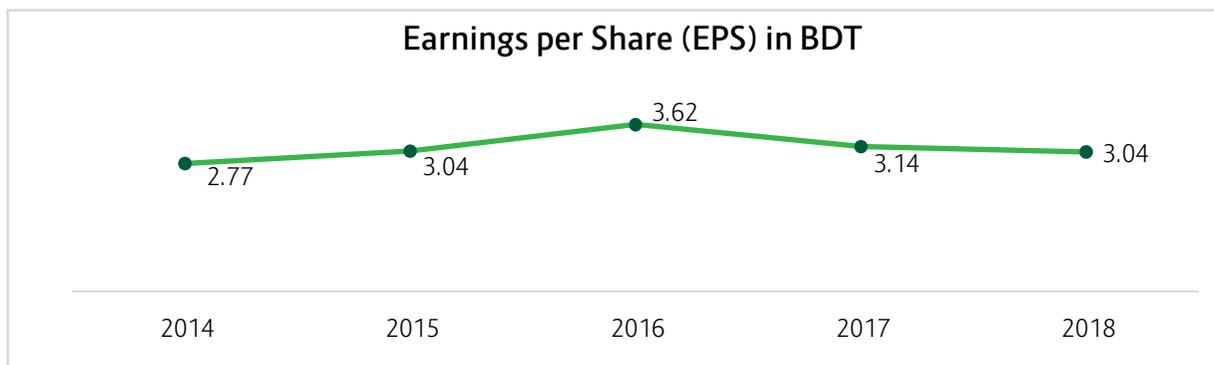
We are delighted to have knowledgeable and experienced investors believing and accompanying us in our continuous journey. Our sponsor shareholder is Army Welfare Trust (AWT) holding 60 percent of outstanding shares. Rest 40 percent shares are freely floated in stock exchanges of Bangladesh. General public are holding 21.60 percent shares, while institutions have a stake of 17.10 percent of outstanding shares of the Bank. However, Non-Resident Bangladeshi (NRB) (0.19 percent) and Foreign Investors (1.19 percent) have also extended their faith in our banking business in Bangladesh.



Dividend Payout History



Earnings Per Share (EPS) in BDT



Our Code of Conduct

Trust Bank has always acknowledged the necessity to practice high level of governance and professionalism in attaining highest level of satisfaction while maximizing wealth for its customers, shareholders and other stakeholders. In this pursuit, Trust Bank always pursues adherence to clear set of code of conduct and business ethics through its employees, management and board with all counterparties that are met in its day to day operation.

Our Commitment to Shareholders

- a. Alongside the depositors and borrowers, our shareholders are equally treated by us and the Bank is committed to preserve their lawful benefits and interest.
- b. Opinions from shareholders are not just merely heard rather recorded for goal setting of the Bank.
- c. Ensuring complete disclosure of financial statements to enable the shareholders to undertake proper investment decision.
- d. Sound business and risk management strategy to boost profit for a steady and lucrative dividend payout ratio.

Our Commitment to Customers

- a. Irrespective of size of deposit or amount of loan, all depositors and borrowers of the Bank are equally attended with proper respect and adequate time to keep them fully informed with all banking and financial products.
- b. Focus on creation of long term relationship based on mutual benefit and trust.
- c. Prior notice is issued with reasonable time to inform the customers regarding any change in policy, charge and/or product feature.
- d. Fair transaction in accounts with competitive return, service charge and without levying any undeclared cost.
- e. Ensuring complete secrecy of customer's affairs/account information at all times.

Our Working Environments

- a. Trust Bank believes in diversity in its recruitment and ensures equal employment opportunity while appointing employees from all religion, gender, race, age and work experience.
- b. Bank is committed to provide a work environment free from harassment and intimidation. A clear cut 'Anti-Harassment Policy' of the Bank protects its employees from harassment based on race, ethnicity, color, religion, age, sex, marital status, disability or any other legally protected characteristics.
- c. Employees are always encouraged to speak against any irregularity. 'Speak Up Policy' of the Bank provides procedure to report and investigate any suspicion of misconduct or any breach of law that may adversely impact the Bank.
- d. Congenial work environment is ensured to foster sense of togetherness among employees.

Few Covenants for Employees

- a. All employees are required to possess clear knowledge of rules, laws and regulations of the Bank as well of other regulators
- b. All employees will protect bank's assets and reputation at all times
- c. Employees are strictly prohibited to
 - Engage themselves in buying and selling of securities
 - Work as agent of an insurance company
 - Engage in any other employment without prior permission of bank's authority
 - Receive or give any gift from or to any corner

Our Business Ethics

Trust Bank identifies business ethics as the process of evaluating decision, either before or after, with respect to moral standards of society. Apart from our six core ethical values, honesty, integrity, responsible citizenship and accountability are also instrumental in our decision making process.

Management Organogram

Trust Bank has set up management systems which clearly specify the functions of Board, key management personnel such as the Managing Director, Chief Operating Officer, Chief Risk Officer, Chief Financial Officer, Company Secretary, Head of Divisions and Departments.

Financing Decision

Trust Bank pays attention to both quantifiable and unquantifiable risk and refrains itself from the industry, services and products where it cannot objectively assess and manage the associated risks.

Pricing and Fair Return

Trust Bank is committed to ensure fair return to the depositors and safety of the depositors. We are also equitable in fixing spread between cost of fund and lending rates.

HR Mission

Trust Bank views its human resource as the most valuable asset and invests heavily through constant training, coaching and rewarding professional degrees. Employees are also at liberty to express their opinion/suggestion for improvement.

Safeguarding Customer Information and Valuables

Trust Bank is highly sensitive while possessing customer information and valuables. We remain highly vigilant to ensure safety for our customers.

Conservation of Environment

Trust Bank highly discourages financing projects that are detrimental to environment, aggravate pollution, employ child labour and injure human health. We also develop and promote technologies that are environment friendly and match our going green mission.

Prevention of Money Laundering

There is no room for complacency at Trust Bank while issue of Money Laundering is concerned. Bank is highly focused to prevent banks financial services and distribution channels for laundering money or conducting illicit trade by any corner.

Fair Accounting Disclosure

Trust Bank is compliant with all laws, rules and regulations promulgated by relevant regulatory authorities and is engaged in transparent and existing accounting practices.

Key Economic Indicators

Gross Domestic Product Growth

In the last decade, the economy of Bangladesh grew by a constant rate of more than 6 percent on an average and surpassed by 7 percent in FY2015-16 and stood at 7.11 percent. The growth of GDP, then, increased to 7.28 percent in FY2016-17 and 7.86 percent in FY2017-18. In FY2018-19, the economic growth hits record 8.13 in FY2018-19. As per provisional estimates of Asian Development Bank (ADB), the growth will slightly reduce to 8.13 in FY2019-20.

The outbreak of novel coronavirus has managed to hit the economy of Bangladesh hardest. As per the projection of International Monetary Fund, Bangladesh's GDP is estimated to around 3 percent for 2020, while the projections of World Bank of South Asian countries are merely ranging from 1.8 percent to 2.8 percent. However, the targeted GDP growth of Bangladesh is 8.2 percent for the FY2020-21 amid the economic fallout due to the coronavirus pandemic.

Inflation

At the beginning of 2020, strong export growth, the modest position of import growth, domestic demand and growth of private sector credit continued. Later, the novel corona virus has pushed the economy at the brink of recession.

As a result of moderate non-food inflation, the average inflation rate stood at 5.35 percent during July 2019 to May 2020. It was the lowest inflation rate since December 2018, amid a slowdown in prices of food items.

During this period, food inflation declined to 0.42 percentage point (from 5.51 percent in July 2019 to 5.09 percent in May 2020). At the same time, non-food inflation increased to 0.32 percentage point (from 5.43 percent in July 2019 to 5.75 percent in May 2020).

Savings and Investment

During FY2018-19, domestic and national savings stood at 25 percent and 29.5 percent of GDP respectively from previous fiscal year. The total investment in FY2018-19 augmented to 31.56 percent, which was 31.23 percent of GDP in FY2017-18. Public sector and private sector investment increased to 8.17 percent and 23.40 percent of GDP respectively in FY2018-19; which were 7.97 percent and 23.26 percent of GDP respectively in preceding fiscal year.

Money and Credit Developments

In FY19, safeguarding adequate flow of quality credit to support the growth and inflation targets were the main focus of the monetary programme of Bangladesh Bank. Driven by the growth in net domestic assets, specifically by public sector credit, Broad money growth increased to 9.9 percent in FY19 from 9.2 percent in FY18. But, due to the increase of credit flow (21.7 percent) to the public sector from the banking system, the domestic credit growth stood lower than the targeted growth of 15.9 percent for FY19 and actual growth of 14.6 percent in FY18. In FY2019, Reserve Money grew by 5.3 percent as compared to the growth of 4.0 percent in FY18.

Risk Overview

Trust Bank believes that effective management of risk is a critical component for survival and long term success of the Bank. Therefore, The Board and management always uphold a sound and responsible approach to risk with a view to ensure that the sustainable performance and standing of the Bank are not threatened while conducting its regular course of business.

The Board is regularly assisted by the Risk Management Committee (RMC) to review and monitor the overall risk management system of the Bank. The risk Management system of the Bank has been described in 'Risk Management Report' of this Annual Report.

R i s k O v e r v i e w

Financial Calendar



21st Annual General Meeting (AGM)



Price Sensitive Information	28 June 2020
Record Date	20 July 2020
Date of AGM	23 August 2020



Highlights of 20th Annual General Meeting (AGM)



Price Sensitive Information	30 April 2019
Record Date	22 May 2019
Date of AGM	24 June 2019
Credit of Stock/Bonus Share	02 July 2019



Financial Results of 2019



First Quarter (Un-Audited)	30 April 2019
Second Quarter (Un-Audited)	30 July 2019
Third Quarter (Un-Audited)	21 October 2019
Audited Financial Statements for the year 2019	28 June 2020

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2020/092

BAPLC

Date of issue : February 16, 2020

Renewed Certificate

This is to certify that

TRUST BANK LIMITED

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

This certificate remains current until 31st December 2020.




Secretary-General

Corporate Governance Report

The Board of Directors of the Bank is responsible for a wide range of activities. This report, i.e. corporate governance report, will provide an overview on formation, roles and responsibilities of the Board of Directors of Trust Bank Limited. Moreover, the report will also critically assess the performances and functions of the Board during the year 2019 as per various laws and regulatory guidelines.

Corporate Governance Practice in Bangladesh

With a view to setting higher standards of corporate governance practice in Bangladesh, Bangladesh Securities and Exchange Commission (BSEC) issued 'Corporate Governance Code' vide notification no. BSEC/CMRRC/2006-158/207/Admin/80, dated 03 June 2018 repealing the earlier issued 'Corporate Governance Guidelines'. It has been expected that, the Code will help the capital market's potential to boom and promote fairness, accountability, transparency, responsibility and integrity in business considering the best practice befitting to the economy. Under the Code, BSEC has imposed a number of conditions on 'comply' basis for all companies listed with any stock exchange in Bangladesh.

Corporate Governance Practice in Banking Industries of Bangladesh

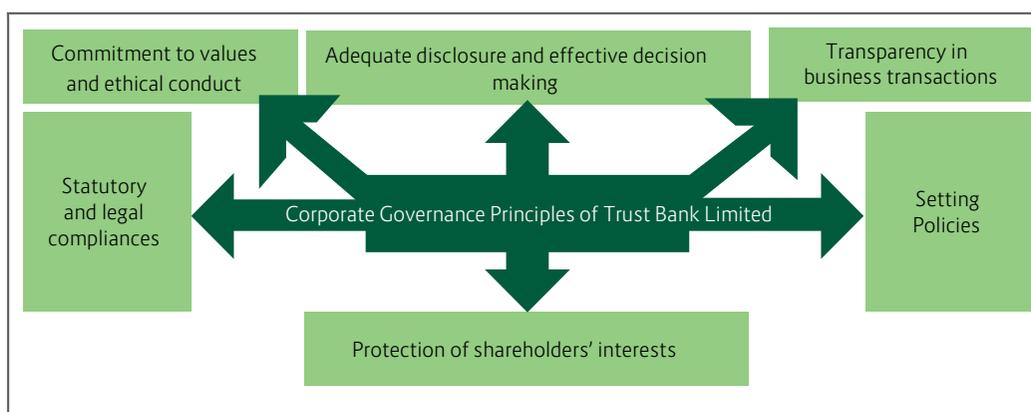
Bangladesh Bank, being the Central Bank, is playing the pivotal role for putting the Banks on sound footing on banking practice in Bangladesh. Bangladesh Bank, vide BRPD circular no. 11, dated 27 October 2013, directed all Banks to demarcate the responsibilities and authorities of Board of Directors in respect of risk management, internal controls, internal audit and compliance for ensuring good corporate governance. Moreover, Bangladesh Bank has adopted 'Corporate Governance Principles for Banks' as per BASEL guidelines. Accordingly, all Banks are following the guidelines of Bangladesh Bank.

Corporate Governance Practice and Trust Bank

Since commencement, Trust Bank, being the venture of Army Welfare Trust, has adhered to various regulatory guidelines to ensure governance. However, introduction of 'corporate governance' concept in Bangladesh has widened and sharpened the scope of practice of corporate governance at Trust Bank.

Trust Bank is operated within the legal framework of the Companies Act, 1994 and regulated under the provisions of the Bank Company Act, 1991 (amended up to 2018). The Bank has been listed with Chittagong Stock Exchange Limited and Dhaka Exchange Limited respectively since 24 September 2007 and 25 September 2007. Therefore, the Bank always complies with the respective Listing Regulations issued by the stock exchanges for operations. The Bank also complies with the conditions of Corporate Governance Code for ensuring good corporate governance practice.

The followings principles are practiced within the corporate framework of Trust Bank for ensuring Corporate Governance:



Ownership Structure of Trust Bank

As of 31 December 2019, the Bank's share capital was BDT 612,66,28,370.00, represented by 61,26,62,837 shares, each share with a nominal value of BDT 10.00. Army Welfare Trust (AWT) is the majority shareholder holding 60% of the outstanding shares (i.e. 36,75,92,418 shares).

Shareholding Pattern

The Pattern of Shareholding along with name wise details of:

I. Parent or Subsidiary or Associated companies and other related parties:

a. Structure of Shareholding as on 31 December 2019:

Particulars	2019		2018	
	Number of Shares	%	Number of Shares	%
Sponsors (Army Welfare Trust)	36,75,92,418	60.00	33,41,74,926	60.00
Institutions	10,47,46,426	17.10	8,85,15,495	15.89
Foreign Investors	68,10,672	1.11	76,89,342	1.38
Non-Resident Bangladeshi (NRB)	11,90,474	0.19	12,07,873	0.22
General Public	13,23,22,847	21.60	12,53,78,580	22.51
Total	61,26,62,837	100.00	55,69,66,216	100.00

b. Subsidiary or Associated companies

Name of the Subsidiaries	Commencement of Operation	Nature
Trust Bank Investment Limited	14 November 2010	Merchant Bank
Trust Bank Securities Limited	26 September 2013	Stock Brokerage Service

i. Shareholding Structure of Trust Bank Investment Limited as on 31 December 2019:

Particulars	No. of Shares
Trust Bank Limited	2,99,99,993
Maj Gen Mohammad Humayun Kabir, SUP, rcds, psc	1
Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	1
Mr. Shahedul Islam	1
Mr. Ashrafuzzaman Khan	1
Mr. Faruq Mainuddin Ahmed	1
Mr. Monzur Morshed Khan	1
Brig Gen Md. Mehdi Hassan, SGP, ndc, afwc, psc (Retd.)	1
Total no. of Share	3,00,00,000

ii. Shareholding Structure of Trust Bank Securities Limited as on 31 December 2019

Particulars	No. of Shares
Trust Bank Limited	3,49,99,999
Mr. Faruq Mainuddin Ahmed	1
Total no. of Share	3,50,00,000

II. a. Shareholding of Directors and their spouses and minor children as on 31 December 2019

SL	Name	Status	No. of shares	No. of Shares of Spouse and Minor Children
01.	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G	Chairman	--	--
02.	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	Vice Chairman	--	--
03.	Mr. Ashrafuzzaman Khan	Independent Director	--	--
04.	Mr. Shahedul Islam	Independent Director	--	--
05.	Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc	Director	--	--
06.	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	Director	--	--
07.	Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD	Director	--	--
08.	Brig Gen Md Abdur Rahim, BGBM, G+	Director	--	--
09.	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Director	--	--

II. b. Shareholding of Chief Executive Officer and Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their spouses and minor children as on 31 December 2019

SL	Name	Status	No. of shares	No. of Shares Spouse and Minor Children
01.	Mr. Faruq Mainuddin Ahmed	MD & CEO	--	--
02.	Mr. Md. Mizanur Rahman, FCS	Company Secretary	--	--
03.	Mr. Mohammad Aminul Haque, FCA	Chief Financial Officer	--	--
04.	Mr. Md. Kamal Uddin Kutubi	Head of Internal Control and Compliance	--	--

III. Executives [Top 05 salaried executives other than Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance] as on 31 December 2019:

SL	Name	Status	No. of shares	No. of Shares of Spouse and Minor Children
01.	Ms. Humaira Azam	Additional Managing Director & CRO	--	--
02.	Mr. Junaid Masroor	Deputy Managing Director & COO	--	--
03.	Mr. Akhlasur Rahman Bhuiyan	Head of CRM Division	--	--
04.	Mr. Ahsan Zaman Chowdhury	Head of Business Division	--	--
05.	Mr. Md. Kamal Hossain Sarker	Chief Manager, Principal Branch	--	--

IV. Shareholders holding 10% or more voting interest in the Bank as on 31 December 2019:

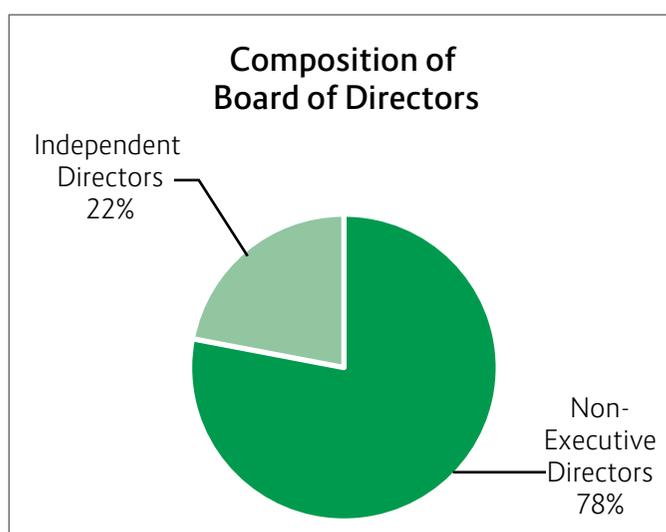
SL	Name of shareholders who hold 10% or more shares	Status	No. of shares held	% of total no. of paid-up shares
01	Army Welfare Trust	Sponsor	36,75,92,418	60.00

The Board of Directors

The Board is committed to achieve superior financial performance and long-term prosperity, while meeting stakeholders' expectations of sound Corporate Governance. As per the Bank Company Act, 1991 (amended up to 2018), the Board of Directors of the Bank are responsible for establishment of policies for the Bank, for risk management, internal controls, internal audit and compliance and for ensuring their effective implementation. The Board draws its powers for carrying out the functions from the provision of Bank Company Act, 1991 (amended up to 2018) and subsequent circulars issued by Bangladesh Bank from time to time.

Structure of the Board

During the period under review, the Board comprised of 10 members including 02 Independent Directors and Managing Director as ex-officio member of the Board. The composition of the Board of Directors is determined by the Bank's Articles of Association where the number of Directors shall not be less than 05 (Five) and not more than 11 (Eleven) excluding the Managing Director.



Managing Director acts as ex-officio member of the Board.

Composition of the Board of Directors as on 31 December 2019:

SL	Name	Status
01	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G	Chairman
02	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	Vice Chairman
03	Mr. Ashrafuzzaman Khan	Member
04	Mr. Shahedul Islam	
05	Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc	
06	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	
07	Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD	
08	Brig Gen Md Abdur Rahim, BGBM, G+	
09	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	
10	Mr. Faruq Mainuddin Ahmed	Ex-Officio

Appointment of Board of Directors

Decision for appointment of new Director is made in the meeting of Board of Directors. As per section 15 (4) of the Bank Company Act, 1991 (amended up to 2018), the Bank takes prior approval from Bangladesh Bank for appointment/re-appointment of Directors. While obtaining such approval, the Bank furnishes necessary documents to Bangladesh Bank as per prescribed format. Thereafter, necessary returns are filed to Registrar of Joint Stock Companies and Firms (RJSC) and the Bank retains the certified copy.

As per the Bank Company Act 1991 (amended up to 2018), the Directors are appointed for a term of three years which can be extended by two term only subject to approval by the shareholders in the Annual General Meeting (AGM). The Bank appointed/re-appointed the following Directors in 2019:

SL	Name	Date of Appointment/ Re-appointment	Term
01	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, PSC, G	24 June 2019	Re-appointment
02	Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc	05 March 2019	1 st Appointment
03	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	08 April 2019	
04	Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD	01 August 2019	
05	Brig Gen Md Abdur Rahim, BGBM, G+		
06	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc		

Brief resume along with expertise of the appointed/re-appointed directors are appended in the Directors' Profile in the Annual Report. The names of the companies in which the above directors also hold the directorship and the membership of committees of the Board in compliance with Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Exchange Commission (BSEC) are appended below:

SL	Name	Status	Membership of Committees	Names of Companies in which the person holds directorship
01	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, PSC, G	Chairman Nominated by Army Welfare Trust (AWT)	Board of Directors	Sena Kalyan Sangstha, Sena Hotel Development Ltd., Bangladesh Machine Tools Factory Ltd., Army Welfare Trust, Trust Bank Investment Ltd., Military Institute of Science & Technology, Council of the College, Armed Forces Medical College, Sena Paribar Kalyan Samiti, Advisory Committee of Proyash, National Defence College & Defence Services Command and Staff College Governing Body, Kurmitola Golf Club, Bangladesh Golf Federation, Defence Officers Housing Scheme Committee, BAIUST Cumilla/ BAUET Quadirabad/ BAUST Saidpur, Bangladesh Diesel Plant Ltd., Jolshiri Abashon Project, Bangladesh Olympic Association, Bangladesh Amateur Boxing Federation.
02	Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc	Director (Nominated by AWT)	Board of Directors	Service
03	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	Director (Nominated by AWT)	Board of Directors, Executive Committee	Service
04	Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD	Director (Nominated by AWT)	Board of Directors, Audit Committee	Service
05	Brig Gen Md Abdur Rahim, BGBM, G+	Director (Nominated by AWT)	Board of Directors, Risk Management Committee	Service
06	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Director (Nominated by AWT)	Board of Directors, Executive Committee	Army Welfare Trust, Sena Hotel Developments Ltd., Trust Technical Training Institute, Army Housing Scheme, Trust Bank Investment Ltd., Director, Trust Bank Securities Limited, Trust Transport Service

Note: Position as on 31 December 2019

Rotation and 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. Based on this retirement process, each director is required to submit himself/herself for re-election by shareholders at least once in every three years. A retiring director will be put forward for re-election upon his/her eligibility of for re-appointment. Accordingly, the respective Directors of TBL will retire and re-elect at the 21st Annual General Meeting (AGM). Each of the re-elections will be voted at the General Meeting in accordance with the Companies Act, 1994.

Roles and Responsibilities of Board of Directors

The Board of Directors of Trust Bank is comprised of competent and professionally skilled persons. They act to formulate policy-guidelines and supervise the business activities of the bank efficiently as well as ensuring good governance in the bank management. The responsibilities of the board of directors are critical for the Bank's continuous earnings and for maintaining confidence of the depositors as its business is mainly run with the depositors' money. The responsibilities of Board of Directors are appended in the 'Directors' Responsibility Statement' of this Annual Report.

Annual Appraisal of the Board's Performance

The shareholders critically appraise the performance of the Board freely at each Annual General Meeting (AGM) through evaluation of financial position and performance of the bank, the adequacy and effectiveness of internal control system and overall governance mechanisms. During the AGM, the shareholders also raise queries to the Board of Directors and suggest greater insights into the areas for improvement. Issues like dividend, share price, return on capital employed, earnings per share etc are also critically appraised by the shareholders in the AGM. The Board of Directors respond to all the queries placed in the AGM.

Independent Directors

Independent Director means a director who does not hold any share or any managerial position or any other relationship with the company or have any related business and beneficial interest in financial institutions that may affect his/her independent decision. The appointment of Independent Director is made under the conditions of the Corporate Governance Code issued by the BSEC. The Board of Directors appointed Independent Directors in the Board after obtaining approval from BSEC and Bangladesh Bank.

In determining an incumbent as 'Independent Director', the Board ensures that the Director has no substantial relationship, whether pecuniary or otherwise with the Bank or its subsidiaries either in person or on the basis of family relationships; and is knowledgeable in the field of financial, regulatory and corporate laws. The Independent Directors enjoy full freedom to carry out their assigned responsibilities for their meaningful contribution to the affairs of the Bank.

As per the code, the tenure for an independent director shall be for a period of 03 (three) years, which may be extended for 01 (one) tenure only. During the period under review, Mr. Mohamed Naser Alam completed his tenure of Directorship at the close of business on 27 November 2019.

Independent Directors of Trust Bank as on 31 December 2019:

Name	Date of First Appointment	Date of Last Appointment	Qualification and Expertise	Membership
Mr. Ashrafuzzaman Khan	23-02-2014	23-02-2017	Business Leader Area of Expertise: Economy, Banking, RMG, Manufacturing	Board of Directors, Executive Committee, Risk Management Committee
Mr. Shahedul Islam	28-04-2015	28-04-2018	Business Leader and Professional (Chartered Secretary) Area of Expertise: Accounting, Secretarial Standard, Banking and Financial Institution, Insurance, Manufacturing	Board of Directors, Audit Committee, Risk Management Committee

The Chairman and the CEO

Separate individuals hold the positions of Chairman and the Managing Director. The Chairperson is elected from among the members of the Bank. Being nominated by Amry Welfare Trust, Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G has been elected by the Board of Directors to act as Chairman of the Bank. The Chairman doesn't avail any benefit from the Bank.

Mr. Faruq Mainuddin Ahmed acts as Managing Director of the Bank, who has been appointed by the Board with the approval of Bangladesh Bank complying BRPD Circular Letter No. 18, dated 27 October 2013. He doesn't hold the same position in any other company.

Responsibilities of the Chairman of the Board of Directors

The Board of Directors elects Chairman and Vice Chairman from amongst the members of the Board. The Chairman presides at all the meetings of the Board. The Chairman leads the Board in the exercise of all regulatory, fiduciary and other duties. The Chairman acts within the purview of regulatory guidelines and does not participate in or interfere into the administrative or operational and routine affairs of the Bank. The Vice Chairman presides at all the meetings at which the Chairman is not present. In such case, the reason of absence of the regular Chairperson are duly recorded in the respective meeting minutes.

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

Responsibilities and Authorities of the Managing Director

The Managing Director and CEO of the Bank discharges the responsibilities and effects the authorities in terms of the financial, business and administrative authorities vested upon him by the Board of Directors. He is responsible for the followings:

- a. In terms of the financial, business and administrative authorities vested upon him by the board, the CEO discharges his own responsibilities. He remains accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.
- b. The CEO ensures compliance of the Bank Company Act, 1991 and other relevant laws and regulations in discharging routine functions of the bank.
- c. At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO points out the issues, if there is any deviation from the Bank Company Act, 1991 and other relevant laws and regulations.
- d. The CEO is responsible to report to Bangladesh Bank for any violation of the Bank Company Act, 1991 or of other laws/regulations.
- e. The recruitment and promotion of all staff of the bank except those in the two tiers below him rests on the CEO. He acts in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctions strength of employees as approved by the board.
- f. The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, rest on him, which he shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the board, he nominates officers for training etc.

Board Meeting

The Board usually meets once a month unless further meetings are not required. All meetings of the Board of Directors are presided over by the Chairman, and in his absence the Vice Chairman presides over the meeting. The notices of the Board meetings are duly convened and circulated among the Directors at least 07 (Seven) days before of the meeting. After each of the Board meetings, respective Minutes record the attendance, agenda and decisions taken. Minutes of each meeting is sent to Bangladesh Bank within 07 (Seven) days of the meeting.

The Bank conducts its Board meetings and records the minutes of the meetings as well as keeps required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB). A separate Disclosure on Corporate Governance under the Secretarial Standards by ICSB is appended with this Corporate Governance Report.

In 2019, the Board was kept persistently and fully informed about the business issues, policies, risk issues, capital issues through different reports, presentations and proposals. During 2019, there were 17 meetings of the Board. The attendance of Directors at the Board meeting held during the year is stated at Annexure-I.

Annexure-I: 17 meetings of the Board of Directors were held in the year 2019; the attendance of the directors is furnished below:

SL No	Name of Directors	Date of Joining	Total Meeting Attended	Total Meeting Held in his tenor	Leave Granted
01	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G	26-06-2018	15	17	2
02	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	07-10-2018	17	17	0
03	Mr. Ashrafuzzaman Khan	23-02-2014	17	17	0
04	Mr. Shahedul Islam	28-04-2015	12	17	5
05	Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc	05-03-2019	13	13	0
06	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	08-04-2019	11	12	1
07	Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te, PhD	01-08-2019	6	6	0
08	Brig Gen Md. Abdur Rahim, BGBM, G+	01-08-2019	6	6	0
09	Brig Gen Md. Golam Faruque, SGP, sup, afwc, psc,	01-08-2019	5	5	0
10	Mr. Faruq Mainuddin Ahmed	18-02-2018	17	17	0

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

Governance of Board of Directors of Subsidiary Companies

Provisions relating to the composition of the Board of the Trust Bank Limited are applicable to the composition of the Board of the subsidiary companies, i.e. Trust Bank Investment Limited and Trust Bank Securities Limited. Both the subsidiaries are represented by at least 1 (one) Independent Director of TBL. The minutes of the Board meeting of the subsidiaries are placed for review at the following Board meeting of Trust Bank. Accordingly, the minutes of the respective Board meeting of the Bank state that they have reviewed the affairs of the subsidiary company also. The Audit Committee of the Bank also reviews the financial statements, in particular the investments made by the subsidiaries.

Composition of Board of Directors of Subsidiary Companies

i. Trust Bank Investment Limited (TBIL)

Trust Bank Investment Limited is a fully owned subsidiary of Trust Bank Limited and incorporated with the Registrar of Joint Stock Companies, Bangladesh as a public limited company on 09 September 2010 under Companies Act, 1994. TBIL obtained merchant banking license from the Bangladesh Securities and Exchange Commission on 25 October 2010 and is authorized to undertake the following activities:

- Portfolio Management
- Underwriting
- Issue Management, and
- Corporate counseling

TBIL started its operation on 14 November 2010 by taking over the Asset and Liabilities of the Merchant Banking Division of Trust Bank Limited except the Own Investment Portfolio of TBL to comply with the instructions of Bangladesh Bank.

At the end of December 2019, TBIL has the following Directors:

1.	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G	Chairman
2.	Maj Gen Mohammad Humayun Kabir, SUP, rcds, psc	Vice Chairman
3.	Mr. Ashrafuzzaman Khan	Independent Director
4.	Mr. Shahedul Islam	Independent Director
5.	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Director
6.	Mr. Faruq Mainuddin Ahmed	Director
7.	Brig Gen Md. Mehdi Hassan, SGP, ndc, afwc, psc (Retd.)	Director
8.	Mr. Monzur Morshed Khan	MD & CEO

ii. Trust Bank Securities Limited (TBSL)

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of TBL and one of the fully complied stock brokerage house of Dhaka Stock Exchange (DSE) Limited (DSE TREC No. 242). The company was incorporated with the Registrar of Joint Stock Companies & Firms (RJSC&F) under Companies Act, 1994 (Act XVIII of 1994) on 07 February 2013 bearing registration no. C-107267/13.

The principal activities of the company are to act as a Trading Right Entitlement Certificate (TREC) holder of DSE to carry on the business of brokers or dealers in stocks, shares and securities, bonds, debentures, treasury bills and/or any financial instruments. TBSL provides all DP (Depository Participant) related services of Central Depository Bangladesh Limited (CDBL). The company is also providing real time online trading through DSE mobile apps.

At the end of December 2019, TBSL has the following Directors:

1.	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	Chairman
2.	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Vice Chairman
3.	Mr. Ashrafuzzaman Khan	Independent Director
4.	Mr. Faruq Mainuddin Ahmed	Director
5.	Ms. Humaira Azam	Director & MD
6.	Mr. Junaid Masroor	Director
7.	Brig Gen Md. Mehdi Hassan, SGP, ndc, afwc, psc (Retd.)	Director
8.	Mr. Akhlasur Rahman Bhuiyan	Director

Managing Director & CEO, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)

Appointment

- The Board appoints MD & CEO, CFO, CS and HIAC.
- The positions of the MD & CEO, CFO, CS and HIAC are filled by different individuals.
- The MD or CEO, CS, CFO and HIAC of a listed company are not holding any executive position in any other company.
- The Board has clearly defined the respective roles, responsibilities and duties of the CFO, the HIAC and the CS.
- The MD or CEO, CS, CFO and HIAC are not being removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).

Attendance of CEO, CFO, CS and HIAC in Board Meeting

The CEO, CS, CFO and HIAC of the Bank attend the meetings of Board of Directors. They do not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.

Duties of Managing Director & CEO and Chief Financial Officer

The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirm that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
- 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;

The CEO and CFO have certified to the Board that, to the best of their knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or in violation of the Bank's code of conduct.

Board of Directors' Committee

The Board has 03 (Three) sub-committees; 01 (one) Executive Committee, 01 (one) Audit Committee and 01 (one) Risk Management Committee. In compliance with BRPD circular no. 11 of 2013, the Bank formed the sub-committees and delegated specific responsibilities to each of the committees. The sub-committees perform their duties in accordance with the Term of Reference (ToR) as prescribed by regulatory authorities.

Name of the Sub-Committee	Committee Required by	Status of Trust Bank
Executive Committee (EC)	Bangladesh Bank	Formed
Audit Committee (AC)	Bangladesh Bank and Bangladesh Securities and Exchange Commission	Formed
Risk Management Committee (RMC)	Bangladesh Bank	Formed
Nomination and Remuneration Committee (NRC)	Bangladesh Securities and Exchange Commission	The matter is under review of Bangladesh Bank.

The Executive Committee

The Bank has an effective executive committee to continue the urgent and routine works of the Bank. The members of the committee are nominated by the Board of Directors. The committee mainly scrutinizes the proposals sent to Board of Directors for decision. However, in order to have functioning and quick disposal of credit proposals and other relevant issue, the Board has delegated authority to Executive Committee to approve proposals within certain limit to accelerate the various decisions which otherwise had to wait for Board meeting. The decisions taken in the committee are ratified in the subsequent Board meeting.

Composition of Executive Committee

The Executive Committee comprises of 05 (five) members from the Board including Managing Director & CEO. The Vice-Chairman of the Bank is the Chairman of the committee. The committee often invites Members of the Board and Officials of the Bank in the meeting, if it deems necessary.

Meeting of Executive Committee

During the year 2019, the committee met 47 times and played instrumental role for the Board in approving strategic plans and policy guidelines. Attendance in EC meeting is appended in annexure-II.

Annexure-II: 47 meetings of the Executive Committee were held in the year 2019; the attendance of the Directors is furnished below:

SL No	Name of Directors	Total Meeting Attended	Total Meeting Held in his tenor	Leave Granted
01	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	47	47	0
02	Mr. Ashrafuzzaman Khan	42	47	5
03	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	28	35	7
04	Brig Gen Md. Golam Faruque, SGP, sup, afwc, psc,	16	19	3
05	Mr. Faruq Mainuddin Ahmed	42	47	5
06	Ms. Humaira Azam (AMD & CRO) (attended as CEO-Acting)	5	5	0

N.B. Leave of absence was granted to directors who could not attend some of the EC meetings.

Roles and Responsibilities of the Executive Committee

The executive committee decides or acts in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations.

The executive committee takes all necessary decision or approves cases within power delegated by the board of directors.

All decisions taken in the executive committee are ratified in the next board meeting.

The Audit Committee

The Audit Committee of the Board is established as a sub-committee as per BRPD circular no. 11, dated 27 October 2013 and Corporate Governance Code dated 03 June 2018, issued by Bangladesh Securities and Exchange Commission (BSEC). The committee assists the Board 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. The Audit Committee is responsible to the Board; and the duties of the Audit Committee are defined clearly set forth in writing. A detailed report of the Audit Committee is included in this Annual Report.

Composition of Audit Committee

As per BSEC notification, the Audit Committee must comprise of at least 3 (three) members who are non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director. Company Secretary of the Bank is the Secretary of Audit Committee.

Presently, The Audit Committee has 3 (three) members including 2 (two) Independent Directors. The Committee members meet frequently to review the state of affairs of the Bank. The committee often invites Managing Director and other Bank officials to its meetings, if it deems necessary. The Chairman and other members are knowledgeable in financial management and have experience in Banking Industry.

Chairman of Audit Committee

Mr. Shahedul Islam, an Independent Director, acts as Chairman of Audit Committee of the Board of Trust Bank Limited. He is a renowned entrepreneur having vast experience in financial sectors. He is not involved in the day-to-day operations of the bank. A detailed profile of Mr. Shahedul Islam is appended under the Directors' Profile part of this Annual Report.

Meeting of Audit Committee

As per BSEC notification, the Audit Committee shall conduct at least four meetings in a financial year; The Audit Committee of TBL had 08 meetings during the year 2019, based on which the committee submitted its report to the Board regarding its oversight function. The report is given in this annual report at pages from 93 to 96.

Roles and Responsibilities of Audit Committee

The Audit Committee is responsible to:

(i) Internal Control: The Audit Committee evaluates the compliance culture, the implementation of internal control strategies, the management of risk within the purview of Bank and management's actions in building computerization and its applications and bank's Management Information System (MIS). The Audit Committee also considers the reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

(ii) Financial Reporting: The Audit committee oversees the financial reporting process, monitor choice of accounting policies and principles, checks whether the financial statements reflect the complete and concrete information and determines whether the statements are prepared according to existing rules and regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank. The Committee also discuss with the Management and the external auditors to review the financial statements before its finalization.

(iii) Internal Audit: The Audit committee monitors whether internal audit working independently from the management. The Committee also reviews the activities, efficiency and effectiveness of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process.

(iv) External Audit: The Audit Committee review the performance of the external auditors and their audit reports; and make recommendations to the board regarding the appointment of the external auditors. The Committee also examines whether the findings and recommendations made by the external auditors are duly considered by the management or not.

(v) Compliance with existing laws and Regulations: The Audit Committee review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.

(vi) Other Responsibilities: The Audit Committee also responsible for:

- a. Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- b. External and internal auditors will submit their related assessment report, if the committee solicit;
- c. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

Risk Management Committee

The Risk Management Committee of the Bank has been formed as per the provisions of the Bank Company Act, 1991 (amended up to 2018) and subsequent circulars issued by Bangladesh Bank. The committee formulates and implements strategies for risk assessment and its control. The committee oversight the Bank's risk management functions for identifying, monitoring and measuring the Bank's risk profile in a comprehensive and integrated manner. The committee focuses on six core risk management areas as prescribed by Bangladesh Bank including credit risk management, asset liability risk management, foreign exchange risk management, ICT risk management, internal control and compliance risk management and anti-money laundering risk management.

Composition of Risk Management Committee

The committee is headed by a Director and comprises of two other Independent Directors. Company Secretary is the Secretary of Risk Management Committee.

Meeting of Risk Management Committee

The committee had 06 meetings in the year 2019. The attendance of the committee is furnished below:

SL No	Name of Directors	Total Meeting Attended	Total Meeting Held in his tenor	Leave Granted	Remarks
1	Brig Gen Sajjad Hossain, ndc, psc	2	2	0	Resigned w.e.f. 04 March 2019
2	Brig Gen Md. Abdur Rahim, BGBM, G+	4	4	0	Appointed w.e.f. 01 August 2019
3	Mr. Ashrafuzzaman Khan	4	6	2	--
4	Mr. Shahedul Islam	5	6	1	--

N.B. Leave of absence was granted to directors who could not attend some of the RMC meetings.

Roles and Responsibilities of Risk Management Committee

(i) Risk Identification and Control Policy: The responsibilities of Risk Management Committee include formulation and implementation of appropriate strategies for risk assessment and its control, monitor and review the risk management policies, methods and processes to ensure effective prevention and control measures.

(ii) Construction of organizational structure: The responsibilities of Risk Management Committee are to ensure an adequate organizational structure for managing risk within the bank, supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control and compliance risk, money laundering risk, information and communication risk including other risk related guidelines.

(iii) Analysis and approval of Risk Management policy: Risk management policies and guidelines of the bank are reviewed annually by the committee. The committee proposes amendments (if necessary) and send it to the Board of Directors for their approval.

(iv) Storage of data and Reporting system: Adequate record keeping and reporting system developed by the bank management are approved by the risk management committee. The committee also monitors ensuring proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.

(v) Monitoring the implementation of overall Risk Management Policy: Risk Management Committee monitors the proper implementation of overall risk management policies of the Bank. Moreover, the Committee also monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

Nomination and Remuneration Committee

As per 'Condition 06' of the Corporate Governance Code dated 03 June 2018, each listed company shall have to form a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board "to assist the Board of Directors in formulation of nomination criteria or policy for determining qualifications, positive attributes, experience and independence of Directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive. The CG Code is imposed on 'comply' basis; and hence as a listed company, the Bank was required to form NRC in 2018.

Bangladesh Bank is the primary regulator which governs all activities of Banks in Bangladesh. During the year under review, Trust Bank asked for guidance of Bangladesh Bank for formation of NRC as a sub-committee of the Board and the issue is under consideration of the Central Bank. However, the Bank will take necessary steps for formation of NRC upon receiving prudential guidelines from Bangladesh Bank.

External Auditors

Hussain Farhad & Co., Chartered Accountants and MABS & J Partners, Chartered Accountants are 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.

In compliance of BRPD Circular Letter No. 12 dated 11 July 2011, regarding appointment of External Auditors of Bank Companies, the Auditors cannot be appointed for more than three consecutive years. Our existing Auditors Hussain Farhad & Co., Chartered Accountants and MABS & J Partners, Chartered Accountants have completed their third consecutive year auditing in 2019. Therefore, they are not eligible for re-appointment as Auditor for the year 2020. Hence the shareholders will be required to appoint new audit firm from among those who have expressed their interest to be appointed as auditor for the year 2020.

Auditors' Report

The Board of Directors' reviewed the Auditors Report issued by the Bank's Auditor Hussain Farhad & Co., Chartered Accountants and M/s. MABS & J Partners, Chartered Accountants based on their audit of Financial Statements for the year ended on 31 December 2019. The Auditor did not mention about any material misstatement or significant disagreement regarding review of the Bank's Financial Statements. The auditor issued an unqualified opinion on the Financial Statements for the year 2019.

Audit and Inspection by Bangladesh Bank

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

During the year under review, Bangladesh Bank conducted comprehensive inspection on Head Office and several Branches as on 31 December 2019. Subsequently, a tripartite meeting for finalization of annual Financial Statements was held among Bangladesh Bank, External Auditors and Management of Trust Bank.

Relations with Shareholders and Stakeholders

Trust Bank is fair and well-committed in serving the shareholders of the Bank. The interest of the shareholders is served through the free, fair, legal and regulatory processes. The Bank always strives towards maximization of the value of shareholders. To protect the investors and shareholders' rights, the Bank always adhere to the corporate governance standards of Bangladesh Securities and Exchange Commission. Therefore, the Bank generates investment returns every year for the investors and shareholders' capital and considers shareholders as the important stakeholders of the Bank.

Other than the shares of Army Welfare Trust, 40% of the total shares of the Bank are freely floated in the stock exchanges. The details of the free floated share as on 31 December 2019 are:

Particulars	No. of shares	% of Total Share	% of Free floated Share
Institutions	10,47,46,426	17.10	42.74
Foreign Investors	68,10,672	1.11	2.78
Non-Resident Bangladeshi (NRB)	11,90,474	0.19	0.49
General Public	13,23,22,847	21.60	53.99
Total	24,50,70,446	40.00	100.00

Trust Bank always treats all the shareholders equitably. The important decisions except those delegated to the Directors and other persons by the Articles of the Bank are taken by the votes of the shareholders in the General Meeting. Moreover, information regarding General Meeting and Price Sensitive Information are appropriately disseminated as and when required.

'Collaborative Communication' is the focal of the Bank's Communication system. The Bank develops an interactive communication system, where the Bank incessantly disseminates information to the shareholders with the periodic updates of performance. On the contrary, the shareholders are free to communicate with the Bank as and when requires basis.

Disclosure/Communication (for Shareholders) Module of Trust Bank:



The Bank acknowledges and takes necessary steps to provide shareholders with all relevant and reliable information. All relevant information are placed in website of the Bank for convenience of the shareholders. Moreover, as per BSEC guidelines all the price sensitive information having possible impact on share price of the Bank are communicated to the shareholders by publication in the national dailies and to the DSE, CSE and BSEC through official letters for appearance in their website. Quarterly, Half-yearly and Yearly audited financial statements are published in national dailies as per prevailing guidelines. Finally, the Bank arranges 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.

To meet various requirements of the investors and shareholders regarding their shareholding, the Bank has a Share Department under Board Division. Shareholders are always encouraged to communicate with the Share Department in person, by e-mail or post. Investors requests, complains or grievance are redressed immediately by the in-charge of the department. The complains or grievance are always monitored by the top level executives.

Members' Meetings

The members of the Bank perform their duties as per Bank's Articles of Association and/or applicable statutory laws. For the purpose of smooth functioning, the Bank arranges meeting of members within the timeframe prescribed by the statutes.

The Bank believes that, the supreme authority in the Bank's affairs, within the limit established by the Articles of Association and statutory laws, rests with legitimate members' meetings. In this regard, the Bank's Annual General Meeting is held within statutorily allowed period every year. Decisions at shareholders' meetings are taken by majority votes unless there are contrary provisions in the Bank's Articles of Association or statutory laws.

Website

Trust Bank has an official website (i.e. www.tblbd.com) linked with the website of stock exchanges of Bangladesh. The Bank always keeps the website functional and updated. All sorts of disclosures (i.e. price sensitive information, notice etc.) are made available on the website as required under the listing regulations and other statutory obligations.

Compliance of Corporate Governance

The Bank complies the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) vide BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018. As compliance of the notification, the Bank has obtained a certificate from K. M. Hasan & Co., Chartered Accountants. The firm is not the statutory auditors; and appointed by the shareholder in the 20th Annual General Meeting of the Bank. The compliance certificate is appended in this Annual Report.

Disclosure on Corporate Governance under the Secretarial Standards by ICSB

As required by the Corporate Governance Code, The Bank complies with all the secretarial standards of Institute of Chartered Secretaries of Bangladesh (ICSB). Disclosures of Corporate Governance under the secretarial standards of ICSB are appended below:

Secretarial Standard 01: Meetings of the Board of Director

No.	Standard Particulars	Compliance Status
1	Convening of a Meeting	Complied
2	Frequency of Meetings	Complied
3	Quorum Complied	Complied
4	Attendance at Meetings Complied	Complied
5	Chairman	Complied
6	Passing of Resolution by Circulation	Complied
7	Minutes	Complied
8	Attendance in Meetings and their Recording in the Minutes	Complied
9	Preservation of Minutes and Supporting Papers	Complied
10	Disclosure	Complied
11	Effective Date	Complied

Secretarial Standard 02: General Meetings

No.	Standard Particulars	Compliance Status
1	Convening a meeting	Complied
2	Frequency of Meetings	Complied
3	Quorum	Complied
4	Presence of Directors and Auditors	Complied
5	Chairman	Complied
6	Voting	Complied
7	Proxies	Complied
8	Conduct of Poll	Complied
9	Withdrawal of Resolutions	Complied
10	Rescinding of Resolutions	Complied
11	Modifications to Resolutions	Complied
12	Reading of Report/Certificate	Complied
13	Distribution of Gifts	Complied
14	Adjournment of Meetings	Complied
15	Minutes	Complied
16	Recording in the Minutes	Complied
17	Preservation of General Meeting Minutes and Other Records	Complied
18	Disclosure	Complied

Secretarial Standard 03: Minutes

No.	Standard Particulars	Compliance Status
1	Maintenance	Complied
2	Contents	Complied
3	Recording	Complied
4	Alteration/Modification	Complied
5	Finalization and Signing	Complied
6	Inspection	Complied
7	Preservation	Complied

Secretarial Standard 04: Dividend

No.	Standard Particulars	Compliance Status
1	Declaration/Recommendation of Dividend	Complied
2	Dividend Out of Profits	Complied
3	Dividend Out of Reserves	Complied
4	Entitlement to Dividend	Complied
5	Payment of Dividend	Complied
6	Unpaid/Unclaimed Dividend	Complied

Declaration by CEO and CFO

[As per condition No. 1(5)(xxvi)]

Date: 25 June 2020

The Board of Directors

Trust Bank Limited.

Subject: Declaration on Financial Statements for the year ended on 31 December 2019.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

The Financial Statements of Trust Bank Limited for the year ended on 31 December 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;

The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;

Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

We have reviewed the financial statements for the year ended on 31 December 2019 and that to the best of our knowledge and belief:

these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members

Sincerely yours,



Faruq M. Ahmed
Chief Executive Officer (CEO)



Mohammad Aminul Haque, FCA
Chief Financial Officer (CFO)

[Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Trust Bank Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Trust Bank Limited for the year ended on 31st December 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

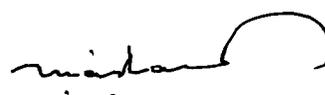
This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except those mentioned in the statement of compliance status;
- b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is satisfactory.

Place : Dhaka
Dated : 15 July 2020

For **K.M. Hasan & Co.**
Chartered Accountants



Md. Amirul Islam, FCA, FCS
Senior Partner

Corporate Governance Compliance Status

[As per condition No. 1(5)(xxvii)]

(Report under Condition No.9)

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	Board of Directors			
1(1)	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	Independent Directors: All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-	✓		
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s).	✓		
1(2)(b)	For the purpose of this clause "independent director" means a director-			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company.	✓		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]; Provided further that the independent director shall not be subject to retirement by rotation as per the (কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) (Companies Act, 1994).	✓		
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	Independent director shall have following qualifications			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1(5)	The Directors' Report to Shareholders: The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such event occurred.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			No such event occurred.
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that 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)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), 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)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;			N/A
1(5)(xvii)	A statement that there is no significant doubt 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 there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii) (c)	Executives; and	✓		
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv) (a)	a brief resume of the director;	✓		
1(5)(xxiv) (b)	nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv) (c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv) (a)	accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv) (b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;			N/A
1(5)(xxv) (c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv) (d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv) (e)	briefly explain the financial and economic scenario of the country and the globe;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxv) (f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv) (g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			Under Process (The formation of NRC is under review of Bangladesh Bank.)
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			No such event occurred.
3(2)	Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board; Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or 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:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	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;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4(ii)	Nomination and Remuneration Committee.			The Committee was not formed as the matter is under review of Bangladesh Bank.
5	Audit Committee			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board 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;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non- executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such event occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM); Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee: The Audit Committee shall:			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	review the adequacy of internal audit function;	✓		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission; Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds 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. Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			No such event occurred.
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;			No such event occurred.
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management 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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			
5(7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6	Nomination and Remuneration Committee (NRC)			The Committee was not formed as the matter is under review of Bangladesh Bank.
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub- committee of the Board;			
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).			
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;			
6(2)(b)	All members of the Committee shall be non-executive directors;			
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			
6(2)(g)	The company secretary shall act as the secretary of the Committee;			
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.			
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders. Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.			The Committee was not formed as the matter is under review of Bangladesh Bank.
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			The Committee was not formed as the matter is under review of Bangladesh Bank.
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;			
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			
7	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	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; his or her family members also shall not hold any shares in the said company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		



Directors' Report

Global Outlook

The year 2019 saw a weakened global growth due to ongoing US-China trade war affecting the later. Manufacturing sectors in many parts of the economy slowed down which compelled authorities to loosen monetary policy. As a result, World Bank reduced global growth outlook for 2019 to 2.6% due to weaker cross border trade and investment. Growth in the US was boosted due to government spending while economic condition in Europe slowed down rapidly. China was managing stability through fiscal stimulus but Middle Eastern economies suffered due to slowing international trade.

However, amidst optimistic projection for 2020, sudden outbreak of COVID-19 has triggered deepest global recession in decades. As a result of the pandemic, the global economy is projected to contract by 3 percent in 2020. Advanced economies have experienced lowest interest rates. Notably, for the first time after 'Great Depression' major economies are heading to recession. Alongside, World Trade Organization (WTO) has projected a sharp decline in global trade between 13-32 percent- a scenario that is heavily afflicting export based economies like Bangladesh. The International Labour Organization (ILO) has stated sufferings of 3.3 billion workforces for closure of work place which is triggering return of migrant workers to their native country. Bangladesh alone has seen return of its more than 0.60 million workers, mostly from the Middle East.

Against odds, International Monetary Fund (IMF) has given a brighter picture and projected global economy to rebound at 5.8% in 2021 as economic activities resume to normalcy. World has seen many crises that led to severe disruption in global financial sector. But as the current economic fallout is acute, global leaders and policy makers should ensure:

- Befitting fiscal and financial market measures domestically help to affected households and business community
- Strong international multilateral cooperation

World Economic Outlook Growth Projections

The COVID-19 pandemic will severely impact growth across all regions
(Real GDP, annual percent change)

	2019	2020	2021
			Projections
World Outlook	2.9	-3.0	5.8
Advanced Economies	1.7	-6.1	4.5
United States	2.3	-5.9	4.7
Euro Area	1.2	-7.5	4.7
Germany	0.6	-7.0	5.2
France	1.3	-7.2	4.5
Italy	0.3	-9.1	4.8
Japan	0.7	-5.2	3.0
United Kingdom	1.4	-6.5	4.0
Canada	1.6	-6.2	4.2
Other Advanced Economies	1.7	-4.6	4.5
Emerging Markets and Developing Economics	3.7	-1.0	6.6
Emerging and Developing Asia	5.5	1.0	8.5

	2019	2020	2021
China	6.1	1.2	9.2
India	4.2	1.9	7.4
Bangladesh	7.8	2.0	9.5
ASEAN-5	4.8	-0.6	7.8
Emerging and Developing Europe	2.1	-5.2	4.2
Russia	1.3	-5.5	3.5
Latin America and the Caribbean	0.1	-5.2	3.4
Brazil	1.1	-5.3	2.9
Mexico	-0.1	-6.6	3.0
Middle East and Central Asia	1.2	-2.8	4.0
Saudi Arabia	0.3	-2.3	2.9
Sub-Saharan Africa	3.1	-1.6	4.1
Nigeria	2.2	-3.4	2.4
South Africa	0.2	-5.8	4.0
Low-Income Developing countries	5.1	0.4	5.6

Source: International Monetary Fund, World Economic Outlook, April 2020

Review of Bangladesh Economy

A record high GDP growth rate of 8.15% in FY 2019 was witnessed by Bangladesh which was further targeted at 8.2% in FY 2020. The political condition of the country was stable throughout 2019 which, along with stable business condition kept the country in right track. Country's investment to GDP ratio stood at of 31.60% fueled by government spending on mega projects. On the fiscal front, higher government expenditure against moderate revenue collection widened the budget deficit leading to government's borrowing from banking system and National Saving Certificates. Uncertainty on interest rate capping, which finally came into effect in April, 2020 resulted in stringency in financing by commercial banks. As a result, Private sector credit growth came down to 9.83% in December, 2019 as compared to January, 2019 which was 13.20%.

However, net Foreign Direct Investment (FDI) has increased mostly in textile, food and power sector. Remittance grew by 9.8% reaching record USD 16.40 billion in FY 2019 which was driven by cash incentive given at the rate of 2% on remitted fund. However, though the country saw diversion of export orders from China, decrease in export is a serious question to address.

The outbreak of COVID-19 came in an inopportune moment when the country was aiming to surpass 8% GDP growth for second consecutive time. So far, differing opinions on probable impact of COVID-19 on country's economy has been received. Though World Bank and IMF have projected GDP growth of Bangladesh just over 2% which is also supported with the fact that the most of the western economies are heading from recession to depression, the government remains optimistic of higher growth prospect. Till now, Bangladesh readymade garments industry work order cancellation of nearly USD 3 billion which may soar further as the pandemic is resulted in prolonged lockdowns in Europe and North America. Consequently, there has been a decline in private investment which in turn will worsen unemployment problem. Already, most economic indicators except remittance have delivered negative results in the first half of 2020.

It is essential to bear in mind that the post COVID-19 world will be different in most aspects including doing business in a new normal time. Enterprises may even come up with solutions of many problems that may push new business ideas forward and pave the way for a vibrant e-commerce industry in Bangladesh which calls for a modern digital platform to capitalize the imminent opportunities.

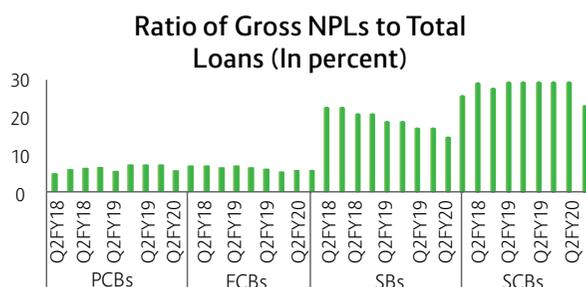
Bangladesh, which is on its way to become a middle-income country has an enormous task to take up to sustain in severe financial uncertainties of present time. With employment creation having to remain at the top its agenda, government must ensure the flowing to attract Foreign Direct Investment (FDI):

- Improvement in 'Ease of Doing Business' index
- More exclusive economic zones
- Power Security
- Addressing health care issues at production units.

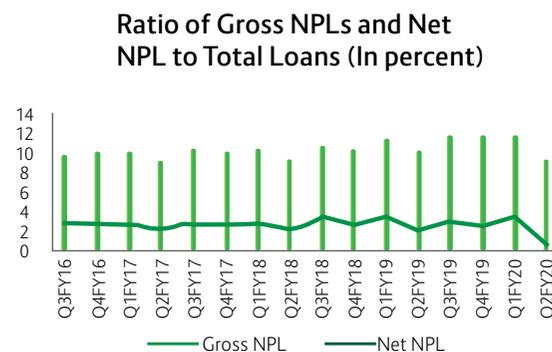
Banking Industries in 2019

The performance of banking sector has improved at the end of 2019 as reflected by the reduction in non-performing loans (NPLs), improvement in liquidity condition, stability in capital adequacy and improvement in provision maintained.

In 2019, overall NPL of Banking Industry went down, driven by the recovery led performance of both the state-owned commercial banks and private commercial banks. The overall NPL of the banking industry went down by 2.7 percentage points to 9.32 percent at the end of 2019. The newly introduced policy 'One Time Exit Policy' was also affiliated with the Banks to the scale up the recovery and thus reduces the rate of NPLs.



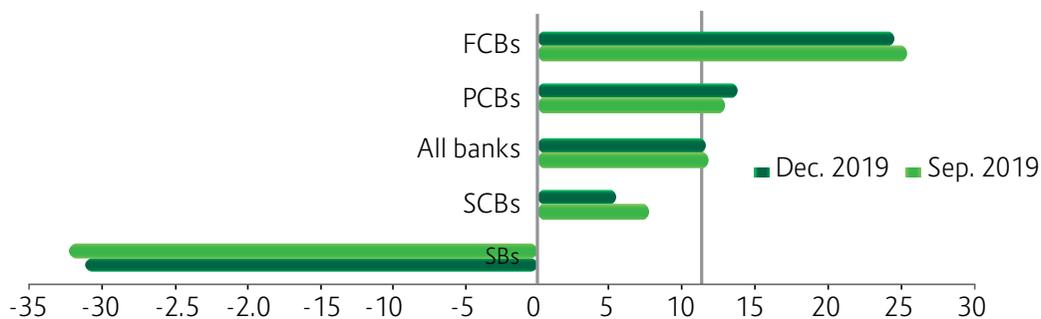
Source: Bangladesh Bank



Source: Bangladesh Bank

Overall capitalization of the banking sector remains stable at the end of 2019. The capital to risk-weighted asset ratio (CRAR) stood at 11.6 percent in the second quarter and remained almost unchanged from the first quarter of 2019.

Capital to Risk weighted Assets Ratio (CRAR) (In percent)



Source: Bangladesh Bank

As per the reports of Bangladesh Bank, the profitability of the banking industry improved at the end of December 2019 compared to that of last year. Both return on asset (ROA) and return on equity (ROE) for banks improved at the end of December 2019. The growth of bank deposits rose to 12.3 percent at the end of 2019 from 12.0 percent in September 2019. On the other hand, the growth of advances continued its downward trend and stood at 11.0 percent at the end of December 2020 against 11.7 percent in September 2019. At the same period, the overall advance deposit ratio increased from 76.6 percent to 77.3%.

Deposit and Advance Position of Scheduled Banks (In percent)

Bank Groups	Year-on-Year growth of deposit, % (excluding interbank)*		Year-on-Year growth of advance, % (excluding interbank)*		Advance Deposit Ratio (ADR)	
	Dec. 19	Sep. 19	Dec. 19	Sep. 19	Dec. 19	Sep. 19
SCBs	6.4	6.3	13.2	12.7	60.9	60.4
PCBs	15.4	14.2	10.9	12.0	83.8	83.4
FCBs	3.3	16.2	3.5	3.6	63.3	61.0
SBs	8.5	6.7	8.2	9.2	77.2	77.2
All	12.3	12.0	11.0	11.7	77.3	76.6

Source: Bangladesh Bank * Adjusted deposit growth for ADR

Overall liquidity conditions in the banking sector remained well-adequate and stable at the end of 2019. Excess liquidity, the excess of CRR and SLR as a percent of total demand and time liabilities (TDTL), rose from 7.2 percent in September 2019 to 8.5 percent in December 2019.

Banking Industry Exploring in 2020

Similar to all developing countries, commercial banks have been playing important role in economic development of Bangladesh. In recent past, this industry went beyond horizons to reach rural people as a consequence of which it has become more market oriented. This has also made resource transfer possible to industrial units at urban areas. This has been possible as we have seen remarkable progress in the field of Mobile Financial Services (MFS) in past years. Today, commercial bank's contribution is more evident than ever before. However, this contribution would be much greater if this sector could effectively address the issues of rising NPL and good governance more effectively.

Commercial banks in Bangladesh were under stress prior to COVID-19 due to continuous upsurge in non-performing loans and declining margin. Data reveals that 9.32% of total loan outstanding was classified as of December, 2019 though actual scenario is much worse. Widening of our judiciary system for early disposal of pending issues at courts may alleviate overall NPL position of the industry.

After implementation of interest capping from April, 2020, Net Interest Margin (NIM) will further decline for the commercial banks. However, satisfactory external sector performance and growth in remittance helped Bangladesh Bank maintain stability in foreign exchange market. But this favorable situation may be changed as voluntary or forced returns of our migrant workers are feared, specially from few countries of Middle East.

The breakout of deadly COVID-19 has exposed commercial banks to a series of challenges. Balance sheet management will put many banks in difficulty in matching short buckets. Maintaining strong liquidity position is crucial as more government borrowing from banking system will create deposit crunch and fall in private sector credit growth. Customers may even lose confidence if this sector performs poorly in liquidity management. However, government's success in expanding tax net will gradually ease the position. High Cost to Income Ratio is another challenge originated from current pandemic owing to which identification of cost drivers and optimization, supported by digital sales and services are seriously pursued by commercial banks.

Discussion on Operating Performance-2019 of Trust Bank Limited Summary

The Bank earned consolidated operating income of BDT 11,302.40 million for the year 2019. BDT 2,493.54 million was kept as provision against classified and unclassified loans and advances, diminution in the value of investment, off-balance sheet exposure and other assets. The pre-tax profit stood at BDT 4,735.03 million for the year 2019, and net profit of the Bank after tax stood at BDT 2,036.66 million for the year 2019.

Interest Income

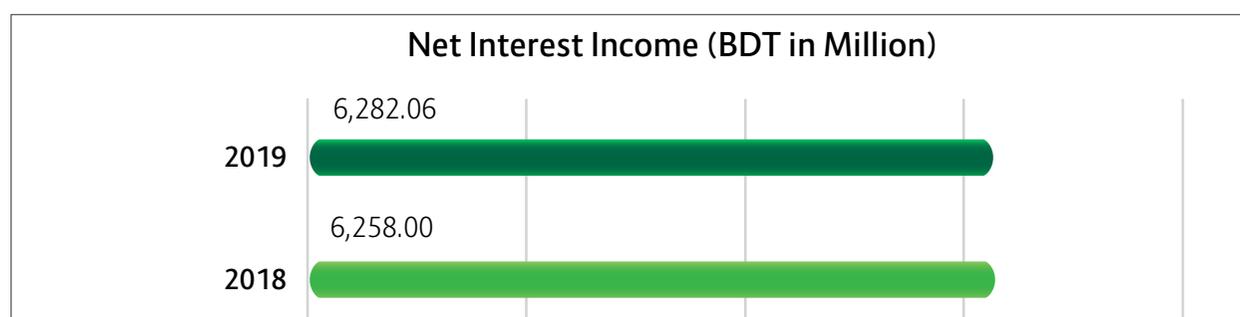
Trust Bank earned consolidated interest income plus profit on Islamic Banking investment for BDT 19,755.96 million during the year 2019 as against BDT 17,467.60 million in 2018 registering a growth of 13.10% or BDT 2,288.36 million. This growth came as a result of maintaining sound portfolio, high yielding loan products, proper management in placement of fund and efficient utilization of fund.

Interest Expenses

Consolidated interest and profit paid on deposits and borrowings measured at BDT 13,473.91 million in 2019 as against BDT 11,209.60 million in 2018 showing an increase by 20.20% or BDT 2,264.31 million. This increase of interest expenses was due to the growth of deposits of the Bank during the year.

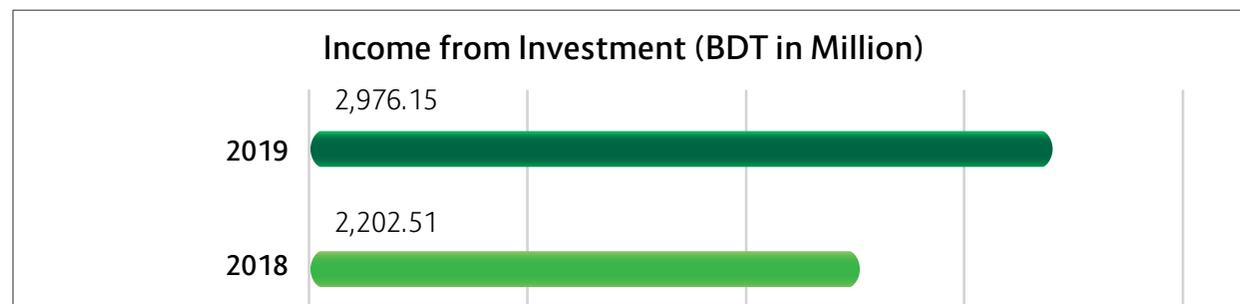
Net Interest Income

The consolidated net interest income showed BDT 6,282.06 million as against BDT 6,258.00 million in the preceding year. During the year, net interest income increased by BDT 24.06 million representing a positive growth of 0.38% which was the contributor to the operating income for the year 2019.



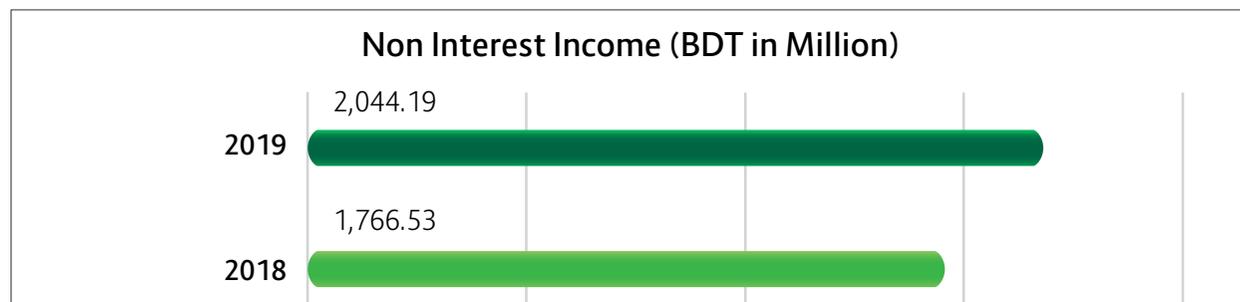
Income from Investment

Consolidated income from investment was BDT 2,976.15 million for the year 2019 whereas it was BDT 2,202.51 million in the year 2018. BDT 773.64 million or 35.13% was increased from 2018 to 2019.



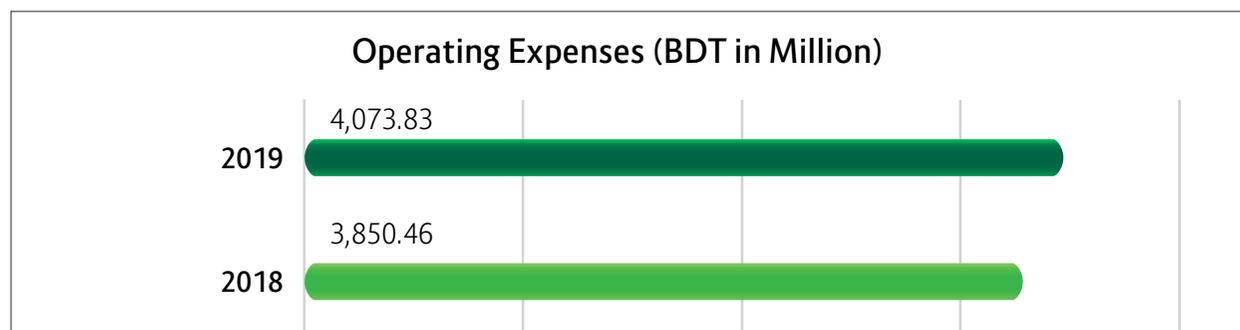
Non-interest Income

The non-interest income consists of the commission, exchange and other operating income of the Bank. Consolidated non-interest income of the Bank was BDT 2,044.19 million in 2019; whereas, it was BDT 1,766.53 million in 2018.



Total Operating Expenses

The consolidated operating expenses shown in Profit and Loss account was amounting to BDT 4,073.83 million in 2019 compared to BDT 3,850.46 million in the previous year. Salary and allowances constituted 53.39% of total operating expenses in 2019 and there was 9.03% increase in salary and allowances in the year 2019 from the year 2018. The total operating expenses of the Bank was increased by 5.80% from previous year.



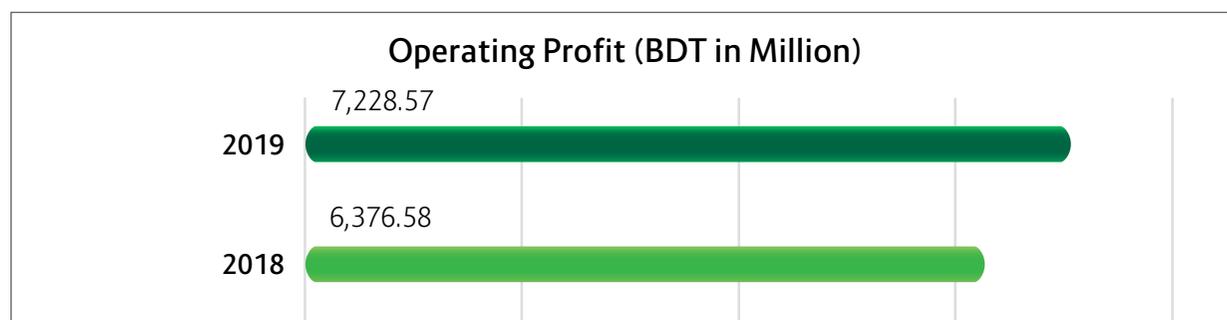
Income Mix and Growth

BDT in Million

Particulars	2019	2018	Growth
Interest Income/Profit on Investment	19,755.96	17,467.60	13.10%
Interest/Profit Paid on Deposits and Borrowings etc.	13,473.91	11,209.60	20.20%
Net Interest Income	6,282.06	6,258.00	0.38%
Investment Income	2,976.15	2,202.51	35.13%
Non-Interest Income	2,044.19	1,766.53	15.72%
Total Operating Income	11,302.40	10,227.04	10.51%
Total Operating Expenses (Excluding Contribution to Special Reserve Fund)	3,953.83	3,730.46	5.99%
Profit Before Provision	7,348.57	6,496.58	13.11%
Provision for Loans and Advances/Investments, Diminution in Value Of Investment and Others	2,493.54	2,265.10	10.09%
Contribution to Special Reserve Fund	120.00	120.00	0.00%
Total Profit Before Taxes	4,735.03	4,111.48	15.17%
Provision for Taxation (Current and Deferred)	2,698.37	2,247.66	20.05%
Net Profit After Taxation	2,036.66	1,863.82	9.27%

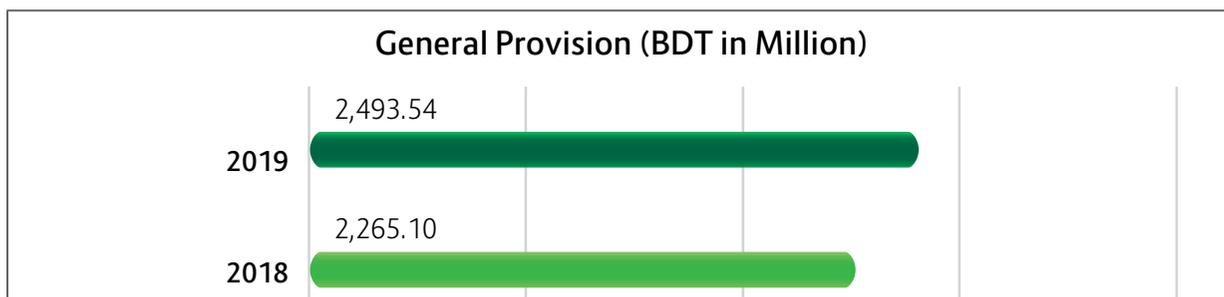
Profit before Provision

Consolidated operating profit before provision was BDT 7,348.57 million in the year 2019; whereas, it was BDT 6,496.57 million in the year 2018 before considering contribution to Special Reserve Fund. After accounting for contribution to Special Reserve Fund of BDT 120.00 million in 2019, the operating profit stood at BDT 7,228.57 million in 2019 compared to BDT 6,376.58 million in 2018.



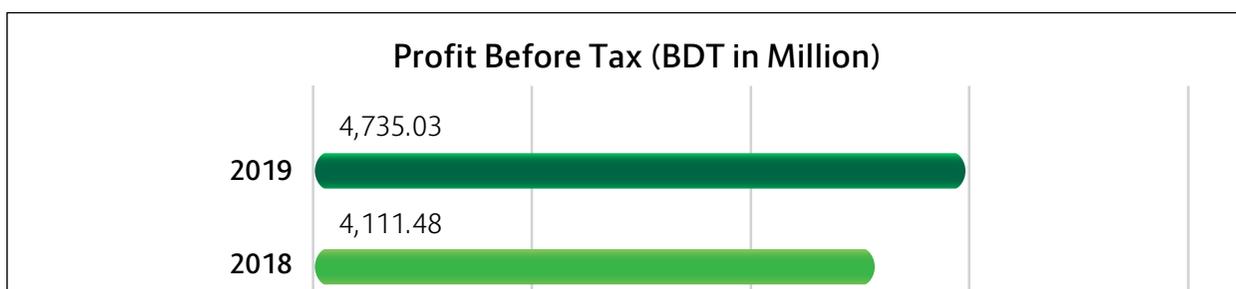
Provision for Loans and Advances, Off-balance Sheet Exposure and Others

During the year 2019, consolidated provision for loans and advances was BDT 2,493.54 million compared to BDT 2,265.10 million in the year 2018 and increased by BDT 228.44 million.



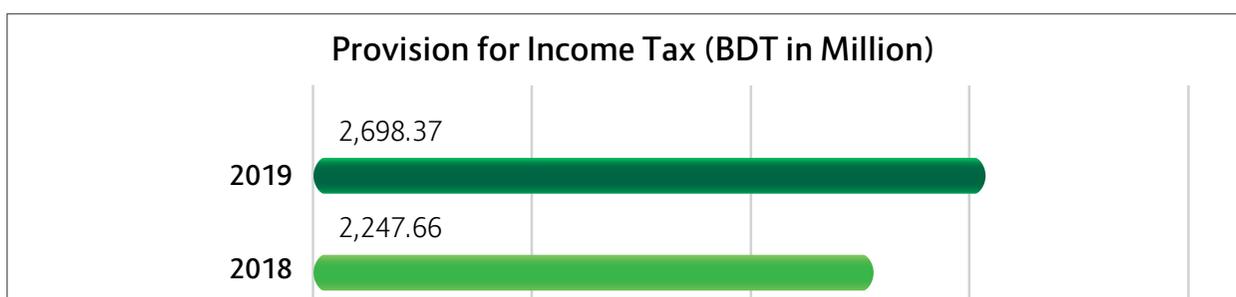
Profit before Taxes

After making above provision, consolidated net profit before tax of the Bank stood at BDT 4,735.03 million in 2019 compared to BDT 4,111.48 million in 2018 which refers to 15.16% growth.



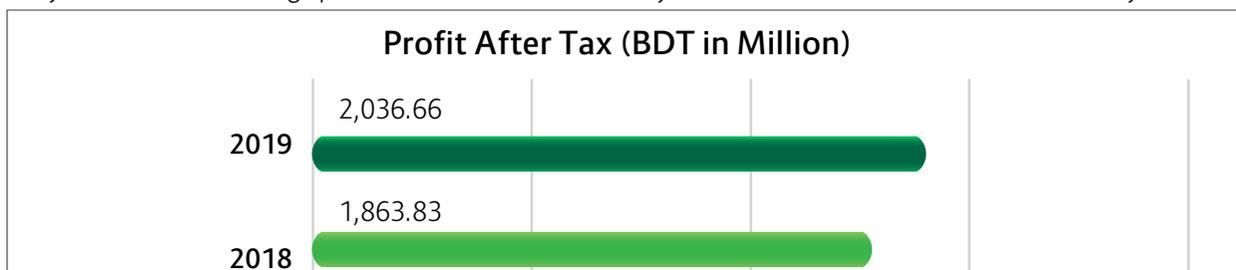
Provision for Income Tax

Consolidated Provision for Income Tax for the year 2019 stood at BDT 2,719.72 million against BDT 2,261.93 million in 2018. However, net provision for income tax was BDT 2,698.37 million after accounting for Deferred Tax (asset) of BDT 21.35 million in 2019.



Net Profit after Tax

Consolidated net profit after tax stood at BDT 2,036.66 million in the year 2019 from BDT 1,863.83 million in the year 2018 and earnings per share was BDT 3.32 in the year 2019 whereas it was BDT 3.04 in the year 2018.



Dividend

The Board of Directors in its 309 (04/2020) Meeting held on 28 June 2020 recommended 10% Dividend (5% cash and 5% stock) for the approval of shareholders at the next Annual General Meeting (AGM) to be held on 23 August 2020.

Review of Financial Position of Trust Bank Limited Summary

Despite various external challenges, Bank's overall businesses grew significantly in 2019. Deposits of the Bank increased by 13.78% and stood at BDT 241,822.03 million at the end of year 2019. Consolidated loans and advances increased by 6.84% compared to year 2018 and stood at BDT 212,835.60 million at the end of the year 2019.

Total Assets

Consolidated assets of the Bank stood at BDT 296,452.84 million in 2019 as against BDT 261,076.40 million in 2018 registering a growth of 13.55%. 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 71.79% of total assets while investment in government and other instruments held 14.66% of the total assets. Balance with other banks and financial institutions held at 4.23% of total assets. Moreover, other assets which are very current in nature made up 1.32% of total assets leaving only 0.65% of total assets tied up in fixed assets including premises, furniture and fixtures. The above common size analysis shows that almost 93.44% of total assets of the Bank are utilized in different earning assets along with fixed assets and others leaving 6.56% in liquid form for meeting cash withdrawal demand of customers and maintaining Cash Reserve Ratio (CRR) requirement of Bangladesh Bank.

Summary of Property and Assets

BDT in Million

Particulars	Amount		Growth	Asset Mix	
	2019	2018	%	2019	2018
Cash in Hand and Balance With Bangladesh Bank and its Agent Bank(s) (including Foreign Currencies)	19,454.99	15,738.01	23.62%	6.56%	6.03%
Balance with Other Banks and FIs	12,547.28	7,837.42	60.09%	4.23%	3.00%
Money at Call and Short Notice	2,300.00	-	-	0.78%	0.00%
Investments	43,462.12	34,540.52	25.83%	14.66%	13.23%
Loans and Advances/Islamic Banking Investments	212,835.60	199,205.50	6.84%	71.79%	76.30%
Fixed Assets Including Premises, Furniture and Fixtures	1,936.95	585.90	230.59%	0.65%	0.22%
Other Assets	3,915.90	3,169.05	23.57%	1.32%	1.21%
Total Assets	296,452.84	261,076.40	13.55%	100.00%	100.00%

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

As on 31 December 2019, consolidated cash in hand and balance with Bangladesh Bank and its agent banks (including foreign currencies) stood at BDT 19,454.99 million as against BDT 15,738.01 million of 2018 registering a growth by BDT 3,716.98 million or 23.62%. The increase of 27.19% was with Bangladesh Bank and its agent banks, and an increase of 12.13% was in Cash in Hand balance to provide uninterrupted cash services to our growing customers. However, this asset remains 6.56% of the total assets in the year 2019.

Balance with Other Banks and Financial Institutions

Trade Services Division of the Bank has to maintain some Special Notice Deposit (SND) accounts and Current Deposit (CD) accounts with other banks in and outside the country for smooth functioning of the treasury

operations and international trade finance. The Bank also places excess fund with other banks and financial institutions as term deposits for optimizing the profit of the Bank. As on 31 December 2019, proper use of the fund, consolidated balance outstanding with other banks and financial institutions was BDT 12,547.28 million as compared to BDT 7,837.43 million at the end of 2018.

Investments

In the year 2019, Bank's investments stood at BDT 43,462.12 million showing an increase by 25.83% as compared to that of 2018. Out of total investments, BDT 36,560.69 million was invested in government securities and the rest of the amount i.e. BDT 6,901.43 million was invested in Preference Shares, Ordinary Shares and Corporate Bonds.

Loans and Advances

Consolidated loans and advances of the Bank as on 31 December 2019 was BDT 212,835.60 million as against BDT 199,205.50 million in the year 2018, showing an increase by almost 6.84% over the preceding year. The Loans and Advances cover up the areas of corporate (based on both Conventional and Islamic Shariah Mode), SME, Retail and Credit Card. The credit portfolio of the Bank also included mix of scheme loans, namely- Renovation and Reconstruction of Dwelling House Loan (RRDH), Consumers Durable Scheme Loan (CDS), Marriage Loan, Loan against Pension Benefit, Car Loan, HBF Loan and Commercial Loan. Corporate lending is still the core business of the Bank and continues to remain the major segment of the business. While providing loans to our customers, the policy of Bangladesh Bank is strictly followed. The portfolio has further been diversified to avoid risk of single industry concentration and remains in line with the Bank's credit norms relating to risk quality. The Customer Relationship has been strengthened and frequent visits to the clients have been ensured for further cementing existing relationship.

Total Liabilities

Total Liabilities of the Bank comprise of broad three items such as Borrowing from other Banks, Financial Institutions and Agents, Deposits and other liabilities. Consolidated balance of liabilities of the Bank stood at BDT 281,174.08 million at the end of year 2019 as against BDT 247,854.83 million in 2018, representing a rise of 13.44%. Deposits constituted 81.57% of total liabilities and Shareholders' Equity of the Bank.

Summary of Liabilities and Capital:

BDT in Million

Particulars	Amount		Growth	Liability Mix	
	2019	2018	%	2019	2018
Borrowings from Other Banks, Financial Institutions and Agents	19,776.26	20,916.52	-5.45%	6.67%	8.01%
Deposits and Other Accounts	241,822.03	212,535.03	13.78%	81.57%	81.41%
Other Liabilities	19,575.79	14,403.28	35.91%	6.60%	5.52%
Total Liabilities/Non-Owner's Claims on the Total Assets	281,174.08	247,854.83	13.44%	94.85%	94.94%
Paid-Up Capital	6,126.63	5,569.66	10.00%	2.07%	2.13%
Statutory Reserve	6,579.75	5,638.53	16.69%	2.22%	2.16%
Other Reserve and Share Premium	24.54	4	513.50%	0.01%	0.00%
Retained Earnings	2,547.84	2,009.38	26.80%	0.86%	0.77%
Total Shareholders' Equity/Owner's Claims on the Total Assets	15,278.76	13,221.57	15.56%	5.15%	5.06%
Total Liabilities and Shareholders' Equity	296,452.84	261,076.40	13.55%	100.00%	100.00%

Deposit Portfolio

In the year 2019, consolidated deposits of the Bank increased by 13.78% and to BDT 241,822.03 million from BDT 212,535.03 million as recorded in the year 2018. 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 55.31% of total deposits. The Bank's deposits include the deposits from both conventional and Islamic Banking deposit vehicle.

BDT in Million

Type of Deposits	Amount		Growth	Deposit Mix	
	2019	2018	%	2019	2018
Current/Al-Wadeeah Current Accounts and Other Accounts	35,149.70	29,394.21	19.58%	14.54%	13.83%
Bills Payable	3,316.47	4,227.86	-21.56%	1.37%	1.99%
Savings Bank/Mudaraba Savings Deposits	36,085.27	31,908.65	13.09%	14.92%	15.01%
Fixed Deposits/Mudaraba Term Deposits	133,753.12	116,203.84	15.10%	55.31%	54.68%
Short Notice Deposits/Mudaraba Short Notice Deposits	15,000.09	13,960.13	7.45%	6.20%	6.57%
Special Deposits Scheme	18,517.38	16,840.34	9.96%	7.66%	7.92%
Total	241,822.03	212,535.03	13.78%	100.00%	100.00%

Borrowing from Other Banks, Financial Institutions and Agents

Borrowing from Other Banks, Financial Institutions and Agents was decreased by 5.45%. Borrowing represents the Long-Term Borrowings from Unsecured Subordinated Non-Convertible Bond and Bangladesh Bank Refinance, EDF, IPFF, LTFF. The balance stood at BDT 19,776.28 million at the end of year 2019 as against BDT 20,916.52 million in 2018.

Shareholders' Equity

Total Consolidated Shareholders' Equity increased by 15.56% and stood at BDT 15,278.76 million at the end of year 2019 as against BDT 13,221.57 million in the year 2018. Item wise details of Shareholder's equity are given below:

BDT in Million

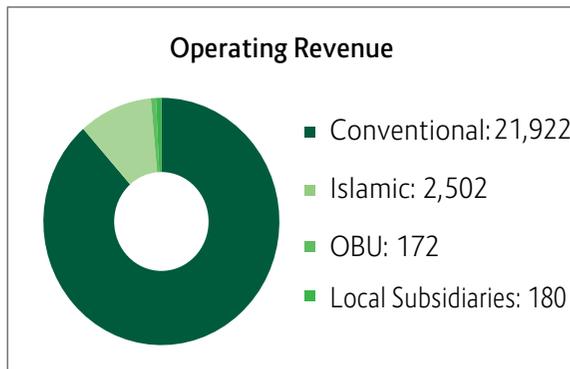
Particulars	Amount		Changes
	2019	2018	%
Paid-up capital	6,126.63	5,569.66	10.00%
Statutory Reserve	6,579.75	5,638.53	16.69%
Other Reserve and Share Premium	24.54	4.00	513.25%
Retained Earnings	2,547.84	2,009.38	26.81%
Total Shareholders' Equity/Owner's Claims on the Total Assets	15,278.76	13,221.57	15.56%

Statutory Reserve

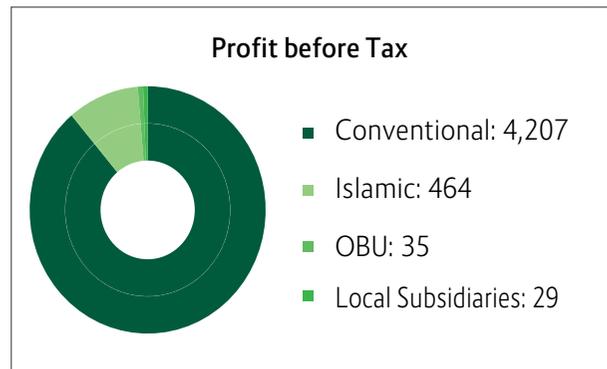
In accordance with the provision of the Bank Companies Act 1991, minimum 20% of operating profit before tax is required to be transferred to Statutory Reserve. In the year 2019, 20% of profit before Tax amounting BDT 941.22 million was transferred to Statutory Reserve and thus balance of Statutory Reserve stood at BDT 6,579.75 million in the end of year 2019.

Segment Analysis (Consolidated)

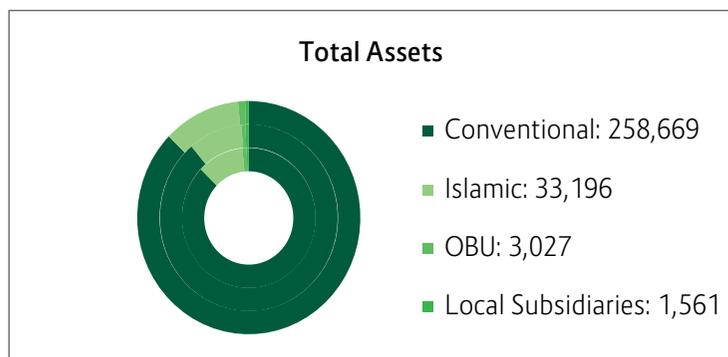
BDT in Million



Operating Revenue (Consolidated) of Trust Bank Limited and its subsidiaries

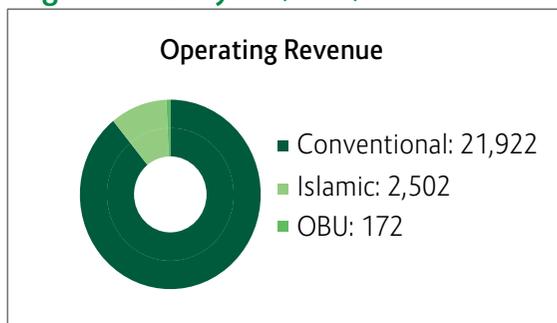


Profit Before Tax (Consolidated) of Trust Bank Limited and its subsidiaries

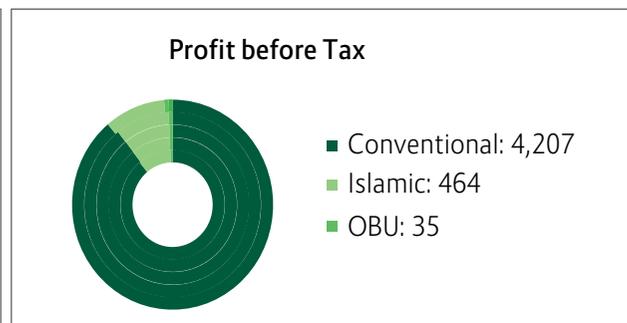


Total Assets (Consolidated) of Trust Bank Limited and its subsidiaries

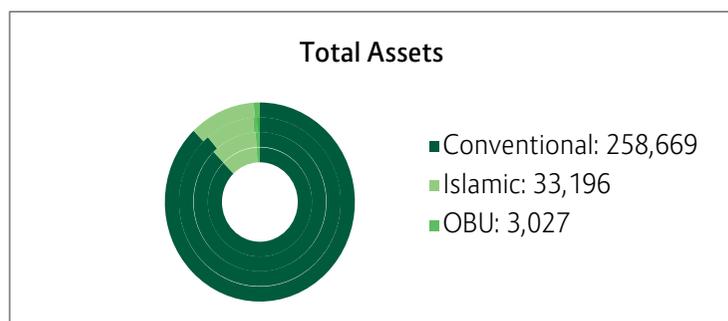
Segment-Analysis (Solo)



Operating Revenue of Trust Bank Limited



Profit Before Tax of Trust Bank Limited



Total Assets of Trust Bank Limited

A detailed Business-wise performance has been presented in the Management's Discussion and Analysis section.

Five Years Financial Summary

BDT in Million (where applicable)

Particulars	2019	2018	2017	2016	2015
Operating Results (SOLO Basis)					
Total Operating Income	11,122.13	10,085.71	9,535.77	8,237.29	7,529.33
Total Operating Expense	4,008.61	3,784.00	3,723.75	3,784.90	3,628.31
Operating Profit	7,113.52	6,301.71	5,812.02	4,452.39	3,901.02
Provision for Loans, Investment and Other	2,407.40	2,186.46	1,871.64	983.83	777.8
Profit Before Tax	4,706.12	4,115.25	3,940.38	3,468.56	3,123.22
Profit After Tax	2,031.56	1,892.58	1,729.61	2,008.84	1,539.33
Financial Positions (SOLO Basis)					
Authorized Capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Paid-Up Capital	6,126.63	5,569.66	5,569.66	5,063.33	4,688.27
Total Shareholders' Equity	14,939.70	12,887.61	12,112.18	11,175.16	9,512.05
Deposits	242,024.76	212,680.61	200,453.45	173,059.88	150,854.20
Loans And Advances	210,766.74	197,128.06	184,910.70	141,987.43	130,614.65
Total Liabilities	279,952.43	246,750.76	227,658.45	199,066.35	170,717.52
Investments	41,041.91	32,305.01	28,545.46	30,739.01	24,262.21
Fixed Assets	1,929.69	578.01	704.06	802.07	827.55
Interest Earning Assets	245,622.16	217,173.55	206,183.14	168,285.82	154,765.83
Total Assets	294,892.13	259,638.37	239,770.63	210,241.52	180,229.57
Other Business					
Import	66,079.04	119,622.46	85,196.90	72,571.62	74,255.59
Export	37,732.85	36,552.45	42,819.45	48,350.02	48,928.87
Foreign Remittance	48,864.86	50,112.60	29,494.11	23,171.76	24,214.99
Guarantee Issued	21,734.68	16,834.27	27,867.05	14,698.04	12,523.94
Capital Measures (Consolidated Basis)					
Total Risk Weighted Assets	186,163.22	175,796.56	160,906.95	135,455.40	128,770.20
Core Capital (Tier-I)	15,079.61	13,059.63	12,329.40	11,362.23	9,700.01
Supplementary Capital (Tier-II)	11,687.68	11,613.50	8,466.75	8,435.52	4,222.30
Total Capital	26,767.29	24,673.12	20,796.15	19,797.75	13,922.31
Tier-I Capital Ratio	8.10%	7.43%	7.66%	8.39%	7.53%
Tier-II Capital Ratio	6.28%	6.61%	5.26%	6.23%	3.28%
Total Capital Ratio	14.38%	14.04%	12.92%	14.62%	10.81%
Credit Quality (SOLO Basis)					
Non-Performing Loans	11,577.08	15,580.01	6,192.03	4,556.10	3,588.48
% Non-Performing Loans	5.49%	7.90%	3.35%	3.21%	2.74%
Share Information					
Market Price Per Share	27.40	32.50	42.60	23.80	24.10
Earnings Per Share	3.32	3.09	3.11	3.61	3.04
Price Earnings Ratio	8.25	9.56	13.72	6.00	7.93
Net Asset Per Share	24.38	23.14	21.75	22.07	20.29
Other Information					
Cost-to-Income Ratio	36.04%	37.52%	39.05%	45.95%	48.19%
Return on Average Assets	0.73%	0.76%	0.77%	1.03%	0.95%
No of Branches	106	104	104	102	101
No of SME/AGRI Branches	6	6	6	6	6
No. of Foreign Correspondence	21	21	23	24	25

Risk and Concerns

Trust Bank believes that effective management of risk is a critical component for survival and long term success of the Bank. Therefore, The Board and management always uphold a sound and responsible approach to risk with a view to ensure that the sustainable performance and standing of the Bank are not threatened while conducting its regular course of business.

The Board is regularly assisted by the Risk Management Committee (RMC) to review and monitor the overall risk management system of the Bank. The risk Management system of the Bank has been described in 'Risk Management Report' of this Annual Report.

Discussion on Continuity of any Extra-Ordinary Gain or Loss:

There is no history of any extraordinary gain or loss.

Related Party Transactions

The Bank records business transactions with its Directors and subsidiaries, affiliated and associated companies where the Bank has an interest with significant influence. Details of the transactions are given in the in notes 46 to the Financial Statements as disclosure and placed separately, as per guidelines of Bangladesh Bank.

For the purpose of Transactions with Bank-Related Persons, the Bank follows the Bank Company Act, 1991 (amended up to 2018) and guidelines of Bangladesh Bank especially the BRPD circular no. 04, dated 23 February 2014.

Utilization of Proceeds from Public Issues, Right Issues and/or through Any Other Instruments

Trust Bank floated its shares through Initial Public Offering (IPO) in 2007. The proceeds of the IPO were utilized in accordance with the disclosures of the then approved Prospectus. However, the Bank also raised capital through Right Issue in 2008 and 2012.

Trust Bank issued several Subordinated Bonds after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission. The proceeds of these Bonds were utilized to generate liquidity and provide additional capital cushion in light of Capital to Risk Weighted Asset Ratio of the Bank.

Financial Results after the Raising Capital

The Bank has been constantly growing since inception, then since IPO and then since issuance of Subordinated Bond, no adverse situation has arisen to date.

Significant Variances between Quarterly and Annual Financial Statements

Despite the challenging circumstances of 2019, Trust Bank showed an impressive growth as compared to the performance of the year 2018. There is no significant deviation of the operating results from that of last year

Directors Remuneration

As per section 18 (1) of the Bank Company Act, 1991 (amended up to 2018), the Directors are entitled for regular fees for participation in the meetings of the Board and its sub-committees. Therefore, the non-executive directors (other than Managing Director) of the Board representing shareholders only take fees for attending meetings. The amount of fees for attending a meeting is regulated as per BRPD circular Letter No. 11, dated 04 October 2015. From this standpoint, the Bank has not introduced any remuneration policy for the Directors. As per the BRPD circular, the Board members receive only BDT 8,000/- for attending the Board/Committee meetings. A disclosure on the fees given to directors is included in the note 28 (a) to the financial statements.

Other Benefits provided to the Directors and Managing Director: The Directors avail the following facilities from the Bank:

Incumbent	Bangladesh Bank Guidelines	Practice in Trust Bank
Chairman	An office-room, a personal secretary/ assistant, one peon/MLSS, one telephone at office, one mobile phone to use inside the country and a vehicle in the business interest of the Bank subject to the approval of the Board [BRPD circular no. 11, dated 27 October 2018]	Availing fees for attending each meeting.
Directors	Fees and other facilities for attending each meeting of the Board or its any Committee [BRPD circular no. 11, dated 04 October 2015]	
Managing Director	Salary and allowances as per Service Contract [BRPD circular no. 18, dated 27 October 2013]	Service contract is followed for providing salary and allowances.

Preparation of Financial Statements

The financial statements of the Bank prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

In the preparation of quarterly, half-yearly and annual financial statements, the Bank complies with the requirements of the Companies Act 1994, Bank Company Act 1991 (amended up to 2018), Bangladesh Financial Reporting Standards (BFRSs) and rules and regulations of Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and Stock Exchanges.

Maintenance of Books of Account

Proper books of account of the Bank have been maintained. The external auditors have reviewed all the books of account and they are in our opinion that, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books.

Application of Appropriate Accounting Policies

Appropriate accounting policies have been consistently applied by the Bank in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

Accounting policies supported by judgments, estimates and assumptions in compliance with BAS and BFRS are applied on the basis that the Bank will 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.

Application of Reporting Standards

In accordance with Company Law, the Directors are responsible for the preparation of the annual financial statements. The Board acknowledges that, International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

The annual financial statements conform to Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and fairly present the affairs of the Trust Bank and its subsidiaries.

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 2019 annual financial statements were approved by the Board of Directors on 28 June 2020.

Effectiveness of Internal Control System

The internal control system is sound in design and effectively implemented and monitored. The Board regularly reviews the Bank's system of internal control and its effectiveness. The Bank has taken all-out efforts to mitigate all sorts of risk as per guidelines issued by Bangladesh Bank. The Internal Control framework of the Bank encompasses risk control function and compliance function, and covers the whole organization, including the activities of all business, support and control unit. The risk Management Division has the responsibility for recommending and monitoring the Bank's risk appetite and policies and for following up and reporting on risk related issues across all risk types. The Internal Control and Compliance Division is working towards mitigation of operational and compliance risk of the Bank and providing assurance and informs strength and potentials of the Internal Control functions.

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 and effectiveness of internal control system of the Bank.

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

Protection of Shareholders' Right

In Trust Bank, all members enjoy equal rights and are subject to same liabilities as compared to all other members of same class. The members are entitled to exercise their basic rights on an equitable basis; and can actively participate in General Meetings and exercise their voting rights for deciding important matters. Moreover, the members are regularly apprised by the Board on the success/failure in achieving business and targets set out in Bank's annual work plan, future plans and strategies. The members' have the rights to sell, purchase or transfer of shares, access to information and share the profitability/income of the Bank etc.

The Board acknowledges that, Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

Going Concern

There are no significant doubts upon the Bank's ability to continue as a going concern. The Bank has adequate resources 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. The Directors have a reasonable expectation that the Bank and its subsidiaries will have adequate resources to continue in operational existence and as a going concern for the foreseeable future. A separate statement on the Going Concern Status of the Bank is appended in this report.

Operating Results

There is no significant deviation of the operating results from that of last year.

Declaration of Dividend

The Bank's policy is to maximize the value of shareholders. As such, the Bank distributes optimum profit to the shareholders for each year after payment of income tax, transfer of fund to regulatory reserve, provision for loans and advances etc. To maintain a steady growth of business, the Bank always tries to invest in profitable and thrust sectors; scrutinizing industry growth, financial soundness, future prospects etc.

Trust Bank sustained its commitment to the shareholders. In this regard, the Board of Directors in its 309 (04/2020) meeting held on 28 June 2020 has recommended 10% Dividend (5% Cash and 5% Stock) subject to the approval of the shareholders at the Annual General Meeting to be held on 23 August 2020.

Declaration of Interim Dividend

The Board of Directors of Trust Bank Bank Limited did not declare any interim dividend during the year 2019.

Meetings of Board of Directors

The Board of Directors met several times in 2019. The statistics of the meetings are given below:

Type of Meeting	Number of Meetings
Board Meeting	17
Executive Committee Meeting	47
Audit Committee Meeting	08
Risk Management Committee Meeting	06

A separate statement on the attendance of the Board of Directors in several meetings is appended in the Corporate Governance Report (under respective types of meeting).

The Pattern of Shareholdings

The Corporate Governance Report contains a detailed discussion on the pattern of shareholdings of Trust Bank Limited.

Brief Resume of the Directors

Brief profile of directors and their representation in other companies have been presented in 'Board of Directors' section of this report.

Management's Discussion and Analysis Signed by CEO/ MD

Please see 'Message from MD & CEO' and 'Management Discussion and Analysis' section of this annual report.

Certification by the CEO and CFO

The certification of MD & CEO and CFO has been presented at page 58 of this annual report.

Compliance of Conditions of Corporate Governance Code by Trust Bank Limited

Trust Bank has complied with the conditions of Corporate Governance Code as imposed by Bangladesh Securities and Exchange Commission in line with the rules and regulations of primary regulator i.e. Bangladesh Bank.

Certificate on Compliance of Corporate Governance Code

The certificate issued by K. M. Hasan & Co., Chartered Accountants, has been presented at the end Corporate Governance Report.

State of the Bank's Affairs

A detailed report on the Financial Performance Trust Bank has been appended in the Management Discussion and Analysis section of the Annual Report.

Changes in Bank's Activities, Subsidiaries' Activities etc.

No major change in strategy and actions in the Bank and Subsidiaries experienced in 2019.

Directors' Responsibility Statement

To ensure good governance in the bank management it is essential to have specific demarcation of responsibilities and authorities among controlling bodies over bank affairs. In the Bank Company Act, 1991 (amended up to 2013) the newly included Section 15(kha) and (ga) give responsibility to the board of directors for establishing policies for the bank company, for risk management, internal controls, internal audit and compliance and for ensuring their implementation.

a) Work-planning and Strategic Management

The Board determines the objectives and goals and to this end chalk out strategies and work-plans on annual basis. The Board specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. The Board analyze/monitor, at quarterly rests, the development of implementation of the work-plans.

The board set the Key Performance Indicators (KPIs) for the CEO & officers immediate two tiers below the CEO, and has it evaluated from time to time.

b) Credit and Risk Management:

The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof are made with the board's approval under the purview of the existing laws, rules and regulations. The board specifically distributes the power of sanction of loan/investment and such distribution are desirably made among the CEO and his subordinate executives as much as possible. No director, however, interfere, direct or indirect, into the process of loan approval.

The board frames policies for risk management and gets them complied with and monitor the compliance at quarterly rests and review the concerned report of the risk management team and compiles in the minutes of the board meeting. The board monitors the compliance of the guidelines of Bangladesh Bank regarding key risk management.

c) Internal Control Management

The board is vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board establishes such an internal control system so that the internal audit process can be conducted independently from the management. It reviews the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

d) Human Resources Management and Development

Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules are framed and approved by the board. The chairman and the directors are in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer and punishment of the officers immediate two tiers below the CEO, however, rest upon the board. Such recruitment and promotion are carried out complying with the service rules i.e., policies for recruitment and promotion.

The board focuses its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board gets these programmes incorporated in its annual work plan. Moreover, the board promotes healthy code of conducts for developing a compliance culture.

e) Financial Management

The annual budget and the statutory financial statements are finalized with the approval of the board. The Board, at quarterly rests, reviews/monitors the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.

The board frames the policies and procedures for bank's purchase and procurement activities and accordingly approves the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures rests on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business are, however, adopted with the approval of the board.

The board reviews the Asset-Liability Committee (ALCO) and its' working according to Bangladesh Bank guidelines.

f) Appointment of Chief Executive Officer (CEO)

In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. Accordingly, the Board acts with the approval of the Bangladesh Bank.

Thanks and Gratitude

The Bank closed the year 2019 displaying substantial improvement in core areas of operation in terms of volume of business and net profit. This was possible due to the dedicated efforts of the employees of the Bank and sincere cooperation of all concerned. Above all, strong liquidity base, prudent fund and credit management, continued guidance and inspiration to the Management by the members of the Board immensely contributed to the overall development. The Board of Directors is indebted to the valued clients, shareholders, business associates, and numerous well-wishers at home and abroad for their continued support, patronage and trust they reposed on the Bank. The Board of Directors express gratitude and thanks to the Government of Bangladesh, Ministry of Finance, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange, Chittagong Stock Exchange and other regulatory bodies for their valuable guidance from time to time.

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

The Bank aspires to do better in future and with this expectation we place before the esteemed shareholders the accounts of the Bank for the year 2019 for approval.

On behalf of the Board of Directors,



Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G
Chairman

Report of the Audit Committee

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

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

Composition of Audit Committee

As per Corporate Governance Guideline of BSEC, the Committee has the following members:

Name	Status with Committee
Mr. Shahedul Islam	Chairman
Brig Gen Saleem Ahmed Khan, SGP, ndc, afwc, psc, te	Member
Mr. Arshad Jamal	Member

In compliance with BSEC's Notification, Mr. Shahedul Islam has been appointed as the Chairman of the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

Roles and Responsibilities of Audit Committee

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

a) Internal control

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

6. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors;
7. Monitor choice of accounting policies and principles, internal control risk management process, hiring of external auditors and its' performance;
8. When money is raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) / Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expense, working capital etc), on a quarterly basis ,as part of their quarterly declaration of financial results.Further,on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document /prospectus;
9. Review the Norms / Practices /Investigation on the current issue of trading of foreign currency;
10. Review the activities of any division/department/unit of Head Office and recommend to Board to set better layout/guideline for improvement.
11. Review CSR activities;
12. Review the financial statements, in particular the investments made by the subsidiary company.

b) Financial Reporting

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

c) Internal Audit

1. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restrictions or limitations hinders the internal audit process;
2. Review the efficiency and effectiveness of internal audit function;
3. Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

d) External Audit

1. Review the auditing performance of the external auditors and their audit reports;
2. Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not;
3. Make recommendations to the Board regarding the appointment of the external auditors.

e) Compliance with Existing Laws and Regulations

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

f) Other Responsibilities

1. Place compliance report before the Board on quarterly basis regarding regularization of the errors & omissions, fraud and forgeries and other irregularities as detected by the internal and external auditors and inspectors of regulatory authorities;

2. Perform other oversight functions as requested by the Board and evaluate the committee's own performance on a regular basis.

Meeting of the Committee

During the year 2019, eight (08) meetings were held. In these meetings Managing Director, Head of IC&C, Head of Credit Administration and Chief Financial Officer were invited to attend as and when the Committee required their presence. The committee had another meeting in 2019 to review the Auditors' Report and financial statements of 2018, wherein external auditors of the Bank were present.

Activities

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

1. Review and approval of annual audit plan of IC&C Division of Head Office;
2. Review of significant audit reports of different branches and divisions/departments of Head Office and compliance thereof submitted by Management.
3. Review the status of classified loans of the Bank;
4. Review the external auditors' report and their Management letter and compliance thereof;
5. Review management's actions in computerization of the bank and its applications and Management Information System (MIS) of the Bank;
6. Review of summary report containing reasons of high NPL of different branches of the Bank;
7. Review of overall functions of Credit Administration Division;
8. Review of report on loss incurring different branches of the Bank;
9. Review the summary report on Internal Audits of Branches & Divisions of Head Office.

Review of Financial Statements of 2019

The committee in its 92 (03/2020) meeting held on 24 June 2020 reviewed the annual financial statements for the year of 2019 wherein representative of external auditors were present. The external auditors expressed their opinion that they have observed much improvement in the quality of Bank's assets in their 1 year period. The representatives further opined that quality of Bank's financial reporting has also improved and assured the Audit Committee that the financial statements for the year 2019 prepared by the Management represent a true and fair view of the state of affairs of the Bank. The Audit Committee, therefore, recommended those for approval by the Board of Directors.

Financial Disclosures

As per the regulatory requirement of Bangladesh Securities and Exchange Commission (BSEC), Trust Bank has prepared and presented Quarter Ended Financial Statements. These statements are prepared in accordance with BAS (Bangladesh Accounting Standards). The statements are sent to Audit committee for review. After reviewing by the Audit Committee and approval by the Board, the statements are finally submitted to Bangladesh Securities and Exchange Commission (BSEC). Afterwards, the Quarter Ended Financial Statements are published in several daily newspapers. The statement is also published on the website of the bank.

Particulars	2019	2018	2019	2018	2019	2018	2019	2018
	01 Jan to 31 Dec	01 Jan to 31 Dec	01 Jan to 30 Sep	01 Jan to 30 Sep	01 Jan to 30 Jun	01 Jan to 30 Jun	Jan 01 to 31 Mar	Jan 01 to 31 Mar
	4th Qtr.	4th Qtr.	3rd Qtr.	3rd Qtr.	2nd Qtr.	2nd Qtr.	1st Qtr.	1st Qtr.
Balance Sheet								
Cash	19,455	15,738	20,643	15,754	23,604	18,671	20,149	17,294
Money at Call and on Short Notice	2,300	-	9,300	5,690	10,380	1,700	-	
Loans and Advances/Islami Banking Investments	212,836	199,205	204,479	188,467	205,607	188,214	206,718	191,942
Fixed Assets Including Premises, Furniture and Fixtures	1,937	586	506	650	562	680	566	712
Other Assets	3,916	3,169	5,911	5,068	5,068	4,467	4,225	4,369
Total Assets	296,453	261,076	291,131	254,172	289,508	252,927	264,489	243,520
Borrowings from Other Banks, Financial Institutions and Agents	19,776	20,917	19,500	14,494	20,184	15,380	22,616	17,704
Deposits and Other Accounts	241,822	212,535	239,595	213,208	237,834	212,138	212,535	199,145
Other Liabilities	19,576	14,403	17,161	14,081	17,183	13,451	15,695	13,720
Total Liabilities	281,174	247,855	276,256	241,782	275,201	240,969	250,846	230,569
Paid-Up Capital	6,127	5,570	6,127	5,570	6,127	5,570	5,570	5,570
Total Shareholders' Equity	15,279	13,222	14,875	12,389	14,307	11,958	13,643	12,951
Total Liabilities and Shareholders' Equity	296,453	261,076	291,131	254,172	289,508	252,927	264,489	243,520
Off- Balance Sheet Items	85,182	109,226	96,990	106,442	94,045	92,613	93,198	91,064
Profit And Loss Account								
Net Interest Income/Net Profit on Investments	6,282	6,258	5,083	4,602	3,709	3,069	1,752	1,563
Total Operating Income (A)	11,302	10,227	8,305	7,395	5,574	4,786	2,726	2,411
Total Operating Expenses (B)	4,074	3,850	2,907	2,830	1,923	1,828	936	867
Profit Before Provision (C=A-B)	7,228	6,377	5,398	4,565	3,651	2,958	1,790	1,544
Net Profit After Taxation	2,037	1,864	1,655	997	1,086	601	422	461
Earnings Per Share (Eps)	3.32	3.04	2.70	1.63	1.77	0.98	0.76	0.83



Shahedul Islam

Chairman, Audit Committee

Management Discussion and Analysis

The impressive growth of Gross Domestic Product (GDP) for the last couple of years helped the Banking Sector to begin the year 2019 with the hope of doing better in economic fronts. But, 2019 was a challenging year for the Banking Sector, impacted by a number of continued pressure points like lower domestic credit growth, stagnant private sector credit growth etc.

Despite these challenges throughout the year, Trust Bank continued its tireless efforts to improve the performance and ended a remarkable year.

Performance Highlights of Trust Bank (Consolidated)

Particulars	2019	2018	Growth (%)
Loans and Advances	212,835,603,597	199,205,496,253	6.84%
Deposits	241,822,025,112	212,535,034,422	13.78%
Interest Earning Assets	245,622,164,491	217,173,551,718	13.10%
Total Assets	296,452,837,831	261,076,400,126	13.55%
Total Shareholders' Equity	15,278,755,675	13,221,570,039	15.56%
Total Capital	26,767,290,915	24,673,124,418	8.49%
Tier-I (Core Capital)	15,079,615,915	13,059,626,222	15.47%
Retained Earnings	2,547,843,316	2,009,376,528	26.80%
Statutory Reserve	6,579,751,092	5,638,527,443	16.69%
Net Asset Value (NVA)	15,278,755,675	13,221,570,039	15.56%
Interest Income	19,755,964,324	17,467,596,665	13.10%
Net Interest Income	6,282,057,388	6,258,001,044	0.38%
Operating Income	11,302,398,976	10,227,041,427	10.51%
Operating Profit	7,228,572,453	6,376,584,965	13.36%
Profit before Tax	4,735,028,366	4,111,480,828	15.17%
Profit after Tax	2,036,656,647	1,863,825,369	9.27%
Earning Per Share (EPS)	3.32	3.04	9.21%

Review of Operations of Trust Bank Limited

Banking Operations of Trust Bank

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

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

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

- Supporting the units of the Bank on demand basis.
- Ensuring that the management system for operating risk complies with regulatory norms and legislative standards.
- Developing risk management tools.
- Separating authority and responsibility among Bank employees and establish Dual-Control Culture.
- Clear definition and communication of Policy.
- Periodic evaluations based on internal and external reports.
- Development of loss databases.

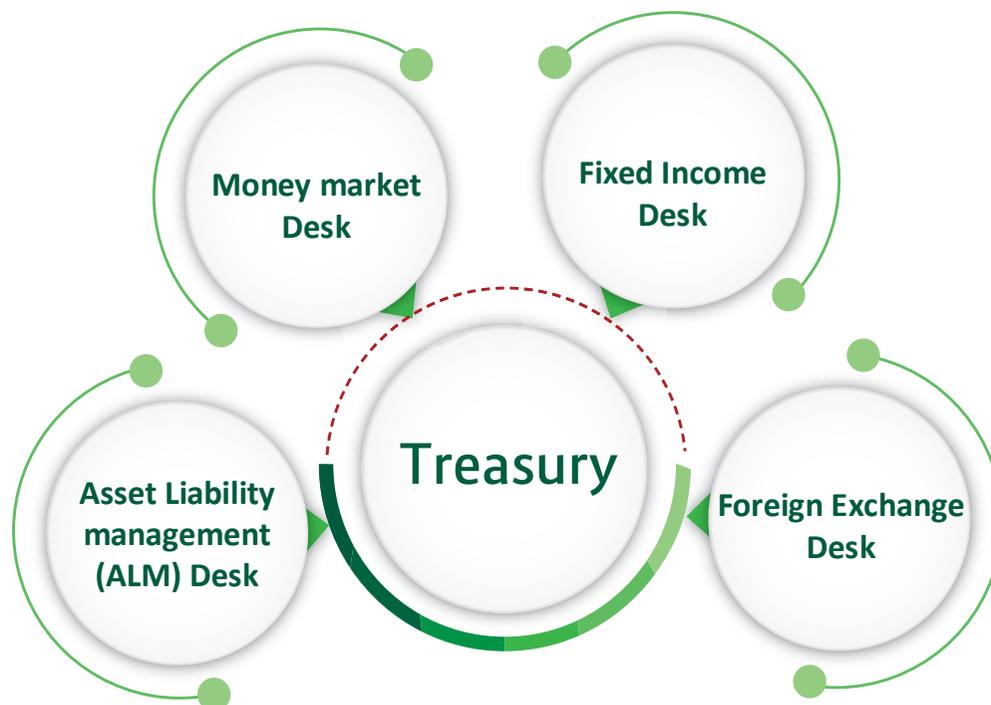
Trust Bank Treasury: What we do?

The function of Treasury is to optimize liquidity as well as capital of the Bank while administering the financial assets. Treasury is also responsible for making sound financial investments with the available fund while reducing financial risks by being responsible for measuring and monitoring all risks associated with the Bank's domestic and Foreign Exchange exposure, local and foreign currency liquidity, asset liability management and overall management of the Balance Sheet. Through its Asset Liability Management (ALM) and efficient trading operations, treasury strives to increase profitability of the bank by making proper assessment of the market and deploying its assets and liability in line with that market trend. Again nowadays, the Banking industry is constantly facing changes in technology, regulation and compliance, which as a result is ministering Treasury becoming a strategic business partner across all the areas of Banking Business. Trust Bank Treasury is also not an exception. Over the last couple of years Trust Bank Treasury has been performing very well despite of the adversaries and economic turmoil globally as well as within the country.

Trust Bank Treasury primarily focuses on the followings:

- ✓ Expanding transaction volume
- ✓ Utilizing different market opportunities within all risk and regulatory limits
- ✓ Strengthening ALM operations
- ✓ Creating a diversified fund management channel
- ✓ Minimizing market, liquidity and interest rate risks
- ✓ Enhancing profitability

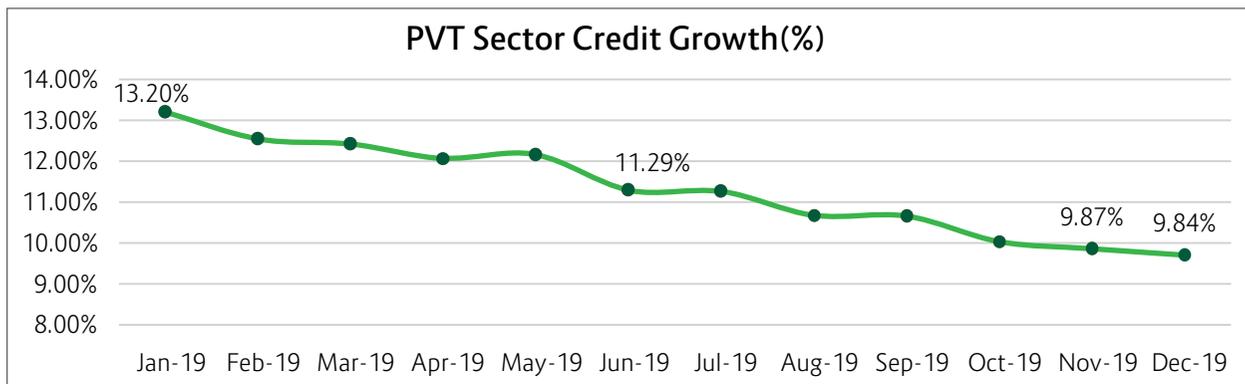
Trust Bank Treasury has the following desks through which it offers a complete and well diversified package of Treasury solution to its customers both in the interbank and corporate market.



Trust bank Treasury Desks

How was 2019?

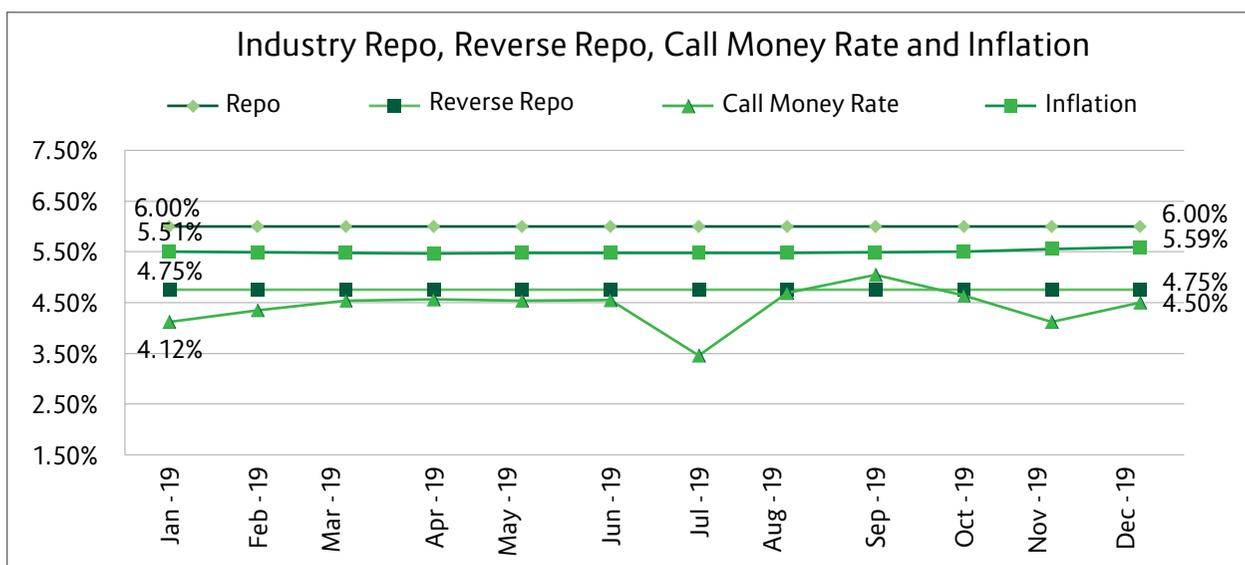
In the year 2019 the overall business environment observed in the country was quite calm. But due to geo political situation as well as the present regulatory framework Banks were very cautious about investment at the later part of the year which was witnessed through decline in growth of private sector credit.



Private Sector Credit Growth (%) in 2019

However, in 2019 the Local Money Market was more or less liquid throughout the year. This was mainly due to lack of Govt. borrowing from the Banking Sector. Deficit budget financing shifted from market-based tools (bank loans and government securities) to non-marketable instruments, e.g., National Savings Certificates (NSCs). Such large scale recourse to non-marketable borrowing is creating an environment that is stifling development of different markets like bond, pension fund, mutual fund, group insurance fund and so forth. In this situation, to support country's economic growth, Bangladesh Bank took several steps under inclusive banking specially credit accessibility for agricultural as well as small and medium enterprises (SME), empowerment of women, green banking, modernization of financial sector, mobile banking, e-commerce, export promotion and liberalizing foreign exchange transaction. All these steps along with the prudent monetary policy adopted by Bangladesh Bank ensured steady economic growth in 2019 while containing inflation within 5.59%.

Policy rate, Call Money Rate and Inflation:



Industry Repo, Reverse Repo, Call Money Rate and Inflation Scenario in 2019

Outlook of 2020

The GDP is expected to grow by 8.00% in FY2020 due to robust private consumption expenditure with higher remittances, accommodative policy on private sector credit, ongoing reform to improve the cost of doing business including the establishment of a one-stop service for private investment, and stepped up budget spending, especially to develop infrastructure. Agriculture is expected to edge up to 3.8% growth in FY2020 as government policy improves farm prices. Industry growth is expected to stay high at 12.5% with domestic demand continuing to be powered by remittances and the central bank promoting investment in productive pursuits. Services are expected to grow by 6.4%, supported by sustained growth in agriculture and industry. Inflation is forecast to accelerate to 5.8% in FY2020, on upward adjustments to domestic natural gas rates, higher prices for goods and services as value-added tax (VAT) coverage expands and taka depreciation as demand rises for foreign exchange.

Central bank monetary policy will continue to be accommodative in FY2020 to support the government's target for growth but without breaching the 5.5% cap on inflation. The central bank will adjust its sector-specific financing support policies and programs as needed. With money and foreign exchange markets poised to improve liquidity conditions and with the economy running at full steam, the central bank made no changes in its monetary policy statement for FY2020 to its main policy interest rates, cash reserve requirement or statutory liquidity ratio. It will handle liquidity stress at weak banks case by case. To make monetary policy transmission more efficient, the central bank is continuing preparations for adopting a monetary policy regime based on a policy interest rate. The FY2020 budget sustains an expansionary approach. To finance a bigger annual development program, the government aims to raise revenue collection to the equivalent of 13.1% of GDP and increase spending to 18.1%. The budget deficit is targeted equal to 5.0% of GDP, with 53.0% financed domestically. To further reduce reliance on national saving certificates as begun in FY2019, 61% of domestic financing is anticipated from banks and only 39% from saving certificates.

Despite global economic slowing, export growth is expected to be strong at 10.0% in FY2020 as Bangladesh benefits from trade redirection caused by US-PRC trade tensions. Exports to newly penetrated markets are expected to rise further. Exports should benefit as well from government efforts to improve the investment climate by reducing the cost of doing business. Imports are expected to grow by 9.0% in FY2020 substantially higher than in FY2019 as the implementation of large infrastructure projects picks up and boosts imports of capital machineries and industrial raw materials. Liquefied natural gas will become a sizeable new import with the installation of two floating storage and regasification units. Food imports will continue to be subdued, assuming a good crop harvest and with the revival of an import duty on rice. Growth in remittance inflows is likely to slow to 9.0% in FY2020 as fewer people take jobs overseas. While import growth picks up, continued strong expansion in exports will broadly stabilize the trade deficit. As remittances will still be sizable, the current account deficit is projected to edge up slightly in FY2020 to equal 1.8% of GDP. With import payments exceeding export receipts, some pressure on foreign exchange reserves will continue, causing them to fall moderately.

Forecasts for FY2020 are Based on Several Assumptions

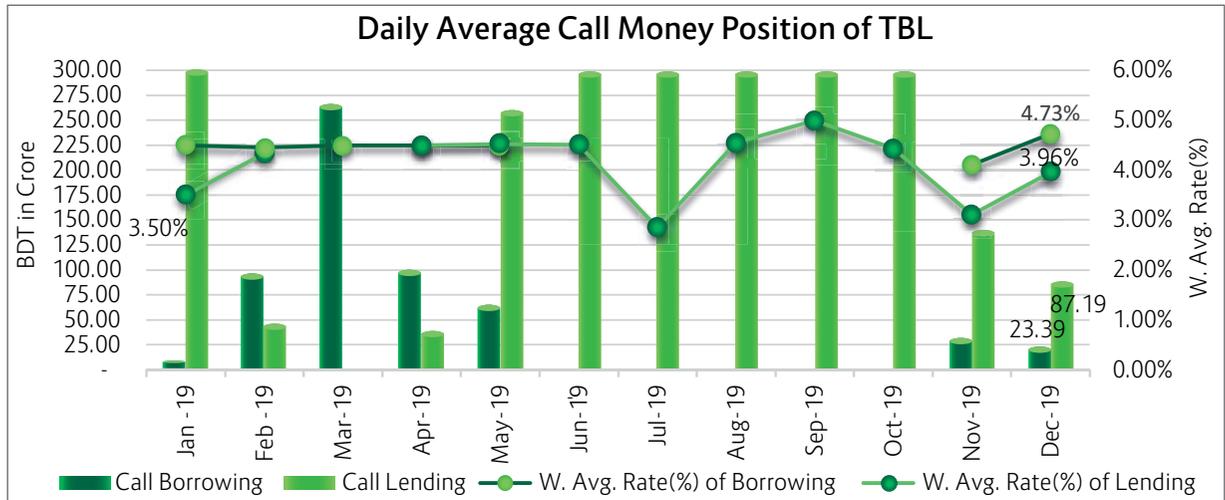
The current account deficit may deteriorate further if policies to rein in import demand do not succeed. Failure to boost revenues and tap foreign financing could unduly limit spending on needed infrastructure. Finally, climate and disaster resilience and whether remains a risk.

Treasury Performance in 2019

In the year 2019, Treasury achieved all of its KPIs successfully.

Money Market Desk

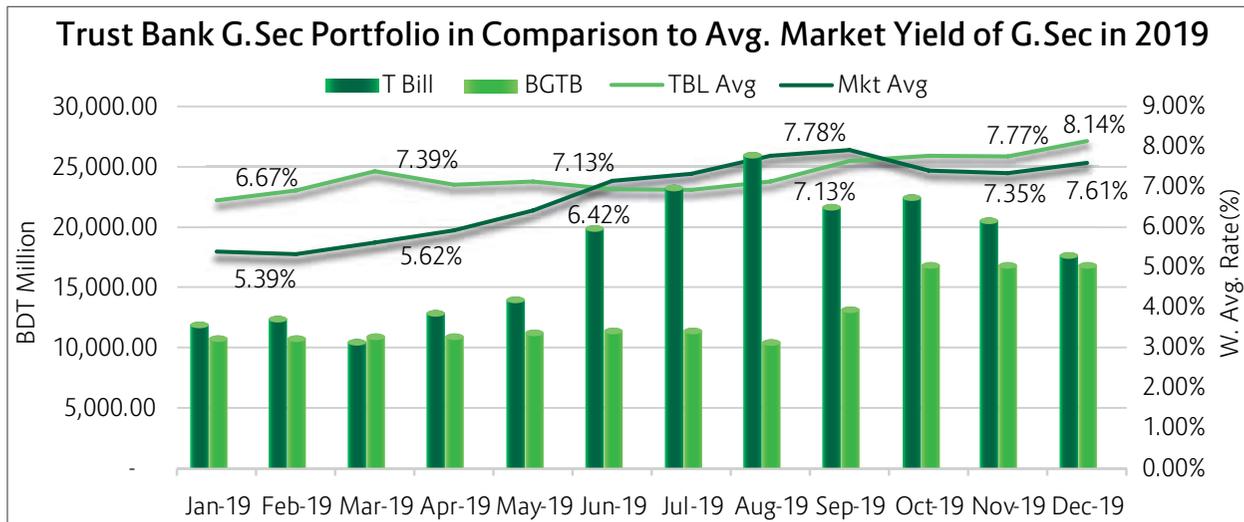
Over most of the period of 2019 the interbank money market experienced a liquid scenario. The number of days when money market felt a bit stretched was very limited. This happened due to accommodative monetary policy stance that was adopted by Bangladesh Bank. Call money rate hovered around 3.00% - 5.50% throughout the year 2019. The revenue generated by MM Desk in 2019 was BDT 315.18 million compared to BDT 270.32 million of 2018.



Daily Average Call Money Position of TBL in 2019

Fixed Income Desk

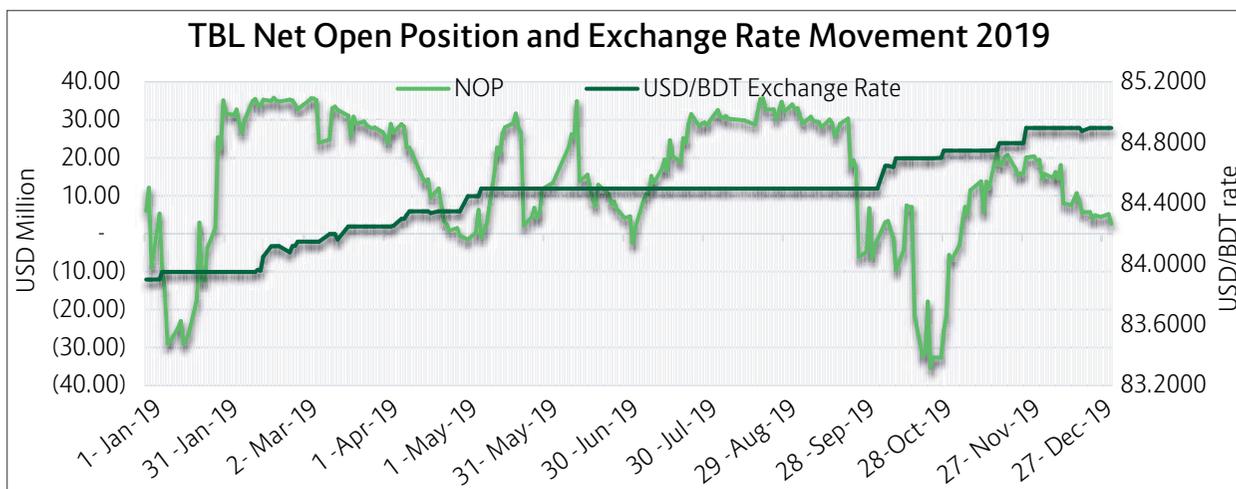
Fixed Income desk is mainly responsible for investment in Government Securities (G. Sec) and other investment. The Government Securities portfolio of Trust Bank Limited as of 31 December 2019 was BDT 34,913.50 million. Trust Bank also had other investment portfolio of BDT 4,128 million at the end of 2019.



Trust Bank G.Sec portfolio in Comparison to Avg. Market Yield of G.Sec in 2019

Foreign Exchange Desk

In FX market, Interbank Foreign Exchange rate was quite volatile and illiquid all through the year 2019. USD appreciated against BDT and stood at 84.95 level as of 31 December 2019 which was 83.90 at the very beginning of 2019. In 2019, FX Desk generated BDT 605.10 million as Exchange Gain in comparison to BDT 475.10 million of 2018.



TBL Net Open Position and Exchange Rate Movement in 2019

Asset Liability Management (ALM) Desk

Asset Liability Management (ALM) is an integral part of Bank Management. Head of Treasury is the member secretary of ALCO. Through ALM our Bank mainly aims to achieve the following objectives:

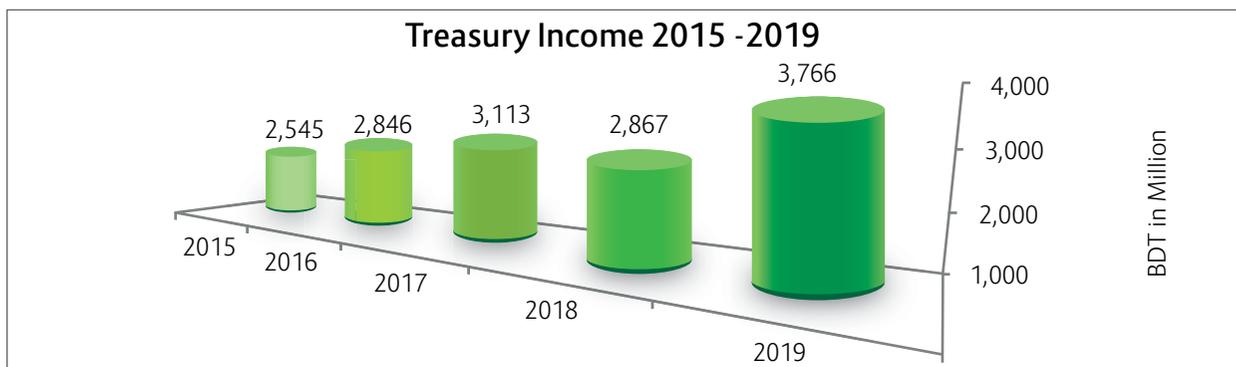
- Growth in assets and liabilities
- Containment of risk in a coherent manner
- Stability and consistency in earnings and
- Profitability

ALM desk, through its own market research and market intelligence presented the market outlook throughout the year, that gave an explicit idea about the market liquidity for availing market opportunities for loans and advances, investments as well as for fund deployment in alternative forms. Throughout 2019, the desk helped in pricing the products of both assets and liabilities to gain the competitive advantage from the market movement. It also presented the bank's overall financial position in front of the ALCO members to formulate an effective investment and fund management strategy for the bank.

In 2019, Treasury operated within all regulatory limits. There was no single instance where Treasury violated any regulatory limit which reflects Trust Bank Treasury's commitment to operate within the rules and regulations of the Bank as well as other regulatory bodies.

Treasury Income in 2019

Treasury, as a major contributor to bank's revenue line, contributed significantly in 2019. Overall Treasury revenue numbers in 2019 from different revenue heads are given below with a comparison of 2018, 2017, 2016 and 2015 to show the growth in its business horizon and revenue line.



Treasury Income from 2015 to 2019.

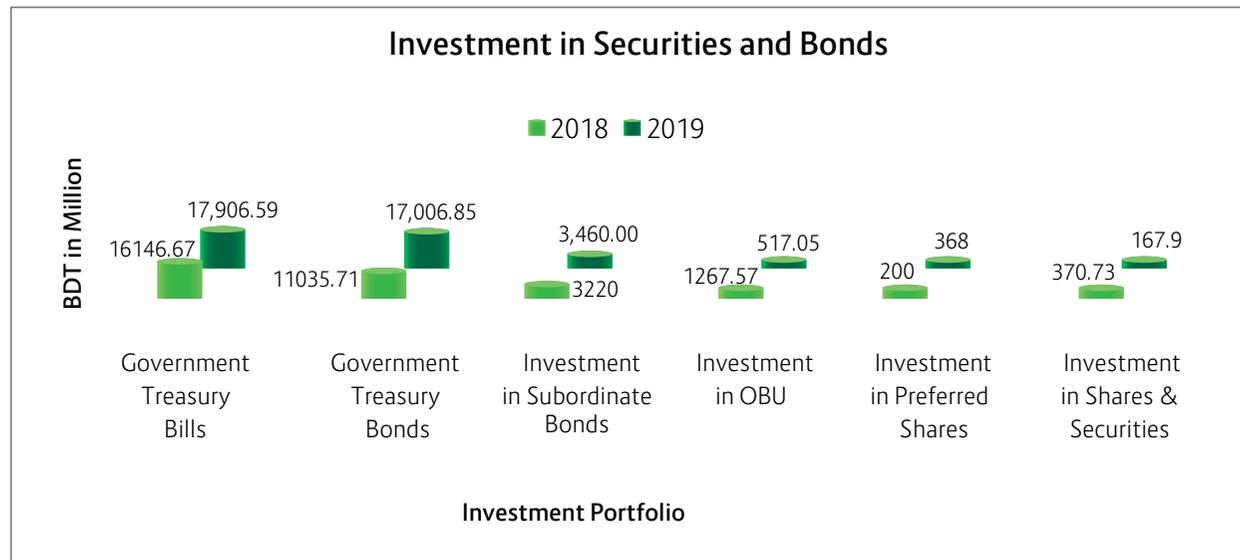
Treasury Priorities in 2020

- √ Maximizing Treasury Portfolio return through exploring existing and new areas of business
- √ Emphasizing on developing market research expertise under ALM Desk
- √ Strengthening Foreign Exchange corporate sales desk
- √ Emphasizing on cross currency trading desk
- √ Strengthening relationship with all counterparts (both Interbank and Corporate)
- √ Managing Balance sheet in the most efficient way
- √ Special Emphasize for building awareness among corporate customers regarding hedging and its benefits
- √ Updating the policies related to treasury in line the changed/modified/amended policies as endorsed by Bangladesh Bank from time to time
- √ Organizing knowledge sharing programs e.g. Trainings, Seminars on Treasury and Market Risk Management

Trade Financing

The investment banking continued to generate profits during the year 2019, in spite of the challenging environment in the fixed income market. The group has also contributed to the structural development of the market by participating in transactions of different products.

Value of investments in government securities and investment as placement in private bonds of our bank as on 31 December 2019 has been enumerated as follows:



Investment in government securities and investment as placement in private bonds of Trust Bank Limited Investment income representing interest earned from investment in Treasury Bills, Bangladesh Bank Bills, Treasury Bonds, placement in subordinate bonds, Call Lending and FDR Placement, Exchange Gain on Foreign Currency etc. has been enumerated as follows:

SL	Items	BDT in Million
1	Exchange Gain on Foreign Currencies	585.86
2	Government Treasury Bills	893.03
3	Treasury Bond HTM	1,544.89
4	Interest From Investment in FDR	136.29
4	Money at Call and FDR	129.02
5	Subordinated Bond	329.96
6	Interest From Nostro Accounts	16.06
7	Misc. Commission Forex	15.06
8	Interest From BB FC Clearing A/c	34.24
7	Income From Commercial Paper	44.85
8	Dividend From Investment in Shares	24.23
9	Income From Sale of Shares	14.75
10	Interest Income from Short Notice Lending	63.95
Total Income		3,832.19

Income from Investments in 2019

Trade Services

Trust Bank has registered firm growth in Foreign Trade business. During the year 2019, one of our core priorities to combine the revenue mix was non-funded business in the trade market. Moreover, the dedicated Trade Development Team was also recognized to provide a greater force to the trade business and to provide instant services to the growing customers' requirement. Trade finance faced elevated demand from the rising domestic economy. Import and supply chain services registered higher growth in various industry segments.

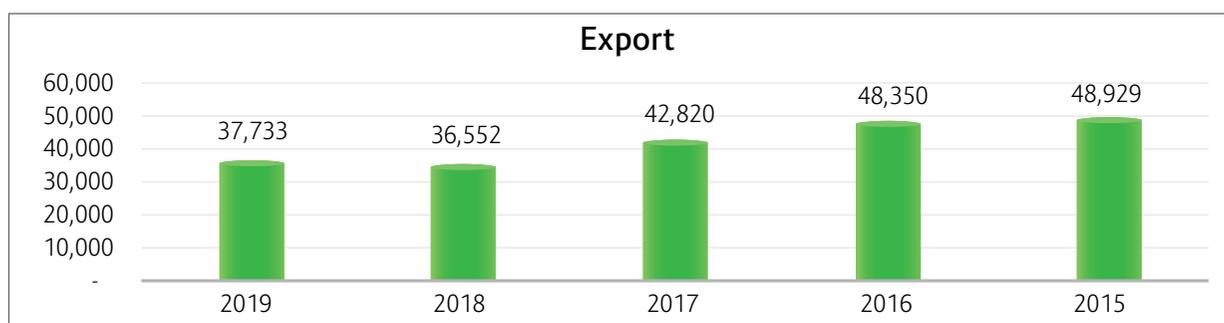
Trade Finance offers a wide range of services that can be tailored to meet the different needs of buyers and sellers (Importers and Exporters). Our range of resources and level of expertise in the various trading sectors and documentary credit specialists enables us to offer unrivalled services to all our customers - whether they are manufacturers, traders, suppliers, importers or exporters. The Bank has exhibited quality financing while facilitating total import and export business transacted during the 2019 for BDT 66,079 million and BDT 37,733 million respectively.

Correspondent Banking Service

Trade Services Division of the Bank always tries to improve and expand foreign correspondence relationship to smooth the progress of International trade business of the Bank. This has enabled the Bank to be placed to facilitate trade flows through our global network with Relationship Management Applications (RMA) with 331 numbers of reputed foreign banks and their branches covering 54 countries across the world. For smooth operation of the foreign exchange transactions, Bank is operating 23 Nostro Accounts in 7 major currencies with internationally reputed banks across the globe.

Export:

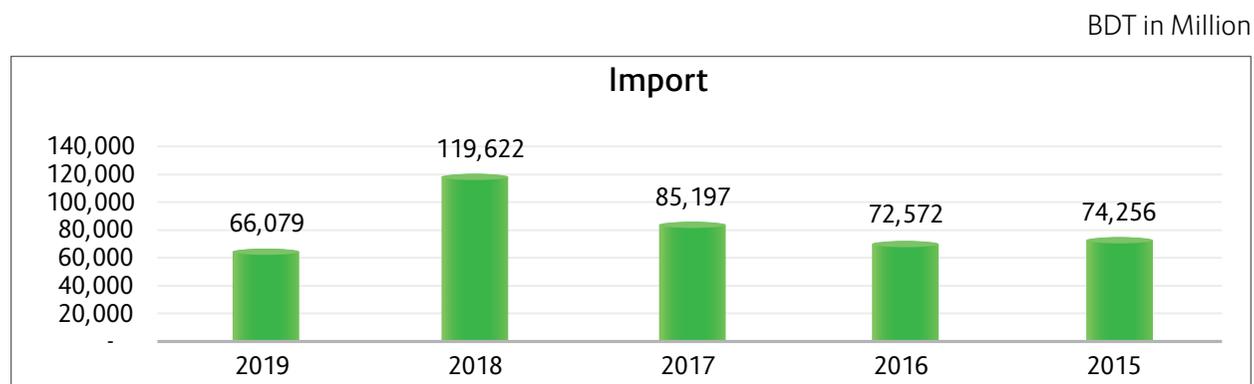
BDT in Million



Export Amount from 2015-2019

The cumulative achievement of the export earning stands BDT 37,733 million at the end of 2019. The export items were RMG, Shrimp and frozen fishes, Jute and Jute goods, Finished leathers and leather goods, Ceramics, Handicrafts, Pharmaceuticals, Food items, etc.

Import



Import Income from 2015-2019

The cumulative import expenditure of 2019 stands BDT 66,079 million. The main imported items were capital machineries, industrial machineries, industrial raw materials, foods grains and other consumer products.

Centralized Trade Processing Unit (CTPU)

Centralized Trade Processing Unit (CTPU) is operating under Trader Services Division located at Head Office, Shadhinata Tower, (Level-8) Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206. The unit is operated with a team of dedicated bankers who are well conversant in International Trade and Foreign Exchange Business. CTPU started its journey from 14 March 2019 by taking over the trade related transactions of 04 Non-AD Branches. Remaining Non-AD branches transactions came under the purview of CTPU with effect from 01 June 2019. Later on CTPU took over the foreign trade transactions of 'Elephant Road Branch' (AD Branch) with effect from 03 November 2019. At present import, export, guarantee and remittance related functions of all 95 Non AD Branches and 01 AD branch is done through CTPU. CTPU will take over the foreign trade transactions of remaining AD branches in phases.

At the close of business on 31 December 2019 Centralized Trade Processing Unit (CTPU) processed the following business:

Particulars	BDT in Million
Import	2,698.69
Export	366.94
Inward Remittance	308.30
Outward Remittance	107.44
Guarantee	26.56

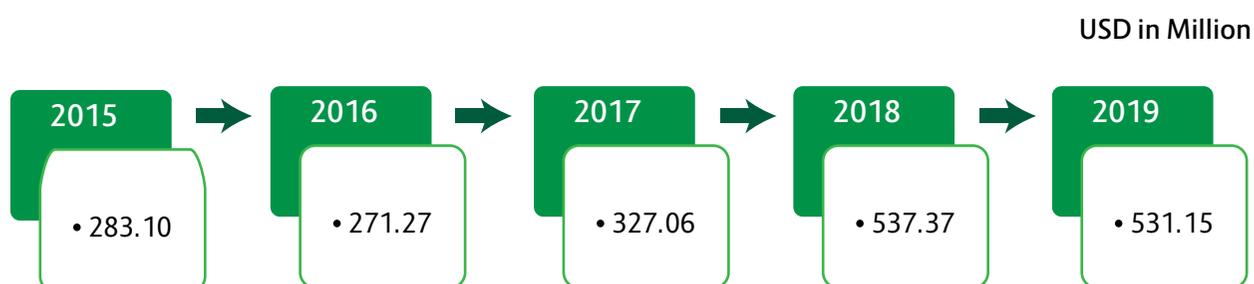
Performance of CTPU in 2019

Foreign Remittance

The glorious journey of manpower export and inflow of Foreign Remittance in Bangladesh started at the early days of our independence. Remittances have already been emerged as a prime driving force to the economic growth and poverty alleviation in Bangladesh. Mobilizing remittance as a source of foreign currency is pivotal for any bank as it contributes in lessening the bank's dependency on inter-bank market for payment of import bills. Trust Bank Limited has always taken timely initiatives to explore the world wide green fields of Foreign Remittance.

In 2019 Trust Bank received Inward Foreign Remittance of USD 531.15 million.

Since inception, Trust Bank Limited is very much focused on NRB related issues and routing Foreign Remittance through legal channel. It reflects the positive gesture of Bank's Management and hard work that we put altogether to bring the hard earned foreign currency of the NRBs to the doorstep of their families and relatives. Year-wise remittance inflow at a glance is furnished below:



Year-wise remittance inflow

Offshore Banking

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

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

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

For the year ended 31 December 2019 business position of TBL, OBU is as follows:

Business area	USD in Million	BDT in Million
Total Deposits & Borrowings	35.24	2,991.88
Total Loans & Advances	35.07	2,977.44
Profit - OBU	0.42	35.66

Performance of OBU in 2019

Trust Islamic Banking

Islamic Banking

Islam is not mere religion but a 'deen', meaning 'the way of life'. It touches upon the material as well as spiritual dimensions of human existence. Allah (SWT) emphasized the completeness of Islam in the following Quranic verse; "This day I have perfected your religion for you, complete My blessing on you and approve Islam as the way of life for you" (Al-Maidah: 3)

Islam demands all economic activities including banking should run in accordance with the Islamic Shariah i.e. prohibition of interest from all transactions and dealing in businesses that are allowed (halal) in Shariah. Islamic Banking has potential for earthly returns (earning profit) as well as reward in the Divine world (benefit in hereafter) by abiding the instructions of the Almighty Allah.

To ensure compliance of shariah guidelines, Islamic banking practices a strong documentary record keeping system eliminating all vagueness regarding business and responsibilities of the parties involved.

Trust Bank is presently carrying out its Islamic banking operations through the following 15 (fifteen) Islamic banking windows of which 10 (ten) new Islamic banking windows opened in the year 2019 with the Brand name Trust Islamic Banking (TIB):

Islamic Banking Windows (Area-Wise) of Trust Islamic Banking

□ Dhaka ■ Bogura ■ Cumilla ■ Chattogram ■ Rangpur ■ Sylhet ■ Khulna

Dhaka	Chattogram	Cumilla	Rangpur
Principal Branch Dhanmondi Branch Gulshan Corporate Branch Dilkusha Corporate Branch Millenium Coporate Branch Uttara Coporate Branch Mirpur Branch Kawran Bazar Branch	Chittagong Cantonment Branch CDA Avenue Branch	Comilla Cantonment Branch	Rangpur Cantonment Branch
		Sylhet	Khulna
	Bogura	Sylhet Corporate Branch	Khulna Branch
	Bogra Cantonment Branch		

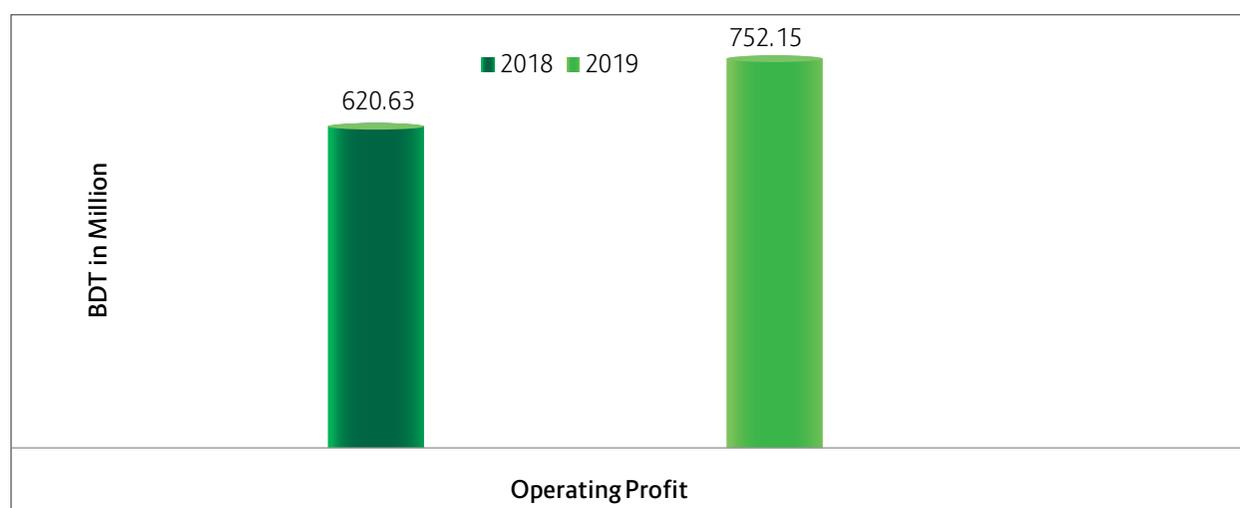
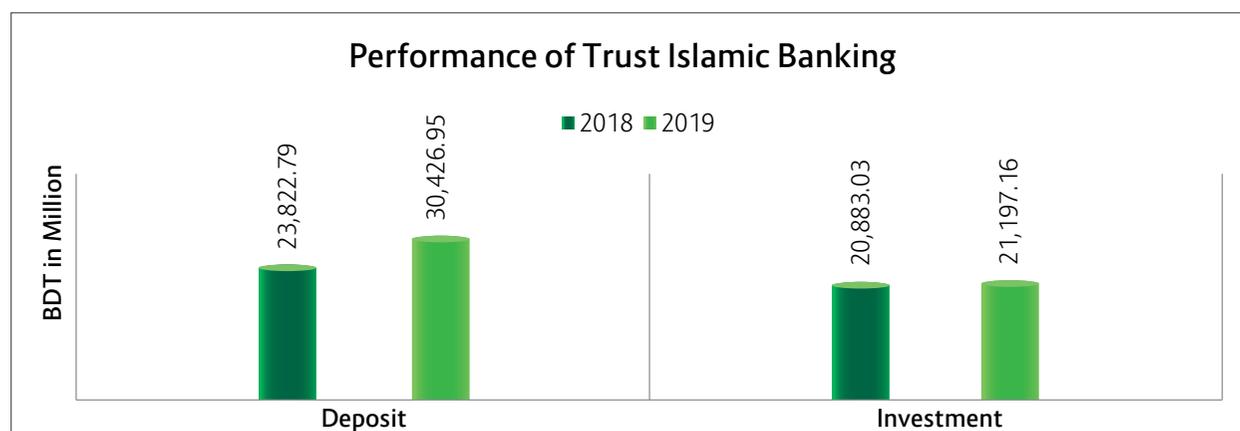
Islamic Banking Windows (Area-Wise) of Trust Islamic Banking

Besides the 15 (Fifteen) windows, all TBL branches can provide Islamic banking services through on-line banking system.

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

- Completely Separate Fund management-no mingling of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit and Loss Account by Islamic banking module of Bank's CBS.
- TIB has a distinguished Shariah Supervisory Committee (SSC) for guidance on Shariah related issues
- Profit sharing ratio (Depositor: Bank) is 65:35 for the year 2019.
- Profit distributions are executed as per approved weightage table.

Deposit and Investment



Performance of Trust Islamic Banking

The entire operations of TIB are closely monitored and supervised by a knowledgeable and committed team in Islamic Banking and finance to ensure compliance, development and growth of TIB business. TIB offers the full range deposit and investment products and services for corporate, retail and SME sectors.

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

Retail Banking

Retail Banking sector is one of the main sources for generating flow of funds from disposable income held in the hands of the mass. Retail Banking has grown to its capacity and potential in terms of technology, human resources, product quality and business process. Considering its scope of growth and continuous success in tapping new market segments, TBL Retail Banking segment offers comprehensive and diverse range of retail products across deposits, loans, payments and is committed to provide enhanced and everlasting customer relationship. In this connection, Retail Banking did a marvelous job in deposit acquisition that helped the bank to meet regulatory requirements keeping sufficient fund for investment.

Some noteworthy initiatives of 2019 were:

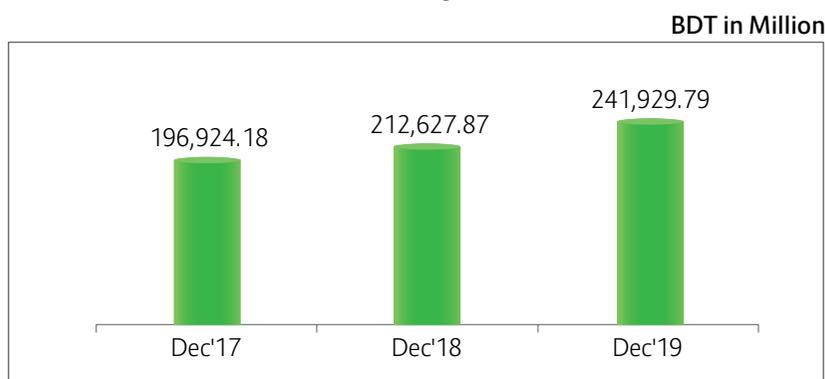
The number of banks currently operating in Bangladesh can be considered high given the size of the economy. This has intensified the competition, where product innovation and excellence in providing services are building blocks for retail banking success.

- CASA mix in the deposit portfolio was increased;
- Realigning the Retail asset products features;
- With different partners for specialized privileges for TBL customers through Trust Youniverse;
- Achieved a milestone in Financial inclusion through School Banking campaign all over Bangladesh;

Our performance in Retail Banking

Retail Deposit

Our deposits witnessed the highest growth in the history of TBL in 2019; The deposit stood at BDT 241,929.79 million. This achievement looks even more impressive that, retail customers avail products suitable for individual needs - deposit products like Savings, Fixed, Current, monthly deposit etc. Banks total liability growth was about 14.39%. CASA account growth was 6.08%.



Deposit trend of Trust Bank Limited for last 3 years

Retail Asset

Retail loan products entail loans and advances that cater to individual needs such as home loan for financing purchase, construction or renovation of houses, auto loan for buying cars and personal loans for any personal purpose. The core objective of TBL Retail Banking is to maintain a robust, resilient and environmentally sustainable banking by delivering superior value propositions to the clients. This will continue through using customer analytics to drive contextual experiences, enhanced customer satisfaction, investment in innovation and services for ultimate customer experience.

Retail credit registered a steady growth in 2019. Among all retail loans, Home Loan was the prime contributor of the total loan disbursement pie. Following the trend of industry TBL also extended their asset business with fierce marketing and disbursed BDT 5,882.15 million of Retail loans and the loan outstanding became BDT 36,271.29 million.

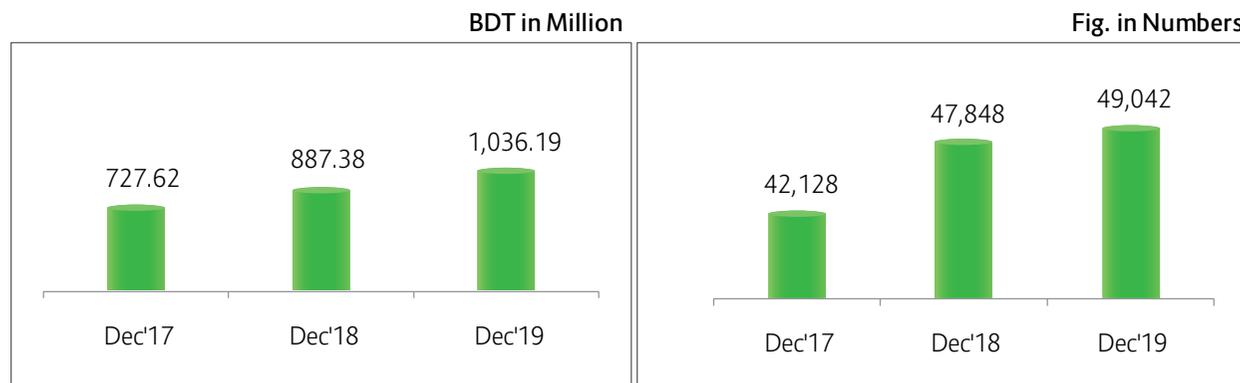
New Products and Propositions

- During the year 2019 Retail Banking launched various new asset products such 'Secured EMI Repayment Loan', 'Trust Prerona' - financing for Spouse and unmarried daughters of JCO, NCO and ORs of Bangladesh Army' and 'Motor Cycle Loan for JCO, NCO and ORs of Bangladesh Army' to cater wide range of versatile customer all-over the country.
- Upgrade the features of existing asset products to fulfill the requirement of the customer as well as realignment with the market competitors.
- Partnership with Bangladesh House Building Finance Corporation regarding Home Loan facility for the Government Employees.
- Partnership with Ace Autos (Pvt.) Limited - distributor of most influential Chinese SUV motor vehicle named 'Haval' with special privileges for our Car Loan customers.

Payroll Banking

Payroll Banking services are targeted towards facilitating employee payroll accounts for companies.

These accounts are given special benefits and services so that account holders can carry out their banking transactions conveniently. 16.75% of growth recorded than the previous year.



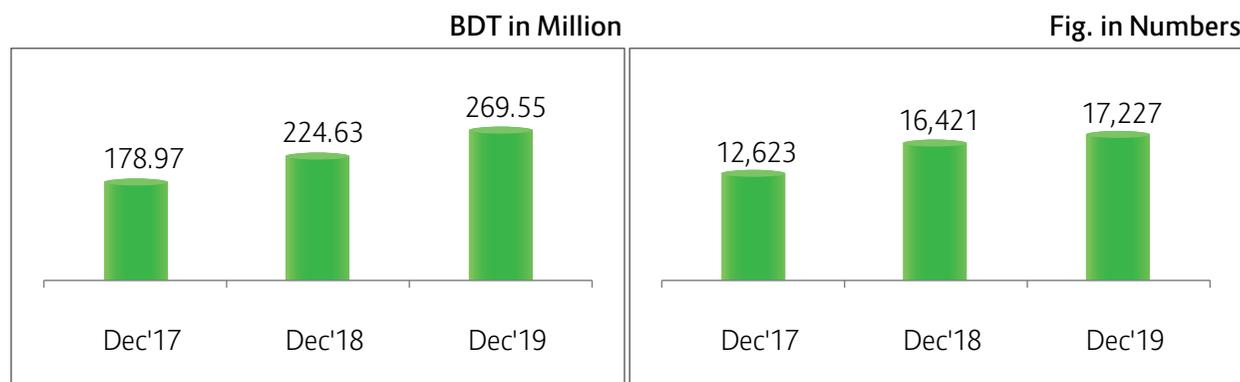
Payroll Deposit trend of last 3 year

Payroll Account numbers trend of last 3 year

Financial Inclusion and Literacy

Financial Literacy gives the twin benefit of protecting from financial fraud as well as planning for financially secured future. Through this point of view, TBL arranged 'School Banking Campaign' throughout the country with collaboration of Bangladesh Bank. In this consequence Trust Bank Limited was selected as Lead Bank at Lalmonirhat District, where 16 local banks and same numbers of local school with around 250 students participated. Beside this program, TBL had also participated school banking campaign at 23 (Twenty Three) districts under arrangement of several banks.

Total deposit stands with this segment through Trust Porua, Trust Jhinuk and Trust Shohopathi is BDT269 million along with 17,227 nos. of accounts.



School Banking Deposit trend of last 3 years

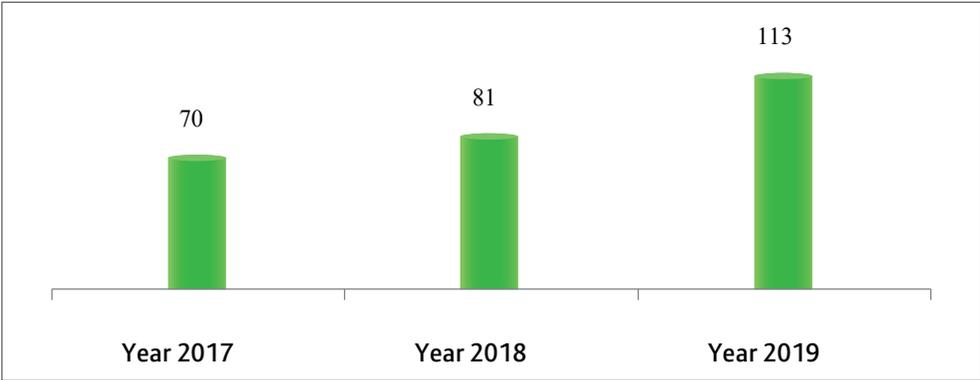
School Banking Account numbers trend of last 3 year

Trust Youniverse and Loyalty

Among the many initiatives designed to provide advanced customer experience, Retail Banking continued its endeavor to add value for the clients by maintaining relationship with different organizations.

The customer value proposition has further been enhanced through a number of new loyalty alliances (EMI and discount facility) with different partners for specialized privileges for Trust Youniverse customers which include local and international brands like Unilever Bangladesh, Lakeshore Hotel, BRB Hospitals, Fair Electronics, Daraz Bangladesh, Rangs Electronics, Jamuna Electronics and Automobiles, Walton etc., which were highly appreciated by its valued Customers that in turn helped enhancing Trust Bank's brand recognition and value.

Fig. in Numbers



Loyalty partners trend of last 03 years

Among the many initiatives designed to provide advanced customer experience, Retail Banking continued its endeavor to add value for the clients by maintaining relationship with different organizations.

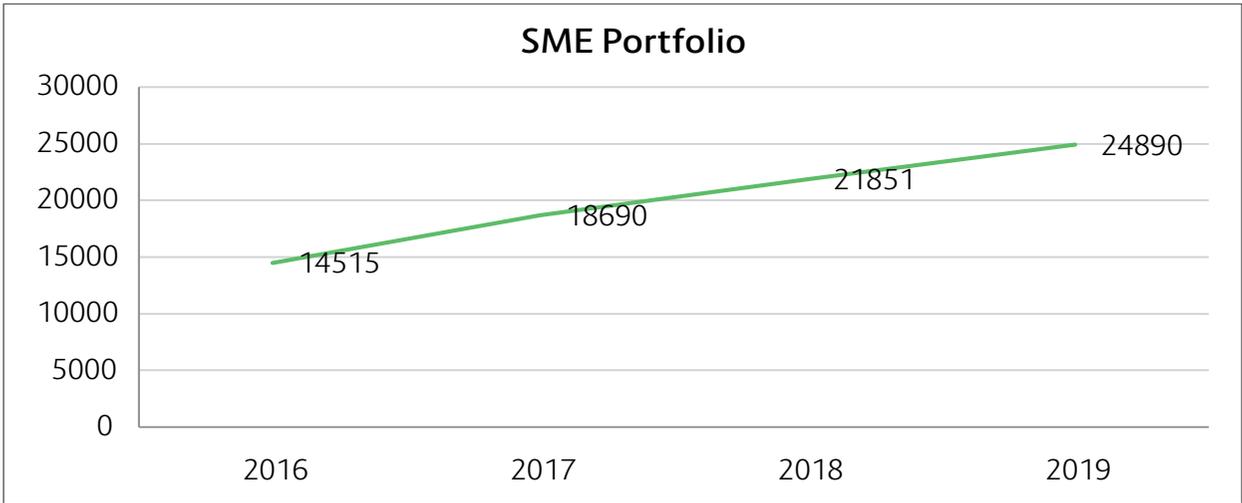
SME Banking

Cottage Micro, Small and Medium Enterprises (CMSME), are popularly known as (SME) is one of the effective strategies to achieve a sustainable economic growth in Bangladesh. It is significant in terms of employment generation, poverty reduction and contribution to GDP. Trust Bank Limited is always in the forefront to participate in the different economic activities of the country. TBL has taken SME financing as its Business Model to achieve the financial inclusion objective. In view of that, a separate department namely 'SME and Agriculture Division' was established in 2009. The division has now been more structured and matured. It consists of SME Business Unit, Credit Risk Management Unit, Product Development Unit, Monitoring Unit and Women Entrepreneur Development Unit.

Growth of SME Financing

SME loan portfolio of Trust Bank is growing consistently over the years. Last four years SME loan growth is depicted as below:

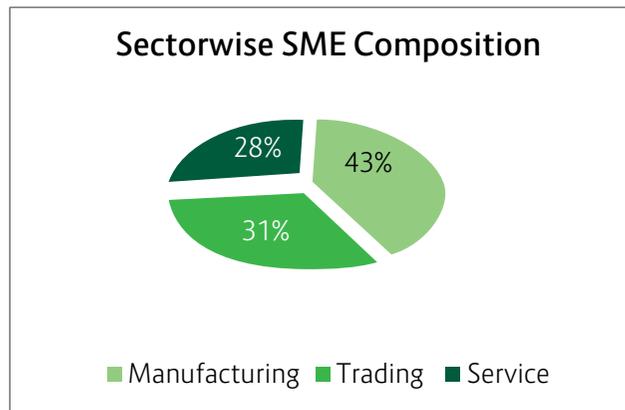
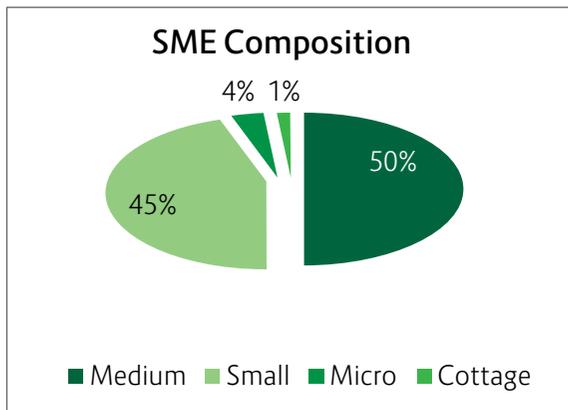
BDT in Million



SME Portfolio of Trust Bank Limited from 2016 to 2019.

Composition of SME Portfolio

Segment-wise as well as sector-wise composition:



Segment-wise performance of TBL with Bangladesh Bank:

BDT in Million

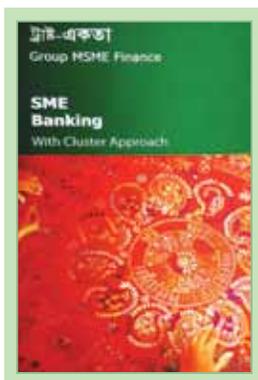
Segment	Target in 2019	Achievement	Percentage of achievement
SME	17000.00	18620	109.53%
Cottage, Micro & Small	8500.00	10108.80	118.92%
Medium	8500.00	8511.30	100.13%



Trust Bank SME and Agriculture Division participated in the 'SME Women Entrepreneur Conference and Product Fair 2019' held on 08 March 2019 at Bangladesh Shishu Academy, Dhaka.

SME Products and Services

TBL has 12 number of tailored made SME products to cater the demand of different customer segments covering different geographical areas in the country. Some of the popular products of TBL are highlighted as below:



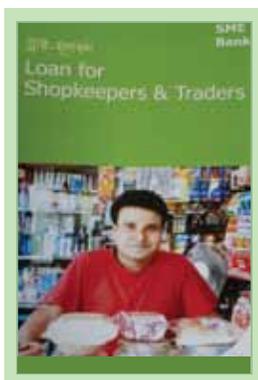
Trust-Ekota

- Group CMSME area and cluster finance.
- Credit facility for a group up to BDT 3.00 Lac.
- Term loan for maximum 30 months.
- No mortgage is required.
- Easy documentation.



Trust-Nondini

- Loan for Women Entrepreneurs.
- Term Loan and Working Capital Finance.
- Loan facility up to BDT 1.50 Crore.
- Single digit interest rate.
- Collateral free up to BDT 25.00 Lac.
- Easy documentation.



Trust-Muldhon

- Loan for Shopkeepers and Traders.
- Term Loan and Working Capital Finance.
- Loan facility up to BDT 5.00 Crore.
- Grace period facility.
- Collateral free up to BDT 10.00 Lac.
- Easy documentation.



Trust-Shufola

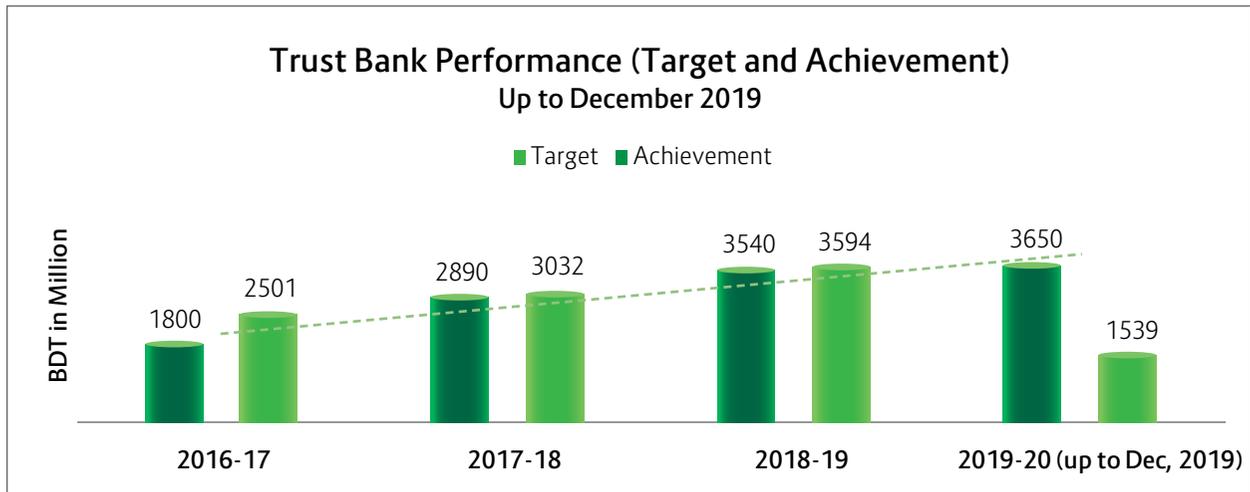
- SME loans for rural entrepreneurs.
- Loan facility for Biogas plant, Solar system, Fisheries, Poultry and Livestock, Agro based product processing.
- Term Loan and Working Capital Finance.
- Single digit interest rate under agricultural credit.
- Easy documentation.

Agriculture Financing

Although industrialization has become the main economic pillar, agriculture remains the lifeblood for the economy of Bangladesh. Agriculture has been functioning in Bangladesh since long as a catalyst for sustainable development and growth of the country. However, in spite of having many prospects of agriculture sector, some challenges are still present there. In order to address the challenges, a number of collaborative and coordinated actions are required to be initiated. One of such notable initiative taken by Central Bank is introduction of mandatory agriculture policy for the Banks.

TBL performance with Bangladesh Bank:

BDT in Million



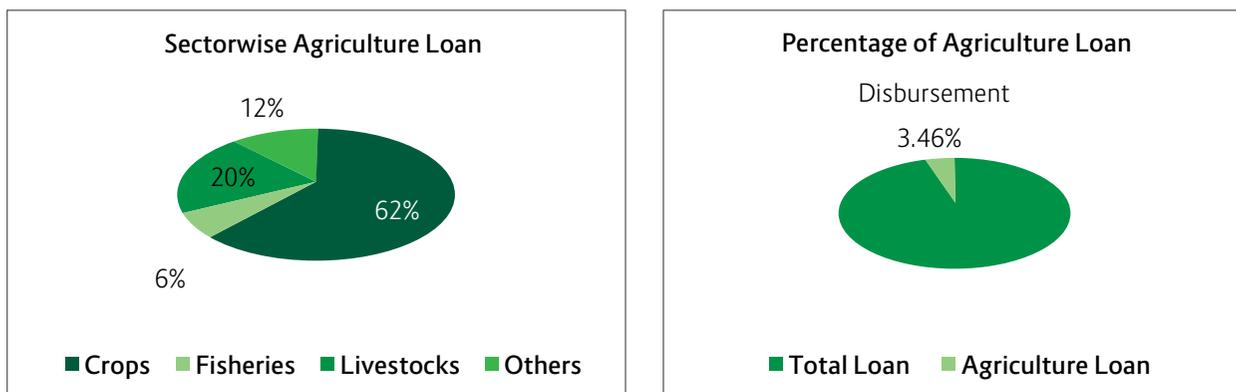
Trust Bank Performance (Target and Achievement)



Field monitoring visit of Agricultural Credit Program in Faridpur District

Composition of Agriculture Loan Portfolio

Trust Bank's financing in agriculture sectors well-distributed in different sub-sectors which are shown by the following pie chart:



Mobile Financial Services (t-cash)

t-cash is Bangladesh Bank approved Mobile Financial Service of Trust Bank. It's a mobile account facility where customer can do transactions from anywhere using a mobile phone or internet with 24 hours banking facility.

Geographical Coverage

20,000+ t-cash agents are providing service with the support of 100+ Distributors across the country. Dedicated regional sales force is working to expand the agent points, achieve the targets through proper monitoring, guidance and provide assistance to agents and distributors. Customer can also able the t-cash service from any Trust Bank branches/ S.M.E Centers and T-lobby.

t-cash Features and Services

Salient Features

- t-cash is Bangladesh Bank approved Mobile Financial Service of Trust Bank
- A Bank led model
- Launched on April 1, 2018
- 230,000+ registered customer
- 500+ online merchant payment collection
- 20,000+ agent points across the country
- 90+Distributors to manage countrywide agent points
- All subscribers of Telco can avail the t-cash services through:
 - USSD: GP, Robi, Airtel and BL Subscriber has to dial (*201#)
 - SMS: Long Code (03590016201/04445600201)
 - Internet: Web Interface
 - Online: (e-Commerce)
- Customer will get Interest as savings rate in t-cash mobile account
- Maintaining own developed platform for t-cash operation
- Device independent, supported on all cell phones from low to high-end
- Every transaction has been verified by user provided PIN and mobile no.

t-cash Services

- Account Registration
- Cash Deposit and Withdraw
- Account to Account Money Transfer (P2P)
- Core Banking to t-cash money transfer
- Recruitment Fees payment: Bangladesh Army, Navy and Air Force
- Passport fees Payment Collection
- NID fees collection
- Utility Bill Payment
 - Top Up (Airtime recharge of all telcos)
 - DESCO
 - DPDC
 - WZPDC
- Insurance premium payment: Alico, Meghna Life Insurance and Prime Islami Life Insurance
- School Banking (Tuition and other fees collection of 51 Educational Institutions)
- Foreign Remittance disbursement
- Salary disbursement
- Merchant Payment Collection
- Balance Inquiry
- PIN Change
- Transaction History

Merchant Payment

t-cash is integrated with 500+ online merchants such as Food Panda, Hungry Naki, Apollo Hospital, Swapno etc. through SSL Commerz, Shurjomukhi etc.

Strategic Partnership for t-cash Product and Services Access to Information (a2i)

Trust Bank Limited (TBL) has signed a MOU with Access to information (a2i) program on December 22, 2019. Under this MOU, Trust Bank will provide Mobile Financial Services 't-cash' through Nationwide Digital Centers.



MoU signing ceremony between Trust Bank Limited and a2i

Agreement Signing with Teletalk

Trust Bank Limited has signed an agreement with Teletalk Bangladesh Limited on 08 April 2019 at Teletalk corporate office, Gulshan. Under this agreement Teletalk Bangladesh Limited shall act as a facilitator of USSD (Unstructured Supplementary Service Data) network to its subscribers for Trust Bank Mobile Financial Services 't-cash' through access code *201#.



MoU signing ceremony between Trust Bank Limited and Teletalk

School Banking through t-cash

TBL is providing seamless services to reputed educational institutions for collection of admission and tuition fees through 't-cash'. Till now t-cash has collaborated with 51 Educational Institute's to collect their tuition fees including BKSP, AFMC, BUP, Adamjee Cantonment Public School, Shaheed Bir Uttam Lt Anwar Girls' College, International Hope School Bangladesh and many more renowned institutions.



MoU signing ceremony between Trust Bank Limited and Dhaka Residential Model College



Agreement Signing Ceremony between Trust Bank Limited and Armed Forces Medical College.



MoU signing ceremony between Trust Bank Limited and Bangladesh Krira Shiksha Protishtan (BKSP)



MoU signing ceremony between Trust Bank Limited and Navy Anchorage School and College Dhaka

Workshop on t-cash

Workshop and campaign on t-cash has been arranged at different places across the country to create customer awareness and financial literacy.



Workshop On t-cash at BIRC, Rajshahi Cantonment, Rajshahi arrange by Rajshahi Branch



Workshop on t-cash at ECSME, Qadirabad Cantonment, Natore arranged by TBL Dayarampur Branch



*Workshop on t-cash at Bellman Hanger 59 E Bengal (Sp Bn)
Bogura Cantonment, Bogura arranged by TBL Bogra Cantonment Branch*

Promotion and Campaigning



t-cash Campaign with the Student and Teachers of Cantonment Public School and College, BUSM Cantonment



t-cash Campaign with the Student and Teachers of BN School and College, Mongla

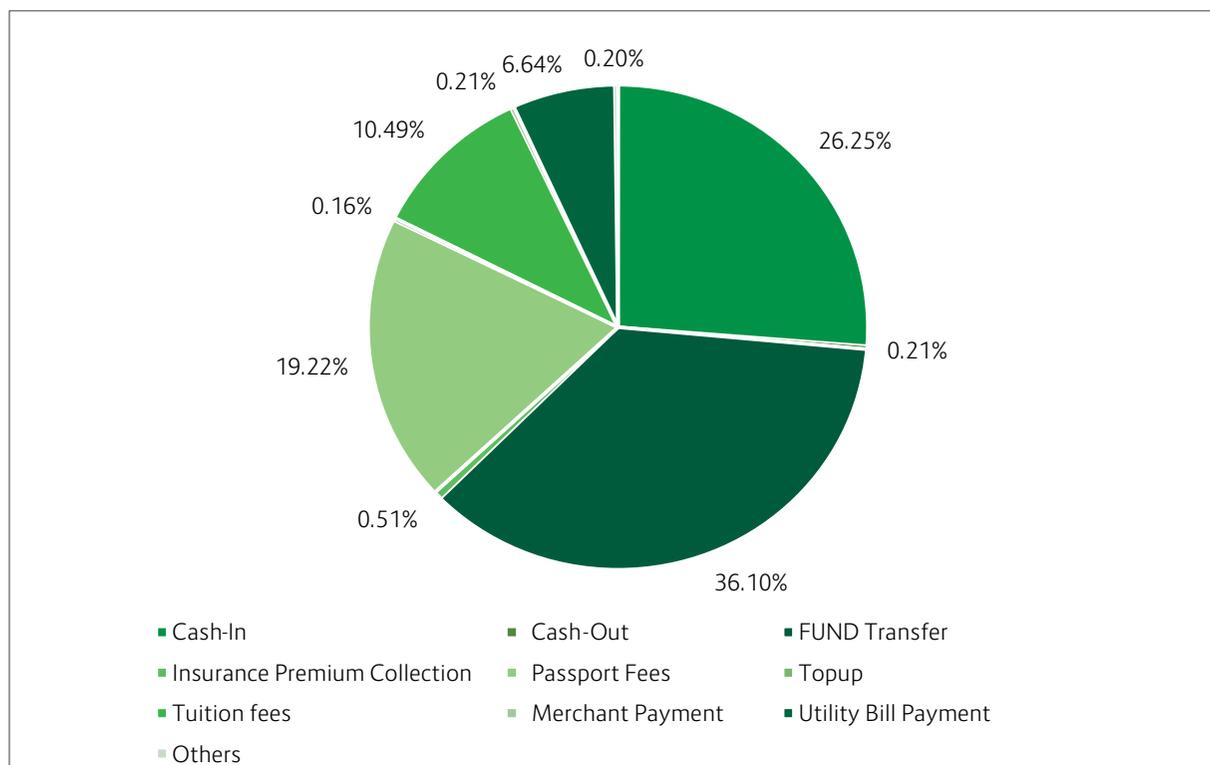


Bangla New Year-1426 Celebration of Jashore Cantonment Branch for promotion of t-cash at Jashore Cantonment Boishakhi Mela

Business Highlight in 2019

In the year of 2019, t-cash achieved remarkable milestone in terms of Transaction volume, deposit amount and profit. 4.05 million successful transactions were done during the year with a value of BDT 26,197 million.

- Highest transaction volume came from Cash In(26.25%), Fund transfer (36.10 %), Passport fees(19.22%), Utility bill payments(6.64%) and Tuition fees payment(10.49%).
- In Others category we have mainly considered Insurance Premium (0.51 %), the volume of Cash Out is 0.21%.



Cards Operation

Trust Bank Limited has long been involved as Associate Member with Visa International, since 2006. The bank has successfully launched Visa Credit Card, which created a new dimension in customer service and consumer financing.

Trust Bank has introduced following type of cards:

- Debit card
- Credit Card
- Prepaid Card
- Hajj Card

Debit Cards

Customers can directly transact in their savings/ current/ short-term deposit accounts with debit card through ATM, POS and Internet etc. Trust Bank has 4,10,000 debit card customers as on 31 December 2019. There are three types of Trust Debit Cards:

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

Credit Card

Trust Bank Limited has introduced Visa Credit Cards to serve its existing and potential valued customers. TBL has also introduced SMS, Email notification and e-statement facility, in place of paper based monthly credit card statement. The bank has issued about 12,500 credit cards so far.

Trust Bank Limited issues 4 types of Dual Currency Credit cards. These are VISA Classic, VISA Gold, and VISA Platinum. Recently TBL Business Division has designed a new credit card product 'TBL Signature Credit Card' focusing on valued customer group (defense high official and high salaried/income personnel).

Platinum card holders can avail Priority Pass facility along with maximum credit limit; cash advance facility and emergency card replacement facility. Priority Pass holders are also facilitated over 1300 airport lounges, around the world and Platinum card holders can avail 02 free visits using Priority pass. Moreover, Credit card holders can avail discounts, auto debit facility and personalized customer care service. Customer can also avail three supplementary cards and convenient payment option through new i-Banking service.

Prepaid Card

Trust Bank Limited has launched International Prepaid card to fulfill customers' need and replace the service offered thru' Traveler Cheque and related services, against travel quota entitlement. The prepaid card has given an alternative collection method of remitted money.

Hajj Card

Keeping in line with contemporary market demand, Card Division has launched a new product named 'Trust Hajj Card' in the year 2017, for Bangladeshi Pilgrims. Customer can use the card in VISA Outlets all over Saudi Arabia.

It's a prepaid foreign currency EMV secured Card, which does not require any bank account to be opened. Customer can get back the unused amount after returning to Bangladesh.

Alternative Delivery Channel (ADC)

Traditionally, the provision of financial services to the low income group of population is often based on personal, one-to-one relationship, making it human resource intensive. Thus, financial institutions have to incur high costs for building and maintaining branch networks and developing trained team of dedicated personnel. ADC can reduce the cost and provide balance between personalized services and emerging transactional services. The most common of these delivery channels include, Automated Teller Machine (ATM), Point of Sales (POS), Cash Deposit Machine (CDM), Mobile Banking (MB), Internet Banking (IB), SMS banking, Phone Banking, Call Center, e-Commerce etc.

ADC has also become an essential part of modern Banking. Considering the present market demand, Trust Bank deployed ATMs, CDMs and POS at different location all over the country. As on date, TBL has a network of 232 ATM, 300 Merchant POS Outlets all over the country and 120 Bank POS at all the branch premises. Trust Bank has also implemented modern Internet Banking (i-banking) where customer able to view statement and able to transfer fund to TBL account and other bank account. Trust Bank also introduced modern Call Center (16201) to provide banking solution round the clock. Trust Bank are in process to deploy Mobile APPs where customer will able to receive banking services from his/her mobile. Details of ADC are as following:

Automated Teller Machine (ATM)

An Automated Teller Machine (ATM) is a computerized device that provides financial institution's customers, a method of having some banking services on 24 hour basis, without the need of a human clerk or bank teller. ATM is same as teller point but it runs automatically, identifying the customer through card and password (PIN) and does not require any slip or cheque. Through ATM, customer can avail non-stop online teller service without going to the specific branch of the bank.

Using an ATM, customers can access their bank accounts/ Credit Card/ Prepaid Card in order to make cash withdrawals, fund transfer to TBL account and other bank account, inquire balances, Mobile Top-up etc. ATMs are placed not only inside the premises of banks, but also in locations such as shopping centers/ malls, airports, grocery stores, petrol/ gas stations, restaurants or any place where large number of people may gather. These represent two types of ATM installations:

- On premises / On site
- Off premise / Off site

Cash Deposit Machine (CDM)

The CDM is a part of Automated Banking Solution. Using this solution, Bank Customer can deposit cash, bank cheque or debit instruction for Bank Account Deposit, Payment of Credit Card Bill, Payment of Monthly Savings Scheme Installment or any other bill payment. On the other hand, Bank can get the deposited data instantly just as the customer deposits. At the day end, authorized team can process the transaction and post in their main CBS database. Authorized person can monitor all of their terminals status and current transactions for taking instant decision. TBL is on process to deploy Online CDM. In this system customer will able to deposit money directly to his/her account.

In addition to above, Recycle ATM is a latest released ATM, where it enables to deposit and withdraw cash in the same machine on real time basis. Trust Bank plans to procure Recycle ATM in near future. After procurement of this type of machine, TBL customers will be able to deposit cash in their account beyond the banking hour and also can withdraw cash from the same machine.

Point of Sales (POS)

POS refer to Point of Sale through which Electronically Fund Transfer/payment can be made. The term Electronic POS terminal includes EFTPOS terminals and other terminals capturing cards transactions. Debit/ credit/prepaid cardholders can use their cards through selected physical access point to meet-up their demand.

TBL has introduced two types of POS:

i. BANK POS

Bank POS are used as Alternative Distribution Channel for cards transactions, which will provide wide range of facilities for our rural and urban customers. In this highly competitive market, service is the main key issue to achieve customer's satisfaction by using proper mechanism. To meet the best target people, TBL offer following services through POS for the customers.

- Cash withdrawal (by using debit/credit/prepaid card -without using check book);
- Balance Inquiry;

ii. Merchant POS

Merchant POS means the high value merchant, where high volume transaction is taking place and lot of frequent transaction is involved. As per the merchant requirement, POS terminals are installed at different merchant outlets all over the country.

A merchant is a business establishment, which has signed a Merchant Agreement with an acquiring Bank/ Financial Institution to accept designated debit card from cardholder, as a mode of payment for purchase of goods and/or services. New merchant signing is done as per Merchant Acquiring Policy of the bank.

Internet Banking (i-Banking)

The private banks are moving rapidly with new innovation. However, looking at actual consumer behavior, it is clear that online banking is becoming as important to the consumer banking experience as previous electronic innovations, such as ATMs, POS, Credit Cards and Call Centers.

Our objective is to make i-banking an efficient way of banking. By automating transactions and customer service responses, both the customer and the bank can spend less time on routine matters, leaving more time and money for more interesting activities. When the i-banking comes to conducting routine transactions, such as balance monitoring and bill payments, fund transfer to same bank account and other bank account. Internet banking has the potential of reducing transaction cost and time, spent on these tasks to just a few minutes.

The objective is to make i-banking can be far more secure, and private, than the paper-based world it replaces. Authenticated and encrypted electronic data transmissions are far more secure overall.

Internet Banking is world-wide accepted automated banking services. Through internet banking customer can avail banking service any time and any were in the world. Customer can avail following banking services by using Trust Bank Internet Banking:

- a) Balance Inquiry
- b) Account Statement
- c) Account Details Information
- d) Fund Transfer (Intra-Bank)-Trust Bank Account to Trust Bank Account
- e) Fund Transfer (Inter-Bank) - Trust Bank Account to Other Bank Account
- f) Trust Bank Credit Card Bill Payment

Mobile APPs

Recently Trust Bank has procured robust mobile APPs. The Test version of the APPs already deployed at TBL test server. After successful 'User Acceptance Test (UAT)' bank will launch mobile APPs. By using the APPs, customer will able to view balance, transfer fund to Trust Bank account and other bank account, provide positive pay instruction, pay credit card bill, utility bill payment (DESCO, DPDC, WASA etc.), cheque book requisition, credit card balance view, credit card block, card PIN reset, insurance premium payment, merchant payment.

Call Center (16201)

A call center is a physical place, where customer and other telephone calls are handled by an organization. Usually with some amount of computer automation, a call center will be able to receive inbound calls or make outbound calls. A short code number (16201) has been assigned to Trust Bank for 24/7 access for Local clients and +8809612316201 for overseas clients.

Typically, a call center has the ability to handle a considerable volume of calls at the same time, to screen calls and forward those to someone qualified to handle them and to log calls. Call centers are increasingly popular in modern banking system, in which centralized customer service and support functions are being included.

Mainly, the people who are the key of an organization are more beneficiary from call center. The Call Center has access to various systems and operations staff in order to provide comprehensive account information to beneficiaries and complement local services. The Benefits Call Center's automated phone answering system offers a menu of choices to respond to customers' query about the benefits, they are receiving. Eligible call center agents are also available round the clock, in addition to normal business hours, to provide banking assistance.

Considering banking services beyond the banking hours, Trust Bank implemented modern call center and are providing the customer services round the clock (24/7 days).

Credit Risk Management Division

Effective risk management is essential to perform consistently and sustainably for the sake of our stakeholders and therefore Trust Bank considers credit risk management as a core job beside its core business. CRM Division is delegated with the duties of maintaining quality asset, assessing risk in lending to a particular customer, sanctioning credit, formulating policy and guideline for lending operation.

Since Trust Bank has significant exposure in RMG sector, a separate dedicated Team has been formed with people having adequate experience in RMG operation. This has enhanced the Bank's capability to identify risks and mitigate them on time.

In order to shift to risk adjusted return on capital, borrower's rating is considered while considering any price adjustment which is encouraging the borrowers to complete rating procedure of External Credit Assessment Institute (ECAIs). Besides, regular customer visit, monitoring of the improvement plans, close monitoring of the repayment performances, timely review of the facilities, oversight on the improvement areas, Periodical Stock verification and insurance coverage has been made mandatory before sanctioning or renewing any credit proposals.

Trust Bank has been consistently maintaining its loan portfolio over the last five years in terms of business volume and profitability. At the end of 2018 total Loans and advances of the Bank was BDT 197,128 million whereas at the end of 2019 it stood at BDT 210,767 million registering a growth of more than 6.92 percent.

Syndication and Structured Finance Department

Syndication and Structured Finance Department is engaged in various and divergent functions under Business Division. This Department is one of the most adept structured finance solution providers as with institutionalized capabilities to successfully manage the unique and multidimensional process of project finance transactions. We provide services as:

- Syndication fund arrangement for different projects
- Term Loan, Short Term Loan and Working Capital financing
- Refinance/expansion to existing/new clients' as per their financial requirements
- Structuring, documenting, and closing the financing deal
- Providing specialized funds i.e. IPFF and FSSP of Bangladesh Bank
- Bridge Finance
- Agency Services
- Trusteeship services
- ECA Financing
- Advisory Services

Portfolio

As of December 2019, the SSFD is dealing with 41 accounts with the outstanding of BDT 29,137.49 million. SSFD has also significant exposure in capital and money market through Bond of BDT 3,460 million, Preference Share of BDT 368 million and Commercial Paper of BDT 300.00 million. Besides this, SSFD has been functioning the agency services for BDT 20,040 million of 06 accounts. SSFD is also carrying out Trusteeship services for BDT 11,650 million of Four Bonds of different Banks and Corporate Houses.

Major Achievements

- Trust Bank Limited is the highest fund recipient of Investment Promotion and Financing Facility (IPFF) of Bangladesh Bank to alleviate constraints in infrastructure financing.
- TBL has already set strong foothold in capital and money market investment mechanism.
- TBL is currently involved in establishment of the largest private sector refinery plant in Bangladesh.

- The Syndication and Structured Finance Department (SSFD) has introduced venturing new modality of financing i.e ECA Financing, LTTF etc for TBL.
- We maintain an efficient portfolio management i.e maintaining significantly low NPL ratio by strict monitoring of existing accounts.

Retail Finance Centre

Trust Bank Limited (TBL) ventured into the competitive field of commercial retail business through establishment of the Retail Banking Unit in 2006. In this short span of time, it successfully managed to make a mark in the industry. Considering the scope of business and the competitive market scenario, a specialized division called 'Retail Finance Centre (RFC)' was established in 2018 in phases to provide clients with superior service and banking experience in Retail Banking. The establishment of this division is aimed to strengthen TBL's position in the competitive market of Retail Banking. It encompasses the following 03 (three) separate units, working simultaneously to serve the retail asset clientele:

- Retail Credit Underwriting
- Retail Operation
- Retail Collection

Retail Credit Underwriting team is responsible for assessment and approval of retail loan files and credit cards. The unit is also responsible for MIS, centralized CPV management, Reporting and issuance of NOC. All files received at Branches end and acquired by Sales Team of RBD and IBD are forwarded here for assessment and record keeping. In 2019, the Division has received and assessed a total of 3689 (Three Thousand Six Hundred and Eighty Nine) number of files out of which, a total of 2905 (Two Thousand Nine Hundred and Five) files were approved; thus approving approximately 79% and total approved loan amount stands BDT 3,307.56 million only as on 31 December 2019.

Retail Operation is a separate cell for Retail Loan Disbursement and CIB generation. In the year 2019, Retail Operation has disbursed 15,431 no. of Retail Loans including Cash Collateral and CIB team has generated 22,992 no. of CIB reports.

Retail Collection unit is responsible for all activities related to collection and recovery of retail portfolio (RBD sales and 38 branches). As on 31.12.2019, the total amount of classified loan is recovered by the team is BDT 25.02 million and the classified credit card amount recovered during the same time is BDT 19.60 million. Moreover, in the year 2019, RFC has issued 7400 (approx.) no. of NOC favoring different level of Defence personnel.

RFC is a new concept for the bank and is intended to be a One-Stop-Center for Retail Financing. The real challenge and success of this new division in the competitive industry of retail products can be assessed and judged in the years to come.

Credit Administration Division

Credit Administration Division (CAD) is one of the core division of Trust Bank Limited. This division deals with all the documentation and final approval for disbursement of loans and advances. CAD has continued to perform its assigned responsibilities with trust. The division is accountable for the smooth conduct of the job of the following areas;

Credit Policy Circular and Compliance Issue

Credit Administration Division is continuously updating guidelines and policies in compliance with Bangladesh Bank, Trust Bank Credit Policies and of different relevant authorities as well as ensuring proper circulation to all the employees and customers.

Documentation

The responsibility of ensuring completeness of documentation (facility agreements, guarantees, transfer of title of collateral etc.) in accordance with approved terms and conditions are strictly adhered to and

monitored on a weekly basis. Status report of deferral is presented in the Audit Committee to allow full transparency and position of the individual accounts. Outstanding documents should be tracked and followed up to ensure execution and receipt. Security documents are prepared in accordance with approval terms and are legally enforceable. Standard facility documentation that have been reviewed by enlisted lawyers should be used in all cases.

Disbursement

All Branches of Trust Bank Limited have been brought into Central Credit Limit Authorization (CCLA) under this division just to have appropriate control. Before giving disbursement permission and limit authorization, CAD ensures proper approval of the credit facilities. Disbursement becomes effective only after completion of documentation, covenants and receipt of collateral securities.

Credit Monitoring

After approval and subsequent disbursement draw down of credit facilities, the facility is continuously watched over. Credit Administration Division is always in touch with branches to ensure compliance with approval terms and conditions, proper tracking of borrowers, conducting periodic valuation of collateral, identifying early alert of irregularity and monitoring timely repayments.

CIB Issues

The CIB cell of Credit Administration Division is involved in continuous support to all branches of TBL to serve a huge number of CIB reports as per their requirements. Besides this CIB cell is involved in updating of Bangladesh Bank database on regular basis, correction of errors of individuals as well as entities with proper information and documents as a front-runner of the bank.

MIS and Reporting

The MIS database of credit is also generated by CAD as per requirement of Bangladesh Bank and other competent authorities. CAD has involved in collection and preparation of various statements including Loan Classification and Provisioning, SBS, CDLC, ISS, Public Private and OBU Sector-Wise Loans and Advances, Directors Loan Statement etc.

Recovery and Monitoring Department

Reorganized Recovery and Monitoring Department (R&MD) is entrusted with the high priority tasks of managing the NPL to keep the portfolio of TBL at a glowing shape. Recovery from Written-Off loans is also another important task that directly contributes to the profit of the Bank. Through continuous persuasion, adept negotiation, monitoring, follow up drives along with appropriate and timely legal action TBL has been very successful to recover a huge cash amount of BDT 3,004 million from classified and written off loan accounts. Moreover, BDT 4,146 million was regularized through rescheduling.

We have been able to tighten the NPL in 2019 very effectively which has brought down the classified loans to 5.49% from 7.90% of last year. Regularization of classified loans and recovery remain at the top of our priority list. The R&MD will continue to engage all out efforts to enhance recovery process alongside the recovery of written-off loans in 2020.

Strategic planning in 2020 will be as under:

- Strong supervision, follow up and monitoring of the NPL accounts.
- Amicable settlement with the borrowers who are willing to settle the issues..
- All other option to enhance the recovery efforts would simultaneously be applied.
- Appropriate Legal action will be initiated, if other options don't work.

We are optimistic that by deploying our above mentioned strategies, we shall be able to keep the classified loan of TBL below 5.00% at the end of 2020.

Legal Division

In 2018, the Bank separated the Legal Division from Credit Administration Division for smooth function of legal functions of the Bank. The functions of this division starts soon after receiving the matter from the Recovery and Monitoring Unit. The division is to responsible for initiating appropriate legal action against the defaulted borrowers and guide the branches in initiating legal actions. The division liaises with Panel Lawyers to expedite the legal action initiated by the Bank to recover the bank dues.

Human Resources Management

Employee Statistics

As on 31 December 2019, a total of 1941 regular employees are working for TBL. Majority of employees are concentrated in the branches and remaining employees are supporting the branches with different operational functions in head office.

Offices	2019		2018	
	Number	Percentage	Number	Percentage
Head Office	459	23.65%	452	23.70%
Branches	1482	76.35%	1455	76.30%
	1941	100.00%	1907	100.00%

The employees are in blend of experienced senior officials as well as young talents.

Employee Rank	Number
Executive	159
Officer	1782
Total	1941

Age distribution

TBL has a relatively young segment in its overall employee where 76.20% of the employees are below 40 years age.

Age Group	Male	Female	Total
Below 30	180	95	275
31-40	906	298	1204
41-50	263	131	394
51-60	56	11	67
60 and above	1	-	1
Total	1406	535	1941

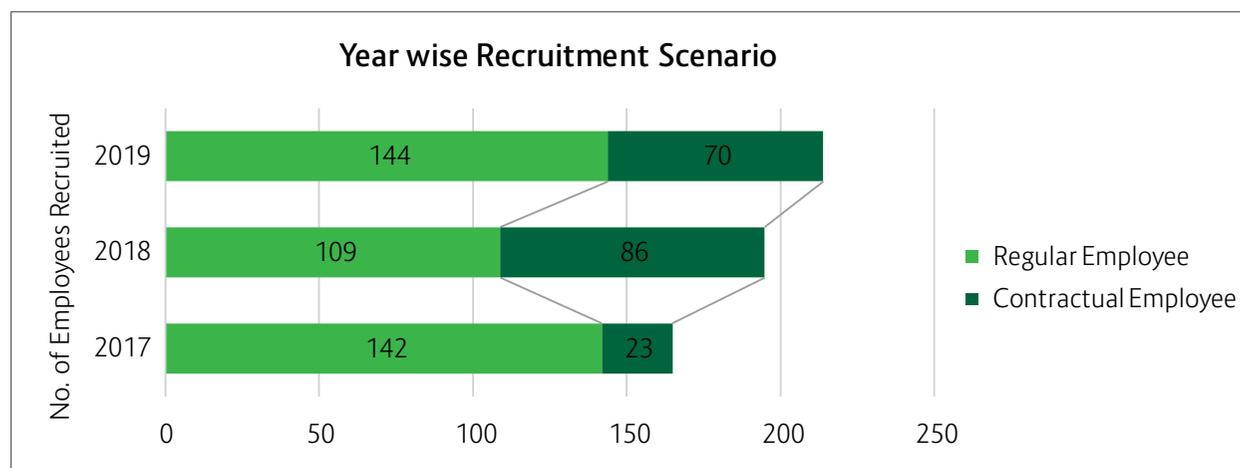
Recruitment

The main goal of the recruitment and selection is about finding the best recruitment sources, hiring the best talents from the job market and keeping the organization competitive on the job market.

TBL does not only believe in hiring the best but also to get the best out of the hired employee. All the

advertisements are circulated through web based recruitment for the past few years. TBL ensures recruiting people with best attitude and positive mind frame. TBL is an equal opportunity employer and our recruitment process is designed to attract and hire people having positive defiance and motivation to enrich them along with the organization.

In 2019, a total number of 144 regular employees and 70 contractual employees have been recruited. Among 144 employees, 38 Trainee Junior Officers (TJO), 35 Trainee Assistant Cash Officers (TACO) and 35 Trainee Assistant Officers (TAO) have been recruited as fresh entrants and the rest in different positions as lateral entrants. The overall scenario of recruitment status in last three years is as follows:



Compensation and Benefit Strategy

Compensation and benefit packages of TBL combine the need to maintain a high performance culture along with market competitiveness. Employees are provided with incentive bonus and increment based on their performance every year. Salary is disbursed on a monthly basis with a combination of basic salary and other fringe benefits.

Employee Benefits

- Employees' Hospitalization Benefit
- Travelling/ Travelling Allowance Benefit
- Residential Furniture and Appliances Benefit
- Loan against Provident Fund
- Staff House Building Loan
- Executive Car Scheme

End Service Benefits

- Provident fund
- Gratuity
- Superannuation
- Leave encashment

Leave Facility

As per bank's policy, employees are entitled to earned leave, sick leave, casual leave and maternity leave. However, some other types of leave facilities e.g. quarantine leave, pilgrimage leave, leave without pay etc are also available for employees which are at discretion of management. Employees are also granted study leave (without pay) so that they can pursue higher education with keeping the employment intact.

Maternity Leave

A female employee is entitled to 180 (One Hundred Eighty) days maternity leave with full pay. An employee can avail this leave as per bank's policy which is in compliance with the regulatory law of the country. During 2019, 20 female employees availed maternity leave facility.

Separation Policy

We recognize that employees may leave the Bank due to their own career development plan. On the other hand, the bank may let go its employees for a variety of reasons including disciplinary reason and professional incompetency. The bank would like to ensure a smooth and hassle free exit procedure for the departing employees. At the same time, the bank ensures that all departing employees get their dues in full as applicable.

During resignation, confirmed employees need to serve a notice period of 60 days or surrender 60 days' basic salary in lieu if agreed by the management. Notice period is 30 days in case of employees on probation.

Employee turnover information of last two years is as follows:

Year	Number	Employee Turnover Rate
2019	119	6.19%
2018	94	4.95%

Employee Engagement

Employee engagement is one of the top priorities of TBL HRD. Through employee engagement programs, employees are motivated to provide better output to the bank. These programs spread a positive vibe among the employees and lead to employee satisfaction. Therefore, it ensures better work environment, stress management and overall Employee-Management relationship.

Women's Day Celebration

TBL celebrated International Women's Day to honor the contribution of our female colleagues for the bank. Honorable members of Board and top management participated the program along with our female colleagues.

Bangla Noboborsho Celebration

Every year Bangla Noboborsho is celebrated with grand arrangement from the management with participation of honorable board of directors. Branches outside Dhaka also arrange celebration programs as well as 'Meet and Greet' session with clients in respective branches.

Following intra-communication platforms have been developed to boost employee engagement:

Colors of HR

It is a platform where different types of contents are published regularly for employee motivation and engagement. Any achievement of employees is appreciated and new joiners are introduced to all employees through this platform also.

HRBL (Human Resources Business Lyrics)

HRBL (Human Resource Business Lyrics) is a platform for individual employees to project fresh business concept and process improvement, risk mitigation, value addition in existing products, customer service and cost efficiency. Employees are rewarded for their innovative ideas.

Suddhachar

A platform to promote Shuddhachar activities of TBL in compliance with Bangladesh Bank guidelines and create awareness in the form of rhymes to practice integrity in every aspect of professional environment.

HR-IT Financial News

This is another initiative of the HR-IT Team which focuses on circulation of financial and related news to employees so that they can update themselves with the latest financial news.

Awareness Programs Anti-Harassment Policy

TBL employees are protected against any sort of harassment including sexual harassment so that they can serve the bank with dignity, decency and respect. TBL has 'Zero Tolerance' principle against any sort of harassment as it disrupts organizational harmony. The policy outlines the procedures of raising and investigating any harassment issue and disciplinary measures. The policy also guides management about its role in case of false complaint.

Speak Up Policy

TBL encourages employees to raise voice against any suspected misconduct, breach of law or regulation within or outside the organization related to TBL. This practice encourages employees to take Employees are protected from any type of retaliation, as per policy. At the same time, information of employee making disclosure is kept confidential.

Fire and Safety drill

Firefighting and safety drills are regularly organized at head office and branches to facilitate employees with the knowledge on how to fight against any fire incidents. This awareness program helps employees to be cautious in their day to day office and family life regarding fire issues.

Succession Planning

Our approach to succession planning begins with our overall business strategy and ends with a refined people and leadership plan. Keeping this in mind, Bank has implied succession planning for all of its Executive Management positions in branch and head office. As part of succession planning, every year Management Trainee Officers are recruited and they are nurtured as future leaders of the Bank. They are adequately trained and groomed up so that they can take over responsibilities after necessary knowledge and experience gathering.

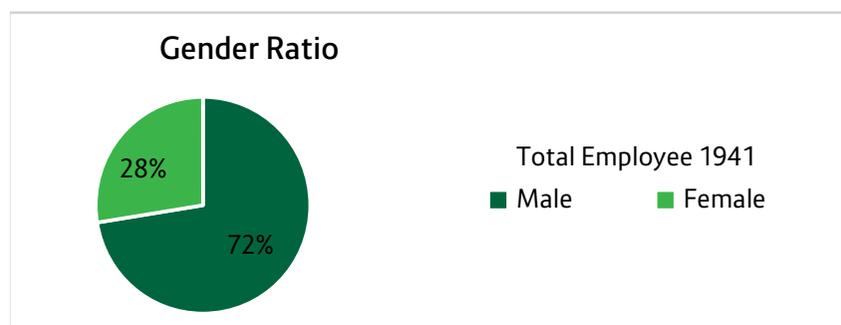
In addition, Human Resources Division works with other divisions/departments to create career path of concerned individuals and consequently establish succession planning for critical positions of the Bank.

Empowering Women

Financial independence is a prerequisite for women empowerment. TBL believes that a financially independent woman is confident and she can deliver as good performance as a man. Every year a good number of female employees are recruited. In 2019, gender wise recruitment (regular) information is as following:

Gender	Number	Percentage
Male	120	83.33
Female	24	16.67
Total	144	100.00

Overall gender positioning of employees are as follows:

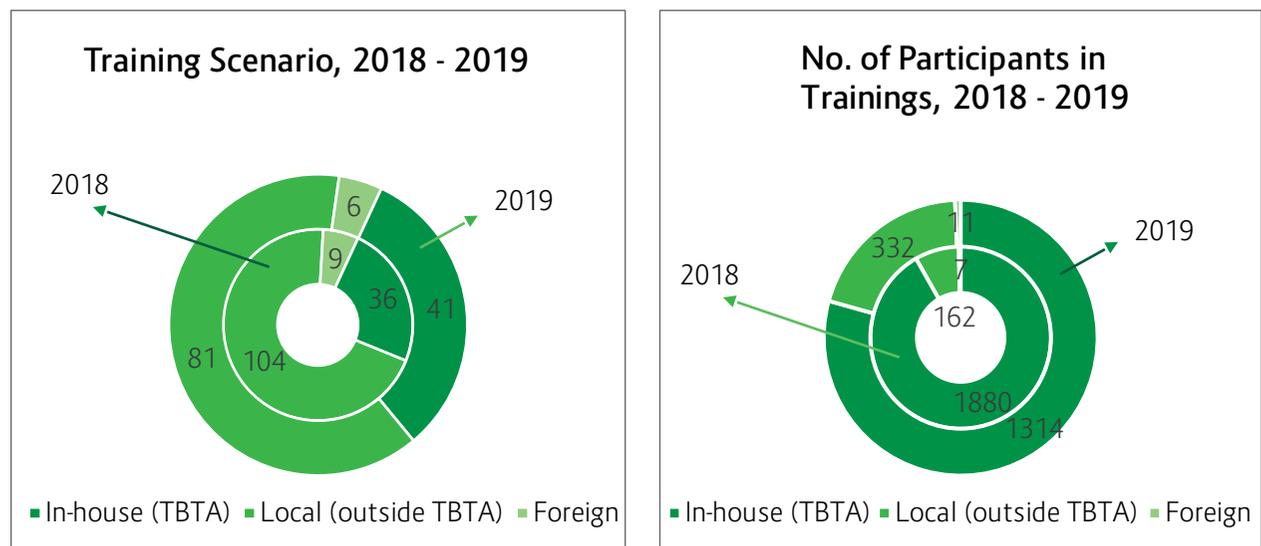


A good number of female employees are holding high-level positions in the bank. Out of 159 executive positions of the bank, 35 are women. Besides providing adequate opportunity, we ensure a good and safe work environment in TBL. Our female colleagues are protected against any sexual, physical or emotional abuse through TBL Anti-Harassment Policy.

Training and Development

Participating in regular training and development programs is a key to creating a competitive workforce. Opportunity to learn and apply can sharpen one's skill. Therefore, Trust Bank Limited gives high priority in raising the quality and quantity of training and development opportunities. It is ensured that all employees have access to proper training/certification courses so that they can develop themselves and contribute for the overall development of the bank. TBL believes that cost incurred for training and development is not a cost rather it's an investment. Employees are provided with different in-house training courses arranged by Trust Bank Training Academy (TBTA). At the same time, they are sent to different competitive training programs arranged by renowned organizations.

The overall training scenario for the year 2019 is as follows:



Overall training scenario in 2018 and 2019

In-house training programs comprise of foundation training on banking, training on core banking activities (general banking, credit, foreign trade etc), AML and CFT, IT. Employees are also provided with soft skill trainings arranged by different renowned organizations so that they can grow themselves and help others grow around them.

Employee Motivation for Professional Certification

Trust Bank Limited always encourages its employees to acquire professional excellence. Attaining a professional degree/certification helps an employee to secure a better career progression. Employees are encouraged to acquire professional certifications with different honorarium packages, as reward, on completion of certification courses. The bank also reimburses cost incurred by an employee to acquire professional certifications like CDCS, CSA etc.

Trust Bank Training Academy

Training and development; as many refer to it now - is one of the most important aspects of professional life. TBL highly value 'Learning' as a culture. Employees of banking sector must be efficient and compliant. Frequent training programs can help employees for it and they remain capable to take new initiatives. Trust

Bank Training Academy (TBTA) helps the employee to improve their general skills besides other soft skills like time management, leadership, team management etc.

TBTA achieved its target fully as per forecast and plan of 2019. The Overall Training Scenario for the year 2019 is as follow:

Training	2019		2018	
	Training Program	Participants	Training Program	Participants
In-House (TBL Training Academy)	36	1314	36	1474

Anti-Money Laundering Division

In last decade the global financial sector transforms into modern technology oriented services. In this era of globalization our country has also technological advancement in case of financial sector. It is very true that technology makes ease difficult job, but it has threat also. Money Launderers' are using the ambiguity of such technological facilities worldwide. This types of facilities are creating several threats to bank and other institutes. So, it is the duty of each and every part of society to protect the financial sector for healthier economy of our country.

To mitigate the risk, Trust Bank has AML and CFT policy which is followed by all the branches and related Division/Department in business approach and practices. In addition, Central Compliance Committee of TBL conduct meeting quarterly to fix different issue to mitigate Money Laundering and Terrorist Financing risk.

TBL is following the approaches to control Money Laundering and Financing of Terrorism and any types of fraud are mentioned below;

1. Mandatory KYC management.
2. Sanction Screening for all type of customers
3. Monitoring Transaction and identification of STR/SAR to BFIU.
4. Submission of Cash Transaction Report (CTR) to BFIU
5. Adequate training are providing to the officials of TBL on AML and CFT.
6. Customers' Risk Categorization and Risk Assessment.
7. Following Customer Acceptance Policy.

Beside these, TBL is maintaining a membership of International Maritime Bureau (IMB) for prevention of Trade Based Money Laundering. Through the IMB, TBL is verifying the shipping documents in case of foreign trade.

Internal Control and Compliance Division

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

The bank has set up Internal Control and Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2019, 08 meetings of the Audit Committee were held.

The bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches and determines how much follow up, monitoring and periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory it is presumed that the branch has some weakness which may pose a potential threat for the bank.

IC&C Division sets out audit plan for the year 2019 which was approved by the Audit Committee of the Board (ACB) of the Bank. In 2019 IC&C Division conducted Comprehensive Audit in 111 branches and 32 divisions/departments at Head Office. In the same year I&C Division carried out 20 Spot Inspections and 28 IT audits in different branches. In addition, audit was also conducted in 06 TBIL Branches TBIL, Head Office and 73 pay points to mobile banking operations.

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

To comply with the directives of Bangladesh Bank, a special meeting of the Board of Directors was held on 25 November 2019 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report on the position as of 31 December 2019.

Purchase Procurement and Cost Control

Purchase Procurement and Cost Control Department (PPCCD) functioned with a renewed shape as 'Purchase Procurement Unit (PPU)' and 'Planning and Cost Control Unit (PCCU)' since May 2019. PPU ensured timely procurement of all of kinds of equipment, hardware, software, materials etc. The unit implemented management's instructions, policies and procedures meticulously with full of transparency in regards to procurement. We focused on high quality product with competitive price.

PCCU functioned as eyes and ears of the bank for all kinds of administrative expenses. The unit ensured dual checks of all expenditure by maintaining the data base before it's finally cleared by the FCAD. Preparation of various reports and comparative statements to evaluate/analyze the expenses was its key function, so as take appropriate measures to reduce unnecessary cost. PPCCU could effectively maintain the price competitiveness through its relentless efforts and multidimensional sources or approaches. As a result, TBL could be one of top listed banks in managing the cost to income ratio effectively and efficiently in 2019. Landmark purchase of 27.26 Katha commercial land at 'Jolshiri Abashon' to establish our HO, Training Academy and a Branch is an inspiring achievement of TBL which has been executed by this department.

Information Technology Division

Trust Bank Limited has adopted IT system at the very beginning of its commencement of operation. During this long journey, the bank has taken several steps to improve its services by giving emphasis on IT. IT being the business enabler, aims to reduce cost, increase probability, improve internal efficiencies and ultimately improve the internal and external customer service experience.

The bank has integrated technology with its business and is continuously upgrading its technological aspects to keep pace with the modern banking arena. With its centralized online banking solution, the bank is now able to serve its customers from anywhere anytime. At present internet banking, SMS banking, phone banking, Call center, Debit and Credit Card, System integrated Payment facilities such as tuition fees; utility bills, passport fees, web based mobile banking facility and automated e-statement solution are available. As regulatory compliance the bank rolled out projects of Bangladesh Bank like BACH-II, RTGS, NPSB has been established as per Bangladesh Bank guideline.

In the recent years, the bank has invested in the technology especially on enhancing IT Security to ensure maximum security for customer information and protect from risks of the threats that are constantly changing globally. Some achievements and imminent programs of Information Technology are as follows:

Training and Awareness Programs

To develop skill and awareness on the latest technology trends, the IT officials were introduced to various local and overseas training programs throughout the year. A group of IT officials were locally trained on

Certified Information System Audit (CISA) to know every aspect of auditing scope and to remedy those in the existing system. Apart from grooming up for advanced expertise on certain areas, the bank also conveyed general users on basic ideas on handling the technology platforms, introduce with new threats which helped the users in creating awareness on the risks of using digital technology. The bank has plan to introduce E-learning system through different virtual media (IP telephone, desktop sharing, video tutorials, web based) which will save travelling time, resource and cost.

In-house Developments

Apart from outsourced solution, the bank has put emphasis on enriching own development team. The in house team has introduced several new applications such as Up-gradation of Leave Application, Integration of payment gateway with Titas, introduce LULU remittance disbursement systems which were elemental in augmenting bank's progress towards digitization of services. One of the key projects of in house team was central document archiving system for preserving loan related documents.

Digital Monitoring System

The Digital Monitoring System (DMS) was implemented for providing clear, structured information to Board/Management. The updated version this year has enabled to gain an integrated view of all enterprise data, Comparative Performance Evaluation of Each Branch, Branch Wise Different Ratio Analysis and Comparative Growth Rate.

Website Up-gradation

New website has been launched which has been designed to make it easier to search having a new look, user friendly menu for easy selection and enhanced responsive design adaptable for all devices.

Enhancing existing network security

As per our IT road map, we have ensured enhanced network security and have planned to up-grade to Layer-7 Security with Next Generation Firewalls. Accordingly, we have procured Next Generation firewall (NGFW) to ensure security, confidentiality and availability along with integrity of data across the bank for achieving our vision, mission and objective.

Enhance Vigilance through SIEM and Endpoint Security Solution

The bank has started deploying a consolidated, automated and optimized Security Layering for the bank. We have planned to implement next generation SIEM to analyze the inbound and outbound traffic more precisely and correlate the issues. The event management of SIEM solution stores and interprets logs in a central location and allows analysis in near real time, which means IT security personnel, can take defensive actions much more rapidly.

The bank is willing to enhance end user protection and on the process for implementation of endpoint security solution with encryption technology. The solution has Data Loss Prevention (DLP) technology to protect internal information in a more advanced methodology.

High Availability and Disaster Recovery

The bank has started extended works for its Data Center with high end servers and networking equipment to accommodate growing business transactions with adequate security. Besides the data and network securities, various physical security measures like data center access control, environmental security, civil works, fire prevention etc. have been maintained adequately. Besides vigilant monitoring with 24x7 NOC, the DR Site has been equipped with advanced technology which can be readily accessed in case of any disaster of DC so that the customer services are not hampered.

Information and Cyber Security Management

Now a day technology driven issues such as information privacy, information security and information integrity have become pivotal and have reached the forefront of the policy agenda in banking industry. TBL being a bank using IT as business driver gives special emphasis on ensuring security. Practice in building walls to defend unwanted attempts and making our bank cyber-resilient is going on side by side.

The bank has already introduced EMV cards, 02 factor authentication (2FA) system to facilitate customers with secure financial transactions for card transactions and Internet Banking or e-commerce transactions.

ICT Security Governance

To strengthen existing ICT security governance and accountability, "ICT Security Committee" has been formed to ensure the implementation of information security throughout the bank. TBL also updates its policy regularly to deal with evolving changes in ICT environment, regulatory requirements within the bank. Besides, the committee also supervises to ensure that all units and users are aware, understand and perform their roles and responsibilities as stated in the policy.

Information System Audit Team

TBL is fully dependent on information technology, and a number of inherent risks such as data collapse, data loss, data modification, unauthorized access to data etc. may arise within the bank. For such, TBL has established dedicated Information System Audit team under Internal Control and Compliance (IC&C) to identify the inherent risks and manage those risks in an effective and efficient manner. IT audit team follows the prescribed guidelines, solves the unsettled issues and also suggests to higher management for needful action.

IT Risk Management

IT Risk Management is embedded with organizational internal control system which is used as part of the management control for risk management in the organization. The IT Risk Management deals with risk management operations, policy documentation, IT risk and security compliance, IT awareness and training etc. The objective of IT Risk Management is to achieve the highest levels of technology driven service quality with minimum operational risk.

In the backdrop of an increased reliance on complex IT systems and operations in the financial sector, the risk of cyber-attacks and systems disruptions is high and the same is increasing alarming. In this regard, TBL has been in constantly extending its technology risk management capabilities by adopting strong "ICT Security Policy".

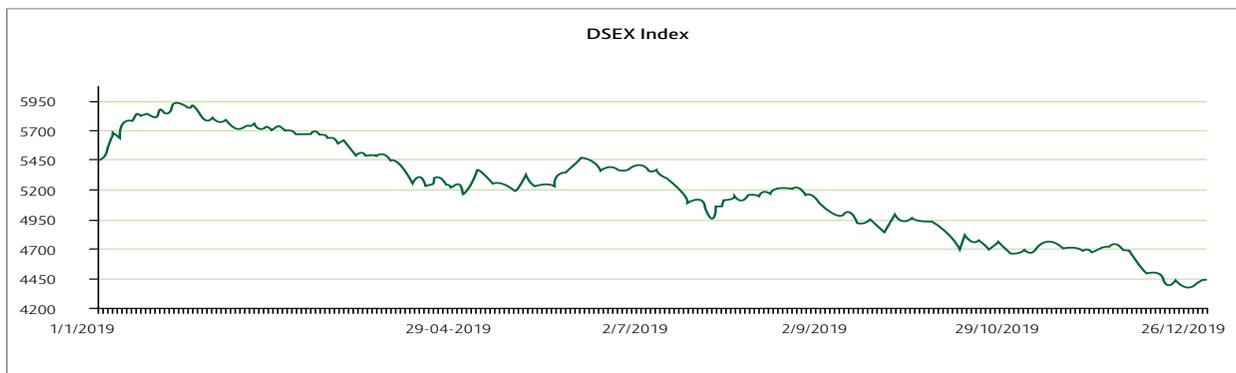
Review of Operations of Subsidiaries

Trust Bank Investment Limited (TBIL)

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

The capital market passed yet another gloomy year as the core index of the Dhaka Stock Exchange (DSE) lost 18.5% year-on-year in 2019, after hitting a 42-month low. The market even after nine years of a fragile journey failed to get a strong foothold, as investors were discouraged by one issue after another. On January 24, DSEX, broad index of DSE touched the highest peak of 5,950 points but as of 30 December 2019 the stock market lost about 1,497 points and market value lost BDT 5,17,323 million down by 18.5% from 5,386 points on 27 December of last year. Daily average turnover of the year dropped to BDT 4,803 million or by 12.7% over last year.

Market capitalization of the prime bourse also shed 13.22% in the outgoing year to BDT 33,95,511 million. DSE market capitalization declined to BDT 33,95,511 million from BDT 39,12,836 million on January 1, 2019. The daily turnover, another important gauge, stood at BDT 4803 million on an average, down by 13 per cent year-on-year, in 2019.



Dhaka Stock Exchange Broad Index (DSEX), 2019

The outgoing year saw a sharp decline in the issuance of initial public offerings (IPOs) to collect fresh fund from the primary market as the amount of finance and number of firms made debuts are the lowest in nine years in 2019. The amount raised through the IPOs was BDT 6,419 million of 8 securities, down from BDT 6,010 million from 13 offerings in the previous year.

The market has been in the doldrums almost throughout the year 2019 amid investors' confidence crisis. People familiar with the market said round-the-year liquidity crunch in the banking sector, gloomy macroeconomic outlook, soaring non-performing loans, some policy changes and foreign investors' pulling funds out of the market worsened the situation. However, operating profit (profit before tax and provision) of TBIL for the year 2019 was BDT 103.53 million.

Dividend and Capital Gain from proprietary investment portfolio has become the major source of revenue for TBIL. TBIL is maintaining its own portfolio operations in compliance with the TBIL Investment Policy duly approved by the Board of Directors. In the year 2019, TBIL has realized a profit of BDT 97.29 million from its own portfolio investments, including both capital gain and dividend income.

Portfolio management services are the other major sources of earnings of TBIL. TBIL is providing 'Portfolio Management Services' to its client through IDA, BDA and NIDA accounts. TBIL manages investors' portfolio of its clients worth BDT 2,861.60 million against margin lending of BDT 2,068.85 million as on 31 December 2019. Revenue generating from Portfolio Management Services include Interest on Margin Loan, Portfolio Transaction Fee, Portfolio Management Fee and Annual Charges.

Underwriting is another source of revenue for Merchant Banking Operations. As on 31 December 2019, TBIL has underwriting commitments with 2 (two) issues for a total amount of BDT 60.53 million.

Business Position of TBIL:

BDT in Million (where applicable)

SL	Particulars	As on 31 December 2019
1	No. of Accounts	3,371
2	Total Loan against Securities	2,068.85
3	Total Portfolio Value at Market Price	2,861.60
4	Average Daily Trade Volume	15.01
5	Average Daily Trade Volume as % of that of DSE	0.11%
6	Operating Profit	103.53

Trust Bank Securities Limited (TBSL)

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of Trust Bank Limited (TBL) is one of the fully complied stock brokerage house of Dhaka Stock Exchange Limited (DSE). The principal activities of the company are to act as a Trading Right Entitlement Certificate (TREC) holder of DSE to carry on the business of brokers and dealers in stocks, shares and securities, bonds, debentures, treasury bills and/or any financial instruments. TBSL provides all DP (Depository Participant) related services of Central Depository Bangladesh Limited (CDBL). The company is also providing real time online trading through DSE mobile apps.

The stock market suffered throughout last year because of different reasons like liquidity crisis, an audit demand issue between the telecom regulator and mobile phone operators, and departure of foreign investors. The growth of the country's capital market is falling behind the overall economic development as the market cap to GDP ratio of Dhaka Stock Exchange (DSE) has been declining for the last eight years. In 2014, the market capitalization to GDP ratio stood at 24%, which has come down to 10.44% as of December, 2019. The size is the lowest among the emerging bourses in the Asia-Pacific countries.

The overall performance of TBSL was slightly better than the previous year. The company was able to achieve profit in the year 2019 though the capital market was not in a favourable situation. Total turnover of TBSL in 2019 increased than the year 2018. In 2019, TBSL transacted securities worth of BDT 5,365.20 million whereas it was BDT 5,049.76 million in 2018. During the year, the company earned total income of BDT 27.96 million whereas it was BDT (7.36) million in 2018. On the other hand, in 2019, total expenditure was BDT 16.44 million. Therefore, net profit before tax stood at BDT 11.52 million. Provisioning of income taxes of BDT (6.43) million, net profit after tax for the year 2019 stood at 5.09 million whereas it was BDT (28.76 million) in 2018. The net income of TBSL in 2018 decreased abruptly because of the Share Purchase Agreement (SPA) executed between DSE and its strategic investors namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) where 25% DSE shares of TBSL sold to SZSE and SSE.

Overall performance of TBSL (comparative position between 2018 and 2019):

BDT in Million (where applicable)

Sl. no	Particulars	2018	2019	Increase/decrease (%)
1.	Total No. of Active BO A/C	602	696	15.61
2.	Total No. of Employees	12	10	(16.67)
3.	Total Income	(7.36)	27.96	479.89
4.	Total Expenditure	15.85	16.44	3.72
5.	Profit Before Tax	(23.21)	11.52	149.63
6.	Provision for Income Taxes and Others	(5.54)	(6.43)	16.06
7.	Net Profit/(Loss) after Tax	(28.76)	5.09	117.70

Accounting Policies of Trust Bank

The consolidated financial statements of Trust Bank Limited and its subsidiaries for the year ended 31 December 2019 has been prepared in accordance with IFRSs, IASs and the "First Schedule" (section 38) of the Banking Companies Act 1991 as amended, BRPD Circular number 14 dated 25 June 2003 and other Bangladesh Bank Circulars.

The Bank adopted following requirements to be complied with laws and regulations from various Government bodies:

- i) The Bank Companies Act 1991 (amended up to 2018)
- ii) The Companies Act 1994;
- iii) Rules and Regulations Issued by Bangladesh Bank;
- iv) Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Act 1993, Bangladesh Securities and Exchange Commission IPO Rules 2006 and notifications thereon;
- v) The Income Tax Ordinance 1984 and amendment thereon;
- vi) The Value Added Tax Act 2012 and amendment thereon;
- vii) Dhaka Stock Exchange Limited (DSE), Chattogram Stock Exchange Limited (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;

If any requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank deviate with those of IFRSs and IASs, the requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Bank has departed from those contradictory requirements of IASs and IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed.

Use of Estimates and Judgments

The financial statements of the Bank in conformity with IFRSs requires management to make necessary judgments, estimates and assumptions that affect the application of accounting policies and the measurement of assets, liabilities, income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described below:

- a) Provision for loans, advances and investments
- b) Revaluation of land & buildings
- c) Deferred tax assets/liabilities
- d) Useful life of depreciable assets
- e) Measurement of defined benefit obligation (Provision for gratuity)
- f) Provision / accruals for expenses
- g) Provision for current taxation
- h) Contingent Liability (Letter of Guarantee)

Changes in Accounting Estimates

Changes are reflected in the assumptions when they occur in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. During the year, the bank has not adopted any change of accounting estimates and consistency applies in same accounting estimates of the previous period.

Changes in Government Policy

The management of TBL anticipates no significant changes in legislation or government policy, which may materially affect the business of the Company.

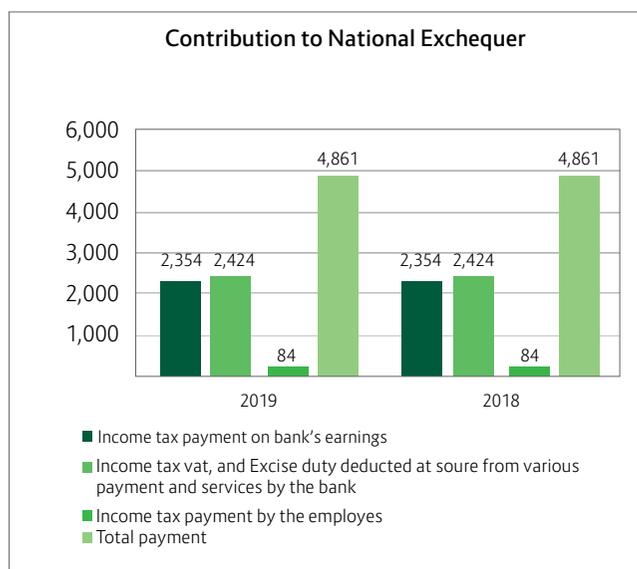
Contribution to National Exchequer

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 BDT 4,543 million to national exchequer as tax, vat, income tax and excise duty deducted at source from employees, clients, and suppliers in the reporting year.



Faruq Mainuddin Ahmed
MD & CEO

BDT in Million



Horizontal Analysis (Solo)

Horizontal Analysis on Income Statement refers to the analysis of growth of each component of income statement items from the base period. Here base period is considered the year 2015 giving value 100% and after that period any value above 100% means positive growth and below 100% means negative growth compared to base year.

Profit and Loss Account for the last five years

Particulars	2019	2018	2017	2016	2015
OPERATING INCOME					
Interest income	141.94%	125.36%	103.37%	94.90%	100.00%
Interest/profit paid on deposits and borrowings, etc.	133.73%	111.26%	87.99%	86.68%	100.00%
Net interest income	163.58%	162.55%	143.95%	116.57%	100.00%
Income from investment	143.07%	107.39%	102.76%	107.71%	100.00%
Commission, exchange and brokerage	120.12%	99.78%	115.36%	91.61%	100.00%
Other operating income	110.64%	104.67%	117.81%	105.28%	100.00%
Total operating income	147.72%	133.95%	126.65%	109.40%	100.00%
Salaries and allowances	107.13%	98.07%	96.77%	99.97%	100.00%
Rent, taxes, insurance, electricity, etc.	67.68%	124.75%	119.31%	111.90%	100.00%
Legal expenses	488.64%	371.59%	173.86%	194.32%	100.00%
Postage, stamp, telecommunication, etc.	65.47%	69.14%	79.98%	114.39%	100.00%
Stationery, printing, advertisements, etc.	77.64%	73.92%	68.09%	93.77%	100.00%
Managing Director's salary and benefits	100.98%	92.20%	100.98%	100.89%	100.00%
Directors' fees	155.25%	158.01%	190.06%	127.62%	100.00%
Auditors' fees	145.00%	142.50%	142.50%	107.50%	100.00%
Depreciation and repairs of Bank's assets	215.83%	92.78%	95.25%	94.28%	100.00%
Other expenses	131.92%	120.32%	117.28%	114.47%	100.00%
Total operating expenses	110.48%	104.29%	102.63%	104.32%	100.00%
Profit before provision	182.35%	161.54%	148.99%	114.13%	100.00%
Provision for loans and advances/investments	319.98%	266.20%	214.03%	125.28%	100.00%
Provision for diminution in value of investments	-19.94%	-7.27%	3.48%	11.92%	100.00%
Other provisions	-51.77%	141.62%	231.25%	36.46%	100.00%
Total provision	309.52%	281.12%	240.64%	126.49%	100.00%
Total profit before Taxes	150.68%	131.76%	126.16%	111.06%	100.00%
Current tax	167.98%	139.38%	139.25%	92.52%	100.00%
Deferred Tax	101.71%	68.17%	114.94%	120.02%	100.00%
Net profit after tax	131.98%	122.95%	112.36%	130.50%	100.00%

The above table shows that total operating income, operating expenses and operating profit of Trust Bank Ltd. are growing consistently over the periods. Interest income shows higher growth in 2019 for the growth of loans and advances.

Horizontal Analysis (Solo)

Horizontal Analysis on Balance Sheet refers to the analysis of growth of each component of balance sheet items from the base period. Here the base period is considered the year 2015 giving a value of 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to the base year.

Balance Sheet for the last five years

Particulars	2019	2018	2017	2016	2015
PROPERTY AND ASSETS					
Cash	138.94%	112.39%	112.37%	111.73%	100.00%
In hand (including foreign currencies)	154.07%	137.41%	117.90%	123.57%	100.00%
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	135.30%	106.38%	111.04%	108.89%	100.00%
Balance with other banks and financial institutions	248.11%	153.88%	78.92%	291.75%	100.00%
In Bangladesh	387.20%	245.50%	81.82%	436.93%	100.00%
Outside Bangladesh	68.17%	35.37%	75.16%	103.94%	100.00%
Money at call and short notice					
Investments	169.16%	133.15%	117.65%	130.98%	100.00%
Government	163.56%	127.45%	114.51%	130.02%	100.00%
Others	234.69%	199.86%	154.42%	142.22%	100.00%
Loans and advances/investments	161.37%	150.92%	141.57%	108.71%	100.00%
Loans, cash credits, overdrafts, etc/investments	162.38%	151.15%	141.41%	108.59%	100.00%
Bills purchased and discounted	117.17%	141.22%	148.70%	113.84%	100.00%
Fixed assets including premises, furniture and fixtures	233.18%	69.85%	85.08%	96.92%	100.00%
Other assets	126.05%	111.98%	107.51%	97.57%	100.00%
Total assets	163.62%	144.06%	133.04%	116.65%	100.00%
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	152.94%	161.75%	127.90%	138.78%	100.00%
Deposits and other accounts	160.44%	140.98%	132.88%	114.72%	100.00%
Current/Al-wadeeah current accounts and other accounts	209.13%	174.75%	167.72%	124.78%	100.00%
Bills payable	257.51%	328.27%	208.49%	220.81%	100.00%
Savings bank/Mudaraba savings bank deposits	194.83%	172.28%	156.03%	130.48%	100.00%
Fixed deposits/Mudaraba fixed deposits	146.55%	128.79%	123.11%	109.48%	100.00%
Other liabilities	261.81%	189.75%	153.86%	116.29%	100.00%
Total liabilities	163.99%	144.54%	133.35%	116.61%	100.00%
Total shareholders' equity	157.06%	135.49%	127.34%	117.48%	100.00%
Paid-up capital	130.68%	118.80%	118.80%	108.00%	100.00%
Share Premium Account	--	--	--	--	--
Foreign Currency Translation reserve	969.57%	878.26%	773.91%	195.65%	100.00%
Statutory reserve	197.37%	169.14%	144.45%	120.81%	100.00%
Other reserve	38.71%	3.44%	9.46%	69.15%	100.00%
Retained earnings	154.22%	116.98%	120.08%	142.72%	100.00%
Total liabilities and shareholders' equity	163.62%	144.06%	133.04%	116.65%	100.00%

The above table indicates that total assets, liabilities, shareholders' equity, investment and loans and advances are showing a consistent growth over the last five years, which indicate a sustainable balance sheet growth of the Bank as a whole.

Vertical Analysis (Solo)

Vertical Analysis on Income Statement refers to the components of income statement items as a % of total income over the periods which would be termed as common sizing of income statement.

Profit and Loss Account for the last five years

Particulars	2019	2018	2017	2016	2015
OPERATING INCOME					
Interest income	80.18%	81.79%	78.06%	77.70%	78.93%
Interest paid on deposits and borrowings, etc.	54.78%	52.64%	48.18%	51.46%	57.23%
Net interest income	25.40%	29.16%	29.88%	26.24%	21.70%
Investment income	11.70%	10.14%	11.23%	12.76%	11.42%
Commission, exchange and brokerage	6.06%	5.81%	7.78%	6.70%	7.05%
Other operating income	2.06%	2.25%	2.93%	2.84%	2.60%
Total operating income	45.22%	47.36%	51.82%	48.54%	42.77%
Salaries and allowances	8.66%	9.16%	10.46%	11.71%	11.30%
Rent, taxes, insurance, electricity, etc.	1.60%	3.40%	3.76%	3.83%	3.30%
Legal expenses	0.02%	0.02%	0.01%	0.01%	0.00%
Postage, stamp, telecommunication, etc.	0.33%	0.41%	0.54%	0.84%	0.71%
Stationery, printing, advertisements, etc.	0.22%	0.24%	0.26%	0.38%	0.39%
Managing Director's salary and benefits	0.05%	0.05%	0.06%	0.07%	0.06%
Directors' fees	0.01%	0.01%	0.02%	0.01%	0.01%
Auditors' fees	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and repairs of Bank's assets	2.18%	1.08%	1.29%	1.38%	1.41%
Other expenses	3.23%	3.40%	3.84%	4.06%	3.42%
Total operating expenses	16.30%	17.77%	20.24%	22.30%	20.61%
Profit before provision	28.92%	29.59%	31.59%	26.24%	22.16%
Provision for loans and advances/investments	9.93%	9.55%	8.88%	5.64%	4.34%
Provision for diminution in value of investments	0.07%	0.03%	-0.02%	-0.06%	-0.51%
Other provisions	-0.22%	0.69%	1.31%	0.22%	0.59%
Total provision	9.79%	10.27%	10.17%	5.80%	4.42%
Total profit before Taxes	19.13%	19.32%	21.41%	20.44%	17.74%
Current tax	10.96%	10.50%	12.15%	8.75%	9.12%
Deferred Tax	-0.09%	-0.07%	-0.13%	-0.15%	-0.12%
Net profit after tax	8.26%	8.89%	9.40%	11.84%	8.74%

In income side, interest income (80.18%), income from commission, exchange and brokerage (6.06%) and investment income (11.70%) hold major portion.

Vertical Analysis (Solo)

Vertical Analysis on Balance Sheet refers to the components of balance sheet items as a % of total Assets over the periods which would be termed as common sizing of balance sheet.

Balance Sheet for the last five years

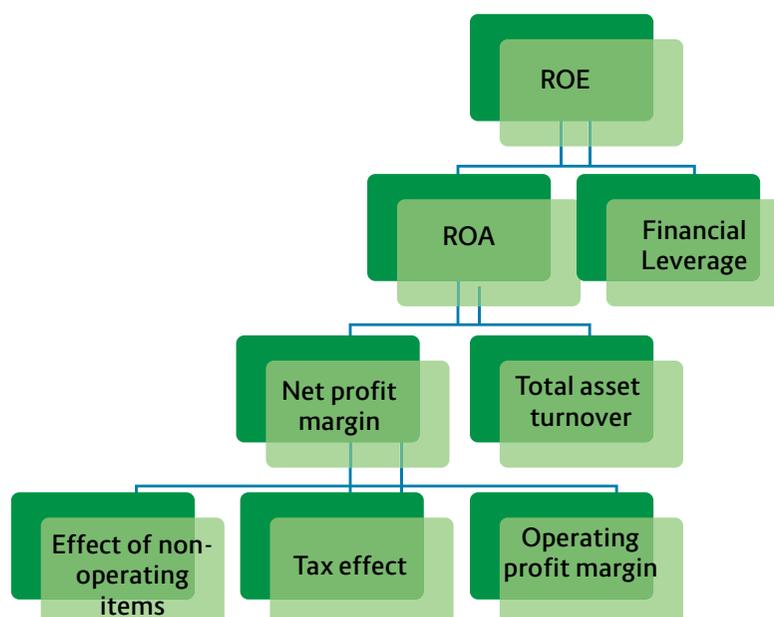
Particulars	2019	2018	2017	2016	2015
PROPERTY AND ASSETS					
Cash	6.60%	6.06%	6.56%	7.44%	7.77%
In hand (including foreign currencies)	1.42%	1.44%	1.33%	1.60%	1.51%
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	5.18%	4.62%	5.23%	5.85%	6.26%
Balance with other banks and financial institutions	4.23%	2.98%	1.65%	6.98%	2.79%
In Bangladesh	3.72%	2.68%	0.97%	5.89%	1.57%
Outside Bangladesh	0.51%	0.30%	0.69%	1.08%	1.22%
Money at call and short notice	0.78%				
Investments	13.92%	12.44%	11.91%	15.12%	13.46%
Government	12.40%	10.97%	10.68%	13.82%	12.40%
Others	1.52%	1.47%	1.23%	1.29%	1.06%
Loans and advances	71.47%	75.92%	77.12%	67.54%	72.47%
Loans, cash credits, overdrafts, etc/investments	70.30%	74.33%	75.30%	65.94%	70.84%
Bills purchased and discounted	1.17%	1.60%	1.82%	1.59%	1.63%
Fixed assets including premises, furniture and fixtures	0.65%	0.22%	0.29%	0.38%	0.46%
Other assets	2.35%	2.37%	2.46%	2.55%	3.05%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	6.71%	8.05%	6.90%	8.53%	7.17%
Deposits and other accounts	82.07%	81.91%	83.60%	82.31%	83.70%
Current/Al-wadeeah current accounts and other accounts	11.99%	11.38%	11.82%	10.03%	9.38%
Bills payable	1.12%	1.63%	1.12%	1.35%	0.71%
Savings bank/Mudaraba savings bank deposits	12.24%	12.29%	12.05%	11.49%	10.28%
Fixed deposits/Mudaraba fixed deposits	56.72%	56.62%	58.61%	59.43%	63.33%
Other liabilities	6.16%	5.07%	4.45%	3.84%	3.85%
Total liabilities	94.93%	95.04%	94.95%	94.68%	94.72%
Total shareholders' equity	5.07%	4.96%	5.05%	5.32%	5.28%
Paid-up capital	2.08%	2.15%	2.32%	2.41%	2.60%
Share Premium Account	0.00%	0.00%	0.00%	0.00%	0.00%
Foreign Currency Translation reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Statutory reserve	2.23%	2.17%	2.01%	1.92%	1.85%
Other reserve	0.01%	0.00%	0.00%	0.02%	0.03%
Retained earnings	0.75%	0.65%	0.72%	0.97%	0.79%
Total liabilities and shareholders' equity	100.00%	100.00%	100.00%	100.00%	100.00%

In asset side, Loans and advances (71.47%) and investment (13.92%) holds major portion. In liability side, deposit holds major portion (82.07%) and shows a mixed trend over the last five years.

DuPont Analysis

5 Factors Model

DuPont analysis (also known as the “DuPont identity”) is a framework for analyzing fundamental performance popularized by the DuPont Corporation. DuPont analysis is a useful technique used to decompose the different drivers of return on equity (ROE). Decomposition of ROE allows investors to focus on the key metrics of financial performance individually to identify strengths and weaknesses. DuPont analysis covers net profit margin, total asset turnover and financial leverage. Net profit margin is further broken down to operating profit margin, effect of non-operating items and tax effects.



Particulars	2019	2018	2017
ROE	14.60%	15.14%	14.86%
Net Profit Margin	8.26%	8.89%	9.40%
Total Asset Turnover	0.0887	0.0853	0.0818
Financial Leverage	19.9276	19.9764	19.3246
Operating Profit Margin	28.92%	29.60%	31.58%
Effect of Non-Operating items	0.6616	0.6531	0.6779
Tax Effect	0.4317	0.4599	0.4388

The higher the value of all components of DuPont analysis, the higher the positive impact on return on equity. Operating Profit Margin of 2019 stood at 28.92% whereas it was at 29.60% in 2018.

Effects on non-operating items was increased and Tax effect decreased from previous year. The combined effects of these three components resulted in a reduce of net profit margin to 8.26% in 2019 compared to 8.89% of last year.

Efficiency of utilization of assets as implied by average total assets turnover was higher than previous year. Financial leverage decreased a little bit to 19.9276 from last year’s 19.9764 mainly for the issuance of bonus share which increased the share holders’ equity to absorb any uncertain risk.

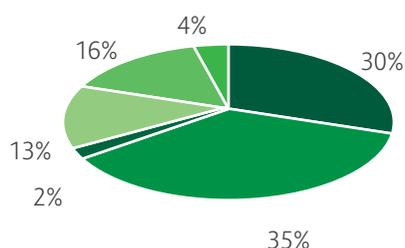
Value Added Statement

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

BDT in Million (where applicable)

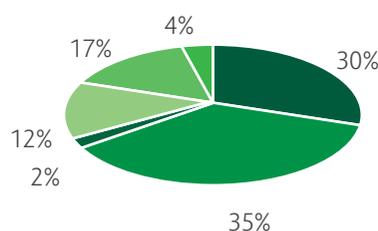
Particulars	2019		2018		Growth
	Taka	%	Taka	%	%
Income from Banking Services	24,596.04	--	21,295.31	--	16%
Less: Cost of Services and Supplies	14,684.33	--	12,682.54	--	16%
Add: Deferred Tax Income	21.44	--	14.37	--	49%
Value added by banking services	9,933.15	--	8,627.14	--	15%
Less: Provision for Loan Loss and other Provisions	2,407.40	--	2,186.46	--	10%
Total Value Added	7,525.75	--	6,440.68	--	17%
Distribution of added value					
To Employees as Salaries and Allowances	2,141.54	30%	1,960.37	30%	9%
To Government as Income Taxes	2,696.00	35%	2,237.04	35%	21%
To Special Reserve Fund	120.00	2%	120.00	2%	0%
To Statutory Reserve	941.22	13%	823.05	12%	14%
Total	5,898.76	80%	5,140.46	80%	15%
Retained Earnings	1,090.34	16%	1,069.53	17%	2%
Depreciation	536.65	4%	230.69	4%	133%
To Expansion and Growth	1,626.99	20%	1,300.22	20%	
Total Distribution of Added Value	7,525.75	100%	6,440.68	100%	17%

Distribution of Added Value 2019



- To Employees as Salaries and Allowances
- To Government as Income Taxes
- To Special Reserve Fund
- To Statutory Reserve
- Retained Earnings
- Depreciation

Distribution of Added Value 2018



- To Employees as Salaries and Allowances
- To Government as Income Taxes
- To Special Reserve Fund
- To Statutory Reserve
- Retained Earnings
- Depreciation

Report on the Going Concern Status of Trust Bank Limited

Definition of Going Concern

Under the going concern basis of accounting, an entity is viewed as continuing in business for the foreseeable future. The financial statements are prepared on a going concern basis, unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. It includes bringing together the requirements of Company law, Accounting Standards and Listing Rules on going concern. The management of Trust Bank Limited has made this assessment based on the accounting period ended on or after December 31, 2019. The assessment considers appropriate inquiries including review of budgets and future outcome of inherent risks involved in the business while assessing whether we are ongoing concern basis.

The Directors confirm 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:

Financial Results

The financial results which can easily be seen from the financial highlights at the front of this book shows that we are able to preserve our positioning as a going concern.

Financial Support from Lenders/Depositors

TBL has a good track record in the settlement of its obligation with its lenders/depositors. That is why our total deposit has increased by 13.78%.

Dividend Payment

TBL is paying healthy returns to its shareholders over the years. We have declared 10% Dividend (5% cash and 5% stock) for the year 2019.

Sincerity in Payment of Obligations

TBL is sincere in payments of its obligations to lenders. We have always been credible in the terms of loan and other agreements and have never defaulted.

Growing Business Portfolio

Our portfolio of good clients is increasing which shows our intensity of doing ethical business. At the same time, we are de-risking our portfolio.

Human Capital

TBL has invested significantly to train its human resources. We are also hiring the best people in the industry so that a momentum can be achieved to become the best bank. In 2019, we have trained 1314 participants through a total of 36 training sessions.

Corporate Environment and Employee Satisfaction

Our employees are our core asset. And ensuring a healthy work life balance is our responsibility. Our office environment is also kept corporate to increase efficiency and satisfaction. This is reflected in our Human Capital section.

Changes in Government Policy

The management of TBL anticipates no significant changes in legislation or government policy, which may materially affect the business of the Company.

Sustainable Finance (Green Banking)

Sustainability in the financial sector is becoming increasingly important both nationally and internationally. Sustainable Finance is growing as an important issue for growing challenges from climate change and social inequality. Sustainable Finance gives market participants a choice to act in a responsible way and to support positive change in day-to-day business. Increasing pressure on the environment, damages to ecosystems and environmental changes are presenting a global challenge. Integrating sustainability considerations into the financial system can play an important role in meeting the objectives agreed upon in the United Nations' Sustainable Development Goals (SDGs) and the Paris Climate agreement. Therefore, the inclusion of sustainability criteria in the financial sector is essential to address the future challenges. As part of the growing awareness that a shift in the financial industry is needed, sustainable finance is increasingly gaining attention from global financial and political actors as well as the broad public.

Sustainable Finance aims at integrating environmental, social or governance (ESG) criteria into financial services. Decisions about investments and capital expenditures should take those criteria into account, while being beneficial to both the investor and society at large. Moreover, the sustainability risks that may impact the stability of the financial system should be made transparent. However, the future-oriented investment strategies should be based on valid data as well as medium to long term risks and returns. While this previously was a niche investment strategy, the approach increasingly reaches the mainstream of international financial markets.

Trust Bank is taking responsibility by being fully engaged in Sustainable Finance. We are committed to support the market with an environmental or social benefit. Sustainable Finance Department of Trust Bank was established as per Bangladesh Bank's circular # SFD no. 02 dated 01 December, 2016 by abolishing the existing Green Banking Unit and Corporate Social Responsibility Unit

Sustainable Finance (green banking) is a new initiative throughout the world. The leading bankers and entrepreneurs have come forward to save man from environmental disasters.

The natural calamities of our country are a common phenomenon, which often causes huge losses. Even climate change impacts are high in our country, which needs proper dealing and management, effective guidance from all quarters, especially from banks. Green banking involves pursuing financial and business policies that are friendly to environment. It calls for banking business in such areas and in such a manner that helps the overall reduction of external carbon emission and internal carbon footprint. In line with global development and response to the environmental degradation, financial sector in Bangladesh should play an important role as one of the key stakeholders. Therefore, to adopt green banking policy, bank should adopt technology, process, and products which result in substantial reduction of their carbon footprint as well as develop sustainable business.

The Bangladesh Bank has formulated guidelines in this respect, and encourages the scheduled banks to take measures to create a congenial atmosphere through 'green banking methodology'.

Trust Bank believes that green growth cannot be achieved without green investment. Shifting the investment from fossil-fuel to green energy is the only way for transforming economic growth paths.

Trust Bank's Green Financing

Trust Bank is also committed to practice digital, nearly paperless, sustainable, green banking operations by making best use of the information technology and related professional skills. We widely practice using online banking, mobile banking, internet banking, e-mailing and SMS banking.

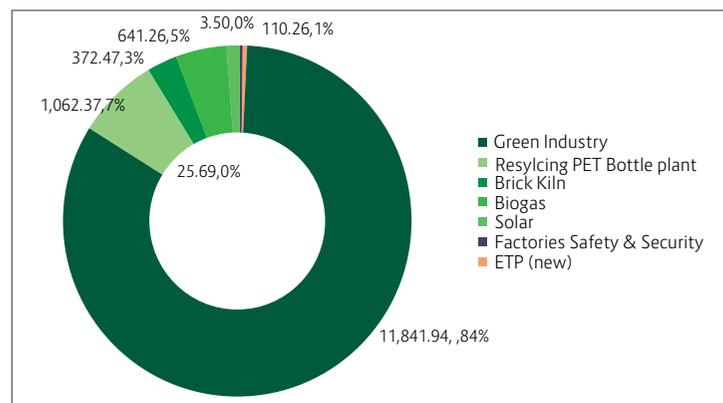
Trust Bank Ltd. has developed innovative green banking financial products named 'Trust Shufola' which can directly or indirectly contribute to the reduction of carbon emissions and increase financial inclusion. The bank is sincerely looking for financing green projects such as LEED certified industry (Certified Green Industry & Green Building/Green Featured Building), Recycling & Recyclable Product (PET Bottle recycling plant), Ensuring Work Environment and Security of Factories Workers, Effluent Treatment Plant (ETP), Hybrid Hoffman Kiln (HHK), Zigzag or equivalent Technology in Brick Field, Renewable Energy (Bio-Gas Plant, Solar Home System & Solar Irrigation Pumping System) etc.

The Bank has signed participation agreement with Bangladesh Bank for Refinancing schemes. Our finance in this sector has been recorded at BDT 641.15 million against 2,934 nos. of Bio gas plants in different locations of the country, under 4 cow model of Bangladesh Bank. Rural families /farmers are largely benefited from each bio-gas plant with gas, milk, slurry and organic fertilizer. We also financed a loan for Tk.100.00 million favoring a MFI (SOJAG) for financing of a cluster-base bio gas plants at Dhamrai.

This is not the all Trust Bank extended finance for installation of 4,197 Solar-Energy Systems through MFIs linkage in the district of Jhenaidah, Munsigonj, Jessore, Satkhira, Panchagarm, Kurigram and Mymensingh. A village named Howlipara, Jhenaidah, is yet to be named as ‘Solar Village’.

TBL in partnership with IDCOL financed a PET Bottle Recycling Plant at Rupgonj, first of its kind in Bangladesh. On top of that, the bank opened 02(two) solar-based branch in the district of Lalmonirhat and Kishoregonj respectively. A ‘Green Day’ was observed for awareness building of the bank employees as well as other stakeholders. TBL is equally concerned with carbon emission and waste management. Keeping this in mind, besides its financing in ETPs and auto brick fields, it has financed a Certified Green Industry named Pretty Group. The Bank also financed a 17 storied building named ‘Cityscape Building’ located at Gulshan, which is popularly known as ‘Green Building’. In recognition to our green activities, central bank has nominated Trust Bank Ltd as the only member of its Technical Advisory Committee for environment friendly banking from the Banking industry.

Composition of Total Green Finance



Corporate Social Responsibility (CSR)

Corporate social responsibility is a process that is concerned with treating the stakeholders of a company or institution ethically or in a responsible manner. Corporate Social Responsibility (CSR) is about achieving organizational excellence in ways that honor ethical values and respect people, communities and the natural environment. Trust Bank Limited started its CSR activities in 2009 with a view to increase considering the interests of our external & internal stakeholders like customers, employees, vendors, shareholders, society, government etc. and ecological & ethical considerations in all aspects of operations. TBL has contributed to the well-being of the society through philanthropic activities like, promoting healthcare, quality of education, women empowerment, and natural disaster management.

Corporate Social Responsibility means not only fulfilling legal expectations, but also going beyond compliance and investing ‘more’ into human capital, the environment and in rapport-building with stakeholders. Over the past years, we have taken our commitment to a structured and integrated approach to attain sustainability growth by extending CSR activities along with core business target. We want to use our capabilities and competencies not only to have a financial impact, but to have a social impact too.

Our policies and commitments

As part of CSR through direct participation program, the Bank established a special reserve fund named ‘Trust Bank Limited Special Reserve Fund (TBL SRF)’. TBL SRF was approved of Finance Ministry and National Board of Revenue. An amount not exceeding 5.00 percent of Bank’s operating income is allowed to transfer this Special Reserve Fund.

Trust Bank has board approved CSR policies and CSR activities are carried out by dedicated CSR desk. Every year, CSR activities of Trust Bank Limited are audited by Internal Control and Compliance (IC&C) division of the bank and an External Auditor (MABS & J Partners audited in 2019).

We formulated budget for CSR activities which was duly approved by the Board and we tried to cover range-wise allocation for CSR initiatives as directed by Bangladesh Bank's indicative guidelines GBCSRD circular# 07/2014 dated 22 December 2014

CSR activities in line with core objective

Since the commencement of the business, Trust Bank Ltd. is very much committed to building trust in the financial industry by increasing integrity and transparency, improving engagement with our customers. Contributing to the society through financial assistance to the cause of social concern is of key responsibility of Trust Bank Limited. Tk. 120.00 million was transferred to the Special Reserve Fund in 2019 for conducting CSR activities. We provided financial assistance of Tk. 180.08 million in the year 2019.

Disaster management is how we deal with the human, material, economic or environmental impacts of the disaster and reduce the potential negative consequences of risk results in disaster. It is the process of how we "prepare for, respond to and learn from the effects of risk results.

As a part of Disaster management, we donated 50,000 pcs of blankets worth Tk. 17.95 million to Prime Minister's Relief Store to relieve the distress of winter-stricken people in the country. We also donated Tk. 10.00 million to Prime Minister's Relief Store for Churihatta fire tragedy in Chawkbazar of Old Dhaka.

Trust Bank made a significant contribution to the healthcare sector of the country. To promote healthcare facilities, we donated Tk. 150.00 million to Combined Military Hospitals (CMH) & Military Dental Centers situated in different areas of the country for upgradation their medical treatment with latest equipment. CMHs are very much renowned for their quality medical treatment and playing an important role in the healthcare sector of the country.

As a mark of respect to the contribution of the families of martyr freedom fighters, we have been providing financial assistance to the victims of martyred

families of Surajdi & Shohagpur villages of Nalitabari Upazilla in Sherpur since 2010. The widows of the two 'Bidhoba Palli' have been receiving monthly subsistence allowances till their death. During the year 2019, we provided Tk 1.13 million of monthly subsistence allowances.



General Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G, Chief of Army Staff, Bangladesh Army & Chairman and Faruq M. Ahmed, Managing Director & CEO of Trust Bank Limited handed over blankets as part of Corporate Social Responsibility activities of Bank to Prime Minister's Relief Store.

CSR donations of Trust Bank Limited in 2019:

Sector	BDT in Million	Percentage
Health	151.00	83.85%
Disasters	27.95	15.52%
Others	01.13	0.63%
Total	180.08	100%

Trust Bank Shariah Supervisory Committee

Speech of the Chairman

Bismillahir Rahmanir Raheem

All praise is for Allah subhanahu-wa-tayala Who creates us and Who is the One and Second to none, Beneficent, the Merciful. Durud and Salam is for our Prophet (SM) who is Rahmat for the creatures of the World.

Honorable Shareholders, you are informed that all the activates including Deposit and Investment of Trust Islamic Banking continuing by abiding Shariah principles from the year 2008. In the upcoming days Trust Islamic Banking will continue its effort to develop customer service, growth and confidence.

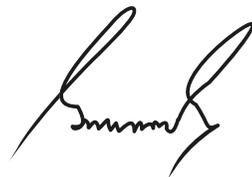
By the grace of Almighty Allah Trust Islamic Banking have completed all the formalities of the financial year 2019 and we take the opportunity to express our appreciation to the Board of Directors, the Managing Director and all members of the Management Team for their continuous support for the development of Islamic Banking in TBL.

Alhamdulillah in the year 2019, Trust Islamic Banking continue its growth regarding Deposit, Investment and Profit. The honorable members of the Trust Bank Shariah Supervisory Committee have express their willful opinion presented by the Board of Directors and Management and discussed the activities of Trust Islamic Banking.

Trust Bank Shariah Supervisory Committee express their gratitude for the overall actives and business growth.

We pray to Almighty Allah to give us enough strength and fortitude to implement Shariah Principles in every sphere of our life. We evoke His unbound blessings on TBL and its stakeholders.

Ma-assalam,



Hafiz Mowlana Prof. Dr. Md. Shahidul Islam Barakaty
Trust Bank Shariah Supervisory Committee

ট্রাস্ট ব্যাংক শরী'আহ সুপারভাইজরী কমিটি চেয়ারম্যান মহোদয়ের বাণী

বিসমিল্লাহির রাহমানির রাহীম

সমস্ত প্রশংসা মহান আল্লাহ্ রাক্বুল আলামীনের জন্য যিনি আমাদের সৃষ্টি করেছেন এবং যিনি এক ও অদ্বিতীয়, দয়াবান এবং ক্ষমাশীল। অসংখ্য দরুদ ও সালাম রাহমাতুল্লিল আলামীন প্রিয় নবী হযরত মুহাম্মদ সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম এর প্রতি যিনি সমগ্র সৃষ্টির জন্য রহমত স্বরূপ।

আল্লাহর অশেষ রহমতে শরী'আহ নীতিমালা প্রতিপালনের মধ্য দিয়ে ট্রাস্ট ইসলামিক ব্যাংকিং ২০১৯ অর্থ বৎসরের সকল কার্যক্রম সম্পন্ন হওয়ায় ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও ইসলামিক ব্যাংকিং এর সহিত সংশ্লিষ্ট সবাইকে শরী'আহ সুপারভাইজরী কমিটির পক্ষ থেকে আন্তরিক অভিবাদন জানাচ্ছি। বিগত ২০১৯ সালে আমানত ও বিনিয়োগসহ ব্যবসায়িক ক্ষেত্রে উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করায় মহান আল্লাহ্ রাক্বুল আলামীনের নিকট শুকরিয়া জ্ঞাপন করছি। ট্রাস্ট ব্যাংক লিমিটেড এর শরী'আহ সুপারভাইজরী কমিটির সম্মানিত সদস্যবৃন্দ ব্যাংকের পরিচালনা পর্ষদ ও ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক উপস্থাপিত বিষয়াদির উপর দিক-নির্দেশনামূলক সিদ্ধান্ত স্বাধীনভাবে প্রদান করেছে এবং ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যালোচনা করেছে। শরী'আহ সুপারভাইজরী কমিটি ব্যাংকের পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষকে ট্রাস্ট ইসলামিক ব্যাংকিং এর সার্বিক কার্যক্রম ও এর ব্যবসায়িক অগ্রগতির জন্য আন্তরিক মোবারকবাদ জ্ঞাপন করছে।

সম্মানিত শেয়ারহোল্ডারবৃন্দ, আপনারা অবগত আছেন যে বিনিয়োগ ও আমানতসহ ট্রাস্ট ইসলামিক ব্যাংকিং এর সকল কার্যক্রম শরী'আহ নীতিমালা অনুসরণের মধ্য দিয়ে ২০০৮ সন হতে পরিচালিত হয়ে আসছে। আগামী দিনগুলোতে গ্রাহক সেবার মান বৃদ্ধি, প্রবৃদ্ধি ও আস্থা অর্জনের জন্য ট্রাস্ট ইসলামিক ব্যাংকিং তার প্রচেষ্টা অব্যাহত রাখবে ইনশাআল্লাহ।

মহান আল্লাহ্ রাক্বুল আলামীন আমাদের জীবনের সর্বক্ষেত্রে ইসলামী শরী'আহ পরিপালনের মাধ্যমে তাঁর সন্তুষ্টি অর্জনে সচেষ্ট হওয়ার তাওফীক দান করুন, আমিন।

মা-আসসালাম

হাফেজ মাওলানা অধ্যাপক ডঃ মোঃ শহীদুল ইসলাম বারাকাতী
ট্রাস্ট ব্যাংক শরী'আহ সুপারভাইজরী কমিটি

Annual Report of the Shariah Supervisory Committee

Bismillahir Rahmanir Raheem

Honorable Shareholders

Assalamu Alaikum Wa-rahmatullah

All praise is for Allah subhanahu-wa-tayala for allowing opportunity to complete the financial year 2019 and we take the opportunity to express our appreciation to the Board of Directors, the Managing Director and all members of the Management Team for their continuous support for the development of Islamic Banking at Trust Bank.

The responsibility of the Bank's Board and Management, is to ensure that the business operations under Islamic Banking have adhered to and run in accordance with guidance of the Shariah Supervisory Committee. The responsibility of the SSC is to extend its direction, opinion & verdict on Shariah Compliance issues and to discuss, whether the Management operating its Islamic Banking business as per guideline and present an independent opinion to the stakeholders.

In the year 2019 Trust Bank Shariah Supervisory Committee met in 04 (four) meetings. The SSC observe the activities, check the files and verify the information provided by the bank management in the last year i.e. 2019. To reach and deliver maximum possible level of Shariah compliance, the SSC present the following steps for your kind consideration:

- a. In the last financial year Trust Islamic Banking have practice the Shariah principles in its transactions and contracts so far we have discussed.
- b. In the year 2019 Trust Bank have started 10 new Islamic Banking Window activities.
- c. Bank have follow the shariah principles while distributing final profit among the mudaraba depositors.
- d. It is the sole responsibility of the depositor and shareholders to pay Zakat on the deposit and share as bank didn't pay the Zakat on the A/C and balance.
- e. Based on internal and external Islamic Banking shariah ruling some compensation have been realized by the different window braches. However, the amount have been separated from the actual income and kept for CSR purpose.
- f. Shariah awareness have been increased among the bank employees and remarkably reduce the shariah violation.

Opinion of the Shariah Supervisory Committee

1. In case of allowing investing in Bai-Sell mode (i.e. Bai-Murabaha, Bai-Muajjal & Bai-Salam) bank should ensure proper buying and selling. In case of appointing buying agent importance should be given in the Shariah principles.
2. Mudaraba and Musharaka investment should be introduced in the small scale.
3. Investment focus should be given for the socio- economic development of the poor people of the rural area of the country in accordance with corporate, SME & retail clients.
4. To motivate all stage of Bank's manpower and to give them basic idea on Islamic Banking bank should take steps for training in the Islami Economy and Banking.
5. The Management has been advised to take necessary steps to enhance professional excellence of the manpower through suitable & continuous training program and to take effective measures for creating awareness among the deposit & investment clients and general people on Shariah compliance in banking practice at Head Office and branch level throughout the country.

May Allah forgive our all errors and accept our good deeds and to follow more taqwa and welfare deeds. Ameen.



Hafiz Mowlana Prof. Dr. Md. Shahidul Islam Barakaty
Trust Bank Shariah Supervisory Committee

শরী'আহ সুপারভাইজরী কমিটির বার্ষিক প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহীম

সম্মানিত শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ।

মহান আল্লাহ তা'লার নিকট শুকরিয়া আদায় করছি যে তার অশেষ রহমতে ট্রাস্ট ইসলামিক ব্যাংকিং এর ২০১৯ ইং অর্থ বৎসরের সকল কার্যক্রম সুসম্পন্ন হয়েছে। ইসলামিক ব্যাংকিং কার্যক্রমে সর্বাঙ্গিক সমর্থন, দিকনির্দেশনা ও আস্থা সহ উদ্যোগের জন্য পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষকে ও আন্তরিক মোবারকবাদ জ্ঞাপন করছি।

ইসলামী শরী'আহর নীতিমালা মোতাবেক সার্বিক ব্যবসা পরিচালনার দায়িত্ব মূলতঃ ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষের। আমাদের শরী'আহ সুপারভাইজরী কমিটির দায়িত্ব হচ্ছে ব্যাংকের কার্যাবলী পরিচালনায় শরী'আহসম্মত দিকনির্দেশনা ও সিদ্ধান্ত প্রদান এবং তার ভিত্তিতে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ তাদের যাবতীয় কার্যক্রম পরিচালনা করছে কি না, তা যাচাইকরণে পর্যালোচনাপূর্বক একটি স্বাধীন মতামত প্রস্তুত করে আপনাদের নিকট উপস্থাপন করা।

ট্রাস্ট ব্যাংকের শরী'আহ সুপারভাইজরী কমিটি ২০১৯ইং সালে ০৪ টি সভায় মিলিত হয়েছে। শরী'আহ সুপারভাইজরী কমিটি বিগত ২০১৯ ঈসায়ী (হিজরী ১৪৪০-১৪৪১) বছরে প্রধান কার্যালয় এর ইসলামিক ব্যাংকিং ডিভিশন ও ব্যাংকের ১৫ টি উইন্ডো এর অনুসৃত কার্যক্রম পর্যবেক্ষণ, সংশ্লিষ্ট নথিপত্র যাচাই বাছাইসহ ব্যাংক কর্তৃপক্ষ কর্তৃক উপস্থাপিত তথ্যাদি পর্যালোচনা করে নিম্নোক্ত বিষয় সমূহ আপনাদের সদয় অবগতির জন্য উপস্থাপন করছে:

- ক. বিগত অর্থবছরে ট্রাস্ট ইসলামিক ব্যাংকিং কর্তৃক ব্যাংকিং কার্যক্রমে অনুসৃত ও পরিচালিত লেনদেনসহ সকল কার্যাবলী এবং চুক্তিসমূহ-যা আমরা যথাসম্ভব পর্যালোচনা করেছি তা ইসলামী শরী'আহর নীতিমালা অনুযায়ী করা হয়েছে।
- খ. ২০১৯ ইং সালে নতুন করে ১০ টি শাখায় ইসলামী ব্যাংকিং উইন্ডো কার্যক্রম শুরু করা হয়েছে।
- গ. ব্যাংকের বিভিন্ন শ্রেণীর মুদারাবা ডিপোজিটরদের মাঝে যে লাভ বন্টন করা হয়েছে তা শরী'আহর নীতিমালা অনুযায়ী করা হয়েছে বলে প্রমাণিত হয়েছে।
- ঘ. ডিপোজিটর ও শেয়ারহোল্ডারদের একাউন্ট ও টাকার উপর ব্যাংক কোন যাকাত প্রদান করে না, তাই ডিপোজিট ও শেয়ারের টাকার উপর যাকাত প্রযোজ্য হলে-তা প্রদান করা যথাক্রমে ডিপোজিটর ও শেয়ারহোল্ডারদের নিজ নিজ দায়িত্ব।
- ঙ. ইসলামী ব্যাংকিং এর অভ্যন্তরীণ এবং আন্তর্জাতিক শরী'আহ বিধি-বিধান মেনে চলায় ব্যাংকের বিভিন্ন শাখায় বিনিয়োগ সংশ্লিষ্ট কিছু অর্জিত মুনাফা (মেয়াদ উত্তীর্ণ) ও সন্দেহজনক আয় (Doubtful Income) যথাসম্ভব চিহ্নিত করা হয়েছে এবং উক্ত অর্থ ব্যাংকের মূল আয় থেকে পৃথক করে শরী'আহ নির্ধারিত পন্থায় ব্যয়ের জন্য রাখা হয়েছে।
- চ. ব্যাংকের কর্মকর্তাদের মাঝে শরী'আহ সম্পর্কে আরও অধিক সচেতনতা বৃদ্ধি পাওয়ায় শরী'আহ লংঘনের মাত্রা কমে এসেছে।

শরী'আহ সুপারভাইজরী কমিটির পরামর্শ

১. বাই বা ক্রয়-বিক্রয় পদ্ধতির বিনিয়োগের (বাই-মুয়াজ্জাল, বাই-মুরাবাহা ও বাই-সালাম) ক্ষেত্রে পণ্য ক্রয়-বিক্রয় নিশ্চিতকরণ ও গ্রাহককে 'ক্রয়-প্রতিনিধি' নিয়োগে শরী'আহ পরিপালনের ব্যবস্থা আরো জোরদার করা একান্ত প্রয়োজন।
২. মুদারাবা ও মুশারাকা বিনিয়োগ কার্যক্রম স্বল্প পরিসরে হলেও চালু করা যেতে পারে।
৩. কর্পোরেট গ্রাহকদের পাশাপাশি এসএমই, রিটেইল ও দেশের অপেক্ষাকৃত দরিদ্র গ্রাহকদের অর্থ-সামাজিক উন্নয়নের লক্ষ্যে শরী'আহ নীতিমালার আলোকে নতুন বিনিয়োগ বৃদ্ধির ব্যবস্থা গ্রহণ করা।
৪. ব্যাংকের সর্বস্তরের জনশক্তিকে ইসলামী ব্যাংকিং বিষয়ক জ্ঞানে সমৃদ্ধ ও প্রশিক্ষিত করে গড়ে তোলার লক্ষ্যে ইসলামী অর্থনীতি ও ব্যাংকিং বিষয়ে পর্যাপ্ত প্রশিক্ষণের ব্যবস্থা গ্রহণ করা।
৫. ব্যাংকের আমানত ও বিনিয়োগ গ্রাহকসহ দেশের সাধারণ মানুষকে ইসলামী ব্যাংকিং-এর সাথে সম্পৃক্তকরণে এবং ইহকালীন ও পরকালীন কল্যাণের বিষয় তাদের নিকট তুলে ধরার নিমিত্তে প্রধান কার্যালয়, শাখা ও বিভিন্ন অঞ্চলে পর্যায়ে নিয়মিতভাবে ইসলামী অর্থনীতি ও ব্যাংকিং বিষয়ক সেমিনার ও গ্রাহক সমাবেশ-এর আয়োজন করা।

আল্লাহ তা'আলা আমাদের কর্মকাণ্ডের যাবতীয় ভুল-ত্রুটি ক্ষমা করে ভালো কাজগুলি একমাত্র তাঁর সন্তুষ্টির জন্য কবুল করুন এবং ভবিষ্যতে আরো তাকওয়া ও যোগ্যতাপূর্ণ কল্যাণমূলক কাজ নির্ভুলভাবে করার তাওফীক দান করুন, আমীন।



হাফেজ মাওলানা অধ্যাপক ডঃ মোঃ শহীদুল ইসলাম বারাকাতী
ট্রাস্ট ব্যাংক শরী'আহ সুপারভাইজরী কমিটি



Risk Management Report

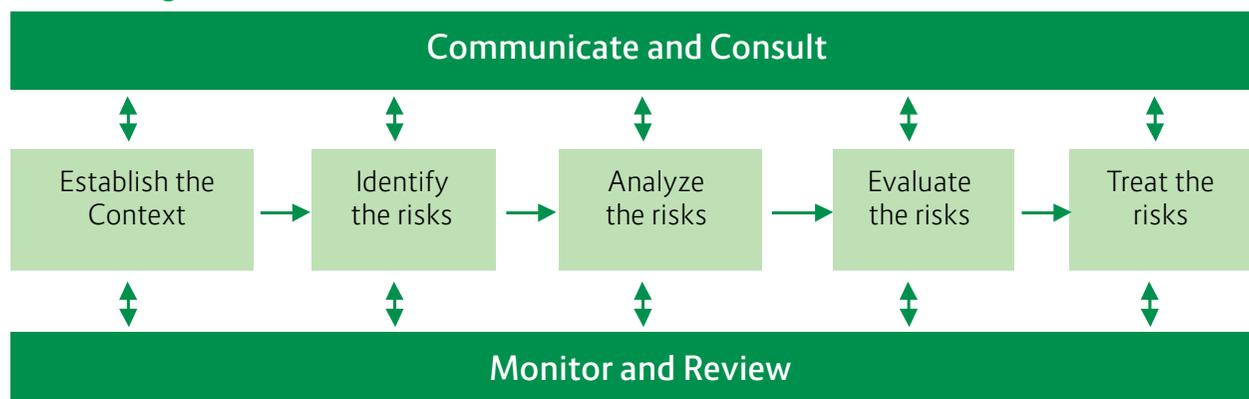
Risk Management Report

Effective risk management is at the core of the Bank's value creation model as we accept risk in the normal course of business. Significant resources are devoted to this critical function to ensure that it is well articulated, communicated and understood by all employees of the Bank as it is a shared responsibility. The overarching objectives are to ensure that risks accepted are in line with the Bank's risk appetite and strategic priorities by appropriate trade-off between expected risk and reward enabling delivery of maximum value to key stakeholders. Sound risk management always remained a top strategic priority to TBL. Bank strive for robust approach to the best solution of risk and return conundrum.

2019 Key Priorities

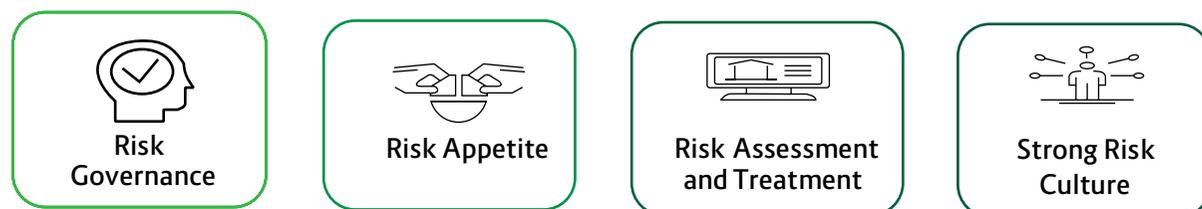
- Ensure our risk appetite responds appropriately to changes in the operating environments and manage the exposures accordingly.
- Proactive measures to maintain superior asset quality and strengthen the recovery efforts to arrest NPL.
- Maintain a sound liquidity position under the prevailing stressed condition and be complied with all regulatory requirement.
- Embed a resilient risk culture through the bank thus every member of the bank is aware of managing risk respective to their levels.
- Continuous endeavor to strengthen our capabilities to mitigate ICT risk and creating cyber risk awareness.
- Strengthening Operational risk management activities by developing comprehensive framework for identification, assessment, measurement & mitigation techniques of operational risk.

Risk Management Processes



Risk Management Framework

The bank's risk management approach is underpinned by a sound and robust Risk Management Framework. The framework is designed in line with the global risk management, regulatory standards and industry best practices.



Risk Governance

Effective risk governance sets a solid foundation for comprehensive risk management discipline. Our risk governance framework is based on a “three lines of defense” governance model, where each line has a specific role with defined responsibilities and works in close collaboration to identify, assess and mitigate risks.



Risk Governance Structure of the Bank

Board Risk Management Committee

The Board Risk Management Committee oversees risk management functions for identifying, monitoring and measuring the Bank's risk profile in a comprehensive and integrated manner.

The Committee approves policies related to risks and reviews various aspects of risks arising from the business undertaken by the bank, monitor effective execution of core risk management policy and principles and makes recommendations relating to the risk appetite and particular risks or risk management practices.

Executive Risk Management Committee

Executive Risk Management Committee of the bank is comprising Head of all core risk areas of the bank and Head of any other departments/division related to risk, if deemed necessary to monitor and review all risk exposures, risk related policies, procedures affecting credit, market and operational areas in line with the directives from the BRMC.

The committee is chaired by the Chief Risk Officer (CRO), who holds meeting at least once in a month based on the findings of risk reports and takes appropriate decisions to minimize, control and mitigate risks.

Risk Management Division

Risk Management Division of the bank assigned with the responsibility of carrying out the overall risk management function at strategic and operational levels.

RMD consists of separate desks, which are devised for Credit Risk Management, Asset Liability Management risk, Foreign Exchange risk management, Stress Test, IC&C risk management, Anti Money Laundering, ICT risk management, Capital Management and Basel Unit.

Risk Assessment and Treatment

A rigorous risk assessment processes are in place to actively identify, measure, analyze, evaluate and reporting risks inherent in all products and activities undertaken by the bank. Adequate risk control mechanism are there to eliminate or mitigate the impact of risk.

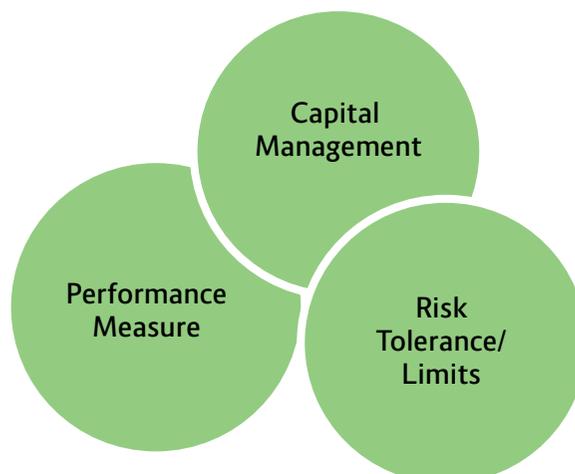
Risk Culture

Having a comprehensive risk culture throughout the Bank has become a necessity in the banking landscape today. The bank actively promote a strong risk culture where employees are encouraged to take accountability for identifying risks and for challenging inappropriate actions. The businesses are held accountable for managing all of the risks they generate, including those relating to employee behaviour and conduct, in line with the risk appetite. Expectations on risk culture are regularly communicated by senior management and reinforced through policies and trainings.



Risk Appetite

The Bank has set in place a Risk Appetite statement which clearly defining the aggregate quantum of risk the Bank is willing to assume in different aspects of business in achieving its strategic objectives. Regulatory requirements, strategic goals, capital adequacy and other prudential factors are incorporated into the RAS to facilitate sustainable value creation to stakeholders whilst ensuring compliance in an efficient manner. The RAS is reviewed and approved by the Board annually.



Credit Risk

Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honour its financial or contractual obligations to the Bank. Generally credits are the largest and most obvious source of credit risk. Credit risk could stem from both on-balance sheet and off-balance sheet activities.

Governance and management

The credit risk governance establishes the responsibility and approach through which the Board of Directors and Senior Management govern its business and the related credit risk management issues. It is the overall responsibility of a Bank's Board of Directors to approve credit risk management strategies and significant policies relating to credit risk and its management which should be based on the overall business strategy. The responsibility of senior management is to transform strategic directions set by the Board in the shape of policies and procedures. Senior Management ensures that the policies are embedded in the culture of the Bank. Senior Management is responsible for implementing the Bank's credit risk management strategies and policies and ensuring that procedures are put in place to manage and control credit risk and the quality of credit portfolio in accordance with these policies. Credit Risk Management Committee (CRMC), which is headed by Chief Risk Officer (CRO) has been delegated the responsibility to oversee the credit risk taking activities and overall credit risk management functions. Credit risk management function is independent from the business divisions.

Bank's Credit Policy, Credit Risk Appetite and the credit risk framework set out reasonable expectations for the conduct of the credit risk management activities and behaviour throughout the organisation. This ensures:

- * A consistent and effective execution of credit risk management activities across the Bank
- * A strong credit risk management culture.
- * A performance that is in line with strategic objectives.
- * Compliance with legal and regulatory requirements in relation to credit risk.

Credit risk management cycle

The credit risk management cycle of the Bank ensures that loans are granted within borrowers' financial capacity and that distressed and non-performing loans are identified at an early stage and managed proactively. Each of the phases of the cycle/process is associated with specific decision models established for decision-making in line with the business objectives and credit policies defined by the Bank.

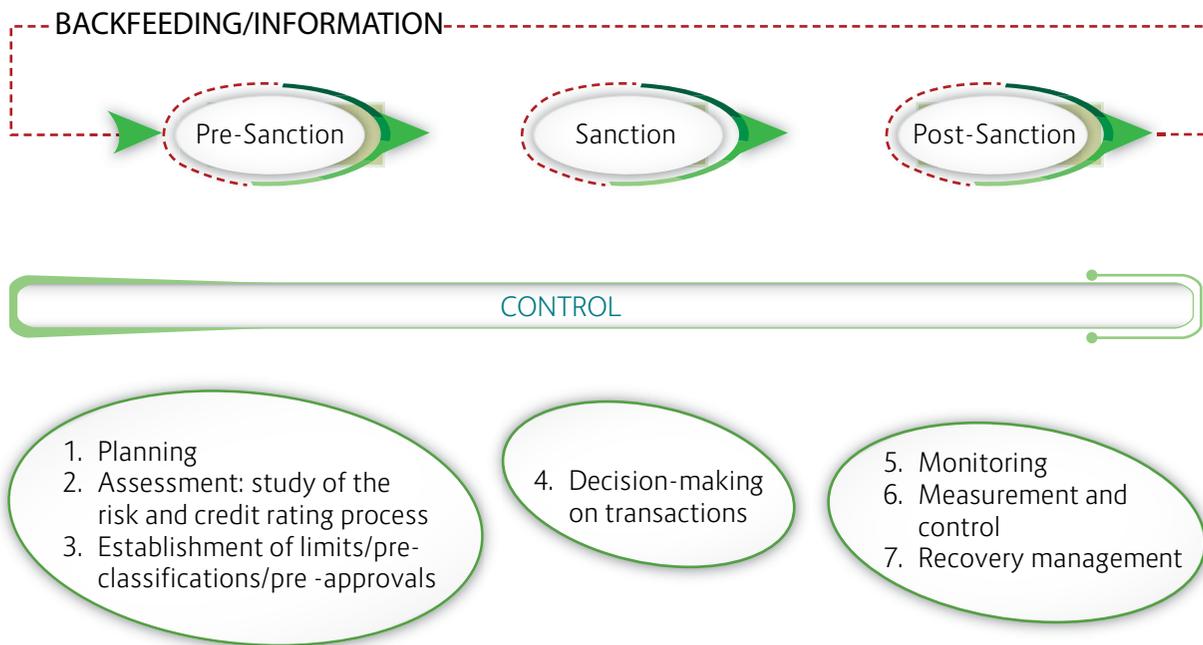
Planning on credit risk area is done at the start of the cycle that allows business targets and specific action plans are defined, within the risk appetite established by the bank, and these targets to be met by assigning the necessary means (models, resources, systems). A thorough credit risk assessment is done before granting loans. The Credit Risk Assessment includes borrower risk analysis, industry risk analysis, historical financial analysis, projected financial performance, conduct of account, and security against the proposed loan.

Bank adopted the Internal Credit Risk Rating System (ICRR) model introduced by Bangladesh Bank that extensively analyze a borrower's repayment ability based on information about a customer's financial condition including their liquidity, cash flow, profitability, debt profile, market indicators, industry and operational background, management capabilities and other relevant indicators. The model consists of twenty different sub-sectors under the broad category of four main sectors. Different yardsticks are used for assessing the borrowers of corresponding sectors. The assessment criteria for each of these sectors are unique.

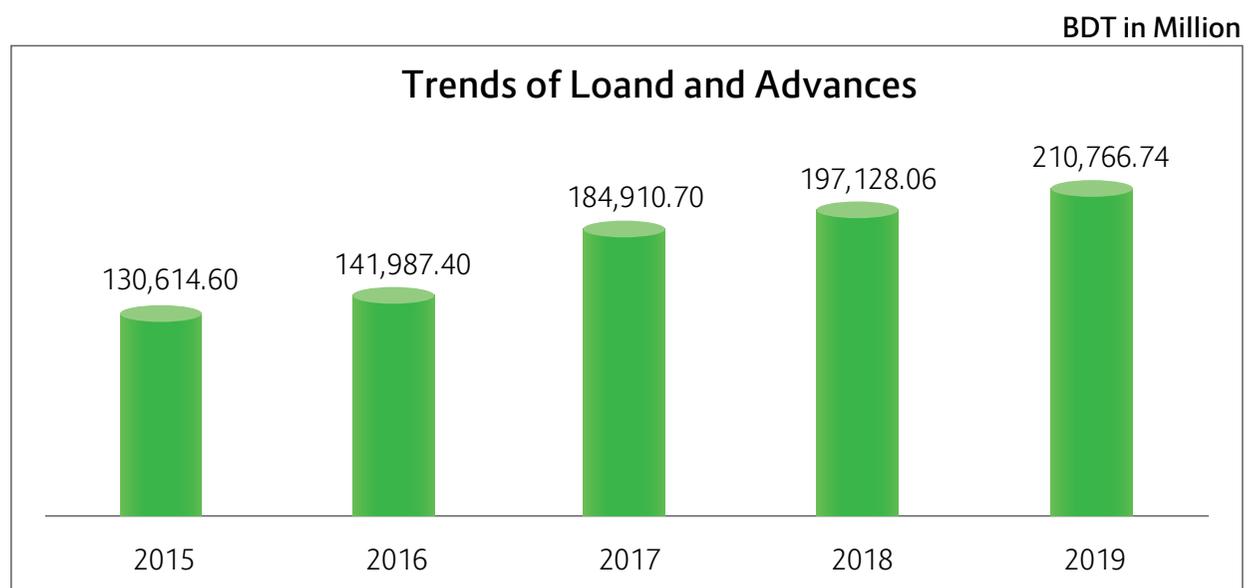
The establishment of limits, pre-classifications and pre-approvals phase establishes the risk that each customer is able to assume. These limits are set considering both the business and risks areas and have to be approved by the committees delegated for and reflect the expected risk-return by the business. All decisions regarding risks consider the risk appetite, limits and management policies defined in the planning stage, in addition to other factors relevant to the risk and profitability equilibrium. All borrowers are monitored in an ongoing and holistic manner that enables the earliest detection possible of any incidents that may arise in relation to risk impacting the customer's credit rating, so that specific measures (predefined or ad-hoc)

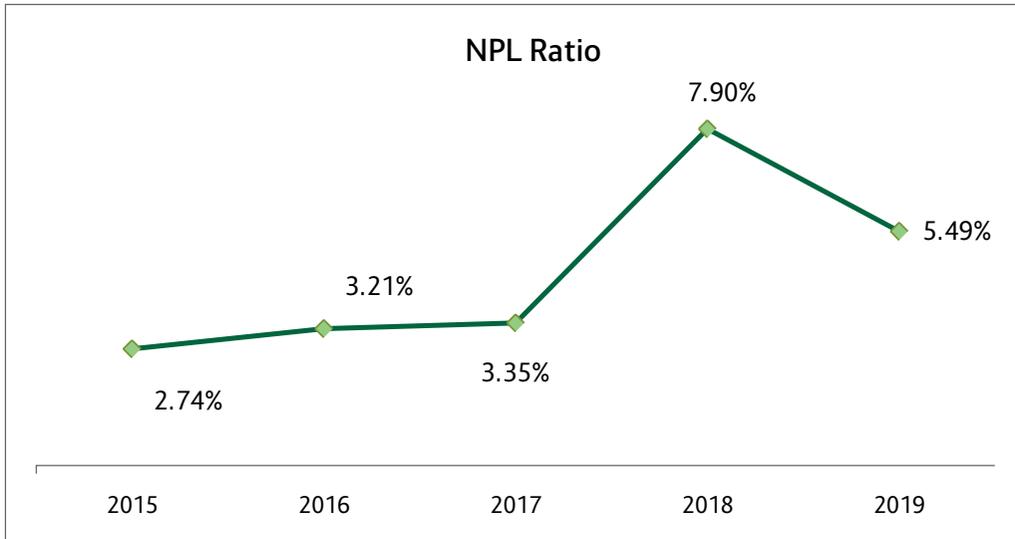
can be implemented to correct any deviations that could have a negative impact for the entity. Effective recovery policies and action plans are in place for improved credit collection. A number of measures are used to mitigate credit risk including collateral, guarantees and covenants along with effective comprehensive guideline for valuation and management of collateral security.

The stages of credit risk management cycle are illustrated below:



Loans and Advances



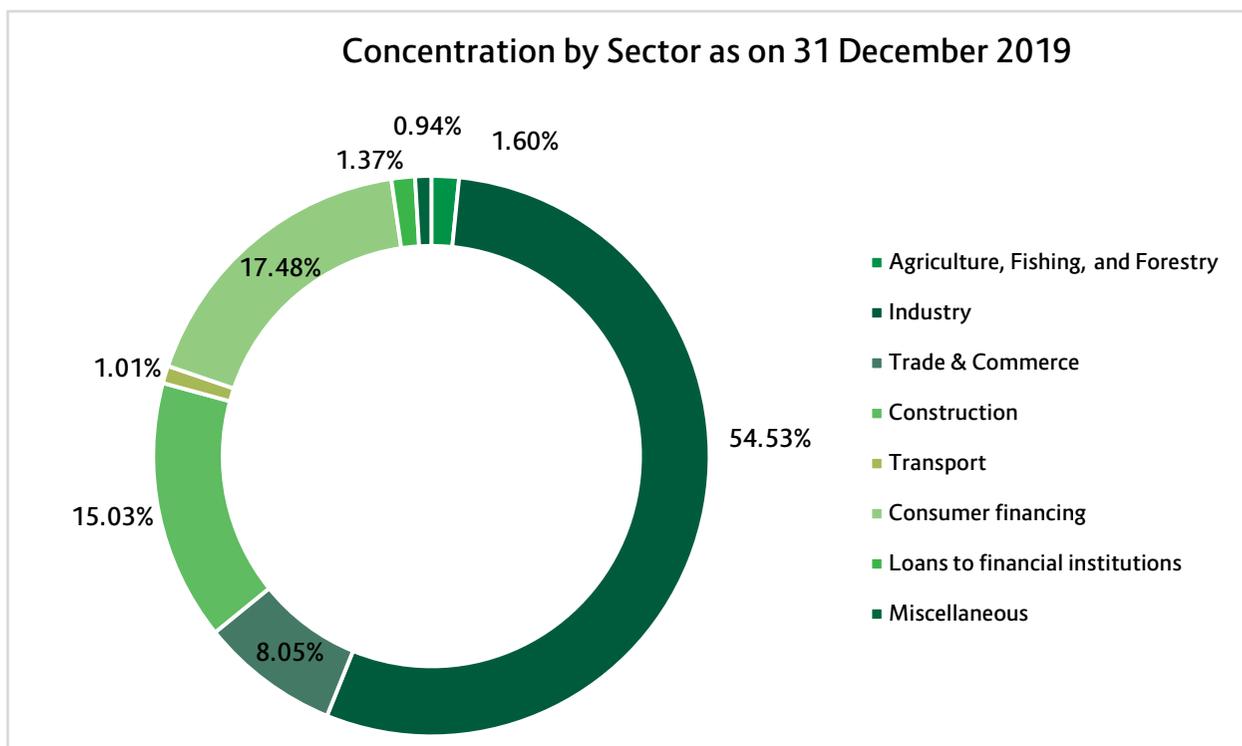


Concentration Risk

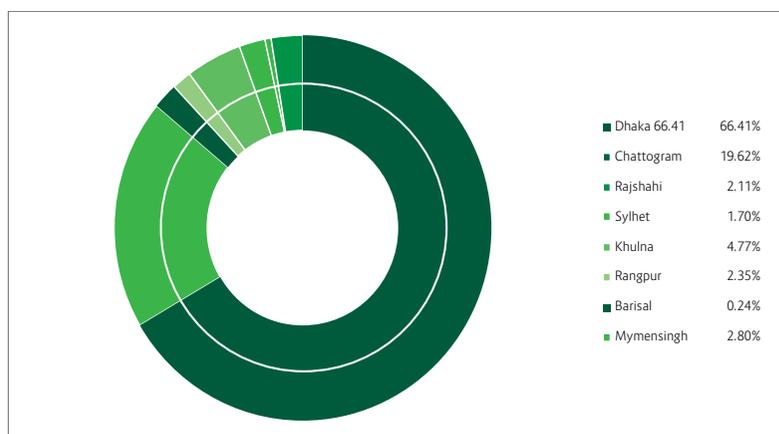
Concentration risk is the probability of loss arising from significantly imbalanced credit exposure to a particular individual, group, industry sector or geographical area. The Bank manages concentration risk by means of appropriate structural limits and borrower-wise limits based on credit-worthiness. Bank's appetite for credit exposures is predefined for:

- Group of related borrowers
- Top 20 (twenty) borrowers concentration
- Major economic sectors
- Geographical areas

Concentration by Sector-2019



Concentration by Geographical Location-2019



Concentration risk is monitored closely, and the relevant limits are reviewed and changed periodically to suit the changes in economic and environmental outlook, bank’s policies and regulatory requirements.

Market Risk

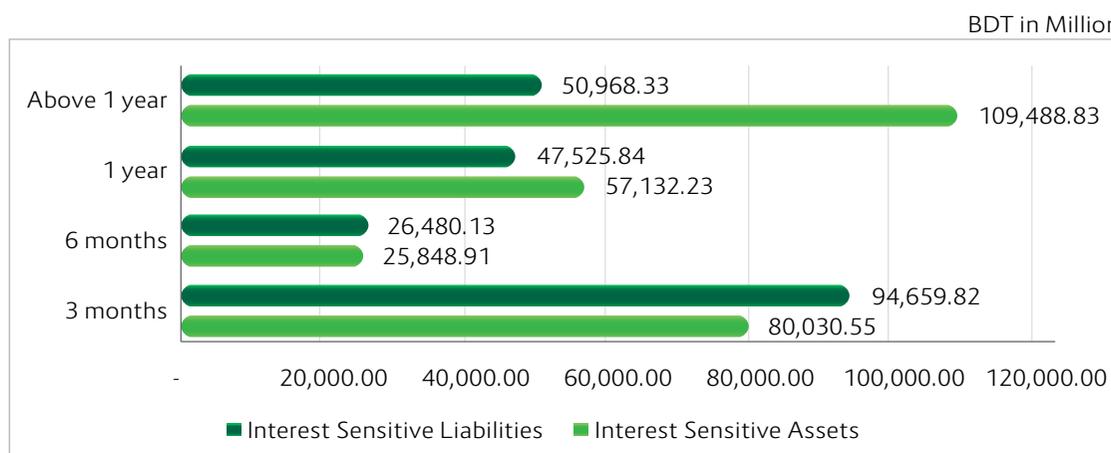
Market risk and specific risk make up the two major categories of investment risk. The most common types of market risks include interest rate risk, foreign exchange risk and equity risk.

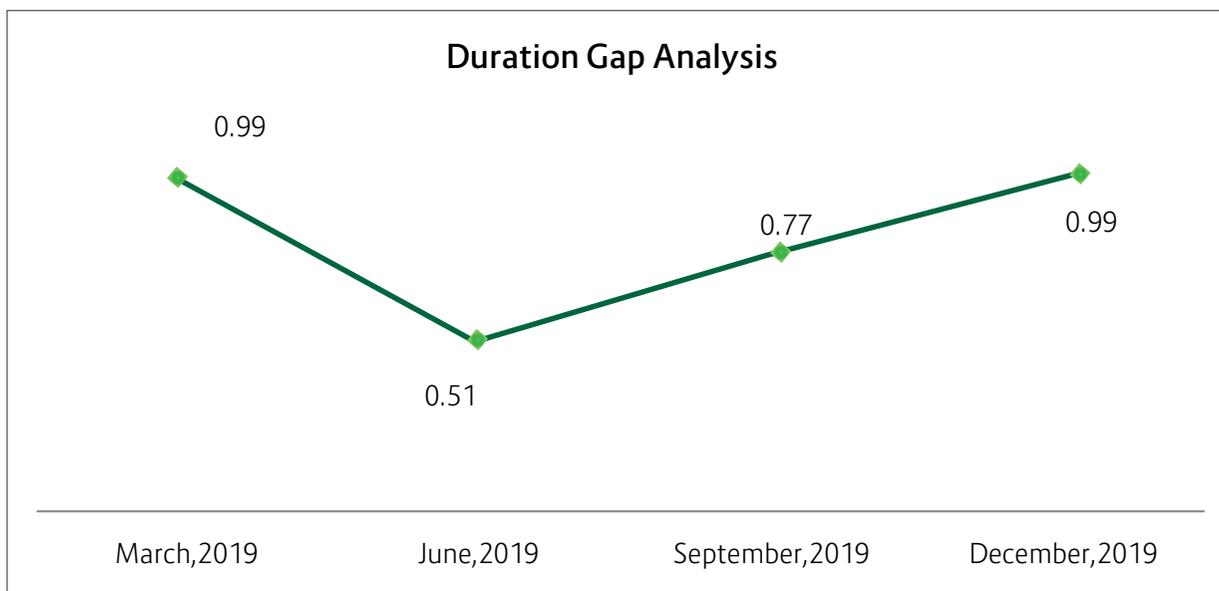
Market risk is the possibility of losses in on and off-balance sheet positions arising from adverse movements of key market variables. Market risk of a bank mainly arises from money market, capital market and foreign exchange portfolio.

Trust Bank has policies, approved by the Board to mitigate and monitor it’s market risk. Asset Liability Management Committee(ALCO) is entrusted with the responsibility for managing market risk of the Bank from a strategic risk management perspective in accordance with the existing regulatory framework.

Interest Rate Risk

Interest rate risk is the possibility that the value of an investment will decline as the result of an unexpected change in interest rates. This risk is most commonly associated with an investment in a fixed-rate bond. When interest rates rise, the market value of the bond declines and vice-versa. Changes in interest rates affect a bank’s earnings by changing its net interest income and the level of other interest sensitive income and expenses. Changes in interest rate also affect the underlying value of the bank’s assets, liabilities and off-balance sheet exposure. ALCO decides optimum strategies for managing interest rate risk. Duration gap analysis, Earning At Risk (EAR) and sensitivity analysis are used to quantify interest rate risk.





Foreign Exchange Risk

Foreign-exchange risk is similar to currency risk and exchange-rate risk. Foreign-exchange risk is the risk that an asset or investment denominated in a foreign currency will lose value as a result of unfavourable exchange rate fluctuations between the foreign currency and the presentation currency. Net open position, stop loss limits, dealers limits and counter party limits are exercised based on prescribed limits approved by Board of Directors in line with the requirements of Bangladesh Bank. Stress testing and Value at Risk (VaR) are used to quantify bank's risk in foreign exchange exposure. Furthermore, the Bank has been able to manage its open positions for the better interest of the bank as a whole.

Equity Risk

Equity price risk is the probabilities of losses caused by changes in equity prices. Both systematic and unsystematic risk might be associated with equity risk. The former refers to sensitivity of portfolio value to change in overall level of equity prices whereas later is associated with volatility of firm specific factors. Bank uses a range of techniques including marking to market, stress testing and VaR to assess equity risk for its equity investment. Exposure limits for equity portfolio is guided by Bangladesh Bank time to time.

Liquidity Risk

Liquidity Risk is the current and prospective loss on the earnings or capital of the financial institution resulting from the inability to meet current payment obligations in a timely and cost-efficient manner. The goal of liquidity risk management is to meet all commitments on the due date and raising sufficient funds under normal and adverse conditions. These objectives are ensured by setting up effective policies, operational level committees, risk measurement tools and techniques along with monitoring and reporting mechanism. Liquidity risk is managed within approved policies and framework by Board of Directors. ALCO provides senior management oversight of liquidity risk and meets at least monthly to discuss the Bank's liquidity profile.

The Bank manages its liquidity on static and dynamic basis using various tools such as gap analysis, ratio analysis, dynamic liquidity statements, scenario analysis and structural liquidity profile (SLP). The liquidity profile of the bank is analyzed on a static basis by tracking all cash inflows and outflows in the maturity ladder based on the actual maturity and expected occurrence of cash flows. The liquidity profile of the bank is also estimated on a dynamic basis by considering the growth in deposits and loans, undrawn commitments etc. The concentration on large deposits is monitored on a periodic basis.

The bank's ability to meet its obligations and fund itself in a crisis scenario is critical and accordingly, liquidity stress tests are conducted under different scenarios at periodical intervals to assess the impact on liquidity

to withstand stressed conditions. Basel III framework on liquidity standards as prescribed by Bangladesh Bank is adopted and put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR). The Bank has in place a contingency funding plan to ensure that decisive actions are taken in liquidity crisis situation.

Liquidity Risk Indicators:

Particulars	Liquidity Ratio as on 31, December 2019
Cash Reserve Requirement (CRR)	5.61%
Statutory Liquidity Requirement (SLR)	18.59%
Liquidity Coverage Ratio (LCR)	195.66%
Net Stable Funding Ratio (NSFR)	119.23%

Internal Control and Compliance Risk Management

Internal control is a process, effected by a bank's Board of Directors, Management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. It is a dynamic, continuing series of activities planned, implemented and monitored by the Board of Directors and Management at all levels within an organization. An effective internal control system continually recognizes and assesses all of the material risks that could adversely affect the achievement of the bank's goals. The bank has Risk Based Internal Auditing (RBIA) model, approved by the Board, under which branches are rated taking into consideration of the 'Business Risk' as well as 'Control Risk' associated with their operation. The risk assessment by Internal Audit focuses more on compliance with regulatory requirements; controls over implementation of management policies, procedures and decisions related to the risks which were communicated and asked to enforce along with all other risks at branch level. The Audit Committee of the Board periodically assesses the performance of internal audit of the bank.

Internal Control and Compliance Process of Trust Bank:

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

In 2019 IC&C Division conducted following number of Audit:

Summary	No. of Audit
Number of Comprehensive Audit on branches	111
Number of Comprehensive Audit at Head Office	32

Money Laundering and Terrorist Financing Risk Management

With the evolving trends in money laundering and terrorist financing as well as heightened regulatory expectations, the bank has continuously worked to emplace adequate and effective Anti Money Laundering (AML)/ Countering Financing of Terrorism (CFT) controls and practices to proactively manage these risks. Systems and control mechanisms are continuously reviewed and improved to manage the risks and to comply with the laws regulations and internal policies. Among others, enhancements have been made to policies, procedures and guidelines outlining the standards and principles in complying with the requirements of the applicable AML/CFT laws and regulations as well as par with global best practices. This risk-based approach is an overarching requirement that runs through all the other elements in the AML/CFT policies and procedures.

The Bank has nominated Chief Anti Money Laundering Compliance Officer (CAMLCO) and Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) with sufficient authority to implement and enforce corporate wide AML and CFT policies, procedures and measures. All branches have nominated Branch Anti Money Laundering Compliance Officer (BAMLCO) for ensuring that all existing acts, rules, BFIU's instructions and bank's own policies on preventing Money Laundering and Terrorist Financing are complied. Appropriate level of CDD measures are ensured in every transaction. Sanction screening is done before opening any new account, all existing accounts, in-ward and out-ward remittance and cross border transaction through an automated screening mechanism. AML and CFT training is conducted continuously for all the employees covering all aspects of AML/CFT measures in Bangladesh. The Bank arranges a conference once in a year as part of awareness program with the participation of senior management, branch managers and BAMLCOs of all branches. A yearly statement of commitment from the Chief Executive Officer is conveyed to all employees of the Bank that clearly sets forth its policy against Money Laundering and Terrorist Financing.

Operational Risk

Operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems, or from external events such as natural disasters, social or political events. It is inherent in all banking products and processes and our objective is to control it in a cost effective manner. Operational risk includes legal risk but excludes strategic and reputational risk.

Operational Risk

Operational strategic risk	Operational failure risk
<p>The risk of choosing an inappropriate strategy in response to environmental factors, such as</p> <ul style="list-style-type: none"> ● Political ● Government ● Regulation ● Taxation ● Societal ● Competition, etc. 	<p>The risk encountered in the pursuit of a particular strategy due to</p> <ul style="list-style-type: none"> ● People ● Process ● Technology

The process for operational risk management includes the following steps:

- Identify and assess key operational risks;
- Design controls to mitigate identified risks;
- Establish key risk indicators;
- Implement a process for early problem recognition and timely escalation;
- Produce comprehensive operational risk reporting; and
- Ensure that sufficient resources are available to actively improve the operational risk environment and mitigate emerging risks

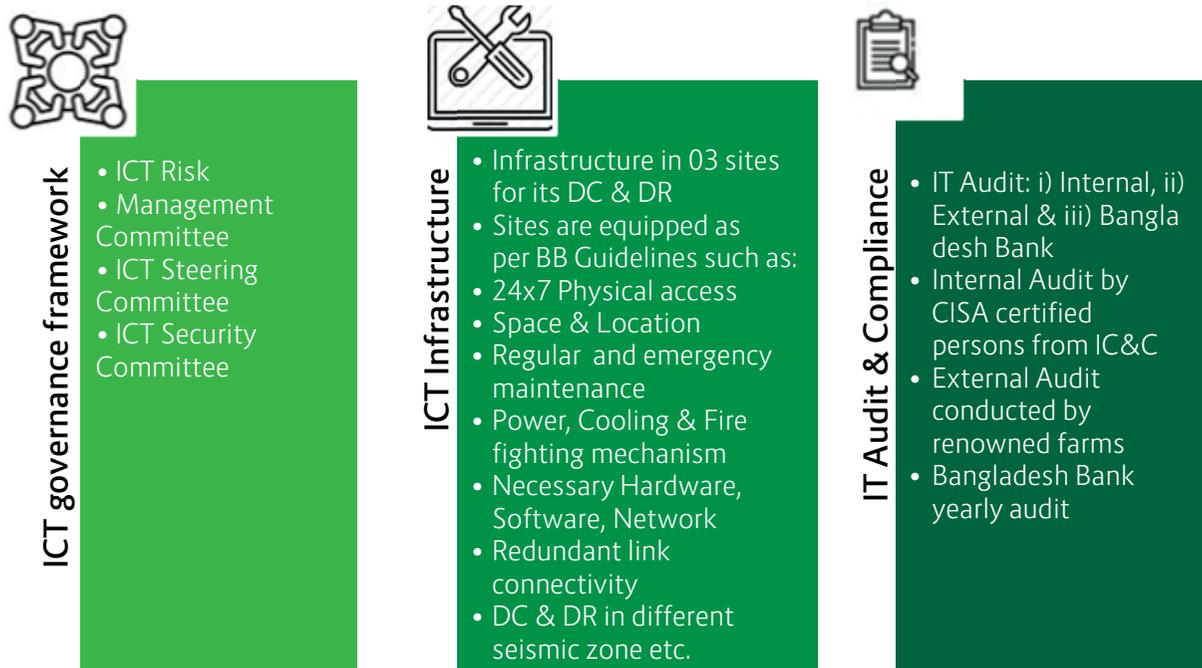
Capital Requirement for Operational Risk

BDT in Million

Details	As on 31 December 2019
Total RWA for Operational risk (on Solo basis)	16,224.39
Total Capital requirement for Operational risk at 12.50% (on Solo basis)	2,028.05

Information and Communication Technology (ICT) risk

As a major component of operational risk, ICT risk comprises ICT-related events such as system interruptions, errors, frauds through system manipulations, cyber attacks, obsolescence in applications, etc., that could potentially impact the business as a whole. The bank manages ICT risk in a systematic and consistent manner thus data integrity, availability, confidentiality and consistency are ensured with a view to provide the relevant early warning mechanism. There are well defined policies which set out key risk management framework, function, process, risk identification, governance, evaluation and response. ICT risk management architecture of the bank is underpinned by the following foundations:



Other Risks

Reputational risk

Reputational risk is the current or prospective risk to earnings and capital arising from adverse perception of the image of the bank on the part of customers, counterparties, shareholders, investors or regulators. Reputational risk is multidimensional and reflects the perception of other market participants. The risks that arise are incorporated into the bank's risk management processes and appropriately addressed in its ICAAP and liquidity contingency plans.

Environmental & Social risk

Environmental and social risk is the risk of financial loss or damage to reputation associated with environmental issues including related social issues, whether arising from the bank's credit and investment activities or related to its own operations. The Bank has policies and procedures in place and conduct appropriate due diligence for assessment of E&S risks associated with a proposed transaction.

Strategic risk

Strategic risk means the current or prospective risk to earnings and capital arising from imperfection in business strategy formulation, inefficiencies in implementing business strategy, non-adaptability/less adaptability with the changes in the business environment and adverse business decisions. Strategic risk induces operational loss that consequentially hampers the capital base. Bank seeks to manage strategic risk with annual strategic plan and retain capital against the identified risks.

DISCLOSURES ON RISK BASED CAPITAL (BASEL III) For The Year 2019

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

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

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

Phase-in Arrangements

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

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

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

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

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

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

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

1. Scope of Application

Qualitative Disclosures:

(a) The name of the top corporate entity in the group to which this guideline applies:

The framework applies to Trust Bank Limited (TBL) on 'Consolidated Basis' as there are two subsidiaries of the Bank as on the reporting date i.e. December 31, 2019. However, 'Solo Basis' information has been presented beside those of 'Consolidated Basis' to facilitate comparison.

(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted):

Trust Bank Limited has 2 (Two) subsidiaries i.e.

- Trust Bank Investment Limited
- Trust Bank Securities Limited.

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 17 June 1999 under the Companies Act 1994 for carrying out all kinds of banking activities and commenced its operation on the 17 June 1999 with the permission of Bangladesh Bank.

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

As on 31 December 2019 the Bank is operating its business through head office having 105 branches, 06 SME/Krishi branches, 1 SME Service Center, 9 T-Lobby, 8 CDMs (Cash Deposit Machine) and 232 ATM booths all over Bangladesh.

Off-shore Banking Unit (OBU): Off-shore Banking Unit is a separate business unit governed by the applicable rules & regulations and guidelines of Bangladesh Bank vide letter no. BRPD(P-3)744(116)/2010-2462 dated: 02 June 2010. The number of OBU was 1 (One) as on reporting date 31 December 2019 located at Dilkusha Corporate Branch, Dhaka. Investments in OBUs are risk weighted with the exposure of the Bank.

There are 2 (Two) Subsidiaries of Trust Bank which is as under:

• Trust Bank Investment Limited

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

The main objectives of the company are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc.

• Trust Bank Securities Limited

Trust Bank Securities Limited was incorporated as on 07 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 level-01, Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

The main objective of the company is carry on business of stock broker/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group:

Not applicable

Quantitative Disclosures:

(d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not Applicable

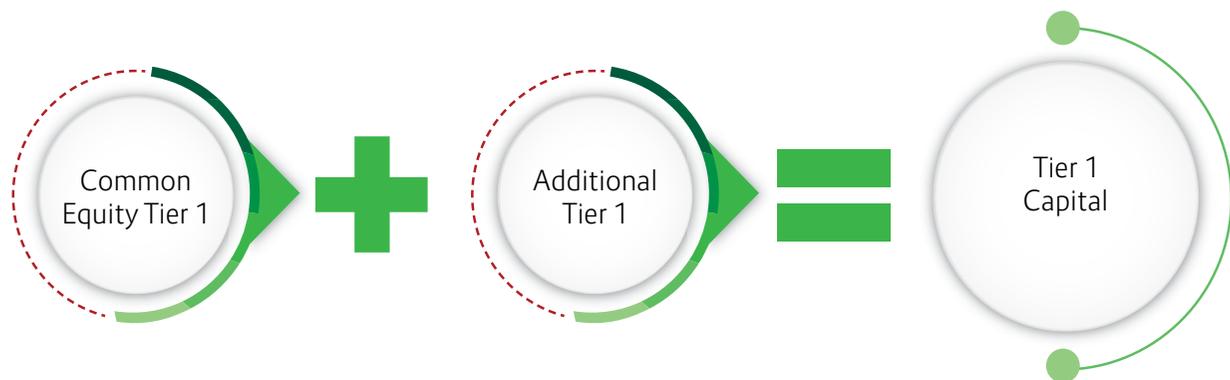
2. Capital Structure

Qualitative Disclosures:

(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or in Tier 2.

For the purpose of calculating capital under capital adequacy framework, the capital of banks shall be classified into two tiers. The total regulatory capital will consist of sum of the following categories:

I. Tier 1 Capital (going-concern capital): This form of capital can absorb losses without triggering bankruptcy of the bank. Hence, it is the core measure of a bank's financial strength from regulator's point of view. The components of Tier 1 Capital are given below:



II. Tier 2 Capital (gone-concern capital):

Common Equity Tier 1 Capital: It is called 'Core Capital' comprises of highest quality of capital elements consists of -



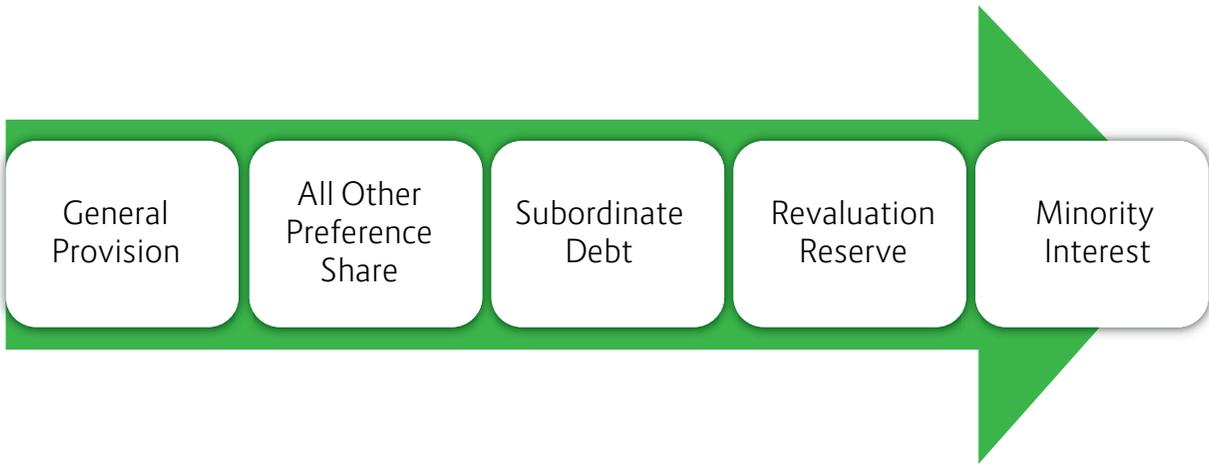
Less: Regulatory adjustments applicable on CET1

Additional Tier 1:

- Non-cumulative irredeemable preference share
- Instruments issued by the banks that meet the qualifying criteria for AT1
- Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting)

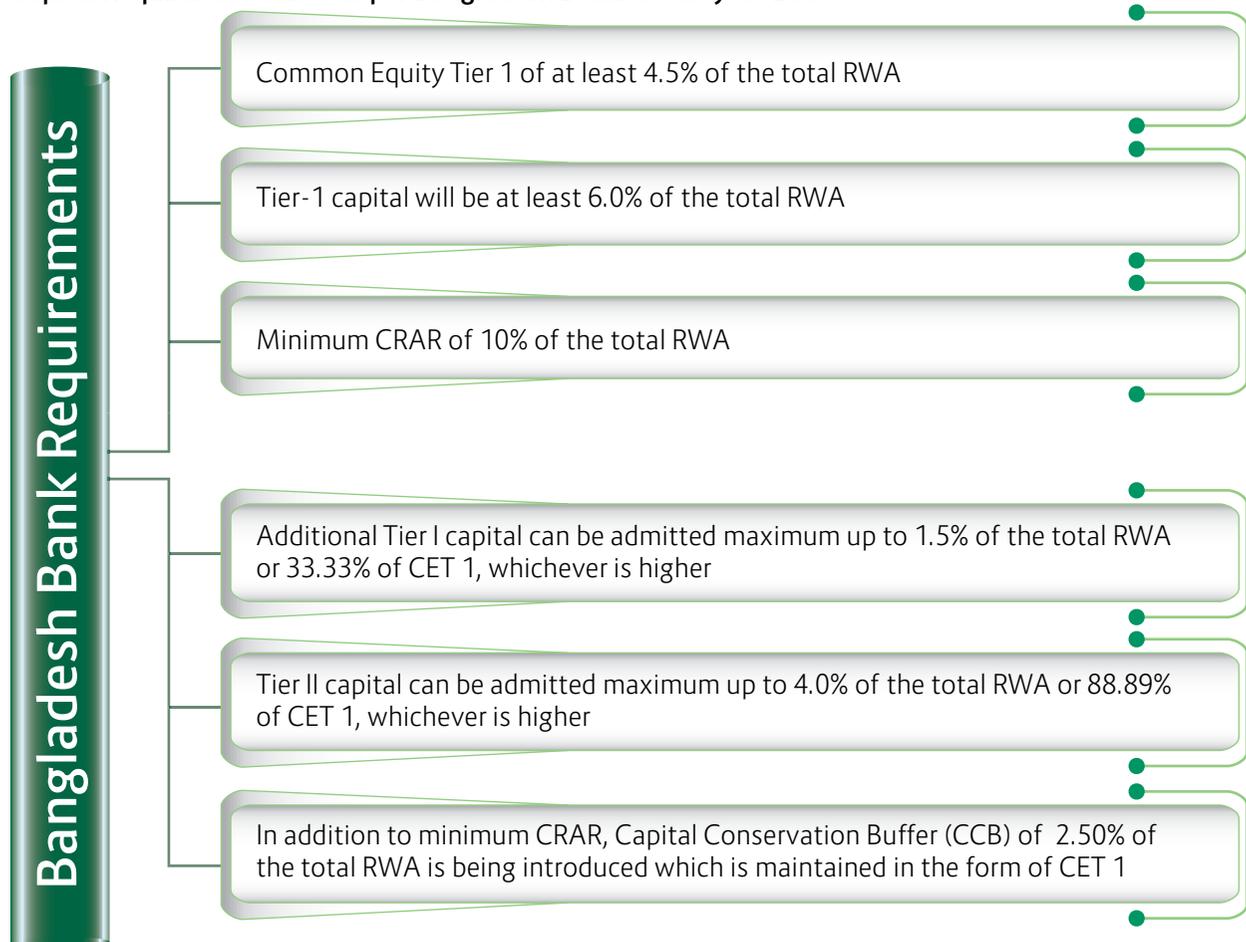
Less: Regulatory adjustments applicable on AT1

Tier-2 Capital: It is called 'gone-concern capital' represents other elements which fall short of some of the characteristics of the core capital consists of-



Less: Regulatory adjustments applicable on Tier-2 capital

Capital Requirement Rules as per Bangladesh Bank for the year 2019:



Quantitative Disclosures:

(b) The amount of Regulatory capital of Trust Bank Limited under Basel-III during 2019 as below:

BDT in Million

Particulars	Solo	Consolidated
1. Common Equity Tier-1 (Going Concern Capital)		
Fully Paid-up Capital/Capital Deposited with BB	6,126.63	6,126.63
Statutory Reserve	6,579.75	6,579.75
Retained Earnings	2,208.79	2,547.84
Minority interest in Subsidiaries	-	-
Less: Goodwill and all other Intangible Assets	0.71	0.71
Less: Deferred Tax Assets (DTA)	172.08	173.89
Total Common Equity Tier-1 Capital	14,742.37	15,079.62
2. Tier-2 Capital (Gone-Concern Capital)		
General Provision	3,887.68	3,887.68
Subordinated debt	7,800.00	7,800.00
Revaluation Reserves for Securities up to 50%	0.27	0.27
Less: Revaluation Reserves for Fixed Assets, Securities & Equity Securities (follow Phase-in deductions as per Basel III) Guideline	0.27	0.27
Total Admissible Tier-2 Capital	11,687.68	11,687.68
Total Regulatory Capital	26,430.05	26,767.29

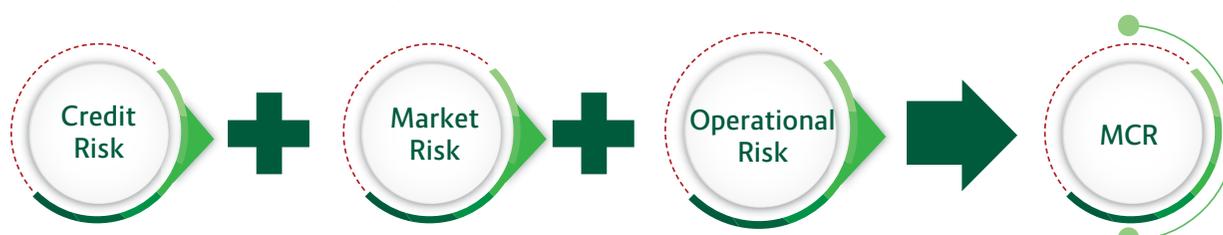
3. Capital Adequacy

Qualitative Disclosures:

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

The Bank 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 inherent to its business and an appropriate capital buffer based on its business profile. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through comprehensive governance and control practices, strong risk management framework and an elaborate process for capital calculation and planning.

With regard to regulatory capital computation approaches (Minimum Capital Requirement) the bank is following the prescribed approach of Bangladesh Bank. Below are risk wise capital computation approaches that the bank is currently applying:



The Bank has a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by Bangladesh Bank. The ICAAP also details the Risk Appetite of the Bank, assessment of material risks, the process for capital adequacy assessment to support business projections, adequacy of risk control framework, capital raising plans and Bank-wide stress testing.

The periodic assessment of bank's performance against the Risk Appetite defined under ICAAP and results of stress testing are reported to the Board of Directors for their review. CRAR has been computed based on the Basel III guidelines and it is well above the regulatory minimum level of 10%.

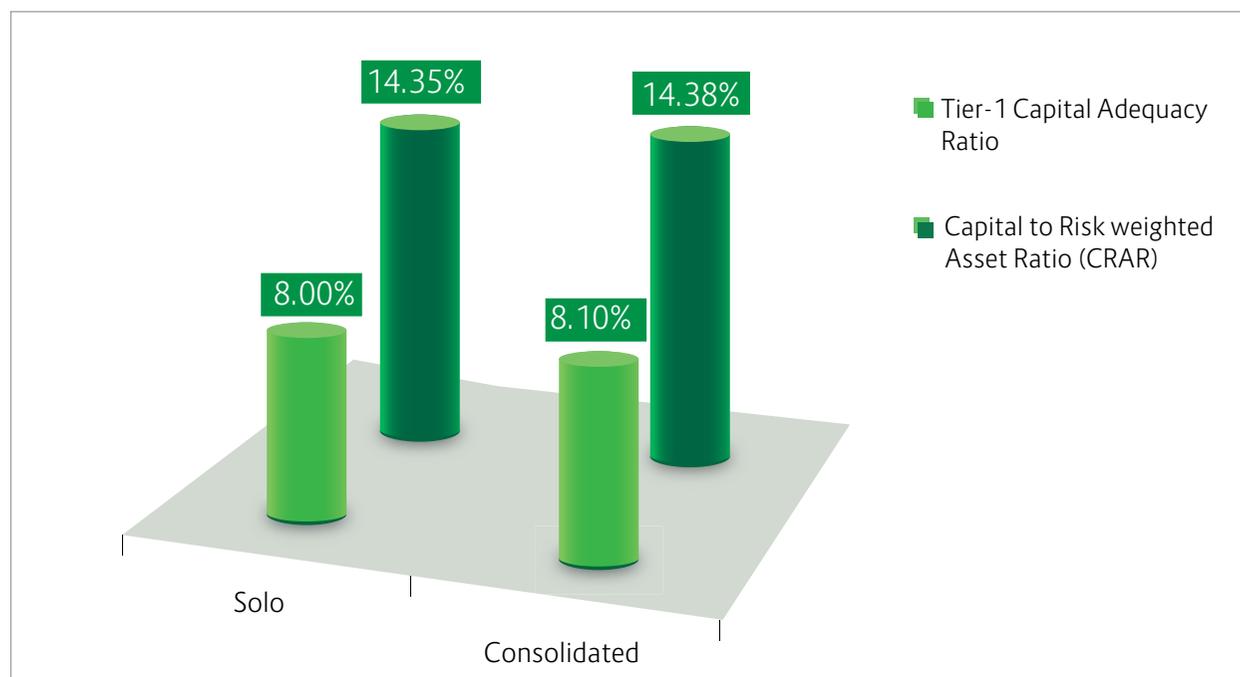
Quantitative Disclosures:

BDT in Million

Particulars	Solo	Consolidated
b) Capital requirement for Credit Risk*	20,847.61	20,701.94
c) Capital requirement for Market Risk*	149.73	487.26
d) Capital requirement for Operational Risk*	2,028.05	2,081.20
Total Capital Requirement* (b+c+d)	23,025.39	23,270.40
e) Capital to Risk weighted Asset Ratio (CRAR)		
1.Common Equity Tier 1 (CET 1) Ratio	8.00%	8.10%
2.Tier 1 Capital Adequacy Ratio	8.00%	8.10%
3.Tier-2 Capital Adequacy Ratio	6.34%	6.28%
Capital to Risk-weighted Asset Ratio (CRAR)	14.35%	14.38%
Minimum Capital Requirement (MCR)	18,420.30	18,616.30
f) MCR (10%) + Capital Conservation Buffer (2.50%)	23,025.39	23,270.40
g) Available Capital under Pillar 2 Requirement	8,009.75	8,150.99

* Capital Requirement is calculated based on MCR (10%) + Capital Conservation Buffer (2.50%)

Capital to Risk-weighted Asset Ratio (CRAR):



4. Credit Risk

Qualitative Disclosures:

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

Credit risk is the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. In a bank's portfolio, losses stem from outright default due to inability or unwillingness of a borrower or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions. Credit risk management is the process of mitigating those losses by understanding the adequacy of both a bank's capital and loan loss reserves at any given time.

The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank. Credit proposal processing, assessment of risks and mitigates there against, placing before credit committee, seeking approval from the competent authority, assisting in completion of documentation formalities and above all maintaining relationship with the branches and customers have so long been done by Credit Risk Management (CRM).



(i) Definitions of past due and impaired:

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

- Any 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.
- Any 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 from the following day of the expiry date.
- 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 from the following day of the expiry date.
- The 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.

- All classified loans can be defined as below:

Types of Facility	Loans Classification					
	Sub Standard	Provision (%)	Doubtful	Provision (%)	Bad & Loss	Provision (%)
	Over Due Period		Overdue Period		Overdue Period	
Continuous Loan & Demand Loan	3 months or more but less than 6 months	20%	6 months or more but less than 9 months	50%	9 months or more	100%
Fixed Term Loan up to Tk. 10 Lac	6 months or more but less than 9 months	20%	9 months or more but less than 12 months	50%	12 months or more	100%
Fixed Term Loan more than Tk. 10 Lac	3 months or more but less than 6 months	20%	6 months or more but less than 9 months	50%	9 months or more	100%
Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	5%	36 months or more but less than 60 months	5%	60 months or more	100%

(ii) Description of approaches followed for specific and general allowances and statistical methods:

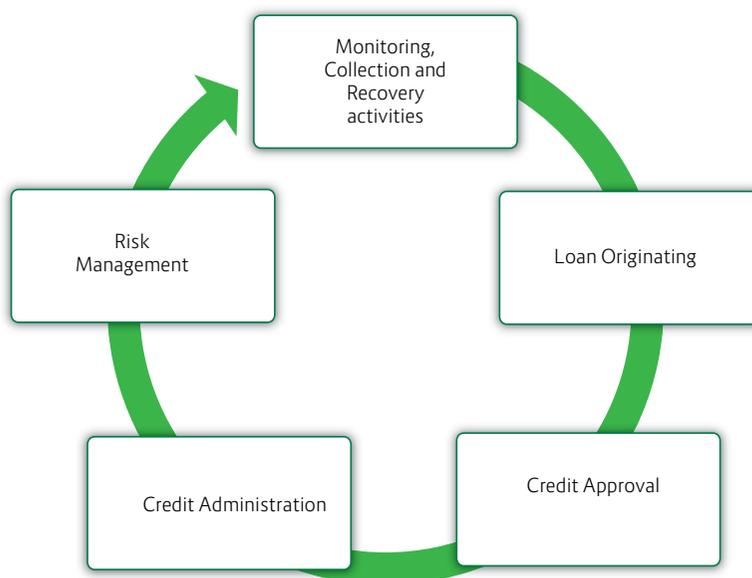
Business Unit		Rates of Provision				
		Un-Classified (UC)		Classified		
		Standard	Special Mention Account (SMA)	Substandard (SS)	Doubtful (DF)	Bad Loan (BL)
Consumer	House Building	1%	1%	20%	50%	100%
	Loans for Professionals	2%	2%	20%	50%	100%
	Other than house building and professionals	5%	5%	20%	50%	100%
Loans to BHs/MBs against Share etc.		2%	2%	20%	50%	100%
Small and Medium Enterprise Finance		0.25%	0.25%	20%	50%	100%
Short term Agri-Credit & Micro Credit		1%	1%	5%	5%	100%
All Others		1%	1%	20%	50%	100%

(iii) Discussion of the Bank's Credit Risk Management Policy:

The credit risk management policy of the bank aims at a sustained growth of healthy loan portfolio. It articulates while evolving a well-defined system to identify measure, monitor and control various risks attached to credit portfolio of the Bank. This entails reducing exposures in high risk areas, concentrating more on the promising industries / sectors / segments, striking balance between risk and return on assets and ensuring optimization of stake holder's value.

The policy also seeks to achieve prudent credit growth -both qualitative and quantitative- while adhering to the prudential norms with balanced sectoral deployment of credit to control credit concentration across Industries, sectors, segments and at the same time increasing the market share. The policy also aims at consistency and standardization of credit practices. There is a defined credit appraisal & credit approval

authority, reporting cum monitoring / follow-up system and loan review mechanism/ credit audit system in place at the Bank as spelt out in board approved Credit Risk Management Policy.



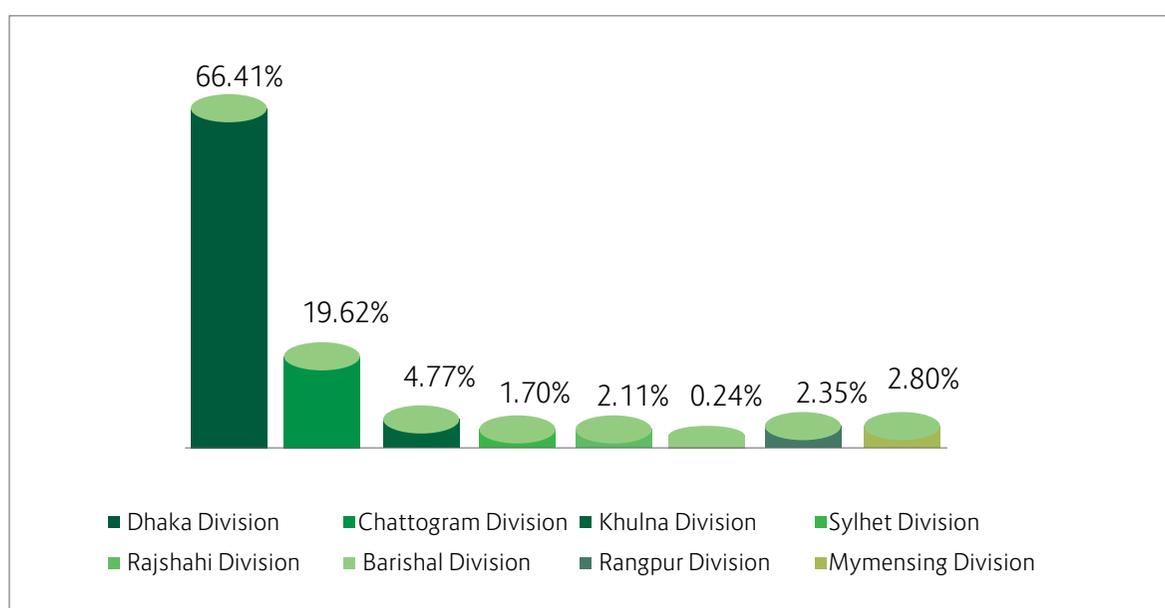
Quantitative Disclosures:

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

Particulars	BDT in Million
Continuous loan (CL-2)	
Consumer Finance	2,033.65
Small & Medium Enterprise (SME)	10,504.75
Loans to BHs/MBs/SDs against Shares	37.32
Other Corporate Loans	24,491.24
Total	37,066.96
Demand loan (CL-3)	
Small & Medium Enterprise	7,746.01
Consumer Finance	9.89
Corporate Loans	43,171.37
Total	50,927.27
Term loan (CL-4)	
Consumer Finance (including staff, other than HF)	2,686.22
Housing Finance (HF)	6,868.18
Small & Medium Enterprise (SME)	6,639.45
Loans to BHs/MBs/SDs against Shares	9.38
Loans to Professionals to setup Business (LP)	5.90
Corporate Loans	102,375.14
Total	118,584.27
Short term Agri-credit and microcredit (CL-5)	
Short term Agri-credit	25.24
Total	25.24
Staff loan	1,185.21
Off Shore Banking	2,977.79
Total Exposure of Trust Bank Limited	210,766.74

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

Division	BDT in Million
Dhaka	139,972.87
Chattogram	41,351.43
Khulna	10,055.88
Sylhet	3,575.84
Rajshahi	4,449.61
Barisal	506.72
Rangpur	4,956.70
Mymensingh	5,897.69
Total	210,766.74



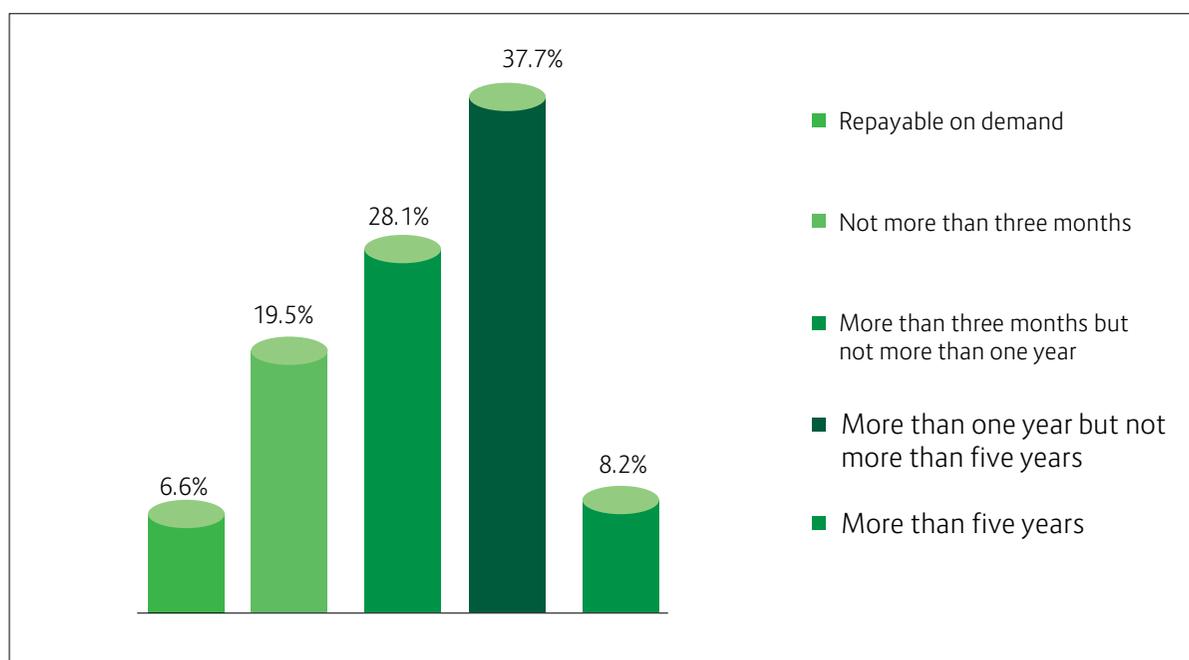
(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure of TBL:

Industry Type	BDT in Million
Agro and Fisheries	3,362.70
RMG	22,415.20
Textile	7,986.70
Food and allied industries	13,365.80
Pharmaceutical industries	3,183.20
Chemical, fertilizer, etc.	3,131.70
Cement and ceramic industries	5,145.80
Ship building industries	855.50
Ship breaking industries	3,053.50
Power and gas	10,767.20
Other manufacturing or extractive industries (Rubber & Plastic, Paper, Steel Engineering & Metal Products included)	26,675.50

Service Industries	17,948.50
Other Industry	400.50
Trade & Commerce	16,963.50
Construction & Housing	31,676.09
Transport	2,131.80
Consumer Financing (Personal Services)	36,845.30
Loans to Financial Institution	2,885.05
Others	1,973.20
Total Exposure	210,766.74

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

Particulars	BDT in Million
Repayable on demand	13,849.98
Not more than three months	40,995.98
More than three months but not more than one year	59,251.36
More than one year but not more than five years	79,406.89
More than five years	17,262.53
Total	210,766.74



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

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

BDT in Million

Industry	Impaired*	Past due
Small & Medium Enterprise Financing	1,196.67	6,480.92
Consumer Financing	120.82	465.87
Housing Finance	-	379.51
Loans for Professionals to setup business	-	-
Loans to BHs/MBs/SDs against Shares etc.	-	-
Other Corporate Credit	5,041.27	19,392.85
Short Term Agri Credit & Micro Credit	-	6.89
Staff Loan	-	-
Total	6,358.76	26,726.04

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

- Specific and general provision (Required):

BDT in Million

Sector	General Provision	Specific Provision
Small & Medium Enterprise Financing	270.16	2,044.04
Consumer Financing	217.93	79.15
Housing Finance	64.80	58.80
Loans for Professionals to setup business	0.12	-
Loans to BHs/MBs/SDs against Shares etc.	0.93	-
Other Corporate Credit	3,852.05	3,575.02
Short Term Agri Credit & Micro Credit	0.20	1.35
Against Off-Balance Sheet	793.59	-
TBL Total	5,199.78	5,758.36
Off-shore Banking Unit	29.78	-
Grand Total	5,229.56	5,758.36

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

BDT in Million

Against Unclassified Loans & Advances	
Provision held on 1 January	1,955.67
Provisions made during the year	1,039.34
Provision held at end of year	2,995.01
Against Special Mention Accounts	
Provision held on 1 January	93.36
Provisions made during the year	(24.06)
Provision held at end of year	69.30

General Provision for Off Balance Sheet Exposures	
Provision held on 1 January	968.20
Provisions made during the year	(174.61)
Provision held at end of year	793.59

Provision for Off-shore Banking Units	
Provision held on 1 January	35.26
Provisions made during the year	(5.48)
Provision held at end of year	29.78

(g) Gross Non Performing Assets (NPAs):

BDT in Million

Gross Non Performing Assets (NPAs)	11,577.08
Non Performing Assets (NPAs) to outstanding loans & advances	5.49%
Movement of Non Performing Assets for NPAs	
Opening balance	15,580.01
Additions	3,565.45
Reductions	7,568.38
Closing Balance	11,577.08
Movements of specific provisions for NPAs	
Opening balance	4,357.52
Provision made during the period	1,433.53
Recovery from Previously Written-Off debts	48.51
Write-off	(81.21)
Write back of excess provisions	--
Closing Balance	5,758.36

5. Equities: Disclosures for Banking Book Positions

Qualitative Disclosures

(a) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:

Investment in equity is mainly for capital gain purpose but Bank has some investment for relationship and strategic reasons. Investment in equity securities by TBL is broadly categorized into two parts:

- **Quoted securities** include Common shares, Mutual funds listed with Stock Exchanges. These instruments are categorized as trading book assets. Investment in trading book includes securities holding for capital gains, dividend income and securities holding for strategic reasons.
- **Unquoted securities** are categorized as banking book equity exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually these securities are held for trading (HFT) or investment for making capital gains.

(b) 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:

The equity markets are traditionally volatile with a high-risk, high-returns profile. As such investors in the equity market have to plan and strategize to reduce their risks and increase their returns. The primary aim is capital gain or dividend income. Dividends received from these equity securities are accounted for as and when received.

Both quoted and un-quoted equity securities are valued at cost, and necessary provisions are maintained if the prices fall below the cost price. As per Bangladesh Bank (BB) guidelines, Held for Trading (HFT) equity securities are mark-to-market (revalued) once a week, and HTM equity securities are amortized annually. HTM securities are revalued if reclassified to HFT (with approval of the Board of Directors). The quoted shares of the bank are valued at cost or market price, whichever is lower.

Quantitative Disclosures:

Particulars		Amount in Million
(i) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value:	Cost Price	2,679.58
	Market Price	1,557.79
Difference		(1,121.78)
(ii) Cumulative realized gains (losses) arising from sales and liquidations in the reporting period		66.46
(iii) Total unrealized gains (losses)		(1121.78)
(iv) Total latent revaluation gains (losses)		Nil
(v) Any amounts of the above included in Tier 2 capital		Nil
(vi) Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	General Market Risk*	89.05
	Specific Risk*	89.05

6. Interest Rate Risk in the Banking Book (IRRBB)

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:

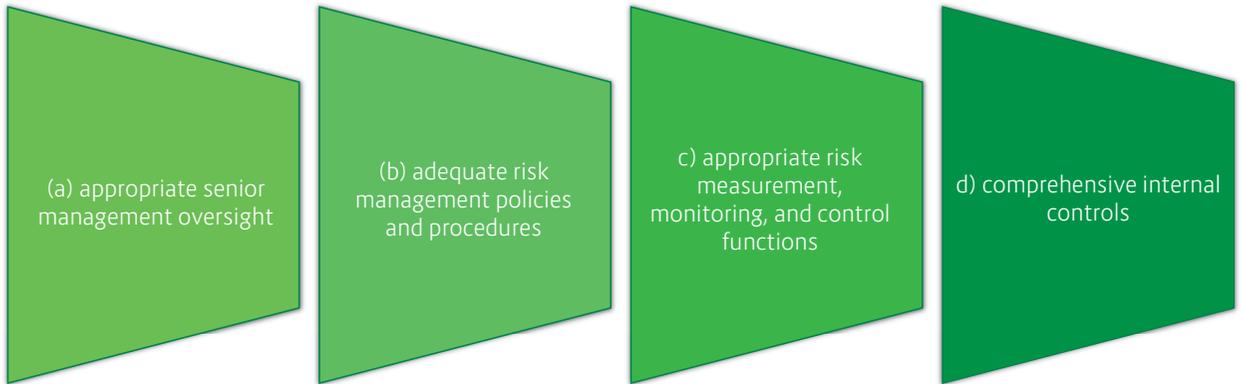
Interest Rate Risk is the risk which affects the Bank's financial condition due to changes of market interest rates. Changes in interest rates affect both the current earnings (earnings perspective) as also the net worth of the Bank (economic value perspective). Bank assesses the interest rate risk both in earning and economic value perspective.

The process of interest rate risk management by the bank involves determination of the business objectives, expectation about future macro-economic variables and understanding the money markets and debt market in which it operates. Interest rate risk management also includes quantifying the appetite for market risk to which bank is comfortable.

The Bank proactively manages impact of IRRBB as a part of its ALM activities. ALM policy defines the different types of interest rates risks that are to be monitored, measured and controlled. ALCO decides strategies for managing IRRBB at the desired level. ALM Committee periodically gives direction for management of

interest rate risk on the basis of its expectations of future interest rates. Based on the guidance, ALCO manages the IRRBB with the help of various tools i.e. gap analysis, earning at risk (EaR), duration of equity (DoE) and stress testing for basis risk.

Our interest rate risk management involves the application of four basic elements in the management of assets, liabilities, and OBS instruments.

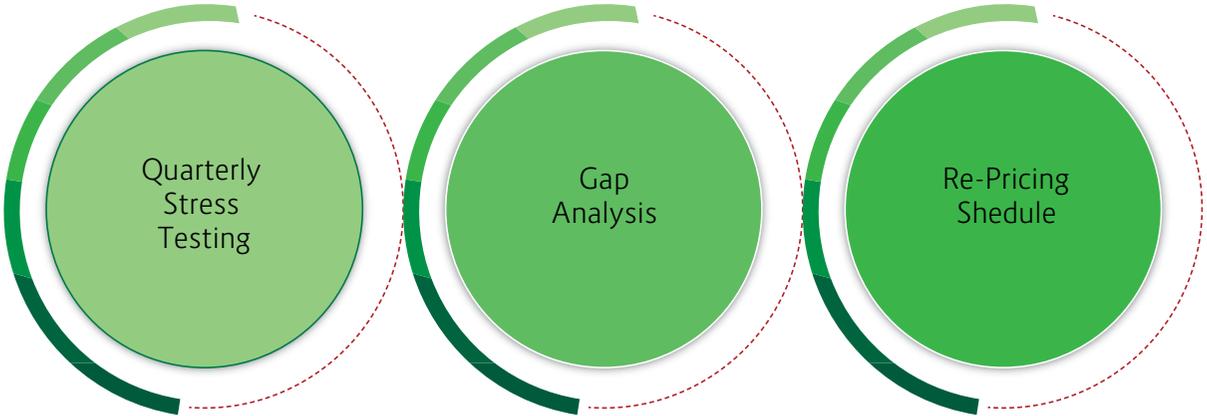


IRRBB Identification, Measurement, Monitoring and Reporting:

IRRBB architecture is the framework to measure, monitor and control the adverse impact of interest rates on the Bank’s financial condition within tolerable limits. This impact is calculated from following perspectives:

- **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 ALM & Market Risk Policies define the framework for managing IRRBB through measures such as:



- **Interest Rate Sensitivity Report:** This analysis is used to measure and manage interest rate risk exposure specifically, bank’s re-pricing and maturity imbalances. Gap reports stratify bank’s rate sensitive assets, liabilities, and off-balance sheet instruments into maturity segments (time bands) based on the instrument’s next re-pricing or maturity date.
- **Duration Gap Analysis:** A weighted maturity/re-pricing schedule is used to evaluate the effects of changing interest rates on bank’s economic value by applying sensitivity weights to each time band. Such weights are based on estimates of the duration of the assets and liabilities that fall into each time band.

- **Stress Testing:** It is used for measuring the Interest rate risk on its Balance Sheet exposure for estimating the impact on the Capital to Risk Weighted Assets Ratio (CRAR).

Quantitative Disclosures:

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

Particulars	Amount in BDT		
Market Value of Assets	294,619.90 (Million)		
Market Value of Liabilities	279,964.70 (Million)		
Weighted Average of Duration of Assets (DA)	1.97		
Weighted Average of Duration of Liabilities (DL)	1.04		
Duration GAP (DA-DL)	0.99		
Yield to Maturity (YTM-Assets)	8.01%		
Yield to Maturity (YTM-Liability)	5.35%		
Magnitude of Interest Rate Change	1%	2%	3%
Change in market value of equity due to and increase in interest rate	(2,693.06) Million	(5,386.13) Million	(8,079.19) Million
Stress Testing	Minor	Moderate	Major
Regulatory capital (after shock)	23,736.90 (Million)	21,043.90 (Million)	18,350.80 (Million)
RWA (after shock)	183,915.50 (Million)	183,915.50 (Million)	183,915.50 (Million)
CAR (after shock)	12.91%	11.44%	9.98%

7. Market Risk

Qualitative Disclosures:

The Bank has set up vigorous Market Risk management process which sets out the broad guidelines for managing Market Risk that the Bank is exposed to. Management of market risk encompasses risk identification, measurement, setting up of limits and triggers, monitoring, control, reporting and taking corrective actions, where warranted.

The Market Risk management process at the Bank ensures that the Treasury dealings in the product that are exposed to market risk are within the risk appetite of the Bank. The Board approved risk appetite is handed down as limits to Financial Markets Group. The prescribed limits are monitored by the Market Risk and reported as per the guidelines laid down from time to time. The Bank manages its market risk by taking equal and opposite derivative positions in the market. Our trading activities are conducted in our Financial Markets and Treasury businesses.

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

(a) Views of Board of Directors (BOD) on trading/investment activities:

There is an approved policy to monitor risks related to changes in market dynamics. The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance asset growth and trade related transactions whilst meeting customers' requirements.

(b) Methods used to Measure Market risk:

The Bank currently follows the standardized approach for computation of market risk as per the guidelines of Bangladesh Bank. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for “specific risk” and “general market risk” as under:

Component of Market Risk	Capital Charged for Market Risk	
	General Market Risk	Specific Market Risk
Interest Rate Risk	Applied	Applied
Equity Price Risk	Applied	Applied
Foreign Exchange Risk	Applied	
Commodity Position Risk	Applied	

(c) Market Risk Management System:

To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio and Short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio. To manage foreign exchange risk of the bank, the bank has adopted the limit set by central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher.

(d) 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, foreign exchange position and transactions to mitigate foreign exchange risks.

Quantitative Disclosures:

The Capital requirements for specified risk are as follows:

BDT in Million

Market Risk	Capital Requirement
Interest Rate Related instruments	52.82
Equities	42.29
Foreign Exchange Position	54.62
Commodities	-
Total	149.73

* Capital Requirement is calculated based on MCR (10%) + Capital Conservation Buffer (2.50%)

8. Operational Risk

Qualitative Disclosures:

(a) Views of BOD on system to reduce Operational Risk:

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It is inherent in all activities arising out of Bank’s business and operations and could result in financial losses, litigation, regulatory fines or other damage to the Bank. The severity of impact on

the bank, its employee and customers is dependent on the efficacy with which operational risk is managed by the Bank. The goal is to keep operational risk at appropriate levels, in light of the Bank's financial strength, the characteristics of its businesses, the markets in which it operates, and the competitive and regulatory environment in which it operates. The bank manages these risks through appropriate risk controls and loss mitigation actions. These actions are put in place through the policies, procedures, contractual business continuity arrangements, training, and risk monitoring and reporting.

(b) Performance Gap of Executive and Staff:

Performance of employees is critically important to achieve organizational goals for that reason TBL ensures equal opportunity to its employees. TBL has a policy to provide competitive remuneration package and best working environment to attract and retain the most talented people available in the industry. Our recruitment and selection procedure are governed by the Philosophies of equality, transparency and assortment.

The bank believes that, training and knowledge sharing is the best way to reduce the performance gap. TBL offers a wide range of internal and external training programs to enhance the capabilities of its employees so that they can perform their assigned job more efficiently. As a result, there is no significant performance gap.

(c) Potential external events:

Like other banks, TBL also operates its business with few external risk factors relating to the socio-economic condition, political atmosphere, regulatory policy changes, change in demand , natural disaster etc. Considering the potential external risks, TBL is continuously working on identifying, assessing, mitigating, monitoring such operational risks factors which may have impact on the achievement of the bank's business objectives.

(d) Policies and processes for mitigating operational risk:

Operational Risk is the risk of financial losses related to breakdown in internal control and corporate governance. Such breakdown can be the result of human errors, inadequate or failed internal process and technical system, fraud or any other adverse external event. The Bank has adopted policies to deal with different operational risks. The Internal Control and Compliance Division of the Bank, the inspection teams of Bangladesh Bank, and external auditors had conducted inspections in different branches and divisions at Head office throughout the year and prepared the reports according to the findings of those inspections. Considering the suggestions and observations of those reports management took essential control measures and corrective actions.

In 2019 IC&C Division conducted following No. of audit:

No. of Comprehensive Audit at Branches	111 Branches
No. of Comprehensive Audit at Head Office	32 Divisions/ Departments
No. of Spot audits	20 Spot Audit 28 IT Audit 73 no. pay point audits
No. of Spot Inspection	20 Spot inspection report

TBL strongly follows the KYC norms for its customer dealings and other banking operations. Banks Anti-Money laundering activities are headed by CAMLCO in the rank of Executive Vice President and their activities are devoted to protect against all money laundering and terrorist finance related activities. The newly established Central Customer Service & Complaint Management Cell was also engaged in mitigating the operation risks of the Bank. Apart from that, there is adequate check and balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.

(e) Approach for Calculating Capital Charges for Operational Risk:

The Bank follows the Basic Indicator Approach (BIA) in terms of BRPD Circular No. 18 dated 21 December 2014, Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). The BIA stipulates the capital charge for operational risk is a fixed percentage, denoted by α (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula:

$$K = [(GI\ 1 + GI\ 2 + GI\ 3)\ \alpha]/n$$

Where-

K = the capital charge under the Basic Indicator Approach

GI = only positive annual gross income over the previous three years (i.e., negative or zero gross income if any shall be excluded)

α = 15 percent

n = number of the previous three years for which gross income is positive.

Quantitative Disclosures:

The capital requirements for operational risk:

BDT in Million

Particulars	RWA	Capital Requirement
Minimum Capital Requirement: Operation Risk	16,224.39	2,028.05

* Capital Requirement is calculated based on MCR (10%) + Capital Conservation Buffer (2.50%)

9. Liquidity Ratio

Qualitative Disclosures:

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

Thus, liquidity risk can be of two types:



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

(a) Views of Board of Directors on system to reduce Liquidity Risk:

TBL manages liquidity risk in accordance with its Asset Liability Management (ALM) Policy. This policy is framed as per the extant regulatory guidelines and is approved by the Board of Directors. The ALM Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign with changes in the economic landscape. The Asset Liability Management Committee (ALCO) of the Bank formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the ALM Policy.

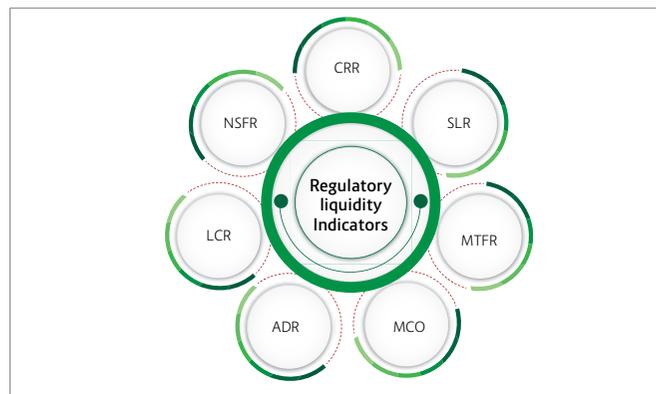
The Bank proactively manages liquidity risk as a part of its ALM activities. The Bank uses various statements, liquidity ratios and stress testing through scenario analysis. TBL has also framed a Liquidity of tight liquidity conditions. The LCP includes various indicators which are monitored regularly, and lays down the mechanism for escalation, remedial action and crisis management until return to normalcy.

(b) Methods used to measure Liquidity risk:

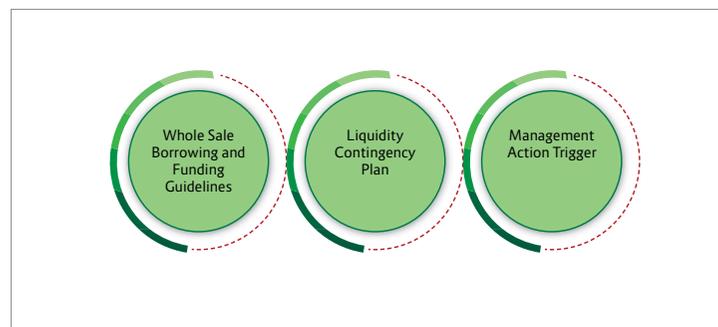
TBL follows Bangladesh Bank’s Risk Based Capital Adequacy guideline in line with Basel III for proper assessment and management of liquidity risk of the bank. TBL also started to follow DOS circular no. 1, dated 1st January, 2015, on Implementation of Basel III liquidity ratio.

In the perspective of Bangladesh, identifying and monitoring the driving factors of liquidity risk is viewed from the following aspects:

i. Regulatory liquidity Indicators (RLIs):



ii. Bank’s own liquidity monitoring tools:



(c) Liquidity Risk Management System:

ALM strategy of TBL is designed to ensure that funding is available to meet liability repayments on time and to fund all investment opportunities in times of stress either by increasing liabilities or by converting assets into cash expeditiously and at reasonable cost.

Responsibility of managing liquidity lies with Asset Liability Committee (ALCO) of the bank which meets at least once in every month. Asset and Liability Management (ALM) desk closely monitors and controls liquidity requirements on a daily basis by proper coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting on a regular basis.

(d) Policies and processes for mitigating liquidity risk:

At Trust Bank Limited, Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. ALCO reviews the policy at least annually or as and when required by taking into consideration of any changes in the market dynamics and appropriateness and put recommendation for changes in policy to the Board for approval. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.

Quantitative Disclosures:

Liquidity Coverage Ratio (%)	195.66%
Net Stable Funding Ratio (%)	119.23%
Stock of High quality liquid assets	56,197.64 (Million)
Total net cash outflows over the next 30 calendar days	28,722.44 (Million)
Available amount of stable funding	250,579.04 (Million)
Required amount of stable funding	210,161.61 (Million)

10. Leverage Ratio

Qualitative Disclosures:

(a) Views of BOD on system to reduce excessive leverage:

In order to avoid building-up excessive on and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by Bangladesh Bank. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements.

The leverage ratio is intended to achieve the following objectives:

- Constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy
- Reinforce the risk based requirements with an easy to understand and a non-risk based measure.

The policy for Leverage Ratio including on and off balance sheet exposure and capital related policy. Boards of Directors of TBL are continuously monitoring the exposure limit of lending, capital strength of the Bank in order to avoid building-up excessive on- and off-balance sheet leverage. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank.

(b) Policies and processes for managing excessive on and off-balance sheet leverage:

TBL follows Bangladesh Bank's Risk Based Capital Adequacy guideline in line with Basel III. There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risk.

(c) Approach for calculating exposure:

The bank will maintain leverage ratio on quarterly basis. The exposure measure for the leverage ratio will generally follow the accounting measure of exposure.

In order to measure the exposure consistently with financial accounts, the following will be applied by the bank:

- On balance sheet, non-derivative exposures will be net of specific provisions and valuation adjustments (e.g. surplus/ deficit on available for sale (AFS)/ Held-for-trading (HFT) positions).
- Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure.
- Netting of loans and deposits is not allowed.

(d) Calculation of Leverage Ratio:

A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.

Leverage Ratio = Tier 1 Capital (after related deductions)/ Total Exposure (after related deductions)

Quantitative Disclosures:

BDT in Million

Particulars	Solo	Consolidated
Leverage Ratio (%)	4.44%	4.52%
On balance sheet exposure	289,133.78	290,694.54
Off balance sheet exposure	43,028.38	43,088.91
Total exposure	331,989.36	333,608.85

11. Remuneration

Trust bank Limited is committed to ensure remuneration practices that enable the Bank to attract, develop and retain top talents. The remuneration system combines the need to maintain a high performance culture along with market competitiveness. The following remuneration disclosures have been prepared in accordance with 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' provided by Bangladesh Bank.

The qualitative remuneration disclosures are broader in scope and cover all the employees where as the quantitative information relates to senior managers and material risk takers of the Bank, for the financial year ended December 31, 2019.

Qualitative Disclosures:

(a) Information relating to the bodies that oversee remuneration:

Remuneration Committee provides assistance to the Board of Directors to approve the policies regarding remuneration. The Committee consists of the following members as on Dec 31, 2019:

- Mr. Junaid Masroor, DMD, Chairman
- Mr. Brig Gen Md. Mehdi Hassan (Retd), SEVP
- Mr. Brig Gen Kamrul Islam (Retd), SEVP
- Mr. Ahsan Zaman Chowdhury, SEVP
- Mr. Mohammad Mohsin, EVP
- Mr. Mohammad Aminul Haque, VP
- Ms. Mahmuda Momen, VP
- Mr. Maj. ABM Nurul Islam (Retd), VP

Basically, the committee is responsible for:

- Any change in remuneration policy and structure by outlining the detailed procedure for exercising them
- Offering competitive remuneration packages for employees in each job grade commensurate with their job responsibilities
- Providing basis on which performance based remuneration will be provided to the employee

The Bank has no permanent external consultant for managing remuneration, but expert opinion may be sought by the Management, in case to case basis, regarding taxation, legal and other issues.

The Bank has no foreign subsidiaries; rather it has branches in different regions of the country. The remuneration policy follows same rule and does not change due to the employees working in different regions of the country.

Including MD & CEO the Bank has Forty One (41) 'Senior managers (SVP & above)', at the end of the reporting period.

(b) Information relating to the design and structure of remuneration processes:

Objective of Bank's Compensation policy is:

- To ensure fair reward management system for the employees in line with the Bank's core values and strategic business goals
- To provide a competitive pay package compared to the best practices in the industry
- To ensure effective governance of compensation

The structure of remuneration packages for employees consists of following components:

- Fixed Remuneration;
- Variable Pay &
- Employee Benefits

The fixed remuneration is made up of base remuneration including salary and other fixed allowances paid in cash. Fixed remuneration differs from grade to grade and generally changes with promotion/demotion to the higher/lower grades and increment.

Variable pay consists of incentive bonuses paid on the basis of the individual performance subject to annual profit of the Bank. Therefore, individual performance is measured and reviewed against set goals, which include financial and non-financial metrics.

Gratuity Fund, Provident Fund and Superannuation Funds are maintained by the Bank for employees as a future/long term benefit. Such remunerations differ based on the grade, basic pay and length of service of an employee. In addition, TBL has Employees' Hospitalization Benefit Scheme to cover employees' hospitalization expenses.

Moreover, the employees having job responsibilities involving risk factors are allowed risk allowances as prescribed in the policy. In addition, employees with supervisory responsibilities are also provided additional benefits besides their regular pay.

(c) Description of the ways in which current and future risks are taken into account in the remuneration processes:

Banking sector of Bangladesh being very competitive, remuneration system is basically driven by market dynamics. Due to huge competition in a crowded market with substantial number of participants, restructuring of compensation package is more frequent than other industries. Trust Bank always strives to ensure internal equity and fair treatment in its remuneration system to be competitive in such industry. It takes into account the following key risks when managing and determining remuneration processes:

- Financial Risks
- Compliance Risks

To make the compensation package fair, market survey is conducted from time to time when felt required so that:

- The package logically compensates employees for their expertise, time, mental and social engagement with the organization.
- The package ensures internal & external equity

Moreover, the bank manages key risks through its strategic and business unit plans, risk management framework, policies and procedures.

(d) Description of the ways in which the bank seeks to link performance:

Employees' performance is appraised annually in line with the achieved objectives, which have a positive and direct impact in their pay package. Incentive Bonus is directly linked with the employees' individual rating during their performance evaluation process. These ratings are also key parameters for employees to be considered for promotion.

(e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance:

The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. The Bank provides remuneration considering the long-term performance of the employees (i.e. provident fund, gratuity, superannuation etc.).

In case of following situation remuneration can be adjusted before vesting:

- Disciplinary action (at the discretion of management).
- Resignation of the employee prior to the payment date.

At the same time previously paid or already vested variable pay can also be recovered under the case of disciplinary action (at the discretion of management).

(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using those different forms:

The main forms of such variable remuneration includes:

- Monthly Cash benefits (Manager's Charge Allowance, Cash Handling Allowance, Key Holding Allowance etc.)
- Incentive plan for the employees to be paid annually (Incentive Bonus)

The form of variable remuneration depends on the job level of individual, risk involved, the time horizon for review of quality of the assignments performed.

Quantitative Disclosure:

(g) Number of Meeting held by the Remuneration Committee during the financial year and remuneration paid to its member:

The committee held 6 no. meeting during the financial year. No fees are paid to remuneration committee member or for attending such meeting.

(h) Number of employees having received a variable remuneration award during the financial year:

- Incentive Bonuses: 34 Senior Managers

Number and total amount of guaranteed bonuses awarded during the financial year:

- Festival bonuses: On an average 42 no. of employees received 3 number of festival bonuses amounted BDT 19,277,500.

Number and total amount of sign-on award made during the financial year:

Nil

Number and total amount of severance payments made during the financial year:

Nil

(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-lined instruments and other forms:

Nil

Total amount of deferred remuneration paid out in the financial year:

Nil

(j) Breakdown of amount of remuneration awards for the financial year to show:

- Fixed Remuneration: BDT 146,249,200
- Variable Remuneration: BDT 652,000
- Incentive Bonus: BDT 2,343,590

(k) Quantitative Information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. clawbacks or similar reversals or downward revaluation of awards) of deferred remuneration and retained remuneration:

Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments:

Nil

Total amount of reductions during the financial year due to ex post explicit adjustments: Nil

Total amount of reduction during the financial year due to ex post implicit adjustments: Nil



Independent Auditor's Report
To the Shareholders
of
Trust Bank limited

Independent Auditor's Report To the Shareholders of Trust Bank limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the 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 and separate balance sheets as at 31 December 2019 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 notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and 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 2019, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 02.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Measurement of provision for loans and advances	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, these provisions calculation consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provision calculations are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end the Group reported total gross loans and advances of BDT 212,835 million (2018: BDT 199,205 million) and provision for loans and advances of BDT 9,646 million (2018: BDT 7,410 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly Classification of Loans (CL); • Checked process outline of accounting via core banking software (Flora) regarding Classification of Loans (CL). <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.
See note no 07(a) & 12.1 to the financial statements.	

Risk	Our response to the risk
Valuation of treasury bill and treasury bond	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Group to identify and confirm the existence of financial instruments.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the financial instrument valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6.1 & 6.2 to the financial statements	
Valuation of deferred tax assets	
<p>The Bank reports net deferred tax assets to totaling BDT 172 million as at 31 December 2019.</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Group's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note no 9.3.1 to the financial statements	

Risk	Our response to the risk
IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>
Legal and regulatory matters	
<p>We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>

Risk	Our response to the risk
Carrying value of investments in subsidiaries by the Bank	
<p>The Bank has invested in equity shares of its two subsidiaries, namely Trust Bank securities limited & Trust Bank investment limited. As at 31 December 2019 the carrying value of this investment is BDT 3,350 million.</p> <p>At the time of conducting our audit of the separate financial statements of the Bank we have considered the recoverable value of the Bank's investments in all the above subsidiaries stated at cost.</p> <p>Management has conducted impairment assessment and calculated recoverable value of its individual subsidiaries in accordance with IAS 36.</p>	<p>We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36.</p> <p>In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged.</p>
See note no 9 to the financial statements	
Implementation of IFRS 16 Leases	
<p>IFRS 16 modifies the accounting treatment of operating leases at inception, with the recognition of a right of use (ROU) on the leased asset and of a liability for the lease payments over the lease contract term. With respect to operating leases of premises used by the Bank, at inception of the lease, the lessor receives a right of using the premises, in exchange of a lease debt, using an implicit discount rate.</p> <p>Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are appropriate.</p>	<p>In responding to the identified key audit matter, we completed the following audit procedures:</p> <p>Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the Bank;</p> <p>Assessed the appropriateness of the discount rates applied in determining lease liabilities;</p> <p>Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment and;</p> <p>Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
See notes no 8.1 & 12.8 to the financial statements	

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 02, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements 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.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also 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. to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti- fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - a. internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - b. 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 Group and its related entities (other than matters disclosed in these financial statements)
- iii. Consolidated financial statements of Trust Bank Limited subsidiaries namely, Trust Bank Securities Limited & Trust Bank Investment Limited, Trust Bank Securities Limited have been audited by M.I Chowdhury & Co., Chartered Accountants and Trust Bank Investment Limited have been audited by Syful Shamsul Alam & Co., Chartered Accountants who have expressed unqualified audit opinion. The result of these subsidiaries have been properly reflected in the consolidated financial statements;
- iv. in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;

- v. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- vi. the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- vii. the expenditures incurred were for the purpose of the Bank's business for the year;
- viii. 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 related guidance issued by Bangladesh Bank;
- ix. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- x. the information and explanations required by us have been received and found satisfactory;
- xi. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,000 person hours; and
- xii. Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.



Nasir Uddin Ahmed FCA
Senior Partner
MABS & J Partners, Chartered Accountants



M. Farhad Hussain FCA
Managing Partner
Hussain Farhad & Co., Chartered Accountants

Place: Dhaka

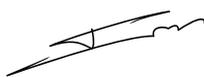
Date: 28th June 2020

TRUST BANK LIMITED
and its subsidiaries
Consolidated Balance Sheet
For the year ended 31 December 2019

	Notes	31.12.2019 Taka	31.12.2018 Taka
PROPERTY AND ASSETS			
Cash	3		
		4,182,750,418	3,730,434,604
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		15,272,236,431	12,007,579,243
		19,454,986,849	15,738,013,847
Balance with other banks and financial institutions	4 (a)		
In Bangladesh		11,053,428,801	7,062,324,216
Outside Bangladesh		1,493,847,781	775,102,896
		12,547,276,582	7,837,427,112
Money at call and short notice	5	2,300,000,000	-
Investments	6(a)		
Government		36,560,686,885	28,488,959,280
Others		6,901,431,999	6,051,559,800
		43,462,118,884	34,540,519,080
Loans and Advances/Islami Banking Investments	7(a)		
Loans, Cash Credit, Overdrafts etc./ Investment		209,392,114,030	195,055,298,744
Bills purchased and discounted		3,443,489,567	4,150,197,509
		212,835,603,597	199,205,496,253
Fixed assets including premises, furniture and fixtures	8(a)	1,936,945,124	585,895,813
Other assets	9 (a)	3,915,906,795	3,169,048,021
Non-banking assets		-	-
Total Assets		296,452,837,831	261,076,400,126
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10(a)	19,776,264,394	20,916,518,784
Deposits and other accounts	11 (a)		
Current / Al-wadeeah Current Accounts and other Accounts		35,149,690,574	29,394,205,285
Bills Payable		3,316,469,487	4,227,864,871
Savings Bank / Mudaraba Savings Deposits		36,085,273,119	31,908,653,593
Fixed Deposits / Mudaraba Term Deposits		167,270,591,932	147,004,310,673
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		241,822,025,112	212,535,034,422
Other liabilities	12(a)	19,575,792,650	14,403,276,881
Total Liabilities		281,174,082,156	247,854,830,087
Capital/Shareholders' Equity			
Paid up Capital	13.2	6,126,628,370	5,569,662,160
Minority Interest	13 (a)	789	789
Foreign Currency Translation Reserve		2,232,421	2,024,844
Statutory Reserve	14	6,579,751,092	5,638,527,443
Other Reserve	15	22,299,687	1,978,275
Retained Earnings		2,547,843,316	2,009,376,528
Total Shareholders' Equity	16(a)	15,278,755,675	13,221,570,039
Total Liabilities and Shareholders' Equity		296,452,837,831	261,076,400,126

	Notes	31.12.2019 Taka	31.12.2018 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
	17 (a)		
Acceptances and endorsements		18,083,824,075	22,938,526,039
Letter of Guarantees		35,863,771,879	36,916,349,220
Irrevocable Letter of Credits		27,263,413,482	45,474,550,442
Bills for collection		3,971,133,916	3,896,286,368
		85,182,143,352	109,225,712,069
Other Contingent Liabilities			
Value of travelers' cheques in hand		-	-
Total:		85,182,143,352	109,225,712,069
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		85,182,143,352	109,225,712,069

The annexed notes 1-48 form an integral part of the Financial Statements.



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report of same date



Nasir Uddin Ahmed, FCA

Senior Partner

MABS & J Partners, Chartered Accountants



M. Farhad Hussain, FCA

Managing Partner

Hussain Farhad & Co., Chartered Accountants

Dated : Dhaka

June 28, 2020

TRUST BANK LIMITED
and its subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2019

	Notes	31.12.2019 Taka	31.12.2018 Taka
Interest income / Profit on Investment	19(a)	19,755,964,324	17,467,596,665
Interest / Profit paid on deposits and borrowings etc.	20(a)	13,473,906,936	11,209,595,621
Net interest income		6,282,057,388	6,258,001,044
Income from investments	21(a)	2,976,150,211	2,202,506,011
Commission, exchange and brokerage	22(a)	1,506,181,423	1,253,024,593
Other operating income	23(a)	538,009,954	513,509,779
		5,020,341,588	3,969,040,383
Total operating income		11,302,398,976	10,227,041,427
Salaries and allowances	24(a)	2,160,976,019	1,981,922,850
Rent, taxes, insurance, electricity, etc.	25(a)	409,493,138	741,155,095
Legal expenses		4,954,141	3,481,780
Postage, stamps, telecommunications, etc.	26(a)	82,561,983	87,201,300
Stationery, printing, advertisement etc.	27(a)	54,232,982	51,585,144
Managing Director's salary and benefits		13,923,220	12,852,349
Directors' fees	28(a)	2,967,000	3,034,000
Auditors' fee		747,500	747,500
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29(a)	538,645,920	232,985,036
Other expenses	30(a)	805,324,620	735,491,408
		4,073,826,523	3,850,456,462
Total operating expenses		4,073,826,523	3,850,456,462
Profit before provision		7,228,572,453	6,376,584,965
Provision for loans & advances / Investments	31(a)	2,466,725,999	2,111,333,673
Provision for Diminution in value of Investment	32(a)	80,646,030	6,527,902
Other provision	33	(53,827,942)	147,242,562
		2,493,544,087	2,265,104,137
Total Profit before Taxes		4,735,028,366	4,111,480,828
Provision for Taxation			
Current tax	12.7(a)	2,719,721,831	2,261,930,574
Deferred tax		(21,350,112)	(14,275,115)
		2,698,371,719	2,247,655,459
Net Profit after Taxation		2,036,656,647	1,863,825,369
Appropriations			
Statutory Reserve	14.1	941,223,649	823,049,903
General reserve		-	-
		941,223,649	823,049,903
Retained surplus		1,095,432,998	1,040,775,466
Earning per share (EPS)	35 (a)	3.32	3.04

The annexed notes 1-48 form an integral part of the Financial Statements.



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report of same date



Nasir Uddin Ahmed, FCA
Senior Partner
MABS & J Partners, Chartered Accountants



M. Farhad Hussain, FCA
Managing Partner
Hussain Farhad & Co., Chartered Accountants

Dated : Dhaka
June 28, 2020

TRUST BANK LIMITED
and its subsidiaries
Consolidated Cash Flow Statement
For the year ended 31 December 2019

	Notes	31.12.2019 Taka	31.12.2018 Taka
A. Cash flows from operating activities			
Interest received in cash		19,894,278,835	17,428,234,790
Interest payments		(12,548,272,464)	(10,440,321,794)
Dividend receipts		32,975,361	32,621,114
Fees and commission receipts in cash		1,437,502,338	1,214,501,153
Recoveries of loans previously written off		48,510,615	66,048,756
Cash paid to employees		(2,165,367,065)	(2,056,646,710)
Cash paid to suppliers		(46,910,299)	(35,277,353)
Income Taxes paid		(2,589,475,462)	(2,345,958,398)
Received from other operating activities (item-wise)	38(a)	3,313,363,817	2,837,663,432
Payments for other operating activities (item-wise)	39(a)	(1,748,019,882)	(1,574,854,976)
Operating profit before changes in operating Assets and Liabilities		5,628,585,794	5,126,010,014
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(849,872,199)	(1,033,196,059)
Loan & advance to other banks		-	-
Loan & advance to customers		(13,097,781,078)	(11,908,192,228)
Other assets (item-wise)	40(a)	(740,297,567)	(165,727,038)
Deposits from other banks		(2,634,705,259)	3,131,949,895
Deposits from customers		31,049,262,816	8,349,609,561
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	41(a)	636,528,514	(2,078,111)
Net cash from operating activities (A)		19,991,721,021	3,498,376,034
B. Cash flows from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(8,049,236,693)	(2,895,843,467)
Purchase of property, plant & equipment		(99,412,927)	(96,482,600)
Purchase of intangible assets		(572,496)	(1,408,657)
Sale of property, plant & equipment		8,992,209	2,252,104
Purchase/ Sale of Subsidiary		-	-
Net cash from investing activities (B)		(8,140,229,907)	(2,991,482,620)
C. Cash flows from financing activities			
Increase/(Decrease) in Borrowing:			
Call loan		-	-
Other borrowings		(1,140,267,821)	4,350,527,136
Dividend paid in cash		-	(1,113,932,432)
Net cash from financing activities (C)		(1,140,267,821)	3,236,594,704
D. Net increase in Cash and Cash Equivalents (A+B+C)		10,711,223,293	3,743,488,118
E. Effects of exchange rate changes on cash and cash equivalents			
		17,768,679	47,977,303
F. Opening Cash and Cash Equivalents		23,579,510,359	19,788,044,938
G. Cash and cash equivalents at end of year (D+E+F)	42 (a)	34,308,502,331	23,579,510,359
Consolidated Cash and Cash Equivalents at the end of the year			
Cash in hand (including foreign currencies)	3.1	4,182,750,418	3,730,434,604
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	3.2	15,272,236,431	12,007,579,243
Balance with Other Bank and Financial Institutions	4(a)	12,547,276,582	7,837,427,112
Money at call and short notice	5	2,300,000,000	-
Prize Bond	6	6,238,900	4,069,400
Total		34,308,502,331	23,579,510,359

TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2019

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2019	5,569,662,160	-	789	2,024,844	5,638,527,443	1,978,275	2,009,376,528	13,221,570,039
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	20,321,412	-	20,321,412
Currency translation difference	-	-	-	207,577	-	-	-	207,577
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	-	2,036,656,647	2,036,656,647
Statutory reserve	-	-	-	-	941,223,649	-	(941,223,649)	-
Dividends (Bonus Share)	556,966,210	-	-	-	-	-	(556,966,210)	-
Dividends (Cash)	-	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as at 31 December 2019	6,126,628,370	-	789	2,232,421	6,579,751,092	22,299,687	2,547,843,316	15,278,755,675

TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2018

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2018	5,569,662,160	-	789	1,780,871	4,815,477,540	5,447,527	2,082,533,494	12,474,902,381
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	(3,469,252)	-	(3,469,252)
Currency transaction difference	-	-	-	243,973	-	-	-	243,973
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	-	1,863,825,369	1,863,825,369
Statutory reserve	-	-	-	-	823,049,903	-	(823,049,903)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	(1,113,932,432)	(1,113,932,432)
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as at 31 December 2018	5,569,662,160	-	789	2,024,844	5,638,527,443	1,978,275	2,009,376,528	13,221,570,039

TRUST BANK LIMITED

Balance Sheet

As at 31 December 2019

	Notes	31.12.2019 Taka	31.12.2018 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		4,182,750,418	3,730,434,604
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		15,272,236,431	12,007,579,243
		19,454,986,849	15,738,013,847
Balance with other banks and financial institutions	4		
In Bangladesh		10,976,907,794	6,959,586,628
Outside Bangladesh		1,493,847,781	775,102,896
		12,470,755,575	7,734,689,524
Money at call and short notice	5	2,300,000,000	-
Investments	6		
Government		36,560,686,885	28,488,959,280
Others		4,481,222,192	3,816,052,855
		41,041,909,077	32,305,012,135
Loans and Advances/Islami Banking Investments	7		
Loans, Cash Credit, Overdrafts etc./ Investment		207,323,249,542	192,977,867,286
Bills purchased and discounted		3,443,489,567	4,150,197,509
		210,766,739,109	197,128,064,795
Fixed assets including premises, furniture and fixtures	8	1,929,692,016	578,011,789
Other assets	9	6,928,048,882	6,154,578,152
Non-banking assets		-	-
Total Assets		294,892,131,508	259,638,370,242
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	19,774,708,167	20,913,514,946
Deposits and other accounts	11		
Current / Al-wadeeah Current Accounts and other Accounts		35,352,423,907	29,539,778,747
Bills Payable		3,316,469,487	4,227,864,871
Savings Bank / Mudaraba Savings Deposits		36,085,273,119	31,908,653,593
Fixed Deposits / Mudaraba Term Deposits		167,270,591,932	147,004,310,673
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		242,024,758,445	212,680,607,884
Other liabilities	12	18,152,965,811	13,156,639,917
Total Liabilities		279,952,432,423	246,750,762,747
Capital/Shareholders' Equity			
Paid up Capital	13.2	6,126,628,370	5,569,662,160
Foreign Currency Translation Reserve		2,232,421	2,024,844
Statutory Reserve	14	6,579,751,092	5,638,527,443
Other Reserve	15	22,299,687	1,978,275
Retained Earnings	16	2,208,787,515	1,675,414,773
Total Shareholders' Equity		14,939,699,085	12,887,607,495
Total Liabilities and Shareholders' Equity		294,892,131,508	259,638,370,242

	Notes	31.12.2019 Taka	31.12.2018 Taka
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	17		
Acceptances and endorsements		18,083,824,075	22,938,526,039
Letter of Guarantees		35,803,241,879	36,855,819,220
Irrevocable Letter of Credits		27,263,413,482	45,474,550,442
Bills for collection		3,971,133,916	3,896,286,368
		85,121,613,352	109,165,182,069
Other Contingent Liabilities			
Value of travelers' cheques in hand		-	-
Total:		85,121,613,352	109,165,182,069
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		85,121,613,352	109,165,182,069

The annexed notes 1-48 form an integral part of the Financial Statements.


Vice Chairman


Director


Director


Managing Director


Nasir Uddin Ahmed, FCA
Senior Partner
MABS & J Partners, Chartered Accountants

Signed as per annexed report of same date


M. Farhad Hussain, FCA
Managing Partner
Hussain Farhad & Co., Chartered Accountants

Dated : Dhaka
June 28, 2020

TRUST BANK LIMITED
Profit and Loss Account
For the year ended 31 December 2019

	Notes	31.12.2019 Taka	31.12.2018 Taka
Interest income / Profit on Investment	19	19,722,031,829	17,418,455,772
Interest / Profit paid on deposits and borrowings etc.	20	13,473,906,936	11,209,595,667
Net interest income		6,248,124,893	6,208,860,105
Income from investments	21	2,876,573,952	2,159,144,133
Commission, exchange and brokerage	22	1,490,638,448	1,238,268,377
Other operating income	23	506,796,346	479,437,729
		4,874,008,746	3,876,850,239
Total operating income		11,122,133,639	10,085,710,344
Salaries and allowances	24	2,130,154,905	1,949,965,863
Rent, taxes, insurance, electricity, etc.	25	392,873,846	724,176,625
Legal expenses		4,296,227	3,265,545
Postage, stamps, telecommunications, etc.	26	81,833,956	86,424,517
Stationery, printing, advertisement etc.	27	53,802,216	51,223,492
Managing Director's salary and benefits		11,385,000	10,399,909
Directors' fees	28	2,811,000	2,863,000
Auditors' fee		575,000	575,000
Charges on loan losses		-	-
Depreciation and repair of bank's assets	29	536,648,236	230,687,518
Other expenses	30	794,232,992	724,419,376
Total operating expenses		4,008,613,378	3,784,000,845
Profit before provision		7,113,520,261	6,301,709,499
Provision for loans & advances / Investments	31	2,443,325,999	2,032,689,520
Provision for Diminution in value of Investment	32	17,903,957	6,527,902
Other provision	33	(53,827,942)	147,242,562
		2,407,402,014	2,186,459,984
Total Profit before Taxes		4,706,118,247	4,115,249,515
Provision for Taxation			
Current tax	12.7.1	2,696,000,000	2,237,038,500
Deferred tax	9.3.1	(21,444,354)	(14,371,020)
		2,674,555,646	2,222,667,480
Net Profit after Taxation		2,031,562,601	1,892,582,035
Appropriations			
Statutory Reserve	14.1	941,223,649	823,049,903
General reserve		-	-
		941,223,649	823,049,903
Retained surplus		1,090,338,952	1,069,532,132
Earning per share (EPS)	35	3.32	3.09

The annexed notes 1-48 form an integral part of the Financial Statements.



Vice Chairman



Director



Director



Managing Director



Nasir Uddin Ahmed, FCA
Senior Partner
MABS & J Partners, Chartered Accountants

Signed as per annexed report of same date



M. Farhad Hussain, FCA
Managing Partner
Hussain Farhad & Co., Chartered Accountants

Dated : Dhaka
June 28, 2020

TRUST BANK LIMITED
Cash Flow Statement
For the year ended 31 December 2019

	Notes	31.12.2019 Taka	31.12.2018 Taka
A. Cash flows from operating activities			
Interest received in cash		19,857,715,373	17,379,093,897
Interest payments		(12,548,272,464)	(10,440,321,840)
Dividend receipts		29,500,962	22,519,595
Fees and commission receipts in cash		1,437,501,785	1,214,501,153
Recoveries of loans previously written off		48,510,615	66,048,756
Cash paid to employees		(2,141,610,735)	(2,031,850,560)
Cash paid to suppliers		(46,649,343)	(35,039,456)
Income Taxes paid		(2,565,562,175)	(2,314,542,694)
Received from other operating activities (item-wise)	38	3,173,136,894	2,723,661,795
Payments for other operating activities (item-wise)	39	(1,708,568,859)	(1,534,562,867)
Operating profit before changes in operating Assets and Liabilities		5,535,702,053	5,049,507,779
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits		-	-
Net Investment in trading securities		(665,169,337)	(867,460,402)
Loan & advance to other banks		-	-
Loan & advance to customers		(13,136,656,398)	(12,149,346,198)
Other assets (item-wise)	40	(736,065,198)	(177,681,898)
Deposits from other banks		(2,634,705,259)	3,131,949,895
Deposits from customers		31,106,422,687	8,315,924,069
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities (item-wise)	41	546,049,757	147,792,457
Net cash from operating activities (A)		20,015,578,305	3,450,685,702
B. Cash flows from investing activities			
Proceeds from sale of securities		-	-
Payments for purchase of government securities		(8,049,236,693)	(2,895,843,467)
Purchase of property, plant & equipment		(98,494,590)	(95,558,760)
Purchase of intangible assets		(572,496)	(1,408,657)
Sale of property, plant & equipment		8,972,127	2,252,104
Purchase/ Sale of Subsidiary		-	-
Net cash from investing activities (B)		(8,139,331,652)	(2,990,558,780)
C. Cash flows from financing activities			
Increase/(Decrease) in Borrowing:		-	-
Call loan		-	-
Other borrowings		(1,138,806,779)	4,376,774,572
Dividend paid in cash		-	(1,113,932,432)
Net cash from financing activities (C)		(1,138,806,779)	3,262,842,140
D. Net increase in Cash and Cash Equivalents (A+B+C)		10,737,439,874	3,722,969,062
E. Effects of exchange rate changes on cash and cash equivalents		17,768,679	47,977,303
F. Opening Cash and Cash Equivalents		23,476,772,771	19,705,826,406
G. Cash and cash equivalents at end of year (D+E+F)		34,231,981,324	23,476,772,771
Cash and Cash Equivalents at the end of the year			
Cash in hand (including foreign currencies)	3.1	4,182,750,418	3,730,434,604
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	3.2	15,272,236,431	12,007,579,243
Balance with Other Bank and Financial Institutions	4	12,470,755,575	7,734,689,524
Money at call and short notice	5	2,300,000,000	-
Prize Bond	6	6,238,900	4,069,400
Total		34,231,981,324	23,476,772,771

TRUST BANK LIMITED
Statement of changes in Equity
For the year ended 31 December 2019

Particulars	Paid up Capital	Share Premium Account		Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2019	5,569,662,160	-	2,024,844	5,638,527,443	1,978,275	1,675,414,773	12,887,607,495
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	20,321,412	-	20,321,412
Currency translation difference	-	-	207,577	-	-	-	207,577
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	2,031,562,601	2,031,562,601
Statutory reserve	-	-	-	941,223,649	-	(941,223,649)	-
Dividends (Bonus Share)	556,966,210	-	-	-	-	(556,966,210)	-
Dividends (Cash)	-	-	-	-	-	-	-
Issue of Share Capital (Rights Share)	-	-	-	-	-	-	-
Balance as at 31 December 2019	6,126,628,370	-	2,232,421	6,579,751,092	22,299,687	2,208,787,515	14,939,699,085

TRUST BANK LIMITED
Statement of changes in Equity
For the year ended 31 December 2018

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2018	5,569,662,160	-	1,780,871	4,815,477,540	5,447,527	1,719,815,073	12,112,183,171
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	(3,469,252)	-	(3,469,252)
Currency transaction difference	-	-	243,973	-	-	-	243,973
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	1,892,582,035	1,892,582,035
Statutory reserve	-	-	-	823,049,903	-	(823,049,903)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	(1,113,932,432)	(1,113,932,432)
Issue of Share Capital (Rights Share)	-	-	-	-	-	-	-
Balance as at 31 December 2018	5,569,662,160	-	2,024,844	5,638,527,443	1,978,275	1,675,414,773	12,887,607,495

TRUST BANK LIMITED
Liquidity Statement
(Asset and Liability Maturity Analysis)
As on 31 December 2019

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	4,182,750,418	-	-	-	-	4,182,750,418
Balance with Bangladesh Bank and Sonali Bank	3,287,052,431	-	-	-	11,985,184,000	15,272,236,431
Balance with other banks and financial institutions	10,770,755,575	1,500,000,000	200,000,000	-	-	12,470,755,575
Money at call and short notice	2,300,000,000	-	-	-	-	2,300,000,000
Investments	238,238,900	1,634,159,534	18,254,662,408	8,897,932,420	12,016,915,815	41,041,909,077
Loans and Advances	13,849,978,129	40,995,979,895	59,251,356,445	79,406,894,506	17,262,530,134	210,766,739,109
Fixed Assets including premises, furniture and fixtures	-	-	-	-	1,929,692,016	1,929,692,016
Other assets	1,561,053,182	658,707,681	714,145,442	548,719,085	3,445,423,492	6,928,048,882
Non-banking assets	-	-	-	-	-	-
Total Assets	36,189,828,635	44,788,847,110	78,420,164,295	88,853,546,011	46,639,745,457	294,892,131,508
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	2,273,176,140	2,952,428,617	6,403,339,696	7,145,763,714	1,000,000,000	19,774,708,167
Deposits	57,383,568,900	55,026,656,795	90,411,611,523	21,141,294,161	7,678,576,944	231,641,708,323
Other accounts	10,383,050,122	-	-	-	-	10,383,050,122
Provision and other liabilities	1,206,590,399	2,770,660,600	7,038,414,207	5,927,465,021	1,209,835,584	18,152,965,811
Total Liabilities	71,246,385,561	60,749,746,012	103,853,365,426	34,214,522,896	9,888,412,528	279,952,432,423
Net Liquidity Gap	(35,056,556,926)	(15,960,898,902)	(25,433,201,131)	54,639,023,115	36,751,332,929	14,939,699,085

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

TRUST BANK LIMITED

Notes to the Financial Statements

For the year ended 31 December 2019

1 THE BANK & ITS ACTIVITIES

Trust Bank Limited (the Bank) is a scheduled commercial bank established under the Bank Companies Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank has One Hundred Six (106) branches and Six (06) SME Service Centers/Krishi Branch which are operating in Bangladesh as at 31 December 2019. The Bank has no overseas branches as at 31 December 2019. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

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

Initially, the Bank has started its operation in the name of "The Trust Bank Limited" but later 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.

Principal Activities and Nature of operations of the Bank

The Principal activities of the Bank are to provide full range of banking services that include deposit banking, loans & advances, export-import financing and national & international remittance facilities, issuing debit and credit cards, SMS banking, internet banking, call center, dealing in government securities etc.

1.1 Off-shore Banking Unit (OBU)

The Bank obtained Off-shore Banking Unit permission vide letter no. BRPD(P-3)744(116)/2010-2462 dated 02 June 2010. The Bank commenced its Off-shore banking operations from 24 October 2013 through our Dilkusha Corporate Branch, Gulshan Corporate Branch & CDA Avenue Branch. The Off-shore Banking Units are governed under the rules and guidelines of Bangladesh Bank. Separate financial statements of Off-shore Banking Unit are shown in Annex-G, H and I.

1.2 Subsidiaries of the Bank

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

1.2.1 Trust Bank Investment Limited

Trust Bank Investment Limited, a fully owned subsidiary of Trust Bank Limited, was incorporated on 09 September 2010 with an initial paid up capital of Taka 300 million upon receiving consent from BSEC on 25 October 2010 having registered office located at 36 Dilkusha Commercial Area, Dhaka - 1000.

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

1.2.2 Trust Bank Securities Limited

Trust Bank Securities Limited, a fully owned subsidiary of Trust Bank Limited, was incorporated on 07 February 2013 with an initial paid up capital of Taka 35 million having registered office located at Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka - 1206.

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

1.3 Islamic Banking activities

The foundation of Islamic Banking lies on the philosophy of Islamic economy- 'welfare' and the Quranic instruction on prohibition of Riba (interest). Islam demands all economic activities including banking should run in accordance with the Islamic Shariah i.e. prohibition of interest from all transactions and dealing in businesses that are allowed (halal) in shariah. Sources of Islamic Shariah are Holy Quran & Sunnah of Prophet (pbuh). Islamic Banking, has potential for earthly returns (earning profit) as well as reward in the Divine world (benefit in hereafter) by abiding the instructions of the Almighty Allah.

Islamic Banking products and services are offered to the clients in compliance with the true spirit of Islamic shariah and having a deep understanding of the principles of Islamic Banking. To ensure compliance of shariah guidelines, Islamic banking practices a strong documentary record keeping system eliminating all vagueness regarding business & responsibilities of the parties involved.

Trust Islamic Banking

Trust Bank Ltd. is presently carrying out its Islamic banking operations through the following 15 (fifteen) Islamic banking windows of which 10 (ten) new Islamic banking windows opened in the year 2019 with the Brand name Trust Islamic Banking (TIB).

Besides the 15 (fifteen) windows, all TBL branches can provide Islamic banking services through on-line banking system.

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

- Completely Separate Fund management-no mingling of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit & Loss Account by Islamic banking module of Bank's CBS.
- TIB has a distinguished Shariah Supervisory Committee (SSC) for guidance on Shariah related issues.
- Profit sharing ratio (Depositor: Bank) is 65:35 for the year 2019.
- Profit distributions are executed as per approved weightage table.

Deposit & Investment

As of 31 December 2019, Trust Islamic Banking (TIB) 'Deposit and Investment' are showing a growth of 21.35% & 1.19% respectively from the corresponding position of 2018.

The entire operations of TIB are closely monitored and supervise by a knowledgeable & committed team in Islamic Banking and finance to ensure compliance, development and growth of TIB business. TIB offers the full range deposit & investment products & services for corporate, retail & SME sectors.

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

1.4 Retail Banking Division:

Retail Banking sector is one of the main sources for generating flow of funds from disposable income held in the hands of the mass. Retail Banking has grown to its capacity and potential in terms of technology, human resources, product quality and business process. Considering its scope of growth and continuous success in taping new market segments TBL Retail Banking segment offers comprehensive and diverse range of retail products across deposits, loans, payments and is committed to provide enhanced and everlasting customer relationship. In this connection, Retail Banking did a marvelous job in deposit acquisition that helped the bank to meet regulatory requirements keeping sufficient fund for investment.

1.5 SME and Green Banking Activities

1.5.1 SME Financing:

Cottage, Micro, Small and Medium Enterprises (CMSMEs) play a crucial role for economic development of any country. The contribution of SMEs is indispensable particularly for the developing countries like Bangladesh. SMEs help increasing national income, creating rapid employment thereby contributing towards eradication of extreme poverty and hunger, gender equality and women empowerment. Recognizing the fact, SMEs are termed as engine of economic growth.

In pursuance of Central Bank's policy initiatives, TBL formulated its SME banking policies in 2009 targeting the 'missing middle' (CMSMEs) with a view to bringing them into the formal financial folder through its 112 branch networks including 06 SME/Krishi Branch/Service Centers located in different parts of the country. TBL is now among the top ten most SME favored bank list. Trust Bank is reaching to its SME customer segments with tailored products to meet their credit demand. Our SME exposure is well diversified covering the sectors like Power-loom, Handloom, Light Engineering, Handicrafts, Nakshi Kantha, Garments Accessories, Bio-Gas, Bio-Fertilizer, Irrigation, Fisheries, Poultry and other agri-business.

Trust Bank has introduced as many as 12 different SME products in commensurate with BB Policy Guidelines with special emphasis on cluster/area approach. 'Trust Akota' a product is designed targeting the people involved in handloom sector located in Enayetpur, Sirajgonj, while 'Trust Bunoon' is instrumental in financing on Spinning and handloom sector at Narsingdhi, Sirajgonj and Naryangonj. 'Trust-Nondini' is a specialized product for the women entrepreneurs and 'Trust Sukanya' is a product designed to facilitate the most backward and marginalized women based in three hill districts and the people involved with Nakshi Kantha works in Jessore. TBL being a SME favored Bank, it has equally increased its focus on the farmers, small, and marginal people by designing a special product named 'Trust-Prantik'. TBL is the first bank has extended credit facility among 325 individuals of Tk. 10/- account holders in Dhamrai under Dhaka District.

These expansionary SME financing initiatives of TBL has increasingly been contributing to employment creation directly or indirectly in the country. Trust Bank, SME Division is relentlessly working towards taking the SME portfolio up to 25% of Banks total loans and advances within next four years.

1.5.2 Green Financing

Sustainable development has emerged as a new model of development in response to the current discourse of development that over-exploits natural environment for economic prosperity. As per the SFD circular no.02/2016 of Bangladesh Bank, Trust Bank established 'Sustainable Finance Unit' by abolishing the existing Green Banking and CSR Desk. Trust Bank has started contributing in the renewable energy sector through financing on Bio gas plants and Solar-home system. We are said to be the pioneer in the financing of Biogas plants among the Banking financial institutions.

At a Glance TBL Green activities and financing position as of December 31, 2019:

01. Renewable Energy (Biogas plant) no.2,934 and amount disbursed BDT.641.15 million.
02. Renewable Energy (Solar Energy) no.4,197 and amount disbursed BDT.110.26 million.
03. Improved Brick Kiln no.26 and amount disbursed BDT.372.47 million.
04. Green Industry & Green Building no. 02 amount disbursed BDT. 11,841.94 million.
05. Safety & Securities Factories no. 03 amount disbursed BDT. 25.69 million.
06. PET Bottle Recycling plant no. 01 amount disbursed BDT. 1,062.37 million.
07. Effluent Treatment Plant (ETP) BDT. 3.50 million.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The consolidated financial statements of the group (comprising the Bank and its subsidiaries) and the financial statements of Trust Bank Limited as at and for the year ended 31 December 2019 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with International Financial Reporting Standards (IFRS), 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 applicable in Bangladesh. In case any requirement of the Bank Companies Act, 1991 and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Companies Act, 1991 and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IFRS 13, 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 at the year-end is taken to profit and loss account or revaluation reserve respectively.

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

ii) Revaluation gains/losses on Government securities

IFRS: As per requirement of IFRS 13, securities will fall under the category of Held For Trading (HFT), any change in the fair value of held for trading assets is recognized through profit and loss account. Securities designated as Held To Maturity (HTM) are measured at amortized cost method and interest income is recognized through the profit and loss account.

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

iii) Provision on loans and advances/investments

IFRS: As per IFRS 13, 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 loans 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 IFRS 13.

iv) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per IFRS 13 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

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

v) Other comprehensive income

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

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

vi) REPO and Reverse REPO Transaction

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

Bangladesh Bank: As per DOS Circular Letter no. 06 dated 15 July 2010 and subsequent clarification in DOS Circular No. 02 dated 23 January 2013, when a Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial asset should be derecognized in the seller's book and recognized in the buyer's book.

vii) Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 13. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

viii) Financial guarantees

IFRS: As per IFRS 13, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

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

ix) Cash and cash equivalents

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

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

x) Non-banking asset

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

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

xi) Cash Flow Statements

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

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

xii) Balance with Bangladesh Bank (Cash Reserve Requirement)

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

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

xiii) Presentation of intangible asset

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

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

xiv) Off-balance sheet items

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

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

xv) Loans and advances/Investments net of provision

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

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

2.2 Basis of Consolidation

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

2.3 Subsidiary

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

2.4 Use of estimates and judgments

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

2.5 Significant accounting policies

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

2.6 Transactions eliminated on consolidation

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

2.7 Foreign currency transaction

a) Foreign currency

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

b) Foreign currencies translation

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

Assets and liabilities & income and expenses of Off-shore Banking Units have been converted into BDT currency @ US\$1 = Taka 84.90 (closing rate as at 31 December 2019) and Tk. 84.40 (average rate as at 31 December 2019).

c) Commitments

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

d) Translation gains and losses

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

e) Foreign operations

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

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

f) Consolidation of Financial Statements of foreign operations

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

2.8 Reporting Period

These financial statements of the Bank and its subsidiaries cover the financial year from 01 January to 31 December 2019.

2.9 Events after the reporting period

While the overall effect of COVID 19 global pandemic on Bank's business in the past years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The board and management are regularly monitoring the potential impact of the pandemic on the Bank as the situation continues to deteriorate but are assured that any foreseeable adverse impact can be reasonably managed.

All other material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 Events after the reporting period. Board's recommendation for dividend distribution is a common item presented in the note 47.

2.10 Cash Flow Statements

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

2.11 Statement 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 International Accounting Standard (IAS) 1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.12 Statement of liquidity

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

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.

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

2.13 Taxation

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

2.13.1 Current Tax

In compliance with IAS-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 NBR.

2.13.2 Deferred taxation

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

2.14 Provision and accrued expenses

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

2.15 Provision for off-balance sheet exposures

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

2.16 Provision for nostro accounts

The Bank does not required to maintain provision for nostro accounts for the year 2019 in accordance with the guideline of Foreign Exchange Policy Department of Bangladesh Bank, FEPP Circular no. FEPP (FEMO) / 01/2005-677 dated 13 September 2005.

2.17 Assets and basis of their valuation

2.17.1 Cash and cash equivalents

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

2.17.2 Loans and advances / Investments

For stable credit growth with healthy return, Bank's careful and continuous effort in credit operation was streamed throughout the year, 2019. The journey has led us forward through the competitive industry and made successful to reach the goal at BDT 210,766.74 million by means of concerted effort of the Board, Management and Stakeholders.

During the period, Bank has focused to explore new and diversified avenues for financing with the aim of developing and maintaining a sound and sustainable portfolio keeping the issue of risk mitigation at the apex. To create prudent path through sluggishness in the financial sector of the country, TBL with its team has been able to acquire the achievement in all-inclusive manner. While providing every facility, Bangladesh Bank's regulations and necessary due diligence has been firmly followed. Bank has always been cautious of risk assessment and appropriate arrangement for risk mitigation. Continuing the culture facilities have been extended to the new and existing customers on the basis of merit and fixing the purpose of credit while upholding its compliant culture in all cases.

2.17.2.1 Recovery of Classified Loans & Advances

Reorganized Recovery & Monitoring Department (R&MD) is entrusted with the high priority tasks of managing the NPL in the most eloquent way to keep the portfolio of TBL in a glowing shape. Besides, recovery from written-off loans is another important task that directly hits the profitability of the Bank. Through continuous persuasion, adept negotiation, monitoring, follow up drives along with appropriate and timely legal action TBL has been very successful to recover a handsome cash amount of Tk. 303.07 million from classified and written off loan accounts. Moreover, Tk. 9,289 million was regularized through rescheduling.

2.17.3 Provision for loans and Advances

TBL always maintains its loan portfolio with proper classification & provisioning by means of complying rules and regulations set by Bangladesh Bank. As a result, complying the BRPD circulars total provision against classified, unclassified loans, off-balance sheet and off-shore banking business is maintained at BDT 9,646.03 million.

General provision on	Provision Rate
a. Consumer Financing (House Financing)	1%
b. Consumer Financing (Loans to Professional)	2%
c. Consumer Financing (Other than a & b)	2% to 5%
d. Small and Medium Enterprise Financing (SMEF)	0.25%
e. Short Term Agriculture & Micro Credit	1%

General provision on	Provision Rate
f. Loans to BHs/ MBs/ Sds against Shares etc	2%
g. All other Credit	1%
h. Special Mention Account	0.25% to 5%

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

2.17.4 Provision for off balance sheet exposures

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

2.18 Investments

Investments have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accredited, using the effective or historical yield method.

2.18.1 Investment in Government Securities:

Bank shall decide the category of the investment at the time of acquisition of Govt. Securities. Head of Treasury will take the decision of categorizing the securities under HTM & HFT portfolio. And investment committee will determine the securities to be held under other investment portfolio. The decision of categorizing the Govt. securities under HTM & HFT portfolio is mainly derived by DOS Circulars 01 & 05 dated January 19, 2014 & May 26, 2008.

2.18.2 Held to Maturity (HTM):

- a) The SLR securities (securities eligible for maintaining Statutory Liquidity Reserve) acquired by the banks with the intention to hold them up to maturity will be classified under 'Held to Maturity (HTM)'.
- b) Generally, government Treasury Bonds and non-marketable securities but eligible for SLR will be placed into HTM category.
- c) Decision regarding acquisition of HTM securities will be taken by Head of Treasury.
- d) Investment in HTM securities shall not exceed 110% of SLR requirement of the bank, since the Bank is a non PD Bank.
- e) 15% of HTM securities may be reclassified into HFT only once in a calendar year with approval of the management.
- f) HTM securities are usually not saleable. However, 15% of HTM securities may be sold outright only within first two months of a calendar year with prior approval of the Board of Directors.
- g) Gain or loss resulting from sale or reclassification of HTM will be transferred to profit and loss account.
- h) HTM securities will be amortized once at the end of year and resulting amortized gain will be transferred to change in equity. But the amortized loss will be booked in profit and loss account.

2.18.3 Held for Trading (HFT):

- a) The Govt. securities acquired by the banks with the intention to trade by taking advantage of the short-term price/interest rate movements will be classified under 'Held for Trading (HFT)'.
- b) Generally, Bangladesh Bank Bills, Treasury Bills and Treasury Bonds having maturity less than one year are acquired for HFT portfolio.
- c) HFT securities may be reclassified into HTM category provided that they remain unsold for two years from date of acquisition.
- d) HFT securities will be marked to market on weekly basis and resulting gain will be transferred to revaluation reserve account. But the revaluation loss (if any) will be booked in profit and loss account.

As on December 31, 2019 the amount of investment in Govt. Treasury Bonds under HTM category was BDT 17,006,848,235.00 and under HFT Category was Zero. Whereas, as on December 31, 2019 amount of investment in Govt. Treasury Bills under HTM category was Zero and under HFT Category was BDT 17,906,599,750.00.

Value of investments has been enumerated as follows :

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

Investment in listed securities

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

Investment in unquoted securities

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

Investments in subsidiary

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

2.19 Fixed assets and depreciation

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

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

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

Depreciation is comprised of both from fixed assets and leased assets as per IFRS 16: Leases (note 29). As per the new standard, previously recognised rental expenses would be replaced with depreciation expenses.

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

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

2.20 Intangible assets

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

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

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

2.21 Impairment of Assets

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

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

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

2.22 Other assets

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

2.23 Non-Banking Assets

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

2.24 Offsetting

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

2.25 Receivables

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

2.26 Inventories

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

2.27 Leases

IFRS 16 Leases, defines a lease as “A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.”. In order to assess whether a contract conveys the right to control the use of an identified asset, an entity shall assess whether, throughout the period of use, the customer has both of the following:

- (a) the right to obtain substantially all of the economic benefits from use of the identified asset; and
- (b) the right to direct the use of the identified asset.

To apply the definition of a lease, the Bank assesses whether the contract meets two key evaluations:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank
- the Bank has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use. The Bank can obtain economic benefits from use of an asset directly or indirectly in many ways, such as by using, holding or sub-leasing the asset. The Bank also considers whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

Recognition:

At the commencement date, the Bank recognizes a right-of-use (ROU) asset and a lease liability.

Measurement:

Initially, the right-of-use asset is measured at cost, which is comprised of the following:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Bank; and
- (d) an estimate of costs to be incurred by the Bank in dismantling and removing the underlying asset, restoring the site on which it is located.

After the commencement date, the Bank measures the right-of-use asset applying a cost model, unless other models are appropriate. To apply a cost model, the Bank measures the right-of-use asset at cost:

- (a) less any accumulated depreciation and any accumulated impairment losses; and
- (b) adjusted for any remeasurement of the lease liability.

At the commencement date, the Bank measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments is discounted using the interest rate implicit in the lease, if that rate can be readily determined or the Bank’s incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprises the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments less any lease incentives receivable;
- (b) variable lease payments;
- (c) amounts expected to be payable by the Bank under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease.

After the commencement date, the Bank measures the lease liability by:

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as rent expense in profit or loss.

Presentation:

- On the Balance Sheet, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities.
- On the Profit and Loss Account, Interest expense on lease liability is included with Interest paid on borrowings.

2.28 Share Capital

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

2.28.1 Authorized Capital

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

2.28.2 Paid up Capital

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

2.29 Statutory reserve

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

2.30 Liabilities and Provisions

2.30.1 Retirement benefits to the employees

i) Provident fund

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

ii) Gratuity fund

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

iii) Super annuation fund

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

2.30.2 Minority interest in subsidiaries

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

2.31 Revenue recognition

i) Interest income/Profit on TIB Investment

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

ii) Investment income/TIB Investment Income

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

iii) Fees and commission income

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

iv) Dividend income

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

v) Interest paid on borrowings and deposits

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

vi) Dividend payments

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

The proposed dividend for the year 2019 has not been recognized as a liability in the balance sheet in accordance with the IAS-10 : Events After the Reporting Period.

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

vii) Management and other expenses

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

2.32 Reconciliation of inter-bank and inter-branch account

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

2.33 Risk Management

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

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

2.33.1 Credit risk management

Effective risk management is essential to perform consistently and sustainably for the sake of our stakeholders and therefore Trust Bank considers credit risk management as a core job beside its core business. CRM Division is delegated with the duties of maintaining quality asset, assessing risk in lending to a particular customer, sanctioning credit, formulating policy and guideline for lending operation.

Since Trust Bank has significant exposure in RMG sector, a separate dedicated Team has been formed with people having adequate experience in RMG operation. This has enhanced the Bank's capability to identify risks and mitigate them on time.

In order to shift to risk adjusted return on capital, borrower's rating is considered while considering any price adjustment which is encouraging the borrowers to complete rating procedure of External Credit Assessment Institute (ECAIs). Besides, regular customer visit, monitoring of the improvement plans, close monitoring of the repayment performances, timely review of the facilities, oversight on the improvement areas, Periodical Stock verification and insurance coverage has been made mandatory before sanctioning or renewing any credit proposals.

Trust Bank has been consistently maintaining its loan portfolio over the last five years in terms of business volume and profitability. At the end of 2018 total Loans & advances of the Bank was BDT 197,128 million whereas at the end of 2019 it stood at BDT 210,767 million registering a growth of more than 6.92 percent.

2.33.2 Asset Liability Management (ALM)

Asset Liability Management (ALM) is an integral part of Bank Management. The responsibility of Asset Liability Management primarily lies with the Treasury Division (Treasury Front Office) of the bank who co-ordinates balance sheet (asset liability) risk management. However, Bank must have a committee comprising of the senior management of the Bank to make important decisions related to the Balance sheet of the Bank. This team of senior management is typically called the Asset Liability Management Committee (ALCO). ALCO should meet at least once every month to analyze, review and formulate strategy to manage the Balance Sheet. Head of Treasury is the member secretary of ALCO. Through ALM our Bank mainly aims to achieve the following objectives:

- * Managing the Balance Sheet
- * Growth in assets & liabilities
- *Containment of risk in a coherent manner
- *Stability and consistency in earnings and
- *Profitability

ALCO holds the most important responsibility of a bank as it runs the risks for not only the bank, but also the thousands of depositors who put money into it. Specifically, the Asset Liability Management (ALM) desk under Treasury Division will manage the balance sheet. The results of balance sheet analysis along with recommendations will be placed in each ALCO meeting by the Treasurer (Head of Treasury) where important decisions will be made to minimize risk and maximize returns. ALM desk, through its own market research and market intelligence presented the market outlook throughout the year, that gives an explicit idea about the market liquidity for availing market opportunities for loans and advances, investments as well as for fund deployment in alternative forms. The desk helps in pricing the products of both assets and liabilities to gain the competitive advantage from the market movement. It also presented the bank's overall financial position in front of the ALCO members to formulate an effective investment and fund management strategy for the bank.

2.33.3 Foreign Exchange Risk Management

Foreign exchange (FX) risk management is an integral part in every bank's decisions about foreign currency exposure. The issue of exchange risk management is usually dealt by Treasury Division of the Bank. Moreover, Risk Management Committee also oversees the Treasury's strategy in managing the exchange rate risk. This shows the importance that bank puts on FX risk management issues and techniques.

FX risk is the exposure of a bank to the potential impact of movements in foreign exchange rates. In particular, it is defined as the possible direct loss (as a result of an un-hedged exposure) or indirect loss in the bank's cash flows, assets and liabilities, net profit and, in turn, from an adverse exchange rate movement. This risk occurs as a result of trading in foreign currencies, making foreign currency loans, buying or issuing foreign-issued securities as source/utilization of fund.

Foreign exchange risk arises from two factors: currency mismatches in a bank's assets and liabilities (both on- and off-balance sheet) that are not subject to a fixed exchange rate, and currency cash flow mismatches. Such risk continues until the foreign exchange position is covered. This risk may arise from a variety of sources such as foreign currency retail accounts and retail cash transactions and services, foreign exchange trading, investments denominated in foreign currencies and investments in foreign companies.

Types of Exchange Rate Risk:

Transaction risk:

This is basically cash flow risk and deals with the effect of exchange rate moves on transactional account exposure related to receivables (export contracts), payables (import contracts) or repatriation of dividends. An exchange rate change in the currency of denomination of any such contract will result in a direct transaction exchange rate risk to the Bank.

Translation risk:

This is basically balance sheet exchange rate risk and relates exchange rate moves to the valuation of a foreign subsidiary and, in turn, to the consolidation of a foreign subsidiary to the parent company's balance sheet. Translation risk for a foreign subsidiary is usually measured by the exposure of net assets (assets less liabilities) to potential exchange rate movements. In consolidating financial statements, the translation could be done either at the end-of-the-period exchange rate or at the average exchange rate of the period, depending on the accounting regulations affecting the parent company. Thus, while income statements are usually translated at the average exchange rate over the period, balance sheet exposures of foreign subsidiaries are often translated at the prevailing current exchange rate at the time of consolidation.

Economic risk:

It reflects basically the risk to the bank's present value of future operating cash flows from exchange rate movements. In essence, economic risk concerns the effect of exchange rate changes

on revenues (domestic sales and exports) and operating expenses (cost of domestic inputs and imports). Economic risk is usually applied to the present value of future cash flow operations of a bank and its foreign subsidiaries.

Sources of foreign exchange risk:

Foreign exchange risk for a bank can arise from a number of sources, including:

- a. Business related to import payment or export encashment
- b. Foreign currency denominated capital expenditure
- c. Remittance received in foreign currency
- d. Revenue received in foreign currency
- e. Other income, such as royalties, interest, dividends etc, is received in foreign currency
- f. Bank's deposits or loans denominated in foreign currency
- g. Bank having offshore assets, operations or subsidiaries that are valued in a foreign currency, or foreign currency deposits

Foreign exchange risk should be managed where fluctuations in exchange rates impact on the bank's profitability. To manage the exchange rate risk inherent in its operations, a bank needs to determine the specific type of current risk exposure, the hedging strategy and the available instruments to deal with these currency risks.

2.33.4 Internal control and compliance risk management

Internal control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of 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. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control & management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2019, 08 nos. meetings of the Audit Committee were held. The bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory and which may pose a potential threat for the bank.

Each year IC&C Division sets out an audit plan which is approved by the Audit Committee of the Board (ACB) of the Bank. In 2019, IC&C Division conducted Comprehensive Audit in 111 branches and 32 Divisions/Departments at Head Office. In the same year, IC&C Division carried out 20 Spot Inspections & 28 IT audits in different branches. In addition, audit was also conducted in 06 TBIL branches and Trust Bank Investment Ltd., Head Office and 73 nos. Pay Points for Mobile Banking operations in the year 2019.

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

To comply with the directives of Bangladesh Bank, a special meeting of the Board of Directors was held on 25.11.2019 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report on the position as of 31.12.2018.

2.33.5 Money Laundering & Terrorist Financing Risk Management

In last decade the global financial sector transforms into modern technology oriented services. In this era of globalization our country has also technological advancement in case of financial sector. It is very true that technology makes ease difficult job, but it has threat also. Money Launderers' are using the ambiguity of such technological facilities worldwide. This types of facilities are creating several threats to banks and other institutes. So, it is the duty of each and every part of society to protect the financial sector for helthier economy of our country.

To mitigate the risk, Trust Bank has AML and CFT policy which is followed by all the branches and related Division/Department in business approach and practoces. In addition, Central Compliance Committee of TBL conduct meeting quarterly to fix different issues to mitigate Money Laundering and Terrorist Financing risk.

TBL is following the approaches to control Money Laundering and Financing of Terrorism and any types of fraud are mentioned below:

1. Mandatory KYC management.
2. Sanction screening for all type of customers
3. Monitoring transaction and identification of STR/SAR to BFIU
4. Submission of Cash Transaction Report (CTR) to BFIU
5. Adequate training are providing to the officials of TBL on AML and CFT
6. Customers' risk categorization
7. Following customer acceptance policy.

Besides these, TBL is maintaining a membership of International Marietime Bureau (IMB) for the prevention of trade based Money Laundering. Through the IMB, TBL is verifying the shipping documents in case of foreign trade.

2.33.6 IT risk management

Growing technology and innovations have significant impact on the way Banks interact with their customers and operate their business using automation. Banks face challenge while adapting, innovating and responding to the opportunities posed by numerous components of ICT such as Data Center, Disaster Recovery Site, Application Software, Networks, Core Banking Solution, hundreds of delivery channels integrated with banking system etc.

As banks adopt technology as part of their ongoing strategic tool to face challenges in the emerging realities of business, they are increasingly exposed to technology risks. It is therefore imperative for each bank to work out appropriate Cyber Security and IT risk management strategies to secure its most vital information assets and ensure that related risk management systems and processes are strengthened on continual basis to secure both present and future banking activities.

The purpose of Information Technology Risk Management is to assist bank to establish an effective mechanism for ICT systems to ensure data integrity, availability; confidentiality and consistency with a review to provide the relevant early warning mechanism. However, we know risks cannot be totally eliminated, but it can be reduced. IT Risk management requires a disciplined approach that includes ensuring cyber security, 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 continuous improvement.

Trust Bank Limited, with the approval of the Board, has adopted an ICT Security Policy & IT Risk Management Policy in compliance with ICT security guidelines of Bangladesh Bank covering various aspect of ICT risk management. ICT Risk Management is an emerging vast area because of the unique role that IT can play in today's organizations. Moreover, to strengthen existing ICT security governance and accountability, "ICT Security Committee" has been formed to ensure the implementation of information security throughout the bank. TBL also updates its policy regularly to deal with evolving changes in ICT environment, regulatory requirements within the bank. Besides, the committee also supervises to ensure that all units and users are aware, understand and perform their roles and responsibilities as stated in the policy.

Trust Bank Limited follows a robust, effective and efficient Information Technology with its Centralized Core Banking System, Mobile Banking application, In-House developed systems and other applications. Moreover, the IT Security team is working to minimize each risk element without hampering daily operational activities. The implantation of each latest patch is scrutinized through a precise testing and debugging method with own in-house team in coordination with appropriate service level agreement and license. Trust Bank has taken major steps in recent years to implement the process of ICT Security and minimize the risks which are:

- a) Formation of an up-to-date ICT Risk Management Policy as per Bangladesh Bank Guideline
- b) Installation of various security appliances like SIEM, PAM, Endpoint solution etc.
- c) Introduce Next Generation Firewall with built-in IPS IDS features
- d) Identify informational assets and their values
- e) Identify threats and vulnerabilities to information security
- f) Evaluate and analyze the risks
- g) Plan the means and methods to minimize information risks
- h) IT risks monitoring and Control measures implementation
- i) Build a risk- aware culture and training
- j) Develop skilled manpower
- k) Managing IT risk using the effective, efficient and right tools.

IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk. Moreover, IT Risk Management enables the management to initiate effective management decision to ensure smooth the business operations. Version update, Patch deployment, Implementation of security solution, review of policy and compliance of external and internal audit are being practiced in this bank.

2.33.7 Liquidity risk management

Liquidity means the ability to sell an asset at or near its value. It is a measure of the ability and ease with which assets can be converted to cash. Assets that can be easily bought or sold, are known as liquid assets. Examples of liquid assets generally include cash, central bank reserves, and government debt. A bank is considered to be liquid if it has ready access to immediately spendable funds at reasonable cost.

Liquidity risk is the risk that arises from Banks inability to meet its financial obligations as they fall due. This usually occurs from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Broadly it indicates bank's inability to make repayments, withdrawals and other commitments in time and inability to explore investment opportunities. Due to liquidity risk, Banks traditionally use their highly liquid stocks in securities and cash 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 risks can be classified into four categories:

- a) Term liquidity risk (due to discrepancies between maturities);
- b) Withdrawal/call risk (mass disinvestment before maturity);
- c) Structural liquidity risk (when the necessary funding transactions cannot be carried out or only on less favorable terms), and
- d) Market liquidity risk.

Liquidity risk management is of paramount importance because a liquidity shortfall at a single institution can have system-wide repercussions. A bank should establish a robust liquidity risk management framework that ensures it maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. ALCO should assess the adequacy of both the bank's liquidity risk management framework and its liquidity position and should take prompt action if the bank is deficient in either area in order to protect depositors and to limit potential losses.

To have an effective liquidity risk management few ratios are particularly important. On that light, central Bank has issued separate Guidance note on LCR and NSFR under Basel III. These ratios represent the way forward in ALM through liquidity measurement and management. These ratios along with the liquidity gap should be central to liquidity measurement and management.

2.34 Interest Rate Risk Management

Interest Rate Risk is the exposure of a bank's financial condition to adverse movement in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholders' value. However, excessive Interest Rate Risk can pose a significant threat to bank's earnings and capital base. Changes in interest rate affect a bank's earnings by changing its Net Interest Income (NII) and the level of other interest-sensitive income and operating expenses.

Changes in interest rate also affect the underlying value of the Bank's assets, liabilities and off-balance sheet instrument because the present value of future cash flows and in some cases, the cash flows themselves change when interest rate change. Accordingly, an effective risk management process that maintains Interest Rate Risk within prudent levels is essential for the safety and soundness of the bank.

An effective and comprehensive procedures and information systems to manage and control interest rate risk in accordance with the interest rate risk policies needs to be on place. These procedures are designed in accordance with the size and complexity of the bank's interest rate risk-taking activities.

Managing interest rate risk requires a clear understanding of the amount at risk and the impact of changes in interest rates on this risk position. To make these determinations, sufficient information must be readily available to permit appropriate action to be taken within acceptable, often very short, time periods. Ideally, bank's interest rate risk measurement system would take into account the specific characteristics of each individual interest sensitive position, and would capture in detail the full range of potential movements in interest rates.

Re-pricing schedules and simulation approaches are the commonly used interest rate risk measurement techniques. Bank should use a combination of these techniques in managing its interest rate risk exposure. Each technique provides a different perspective on interest rate risk, has distinct strengths and weaknesses, and is more effective when used in combination with another.

2.35 Operation risk management

Operational Risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's involvement with financial instruments, including processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

Operational Risk Management is a continuous process that includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk. The Bank's operational risk management focuses on proactive measures in order to ensure business continuity as well as the accuracy of information used internally and reported externally, competent and well-informed staff and its adherence to established rules and procedures as well as on security arrangements to protect the physical and ICT infrastructure of the Bank.

2.36 Basel-III Activities

Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with Basel-III) vide its BRPD Circular 18 dated December 21, 2014 that Basel-III reporting start from January 2015 and full implementation will start from January 2020. The Basel-III rules on capital consist of measures on improving the quality, consistency and transparency of capital, enhancing risk coverage, introducing a supplementary leverage ratio and promoting counter-cyclical buffers and addressing systemic risk and interconnectedness.

In 2019, the Bank is required to maintain minimum Common Equity Tier-1 (CET-1) capital ratio of 4.50%, capital conservation buffer 2.50%, minimum CET-1 plus conservation buffer of 7.00%, minimum Tier-1 capital ratio of 6.00%, minimum total capital ratio 10.00% and minimum total capital plus capital conservation buffer 12.50%.

Pillar-I: Minimum Capital Requirement

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

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

Pillar-II: Supervisory Review Process (SRP)

The Supervisory Review Process (the Second Pillar of Basel-III) of the risk-based capital adequacy framework is intended to ensure that banks have adequate capital to support all the risks in the business and, concurrently, to encourage banks to develop and utilize superior risk management techniques in monitoring and managing risks. In compliance with the Pillar-II guidelines of the Bangladesh Bank under Basel-III framework, Trust Bank Ltd. has formulated its own Board approved Internal Capital Adequacy Assessment Process (ICAAP) to assess various risks that it is exposed to.

Following Risk has to be assess 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 purpose of market discipline is to establish transparency and discipline in the financial markets so that stakeholders can assess the position of a bank with respect to the assets held by it as well as to identify the risks relating to these assets and the capital adequacy to meet probable losses. For this purpose, banks have to develop a set of disclosures containing information on the assets, risk exposures, risk assessment processes and the capital adequacy to meet the risks. The Pillar-III Disclosures are published on a yearly basis on the Bank's website also published in the Bank's Annual Report.

2.37 Earnings per share (EPS)

Basic earnings per share

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

Diluted earnings per share

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

2.38 Non controlling interest

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

2.39 Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

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

Name of IFRS	IFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	*Applied
Operating Segments	8	Applied
Financial Instrument	9	*Applied
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interest in Other Entities	12	Applied
Fair Value Measurement	13	*Applied
Revenue from contracts with customers	15	Applied
Leases	16	Applied

* Subject to departure described in note 2.1

N/A= Not Applicable

New accounting standards:

The Bank has adopted the following new pronouncements this year:

IFRS 16 Leases:

IFRS 16 supersedes the following Standards and Interpretations:

- (a) IAS 17 Leases;
- (b) IFRIC 4 Determining whether an Arrangement contains a Lease;
- (c) SIC-15 Operating Leases—Incentives; and
- (d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The adoption of this new Standard has resulted in the Bank recognizing a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or short-term leases.

On transition to IFRS 16, the weighted average incremental borrowing rate applied to lease liabilities recognized was 5%.

2.40 The financial statements for the year ended 31 December 2019 were approved by the board of Directors on 28 June 2020.

2.41 Auditors' work-hour

The external auditors, M/s Hussain Farhad & Co., Chartered Accountants, and M/s MABS & J Partners, Chartered Accountants of the Bank worked about in excess 8,928 work-hours at the Bank's Head Office and different branches. During their audit, they audited above 80% of the Bank's risk weighted assets as of the reporting date.

2.42 General

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

	31.12.2019 Taka	31.12.2018 Taka
3 CASH		
3.1 Cash in hand		
In local currency	4,112,415,453	3,641,890,609
In foreign currencies	70,334,965	88,543,995
	4,182,750,418	3,730,434,604
3.2 Balance with Bangladesh Bank and its agent bank(s)		
Balance with Bangladesh Bank		
In local currency	14,292,036,115	10,934,407,650
In foreign currencies	849,367,518	933,717,916
	15,141,403,633	11,868,125,566
Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	130,832,798	139,453,677
	15,272,236,431	12,007,579,243

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.02, dated 10 December 2013 and MPD circular no.01, dated 03 April 2018 issued by Bangladesh Bank.

All scheduled banks in Bangladesh (including Shariah based banks) are required to maintain 5.50 (five and a half) percent CRR with Bangladesh Bank on bi-weekly average basis with a provision of minimum 5.00 (five) percent on daily basis of their average total demand and time liabilities (ATDTL) of the month earlier of the previous month and Statutory Liquidity Ratio (SLR) required to be maintained by the conventional banks on daily basis shall not be less than 13 (thirteen) percent including the excess amount of Cash Reserve Requirement (CRR) of their average total time and demand liabilities in Bangladesh, and for Shariah-based Islamic Banks this amount shall not be less than 5.50 (five and a half) percent. Both reserves maintained during the year by the Bank are in excess of the statutory requirements.

The position of CRR and SLR as on 31 December 2019 is shown below:

	31.12.2019 Taka	31.12.2018 Taka
3.3.1 Cash Reserve Requirement (CRR) for Conventional Banking		
Average Demand and Time Liabilities of the month earlier of the previous month	217,912,428,000	191,813,815,080
3.3.1.1 Minimum Required Reserve (5% of Average Demand and Time Liabilities)		
Actual Reserve held (5.94% of Average Demand and Time Liabilities)	10,895,621,000	9,590,690,754
Surplus	12,948,978,708	10,366,550,483
	2,053,357,708	775,859,729
3.3.1.2 Average Required Reserve (5.5% of Average Demand and Time Liabilities)		
Average Reserve held with B. Bank (5.58% of Average Demand and Time Liabilities)	11,985,184,000	10,549,759,829
Surplus	12,150,811,411	10,806,746,966
	165,627,411	256,987,137

	31.12.2019 Taka	31.12.2018 Taka
3.3.1.3 Statutory Liquidity Ratio for Conventional Banking (SLR)		
Required Reserve (13% of Average Demand and Time Liabilities)	28,328,616,000	24,935,795,960
Actual Reserve held with B. Bank (18.43% of Average Demand and Time Liabilities)	40,152,821,479	31,041,626,700
Surplus	11,824,205,479	6,105,830,740
3.3.1.4 Components of Statutory Liquidity Requirement (SLR)		
Cash in Hand	4,137,828,479	3,715,734,068
Balance with Agent Bank(s)	130,832,798	139,433,352
Excess Reserve	963,794,710	-
Government Bills	17,906,599,750	16,146,676,532
Government Bonds	17,006,848,235	11,035,713,348
Bangladesh Bank Bill	-	-
Other Approved Securities (Prize Bond)	6,238,900	4,069,400
TT in Transit	-	-
	40,152,142,872	31,041,626,700
3.3.2 Cash Reserve Ratio (CRR) for Islamic Banking:		
Average Demand and Time Liabilities of the month earlier of the previous month	29,282,138,000	23,380,810,124
3.3.2.1 Minimum Required Reserve (5% of Average Demand and Time Liabilities)		
Minimum Reserve held (5.65% of Average Demand and Time Liabilities)	1,464,107,000	1,169,040,506
Surplus	191,116,802	135,378,449
3.3.2.2 Average Required Reserve (5.5% of Average Demand and Time Liabilities)		
Average Reserve held with B. Bank (7.34% of Average Demand and Time Liabilities)	1,610,518,000	1,285,944,557
Surplus	539,146,681	16,055,043
3.3.2.3 Statutory Liquidity Requirement for Islamic Banking (SLR)		
Required Reserve (5.5% of Average Demand and Time Liabilities)	1,610,518,000	1,285,944,557
Actual Reserve held with B. Bank (5.91% of Average Demand and Time Liabilities)	1,730,627,740	1,336,405,933
Surplus	120,109,740	50,461,376
3.3.2.4 Held for Statutory Liquidity Requirement		
Cash in Hand	44,921,939	15,431,536
Excess Reserve	44,705,801	18,474,398
Balance with Agent Bank(s)	-	-
Government Bills	-	-
Government Bonds	-	-
Government Islamic Investment Bonds	1,641,000,000	1,302,500,000
	1,730,627,740	1,336,405,934

	31.12.2019 Taka	31.12.2018 Taka
4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
4.1 In Bangladesh		
Current Deposits		
Sonali Bank Limited	55,370,194	36,227,663
Agrani Bank Limited	20,000	9,200
Social Islami Bank Limited	1,018	1,938
	55,391,212	36,238,801
Short Term Deposits		
Sonali Bank Limited	141,619,182	70,659,865
AB Bank Limited	4,057,658	4,233,780
Rupali Bank Limited	10,046,667	8,218,146
Janata Bank Limited	4,023	284
Prime Bank Limited	2,534,661	56,729
Standard Chartered Bank	28,607,673	3,587,241
Bank Asia Limited	402,658	30,383,584
Standard Bank Limited	3,139,025	3,033,674
Al Arafah Islami Bank Limited	109,326	95,229
NCC Bank Limited	48,924	49,359
Southeast Bank Limited	-	3,393
	190,569,797	120,321,284
Mudaraba Short Term Deposit		
AB Bank Limited	938,943	5,771,435
The City Bank Limited	6,905,002	6,858,649
EXIM Bank Limited	1,000,113,401	78,042,311
Bank Asia Limited	574,440	568,327
Union Bank Limited	5,611,788	5,511,852
Social Islami Bank Limited	1,267,803,211	36,773,969
	2,281,946,785	133,526,543
Fixed Deposits in local Currency		
Fixed With Bank		
Jamuna bank Limited	500,000,000	-
Dhaka Bank Limited	1,500,000,000	-
Eastern Bank Limited	-	2,000,000,000
Mutual Trust Bank Limited	1,500,000,000	-
Standard Bank Limited	1,000,000,000	-
	4,500,000,000	2,000,000,000
Fixed With NBFi		
IDLC Finance Limited	-	500,000,000
Delta Brac Housing Limited	-	500,000,000
Uttara Finance Limited	200,000,000	200,000,000
Lanka Bangla Finance Limited	-	300,000,000
IPDC Finance Limited	-	250,000,000
	200,000,000	1,750,000,000
Fixed with Deposit FC		
BRAC Bank Limited	849,000,000	-
The City Bank Limited	-	419,500,000
	849,000,000	419,500,000

	31.12.2019 Taka	31.12.2018 Taka
Mudaraba Term Deposits		
Social Islami Bank Limited	300,000,000	800,000,000
Islamic Finance & Investment Limited	300,000,000	400,000,000
Hajj Finance Co. Limited	50,000,000	200,000,000
The City Bank Limited	1,000,000,000	600,000,000
Hajj Finance Co. Limited	250,000,000	-
EXIM Bank Limited	1,000,000,000	500,000,000
	2,900,000,000	2,500,000,000
	8,449,000,000	6,669,500,000
	10,976,907,794	6,959,586,628

4.2 Outside Bangladesh

Current Account

Dollar Account

Standard Chartered Bank, USA
Mashreqbank psc, USA
ICICI Bank Limited, Hongkong
Commerz Bank, AG Germany

456,004,611
565,881,694
54,893,490
65,700,125

137,293,600
100,760,112
9,416,624
70,849,973

EURO Account

Standard Chartered Bank, UK
Commerz Bank, AG Germany
ICICI Bank Limited, Mumbai, India

13,245,147
4,173,051
1,713,958

3,129,505
1,725,273
1,720,040

GBP Account

Standard Chartered Bank, UK

16,518,397

30,871,098

Japanese Yen Account

Standard Chartered Bank, Japan
Commerzbank Ag, Frankfurt, Germany

777,090
1,812,089

12,438,487
2,526,732

ACU Dollar Account

Standard Chartered Bank, Mumbai, India
Mashreqbank, Mumbai, India
ICICI Bank Limited, Mumbai, India
AB Bank, Mumbai, India
United Bank of India

67,143,792
88,016,028
79,898,842
36,680,330
31,512,928

100,767,483
83,597,408
155,460,760
11,808,524
42,732,302

CHF Account

Habib Bank, Zurich

3,073,508

4,970,475

AUD Account

Commerz Bank Ag, Frankfurt, Germany

3,412,487

2,738,584

SAR Accounts

Bank Aljazira - SAR

3,390,214

2,295,916

For details please refer to Annexure - A

1,493,847,781

775,102,896

12,470,755,575

7,734,689,524

4.3 Remaining maturity grouping of balance with other banks and financial institutions

On demand	1,549,238,993	246,041,440
Upto 1 month	9,221,516,582	6,004,482,324
Over 1 month but not more than 3 months	1,500,000,000	1,115,103,600
Over 3 months but not more than 1 Year	200,000,000	369,062,160
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	12,470,755,575	7,734,689,524

		31.12.2019 Taka	31.12.2018 Taka	
4 (a)	CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS			
	In Bangladesh			
	Trust Bank Limited	Note - 4.1	10,976,907,794	6,959,586,628
	Trust Bank Securities Limited		82,590,768	105,939,968
	Trust Bank Investment Limited		243,699,562	212,799,024
			11,303,198,124	7,278,325,620
	Less : Inter Company Transaction		249,769,323	216,001,404
			11,053,428,801	7,062,324,216
	Outside Bangladesh	Note - 4.2	1,493,847,781	775,102,896
			12,547,276,582	7,837,427,112
5	MONEY AT CALL AND SHORT NOTICE			
	NCC Bank Limited		1,000,000,000	-
	The City Bank Limited (Short Notice Deposit)		500,000,000	-
			1,500,000,000	-
	Non-Banking Financial Institutions			
	IDLC Finance Limited		800,000,000	-
			800,000,000	-
			2,300,000,000	-
6	INVESTMENTS			
	Government Securities			
	Treasury Bills	Note - 6.1		
	Treasury Bills -HTM		-	-
	Treasury Bills-HFT		17,906,599,750	16,146,676,532
			17,906,599,750	16,146,676,532
	Treasury Bonds	Note - 6.2		
	Treasury Bond - HFT		-	-
	Treasury Bond - HTM		17,006,848,235	11,035,713,348
			17,006,848,235	11,035,713,348
	Govt. Islamic Investment Bond			
	Govt. Islamic Investment Bond - HFT		1,641,000,000	1,302,500,000
	Bangladesh Govt. Islamic Investment Bond - HTM		-	-
			1,641,000,000	1,302,500,000
	Prize Bond		6,238,900	4,069,400
			6,238,900	4,069,400
			36,560,686,885	28,488,959,280
	Other Investment			
	Preference Share			
	12,800,000 shares in Summit Barisal Power Limited		108,000,000	128,000,000
	Zodiac Power Chittagong Limited		200,000,000	-
	7,200,000 shares in Summit Narayangonj Power Limited		60,000,000	72,000,000
			368,000,000	200,000,000
	Ordinary Shares			
	Quoted	Note - 6.4.1	215,159,535	217,990,198
	Unquoted	Note - 6.4.2	18,062,657	18,062,657
			233,222,192	236,052,855
	Investment in Commercial Papers	Note - 6.4.3	300,000,000	-
	Investment in Corporate Bonds	Note - 6.4.4	3,580,000,000	3,380,000,000
			4,481,222,192	3,816,052,855
			41,041,909,077	32,305,012,135

	31.12.2019 Taka	31.12.2018 Taka
6.1 Treasury Bills-at Present Value		
14 days Treasury Bills	-	1,997,318,000
28 days Treasury Bills	-	-
91 days Treasury Bills	4,982,165,000	2,487,202,000
182 days Treasury Bills	1,964,524,000	4,982,325,000
364 days Treasury Bills	10,959,910,750	6,679,831,532
	<u>17,906,599,750</u>	<u>16,146,676,532</u>
6.2 Treasury Bonds-at Present Value		
02 years Treasury Bonds	196,089,162	-
05 years Treasury Bonds	1,299,211,105	81,400,843
10 years Treasury Bonds	10,173,524,716	6,465,370,106
15 years Treasury Bonds	3,967,158,680	3,118,062,328
20 years Treasury Bonds	1,370,864,572	1,370,880,071
	<u>17,006,848,235</u>	<u>11,035,713,348</u>

6.3 Repo & Reverse Repo Transactions during the period ended on 31 December 2019

Disclosure required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of repo and reverse repo during the year ended on 31 December 2019

a. (i) Disclosure regarding outstanding REPO as on 31 December 2019

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

(ii) Disclosure regarding outstanding Reverse REPO as on 31 December 2019

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

b. Disclosure regarding overall transaction of REPO and Reverse REPO:

	Minimum Outstanding during the year (ALS)	Maximum Outstanding during the year (ALS)	Daily Average Outstanding during the year
Securities sold under REPO:			
i) with Bangladesh Bank	192,606,000	5,105,065,500	156,752,180
ii) with other Banks & FIs	1,304,121,879	1,304,121,879	3,582,752
Securities purchased reunder REPO:			
i) with Bangladesh Bank	-	-	-
ii) with other Banks & FIs	-	-	-

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6.4 Other Investment

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

Particulars	31.12.2019			31.12.2018		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Listed Securities	12	215,159,535	169,158,198	12	217,990,198	197,556,031
Unlisted Securities :	3	18,062,657	18,062,657	3	18,062,657	18,062,657
Preference Share	3	368,000,000	368,000,000	2	200,000,000	200,000,000
Commercial Papers	1	300,000,000	300,000,000	0	-	-
Bond	8	3,580,000,000	3,580,000,000	6	3,380,000,000	3,380,000,000
TOTAL	27	4,481,222,192	4,435,220,855	23	3,816,052,855	3,795,618,688

6.4.1 Investment in Ordinary Shares - Quoted

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the year (Last trading date for the year was 30 December 2019).

6.4.1.1 Sector wise investment in listed securities at cost

Banking Companies

Manufacturing Companies and others

Power Sector

IBBL Bond

Mutual Fund

3,010,593	3,010,593
41,922,591	44,753,254
15,426,736	15,426,736
54,051,240	54,051,240
100,748,375	100,748,375
215,159,535	217,990,198

6.4.1.2 Investment in Ordinary Share - Quoted

Conventional Banking

Islamic Banking

149,835,566	152,666,229
65,323,969	65,323,969
215,159,535	217,990,198

Security wise Investment in Quoted Shares is given below:

SL	Name of Security	Nos. of Share			Average cost rate	31.12.2019	31.12.2018
		Conventional	Islamic	Total			
1	IBBL Mudaraba Perpetual Bond	-	55,915	55,915	966.67	54,051,240	54,051,240
2	Popular Life First Mutual Fund	1,089,298	-	1,089,298	6.69	7,284,124	7,284,124
3	Olimpic Industries Limited	100,000	35,000	135,000	363.54	38,957,269	38,957,269
4	Prime Bank Limited	67,760	-	67,760	29.71	2,012,905	2,012,905
5	Pubali Bank Limited	27,593	-	27,593	36.16	997,688	997,688
6	Summit Power Limited	314,637	-	314,637	45.69	14,375,320	14,375,320
7	Padma Oil Co. Limited	-	3,000	3,000	350.47	1,051,416	1,051,416
8	IT Consultants Limited (ITCL)	288,000	-	288,000	7.60	2,189,115	5,019,778
9	LR Global Bangladesh Mutual Fund One	6,554,016	-	6,554,016	9.64	63,205,696	63,205,696
10	Trust Bank 1 st Mutual Fund	4,593,045	-	4,593,045	6.59	30,258,555	30,258,555
11	Golden Harvest Agro Industries Limited	-	4,015	4,015	44.53	178,801	178,801
12	The ACME Laboratories Limited	5,000	-	5,000	119.48	597,406	597,406
						215,159,535	217,990,198

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

		31.12.2019 Taka	31.12.2018 Taka
6.4.2 Unlisted Securities			
Ordinary Share			
CAPM Unit Fund		10,000,000	10,000,000
Central Depository Bangladesh Limited (CDBL)		4,708,330	4,708,330
SWIFT		3,354,327	3,354,327
		18,062,657	18,062,657
6.4.3 Investment in Commercial Papers			
Energy pack Engineering Limited		300,000,000	-
		300,000,000	-
6.4.4 Investment in Corporate Bonds			
Conventional Banking			
Al-Arafah Islamic Bank Limited	10.50%	240,000,000	320,000,000
Subordinated Bond			
One Bank Limited Subordinate Bond	8.60%	320,000,000	400,000,000
SIBL Non-Convertible Zero Coupon Bond	8.25%	400,000,000	500,000,000
Exim Bank Limited Subordinated Bond	7.75%	500,000,000	500,000,000
UCBL 3RD Subordinated Bond	8.25%	500,000,000	500,000,000
BankAsia Limited Convertible Subordinated Bond	9.50%	500,000,000	-
Best Holdings Limited Subordinated Bond	10.00%	1,000,000,000	1,000,000,000
		3,460,000,000	3,220,000,000
Islamic Banking			
Al-Arafah Islamic Bank Limited	10.50%	120,000,000	160,000,000
Subordinated Bond			
		3,580,000,000	3,380,000,000
6.5 Remaining maturity grouping of Investments			
On demand		6,238,900	4,002,121,400
Upto 1 month		232,000,000	5,023,311,532
Over 1 month but not more than 3 months		1,634,159,534	3,007,202,000
Over 3 months but not more than 1 Year		18,254,662,408	7,977,477,543
Over 1 Year but not more than 5 Years		8,897,932,420	3,698,695,589
Over 5 Years		12,016,915,815	8,596,204,071
		41,041,909,077	32,305,012,135
6 (a) Consolidated Investments			
Government Securities			
Trust Bank Limited		36,560,686,885	28,488,959,280
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		-	-
		36,560,686,885	28,488,959,280
Other Investment			
Trust Bank Limited		4,481,222,192	3,816,052,855
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		2,420,209,807	2,235,506,945
		6,901,431,999	6,051,559,800
Less : Inter Company Transaction		-	-
		43,462,118,884	34,540,519,080

	31.12.2019 Taka	31.12.2018 Taka
7 LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS		
Loans And Advances Under Conventional Banking		
Repair & Recon. of Dwelling House (RRDH)	1,033,193,140	1,324,312,092
Consumer Durable Scheme Loans (CDS)	32,587	685,959
Marriage Loans (ML)	211,755,644	268,173,857
Car Loans (CL)	74,979,132	84,354,929
House Building Loans (HBL)	7,489,865,153	7,770,751,377
Term Loans	72,925,461,353	65,306,939,943
Other Retail Loans	2,618,888,375	2,754,365,873
Time Loan	40,067,321,154	28,585,652,031
Other Loans	28,758,929,225	29,896,926,165
Staff Loans	1,185,207,474	1,090,748,170
Loans against Credit Card	454,331,680	365,181,498
Loans against Trust Receipts (LTR)	4,758,365,164	5,960,304,204
Payment Against Documents (PAD)	971,516,183	869,459,550
Packing Credit (Loan agt. Packing Credit)	35,825,196	54,171,037
	160,585,671,460	144,332,026,685
Loans And Advances under Islamic Banking		
Bai-Muajjal	10,907,885,315	10,215,747,476
Hire Purchase under Shirkatul Melk	2,031,468,050	1,952,430,909
IHSAN Apartment Purchase Scheme	207,994,897	185,327,732
BARAKAT Home Construction Scheme	178,046,172	159,751,417
BARAKAT Car Scheme	12,325,097	9,866,865
HPSM-Real Estate	1,392,251,484	1,035,463,817
Murabaha TR	2,542,332,666	2,797,201,879
Bai-Salam	6,725,753	21,530,254
Household Durable & others scheme	718,484	963,758
TIB House Build. Inv. for Rtd. Def. Officer (M)	-	4,672,410
TIB House Building Scheme-HBL (RM)	9,670,101	10,510,101
TIB Household Durable Scheme(Household Durable)	422,282	345,745
TIB Car Scheme(Car Loan)	-	68,053
HPSM General	3,059,757,304	3,048,856,180
Barkat Doctors Scheme	826,027	2,219,698
MIB- EDF - TIB	660,492,490	785,431,487
Trust Nibash	4,251,009	5,136,327
Trust Power	21,045,844	21,111,341
Baim WES/Doc Bills	-	158,389,189
	21,036,212,975	20,415,024,638
Cash Credit		
Cash Credit	1,452,552,346	1,758,858,793
Cash Collateral	2,755,698,901	3,509,021,415
	4,208,251,247	5,267,880,208
Overdraft		
Overdrafts	19,941,322,271	21,331,163,007
Secured Overdrafts	1,551,791,589	1,631,772,748
	21,493,113,860	22,962,935,755
Total Loans, Cash Credits and Overdrafts	207,323,249,542	192,977,867,286
Bills Purchased and Discounted		
Conventional banking	3,282,543,373	3,682,187,159
Islamic banking	160,946,194	468,010,350
	3,443,489,567	4,150,197,509
	210,766,739,109	197,128,064,795

Note - 7.6

	31.12.2019 Taka	31.12.2018 Taka
7.1 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted		
Repayable on demand	13,849,978,129	12,848,917,804
Upto 1 month	-	-
Not more than 3 months	40,995,979,895	38,336,118,420
More than 3 months but not more than 1 Year	59,251,356,445	53,743,520,881
More than 1 Year but not more than 5 Years	79,406,894,506	76,837,918,507
More than 5 Years	17,262,530,134	15,361,589,183
	210,766,739,109	197,128,064,795

7.2 Loans and Advances including Bills Purchased and Discounted

Inside Bangladesh		
Loans	181,621,884,435	164,747,051,323
Cash Credit	4,208,251,247	5,267,880,208
Overdraft	21,493,113,860	22,962,935,755
Bills purchased and discounted	3,443,489,567	4,150,197,509
	210,766,739,109	197,128,064,795
Outside Bangladesh	-	-
	210,766,739,109	197,128,064,795

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	10,406,005	187,475,107
Advances to CEO and Senior Executives	218,143,704	195,791,059
Advances to Customers (Group wise)	81,979,537,443	67,920,930,536
Industrial Advances (Project finance)	30,755,368,478	23,132,164,436
Other Staff Loan	967,063,770	894,957,111
Other Customers	96,836,219,709	104,796,746,546
	210,766,739,109	197,128,064,795

7.3.2 Disclosure of Large Loan

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

Total Capital	26,430,045,674	24,051,297,978
Total Loans and Advances	82,799,661,448	114,562,841,287
No. of Customers	20	26
Classified amount thereon	Nil	Nil

Single Borrower Exposure Limit has been calculated on the basis of total eligible capital as on 31 December 2019 according to BRPD Circular 02, dated 16 January 2014.

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Details of Large Loans

SL.	Name of the Client	CL Status	Outstanding Loan		Total 31.12.2019	Total 31.12.2018
			Funded	Non-Funded		
1	Bangladesh Machine Tools Factory Limited (BMTF)	UC	4,829,439,105.00	6,217,499,186.40	11,046,938,291.40	27,526,441,550
2	Jolshiri Abashon	UC	3,486,071,642.00	0.00	3,486,071,642.00	4,691,766,945
3	Biswas Tradning & Construction, Biswas Builders Limited and JV	UC	2,834,727,211.50	2,609,177,383.50	5,443,904,595.00	-
4	Sena Hotel Development Limited, SPKS, Trust Transport Services	UC	3,151,445,047.80	6,460,312.74	3,157,905,360.54	3,514,739,836
5	Sena Kalyan Sangstha & allied	UC	2,790,891,617.78	2,525,357,458.08	5,316,249,075.86	3,995,680,878
6	MASIHATA SWEATERS Limited + MEGA YARN DYEING MILLS Limited	UC	2,793,496,824.40	631,240,000.00	3,424,736,824.40	3,093,740,542
7	ZABER & ZUBAIR FABRICS LTD + Talha Spinning Mills Limited + Yasmin Spinning Mills Limited + Nice Denim Limited + ZARBA TEXTILE MILLS LIMITED	UC	1,994,091,297.92	611,140,000.00	2,605,231,297.92	3,467,950,505
8	Durable Plastic Limited, Habigonj Agro Limited, Mymensingh Agro Limited, Sun Basic Chemicals Limited, Property Development Limited	UC	2,449,172,937.22	1,754,943,156.02	4,204,116,093.24	3,540,309,888
9	Partex Petro Limited & Partex Beverage Limited	UC	-	-	-	3,306,300,000
10	Dhaka Northern Power Generations Limited, Eastern Cement Industries Limited, Doreen Power House & Technologies Limited	UC	2,364,791,025.50	891,326,510.18	3,256,117,535.68	4,336,346,323
11	Wahid Construction Limited	UC	1,382,044,969.00	1,863,312,456.75	3,245,357,425.75	4,993,224,109
12	Spectra Engineers Limited	UC	-	-	-	2,929,974,590
13	The ACME Laboratories Limited	UC	2,088,184,517.00	648,094,812.80	2,736,279,329.80	-
14	Western Engineering (Pvt.) Limited	UC	3,259,742,053.07	2,837,243,591.34	6,096,985,644.41	6,376,030,246
15	Bangladesh Steel Re-rolling Mills Limited, BSRM Steels Limited, BISCO, BSRM Wires Limited	UC	1,469,430,207.64	1,454,214,927.61	2,923,645,135.25	-
16	Scandex Knitwear Limited	UC	-	-	-	1,967,114,513
17	Shah Cement Industries Limited, Abul Khair Strip Processing Limited, Abul Khair Steel Melting Limited, Abul Khair Limited	UC	-	-	-	3,296,684,436
18	KYCR Coil Industries Limited, Steel Accessories Limited, KDS Logistics Limited	UC	-	-	-	2,407,766,905
19	GPH Ispat Limited	UC	2,335,700,080.58	2,008,260,656.00	4,343,960,736.58	2,535,588,900
20	Pretty Sweater Ind. Limited	UC	3,966,998,895.68	236,693,299.27	4,203,692,194.95	3,857,868,274
21	Abdul Monem Limited	UC	1,964,604,439.98	1,534,772,619.40	3,499,377,059.38	4,692,510,891
22	Desh Cambridge Kumargaon Power Company Limited, Jadoo Media Limited, Desh Energy Chandpur Power Company Limited	UC	4,383,140,106.99	16,637,067.00	4,399,777,173.99	6,762,657,195
23	Processing Limited, Abul Khair Steel Melting Limited, Abul Khair Limited	UC	2,577,339,112.12	1,158,602,814.14	3,735,941,926.26	-
24	KYCR Coil Industries Limited, Steel Accessories Limited, KDS Logistics Limited, KDS Accessories Limited, KDS Poly Industries Limited	UC	2,293,101,733.49	763,017,390.44	3,056,119,123.93	-
25	KSRM Billet Ind. Limited, KSRM Steel Plant Limited	UC	1,891,913,361.74	725,341,619.46	2,617,254,981.20	-
26	Khulna Shipyard Limited	UC	-	-	-	2,724,328,809
27	Navana Real Estate Limited Navana Battery Limited, Navana Renewable Energy Limited Group	UC	-	-	-	2,299,360,582
28	Divine Housing Society	UC	-	-	-	2,340,453,789
29	Elegance Housing Society	UC	-	-	-	2,519,544,103
30	Nitol Motors Limited	UC	-	-	-	2,731,205,305
31	Baraka Power Limited, Baraka Patenga Power Limited, Baraka Shikalbaha Power Limited, Karnaphuli Power Limited, Royal Homes Limited	UC	-	-	-	2,362,760,574
32	Dockyard & Engineering Works Limited	UC	-	-	-	2,292,491,599
			54,306,326,186	28,493,335,261	82,799,661,448	114,562,841,287

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7.3.3 Restructured Loans & Advances

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

Name of the Client	Nature of Loan	Restructure Date	Expiry Date	Limit	Outstanding	Status of Loan
Rising Steel Limited	Term Loan	27-Dec-15	27-Dec-21	95,544,112	103,083,202	SMA
	Term Loan	27-Dec-15	27-Dec-21	1,237,212,826	1,331,668,231	SMA
Modern Steel Mills Limited	Term Loan	3-Sep-15	3-Sep-21	836,688,762	1,129,100,425	SMA
	Term Loan	3-Sep-15	3-Sep-21	221,695,247	291,085,828	SMA
Total				2,391,140,947	2,854,937,686	

7.3.4 Geographical location-wise concentration of Loans and Advances

Inside Bangladesh

Dhaka Division

Chittagong Division

Khulna Division

Sylhet Division

Rangpur Division

Barisal Division

Rajshahi Division

Mymensingh Division

Outside Bangladesh

139,972,866,077	136,769,588,189
41,351,431,555	34,003,724,327
10,055,879,379	8,216,762,465
3,575,844,945	3,996,477,414
506,717,956	4,655,076,003
4,956,696,757	464,391,955
4,449,609,186	3,710,300,368
5,897,693,254	5,311,744,074
210,766,739,109	197,128,064,795
-	-
210,766,739,109	197,128,064,795

7.3.5 Industry-wise concentration of Loans and Advances

Agro & Fisheries

RMG

Textile

Food and allied industries (Edible Oil included)

Pharmaceutical industries

Chemical, fertilizer, etc.

Cement and ceramic industries

Ship building industries

Ship breaking industries

Power and gas

Other manufacturing or extractive industries (Rubber & Plastic, Paper, Steel Engineering & Metal Products included)

Service Industries (Telecom & ICT, Medical Service included)

Other Industry

Trade & Commerce

3,362,726,155	1,991,311,437
22,415,249,570	20,042,429,268
7,986,703,786	7,200,726,772
13,365,820,747	12,148,474,627
3,183,218,170	2,097,336,198
3,131,650,463	3,085,517,806
5,145,785,864	4,385,948,919
855,459,621	-
3,053,479,555	3,252,525,956
10,767,196,071	6,736,797,611
26,675,475,443	21,985,518,545
17,948,454,418	15,609,695,944
400,535,287	2,979,234,351
16,963,493,974	18,088,963,503

	31.12.2019 Taka	31.12.2018 Taka
Residential Real Estate	10,790,670,612	12,509,474,965
Commercial Real Estate	9,430,937,855	7,251,859,419
Infrastructure Development	11,164,979,376	12,408,715,611
Construction & Housing	289,445,316	327,245,133
Transport	2,131,832,067	2,205,975,990
Consumer Financing (Personal Services)	36,845,341,027	14,964,252,431
Loans to Financial Institution (NBFI & NGO included)	2,885,047,318	3,172,335,551
Miscellaneous (Others)	1,973,236,414	24,683,724,758
	210,766,739,109	197,128,064,795

7.3.6 Nature wise Loans and Advances

Continuous	37,066,957,209	32,122,895,422
Demand Loan	53,550,978,158	52,408,844,180
Term Loans	118,938,361,257	111,481,758,876
Short Term Agri. Credit & Micro Credit	25,235,012	23,818,147
Staff Loan	1,185,207,473	1,090,748,170
	210,766,739,109	197,128,064,795

7.4 Classification of Loans and Advances including Bills Purchased and Discounted

Unclassified Loans and Advances (including staff loan)

Consumer Financing (House Financing, HF)	6,417,798,162	7,096,704,693
Consumer Financing (Loans for Professional, LP)	5,901,056	3,919,164
Consumer Financing (Other than HF & LP)	4,596,373,204	4,193,384,895
Small & Medium Enterprise Financing (SMEF)	20,230,377,322	17,332,399,999
Loans to BHs/ MBs/ Sds against Shares etc	46,697,431	47,649,051
All Other Credit	161,083,346,307	143,833,035,175
Short Term Agri Credit	19,697,903	19,816,807
Staff Loans	1,185,207,474	1,090,748,170
	193,585,398,859	173,617,657,954

Special Mentioned Accounts

Classified Loans and Advances

Sub-Standard Loans and Advances	1,206,881,155	1,119,139,201
Doubtful Loans and Advances	482,694,424	2,153,245,253
Bad /Loss Loans and Advances	9,887,505,849	12,307,624,469
	11,577,081,428	15,580,008,923
	210,766,739,109	197,128,064,795

7.5 Particulars of Loans and Advances

(i) Loans considered good in respect of which the bank is fully secured.	138,512,049,930	120,176,239,588
(ii) Loans considered good for which the bank holds no other security than the debtor's personal security.	2,318,434,130	2,168,408,713
(iii) Loans considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	52,754,914,799	51,273,009,653
(iv) Loans considered doubtful or bad not provided for	-	-

	31.12.2019 Taka	31.12.2018 Taka
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other person.	1,195,613,479	1,278,223,277
(vi) Loans due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members.	-	-
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons.	1,195,613,479	1,278,223,277
(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	1,433,527,499	2,361,512,519
Amount of loan written off	-	-
Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	3,925,734,225	6,546,063,213
c) Interest credited to interest Suspense Account	2,959,262,738	2,209,515,763
(xi) Cumulative amount of written off loans		
Opening Balance	1,387,653,707	953,833,452
Amount written off during the year	81,198,614	499,869,011
Amount (recovery) during the year	(48,510,612)	(66,048,756)
	1,420,341,709	1,387,653,707
The amount of written off loans for which law suit has been filed	1,420,341,709	1,387,653,707
7.6 Bills purchased and discounted		
Payable in Bangladesh	3,109,962,724	3,947,959,970
Payable out side Bangladesh	333,526,843	202,237,539
	3,443,489,567	4,150,197,509
7.7 Remaining maturity grouping of bills purchased and discounted		
Payable within one month	2,171,653,627	2,456,121,688
Over one month but less than three months	891,875,849	1,539,014,476
Over three months but less than 01 year	379,960,091	155,061,345
More than 01 year	-	-
	3,443,489,567	4,150,197,509

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31.12.2018
Taka

7.8 Litigation filed by the Bank

As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:

Name of the Branch	31.12.2019 Taka	31.12.2018 Taka
Principal Branch	34,279,251	-
Sena Kalyan Bhaban Branch	240,270,123	241,709,786
Bogra Cantonment Branch	12,658,039	17,478,049
Comilla Cantonment Branch	48,972,407	48,972,407
Chittagong Cantonment Branch	-	3,707,708
Rangpur Cantonment Branch	10,267,254	13,443,832
Jessore Cantonment Branch	8,642,871	6,867,178
Mymensingh Cantonment Branch	992,956	992,956
Savar Cantt. Branch	4,394,710	-
Jalabad Branch	1,415,173	1,415,173
Agrabad Branch	52,550,720	52,550,720
SS Cantt. Branch	627,865	1,453,046
Dhanmondi Branch	123,014	543,789
Khatunganj Branch	213,972,200	-
Gulshan Corporate Branch	695,634,858	65,208,530
Dilkusha Corporate Branch	1,044,510,055	891,708,301
RWGH Branch	25,253,190	25,050,701
KYAMCH Branch	24,263,964	114,268
CDA Avenue Branch	4,025,087,265	93,610,680
Sylhet Corp. Branch	11,406,291	11,781,654
Millenum Corporate Branch	132,285,157	200,036,146
Uttara Corporate Branch	146,936,996	204,842,741
Halishar Branch	140,380,449	130,170,948
Beani Bazar Branch	39,799,627	28,313,757
Moulvibazar Branch	65,138,552	53,139,134
Goala Bazar Branch	5,637,319	2,478,900
Mirpur Branch	54,714,573	5,992,833
Naval Base Branch	233,869	-
Karwan Bazar Branch	496,727,022	488,608,544
Joypara Branch	18,876,345	-
Joydevpur Branch	461,308	9,199,498
Narsingdi Branch	163,674,886	167,451,206
Narayanganj Branch	4,575,351	-
Jublee Road Branch	188,999,274	191,944,456
Shahjalal Upashohor Branch	576,654	2,115,231
Amirabad Lohagara Branch	700,000	-
Ashugonj Branch	32,252,810	4,674,503
Khulna Branch	493,805,871	391,687,790
Kafrul Branch	2,448,150	420,118
Tongi Branch	57,958,329	6,750,117
Chowmohoni Branch	40,320,435	38,868,929
Cox's Bazar branch	4,270,278	3,237,750
Comilla Branch	24,321,831	29,236,552
Rajshahi Branch	18,227,022	2,122,295
Kadamtali Branch	21,916,268	29,721,632

	31.12.2019 Taka	31.12.2018 Taka
Barisal Branch	2,640,947	860,441
Rajendrapur Branch	223,109	226,109
Elephant Road Branch	554,176,053	545,611,896
Dayarampur Branch	-	541,120
Khawja Garib Newas Avenue Branch	-	4,388,178
Kishoreganj Branch	8,292,158	8,392,158
Faridpur Branch	3,875,963	5,864,831
Mongla Branch	934,620	781,865
Keraniganj Branch	9,852,239	10,795,315
Jahanabad Cantt Branch	-	1,657,422
Munshiganj Branch	907,825	-
BUSM Cantonment	1,907,984	2,101,494
Mohakhali Branch	70,989,837	-
Kushtia Branch	2,275,323	2,275,323
Auliapur Branch	25,790,065	32,590,065
Titas Branch	2,994,246	-
Shatibari Branch	5,108,052	-
Lalmonirhat Branch	2,041,569	929,742
Matuail Branch	2,461,585	-
Kanchpur Branch	2,208,446	2,208,446
BB Cantt. Branch	865,105	1,023,064
Centennial Branch	3,165,250	2,775,687
Taranagar Branch	203,301	-
Dholikhal SME Service Centre	5,382,255	3,097,795
Mirerbazar SME/Krishi Branch	9,937,029	23,873,562
Madhobdi SME Branch	54,983,638	61,785,071
Madina Market Branch	4,433,434	4,453,434
Natore SME/ Krishi Branch	18,309,638	10,211,240
Manikganj SME/Krishi Branch	118,612,563	92,713,269
	9,523,132,814	4,286,779,383

7 (a) Consolidated Loans and Advances/Islami Banking Investments

Loans And Advances

Trust Bank Limited	207,323,249,542	192,977,867,286
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	2,068,876,546	2,077,444,889
	209,392,126,088	195,055,312,175
Less : Inter Company Transaction	12,058	13,431
	209,392,114,030	195,055,298,744

Bills purchased and discounted

Trust Bank Limited	3,443,489,567	4,150,197,509
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	3,443,489,567	4,150,197,509
	212,835,603,597	199,205,496,253

		31.12.2019 Taka	31.12.2018 Taka
8	FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES		
	Cost		
	Leasehold Land	160,469	160,469
	Office Building	12,680,000	12,680,000
	Furniture and Fixtures	658,242,790	744,062,889
	Office Equipment	997,864,754	959,520,841
	Motor Vehicles	93,881,958	95,856,115
		1,762,829,971	1,812,280,314
	Less: Accumulated depreciation		
	Office Building	3,262,218	3,020,736
	Furniture and Fixtures	337,201,614	353,908,120
	Office Equipment	848,328,032	802,728,534
	Motor Vehicles	79,395,338	74,611,135
		1,268,187,202	1,234,268,525
		494,642,769	578,011,789
	Lease assets-Premises		
	Right-of-use assets	1,769,642,377	-
	Less: Accumulated depreciation	334,593,130	-
		1,435,049,247	-
		1,929,692,016	578,011,789

Note - 8.1

For details please refer to Annexure - B

The fixed assets recognized and measurements policy are described in note 2.19 and note 2.27

8.1 Right-of-use assets:

The Bank has leases for the mainly for Head Office/Branch office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Bank classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Particulars	Balance at 01 Jan 2019	Additions	Depreciation	Balance at 31 Dec 2019
Right of Use Asset	1,665,882,412	103,759,965	334,593,131	1,435,049,246

The right-of-use assets are included in the same line item as where the corresponding underlying assets would be presented if they were owned.

8 (a) Consolidated Fixed assets including premises, furniture and fixtures

Trust Bank Limited	Note - 8	1,929,692,016	578,011,789
Trust Bank Securities Limited		1,448,217	924,520
Trust Bank Investment Limited		5,804,891	6,959,504
		1,936,945,124	585,895,813

9 OTHER ASSETS

i)	Investment in shares of Subsidiary Companies		
	In Bangladesh	3,349,999,290	3,349,999,290
	Outside Bangladesh	-	-
ii)	Stationery, stamps, printing materials in stock etc.;	31,098,247	20,868,296
iii)	Advance Rent and Advertisement	57,662,588	189,651,001
iv)	Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;	702,565,156	609,075,187

Note - 9.1

		31.12.2019 Taka	31.12.2018 Taka
v)	Security Deposits	8,014,197	9,742,763
vi)	Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses	145,601,191	96,688,363
vii)	Branch adjusting (net)	-	-
viii)	Suspense Account	154,789,207	113,598,191
ix)	Silver	-	-
x)	Others	2,478,319,006	1,764,955,061
		6,928,048,882	6,154,578,152
9.1 Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;			
	Interest accrued on investments and deposits	648,804,168	590,817,913
	Interest accrued on Loans & advances	4,295,361	4,367,208
	Commission Receivable on SP, WEDB & Mobile Banking Activities	49,465,627	13,890,066
		702,565,156	609,075,187
9.1.1 Interest accrued on investments and deposits			
	Interest/Profit accrued on Fixed Deposits	75,985,318	77,262,954
	Interest Receiv. on Short Notice Lending	1,702,083	-
	Interest accrued Corporate Bonds	116,062,519	107,824,893
	Income Receivable from Sale of Shares	-	52,920,589
	Interest accrued on Government Treasury Bond	454,392,748	351,368,066
	Dividend Receivable from Listed Companies	661,500	1,441,411
		648,804,168	590,817,913
9.2 Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses;			
	Office Renovation	83,990,847	43,534,487
	Prepaid Expenses	61,610,344	53,153,876
		145,601,191	96,688,363
9.3 Others			
	Deferred Tax Asset	172,083,524	150,639,170
	Intangible Assets	712,779	5,395,936
	Encashment of Sanchaya patra awaiting reimbursement-Principal	849,934,358	612,265,312
	Encashment of Sanchaya patra awaiting reimbursement-Interest	326,247,699	373,702,177
	Encashment of WEDB awaiting reimbursement-Principal	74,714,438	23,438,300
	Encashment of WEDB awaiting reimbursement-Interest	226,090,133	51,067,323
	US\$ Premium Bond - Interest	2,535,864	1,521,342
	US\$ Investment Bond - Principal	6,537,300	10,655,300
	US\$ Investment Bond - Interest	7,168,532	41,697,461
	Advance against Capital Expenditure	795,441,708	457,001,500
	Clearing Adjustment	10,662,655	17,146,101
	Foreign Remittance Settlement Account	6,190,016	12,451,683
	Account Current - VAT	-	7,973,456
		2,478,319,006	1,764,955,061

9.3.1 Deferred Tax Asset

Balance as on 1 January
Addition during the year
Closing Balance

	31.12.2019 Taka	31.12.2018 Taka
	150,639,170	136,268,150
	21,444,354	14,371,020
	172,083,524	150,639,170

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

Particulars	Book Value	Tax Base	(Deductible)/ Taxable Temporary Differences	Deferred Tax (Asset)/Liability
Fixed Assets	494260368	920,059,677	(425,799,309)	(159,674,741)
Right-of-Use Assets	376672449	409,762,538	(33,090,089)	(12,408,783)
				(172,083,524)

9.3.1.2 Position of Deferred Tax as at 31 December 2019

Deferred Tax Asset
Deferred Tax Liability
Net Deferred Tax Assets

	150,639,170	136,268,150
	-	-
	150,639,170	136,268,150

Increase of deferred Tax Assets recognized in to the P&L Account

Decreased of deferred Tax Liability recognized in to the P&L Account

Total Deferred tax Income recognized into P&L Account during the period

	21,444,354	14,371,020
	-	-
	172,083,524	150,639,170

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

9.3.1.3 To maintain the deferred tax Asset of Tk.172,083,524 as on 31 December 2019, a deferred tax Income of Tk.21,444,354 has been made for the year ended 31 December 2019 as per IAS-12 - Income Taxes.

9.3.1 (a) Consolidated Deferred Tax Asset

Trust Bank Limited
Trust Bank Securities Limited
Trust Bank Investment Limited

Note - 9.3.1

	172,083,524	150,639,170
	59,391	159,493
	1,751,958	1,746,099
	173,894,873	152,544,762

9.4 Break-up of Other Assets

Income generating other assets
Non income generating other asset

	3,349,999,290	3,349,999,290
	3,578,049,592	2,804,578,862
	6,928,048,882	6,154,578,152

9.5 As on 31 December 2019, there were no outstanding balance with inter Branch adjustment Account of the Bank, Hence no disclosure is provided here.

		31.12.2019 Taka	31.12.2018 Taka
9.6	Provision for other asset has been made for prepaid legal expenses against unsettled suit, protested bills and suspense account on reporting date as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note # 12.3 under Other Liability.		
9 (a)	Consolidated other assets		
	Trust Bank Limited	6,928,048,882	6,154,578,152
	Trust Bank Securities Limited	293,908,542	324,770,146
	Trust Bank Investment Limited	43,948,661	39,699,013
		7,265,906,085	6,519,047,311
	Less: Investment in Subsidiaries Company.	3,349,999,290	3,349,999,290
		3,915,906,795	3,169,048,021

10 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

In Bangladesh

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	1,027,944,521	900,398,545
Borrowing from Bangladesh Bank - IPFF	4,892,649,532	5,094,451,235
Borrowing from Bangladesh Bank - IPFF (BDT)	1,272,355,916	1,355,143,504
Trust Bank Limited Subordinated Bond II	800,000,000	1,200,000,000
Trust Bank Limited Subordinated Bond III	3,200,000,000	4,000,000,000
Borrowing from Bangladesh Bank - LTFF (USD)	423,025,761	365,915,195
Borrowing From Bangladesh Bank-EDF (USD)-TIB	426,596,963	588,057,495
Borrowing from Offshore Unit	211,542,213	85,374,746
Trust Bank Limited Subordinated Bond IV	5,000,000,000	5,000,000,000
Bangladesh Bank: Re-finance	45,654,887	47,860,403
	17,299,769,793	18,637,201,123

Outside Bangladesh

Borrowed by Offshore Banking Unit		
Standard Chartered Bank - Dubai	1,615,301,966	1,894,658,381
National Bank of RAS - UAE	681,330,617	381,655,442
ICIC Bank -India	178,305,791	-
	2,474,938,374	2,276,313,823
	19,774,708,167	20,913,514,946

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

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

Trust Bank Limited Issued Four Unsecured Subordinated Non-Convertible Bond of Taka 2,000,000,000, Taka 2,000,000,000, Taka 4,000,000,000 and Taka 5,000,000,000 respectively for a term of Seven (7) years to strengthen the capital base of the Bank. First Bond issued on October 2011, Second Bond issued on September 2014, Third Bond issued on October 2016 and Fourth Bond issued on December 2018 on the consent of BSEC vide letter ref# SEC/CI/CPLC- 48/2001-339 date: May 03, 2011, BSEC/CI/DS-211 /2014/444 dated June 24, 2014, BSEC/CI/ DS-44/20161343

dated June 16, 2016 & BSEC/CI/DS-111/2014/694 dated October 11, 2018 and Bangladesh Bank permission letter ref # BRPD(BIC)661/14B(P)I2011-264 dated May 31, 2011, BRPD (BIC)661/14B(P)I2014/4723 dated July 21, 2014, BRPD(BFIS)661/14B(P)I2016-5594 dated August 18, 2016 & BRPD(BFIS)661/14B(P)I2018-8228 dated October 28, 2018. The interest rate of first two bonds are 12.5% per annum and for the last two bonds issued at floating rate of interest, at present the rates are 9.42% & 9.682% for the third & fourth bond respectively. 100% repayment of First Bond already made throughout last five consecutive years ended on 30 October 2018 @ 20% for each year to the respective Bond holders. 60% repayment of Second Bond already made on 6 September 2017, 6 September 2018 and 8 September 2019 @ 20% to the respective Bond holders. 20% repayment of Third Bond already made on 24 October 2019 to the respective Bond holders. The repayment of last two Bonds will be started after three years from the date of issue of the bonds.

10.1 Security wise borrowings

	31.12.2019 Taka	31.12.2018 Taka
Secured Borrowings	-	-
Unsecured Borrowings	19,774,708,167	20,913,514,946
	19,774,708,167	20,913,514,946

10.2 Repayment nature wise borrowings

Repayment on Demand	-	-
Others	19,774,708,167	20,913,514,946
	19,774,708,167	20,913,514,946

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

Payable		
On demand	-	-
Upto 1 month	2,273,176,140	609,740,537
Over 1 month but within 3 months	2,952,428,617	985,627,430
Over 3 months but within 1 Year	6,403,339,696	2,288,278,924
Over 1 Year but within 5 Years	7,145,763,714	6,829,868,055
Over 5 Years	1,000,000,000	10,200,000,000
	19,774,708,167	20,913,514,946

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

Trust Bank Limited	Note - 10	19,774,708,167	20,913,514,946
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		1,568,285	3,017,269
		19,776,276,452	20,916,532,215
Less: Inter company transaction		12,058	13,431
		19,776,264,394	20,916,518,784

11 DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts	Note - 11.2	35,352,423,907	29,539,778,747
Bills Payable	Note - 11.3	3,316,469,487	4,227,864,871
Savings Bank Deposits/Mudaraba Savings Deposits	Note - 11.4	36,085,273,119	31,908,653,593
Fixed Deposits/Mudaraba Term Deposits	Note - 11.5	167,270,591,932	147,004,310,673
		242,024,758,445	212,680,607,884

			31.12.2019 Taka	31.12.2018 Taka
11.1	Remaining maturity grouping of Deposits and other accounts			
	Inside Bangladesh Payable	Banks Other than Banks	31.12.2019 Taka	31.12.2018 Taka
	Repayable on Demand	189,781,809 35,467,878,810	35,657,660,619	34,076,286,908
	Repayable within 1 month	307,462,827 31,801,495,576	32,108,958,403	31,072,696,036
	Over 1 month but within 6 months	59,488,277,616	59,488,277,616	49,945,472,961
	Over 6 months but within 1 Year	85,949,990,702	85,949,990,702	71,865,348,503
	Over 1 Year but within 5 Years	21,141,294,161	21,141,294,161	20,858,448,185
	Over 5 Years	7,678,576,944	7,678,576,944	4,862,355,291
		497,244,636	242,024,758,445	212,680,607,884
	Outside Bangladesh	-	-	-
		497,244,636	242,024,758,445	212,680,607,884
11.2	Current / Al-wadeeah Current Accounts and other Accounts			
	Conventional Banking	Note-11.2.1	34,020,335,983	28,476,270,015
	Islamic Banking	Note-11.2.2	1,332,087,924	1,063,508,732
			35,352,423,907	29,539,778,747
11.2.1	Conventional Banking			
	Current Account		24,490,368,024	20,110,717,321
	Other Accounts	Note-11.2.3	9,529,967,959	8,365,552,694
			34,020,335,983	28,476,270,015
11.2.2	Islamic Banking			
	Al-wadeeah Current Accounts		479,005,761	358,237,184
	Foreign Currency Deposits		113,804,351	144,538,003
	Sundry Deposits		246,783,468	281,316,401
	Profit payable on Deposits		492,494,344	279,417,144
			1,332,087,924	1,063,508,732
11.2.3	Other Accounts			
	Foreign Currency Deposits		3,940,409,917	3,153,302,660
	Interest Payable on Deposits		2,414,449,211	1,755,093,278
	Sundry Deposits		3,175,108,831	3,457,156,756
			9,529,967,959	8,365,552,694
11.3	Bills Payable			
	Conventional Banking			
	Demand Draft payable		3,818,430	3,958,883
	Pay Order payable		3,306,653,085	4,223,185,965
			3,310,471,515	4,227,144,848
	Islamic Banking			
	Demand Draft payable		-	-
	Pay Order payable		5,997,972	720,023
			5,997,972	720,023
			3,316,469,487	4,227,864,871
11.4	Savings Bank Deposits/Mudaraba Savings Deposits			
	Savings Bank Deposits		33,571,406,967	29,799,306,934
	Mudaraba Savings Deposits		2,513,866,152	2,109,346,659
			36,085,273,119	31,908,653,593
11.5	Fixed Deposits/Mudaraba Term Deposits			
11.5.1	Conventional Banking			
	Fixed Deposits	Note-11.5.3	109,743,409,232	97,296,682,172
	Short Notice Deposits		14,710,766,484	13,757,099,621
	Scheme Deposits		16,241,419,074	15,301,309,170
			140,695,594,790	126,355,090,963

		31.12.2019 Taka	31.12.2018 Taka
11.5.2 Islamic Banking			
Mudaraba Term Deposits	Note-11.5.4	24,009,711,537	18,907,159,747
Mudaraba Short Notice Deposits		289,320,209	203,030,411
Mudaraba Scheme Deposits		2,275,965,396	1,539,029,552
		26,574,997,142	20,649,219,710
		167,270,591,932	147,004,310,673

	Banks	Other than Banks	31.12.2019	31.12.2018
One month	189,781,809	85,702,317	275,484,126	620,298,128
Two months	-	-	-	-
Three months	307,462,827	54,851,949,064	55,159,411,890	58,220,242,510
Six months	-	18,366,705,554	18,366,705,554	17,647,736,982
One year	-	35,650,794,081	35,650,794,081	20,367,089,870
Two years	-	22,986,289	22,986,289	144,395,198
Three years	-	226,229,307	226,229,307	248,776,693
Four years	-	42,856	42,856	40,199
Five Years	-	34,008,522	34,008,522	34,711,584
More than five years	-	7,746,607	7,746,607	13,391,008
	497,244,636	109,246,164,596	109,743,409,232	97,296,682,172

	Banks	Other than Banks	31.12.2019	31.12.2018
One month	-	6,343,714	6,343,714	590,751,875
Three months	-	11,864,898,074	11,864,898,074	12,780,154,189
Six months	-	6,205,968,772	6,205,968,772	2,256,122,827
One year	-	5,909,054,629	5,909,054,629	3,257,189,286
Two years	-	-	-	-
Three years	-	22,763,891	22,763,891	981,349
Five Years	-	682,457	682,457	21,960,221
More than five years	-	-	-	-
	-	24,009,711,537	24,009,711,537	18,907,159,747

11.6 Geographical location-wise concentration of Deposits & Other Accounts

Inside Bangladesh		
Dhaka Division	177,336,472,343	154,946,094,645
Chittagong Division	34,635,454,391	30,591,316,287
Khulna Division	8,046,309,337	7,697,709,720
Sylhet Division	7,575,955,639	7,242,562,528
Rangpur Division	4,030,629,736	3,393,788,425
Barisal Division	888,520,056	673,250,905
Rajshahi Division	8,254,279,358	6,989,026,139
Mymensingh Division	1,257,137,585	1,146,859,235
	242,024,758,445	212,680,607,884
Outside Bangladesh	-	-
	242,024,758,445	212,680,607,884

11.7 Sector-wise deposits

Government	29,867,367,905	15,552,630,473
Deposit money banks	497,244,636	4,390,847,912
Other public	10,508,249,799	9,181,668,091
Private	194,190,738,282	178,223,110,323
Foreign Currency Deposits	4,054,214,268	3,297,840,663
Interest Payable on Deposits	2,906,943,555	2,034,510,422
	242,024,758,445	212,680,607,884

		31.12.2019 Taka	31.12.2018 Taka
11 (a) CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS			
Current / Al-wadeeah Current Accounts and other Accounts			
Trust Bank Limited		35,352,423,907	29,539,778,747
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		47,035,990	70,427,942
		35,399,459,897	29,610,206,689
Less : Inter Company Transaction		249,769,323	216,001,404
		35,149,690,574	29,394,205,285
Bills Payable		3,316,469,487	4,227,864,871
Savings Bank Deposits/Mudaraba Savings Deposits		36,085,273,119	31,908,653,593
Fixed Deposits/Mudaraba Term Deposits		167,270,591,932	147,004,310,673
		241,822,025,112	212,535,034,422
12 OTHER LIABILITIES			
Provision for Loans and Advances	Note - 12.1	9,646,030,000	7,410,000,000
Provision for Investment	Note - 12.2	27,289,935	9,385,978
Provision for other asset	Note - 12.3	169,298,525	48,518,467
Provision for CSR Fund	Note - 12.4	120,000,000	120,000,000
Rebate of Interest	Note - 12.5	19,502,477	49,996,778
Unearned profit on TIB Investment		387,293,161	484,660,062
Interest Suspense Account	Note - 12.6	2,959,262,738	2,209,515,763
Provision for Income Tax Less Advance Income Tax	Note - 12.7	1,830,770,498	1,700,332,673
Interest Payable on Borrowings		111,139,408	133,107,477
Accrued Expenses		104,164,816	115,590,803
Audit Fees Payable		575,000	575,000
Sundry Creditors		982,030,522	761,867,342
Compensation Fund Account	Note-12.7.2	200,774,270	100,673,403
Lease Liability	Note-12.8	1,356,632,580	-
Others	Note-12.9	238,201,881	12,416,171
		18,152,965,811	13,156,639,917
12.1 Provision for Loans and Advances/Islami Banking Investments			
Specific Provision			
Against Classified Loans & Advances		5,758,355,000	4,357,515,500
General Provision			
Against Unclassified Loans & Advances		3,024,787,000	1,990,930,000
Against Special Mention Accounts		69,299,000	93,357,500
Against Off Balance Sheet Exposures		793,589,000	968,197,000
		3,887,675,000	3,052,484,500
		9,646,030,000	7,410,000,000
12.1.1 Against Classified Loans & Advances			
Provision held on 1 January		4,357,515,500	2,383,362,000
Fully provided debts written off		(81,198,614)	(454,554,775)
Recoveries from previously written off debts		48,510,615	66,048,755
Provisions made during the year		1,433,527,499	2,362,659,520
Net Charge to the Profit Loss Account		1,400,839,500	1,974,153,500
Provision held at end of year		5,758,355,000	4,357,515,500

	31.12.2019 Taka	31.12.2018 Taka
12.1.2 Against Unclassified Loans & Advances		
Provision held on 1 January	1,990,930,000	2,210,301,500
Provisions made during the year	1,033,857,000	(219,371,500)
Provision held at end of year	3,024,787,000	1,990,930,000
12.1.3 Against Special Mention Accounts		
Provision held on 1 January	93,357,500	203,956,000
Provisions made during the year	(24,058,500)	(110,598,500)
Provision held at end of year	69,299,000	93,357,500
12.1.4 Required Provision against Loans and Advances		
Unclassified Loans & Advances	3,024,787,000	1,990,930,000
Special Mention Account	69,299,000	93,357,500
Classified Loans & Advances		
Sub Standard	161,140,500	170,288,000
Doubtful	145,346,500	487,103,000
Bad	5,451,868,000	3,700,010,500
Off Balance Sheet Items	793,589,000	968,197,000
	9,646,030,000	7,409,886,000

Provision against Loans & Advances has been kept as per rules of Bangladesh Bank and the amount of provision shortfall will stand at BDT 1,341,890,000.00 which has to be adjusted within 31 December 2020 & 31 December 2021 as per Bangladesh Bank Letter# DBI-1/114/2020-1584 dated 22 June 2020.

12.1.5 General Provision for Off Balance Sheet Exposures

Provision held on 1 January	968,197,000	852,380,500
Provisions made during the year	(174,608,000)	115,816,500
	793,589,000	968,197,000

12.1 (a) Consolidated General Provision for Loans and Advances

Trust Bank Limited	3,887,675,000	3,053,631,500
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	103,649,697	110,821,296
	3,991,324,697	3,164,452,796

12.1 (b) Consolidated General Provision for Off Balance Sheet Exposures

Trust Bank Limited	793,589,000	968,197,000
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	605,300	605,300
	794,194,300	968,802,300

12.2 Provision for Investment

Cost price of holding of quoted shares and mutual funds (both close end and open end) as on 31 December 2019 is Tk. 159,835,565 whereas the market price of these securities is Tk. 120,337,155 showing a loss on fall of market price Tk. 39,498,410.

As per DOS circular letter No. 03 issued on 12 March 2015, bank has to keep provision on mutual funds on the basis of

i) Cost Price minus Market value or 85% of NAV at Market Price for close end mutual funds and

31.12.2019
Taka

31.12.2018
Taka

ii) Cost Price minus 95% of NAV at Market Price for open end mutual funds

Consequently, the required provision as per DOS circular letter No. 03 is Tk. 20,789,133.

Details workings relating to provision on Investment is given below:

SL.	Name of the Company	No. of shares	Average cost rate	Total Investment Cost Price	Market rate as on 31 Dec 2019	NAV at Market Value for MF	85% / 95% of NAVcm p of MF	Applicable Rate for Provision	Market Price	Aggregate Net off (Loss) / Gain	Value of MF / Share for Provision	Required Provision Excess / (Shortage)
1	Popular Life MF-1	1,089,298	6.69	7,284,124	4.10	10.06	8.55	8.55	4,466,122	(2,818,002)	9,314,587	-
2	TBL 1st Mutual Fund	4,593,045	6.59	30,258,555	4.80	10.00	8.50	8.50	22,046,616	(8,211,939)	39,040,883	-
3	LRGLOBMF 1	6,554,016	9.64	63,205,696	6.60	9.29	7.90	7.90	43,256,506	(19,949,190)	51,753,787	(11,451,909)
4	CAPM Unit Fund	100,000	100.00	10,000,000	100.00	93.57	88.89	88.89	10,000,000	-	8,889,150	(1,110,850)
Provision Required for Mutual Funds											(12,562,759)	
7	Prime Bank	67,760	29.71	2,012,905	18.20				1,233,232	(779,673)	1,233,232	(779,673)
8	PUBALI BANK	27,593	36.16	997,688	24.00				662,232	(335,456)	662,232	(335,456)
9	Summit Power	314,637	45.69	14,375,320	36.30				11,421,323	(2,953,997)	11,421,323	(2,953,997)
10	Olympic	100,000	289.15	28,914,757	165.00				16,500,000	(12,414,757)	16,500,000	(12,414,757)
11	IT Consultants Limited	308,160	7.10	2,189,115	33.90				10,446,624	8,257,509	10,446,624	8,257,509
12	ACMELAB	5,000	119.48	597,406	60.90				304,500	(292,906)	304,500	(292,906)
Provision Required for Shares											(8,226,374)	
TOTAL				159,835,565					120,337,155	(39,498,410)	149,566,318	(20,789,133)

12.2.1 Provision for Diminution in value of Investment

Balance on 1 January

Provisions made for Investment in Shares during the year

9,385,978	2,858,076
17,903,957	6,527,902
27,289,935	9,385,978

12.3 Provision for other asset

Balance on 1 January

Provisions made during the year

48,518,467	17,092,405
120,780,058	31,426,062
169,298,525	48,518,467

12.3.1 Breakup of Provision for other asset

Provision for Prepaid Legal Expense

Provision for Protested Bill

Provision for Suspense Account

50,403,923	20,205,071
79,406,602	28,313,396
39,488,000	-
169,298,525	48,518,467

12.4 Provision for Special Reserve Fund

Special Reserve Fund (SRF) was formed for Corporate Social Responsibility (CSR) activities in the year 2019. CSR activities includes humanitarian belief, disaster management, health care, education, training, green initiatives and environmental degradation. As per Bangladesh Bank GBCSRD Circular no. 04, dated 9 July 2015, at the beginning of the year, the fund has been allocated for education, health care, disaster management and for other activities @ 30%, 50%, 10% & 10% respectively and expensed over the year accordingly.

12.5 Rebate of interest payable to good borrowers

According to BRPD Circular no. 6 Dated 19 March 2015, BRPD Circular no. 16 Dated 30 December 2015 and BRPD Circular Letter no. 03 dated 04 February 2016, the Bank has to keep provision for incentive of Good Borrowers in every year. As Bank's existing provision in this issue is more than requirement, so the Bank has not been accounted for additional provision for incentive of Good Borrowers during the year 2019.

	31.12.2019 Taka	31.12.2018 Taka
12.6 Interest Suspense Account		
Balance on 1 January	2,209,515,763	1,686,945,745
Amount transferred during the year	1,697,904,206	1,559,583,658
Amount recovered during the year	(910,231,727)	(792,127,449)
Amount written off / waived during the year	(37,925,504)	(244,886,191)
Balance at the end of the year	2,959,262,738	2,209,515,763
12.7 Provision for Income Tax Less Advance Income Tax		
Provision for Income Tax		
Balance on 1 January	8,344,799,258	6,069,064,931
Provisions made during the year	2,696,000,000	2,237,038,500
Provision for Doubtful Income of Islamic Banking	61,590,347	38,695,827
Settlement for previous year(s)	-	-
	11,102,389,605	8,344,799,258
Less: Advance Income Tax		
Balance on 1 January	6,644,466,585	4,291,228,064
Paid during the year	2,627,152,522	2,353,238,521
Settlement for previous year(s)	-	-
	9,271,619,107	6,644,466,585
Net Closing Balance	1,830,770,498	1,700,332,673

12.7.1 Provision for current tax of Tk. 2,696,000,000 has been made @ 37.50% on Business Income, @ 20% on Dividend Income and @ 10% on capital gain on sale of shares of the accounting profit made by the Bank for the year 2019 after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

12.7.2 Compensation Fund Account

Opening Balance	100,673,403	44,161,064
Amount credited during the year		
Compensation Realized Account	164,240,924	103,188,871
Income Tax Provision @ 37.50%	61,590,347	38,695,827
	102,650,577	64,493,044
	203,323,980	108,654,108
Amount distributed during the period	2,549,710	7,980,705
	200,774,270	100,673,403

Islamic Banking is a trade-based mode of banking where compliance of sharia guidelines in the precondition for its legitimacy. In addition to the prohibition of the interest and classification of business activities between lawful (halal) and un-lawful (haram), sharia also provides guidelines of business process and translation. Any income generated from trading or investments without confirming to these Sharia instructions are considered un-lawful and termed as "doubtful Income" in the terminology of Islamic Banking.

However, since the "Doubtful Income" is not an "income" - as such the nomenclature has already been changed as "Compensation" instead of "Doubtful Income".

12.7 (a) Consolidated tax expenses

Trust Bank Limited	Note- 12.7	2,696,000,000	2,237,038,500
Trust Bank Securities Limited		6,325,831	5,467,074
Trust Bank Investment Limited		17,396,000	19,425,000
		2,719,721,831	2,261,930,574

12.8 Lease Liability

Particulars	31.12.2019		31.12.2018	
	Balance at 01 Jan 2019	Interest expense	Lease payments	Balance at 31 Dec 2019
Lease liability	1,621,105,707	75,169,408	339,642,535	1,356,632,580

12.9 Others

ITCL A/c - Fees payable	2,295,740	2,194,355
Miscellaneous	300,141	321,816
Imprest Fund for Cash-Incentive against Remittance	235,606,001	-
Sale Proceed of Government Securities Payable to Bangladesh Bank	-	9,900,000
	238,201,882	12,416,171

12 (a) Consolidated other liabilities

Trust Bank Limited	Note-12	18,152,965,811	13,156,639,917
Trust Bank Securities Limited		25,781,944	84,563,097
Trust Bank Investment Limited		1,397,044,895	1,162,073,867
		19,575,792,650	14,403,276,881
Less: Inter company transaction		-	-
		19,575,792,650	14,403,276,881

13 CAPITAL

13.1 Authorized Capital

1,000,000,000 Ordinary shares of Tk. 10 each	10,000,000,000	10,000,000,000
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13.2 Issued, Subscribed and Paid Up Capital

116667000 Ordinary shares of Tk. 10 each issued for cash	1,166,670,000	1,166,670,000
11666700 Ordinary shares of Tk. 10 each issued bonus shares	116,667,000	116,667,000
25666740 Ordinary shares of Tk. 10 each issued for right 1R:5	256,667,400	256,667,400
30800080 Ordinary shares of Tk. 10 each issued bonus shares	308,000,800	308,000,800
36960100 Ordinary shares of Tk. 10 each issued bonus shares	369,601,000	369,601,000
44352120 Ordinary shares of Tk. 10 each issued bonus shares	443,521,200	443,521,200
26611274 Ordinary shares of Tk. 10 each issued bonus shares	266,112,740	266,112,740
53222550 Ordinary shares of Tk. 10 each issued for right 1R:5	532,225,500	532,225,500
34594656 Ordinary shares of Tk. 10 each issued bonus shares	345,946,560	345,946,560
45664946 Ordinary shares of Tk. 10 each issued bonus shares	456,649,460	456,649,460
42620616 Ordinary shares of Tk. 10 each issued bonus shares	426,206,160	426,206,160
37506142 Ordinary shares of Tk. 10 each issued bonus shares	375,061,420	375,061,420
50633292 Ordinary shares of Tk. 10 each issued bonus shares	506,332,920	506,332,920
55696621 Ordinary shares of Tk. 10 each issued bonus shares	556,966,210	-
	6,126,628,370	5,569,662,160

13.3 Capital Adequacy Ratio

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 18 dated 21 December 2014 relating to implementation of Basel III in Bangladesh, required capital, available core capital and supplementary capital of the Bank as on 31 December 2019 is shown below:

13.3.1 Capital Adequacy Ratio under SOLO basis

Common Equity Tier I (Going-concern capital)

	31.12.2019 Taka	31.12.2018 Taka
Paid up Capital	6,126,628,370	5,569,662,160
Share Premium Account	-	-
Statutory Reserve	6,579,751,092	5,638,527,443
Retained Earnings	2,208,787,515	1,675,414,773
	14,915,166,977	12,883,604,376
Less : Regulatory Adjustments		
Deferred Tax - Assets	172,083,524	150,639,170
Intangible assets	712,779	5,395,936
Total Common Equity Tier-1 Capital	14,742,370,674	12,727,569,270
Additional Tier I Capital	-	-
Tier II Capital (Gone-Concern Capital)		
General Provision	3,887,675,000	3,053,631,500
Subordinated Bond	7,800,000,000	9,000,000,000
Revaluation reserves	273,661	273,661
	11,687,948,661	12,053,905,161
Less : Regulatory Adjustments		
Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)	273,661	218,929
Total Tier II Capital Available	11,687,675,000	12,053,686,232
Maximum Limit of Tier II Capital (Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I, whichever is higher)	13,104,493,292	11,318,332,772
Excess Amount over Maximum Limit of Teir II	-	735,353,460
Total Admissible Tier-2 Capital	11,687,675,000	11,318,332,772
A. Total Eligible Capital (Tier-I + Tier-II)	26,430,045,674	24,045,902,042
B. Total Risk Weighted Assets (RWA)		
Credit Risk Weighted Assets	166,780,772,691	157,460,392,074
Market Risk Weighted Assets	1,197,827,092	1,396,283,215
Operational Risk Weighted Assets	16,224,394,499	14,593,632,615
	184,202,994,282	173,450,307,904
C. Required Capital based on RWA @ 12.50%	23,025,374,285	20,597,224,064
D. Surplus Capital as per Bank weighted Assets (A - C)	3,404,671,389	3,448,677,978
Capital Adequacy Ratio		
Tier I capital to RWA	8.00%	7.34%
Supplementary Capital to RWA	6.34%	6.53%
	14.34%	13.87%

13.3 (a) Capital Adequacy Ratio under Consolidated basis

Tier - I (Core Capital)		
Paid up Capital	6,126,628,370	5,569,662,160
Minority Interest	789	789
Share Premium Account	-	-
Statutory Reserve	6,579,751,092	5,638,527,443
Retained Earnings	2,547,843,316	2,009,376,528
	15,254,223,567	13,217,566,920

	31.12.2019 Taka	31.12.2018 Taka
Less: Regulatory Adjustments		
Deferred Tax-Assets	173,894,873	152,544,762
Intangible assets	712,779	5,395,936
Total Common Equity Tier-1 Capital	15,079,615,915	13,059,626,222
Additional Tier I Capital	-	-
Tier II Capita (Gone-Concern Capital)		
General Provision	3,887,675,000	3,053,631,500
Subordinated Bond	7,800,000,000	9,000,000,000
Revaluation Reserves	273,661	273,661
	11,687,948,661	12,053,905,161
Less : Regulatory Adjustments		
Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)	273,661	218,929
Total Tier II Capital Available	11,687,675,000	12,053,686,232
Maximum Limit of Tier II Capital (Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I, whichever is higher)	13,404,270,587	11,613,498,196
Excess Amount over Maximum Limit of Teir II	-	440,188,036
Total Admissible Tier-2 Capital	11,687,675,000	11,613,498,196
A. Total Eligible Capital (Tier-I + Tier-II)	26,767,290,915	24,673,124,418
B. Total Risk Weighted Assets (RWA)		
Credit Risk Weighted Assets	165,615,491,200	156,338,245,485
Market Risk Weighted Assets	3,898,105,299	4,483,072,673
Operational Risk Weighted Assets	16,649,628,223	14,975,243,177
	186,163,224,722	175,796,561,335
C. Required Capital based on RWA @ 12.50 %	23,270,403,090	20,875,841,659
D. Surplus Capital as per Bank weighted Assets (A - C)	3,496,887,825	3,797,282,760
Capital Adequacy Ratio		
Core Capital to RWA	8.10%	7.43%
Supplementary Capital to RWA	6.28%	6.61%
	14.38%	14.04%

Total Risk Weighted Assets (RWA)

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

13.4 Leverage Ratio under SOLO basis

A. Tier-1 Capital - considering all regulatory adjustments	14,742,370,674	12,727,569,270
B. On- Balance Sheet Exposure	289,133,776,508	255,181,496,724
C. Off-Balance Sheet Exposure	43,028,380,396	51,282,617,031
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	172,796,304	148,970,083
E. Total Exposure (B+C-D)	331,989,360,600	306,315,143,672
Leverage Ratio (A/E)*100	4.44%	4.16%

	31.12.2019 Taka	31.12.2018 Taka
13.4 (a) Leverage Ratio under Consolidated basis		
A. Tier-1 Capital - considering all regulatory adjustments	15,079,615,915	13,059,626,222
B. On- Balance Sheet Exposure	290,694,542,830	256,619,526,608
C. Off-Balance Sheet Exposure	43,088,910,396	51,343,147,031
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	174,607,653	150,921,089
E. Total Exposure (B+C-D)	333,608,845,573	307,811,752,550
Leverage Ratio (A/E)*100	4.52%	4.24%

13.5 Percentage of shareholdings at the closing date

	Amount (in Taka)		Percentage (%)	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Sponsors	3,675,924,180	3,341,749,260	60.00%	60.00%
Financial Institutions	1,047,464,260	885,154,950	17.10%	15.89%
Foreign Investors	68,106,720	76,893,420	1.11%	1.38%
Non-Resident Bangladeshi	11,904,740	12,078,730	0.19%	0.22%
General Public	1,323,228,470	1,253,785,800	21.60%	22.51%
Total	6,126,628,370	5,569,662,160	100.00%	100.00%

13.6 Shareholding Range on the basis of shareholdings as on 31 December 2019

Shareholding Range		No. of Sh. Holders	Number of Shares	%
1	to 500	5,620	900,824	0.15%
501	to 5,000	7,296	13,772,654	2.25%
5,001	to 10,000	696	4,752,922	0.78%
10,001	to 20,000	360	4,859,012	0.79%
20,001	to 30,000	106	2,615,735	0.43%
30,001	to 40,000	46	1,575,918	0.26%
40,001	to 50,000	25	1,135,749	0.19%
50,001	to 100,000	75	5,218,380	0.85%
100,001	to 1,000,000	66	17,182,030	2.80%
1,000,001	and More	39	560,649,613	91.51%
Total		14,329	612,662,837	100.00%

13 (a) MINORITY INTEREST

Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each & 1 nos Share of TBSL)	789	789
Profit as of 1 January 2019	-	-
Profit for the year	-	-
	-	-
	789	789

14 STATUTORY RESERVE

Balance on 1 January	5,638,527,443	4,815,477,540
Reserve made during the year	941,223,649	823,049,903
Closing Balance	6,579,751,092	5,638,527,443

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

	31.12.2019 Taka	31.12.2018 Taka
15 OTHER RESERVE		
Revaluation Reserve		
Balance on 1 January	1,978,275	5,447,527
Reserve made/(adjusted) during the year	20,321,412	(3,469,252)
Closing Balance	22,299,687	1,978,275

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

16 RETAINED EARNINGS		
Balance on 1 January	1,675,414,773	1,719,815,073
Issue of Bonus Shares	(556,966,210)	-
Cash Dividend		(1,113,932,432)
	1,118,448,563	605,882,641
Net Profit for the year transferred from Profit and Loss Account	2,031,562,601	1,892,582,035
Less: Transferred to Statutory Reserve	941,223,649	823,049,903
	1,090,338,952	1,069,532,132
Closing Balance	2,208,787,515	1,675,414,773

16 (a) Consolidated retained earnings		
Trust Bank Limited	2,208,787,515	1,675,414,773
Trust Bank Securities Limited	2,165,583	(2,928,463)
Trust Bank Investment Limited	336,890,297	336,890,297
	2,547,843,395	2,009,376,607
Less minority interest	79	79
Closing Balance	2,547,843,316	2,009,376,528

Note - 16

17 CONTINGENT LIABILITIES		
Acceptances and endorsements	18,083,824,075	22,938,526,039
Letter of Guarantees	35,803,241,879	36,855,819,220
Irrevocable Letter of Credits	27,263,413,482	45,474,550,442
Bills for collection	3,971,133,916	3,896,286,368
	85,121,613,352	109,165,182,069

Note - 17.1

Note - 17.2

Note - 17.3

Note - 17.4

17.1 Acceptances and endorsements		
Acceptance Bills - Local	1,591,731,005	1,577,046,092
Acceptance Bills - Foreign	15,716,555,210	20,300,211,768
Acceptance Liabilities - Back to Back L/C	775,537,860	1,061,268,179
	18,083,824,075	22,938,526,039

17.2 Letters of Guarantee		
Letters of Guarantee - Local	34,599,332,146	35,639,855,479
Letters of Guarantee -Foreign	1,203,909,733	1,215,963,741.00
	35,803,241,879	36,855,819,220

		31.12.2019 Taka	31.12.2018 Taka
17.2.1 Money for which the bank is contingently liable in respect of guarantees given favoring :			
	Directors or Officers	-	-
	Government	2,511,555,370	2,104,883,666
	Banks and other financial institutions	1,908,664,411	1,531,695,868
	Others	31,383,022,098	33,219,239,686
		35,803,241,879	36,855,819,220
17.2 (a) Consolidated Letters of Guarantee			
	Trust Bank Limited	35,803,241,879	36,855,819,220
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	60,530,000	-
		35,863,771,879	36,855,819,220
17.3 Irrevocable Letter of Credits			
	Letter of Credit - Local	673,317,061	1,525,159,837
	Letter of Credit - Foreign	19,504,915,646	34,792,092,498
	Letter of Credit - Back to Back L/C	2,136,198,556	1,789,722,199
	Letter of Credit - Usance (Foreign)	4,485,845,769	7,027,688,853
	Letter of Credit - Back to Back (EDF) - Foreign	463,136,450	339,887,055
		27,263,413,482	45,474,550,442
17.4 Bills for Collection			
	Outward Bills for Collection	11,315,710	24,520,903
	Local Documentary Bill for Collection	1,805,915,793	2,469,584,023
	Foreign Documentary Bills for Collection	2,153,902,413	1,402,181,442
		3,971,133,916	3,896,286,368
17 (a) Consolidated Contingent Liabilities			
	Trust Bank Limited	85,121,613,352	109,165,182,069
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	60,530,000	60,530,000
		85,182,143,352	109,225,712,069
18 INCOME STATEMENTS			
Income:			
	Interest/Profit, discount and similar income	22,549,440,048	19,482,628,263
	Dividend income	28,721,051	23,961,006
	Fees, commission and brokerage	1,490,638,448	1,238,268,377
	Gains less losses arising from dealing in securities	20,444,682	71,010,636
	Other operating income	506,796,346	479,437,729
		24,596,040,575	21,295,306,011
Expenses:			
	Interest / profit paid on deposits, borrowings etc,	13,473,906,936	11,209,595,667
	Losses on loans and advances	-	-
	Administrative expenses	3,142,632,347	3,003,880,663
	Other operating expenses	794,232,992	724,419,376
	Depreciation on banking assets	71,748,039	55,700,806
		17,482,520,314	14,993,596,512
		7,113,520,261	6,301,709,499

	31.12.2019 Taka	31.12.2018 Taka
19 INTEREST INCOME		
19.1 Interest Income under Conventional banking		
Interest from Loans and Advances		
Interest on Repair & Recon. of Dwelling House (RRDH)	74,789,857	94,162,044
Interest on Consumer Durable Scheme	977	-
Interest on Marriage Loans	392,035	1,179,287
Interest on Car Loans	9,879,352	9,287,946
Interest on House Building Loans	618,063,625	602,550,055
Interest on Term Loans	5,996,219,748	5,358,348,895
Interest on Other Loans	5,855,537,842	4,974,573,408
Interest on SME Loan	806,303,033	740,032,314
Interest on PAD - EDF	42,102,264	87,198,403
Interest on Staff Loan	37,317,398	37,300,101
Interest on LTR	593,685,856	633,937,795
Interest on Payment Against Documents (PAD)	5,748,980	10,472,245
Interest on Cash Credit	135,588,737	142,159,864
Interest on Cash Collateral	361,053,620	437,443,716
Interest on Overdraft	2,127,142,810	1,777,067,083
Interest on SOD	129,613,988	119,221,602
Interest on Inland Bills Purchased and Discounted	169,969,779	199,761,495
Interest on Foreign Bills Purchased and Discounted	15,264,306	13,518,930
	16,978,674,207	15,238,215,183
Interest from Banks and Other Financial Institutions		
Interest on FDR Account	133,853,093	215,763,325
Interest on Bangladesh Bank Foreign Currency Accounts	35,958,848	12,565,249
Interest on SND Account	521,492	744,254
Interest on Short Notice Lending	64,432,639	-
Interest on Call Deposits	129,022,750	36,287,278
	363,788,822	265,360,106
Interest received from Foreign Banks	16,065,345	4,955,573
	17,358,528,374	15,508,530,862
19.2 Profit under Islamic banking		
Profit on Bai-Muajjal	1,072,958,079	910,317,634
Profit on HPSM-Capital Machinery	276,600,331	173,137,437
Profit on IHSAN Apartment Purchase Scheme	23,162,134	19,289,778
Profit on BARAKAT Home Construction Scheme	19,340,139	15,777,851
Profit on BARAKAT Car Scheme	1,449,444	1,137,561
Profit on HPSM- Real Estate	117,624,412	110,688,546
Profit on Murabaha TR	270,199,989	178,245,315
Profit on Bai-Salam	223,098	1,878,779
Profit on Murabaha Import Bills (MIB)	826,036	8,492
Profit on TIB Car Scheme(Car Loan)	775	46,448
Profit on TIB Household Durable Scheme(Household Durable)	220,329	176,251
Profit on MIB - EDF - TIB	31,662,898	32,483,253
Profit on TIB HB Inv. for Rtd. Def. Officer (M)	127,702	419,068
Profit on HPSM General	290,701,912	335,060,638
Profit on Barkat Doctors Scheme	179,064	328,884
Profit on Trust Nibash	580,828	654,068

	31.12.2019 Taka	31.12.2018 Taka
Profit on Trust Power	60,730	1,934,440
Profit on Musharaka agt. IBP	30,908,446	46,731,098
Profit Suspense - Musharaka IBP USD	4,728,044	1,410,303
	2,141,554,390	1,829,725,844
Profit from Banks and Other Financial Institutions	221,949,065	80,199,066
Profit on Mudaraba Term Deposits	2,363,503,455	1,909,924,910
	19,722,031,829	17,418,455,772

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

To comply with the aforementioned circulars, the Bank had transferred a sum of Tk. 1,697,903,697.00 to Interest Suspense Account during the year, resulting in total Interest Suspense of Tk. 2,959,262,229.00 as at 31 December 2019.

19.3 Interest income from OBU

At present, 01 (One) Off-shore Banking Unit (OBU) is operating at Dilkusha Corporate Branch, Dhaka and interest income from OBU for the year ended 31 December 2019 was Tk. 172,293,740.00

19 (a) Consolidated Interest Income/profit on investment

Trust Bank Limited	Note - 19	19,722,031,829	17,418,455,772
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		33,933,092	49,147,632
		19,755,964,921	17,467,603,404
Less : Inter Company Transaction		597	6,739
		19,755,964,324	17,467,596,665

20 INTEREST PAID ON DEPOSITS AND BORROWINGS

20.1 Interest paid on deposits

Interest on SND Account	233,050,121	348,793,003
Interest on FDR Account	7,255,701,000	6,025,630,841
Interest on Foreign Currency Deposit	118,411,571	117,811,638
Interest on Savings Account	747,763,091	675,074,665
Interest on Scheme Deposits	1,769,430,504	1,772,159,997
	10,124,356,287	8,939,470,144

20.2 Profit paid on Islamic Banking Deposits

Profit Paid on Mudaraba Savings Account	75,500,607	64,240,804
Profit Paid on Mudaraba SND	9,585,804	6,708,297
Interest Paid on Mudaraba TDR	1,429,179,484	1,099,847,075
Profit Paid on Mudaraba MTDR - 1 Month	1,567,836	19,539,439
Profit Paid on TBL Barakat Hajj Deposit Scheme	2,000,782	1,773,039
Profit on Mudaraba Kotipati Scheme (MKS)	14,976,679	13,895,027
Profit on Mudaraba Millionaire Scheme (MMS)	33,173,822	27,497,138
Profit on Mudaraba Money Double Scheme (MMDS)	13,611,015	8,757,471
Profit Paid on DPMSA	333,813	302,128
Profit Paid on TEMSA	1,556,558	1,464,070

	31.12.2019 Taka	31.12.2018 Taka
Profit Paid on Mudaraba Monthly Savings Scheme	54,844,931	46,676,418
Profit paid on Trust Bank Mudaraba Cash Waqf	105,461	28,212
Profit Paid On - FC Deposits	84	-
Profit paid on MMPS	30,881,970	16,724,771
Profit paid on TIB Payroll	372,832	306,105
Profit paid on Provident Fund Account (TIB Payroll)	36,376	4,250
Profit Paid on Trust Mudaapah Deposit Scheme (TMDS)	2,267,750	3,967
Profit paid on 10 Taka Farmers-MSA	638	-
	1,669,996,442	1,307,768,211
20.3 Interest paid on borrowings		
20.3.1 Conventional Banking		
Interest on Call Deposits.	32,278,680	61,936,319
Interest on Repo	28,351,971	908,219
Interest on Lease Finance	75,169,408	-
Interest on Other Borrowings	1,543,754,148	899,512,774
	1,679,554,207	962,357,312
20.3.1 Islamic Banking		
Profit paid on Bangladesh Bank Borrowings	-	-
Interest on Other Borrowings	-	-
	-	-
	13,473,906,936	11,209,595,667
20 (a) Consolidated Interest / profit paid on deposits, borrowings etc. on investment		
Trust Bank Limited	13,473,906,936	11,209,595,667
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	597	6,693
	13,473,907,533	11,209,602,360
Less : Inter Company Transaction	597	6,739
	13,473,906,936	11,209,595,621
21 INCOME FROM INVESTMENTS		
21.1 Income from Conventional Banking		
Income from Treasury bills	893,033,341	442,155,406
Income on Bangladesh Bank Bill	-	5,103,000
Income from Treasury bonds	1,503,209,184	1,306,935,697
Profit on sale of Securities	5,643,850	-
Income from Corporate Bonds	329,960,914	277,706,877
Dividend Income	28,721,051	23,803,506
Income on Investment in Commercial Paper	43,460,000	-
Gain from sales of shares	14,754,032	66,168,397
Gain on Sale of Treasury Bill/Bonds	46,800	-
	2,818,829,172	2,121,872,883
21.2 Income from Islamic Banking Investments		
Dividend Income	-	157,500
Profit on Bangladesh Govt. Islamic Investment Bond	37,109,466	12,502,744
Income from Corporate Bonds	15,591,781	19,768,767
Profit on Investment of TIB	5,043,533	4,842,239
	57,744,780	37,271,250
	2,876,573,952	2,159,144,133

	31.12.2019 Taka	31.12.2018 Taka
21(a) Consolidated Income from Investment		
Trust Bank Limited	2,876,573,952	2,159,144,133
Trust Bank Securities Limited	2,283,339	(36,418,336)
Trust Bank Investment Limited	97,292,920	79,780,214
	2,976,150,211	2,202,506,011
22 Commission, exchange and brokerage		
Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order etc.	5,821,243	6,641,550
Bills	21,062,797	23,853,466
Letter of Guarantees	322,896,412	190,266,290
Letter of Credits	339,446,286	317,630,738
Foreign Remittances	6,689,821	6,420,950
Commission on Sale of Government Securities	29,317,061	25,116,694
Fund Transfer Commission	1,700	15,800
Under writing Commission	-	3,426
Acceptance Commission	139,582,035	165,400,351
EMI Comm. on Credit Card	1,465,586	1,069,994
Miscellaneous Commission	19,232,799	26,721,520
	885,515,740	763,140,779
Foreign Currency Exchange Gain	605,122,708	475,127,598
	1,490,638,448	1,238,268,377
22 (a) Consolidated Commission, exchange and brokerage		
Trust Bank Limited	1,490,638,448	1,238,268,377
Trust Bank Securities Limited	15,542,422	14,756,216
Trust Bank Investment Limited	553	-
	1,506,181,423	1,253,024,593
23 OTHER OPERATING INCOME		
Locker Rent	2,025,375	2,183,125
Swift Charge	24,749,918	29,036,528
Postage Charge	-	2,393,973
Sale Proceeds of Forms	190,684	319,789
Service Charges	81,441,937	84,826,247
Service Compensation	471,074	847,120
Front End Fees	48,705,438	12,234,433
Notice Pay	2,854,974	2,270,352
Closing Charge	2,807,207	2,162,677
Sale Proceeds of Cheque books	31,500	42,500
Income form Mobile Banking	24,246,566	5,318,915
O/W Cheque Processing Fees	668,303	689,542
Syndication Fees	9,480,762	22,975,108
Income through Credit & ATM Card	118,653,335	128,545,002
Insurance Premium Income	7,328	15,349
SMS Notification Fees	38,156,468	34,196,568
Service Charges on e-GP	2,366,356	3,010,842
Miscellaneous Foreign Exchange Income	73,237,016	78,853,852
Trustee Fees	4,100,000	5,600,000

		31.12.2019 Taka	31.12.2018 Taka
		1,339,109	2,000
		14,100	5,000
		4,543	-
		11,838	750
		71,232,515	63,908,057
		506,796,346	479,437,729
23 (a) Consolidated other operating income			
Trust Bank Limited	Note - 23	506,796,346	479,437,729
Trust Bank Securities Limited		10,139,143	14,303,470
Trust Bank Investment Limited		21,074,465	19,768,580
		538,009,954	513,509,779
24 Salaries and allowances			
Basic Salary		919,081,236	860,767,301
House Rent Allowances		459,614,443	430,899,744
Conveyance Allowances		50,643,223	48,972,535
Medical Allowances		186,689,035	178,319,172
Leave Fare Assistances		74,151,645	69,776,457
Leave Encashment		11,381,000	7,890,506
Utility Allowances		4,155,578	4,065,696
Telephone Allowance		412,440	358,966
Club Membership Allowance		1,489,877	1,424,973
Contractual Staffs Salary		25,768,586	10,641,286
Managers' Charge Allowance		3,230,000	3,181,000
Key Holding Allowance		1,129,500	1,106,250
Festival Bonus		167,906,370	156,860,880
Incentive Bonus		35,069,521	-
Bank's Contribution to Provident Fund		89,990,908	83,883,114
Bank's Contribution to Superannuation Fund		6,690,000	6,489,000
Bank's Contribution to Employees' Gratuity Fund		90,754,543	85,166,408
Termination Benefit		-	121,800
SME DSR Commission		497,000	40,775
Honorarium to the Advisor		1,500,000	-
		2,130,154,905	1,949,965,863
24 (a) Consolidated salaries and allowances			
Trust Bank Limited	Note - 24	2,130,154,905	1,949,965,863
Trust Bank Securities Limited		9,603,004	9,613,277
Trust Bank Investment Limited		21,218,110	22,343,710
		2,160,976,019	1,981,922,850
25 RENT, TAXES, INSURANCE, ELECTRICITY, ETC.			
Rent		133,846,860	490,654,894
Electricity and Lighting		69,797,798	55,551,190
Insurance		165,474,348	141,147,717
Rates, Taxes & Excise Duty		1,517,582	18,080,967
Fees & Renewals		17,513,150	13,335,783
Generator Fuel		3,462,118	3,821,001
Gas/Water Bill		1,261,990	1,585,073
		392,873,846	724,176,625

		31.12.2019 Taka	31.12.2018 Taka
25 (a)	Consolidated rent, taxes, insurance, electricity, etc.		
	Trust Bank Limited	392,873,846	724,176,625
	Trust Bank Securities Limited	2,072,966	1,744,452
	Trust Bank Investment Limited	14,546,326	15,234,018
		409,493,138	741,155,095
26	POSTAGE, STAMPS, TELECOMMUNICATION, ETC.		
	Postage	1,560,321	-
	Stamp	65,645	967
	VISA Connectivity Charges	623,700	408,000
	VISA Membership Fees	128,000	86,533
	VISA SBRL Commission	465,000	801,005
	VISA VIROL Fees	106,240	106,240
	Bulk SMS Charge	10,226,000	5,093,140
	USSD Gateway Service Charge	45,000	297,857
	Security Compliance Charge	103,200	93,500
	ATM Driving Charge	787,350	371,000
	PCI-DSS, VbV, e-Mail Notification charges	158,200	-
	(t-cash) for Mobile Banking Re-Branding	9,560,975	23,013,264
	Link (Fibre/Radio) Charge	32,764,186	31,852,463
	ATM Card Expenditure	9,563,598	10,046,285
	Internet Charge	2,321,796	2,235,006
	Reuter Charge	2,680,033	2,834,765
	Telegram, Telex, Telephone, Trunk Call etc.	10,674,712	9,184,492
		81,833,956	86,424,517
26 (a)	Consolidated postages, stamps, telecommunication, etc.		
	Trust Bank Limited	81,833,956	86,424,517
	Trust Bank Securities Limited	388,671	249,954
	Trust Bank Investment Limited	339,356	526,829
		82,561,983	87,201,300
27	STATIONERY, PRINTING, ADVERTISEMENT, ETC.		
	Printing and Stationery (Net)	40,066,525	42,932,896
	Publicity and Advertisement	13,735,691	8,290,596
		53,802,216	51,223,492
27 (a)	Consolidated stationery, printing, advertisement, etc.		
	Trust Bank Limited	53,802,216	51,223,492
	Trust Bank Securities Limited	178,687	125,167
	Trust Bank Investment Limited	252,079	236,485
		54,232,982	51,585,144
28	DIRECTORS' FEES		
	Meeting fees	2,736,000	2,768,000
	Shariah Supervisory Committee's Fees	75,000	95,000
	Other benefits	-	-
		2,811,000	2,863,000

Directors' fees include fees for attending the meeting of the Board, Executive Committee and Audit Committee. Each Director was remunerated @ Tk. 8,000 per meeting according to Bangladesh Bank BRPD Circular Letter no. 11 dated 4 October 2015.

		31.12.2019 Taka	31.12.2018 Taka
28 (a) Consolidated directors fees			
Trust Bank Limited	Note - 28	2,811,000	2,863,000
Trust Bank Securities Limited		78,000	111,000
Trust Bank Investment Limited		78,000	60,000
		2,967,000	3,034,000
29 Depreciation and repair of bank's assets			
Depreciation			
Fixed assets (For details please refer to Annexure - B)		130,307,066	174,986,712
Right-of-Use Asset (Note - 8)		334,593,131	-
		464,900,197	174,986,712
Repairs			
Building		12,750	62,782
Furniture and fixtures		5,356,453	3,474,408
Office equipment		15,512,587	13,702,300
Bank's vehicles		3,178,232	2,634,532
Maintenance		47,688,017	35,826,784
		71,748,039	55,700,806
		536,648,236	230,687,518

Depreciation is comprised of both from fixed assets and leased assets as per IFRS 16 Leases. As per the new standard, previously recognised rental expenses would be replaced with depreciation expenses.

29 (a) Consolidated depreciation and repair of bank's assets			
Trust Bank Limited	Note - 29	536,648,236	230,687,518
Trust Bank Securities Limited		505,523	813,428
Trust Bank Investment Limited		1,492,161	1,484,090
		538,645,920	232,985,036
30 OTHER EXPENSES			
Business Development Expenses		13,085,037	11,041,365
Clearing House Charge		65,772	88,823
Conveyance		10,800,254	10,032,582
Entertainment		24,923,980	21,581,432
Car Expenses		105,622,539	95,943,730
Cash Handling Charge		3,588,190	3,553,500
Bank charges		513,827	544,162
Meeting Expenses		-	37,355
Donation, Subscription and Membership Fees		4,846,726	4,961,275
News Paper and Periodicals		1,174,477	1,008,721
Oil and Lubricant		7,095,923	6,764,568
Remittance Charges		530,035	945,399
Support Staff Service		358,990,040	334,318,445
Internship Allowances		1,309,000	1,203,900
Honorarium for Banking Diploma		1,241,000	1,440,000
Training & Recruitment Expenses		7,726,947	4,379,940
Traveling Expenses		20,709,925	16,462,963
Up Keep of Office Premises		8,403,378	8,040,674
Washing Charges		2,177,407	2,110,750
Loss on Sale of Fixed Assets		1,396,428	833,772
Car Leasing Expenses		-	2,162,188
Foreign Correspondence Expenses		4,679,437	5,014,882

		31.12.2019 Taka	31.12.2018 Taka
Amortization of Intangible Assets		5,255,650	7,242,051
Special Reserve Fund		120,000,000	120,000,000
CDBL Charges		-	110,400
Share/Bond Issue Expense		551,700	37,436,400
Cash Carrying Charges		10,610,750	9,164,633
Wages paid to daily Labor		400,450	380,460
Purchase of Utensils		895,452	771,931
NID Verification Charge		164,737	125,327
IPO Bidding/Subscription Fees		-	3,000
Contact Point Verification Fees (RB)		209,550	57,550
Loss on sale of Treasury Bills		28,652,528	-
Commission Paid to NPSB		20,243,820	11,578,980
Trustee Fees		1,408,750	1,983,750
Priority Pass Expense		2,368,112	2,808,362
T Cash Expenses		8,040	-
T cash account opening incentive		826,253	-
Amortisation of Renovation Expense		23,494,470	-
Miscellaneous Expenses		262,408	286,106
		794,232,992	724,419,376
30 (a) Consolidated other expenses			
Trust Bank Limited	Note - 30	794,232,992	724,419,376
Trust Bank Securities Limited		3,449,439	3,073,028
Trust Bank Investment Limited		7,642,189	7,999,004
		805,324,620	735,491,408
31 PROVISION FOR LOANS AND ADVANCES / INVESTMENTS			
Specific Provisions-against classified loans & advances		1,433,527,499	2,362,659,520
General Provisions-against un-classified loans & advances		1,033,857,000	(219,371,500)
General Provisions-against special mentioned accounts		(24,058,500)	(110,598,500)
		2,443,325,999	2,032,689,520
31 (a) Consolidated Provision for Loans & Advances / Investment			
Trust Bank Limited	Note - 31	2,443,325,999	2,032,689,520
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		23,400,000	78,644,153
		2,466,725,999	2,111,333,673
32 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:			
Decline in value of investment should consist of the following divisions:			
(a) Dealing securities			
- Quoted		-	-
- Unquoted		-	-
(b) Investment securities			
- Quoted		17,903,957	6,527,902
- Unquoted		-	-
		17,903,957	6,527,902
Provision for decreased NAV of Trust Bank Securities Ltd		-	-
		17,903,957	6,527,902

	31.12.2019 Taka	31.12.2018 Taka
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	17,903,957	6,527,902
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	62,742,073	-
	80,646,030	6,527,902
33 OTHER PROVISION		
General Provision for Off Balance Sheet Exposures	(174,608,000)	115,816,500
Provision for Other Assets	120,780,058	31,426,062
	(53,827,942)	147,242,562
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.	
33.2	Provision for Other Assets has been made on the amount of Prepaid Legal Expenses that remained unadjusted as at 31 December 2019 as per rules & regulations enumerated in the BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.	
33 (a) Consolidated Other Provision		
Trust Bank Limited	(53,827,942)	147,242,562
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	(53,827,942)	147,242,562
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 EARNINGS PER SHARE (EPS)		
Profit attributable to outstanding ordinary share holders	2,031,562,601	1,892,582,035
Nos of Ordinary Outstanding Share	612,662,837	612,662,837
Basic Earning per Share	3.32	3.09
35 (a) Consolidated Earning per Share (EPS)		
Profit attributable to outstanding ordinary share holders	2,036,656,647	1,863,825,369
Nos of Ordinary Outstanding Share	612,662,837	612,662,837
Earning per Share	3.32	3.04
36 Net Asset Value (NAV) per Share		
Net Asset Value (NAV)	14,939,699,085	12,887,607,495
Number of Ordinary Shares Outstanding	612,662,837	612,662,837
Net Asset Value (NAV) per Share	24.38	21.04

	31.12.2019 Taka	31.12.2018 Taka
36 (a) Consolidated Net Asset Value (NAV) per Share		
Net Asset Value (NAV)	15,278,755,675	13,221,570,039
Number of Ordinary Shares Outstanding	612,662,837	612,662,837
Net Asset Value (NAV) per Share	24.94	21.58
37 Net Operating Cash Flow per share (NOCFPS)		
Net Operating Cash Flow	20,015,578,305	3,450,685,702
Nos of Ordinary Shares outstanding	612,662,837	612,662,837
Net Operating Cash Flow per share (NOCFPS)	32.67	5.63
37 (a) Net Operating Cash Flow per share (NOCFPS)		
Net Operating Cash Flow	19,991,721,021	3,498,376,034
Nos of Ordinary Shares outstanding	612,662,837	612,662,837
Net Operating Cash Flow per share (NOCFPS)	32.63	5.71
38 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES		
Locker Rent	2,025,375	2,183,125
Swift Charge (Net)	27,598,713	28,720,526
Postage Charge (Net)	-	2,393,973
Incidental Charges	-	1,600
Sale Proceeds of Forms	190,684	319,789
Service Charges	81,441,937	84,826,247
Service Compensation	471,074	847,120
Front End Fees	48,705,438	12,234,433
Notice Pay	2,854,974	2,270,352
Closing Charge	2,807,207	2,162,677
Sale Proceeds of Cheque books	31,500	42,500
Income form Mobile Banking	24,246,566	5,318,915
O/W Cheque Processing Fees	668,303	689,542
Syndication Fees	9,480,762	22,975,108
Income through Credit & ATM Card	118,653,335	128,545,002
Income from Government Securities	2,209,951,730	2,007,621,120
Interest on Corporate Bonds	337,315,069	218,828,901
Income on Investment in Commercial Paper	43,460,000	-
Profit on Investment in Islamic Bank Bond	5,043,533	4,842,239
Income from sale proceed of shares	67,674,621	13,247,808
Gain on Sale of Treasury Bill/Bonds	46,800	-
Insurance Premium Income	7,328	15,349
SMS Notification Fees	38,156,468	34,196,568
Service Charges on e-GP	2,366,356	3,010,842
Miscellaneous Foreign Exchange Income	73,237,016	78,853,852
Trustee Fees	4,100,000	5,600,000
RTGS Settlement Charge	1,339,109	2,000
Charges for Footage	14,100	5,000
NID Verification Charge	-	695
Income from SWIFT - Export	4,543	-
Indemnity for Shipping Guarantee Charge - Export	11,838	750
Miscellaneous Earnings	71,232,515	63,905,762
	3,173,136,894	2,723,661,795

	31.12.2019 Taka	31.12.2018 Taka
38 (a) Consolidated Income from Other Operating Activities		
Trust Bank Limited	3,173,136,894	2,723,661,795
Trust Bank Securities Limited	118,367,385	99,548,794
Trust bank Investment Limited	21,859,538	14,452,843
	3,313,363,817	2,837,663,432
39 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES		
Business Development Expenses	(13,092,512)	(11,023,125)
Clearing House Charge	(65,772)	(88,823)
Conveyance	(10,800,254)	(10,032,582)
Entertainment	(24,984,847)	(23,995,041)
Car Expenses	(105,622,539)	(95,943,730)
Cash Handling Charge	(3,588,190)	(3,553,500)
Bank charges	(513,827)	(544,162)
Meeting Expenses	-	(37,355)
Donation, Subscription and Membership Fees	(4,846,726)	(4,968,275)
News Paper and Periodicals	(972,706)	(965,731)
Oil and Lubricant	(6,747,828)	(6,731,347)
Remittance Charges	(531,961)	(851,464)
Other Contractual Service	(358,969,914)	(334,310,445)
Internship Allowances	(1,309,000)	(1,203,900)
Honorarium for Banking Diploma	(1,241,000)	(1,440,000)
Training Expenses	(7,726,947)	(4,379,940)
Traveling Expenses	(20,709,925)	(16,462,963)
Up Keep of Office Premises	(8,403,378)	(8,040,674)
Washing Charges	(2,177,407)	(2,110,750)
Car Leasing Expenses	-	(2,162,188)
Foreign Correspondence Expenses	(4,679,437)	(5,014,882)
Special Reserve Fund	(120,000,000)	(120,000,000)
CDBL Charges	-	(110,400)
Share/Bond Issue Expense	(551,700)	(37,436,400)
Cash Carrying Charges	(9,956,854)	(9,164,646)
Wages paid to daily Labor	(400,450)	(380,460)
Purchase of Utensils	(895,452)	(771,931)
NID Verification Charge	(164,737)	(125,327)
IPO Bidding/Subscription Fees	-	(3,000)
Contact Point Verification Fees (RB)	(209,550)	(57,550)
Commission Paid to NPSB	(16,887,454)	(11,578,980)
Trustee Fees	(1,408,750)	(1,983,750)
Priority Pass Expense	(2,368,112)	(2,808,362)
T Cash Expenses	(8,040)	-
T cash account opening incentive	(826,253)	-
Amortisation of Renovation Expense	(22,762,841)	-
Miscellaneous Expenses	(32,958,725)	27,612,186
Publicity and Advertisement	(13,810,691)	(8,240,596)
Rent, Taxes, Insurance, Lighting etc.	(729,054,966)	(664,711,742)
Legal Expenses	(15,090,008)	(9,090,877)
Postage, Telegram, Telephone	(93,835,203)	(102,693,109)
Audit Fee	(575,000)	(575,000)
Directors Fee	(2,811,000)	(2,863,000)
Repairs and maintenance of Fixed Assets	(67,008,903)	(55,700,806)
AGM Exp. - Security Expenses	-	(18,240)
	(1,708,568,859)	(1,534,562,867)

		31.12.2019 Taka	31.12.2018 Taka
39 (a) Consolidated Expenses paid for Other Operating Activities			
Trust Bank Limited	Note - 39	(1,708,568,859)	(1,534,562,867)
Trust Bank Securities Limited		(23,582,642)	(25,046,808)
Trust Bank Investment Limited		(15,868,381)	(15,245,301)
		(1,748,019,882)	(1,574,854,976)
40 CHANGES IN OTHER OPERATING ASSETS			
Security Deposits		1,728,566	2,718,930
Encashment of Sanchaya patra awaiting reimbursement-Principal		(237,669,046)	24,351,716
Encashment of Sanchaya patra awaiting reimbursement-Interest		47,454,478	(102,524,422)
Encashment of WEDB awaiting reimbursement-Principal		(51,276,138)	(6,122,050)
Encashment of WEDB awaiting reimbursement-Interest		(175,022,810)	16,862,778
US\$ Premium Bond - Principal		-	831,500
US\$ Premium Bond - Interest		(1,014,522)	2,310,208
US\$ Investment Bond - Principal		4,118,000	6,182,575
US\$ Investment Bond - Interest		34,528,929	(37,605,026)
Foreign Remittance Settlement Account		6,261,667	(590,717)
Advance against Capital Expenditure		(338,440,208)	(442,680,263)
Clearing Adjustment		6,483,446	(1,573,757)
Account Current - VAT		7,973,456	(7,973,456)
Suspense Account		(41,191,016)	368,130,086
		(736,065,198)	(177,681,898)
40 (a) Consolidated Changes in Other Operating Assets			
Trust Bank Limited	Note - 40	(736,065,198)	(177,681,898)
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		(4,232,369)	11,954,860
		(740,297,567)	(165,727,038)
Less : Inter Company Transaction		-	-
		(740,297,567)	(165,727,038)
41 CHANGES IN OTHER LIABILITIES			
Sundry Creditors		220,163,180	135,915,384
Provision for Rebate of Interest		100,100,867	20,617,990
Others		225,785,710	(8,740,917)
		546,049,757	147,792,457
41 (a) Consolidated Changes in Other Operating Liabilities			
Trust Bank Limited	Note - 41	546,049,757	147,792,457
Trust Bank Securities Limited		(59,280,149)	35,145,639
Trust bank Investment Limited		149,758,906	(185,016,207)
		636,528,514	(2,078,111)
42 CLOSING CASH AND CASH EQUIVALENTS			
Cash in hand (including foreign currencies)		4,182,750,418	3,730,434,604
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)		15,272,236,431	12,007,579,243
Balance with Other Bank and Financial Institutions		12,470,755,575	7,734,689,524
Call Loan to other Banks		2,300,000,000	-
Reverse REPO		-	-
Prize Bond		6,238,900	4,069,400
		34,231,981,324	23,476,772,771

	31.12.2019 Taka	31.12.2018 Taka
42 (a) CONSOLIDATED CLOSING CASH AND CASH EQUIVALENTS		
Trust Bank Limited	34,231,981,324	23,476,772,771
Trust Bank Securities Limited	76,521,007	102,737,588
Trust bank Investment Limited	-	-
	34,308,502,331	23,579,510,359

43 Reconciliation of Net Profit after tax with Cash flows from Operating Activities

Net profit/(loss) after taxation	2,036,656,647	1,863,825,369
Adjustments to reconcile net income to net cash provided by operating activities:		
Interest Income	135,683,544	(39,361,875)
Interest Expense	925,634,472	769,273,827
Fees and commission Income	(68,679,085)	(38,523,440)
Recoveries of loans previously written off	48,510,615	66,048,756
Salary and Allowances	9,532,174	(61,871,511)
Printing and Stationeries	(6,843,774)	7,655,543
Income Taxes	108,896,257	(98,302,939)
Other Operating Income	(167,820,987)	154,268,756
Other operating Expenses	110,840,877	237,893,391
Provision for loans & advances / Investments / Other Assets	2,493,544,087	2,265,104,137
Operating profit before changes in operating Assets and Liabilities	5,625,954,827	5,126,010,014
Increase/(Decrease) in operating assets & liabilities		
Net Investment in trading securities	(849,872,199)	(1,033,196,059)
Loan & advance to customers	(13,097,781,078)	(11,908,192,228)
Other assets (item-wise)	(740,297,567)	(165,727,038)
Deposits from other banks	(2,634,705,259)	3,131,949,895
Deposits from customers	31,049,262,816	8,349,609,561
Other liabilities (item-wise)	636,528,514	(2,078,111)
Net cash flows from operating activities	19,989,090,054	3,498,376,034

44 EXPENDITURE INCURRED FOR EMPLOYEES

Salaries, allowances and benefits

Number of employees at 31 December 2019 was 1940; (31 December 2018 was 2005) 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.

45 AUDIT COMMITTEE

45.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 2019 the Honorable Members of the committee were as follows:

Name	Status with Bank	Status with Committee	Educational Qualification
Mr. Shahedul Islam	Independent Director	Chairman	BA, CS
Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te	Director	Member	Masters, PhD (on going)

45.b During the year ended as on 31.12.2019, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

Number of Meeting	Date of Meeting
1st	31-Jan-19
2nd	26-Feb-19
3rd	01-Apr-19
4th	28-Apr-19
5th	27-May-19
6th	24-Jul-19
7th	16-Sep-19
8th	16-Oct-19

45.c Following steps have been taken for implementation of an effective Internal Control Procedures of the bank:

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 International Financial Reporting Standards (IFRSs) have been applied in preparation and presentation of financial statements.

Formulation of HRM policy and other operating procedures.

46 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 as at 31 December 2019:

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
1	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G	Chairman (Representing Army Welfare Trust)	Sena Kalyan Sangstha, Chairman	Nominated
			Sena Hotel Development Ltd., Chairman	Nominated
			Bangladesh Machine Tools Factory Ltd., Chairman	Nominated
			Army Welfare Trust, Chairman	Nominated
			Trust Bank Investment Ltd., Chairman	Nominated
			Military Institute of Science & Technology, Vice Chairman	Nominated
			Council of the College, Armed Forces Medical College, Chairman	Nominated
			Sena Paribar Kalyan Samiti, Chief Patron	Nominated
			Advisory Committee of Proyash, President	Nominated
			National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman	Nominated
			Bangladesh Golf Federation, President	Nominated
			Kurmitola Golf Club, President	Nominated
			Defence Officers Housing Scheme Committee, Chairman	Nominated
			BAIUST Cumilla/BAUET Quadirabad/BAUST Saidpur, Chairman	Nominated
			Jolshiri Abashon Project, President	Nominated
2	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	Vice Chairman (Nominated Director)	Sena Kalyan Sangstha, Vice Chairman	Nominated
			Sena Hotel Development Ltd., Vice Chairman	Nominated
			Army Welfare Trust, Vice Chairman	Nominated
			Army Housing Scheme, Chairman	Nominated
			Governing Bodies of Cadet Colleges, Chairman	Nominated
			Trust Technical Training Institute, Chairman	Nominated
			Trust Bank Investment Ltd., Vice Chairman	Nominated
			Trust Bank Securities Ltd., Chairman	Nominated
3	Mr. Ashrafuzzaman Khan	Independent Director	Executive Attire Ltd., Chairman	50%
			Trust Bank Investment Ltd., Independent Director	Nominated
			Trust Bank Securities Ltd., Independent Director	Nominated
4	Mr. Shahedul Islam	Independent Director	Bengal Pacific (Pvt.) Ltd., Managing Director	35.55%
			Bengal Braided Rugs Ltd., Managing Director	47.50%
			Promises Medical Ltd., Chairman	11.00%
			Desh General Insurance Company Ltd., Independent Director	-
			Trust Bank Investment Ltd., Independent Director	Nominated
5	Brig Gen Abu Naser Md Elias, SGP, ndc, afwc, psc	Director (Nominated)	Service	Nominated
6	Brig Gen Rakib Uddin Ahmed, SUP, psc, G	Director (Nominated)	Service	Nominated
7	Brig Gen Saleem Ahmad Khan, SGP, ndc, afwc, psc, te	Director (Nominated)	Service	Nominated
8	Brig Gen Md Abdur Rahim, BGBM, G+	Director (Nominated)	Service	Nominated
9	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Director (Nominated)	Army Welfare Trust, Managing Director	Nominated
			Sena Hotel Developments Ltd., Director	Nominated
			Trust Technical Training Institute, Director	Nominated
			Army Housing Scheme, Managing Director	Nominated
			Trust Bank Investment Ltd., Director	Nominated
			Trust Bank Securities Ltd., Vice Chairman	Nominated
			Trust Transport Service, Chairman	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 Welfare Trust	Principal Branch	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G Chairman, Army Welfare Trust
		Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc Vice Chairman, Army Welfare Trust
		Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc Director (Nominated), Army Welfare Trust
Lease Agreement with Sena Kalyan Sangstha	Sena Kalyan Bhaban Branch Khulna Branch, Tongi Branch	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G Chairman, Sena Kalyan Sangstha
		Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc Vice chairman, Sena Kalyan Sangstha.

Lease Agreement with Sena Paribar Kalyan Samiti	Head Office Millenium Corporate Branch	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G Chief Patron, Sena Paribar Kalyan Samiti
Advertisement Agreement with Army Welfare Trust	Head Office	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G Chairman, Army Welfare Trust
		Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc Vice Chairman, Army Welfare Trust
		Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc Director (Nominated), Army Welfare Trust

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

Nil

iv) Related party Transactions:

During the year 2019, the Bank concluded business deals with the following organizations in which the directors had interest:

Name of the Company/Person	Nature of Relationship	Nature of Transaction	Amount of transaction made during the Period		Balance as on 31 December 2019	
			2019 Taka	2018 Taka	2019 Taka	2018 Taka
Army Welfare Trust	Common Director	Office Rent	30,917,660	29,601,487	-	-
Sena Kalyan Sangstha	Common Director	Office Rent	15,995,463	15,915,596	-	-
Sena Paribar Kalyan Samiti	Common Director	Office Rent	246,966,676	227,559,059	-	-
Trust Bank Investment Ltd.	Subsidiary company	Subsidiary company	-	-	36,437,966	212,028,474
Trust Bank Securities Ltd.	Subsidiary company	Subsidiary company	-	-	6,070,652	3,103,489
Trust Securities & Logistic Support Ltd.	Common Director	Securities services to the Bank	358,990,040	334,318,445	-	-

vi) Loan and Advances to Directors and their related concern:

SI	Name of the director	Related party	Nature of Transaction	Amount in Taka	Status
1	General Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, PSC, G	Chairman	Housing Finance (HBL- Mortgage)	1,071,663.00	Regular
			Housing Finance (HBL- Mortgage)	1,089,874.00	Regular
2	Brig Gen Md Abdur Rahim, BGBM, G+	Director	Housing Finance (Army Officer House Loan Scheme)	635,500.00	Regular
3	Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Director	Housing Finance (Army Officer House Loan Scheme)	62,580.00	Regular
			Personal use (Defence Personnel Special Loan)	1,383,538.00	Regular
			Personal use (Defence Personnel Special Loan)	3,265,207.00	Regular
			Personal requirement (OD)	799,643.32	Regular

The loan has been availed as Defense official as per entitlement.

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

Nil

47 DIVIDEND

The Board of Directors in its 309 (04/2020) Meeting held on 28 June 2020 recommended 5% Stock Dividend i.e. 5 (Five) Bonus shares for every 100 (One Hundred) Shares held and 5% Cash Dividend subject to the approval of the shareholders at the next Annual General Meeting (AGM). The Proposed Dividend for the year is more than 30% of Net Profit after Tax.

48 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the year ended on 31 December 2019 has been shown in Annexure - C.

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

Name of the Bank	Name of the foreign currency	31.12.2019			31.12.2018		
		Amount in foreign currency	Exchange rate as on 31.12.2019	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate as on 31.12.2018	Total amount equivalent to Taka
Standard Chartered Bank, USA	USD	5,371,079.05	84.90	456,004,611	1,636,395.71	83.90	137,293,600
Mashreqbank psc, USA	USD	6,665,273.19	84.90	565,881,694	1,200,954.85	83.90	100,760,112
ICICI Bank Ltd., Hongkong	USD	646,566.43	84.90	54,893,490	112,236.28	83.90	9,416,624
Commerz Bank, AG Germany	USD	773,853.06	84.90	65,700,125	844,457.36	83.90	70,849,973
Commerzbank Ag, Frankfurt, Germany	AUD	55,658.83	61.31	3,412,487	44,858.71	61.05	2,738,584
Standard Chartered Bank, UK	GBP	144,506.66	114.31	16,518,397	282,242.30	109.38	30,871,098
Standard Chartered Bank, Japan	YEN	965,449.00	0.80	777,090	15,930,439.00	0.78	12,438,487
Commerzbank Ag, Frankfurt, Germany	YEN	2,251,322.00	0.80	1,812,089	3,236,081.00	0.78	2,526,732
Standard Chartered Bank, UK	EURO	134,782.26	98.27	13,245,147	31,760.44	98.53	3,129,505
Commerz Bank, AG Germany	EURO	42,464.85	98.27	4,173,051	17,509.29	98.53	1,725,273
ICICI Bank Ltd., Mumbai, India	EURO	17,441.19	98.27	1,713,958	17,456.19	98.53	1,720,040
Standard Chartered Bank, Mumbai, India	ACU	790,857.39	84.90	67,143,792	1,201,042.71	83.90	100,767,483
Mashreqbank, Mumbai, India	ACU	1,036,702.33	84.90	88,016,028	996,393.42	83.90	83,597,408
ICICI Bank Ltd., Mumbai, India	ACU	941,093.54	84.90	79,898,842	1,852,929.20	83.90	155,460,760
AB Bank, Mumbai, India	ACU	432,041.58	84.90	36,680,330	140,745.22	83.90	11,808,524
United Bank of India	ACU	371,177.01	84.90	31,512,928	509,324.22	83.90	42,732,302
Bank Aljazira	SAR	145,530.84	23.30	3,390,214	99,985.00	22.96	2,295,916
Habib Bank, Zurich	CHF	34,176.78	89.93	3,073,508	57,100.33	87.05	4,970,475
Total				1,493,847,781.00			775,102,896

Schedule of Fixed Assets As at 31 Dec 2019

PARTICULARS	COST			DEPRECIATION				Written Down Value at 31 Dec 2019
	Balance on 1 January 2019	Additions during the period	Disposal/ adjustment during the period	Balance at 31 Dec 2019	Balance on 1 January 2019	Charge for the period	Disposal/ adjustment during the period	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Leasehold Land	160,469	-	-	160,469	-	-	-	160,469
Office Building	12,680,000	-	-	12,680,000	3,020,736	241,482	-	3,262,218
Furniture and Fixtures	744,062,889	20,733,119	106,553,218	658,242,790	353,908,120	38,600,689	55,307,195	337,201,614
Office Equipment	959,520,841	77,761,471	39,417,558	997,864,754	802,728,534	84,706,536	39,107,038	848,328,032
Motor Vehicles	95,856,115	-	1,974,157	93,881,958	74,611,135	6,758,359	1,974,156	79,395,338
31 Dec 2019	1,812,280,314	98,494,590	147,944,933	1,762,829,971	1,234,268,525	130,307,066	96,388,389	1,268,187,202
31 December 2018	1,818,319,390	95,558,760	101,597,836	1,812,280,314	1,114,259,286	174,986,712	54,977,473	1,234,268,525

Financial Highlights

SI No	Particulars	Base	31.12.2019	31.12.2018
1	Paid up Capital	Taka	6,126,628,370	5,569,662,160
2	Total Capital	Taka	26,767,290,915	24,673,124,418
3	Capital surplus/(deficit)	Taka	3,496,887,825	3,797,282,760
4	Total Assets	Taka	294,892,131,508	259,638,370,242
5	Total Deposits	Taka	242,024,758,445	212,680,607,884
6	Total Loans and Advances	Taka	210,766,739,109	197,128,064,795
7	Total Contingent Liabilities and Commitments	Taka	85,121,613,352	109,165,182,069
8	Credit Deposit Ratio (total loans/total deposits)	%	87.08	92.69
9	Percentage of classified loans against total loans and advances	%	5.49	7.90
10	Profit after tax and provision	Taka	2,031,562,601	1,892,582,035
11	Amount of classified loans during current year (Gross)	Taka	(4,002,927,495)	9,387,982,164
12	Provisions kept against classified loan	Taka	5,758,355,000	4,357,515,500
13	Provision surplus/(deficit)	Taka	-	-
14	Cost of fund (interest expense/average borrowing and deposits)	%	5.40	5.04
15	Interest Earning Assets	Taka	245,622,164,491	217,173,551,718
16	Non-interest earning Assets	Taka	49,269,967,017	42,464,818,524
17	Return on Investment (ROI) (PAT/average equity, long term borrowings and deposits)	%	7.59	7.67
18	Return on Asset (ROA) (PAT/average assets)	%	0.73	0.73
19	Income from Investment	Taka	2,876,573,952	2,159,144,133
20	Earning per Share (EPS)	Taka	3.32	3.09
21	Net income per Share	Taka	3.32	3.09
22	Price Earning Ratio	Times	8.25	9.56
23	Net Asset Value (NAV)	Taka	14,939,699,085	12,887,607,495
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	32.67	6.20

Balance Sheet of Islami Banking Division As at 31 Dec 2019

Notes	31.12.2019 Taka	31.12.2018 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	44,921,939	15,431,536
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	1,655,223,802	1,304,418,955
	1,700,145,741	1,319,850,491
Balance with other banks and financial institutions		
In Bangladesh	5,181,946,786	2,621,471,828
Outside Bangladesh	-	-
	5,181,946,786	2,621,471,828
Placement with banks and other financial institution		
	-	-
Investments in Shares and Securities		
Government	1,641,000,000	1,302,500,000
Others	185,323,969	225,323,969
	1,826,323,969	1,527,823,969
Investments		
General Investments etc.	21,036,212,975	20,415,024,638
Bills purchased and discounted	160,946,195	468,010,350
	21,197,159,170	20,883,034,988
Fixed assets including premises	50,907	-
Other assets	3,290,415,695	119,459,735
Non-banking assets	-	-
Total Assets:	33,196,042,268	26,471,641,011
LIABILITIES AND CAPITAL		
Liabilities:		
Placement from banks and other financial institutions	640,480,765	828,695,900
Deposits and other accounts:		
Al-wadeeah Current Accounts and Other Deposit Accounts	1,332,087,924	1,063,508,732
Mudaraba Savings Deposits	2,513,866,152	2,109,346,659
Mudaraba Term Deposits	26,574,997,142	20,649,219,710
Other Mudaraba Deposits	-	-
Bills Payable	5,997,972	720,023
	30,426,949,190	23,822,795,124
Other liabilities	1,665,091,267	1,232,516,559
Total Liabilities:	32,732,521,222	25,884,007,583
Capital/Shareholders' Equity		
Paid up Capital		
Foreign Currency Transaction Difference		
Statutory Reserve		
Other Reserve		
Retained Earnings	463,521,046	587,633,428
Total Shareholders' Equity	463,521,046	587,633,428
Total Liabilities and Shareholders' Equity	33,196,042,268	26,471,641,011

Profit and Loss Account of Islami Banking Division For the year ended 31 December 2019

Notes	31.12.2019 Taka	31.12.2018 Taka
Investment Income	2,363,503,455	1,907,938,197
Profit paid on deposits	1,695,140,890	1,367,122,230
Net Investment Income	668,362,565	540,815,967
Income from investments in Shares/Securities	57,951,780	37,304,288
Commission, exchange and brokerage	51,719,955	60,072,400
Other operating income	29,263,164	24,380,874
	138,934,899	121,757,562
Total operating income	807,297,464	662,573,529
Salaries and allowances	44,201,774	38,133,573
Rent, taxes, insurance, electricity, etc.	346,000	173,015
Legal expenses	-	-
Postage, stamps, telecommunications, etc.	464,000	193,324
Stationery, printing, advertisement etc.	748,669	567,902
Chief Executive's Salary & Fees	-	-
Directors' Fees and Expenses	-	-
Shariah Supervisory Committee's Fees and Expenses	75,000	95,000
Auditors' Fees	-	-
Changes in Investment Losses	-	-
Depreciation and repair to bank's assets	7,091	5,200
Zakat Expenses	-	-
Other expenses	9,306,384	2,773,655
Total operating expenses	55,148,918	41,941,669
Profit before provision	752,148,546	620,631,860
Provision for loans & advances / Investments	294,902,500	36,621,000
Provision for Diminution in value of Investment	1,046,000	4,634,432
Other provision	(7,321,000)	(8,257,000)
	288,627,500	32,998,432
Total Profit before Taxes	463,521,046	587,633,428

Cash Flow Statements of Islami Banking Division For the year ended 31 December 2019

	31.12.2019 Taka	31.12.2018 Taka
A. Cash flow from operating activities		
Interest/Investment Income received in cash	2,308,432,017	1,865,897,307
Interest/Profit paid on Deposits	(1,695,140,890)	(1,367,122,230)
Dividend receipts	207,000	190,538
Fees and commission receipts in cash	-	-
Recoveries of written off Loans/Investments	-	-
Cash paid to employees	(44,201,774)	(38,133,573)
Cash paid to suppliers	-	-
Income Taxes paid	-	-
Received from other operating activities (item-wise)	138,727,899	121,567,024
Payments for other operating activities (item-wise)	(10,947,144)	(3,808,096)
Operating profit before changes in operating Assets and Liabilities	697,077,108	578,590,970
Increase/(Decrease) in operating assets & liabilities		
Statutory Deposits	-	-
Net Investment in trading securities	40,000,000	40,000,000
Loan & advance/Investments to other banks	-	-
Loan & advance/Investments to customers	(314,124,182)	(3,464,772,011)
Other assets (item-wise)	(3,115,884,522)	44,365,181
Deposits from other banks	-	-
Deposits from customers	6,604,154,066	5,517,505,121
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	(443,686,220)	(75,522,432)
Net cash from operating activities (A)	3,467,536,250	2,640,166,829
B. Cash flow from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(338,500,000)	(332,500,000)
Purchase of property, plant & equipment	(50,907)	-
Purchase of intangible assets	-	-
Sale of property, plant & equipment	-	-
Net cash from investing activities (B)	(338,550,907)	(332,500,000)
C. Cash flow from financing activities		
Increase/(Decrease) in Borrowing:		
Call loan	-	-
Other borrowings	(188,215,135)	(11,890,914)
Share Capital A/c	-	-
Share Premium A/c	-	-
Net cash from financing activities (C)	(188,215,135)	(11,890,914)
D. Net increase in Cash and Cash Equivalent (A+B+C)	2,940,770,208	2,295,775,915
E. Effects of exchange rate changes on cash and cash equivalents	-	-
F. Opening Cash and Cash Equivalent	3,941,322,319	1,645,546,404
Cash and cash equivalents at end of period (D+E+F)	6,882,092,527	3,941,322,319



Independent Auditor's Report
To the Shareholders
of
Trust Bank Investment limited

Independent Auditors' Report To the Shareholders of Trust Bank Investment Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Trust Bank Investment Limited (the Company), which comprise the Statement of Financial Position as at 31 December 2019, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2019 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and the Companies Act 1994, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
<p>Loans and advances:</p> <p>Key among the current asset balance of Trust Bank Investment Limited comprises of margin loan provided to clients of BDT 2,068,876,546</p> <p>Loans and advances were valued at BDT 2,068,876,546 and represents 43% of total assets. This was an area of focus for our audit and significant audit effort was directed.</p> <p>However, the company made provision on unrealised value of investment BDT. 103,649,697 for the current year as per Directive BSEC/SRI/Policy/3/2020/68 Dated: January 12, 2020.</p> <p>We focused on this area because of the significance of the investment in the financial statements especially loans and advances being the primary form of investment of such companies, and also the complexity of this area and departure from the recognition and presentation criteria of IFRS 9 & IFRS 7 to comply the above Directive of BSEC for determining the valuation methodology and presentation to be applied by the management of the company.</p> <p>See notes 2.4.3, 5, 10.1 & 27 to the financial statements</p>	<p>Our audit procedures included obtaining our understanding of the process of issuing loans and advances & ascertaining the loan balance and the interest charged over the financial year</p> <p>Additionally, we perform the following:</p> <ul style="list-style-type: none"> ▪ Reviewed the carrying balance of the total outstanding loans. ▪ Recalculated interest charged during the year. ▪ Carried out cut-off testing to ensure the interest was recognized in correct period. ▪ Check the subsequent positioning of this unrealized amount after the year end. ▪ Our audit approach was a combination of test of internal control and substantive procedures. ▪ We obtained sufficient audit evidence to conclude that the inputs and methodologies used for the determination of margin loans are within a reasonable range and that policies were consistently applied by the management of the company. ▪ We assessed the design and operating effectiveness of the company's key controls supporting the identification, measurement and oversight of any for of risk of financial assets. ▪ We tested the calculations of provision for negative equity and checked the presentation and disclosure of investment in compliance with BSEC circular # SEC/CMRRCD/2009-193/203 and dated 28 December 2017, subsequent BSEC Direction BSEC/SRI/Policy/3/2020/68 dated, 12 January 2020

Investment and provision for diminution in value of investment

The investment portfolio of the Trust Bank Investment Limited comprises investments in ordinary quoted shares of BDT 2,420,209,807.

Investments in securities are valued at BDT 2,420,209,807 and represent 51% of total assets. This was an area of focus for our audit and significant audit effort was directed.

Investments in quoted shares valued at average cost. However, the company made provision for diminution in value of investment of BDT.131,403,518 for the current year as Directive BSEC/SRI/Policy/3/2020/68 Dated: January 12, 2020.

We focused on this area because of the significance of the investments in the financial statements, and departure from the recognition and presentation criteria of IFRS 9 & IFRS 7 to comply the above circular of BSEC for determining the valuation methodology and presentation to be applied by the management of the company.

See notes 2.4.2, 4, 10.2 and 28 to the financial statements.

Our audit procedures included updating our understanding of the business processes employed by the Company for accounting for, and valuing, their investment portfolio.

Additionally, we perform the following:

- Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report.
- Reviewed the assumptions used for the valuation models for any unquoted securities.
- Recalculated unrealized gain or loss at the year end.
- Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period.
- Check the subsequent positioning of this unrealized amount after the year end.
- Our audit approach was a combination of test of internal control and substantive procedures.
- We obtained sufficient audit evidence to conclude that the inputs and methodologies used for the valuation of the investments are within a reasonable range and that valuation policies were consistently applied by the management of the company.
- We verified the existence and legal ownership of equity investments by confirming investment holdings with Portfolio statement and record from the Registrar of Joint Stock Companies & Firm appropriate.

We tested the calculations of provision for diminution in value of investment and checked the presentation and disclosure of investment in compliance with BSEC circular # SEC/CMRRCD/2009-193/203 and dated 28 December 2017, subsequent BSEC Direction BSEC/SRI/Policy/3/2020/68 dated, 12 January 2020.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the financial statements, disclosures and in evaluating the effect of misstatements, the financial statements.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial Statements
Overall materiality	BDT 9,516,994 (2018: 12,426,517 BDT)
How we determined it	5% average profit before provision of the last 5 years.
Rational for benchmark applied	Based on the benchmarks used in the Annual Audited Financial Statements, total revenue is a key measure used by the shareholders in assessing the performance of the company, and is a generally accepted auditing benchmark.

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriate low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2018: 75%) of our planning materiality namely BDT 7,137,746 (2018: BDT 9,319,887) for the financial statements of the Company.

Other Matter

Prior to signing of the audit report, from March, there was an outbreak of the global pandemic COVID-19 on 11 March 2020. COVID-19 poses existential threats on the ability of a business to survive, which in turn have significant financial reporting impacts - from going concern and liquidity to recoverability and valuation of assets. Changes in the economic activity caused by the Pandemic will cause the company to renegotiate the terms of existing contracts and arrangements, and even cancellation of contracts/orders. If the company is offering concessions to its customers, that could have a dramatic impact on its revenue recognition. The key potential financial reporting impacts after Covid-19 and event after prior period are summarized as follows (Company may use forecast information for multiple purposes for these too):

The impairment of nonfinancial assets, fair value measurement affecting the Note no-16, changes in the remuneration policies affecting the notes no- 15 & 31.A, Provisions for Onerous contracts, Insurance Claims affecting the note no- 10 & Claim expenses in Revenue account and the entity's ability to continue as a going concern. Because of COVID-19 impact, preparation of reliable forecast information can be challenging and need to be closely monitored as this can have pervasive impact across multiple elements of financial statements.

The Government of Bangladesh has also announced a number of economic stimulus packages for affected business. As this company is categorized into service sector, it may get special loan funds with lower interest rate of BDT 30,000 crore.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors reports thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994, we also report the following:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of accounts 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, the Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account.

Place: Dhaka

Dated: 28 June 2020

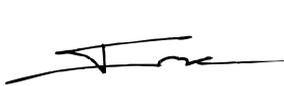


Syful Shamsul Alam & Co.
Chartered Accountants

Trust Bank Investment Limited
Balance Sheet
As at 31 December 2019

	Notes	2019 BDT	2018 BDT
PROPERTY AND ASSETS			
Cash			
Cash in hand (including foreign currencies)		-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		-	-
Balance with other banks and financial institutions			
In Bangladesh	3	243,699,562	212,799,024
Outside Bangladesh		-	-
		243,699,562	212,799,024
Money at call and short notice			
Investments			
Government	4	-	-
Others		2,420,209,807	2,235,506,945
		2,420,209,807	2,235,506,945
Loans and advances			
Loan to investors	5	2,068,876,546	2,077,444,889
Other loan		-	-
		2,068,876,546	2,077,444,889
Fixed assets including premises, furniture and fixtures			
Other assets	6	5,804,891	6,959,504
Non-banking assets	7	43,948,661	39,699,013
		-	-
Total assets:		<u>4,782,539,467</u>	<u>4,572,409,375</u>
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings	8	1,568,285	3,017,269
Deposits and other accounts			
Deposit from investors	9	47,035,990	70,427,942
Other deposits		-	-
		47,035,990	70,427,942
Other liabilities	10	1,397,044,895	1,162,073,867
Total liabilities		<u>1,445,649,170</u>	<u>1,235,519,078</u>
Capital/Shareholders' equity			
Paid up capital	11.2	3,000,000,000	3,000,000,000
Share premium account		-	-
Statutory reserve		-	-
Other reserve		-	-
Retained earnings	12	336,890,297	336,890,297
Total shareholders' equity		<u>3,336,890,297</u>	<u>3,336,890,297</u>
Total liabilities and shareholders' equity		<u>4,782,539,467</u>	<u>4,572,409,375</u>

The annexed notes form an integral part of the Balance Sheet.



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report on even date



Syful Shamsul Alam & Co.
Chartered Accountants

Dated: Dhaka
28 June 2020

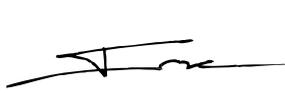
	Notes	2019 BDT	2018 BDT
OFF-BALANCE SHEET ITEMS			
Contingent liabilities:	13		
Acceptances and endorsements		-	-
Letter of guarantees		60,530,000	60,530,000
Irrevocable letter of credits		-	-
Bills for collection		-	-
		60,530,000	60,530,000
Other contingent liabilities:			
Value of travelers' cheques in hand		-	-
Total:		60,530,000	60,530,000
Other commitments:			
Documentary credit and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities:		60,530,000	60,530,000

The annexed notes form an integral part of the Balance Sheet.

Trust Bank Investment Limited
Profit and Loss Account
For the year ended 31 December 2019

	Notes	2019 BDT	2018 BDT
Interest income	15	33,933,092	49,147,632
Interest paid on deposits and borrowings etc.	16	597	6,693
Net interest income		33,932,495	49,140,939
Income from investments	17	97,292,920	79,780,214
Commission, exchange and brokerage	18	553	-
Other operating income	19	21,074,465	19,768,580
		118,367,938	99,548,794
Total operating income		152,300,433	148,689,733
Salaries and allowances	20	21,218,110	21,508,310
Rent, taxes, insurance, electricity, etc.	21	14,546,326	15,234,018
Legal expense		546,779	149,691
Postage, stamps, telecommunications, etc.	22	339,356	526,829
Stationery, printing, advertisement etc.	23	252,079	236,485
Managing director's salary and benefits		2,538,220	2,452,440
Directors' fees	24	78,000	60,000
Auditors' fee		115,000	115,000
Depreciation and repair of bank's assets	25	1,492,161	1,484,090
Other expenses	26	7,642,189	7,999,004
Total operating expenses		48,768,220	49,765,867
Profit before provision		103,532,213	98,923,866
Provision for loans & advances	27	23,400,000	79,104,553
Provision for diminution in value of investment	28	62,742,073	-
Other provision	29	-	-
		86,142,073	79,104,553
Total profit before taxes		17,390,140	19,819,313
Provision for taxation			
Current tax	10.4.1	17,396,000	19,800,000
Deferred tax		(5,860)	19,313
		17,390,140	19,819,313
Net profit after taxation		-	-
Appropriations:			
Statutory reserve		-	-
General reserve		-	-
		-	-
Retained surplus		-	-
Earning per share (EPS)	30	-	-

The annexed notes form an integral part of the profit & loss account.


Vice Chairman


Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
28 June 2020


Syful Shamsul Alam & Co.
Chartered Accountants

Trust Bank Investment Limited
Cash Flow Statement
For the year ended 31 December 2019

	Notes	2019 BDT	2018 BDT
A. Cash flow from operating activities			
Interest received in cash		33,933,092	49,147,632
Interest payments		(597)	(6,693)
Fees and commission receipts in cash		553	-
Cash paid to employees		(23,756,330)	(23,960,750)
Cash paid to suppliers		(260,956)	(237,897)
Income taxes paid		(18,325,951)	(25,856,849)
Income Received from other operating activities (item-wise)	31	118,367,385	99,548,794
Payments for other operating activities (item-wise)	32	(23,582,642)	(25,046,808)
Operating profit before changes in operating Assets and liabilities		86,374,554	73,587,429
Increase/(Decrease) in operating assets & liabilities			
Net investment in trading securities		(184,702,862)	(165,735,657)
Loan & advance to customers		8,568,343	258,388,877
Other assets (item-wise)	33	(4,232,369)	11,954,860
Deposits from customers		(23,391,952)	(15,300,299)
Other liabilities (item-wise)	34	149,758,906	(185,851,607)
Net cash from operating activities (A)		32,374,620	(22,956,397)
B. Cash flow from investing activities			
Purchase of property, plant & equipment		(45,180)	(353,370)
Purchase of intangible asset		-	-
Sale of property, plant & equipment		20,082	-
Net cash from investing activities (B)		(25,098)	(353,370)
C. Cash flow from financing activities			
Increase/(Decrease) in borrowing:			
Other borrowings		(1,448,984)	(26,231,451)
Net cash from financing activities (C)		(1,448,984)	(26,231,451)
D. Net increase in cash and cash equivalent (A+B+C)		30,900,538	(49,541,218)
E. Effects of exchange rate changes on cash and cash equivalents			
		-	-
F. Opening cash and cash equivalent		212,799,024	262,340,242
G. Cash and cash equivalents at end of year (D+E+F)	35	243,699,562	212,799,024


Vice Chairman


Director


Director


Managing Director

Dated: Dhaka
28 June 2020

Trust Bank Investment Limited
Statement of changes in Equity
For the year ended 31 December 2019

	Paid up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	BDT	BDT	BDT	BDT	BDT
Balance on 1 January 2019	3,000,000,000	-	-	336,890,297	3,336,890,297
Changes in accounting policy	-	-	-	-	-
Restated Balance	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-
Currency transaction difference	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-
Statutory reserve	-	-	-	-	-
Balance at 31 December 2019	3,000,000,000	-	-	336,890,297	3,336,890,297
Balance at 31 December 2018	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 2019

Particulars	Up to 01 Month BDT	1- 3 Months BDT	3-12 Months BDT	1- 5 Years BDT	More than 5 Years BDT	Total BDT
Assets:						
Cash in hand	-	-	-	-	-	-
Balance with Bangladesh Bank and Sonali Bank	-	-	-	-	-	-
Balance with other banks and financial institutions	243,699,562	-	-	-	-	243,699,562
Investments	2,420,209,807	-	-	-	-	2,420,209,807
Loans and advances	206,887,655	310,331,482	517,219,137	1,034,438,273	-	2,068,876,546
Fixed assets including premises, furniture and fixtures	-	-	-	-	5,804,891	5,804,891
Other assets	37,813,399	16,240	-	-	6,119,022	43,948,661
Non-banking assets	-	-	-	-	-	-
Total assets	2,908,610,423	310,347,722	517,219,137	1,034,438,273	11,923,913	4,782,539,467
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	1,568,285	-	-	-	-	1,568,285
Deposits	47,035,990	-	-	-	-	47,035,990
Other accounts	-	-	-	-	-	-
Provision and other liabilities	42,785,116	407,390,447	842,614,335	104,254,997	-	1,397,044,895
Total liabilities	91,389,391	407,390,447	842,614,335	104,254,997	-	1,445,649,170
Net liquidity gap	2,817,221,032	(97,042,725)	(325,395,199)	930,183,276	11,923,913	3,336,890,297

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

Trust Bank Investment Limited

Notes to the Financial Statements

As at and for the year ended 31 December 2019

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 (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), 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 IAS-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 through different S.R.O and circulars issued by the N.B.R.

2.4 Assets and basis of their valuation

2.4.1 Cash and cash equivalents

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

2.4.2 Investment

These are acquired and held primarily for the purpose of selling them in future or held for dividend income and reported at cost. Unrealized gains are not recognized in the Profit and Loss Account. Provision for diminution in value of investment is provided in the Financial Statements on those securities whose market price is below the cost of investment.

2.4.3 Loans and advances

Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as liability. Interest income is accounted for on accrual basis until the loans and advances are defined as Special Mention Account (SMA) or classified accounts as per Bangladesh Bank guidelines.

2.5 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per IAS-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 IFRS-15 "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 IAS-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 IAS-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 IAS-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 International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) 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 IAS and IFRS, details of which are given below:

Name of IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Date	10	Applied
Construction Contracts	Applied11	N/A
Income Taxes	12	Applied
Segment Reporting	14	Applied
Property, Plant and Equipment	16	Applied
Lease	17	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	Applied20	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	Applied 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
Investment Property	40	Applied
Agriculture	41	N/A
Name of IFRS	IFRS 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
Financial Instruments: Recognition and Measurement	9	Applied
Revenue	15	Applied
Lease	16	Applied**

** IFRS-16 become applicable from 1st January 2019 as adopted by ICAB. To keep in conformity with the Financial Statements of Trust Bank (Parent Company) the board of Trust Bank Investment Ltd decided not to adopt this standard during the financial year.

2.11 General

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

	2019 BDT	2018 BDT
3 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
In Bangladesh		
Special Notice Deposits		
Trust Bank Limited	243,699,562	212,799,024
	243,699,562	212,799,024
Outside Bangladesh	-	-
	243,699,562	212,799,024
3.1 Remaining maturity grouping of balance with other banks and financial institutions		
On demand	-	-
Upto 1 month	243,699,562	212,799,024
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	-	-
	243,699,562	212,799,024
4 INVESTMENTS		
Government Securities	-	-
Other Investments		
Ordinary Shares		
Quoted	2,420,209,807	2,235,506,945
Unquoted	-	-
	2,420,209,807	2,235,506,945
	2,420,209,807	2,235,506,945
4.1 Remaining maturity grouping of Investments		
On demand	-	-
Upto 1 month	2,420,209,807	2,235,506,945
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 1 Year	-	-
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	2,420,209,807	2,235,506,945
5 LOANS AND ADVANCES		
Loans and Advances		
Loan to Investors	2,068,876,546	2,077,444,889
	2,068,876,546	2,077,444,889
5.1 Residual maturity grouping of Loans and Advances		
Repayable on demand	-	-
Upto 1 month	2,068,876,546	2,077,444,889
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 1 Year	-	-
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	2,068,876,546	2,077,444,889

	2019 BDT	2018 BDT
5.2 Loans and Advances		
Inside Bangladesh		
Loans	2,068,876,546	2,077,444,889
Cash Credit	-	-
Overdraft	-	-
Bills purchased and discounted	-	-
	2,068,876,546	2,077,444,889
Outside Bangladesh	-	-
	2,068,876,546	2,077,444,889
5.3 Loans and Advances on the basis of significant concentration	-	-
5.3.1 Advances to Directors and Others		
Advance to Directors and their allied concerns	-	-
Advances to CEO and Senior Executives	-	-
Advances to Customers (Group wise)	-	-
Others Loan	2,068,876,546	2,077,444,889
	2,068,876,546	2,077,444,889
5.3.2 Geographical location-wise concentration of Loans and Advances		
Inside Bangladesh		
Dhaka Division	2,068,876,546	2,077,444,889
Chittagong Division	-	-
Khulna Division	-	-
Sylhet Division	-	-
Barisal Division	-	-
Rangpur Division	-	-
Rajshahi Division	-	-
	2,068,876,546	2,077,444,889
Outside Bangladesh	-	-
	2,068,876,546	2,077,444,889
5.4 Classification of Loans and Advances including Bills Purchased and Discounted		
a Unclassified Loans and Advances (including staff loan)	2,068,876,546	2,077,444,889
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	-	-
	-	-
	2,068,876,546	2,077,444,889
6 FIXED ASSETS		
Cost		
Furniture and fixtures	2,160,863	2,209,553
Office equipment	8,596,894	8,551,714
Office renovation	12,555,945	12,555,945
	23,313,702	23,317,212
Less: Accumulated depreciation	17,508,811	16,357,708
	5,804,891	6,959,504
For details please refer to Annexure - A		

		2019 BDT	2018 BDT
7	OTHER ASSETS		
i)	Stationery, stamps, printing materials in stock etc.;	24,239	12,820
ii)	Advance Rent and Advertisement	4,144,071	8,763,042
iv)	Security Deposits	222,992	222,992
ix)	Others	39,557,359	30,700,159
		43,948,661	39,699,013
7.1	Others		
	Deferred Tax Asset	1,751,959	1,746,099
	Brokers Account	-	70
	Sundry Debtors	37,805,400	28,953,990
		39,557,359	30,700,159
7.1.1	Deferred Tax Asset		
	Balance as on 01 January	1,746,099	1,765,412
	Addition during the year	5,860	(19,313)
	Closing Balance	1,751,959	1,746,099

Deferred tax has been calculated based on deductible / taxable temporary difference arising due to difference in the carrying amount of the assets / liabilities and its tax base in accordance with the provision of International Accounting Standards (IAS)- 12 : Income Taxes.

Particulars	Carrying Amount at December 31, 2019 Accounting Base	Carrying Amount at December 31, 2019 Tax Base	(Taxable)/ Deductible temporary difference
Property, plant and equipment	5,804,891	10,476,782	4,671,891
Total	5,804,891	10,476,782	4,671,891
Applicable Tax Rate			37.5%
Deferred tax asset as on December 31, 2019			1,751,959
Deferred tax asset as on December 31, 2018			1,746,099
Deferred tax assets accounted for during the year			5,860
7.2 Break-up of Other Assets			
Income generating other assets		-	-
Non income generating other asset		43,948,661	39,699,013
		43,948,661	39,699,013
8 BORROWINGS			
In Bangladesh			
Borrowing from Trust Bank Limited		1,568,285	3,017,269
		1,568,285	3,017,269
Outside Bangladesh			
		-	-
		1,568,285	3,017,269
8.1 Security wise borrowings			
Secured Borrowings		1,568,285	3,017,269
Unsecured Borrowings		-	-
		1,568,285	3,017,269

	2019 BDT	2018 BDT
8.2 Repayment nature wise borrowings		
Repayment on Demand	-	-
Others	1,568,285	3,017,269
	1,568,285	3,017,269
8.3 Remaining maturity grouping of Borrowings from other banks, financial institutions and agents		
Payable		
On demand	-	-
Upto 1 month	1,568,285	3,017,269
Over 1 month but within 3 months	-	-
Over 3 months but within 1 Year	-	-
Over 1 Year but within 5 Years	-	-
Over 5 Years	-	-
	1,568,285	3,017,269
9 DEPOSITS AND OTHER ACCOUNTS		
Current and Other Accounts	47,035,990	70,427,942
	47,035,990	70,427,942

9.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh	Banks	Other than Banks	Taka	Taka
Payable On demand	-	-	-	-
Upto 1 month	-	47,035,990	47,035,990	70,427,942
Over 1 month but within 3 months	-	-	-	-
Over 3 months but within 1 Year	-	-	-	-
Over 1 Year but within 5 Years	-	-	-	-
Over 5 Years	-	-	-	-
	-	47,035,990	47,035,990	70,427,942
Outside Bangladesh	-	-	-	-
Total	-	47,035,990	47,035,990	70,427,942

9.2 Unclaimed Deposits for 10 Years and Above

10 OTHER LIABILITIES

Provision for Loans and Advances	10.1	104,254,997	111,426,596
Provision for Investment	10.2	131,007,518	68,265,445
Interest Suspense Account	10.3	1,105,102,716	933,904,938
Provision for Income Tax Less Advance Income Tax	10.4	13,508,448	14,438,399
Accrued Expenses		429,000	1,091,949
Audit Fees Payable		115,000	115,000
Sundry Creditors		-	172,000
Others		42,627,216	32,659,540
		1,397,044,895	1,162,073,867

		2019 BDT	2018 BDT
10.1 Provision for Loans and Advances			
Specific Provision			
Against Classified Loans & Advances		-	-
General Provision			
Against Unclassified Loans & Advances	13.1.1	103,649,697	110,821,296
Against Special Mention Accounts		-	-
Against Off Balance Sheet Exposures		605,300	605,300
		<u>104,254,997</u>	<u>111,426,596</u>
		<u>104,254,997</u>	<u>111,426,596</u>
10.1.1 Against Unclassified Loans & Advances			
Provision held on 01 January		110,821,296	211,026,714
Provision made during the year		23,400,000	79,104,553
Provisions adjusted during the year		(30,571,599)	(179,309,971)
Provision held at end of year		<u>103,649,697</u>	<u>110,821,296</u>
10.2 Provision for Investment			
Provision held on 01 January		68,265,445	68,265,445
Provision made during the year		62,742,073	-
Provisions adjusted during the year		-	-
Provision held at end of year		<u>131,007,518</u>	<u>68,265,445</u>
10.2.1	As per BSEC circular# BSEC/SRI/Policy/3/2020/68 dated, 12 January 2020 Merchant Banks and Dealer Accounts are required to keep 7.69% provision for the unrealized loss on negative equity of client's marginal loan and Dealer Account in clients portfolio at the year ending as on December 31, 2019 and TBIL has Interest Suspense of Tk. 1,105,102,716 and Marginal Loan provision of Tk. 23,400,000 as on December 31, 2019 against negative equity of Tk. 1,347,722,522 as on December 31, 2019 and 12% provision made on unrealized loss on dealer account.		
10.3 Interest Suspense Account			
Provision held on 01 January		933,904,938	950,448,788
Provision made during the year		229,646,806	235,469,377
Provisions adjusted during the year		(58,449,028)	(252,013,227)
Provision held at end of year		<u>1,105,102,716</u>	<u>933,904,938</u>
10.4 Provision for Income Tax Less Advance Income Tax			
Provision for Income Tax			
Balance on 01 January		630,612,785	610,812,785
Provisions made during the year		17,396,000	19,800,000
Provision made for previous year(s)		-	-
Settlement for previous year(s)		-	-
		<u>648,008,785</u>	<u>630,612,785</u>
Less: Advance Income Tax			
Balance on 01 January		616,174,386	590,317,537
Paid during the year		18,325,951	25,856,849
Settlement for previous year(s)		-	-
		<u>634,500,337</u>	<u>616,174,386</u>
Net Closing Balance		<u>13,508,448</u>	<u>14,438,399</u>

2019
BDT2018
BDT

- 10.4.1 Provision for current tax of Tk. 17,396,000 has been made @ 37.50% on Business Income and @ 20% on Dividend Income and 10% on Capital Gain, of the accounting profit made by the Company during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984. See in (Annexure-C)

11 CAPITAL

11.1 Authorized Capital

50,000,000 Ordinary shares of Tk. 100 each Issued, Subscribed and Paid Up Capital

	-	-
	5,000,000,000	5,000,000,000

11.2 30,000,000 Ordinary Shares of Tk. 100 each issued for cash

	3,000,000,000	3,000,000,000
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11.3 Pattern of shareholdings

Name	Nos. of shares subscribed	BDT	BDT
Trust Bank Limited represented by General Aziz Ahmed , SBP, BSP, BGBM, PBGM, BGBMS, psc, G	29,999,993	2,999,999,300	2,999,999,300
Maj General Mohammad Humayun Kabir, OSP, SUP, rcds, psc	1	100	100
Brig General Md. Sayeed Siddiki BSP, awc, psc	-	NIL	100
Brig General Md. Golam Faruque SGP, SUP, nswc, afwc, psc	1	100	NIL
Mr. Ashrafuzzaman Khan	1	100	100
Mr. Shahedul Islam	1	100	100
Mr. Faruq Mainuddin Ahmed	1	100	100
Brig General Md Mehdi Hassan SGP, ndc, afwc, psc (Retd)	1	100	100
Monzur Morshed Khan	1	100	100
Total	30,000,000	3,000,000,000	3,000,000,000

11.4 Percentage of shareholdings at the closing date

Title	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%

2019
BDT2018
BDT**11.5 Shareholding Range on the basis of shareholdings as on 31 December 2019**

Share Holding			No. of Shares	No. of Shares	Percentage (%)
10	to	500	7	7	0%
501	to	5,000	0	-	0%
5,001	to	10,000	0	-	0%
10,001	to	20,000	0	-	0%
20,001	to	30,000	0	-	0%
30,001	to	40,000	0	-	0%
40,001	to	50,000	0	-	0%
50,001	to	100,000	0	-	0%
100,001	to	1,000,000	1	29,999,993	100%
1,000,001	and more		8	30,000,000	100%

12 RETAINED EARNINGS

Opening Balance	336,890,297	336,890,297
Adjustment of Deferred Tax	-	-
	336,890,297	336,890,297
Net Profit for the year transferred from Profit and Loss Account	-	-
Less: Issue of Bonus Share	-	-
Less: Transferred to Statutory Reserve	-	-
	-	-
Closing Balance	336,890,297	336,890,297

13 CONTINGENT LIABILITIES AND COMMITMENTS**13.1 Claims against the Company not acknowledged as debts**

Money for which the Company is contingently liable in respect of guarantee given favoring:

Directors	-	-
Government	-	-
Banks and other Financial Institution	-	-
Others	60,530,000	60,530,000
	60,530,000	60,530,000

14 INCOME STATEMENTS**Income:**

Interest/Profit, discount and similar income	33,933,092	49,147,632
Fees, commission and brokerage	553	-
Gains less losses arising from investment in securities	97,292,920	79,780,214
Other operating income	21,074,465	19,768,580
	152,301,030	148,696,426

Expenses:

Interest / profit paid on deposits, borrowings etc,	597	6,693
Administrative expenses	39,633,870	40,282,773
Other operating expenses	8,821,900	9,238,145
Depreciation on banking assets	312,450	244,949
	48,768,817	49,772,560
	103,532,213	98,923,866

	2019 BDT	2018 BDT
15 INTEREST INCOME		
Interest from Loans and Advances		
Interest on Other Loans	23,497,782	45,318,061
	23,497,782	45,318,061
Interest from Banks and Other Financial Institutions		
Interest on Special Notice Deposits	10,435,310	3,829,571
	10,435,310	3,829,571
	33,933,092	49,147,632

As of reporting date, an aggregate amount of Tk. 1,105,102,716 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.

16 INTEREST PAID ON DEPOSITS AND BORROWINGS		
Interest paid on deposits	-	-
Interest on TBIL Depositors Account	-	-
Interest paid on borrowings	597	6,693
Interest on Other Borrowings	597	6,693
	597	6,693
17 INCOME FROM INVESTMENTS		
Profit from sale of shares-Listed company	49,418,754	33,787,734
Dividend income-Listed company	47,874,166	45,992,480
	97,292,920	79,780,214
18 Commission on		
Introductory Commission	553	-
Manager to the Issue Commission	-	-
Underwriting Commission	-	-
	553	-
Foreign Currency Exchange Gain	-	-
	553	-
19 OTHER OPERATING INCOME		
Documentation Charges	35,550	45,700
Account Maintenance Fee	4,143,250	546,800
Port Folio Management Fees	7,691,998	9,358,558
Port Folio Transaction Fees	5,215,023	6,159,589
Other Service Charges	3,348,960	3,603,725
Miscellaneous Earnings	639,684	54,208
	21,074,465	19,768,580
20 Salaries and allowances		
Basic Salary	9,323,292	10,125,223
House Rent Allowances	4,661,646	5,062,611
Conveyance Allowances	631,185	686,042
Medical Allowances	1,893,556	2,058,127
Leave Fare Assistances	631,185	686,042

	2019 BDT	2018 BDT
Festival Bonus	1,743,720	1,802,020
Incentive Bonus	386,490	(1,027,451)
Employer's Contribution to Provident Fund	932,482	998,210
Employer's Contribution to Employees' Gratuity Fund	1,014,554	1,117,486
	21,218,110	21,508,310
21 RENT, TAXES, INSURANCE, ELECTRICITY, etc.		
Rent with car parking	12,718,950	13,105,879
Electricity and Air Condition	1,154,321	1,581,435
Insurance	33,067	49,658
Rates, Taxes & Excise Duty	211,500	87,500
Fees & Renewals	159,523	180,999
Gas/Water Bill, Fuel bill	268,965	228,547
	14,546,326	15,234,018
22 POSTAGE, STAMPS, TELECOMMUNICATION, etc.		
Stamp	2,131	3,888
Online Expenses	169,804	330,071
Courier Charge	13,952	15,496
Telegram, Telex, Telephone set, Mobile bill etc.	153,469	177,374
	339,356	526,829
23 STATIONERY, PRINTING, ADVERTISEMENT, etc.		
Printing and Stationery	249,537	233,205
Publicity and Advertisement	2,542	3,280
	252,079	236,485
24 DIRECTORS' FEES		
Meeting fees @ Taka 3,000 per Director	78,000	60,000
	78,000	60,000
25 Depreciation and repair of bank's assets		
Depreciation		
Fixed assets	1,179,711	1,239,141
For details please refer to Annexure - A		
Repairs		
Furniture and fixtures	21,250	1,300
Office equipment, computer accessories, repel elec light mate	102,200	55,549
Maintenance-software	189,000	188,100
	312,450	244,949
	1,492,161	1,484,090

	2019 BDT	2018 BDT
26 OTHER EXPENSES		
Travelling Expense-Local	18,120	4,200
Training Expense	5,000	17,500
Utility & Service Charge	537,444	130,977
Conveyance	77,783	81,004
Entertainment	198,946	206,527
Bank Charges	30,893	32,825
Car Expenses	547,747	703,200
News Paper and Magazine	26,793	28,165
Books and Periodicals	1,520	600
Other Contractual Service	5,133,075	5,768,904
Upkeep of Office Premises	367,152	297,376
Washing Charges	12,280	12,680
CDBL Charge	578,726	664,222
Purchase of Utensils	5,710	5,809
Wages paid to Temporary Employees	1,000	-
Subscription & Membership Fees	100,000	100,000
Write off Loan-For ASI	-	(54,985)
	7,642,189	7,999,004
27 PROVISION FOR LOANS AND ADVANCES		
Specific Provisions-against classified loans & advances	-	-
General Provisions-against un-classified loans & advances	23,400,000	79,104,553
General Provisions-against special mentioned accounts	-	-
	23,400,000	79,104,553
28 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	62,742,073	-
- Unquoted	-	-
	62,742,073	-
	62,742,073	-
Provision for Investment in Share has been made as per DFIM Circular No. 11 dated 23 December 2009 issued by Bangladesh Bank.		
29 OTHER PROVISION		
General Provision for Off Balance Sheet Exposures	-	-
Provision for Other Assets	-	-
	-	-

	2019 BDT	2018 BDT
30 Share Outstanding before right issue		
Share Outstanding as on 01 January	30,000,000	30,000,000
Issue of Bonus Share	-	-
	30,000,000	30,000,000
Earning per Share	-	-

The company maintain provision for investment and loan & advance against unrealised loss as per BSEC circular BSEC/SRI/Policy/3/2020/68 dated, 12 January 2020. As a result the company does not have any earning per share for the current year.

31 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES		
Documentation Charge	35,550	45,700
Account Maintenance Fee	4,143,250	546,800
Port Folio Management Fees	7,691,998	9,358,558
Port Folio Transaction Fees	5,215,023	6,159,589
Other Service Charge	3,348,960	3,603,725
Income from Investment	97,292,920	79,780,214
Miscellaneous Earnings	639,684	54,208
	118,367,385	99,548,794
32 Payments for other operating activities (item-wise)		
Travelling Expense	(18,120)	(4,200)
Training Expense	(5,000)	(17,500)
Utility & Service Charge	(537,444)	(130,977)
Conveyance	(77,783)	(81,004)
Entertainment	(198,946)	(206,527)
Bank charges	(30,893)	(32,825)
Car Expenses	(547,747)	(703,200)
News Paper and Periodicals	(26,793)	(28,165)
Books and Periodicals	(1,520)	(600)
Other Contractual Service	(5,133,075)	(5,768,904)
Up Keep of Office Premises	(367,152)	(297,376)
Washing Charges	(12,280)	(12,680)
CDBL Charge	(578,726)	(664,222)
Purchase of Utensils	(5,710)	(5,809)
Publicity and Advertisement	(2,542)	(3,280)
Rent, Taxes, Insurance, Lighting etc.	(14,546,326)	(15,234,018)
Postage, Telegram, Telephone	(339,356)	(526,829)
Audit Fee	(115,000)	(115,000)
Legal Expense	(546,779)	(149,691)
Directors Fees	(78,000)	(60,000)
Repairs and maintenance of Fixed Assets	(312,450)	(244,949)
Subscription & Membership Fees	(100,000)	(100,000)
Write off Loan-For ASI	-	(659,052)
	(23,582,642)	(25,046,808)

	2019 BDT	2018 BDT
33 CHANGES IN OTHER OPERATING ASSETS		
Security Deposits	-	-
Advance Rent	4,618,971	4,618,971
ASI Block	-	105,467
ASI Waiver	-	714,037
Others	(8,851,340)	6,516,385
	(4,232,369)	11,954,860
34 CHANGES IN OTHER LIABILITIES		
Interest Suspense Account	140,626,179	(195,853,821)
Sundry Creditors	(172,000)	(2,544,798)
Accrued Expense	(662,949)	(1,495,511)
Others	9,967,676	14,042,523
	149,758,906	(185,851,607)
35 CLOSING CASH AND CASH EQUIVALENT		
Balance with Other Bank and Financial Institutions	243,699,562	212,799,024
	243,699,562	212,799,024

36 EXPENDITURE INCURRED FOR EMPLOYEES

Salaries, allowances and benefits

Number of employees at 31 December 2019 was 17; (31 December 2018 was 21) 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.

37 AUDIT COMMITTEE

Since the Company started its operation on 14 November 2010, the Board of Directors of the Company yet to form any Audit Committee as on reporting date.

38 FINANCIAL HIGHLIGHTS

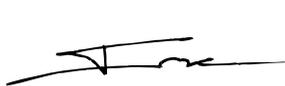
"As per DFIM Circular # 11, dated 23 December 2009, Financial Highlights of the Company for the year ended on" 31 December 2019 has been shown in Annexure - B.

39 RELATED PARTY DISCLOSURES

a) Name of Directors and their interest in different Entities as on 31 December 2019

Sl.	Name	Status	Entities where they have interest	% of interest
1	Gen Aziz Ahmed, SBP, BSP, BGBM, PBGM, BGBMS, psc, G	Chairman (Representing Trust Bank Limited.)	1 Sena Kalyan Sangstha, Chairman	Nominated
			2 Sena Hotel Developments Ltd., Chairman	Nominated
			3 Bangladesh Machine Tools Factory Ltd., Chairman	Nominated
			4 Army Welfare Trust, Chairman	Nominated
			5 Trust Bank Limited, Chairman	Nominated
			6 Military Institute of Science & Technology, Vice Chairman	Nominated
			7 Council of the College, Armed Forces Medical College, Chairman	Nominated
			8 Sena Paribar Kalyan Samiti, Chief Patron	Nominated
			9 Advisory Committee of Proyash, President	Nominated
			10 National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman	Nominated
			11 Bangladesh Golf Federation, President	Nominated
			12 Kurmitola Golf Club, President	Nominated
			13 Defence Officers Housing Scheme Committee, Chairman	Nominated
			14 BAIUST Comilla/BAUET Quadirabad/BAUST Saidpur, Chairman	Nominated
			15 Bangladesh Diesel Plant Ltd., Chairman	Nominated
			16 Jolshiri Abashon Project, President	Nominated
			17 Bangladesh Olympic Association, President	Nominated
			18 Bangladesh Amateur Boxing Federation, President	Nominated
2	Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	Vice Chairman (Shareholder as well as Director nominated by Trust Bank Ltd.)	1 Sena Kalyan Sangstha, Chairman, Management Committee	Nominated
			2 Sena Hotel Developments Ltd., Vice Chairman	Nominated
			3 Army Welfare Trust, Vice Chairman	Nominated
			4 Army Housing Scheme, Chairman	Nominated
			5 Trust Bank Limited, Vice Chairman	Nominated
			6 Trust Technical Training Institute, Chairman	Nominated
			7 Governing Bodies of Cadet Colleges, Chairman	Nominated
			8 Trust Bank Securities Limited, Chairman, Board of Directors	Nominated
3	Mr. Ashrafuzzaman Khan	Shareholder as well as Independent Director (Nominated by Trust Bank Ltd.)	1 Trust Bank Limited, Independent Director	-
			2 Trust Bank Securities Limited, Independent Director	Nominated
			3 Executive Attire Limited, Chairman	50.00%
4	Mr. Shahedul Islam	Shareholder as well as Director (Nominated by Trust Bank Ltd.)	1 Trust Bank Limited, Independent Director	--
			2 Bengal Pacific (Pvt.) Ltd., Managing Director	35.55%
			3 Bengal Braided Rugs Limited, Managing Director	47.50%
			4 Promises Medical Ltd., Chairman	11.00%
			5 Desh General Insurance Company Limited, Independent Director	--
5	Brig Gen Md. Mehdi Hassan, SGP, ndc, afwc, psc (Retd.)	Shareholder as well as Director (Nominated by Trust Bank Ltd.)	1 Trust Bank Securities Limited, Director	Nominated
			2 Trust Bank Limited, Senior Executive Vice President	Service
6	Brig Gen Md. Golam Faruque, SGP, SUP, nswc, afwc, psc	Shareholder as well as Director (Nominated by Trust Bank Ltd.)	1 Army Welfare Trust, Managing Director	Nominated
			2 Sena Hotel Developments Limited, Director, Board of Directors	Nominated
			3 Trust Technical Training Institute, Director, Board of Directors	Nominated
			4 Army Housing Scheme, Managing Director	Nominated
			5 Trust Transport Services, Chairman	Nominated
			6 Trust Bank Limited, Director	Nominated
7	Mr. Faruq Mainuddin Ahmed	Shareholder as well as Director (Nominated by Trust Bank Ltd.)	1 Trust Bank Limited, Managing Director & CEO	Service
			2 Trust Bank Securities Limited, Director	Nominated
8	Mr. Monzur Morshed Khan	Shareholder as well as Managing Director & CEO	1 Service	SAVP

- b) Significant contracts where Company is a party and wherein Directors have interest: Nil
- c) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil
- d) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act - 1991: Not applicable
- e) Investments in the Securities of Directors and their related concern: Not applicable



Vice Chairman



Director



Director



Managing Director

Schedule of Fixed Assets

As at 31 December 2019

PARTICULARS	COST			Rate of Depreciation	DEPRECIATION				Written down value 31 December 2019
	Balance on 1 January 2019	Additions during the year	Disposal/ adjustment during the year		Balance at 31 December 2019	Charge for the year	Disposal/ adjustment during the year	Balance at 31 December 2019	
	BDT	BDT	BDT		BDT	BDT	BDT	BDT	BDT
Furniture and Fixtures	2,209,553	-	48,690	10%	1,251,624	94,241	28,608	1,317,257	843,606
Office Equipment	8,551,714	45,180	-	20%	7,498,611	491,655	-	7,990,266	606,628
Office Renovation	12,555,945	-	-	12%	7,607,473	593,815	-	8,201,288	4,354,657
31 December 2019	23,317,212	45,180	48,690		16,357,708	1,179,711	28,608	17,508,811	5,804,891
31 December 2018	22,963,842	353,370	-		15,118,567	1,239,141	-	16,357,708	6,959,504

Annexure - B

SI No	Particulars	Base	2019	2018
1	Paid up Capital	BDT	3,000,000,000	3,000,000,000
2	Total Capital	BDT	3,336,890,297	3,336,890,297
3	Total Assets	BDT	4,782,539,467	4,572,409,375
4	Total Deposits	BDT	47,035,990	70,427,942
5	Total Loans and Advances	BDT	2,068,876,546	2,077,444,889
6	Credit Deposit Ratio	%	4,398.50	2,949.75
7	Profit after tax and provision	BDT	-	-
8	Provisions kept against classified loan	BDT	-	-
9	Cost of fund (Deposit Cost & Administrative Cost)	%	-	-
10	Interest earning Assets	BDT	4,732,785,915	4,525,750,858
11	Non-interest earning Assets	BDT	49,753,552	46,658,517
12	Return on Investment (ROI)	%	-	-
13	Return on Asset (ROA)	%	-	-
14	Income from Investment	BDT	97,292,920	79,780,214
15	Earning per Share	BDT	-	-
16	Net income per Share	BDT	-	-
17	Price Earning Ratio	%	-	-
18	Operating Profit	BDT	103,532,213	98,923,866
19	Pre tax Profit	BDT	103,532,213	98,923,866
20	Post Tax Profit	BDT	86,142,073	79,104,553
21	CSR	BDT	-	-
22	Net Asset Value (NAV)	BDT	3,336,890,297	3,336,890,297
23	NAV Per Share	BDT	111.23	111.23



Independent Auditor's Report
To the Shareholders
of
Trust Bank Securities Limited

Independent Auditor's Report To the Shareholders of Trust Bank Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Trust Bank Securities Limited which comprise the Statement of Financial Position as at 31 December 2019 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements of the company give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 1 to 27.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Please refer to Annexure 1 for Key Audit Matters (KAM)

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 1 to 27, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Financial Institutions Act, 1993 and the rules and regulations issued by Bangladesh Bank, we also 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

- (iv) the expenditures incurred were for the purpose of the Company's business for the year;
- (v) the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- (vi) nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- (vii) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- (viii) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 256 person hours for the audit of the books and accounts of the Company;
- (ix) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.



Engagement Partner
M I Chowdhury & Co
Chartered Accountants

Annexure 1

Key Audit Matters (KAM)

Key Audit Matters (KAM)	Our response to the risk
i. Revaluation of PPE	
<p>The company (TBSL) did not revalue their any class of Property Plant Equipment (PPE) for previous years.</p> <p>We found in class of Office Equipment some items are being carrying at Tk. 0 (zero) value for the year 2019 and 2018.</p>	<p>As per IFRS, the company should revalue their all class of PPE at least once within two years. Assets carrying in 0 (zero) value may have overlooked in case of physically inventory and determining audit materiality and risk assessment. There would be lack of control and chance of misappropriation of the assets that are being carrying at 0 (zero) value.</p>
See note 02 to the financials and Annexure-A.	
ii. Membership of DSE	
<p>The Company reports Membership of DSE at cost BDT 241,290,000/</p>	<p>This represents total cost and other expenses of 1 nos. membership of DSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Security Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange (DSE) allotted total 72,15,106 nos. ordinary Shares at face value of Tk.10.00 each against the membership of DSE and out of the above DSE transferred 2,886,042 nos. shares directly to the credit of the Beneficiary Owner's account of the company. The rest of the shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013.</p> <p>But in 2018 Share Purchase Agreement(SPA) executed between Dhaka Stock Exchange and its strategic investor namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange(SSE). In this connection DSE completed the sale of 25% DSE shares to SZSE & SSE. Subsequently the Board of Directors of DSE in its 907th meeting held on September 04, 2018 approved the transfer of said 25% DSE Shares . The Calculation of sale proceeds of 25% is follows: Total no. of Shares 72,15,106 and Sale 25% of 72,15,106 is 18,03,777. After Sales Process the rest shares stand 54,11,329.</p>
See note 03 to the financials	
iii. Measurement of deferred tax assets	
<p>The Company reports net deferred tax assets to totaling BDT 59,393 as at 31 December 2019. Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of DTAs and the assumption used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. We involved tax specialists to assess key assumptions, controls, recognition measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax</p>
See note no1.15 and 04 to the financials	

TRUST BANK SECURITIES LIMITED
Statement of Financial Position
as at 31st December 2019

	Notes	2019 Amount in BDT	2018 Amount in BDT
ASSETS			
Non-Current Assets:			
		242,797,609	242,374,012
Property, plant & equipment (carrying value)	2	1,448,217	924,520
Membership of DSE at Cost	3	241,290,000	241,290,000
Deferred Tax Assets	4	59,392	159,492
Current Assets:			
		135,149,918	189,260,622
Advances, Deposits and Prepayments	5	205,000	4,000,007
Trade and Other Receivables	6	-	10,969
Receivables from Dhaka Stock Exchange	7	-	56,283,484
Other Current Assets	8	7,575,182	23,026,194
Investment in Marketable Securities (at cost) :	9	44,778,968	
Short Term Investment	10	27,500,000	27,500,000
Cash & Cash Equivalents	11	55,090,768	78,439,968
TOTAL ASSETS		377,947,527	431,634,634
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholder's Equity:			
		352,165,583	347,071,537
Ordinary Share Capital	12	350,000,000	350,000,000
Retained Earnings		2,165,583	(2,928,463)
Fair Valuation Surplus/ (Deficit) of Investment		-	-
Current Liabilities:			
		25,781,944	84,563,097
Trade and Other Payables	13	17,080,145	76,565,165
Payables to Dhaka Stock Exchange	14	90,304	-
Provision for Expenses	15	1,465,071	1,086,904
Short Term Loan	16	(28)	(28)
Other Liabilities	17	7,146,452	6,911,056
Total liabilities		25,781,944	84,563,097
Total equity and liabilities:		377,947,527	431,634,634

* Figures have been rounded off to the nearest taka.

* The annexed notes 2 to 27 form an integral part of these Financial Statements.


Vice Chairman


Director


Director


Managing Director

As per our annexed report of same date.


M I Chowdhury & Co.
Chartered Accountants

TRUST BANK SECURITIES LIMITED
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31st December 2019

Particulars	Notes	2019 Amount in BDT	2018 Amount in BDT
Revenue	18	17,907,561	(21,547,970)
Less: Cost of Services	19	1,563,346	1,377,563
GROSS PROFIT		16,344,215	(22,925,533)
Other Non -operational Income	20	10,057,343	14,189,320
Less: Operating Expenses	21	14,881,579	14,476,787
PROFIT/(LOSS) BEFORE TAX		11,519,979	(23,213,000)
Income Tax Expenses		(6,425,933)	(5,543,666)
Current Tax Expenses	22	(6,325,831)	(5,467,074)
Deferred Tax (Income)/Expense		(100,102)	(76,592)
NET PROFIT/ (LOSS) AFTER TAX FOR THE YEAR		5,094,046	(28,756,666)
Other Comprehensive Income		-	-
Fair valuation surplus/ (Deficit) of Investment		-	-
Other Provision		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,094,046	(28,756,666)

* Figures have been rounded off to the nearest taka.

* The annexed notes 2 to 27 form an integral part of these Financial Statements.


Vice Chairman


Director


Director


Managing Director

As per our annexed report of same date.


M I Chowdhury & Co.
Chartered Accountants

TRUST BANK SECURITIES LIMITED
Statement of Changes in Equity
for the year ended 31st December 2019

Particulars	Share Capital	Fair valuation surplus/ deficit of investment	Retained Earning	Total
Balance at 01 January 2019	350,000,000	-	(2,928,463)	347,071,537
Total Comprehensive Income 2019	-	-	5,094,046	5,094,046
Gain/ (Loss) on fair valuation of income	-	-	-	-
Balance at 31 December 2019	350,000,000	-	2,165,583	352,165,583

TRUST BANK SECURITIES LIMITED
Statement of Changes in Equity
for the year ended 31st December 2018

Particulars	Share Capital	Fair valuation surplus/ deficit of investment	Retained Earning	Total
Balance at 01 January 2018	350,000,000	-	25,828,203	375,828,203
Total Comprehensive Income 2018	-	-	(28,756,666)	(28,756,666)
Gain/ (Loss) on fair valuation of income	-	-	-	-
Balance at 31 December 2018	350,000,000	-	(2,928,463)	347,071,537


Vice Chairman


Director


Director


Managing Director

Trust Bank Securities Limited
Statement of Cash Flows
For the year ended 31st December, 2019

	Notes	2019 Amount in BDT	2018 Amount in BDT
A) Cash Flows from Operating Activities			
Cash Generated from Operations before changes in operating Assets and Liabilities		3,878,220	(30,475,501)
Income Taxes paid		(5,587,336)	(5,558,855)
Dividend receipts		3,474,399	10,101,519
Received from operating activities	23	21,859,538	(19,772,864)
Payments of operating activities	24	(15,868,381)	(15,245,301)
		(28,985,230)	49,810,313
Increase/(Decrease) in Operating Assets & Liabilities			
Others assets	25	30,294,919	14,664,674
Other liabilities	26	(59,280,149)	35,145,639
		(28,985,230)	49,810,313
Net Cash Generated from Operating Activities (A)		(25,107,010)	19,334,812
B) Cash Flows from Investing Activities			
		1,757,810	1,742,225
Purchase of property, plant & equipment		(873,157)	(570,470)
Short Term Investment		-	-
Received from FDR	27	2,630,967	2,312,695
		1,757,810	1,742,225
Net Cash from/ (used in) Investing Activities (B)		1,757,810	1,742,225
C) Cash Flows from Financing Activities			
		-	(2,554)
Proceeds from loan		-	(2,554)
Net Cash from Financing Activities (C)		-	(2,554)
D) Net increase in Cash and Cash Equivalent (A+B+C)		(23,349,200)	21,074,483
E) Opening Cash and Cash Equivalent		78,439,968	57,365,485
F) Cash and Cash Equivalents at end of year (D+E)		55,090,768	78,439,968


Vice Chairman

Managing Director


Director


Director

TRUST BANK SECURITISE LIMITED

Notes to the Financial Statements

For the year ended 31st December 2019

1.0 Company and its activities

1.1 Legal Status of the Company

Trust Bank Securities Limited (hereinafter referred to as “the Company”) was incorporated on 7th February 2013 as a Private Limited Company bearing registration no. C-107267/13 under the Companies Act, 1994. The registered office of the company is located at 28, North Kafrul, Dhaka Cantonment, Dhaka-1206. The Company has an authorized share capital of Tk. 2,000,000,000 (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 Principal Activities of the Company

The principal activities of the company are to act as a member of Dhaka Stock Exchanges Ltd. to carry on the business of brokers or dealers in stocks, shares and securities, commercial papers, bonds, debentures, debentures stocks, The company has one branches in Bangladesh namely Dhaka-Dilkusha Branch,

1.3 Basis of Preparation and Significant Accounting Policies

Components of the financial statements:

The financial statements referred to comprise here:

- a) Statement of Financial Position;
- b) Statement of Profit or Loss and Other Comprehensive Income;
- c) Statement of Changes in Equity;
- d) Statement of Cash Flows; and
- e) Notes to the Financial Statements.

1.4 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) as adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994 and other laws and rules applicable in Bangladesh.

1.5 Statement of Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for statement of cash flows in accordance with the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987, the Listing Rules of Dhaka and International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as International Financial Reporting Standards (IFRS's) including International Accounting Standards (IASs) and other applicable laws and regulations.

1.6 Basis of Measurement

The financial statements have been prepared based on historical cost convention basis, except Investment for Membership in Dhaka Stock Exchange and which have been re-measured at fair value. No adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

1.7 Date of Authorization

The Board of Directors accorded its approval and authorized these financial statements on 09 July 2020.

1.8 Presentation and Functional Currency and Level of Precision

The financial statements have been presented in Bangladesh Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer.

1.9 Uses of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provision and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- The Company has a legal or constructive obligation as a result of past event.
- It is probable that an outflow of economic benefit will be required to settle the obligation.
- A reliable estimate can be made for the amount of the obligation.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

1.10 Going Concern

The Company has adequate resources to continue its operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations to continue.

1.11 Materiality and Aggregation

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

1.12 Property, Plant and Equipment

Fixed assets are stated at cost less accumulated depreciation as per IAS-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, Furniture (Res.) and motor vehicle where straight-line method is applied. Depreciation rates have mentioned below:

Building	2.50%
Furniture & Fixture - Office	10.00%
Furniture & Fixture -Residence	20.00%
Office Equipment	20.00%
Decoration & Renovation	12.00%
Motor Vehicles	20.00%

1.13 Investments in Securities

Investment in quoted shares and unquoted shares are initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at market price at the reporting date. Unrealized gain and loss has been recognized in Other Comprehensive Income.

1.14 Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial institutions and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

Cash flow statement has been prepared in accordance with the International Accounting Standard (IAS) 7, "Cash flow statement" under direct method.

1.15 Provision for Tax

Current tax

Provision for current tax is made in accordance with the provision of Income Tax Ordinance, 1984 and subsequent amendments made thereto from time to time.

Deferred Tax

Deferred Tax is calculated as per International Accounting Standard (IAS) 12 "Income Tax". Deferred Tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred Tax liabilities are recognized for all taxable temporary differences. Deferred Tax assets are generally recognized for all deductible temporary differences.

Deferred Tax is measured at the tax rate that is expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

1.16 Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise the revenue during the year and in accordance with the International Accounting Standard (IAS) 18 "Revenue Recognition"

Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

Interest Income from margin loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

Dividend income and profit/(loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when share are sold in the market and profit is realized or loss is incurred.

1.17 Related Party Disclosure

As per International Accounting Standard (IAS) -24 "Related Party disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. (Details shown in ANNEXURE-B)

1.18 Application of International Accounting Standards (IASs)

The Financial Statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	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 Rates	21	N/A
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	N/A
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyper-inflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied
Earnings per share	33	N/A
Interim Financial Reporting	34	N/A
Impairment of Assets	36	N/A
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	N/A
Financial Instruments: Disclosures	IFRS-7	Applied
Financial Instruments	IFRS-9	Applied

1.19 Comparative

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

1.20 Reporting Period

The financial period of the company covers the fiscal year from 01 January 2019 to 31 December 2019.

1.21 Director's Responsibility Statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements as per section 183 of companies Act 1994.

02. PROPERTY, PLANT AND EQUIPMENT: Tk. 1,448,217

Details of Property, Plant and Equipment and Depreciation as at 31 December, 2019 are shown in the Annexure -A.

This is arrived at as follows:

Opening balance (At cost)

Add: Adjustment for revaluation/ Surplus

Add: Addition during the year

Less: Disposal/adjustment during the year

Closing Balance (At cost)

Accumulated depreciation :

Year end Accumulated balance

Add: Charged during the year

Carrying Value

	2019 Amount in BDT	2018 Amount in BDT
Opening balance (At cost)	3,732,552	3,162,082
Add: Adjustment for revaluation/ Surplus	-	-
Add: Addition during the year	873,157	570,470
Less: Disposal/adjustment during the year	-	-
Closing Balance (At cost)	4,605,709	3,732,552
Accumulated depreciation :		
Year end Accumulated balance	2,808,032	2,198,983
Add: Charged during the year	349,460	609,049
	3,157,492	2,808,032
Carrying Value	1,448,217	924,520
03. MEMBERSHIP OF DSE AT COST: Tk. 241,290,000		
Shares in DSE	241,290,000	241,290,000
	241,290,000	241,290,000

This represents total cost and other expenses of 1 nos membership of DSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Security Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange (DSE) allotted total 72,15,106 nos ordinary Shares at face value of Tk.10.00 each against the membership of DSE and out of the above DSE transferred 2,886,042 nos shares directly to the credit of the Beneficiary Owner's account of the company. The rest of the shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013. But in 2018 Share Purchase Agreement(SPA) executed between Dhaka Stock Exchange and its strategic investor namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange(SSE). In this connection DSE completed the sale of 25% DSE shares to SZSE & SSE. Subsequently the Board of Directors of DSE in its 907th meeting held on September 04, 2018 approved the transfer of said 25% DSE Shares . The Calculation of sale proceeds of 25% is follows : Total no. of Shares 72,15,106 and Sale 25% of 72,15,106 is 18,03,777. After Sales Process the rest shares stand 54,11,329.

04. DEFERRED TAX ASSETS: Tk. (59,224)

The tax effect of temporary differences as per IAS 12 that resulted in deferred tax assets or liabilities:

Carrying Amount as on balance sheet date (Note 2)

Less: Tax base as on balance sheet date

Deductible temporary difference

Deferred tax assets (35% on taxable temporary deferece)

Deferred tax assets (10% on diminution in value of Investment)

Deferred tax Assets

Carrying Amount as on balance sheet date (Note 2)	1,448,217	924,520
Less: Tax base as on balance sheet date	1,617,909	1,380,212
Deductible temporary difference	(169,692)	(455,692)
Deferred tax assets (35% on taxable temporary deferece)	(59,392)	(159,492)
Deferred tax assets (10% on diminution in value of Investment)	-	-
Deferred tax Assets	(59,392)	(159,494)

	2019 Amount in BDT	2018 Amount in BDT
05. ADVANCES, DEPOSITS & PREPAYMENTS: Tk. 205,000		
Pre-Paid Exp.	-	60,372
Application for IPO	-	3,634,635
Total	-	3,695,007
Deposits		
Refundable security deposit-Mohakhali Branch Rent	-	100,000
Refundable security deposit-CDBL	200,000	200,000
Refundable security deposit & BTCL	5,000	5,000
Total	205,000	305,000
	205,000	4,000,007
06. TRADE & OTHERS RECEIVABLE: Tk. 00		
Receivable from clients (balance as at 31 December, 2018)	-	10,969
	-	10,969
07. RECEIVABLES FROM DSE: Tk. 00		
Receivables from DSE	-	56,283,484
	-	56,283,484
08. OTHER CURRENT ASSETS: Tk. 7,575,182		
Advance Income Tax	4,072,663	4,539,245
Interest Receivable on FDR	-	-
Dividend receivable	3,502,519	2,882,841
	7,575,182	7,422,086
09. Investment in Marketable Securities (at cost) :Tk. 44,778,968		
Opening balance	15,604,108	
Add: Addition during the year		
IPO 6,110,765.00		
Secondary Market 37,692,920.00	43,803,685	
Stock Available for Sale (at cost)	59,407,793	
Less: Sales during the year (at cost)		
Sales at market price 16,959,919.00		
Realized Gain/(Loos) 2,290,104.00		
Commission (Laga & Tax) 40,990.00	14,628,825	
Closing Balance	44,778,968	15,604,108
10. SHORT TERM INVESTMENT: Tk. 27,500,000		
FDR with Delta Housing Finance Corporation Ltd.	27,500,000	27,500,000
	27,500,000	27,500,000
11. CASH & CASH EQUIVALENTS: Tk. 55,090,768		
Cash at Other Institution	-	-
Cash at bank 11.1	55,090,768	78,439,968
	55,090,768	78,439,968

	2019 Amount in BDT	2018 Amount in BDT
11.1 CASH AT BANK: Tk. 55,090,768		
Trust Bank Limited. C/D A/C-00170210011174	378,270	281,325
Pubali Bank Limited. SND, A/C-2982102000367	2,422	4,055
Trust Bank Limited. SND A/C-00170320001306	5,377,163	2,293,689
Trust Bank Limited, SND IPO-00410320000343	314,327	627,366
One Bank Limited . SND, A/C-001300000707	34,411,106	51,456,019
Standard Chartered Bank, SND, A/C-01-1184109-01	-	-
One Bank Limited (CCA), SND, A/C-0013000001732	14,607,480	23,777,514
	55,090,768	78,439,968
12. ORDINARY SHARE CAPITAL: Tk. 350,000,000		
Authorized share capital: 200,000,000 shares of Taka 10 each	2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital : 35,000,000 ordinary shares of Tk. 10 each	350,000,000	350,000,000
13. TRADE & OTHER PAYABLES: Tk. 17,080,145		
Deposits of clients	17,080,145	76,565,165
	17,080,145	76,565,165
14 PAYABLES TO DHAKA STOCK EXCHANGE: Tk. 90,304		
Payable to DSE	90,304	-
	90,304	-
15. PROVISION FOR EXPENSES: Tk. 1,465,071		
Provision for audit fees	57,500	57,500
Provision for online & others	1,146,037	269,575
Provision for other contractual service	-	-
Provision for CDBL Charges	34,450	75,864
Provision for Incentive Bonus	227,084	683,965
	1,465,071	1,086,904
16. SHORT TERM LOAN: Tk. (28)		
TBSL OD A/C No.-00170136000120	(28)	(28)
Loan from DBH Deposit No.-710008218	-	-
Loan from DBH Deposit No.-7100021760	-	-
	(28)	(28)
17. OTHER LIABILITIES: Tk. 7,146,452		
TDS Payable	53,835	48,304
VAT Payable	18,489	18,208
Provident Fund contribution (Both)	329,308	153,480
Hospitalization Benefit Fund	7,600	62,132
Gratuity Fund	453,064	301,688
IPO Application	10,000	325,000
Other Provision	6,274,156	6,002,244
	7,146,452	6,911,056

		2019 Amount in BDT	2018 Amount in BDT
17.01 OTHER PROVISION: Tk. 6,274,156			
Other Liabilities to TBL		-	-
Provision for Income Tax		6,274,156	6,002,244
Provision for Investment		-	-
		6,274,156	6,002,244
18. REVENUE: Tk. 17,907,561			
Brokerage Commission (DSE)		15,538,032	14,749,816
Realized Gain/(Loss) on Share		2,283,339	(36,418,336)
BO Account Opening		21,450	63,500
BO Renewal Income		60,350	50,650
IPO-Commission		4,390	6,400
		17,907,561	(21,547,970)
19. COST OF SERVICE: Tk. 1,563,471			
Laga Charge		1,353,763	1,265,268
CDBL Charge		209,583	112,295
		1,563,346	1,377,563
20. OTHER NON-OPERATIONAL INCOME: Tk. 10,057,343			
Interest on Margin Loan		-	1
Interest From Bank		3,950,977	1,774,605
Interest from FDR		2,630,967	2,312,695
Cheque Dishonour		1,000	500
Dividend Income from Other		768,735	180,684
Dividend Income		2,705,664	9,920,835
		10,057,343	14,189,320
21. OPERATING EXPENCES : Tk. 14,881,579			
Salaries and Allowance	21.10	9,603,004	9,613,277
Rent, Taxes, Insurance, Electricity	21.20	2,072,966	1,744,452
Legal Expenses	21.30	111,135	66,544
Postage, Stamps Telecommunications	21.40	388,671	249,954
Stationary,Printing, Advertisement	21.50	178,688	125,167
Board Meeting Attendance Fees	21.60	78,000	111,000
Auditor's Fees	21.70	57,500	57,500
Deprciation, Amortization and Repair & Maintenance	21.80	505,522	813,428
Other Expenses	21.90	1,886,093	1,695,465
		14,881,579	14,476,787
21.1 SALARIES AND ALLOWANCE: Tk. 9,603,004			
Basic Salary		3,848,314	3,720,772
House Rent Allowance		1,939,683	1,860,386
Conveyance Allowance		255,548	249,454
Medical Allowance		938,723	920,444
Leave Fare Assistance		370,268	364,174
Festival Bonus		693,541	705,656
Incentive Bonus		227,084	683,965
Leave and Cashment		6,147	-
Hospitalization Expenses		102,568	-
Employer's Contribution to Provident Fund		374,460	296,520
Employer's Contribution to Gratuity Fund		846,668	811,906
		9,603,004	9,613,277

	2019 Amount in BDT	2018 Amount in BDT
21.2. RENT, TAXES, INSURANCE, ELECTRICITY : Tk. 2,072,966		
Office Rent	217,800	207,900
Service charges	426,240	426,240
Office Rent-Corporate	500,940	535,095
Office Rent-Mohakali	442,750	167,000
Electricity & Generator Fuel	259,100	229,223
Service Charges-Mohakhali	58,750	10,000
Fees, Renewal & Subscription	160,582	86,594
Renewal (Stock DLR, Broker, CDBL)	-	74,600
Insurance premium	6,804	7,800
	2,072,966	1,744,452
21.3 LEGAL EXPENSES: Tk. 111,135		
Legal Expenses	111,135	66,544
	111,135	66,544
21.4 POSTAGE, STAMPS TELECOMMUNICATIONS : Tk. 388,671		
Telephone Expenses	9,037	12,048
Mobile	24,153	30,542
Stamp Charges	660	11,455
Postage & Courier	100	70
Internet & Online Charges	354,721	195,839
	388,671	249,954
21.5 STATIONARY,PRINTING, ADVERTISEMENT : Tk. 178,688		
Stationery, Printing, Advertisement .	178,688	125,167
	178,688	125,167
21.6 BOARD MEETING ATTENDANCE FEES: Tk. 78,000		
Board Meeting Attendance Fees	78,000	111,000
	78,000	111,000
21.7 AUDITOR'S FEES: Tk. 57,500		
Auditor's Fees	57,500	57,500
	57,500	57,500
21.8 DEPRCIATION, AMORTIZATION AND REPAIR & MAINTENANCE: Tk. 505,522		
Depreciation of PPE	349,460	609,049
Amortization of Intangible Assets	-	-
Repair & Maintenance	156,062	204,379
	505,522	813,428
21.9 OTER EXPENSES: Tk. 1,886,093		
Entertainment	69,820	67,997
Travelling Expenses	12,980	16,240
Local Conveyance	22,000	-
Other Contractual Service	923,060	805,520
Repair Maintenance(Car Allowance)	652,800	624,900
Water Bill	10,669	10,398

	2019 Amount in BDT	2018 Amount in BDT
Paper Bill	4,250	4,490
Bidding Fees IPO	65,000	48,000
Authorized Representative	-	4,100
Bank Charges	95,544	93,641
Advertisement	4,915	
Interest Expenses	-	46
TWS Set up Expenses	-	17,000
Biniyog Shiksha Tahobil	17,155	-
Investor Protection Fees	7,900	3,133
	1,886,093	1,695,465
22. Current Tax Expenses: Tk. 6,325,831		
Tax for the assesment year 2019-20	5,738,983	5,467,074
Settlement for Income Tax demand for the assessment year 2016-2017	586,848	-
	6,325,831	5,467,074
23. RECEIVED FROM OPERATING ACTIVITIES: TK. 21,859,538		
Brokerage Commission	15,538,032	14,749,816
Interest on Margin Loan	-	1
BO Account Opening	21,450	63,500
Interest From Bank	3,950,977	1,774,605
Other Receivable	-	-
Realized Gain/(Loss)	2,283,339	(36,418,336)
BO Renewal Income	60,350	50,650
Chque Dishonor	1,000	500
IPO-Commission	4,390	6,400
	21,859,538	(19,772,864)
24. PAYMENTS OF OPERATING ACTIVITIES:TK. (15,868,381)		
Laga Charge	(1,353,763)	(1,265,268)
CDBL Charge	(209,583)	(112,295)
Salary & Allowance	(9,375,920)	(9,613,277)
Legal expenses	(111,135)	(66,544)
Rent, taxes, insurance, electricity etc.	(2,072,966)	(1,744,452)
Postage, stamps, telecommunications, etc.	(388,671)	(249,954)
Stationery, Printing, advertisement etc.	(178,688)	(125,167)
Auditors' Fees	(57,500)	(57,500)
Director's Fees	(78,000)	(111,000)
Depreciation, Amortization and repair of bank's assets	(156,062)	(204,379)
Other expenses	(1,886,093)	(1,695,465)
	(15,868,381)	(15,245,301)
25. CHANGES IN OTHER OPERATING ASSETS: Tk. 30,294,922		
Investment in IPO	3,634,635	1,078,845
Pre Paid Expense	60,372	(60,372)
Refund Security Deposit & BTCL	100,000	(101,000)

	2019 Amount in BDT	2018 Amount in BDT
Receivable from DSE	56,283,484	(56,283,485)
Receivable from Clients	10,965	1,324,095
Dividend Income	(619,678)	(2,829,825)
Fair Valuation of Investment	-	-
Investment in Dealer at Cost	(29,174,859)	(8,893,584)
Membership	-	80,430,000
	30,294,919	14,664,674

26. CHANGES IN OTHER OPERATING LIABILITIES: Tk. (59,280,149)

Payables to clients	(59,485,020)	61,370,559
Payables to DSE	90,304	(23,278,837)
TDS payable	5,531	16,217
VAT Payable	281	1,946
Provision for others	933,962	44,775
Provision for other contractual service	-	(13,153)
provident fund contribution	175,828	(1,983,236)
Hospitalization benefit fund	(54,532)	(8,468)
Gratuity fund	151,376	(1,742,128)
Provision for others	-	-
Incentive Bonus	(683,965)	433,447
Provision for Audit Fees	(57,500)	
IPO application	(315,000)	325,000
Provision for CDBL	(41,414)	(20,483)
	(59,280,149)	35,145,639

27. RECEIVED FROM FDR: Tk. 2,630,967

Interest from FDR	2,630,967	2,312,695
Less: Interest Accrued From FDR	-	-
Add: FDR Last year Accrued	-	-
	2,630,967	2,312,695

Trust Bank Securities Limited
Schedule of Property, Plant and Equipment at 31st December 2019

Amount in BDT

Particulars	COST		Disposal/ adjustment during the year	Balance as at 31st December 2019	DEPRECIATION		Charge for the year	Balance as at 31st December 2019	Carrying Amount
	Balance as at 1 January 2019	Addition during the year			Balance as at 1 January 2019				
Office Renovation									
Interior Decoration	276,478	335,290	-	611,768	133,728	37,714	171,442	440,326	
Overhead Cabinet	11,200	-	-	11,200	5,355	747	6,103	5,097	
Vertical Blind & Name Plate	16,452	-	-	16,452	7,819	1,069	8,888	7,564	
Office Equipment									
Photocopy Machine	82,000	-	-	82,000	82,000	-	82,000	-	
Box Fan	6,500	-	-	6,500	6,499	1	6,500	-	
Printer	174,050	-	-	174,050	153,626	11,906	165,532	8,518	
Computer & Computer Accessories	799,760	49,355	-	849,115	625,851	63,926	689,777	159,338	
Air Conditioner	519,667	-	-	519,667	231,018	84,129	315,147	204,520	
UPS	83,325	17,130	-	100,455	60,305	7,907	68,212	32,243	
Fax Machine	9,100	-	-	9,100	7,735	1,365	9,100	-	
Rack Server	1,467,000	-	-	1,467,000	1,418,100	48,900	1,467,000	-	
Television	156,420	59,900	-	216,320	70,297	38,724	109,021	107,299	
Telephone & Mobile Set	10,400	4,600	-	15,000	712	2,760	3,472	11,527	
Kettle	1,100	-	-	1,100	259	218	477	623	
IPS		73,000	-	73,000	-	9,733	9,733	63,267	
Furniture & Fixture (Res)	100,000	-	-	100,000	2,502	22,498	25,000	75,000	
Furniture & Fixture (Office)									
Chair	19,100	333,882	-	352,982	2,226	17,863	20,089	332,893	
Total	3,732,552	873,157	-	4,605,709	2,808,032	349,460	3,157,492	1,448,217	

Trust Bank Securities Limited
Schedule of Property, Plant and Equipment at 31st December 2018

Particulars	Amount in BDT							
	COST	Addition during the year	Disposal/ adjustment during the year	Balance as at 31st December 2018	DEPRECIATION	Charge for the year	Balance as at 31st December 2018	Carrying Amount
Office Renovation								
Interior Decoration	276,478	-	-	276,478	111,228	22,500	133,728	142,750
Overhead Cabinet	11,200	-	-	11,200	4,435	920	5,355	5,845
Vertical Blind & Name Plate	16,452	-	-	16,452	6,459	1,360	7,819	8,633
Office Equipment								
Photocopy Machine	82,000	-	-	82,000	69,700	12,300	82,000	-
Box Fan	6,500	-	-	6,500	5,524	975	6,499	1
Printer	165,150	8,900	-	174,050	120,002	33,624	153,626	20,424
Computer & Computer Accessories	664,600	135,160	-	799,760	483,630	142,221	625,851	173,909
Air Conditioner	275,527	244,140	-	519,667	171,845	59,173	231,018	288,649
UPS	67,725	15,600	-	83,325	45,720	14,585	60,305	23,020
Fax Machine	9,100	-	-	9,100	5,915	1,820	7,735	1,365
Rack Server	1,467,000	-	-	1,467,000	1,124,700	293,400	1,418,100	48,900
Television	99,500	56,920	-	156,420	49,448	20,849	70,297	86,123
Telephone Set	650	9,750	-	10,400	22	690	712	9,688
Kettle	1,100	-	-	1,100	37	222	259	841
Furniture & Fixture (Res)								
Furniture & Fixture (Office):								
Chair	19,100	-	-	19,100	318	1,908	2,226	16,874
Total	3,162,082	570,470	-	3,732,552	2,198,983	609,049	2,808,032	924,520

TRUST BANK SECURITIES LIMITED

Directors and their interest in different entities as on 31.12.2019

Name of the Directors	Status	Entities where they have interest	% of Interest
Maj Gen Mohammad Humayun Kabir, OSP, SUP, rcds, psc	Chairman (Representing Trust Bank Ltd.)	i. Army Housing Scheme, Chairman ii. Trust Bank Ltd, Vice Chairman iii. Sena Kalyan Sangstha, Vice Chairman iv. Army Welfare Trust, Vice Chairman v. Sena Hotel Developments Ltd., Vice Chairman vi. Trust Technical Training Institute, Chairman vii. Governing Bodies of Cadet Colleges, Chairman viii. Trust Bank Investment Ltd., Vice Chairman	Nominated
Brig Gen Md Golam Faruque, SGP, SUP, nswc, afwc, psc	Vice Chairman (Nominated)	i. Army Welfare Trust, Managing Director ii. Sena Hotel Developments Ltd., Director, iii. Trust Bank Ltd, Director iv. Trust Technical Training Institute, Director v. Army Housing Scheme, Managing Director vi. Trust Bank Investment Ltd., Director vii. Trust Transport Service, Chairman	Nominated
Mr. Ashrafuzzaman Khan	Independent Director (Nominated)	i. Executive Attire Ltd., Chairman ii. Trust Bank Ltd, Independent Director iii. Trust Bank Investment Ltd., Independent Director	Nominated
Mr. Faruq M. Ahmed	Director (Shareholder as well as Nominated Director)	i. Trust Bank Ltd, Managing Director & CEO ii. Trust Bank Investment Ltd., Director, Board of Directors	Service & Nominated
Ms. Humaira Azam	Director & Managing Director (Nominated)	i. Trust Bank Ltd. , Additional Managing Director	Service
Mr. Junaid Masroor	Director (Nominated)	i. Trust Bank Ltd, Deputy Managing Director	Service
Mr. Akhlasur Rahman Bhuiyan	Director (Nominated)	i. Trust Bank Ltd., Senior Executive Vice President	Service
Brig Gen Md. Mehdi Hassan, SGP, ndc, afwc, psc (Retd.)	Director (Nominated)	i. Trust Bank Investment Ltd., Director, Board of Directors ii. Trust Bank Ltd., Senior Executive Vice President	Service & Nominated

Branch and Other Outlet Network

112 Branches and SME Service Centers

05 Collection Booths

01 Sub - Branch

232 ATM Booths

07 t-Lobby

Dhaka Division

Principal Branch

98 Shaheed Sarani, Dhaka Cantonment, Dhaka.
☎ 02-8713282, 02- 8750298, PABX - 02-8712751-3
☎ 02-875027, 02-9832376

Sena Kalyan Bhaban Branch

1st Floor, Sena Kalyan Bhaban
195 Motijheel C/A, Dhaka-1000.
☎ 02-9513086, 02-9561721, PABX - 57164384
47114019
☎ 02-7163977, 9590390

Savar Cantonment Branch

Ground Floor, Bank Complex
Savar Cantonment, Dhaka.
☎ 02-7791931 (PABX)
☎ 02- 7791263

Shaheed Salahuddin Cantonment Branch

Shaheed Salahuddin Cantonment, Ghatail, Tangail
☎ 09225-56141

Dhanmondi Branch

Design Concepts Ltd (1st Floor), House#35
Road#2, Dhanmondi, Dhaka-1205.
☎ 02-8623401, 02-9677553 (PABX)
☎ 02-9677571

Gulshan Corporate Branch

3rd and 4th Floor, Cityscape Tower
53, Gulshan Avenue, Gulshan, Dhaka.
☎ 02-9886594, 02-9886592, PABX - 02-8828088
02-8815594, 02-9862520
☎ 9881508

Dilkusha Corporate Branch

Peoples Insurance Bhaban (1st Floor)
36 Dilkusha C/A, Dhaka-1000.
☎ 02-9561821, 02-9560944, PABX - 9576421
9577186
☎ 9560793, 47120048

Radisson Water Garden Hotel Branch

Airport Road, Zoar Shahara
Dhaka Cantonment, Dhaka-1206.
☎ 02-9833865

Millennium Corporate Branch

Shadhinata Tower, Bir Sreshtha Shahid Jahangir Gate
Dhaka Cantonment, Dhaka-1206.
☎ 8812032, 8812028, PABX - 02-8712076
☎ 02-8712075

Uttara Corporate Branch

House#111/A, Road#7, Sector#4, Uttara, Dhaka.
☎ 02-7913335, 02-8921312, PABX - 02-7914658,
02-7914732
☎ 02-8922650

Mirpur Branch

Swapnapuri, Holding#24, Main Road#3, Block-A
Section#11, Mirpur, Pallabi, Dhaka.
☎ 02-9008218, PABX - 02-9008310
☎ 02-9008359

Karwan Bazar Branch

EDB Trade Centre, 93 Kazi Nazrul Islam Avenue
Ground Floor, Karwan Bazar, Tejgaon, Dhaka.
☎ 02-9126554, PABX - 02-8189602-3
☎ 9126544

Joypara Branch

1st Floor, Sheikh Uddin, Mozhar Ali & Khair Uddin Plaza
Ward#2, Joypara, Dohar, Dhaka.
☎ 02-7768096, PABX - 02-7768097
☎ 02-7768098

Joydevpur Branch

Vaowal Point, Vill: Vogra, UP: Bason
PO: National University, PS: Joydevpur, Gazipur.
☎ 02-9262852, PABX - 02-9262853
☎ 02-9262859.

Narsingdi Branch

Salam Mansion, Holding#13/9
PS: Narsingdi, Dist: Narshindi.
☎02-9451684, PABX - 02-9451686.
☎02-9451685

Narayangonj Branch

01, Alam Khan Lane, PO+PS: Narayangonj
Dist: Narayangonj.
☎02-7648282, PABX - 02-7648283
☎02-7648208

Kafrul Branch

Holding#28, North Kafrul, Dhaka City Corporation
PS: Kafrul, Dist: Dhaka.
☎02-8715457, PABX - 02-8715459
☎02-8715458

Tongi Branch

1st Floor, Senakallyan Commercial Complex
PS: Tongi, Dist: Gazipur.
☎02-9816721, PABX - 02-9816722-3
☎02-9816724

Bashundhara Branch

1st Floor, 12/D/E, Block#A
Bashundhara R/A, Dhaka-1229.
☎02-8412258, 02-8412245 (PABX)
☎203 (Ext)

Ashulia Branch

1st Floor, Chowdhury Bhaban, Baipail
EPZ Road, Ashulia, Dhaka.
☎02-7790843
☎02-7790867

Elephant Road Branch

1st Floor, M. R. Mansion
19, Elephant Road, Dhaka.
☎02-9614127, PABX - 02-9614126
☎02-9611032.

Rajendrapur Cantonment Branch

Holding#551, Nayanpur, Mirzapur
Ward#02, PS: Gazipur Sadar, District: Gazipur.
☎02-9201791-2 (PABX)
☎02-9201790.

Khawja Garib Newaz Avenue Branch

1st Floor, House#36, Khawja Gharib Newaz Avenue
Sector#11, Uttara, Dhaka.
☎02-7914667, PABX 02-7914666
☎02-7914668.

Banani Branch

1st Floor, Delta Dahlia Complex
36, Kamal Ataturk Avenue, Dhaka.
☎02-9863053, 02-9863107 (PABX)
☎02-9884927.

Kishorganj Branch

1st Floor, Hajee Abdul Majid Munshi Building
Ishakhan Road, Terripatty, Bara Bazar, Kishoregonj.
☎0941-62609.
☎0941-62615.

Bhairab Branch

Ground Floor, House#173, Kali Bari Road
Bhairab Bazar, Bhairab, Kishoregonj.
☎02-9471501, 02-9471500

Keraniganj Branch

1st Floor, Azhar Plaza, Ferry Ghat, Bus Road
Zinjira, Keraniganj, Dhaka.
☎02-7764268, PABX - 02-7764267

Gopalganj Branch

1st Floor, Holding#172, Adhunik Shamobay Biponi
Puratan Bazar Road, Gopalganj.
☎6681166
☎6681188

Faridpur Branch

M K Shopping Complex, Holding#15/18
Faridpur Sadar, Faridpur.
☎0631-65249 (PABX)
☎0631-65249

Dhamrai Branch

1st Floor, Siddique Super Market, Holding # A-29
Dhamrai Pourashava, Dhamrai, Dhaka.
☎7731026
☎7731027

Sreenagar Branch

1st Floor, M Rahman Complex, Sreenagar Bazar
Bhagyakul Road, Sreenagar, Munshiganj.
☎7627175
☎7627190
☎01755636238

Patuatuly Branch

1st Floor, Lucky Mansion, 70/A, Patuatuly
Kotwali, Dhaka.
☎02-57396167, PABX - 02-57396168
☎02-7341266

Mohakhali Branch

1st Floor, Holding#100, Bir Uttam AK Khandaker Road
Mohakhali C/A, PS: Banani, Dhaka - 1212.
☎ 02-9881750, PABX - 02-9881350, 02-9881360
☎ 02-9881350, 02-9881360, EXT - 100

Bhadarganj Branch

1st Floor, SEBA Tower, Shaheed Mohiuddin Sarak
Bhadarganj Pourashava, PS: Bhadarganj, Sariatpur.
☎ 06022-56121, PABX - 06022- 56122.

Matuail Branch

1st Floor, Mainuddin Bhaban, Saddam Market
South Matuail, Kadamtali, Dhaka - 1213.
☎ 02-7553416
☎ 02-7553426
☎ 01730091692

Kanchpur Branch

1st Floor, Sonargoan Mega Shopping Complex
Kanchpur, Sonargoan, Narayanganj.
☎ 01755540561

Kakrail Branch

38, Kakrail, Inner Circular Road, Bijoy Nagar, Dhaka.
☎ 9348201, PABX - 9361265
☎ 934820
☎ 01730335496

Bangabondhu Cantonment Branch

Bangabandhu Cantonment, Bhuapur, Tangail.
☎ 09234-76002
☎ 01716302089

Pangsha Branch

1st Floor, Mahamud Plaza, College Road
Pangsha Sadar, Pangsha, Rajbari.
☎ 01911508398

Centennial Branch

Dream by Icon, 2/4 Block A
Mohammadpur Housing Estate, Mirpur Road, Dhaka.
☎ 9142902, 9142904, PABX - 02-9142903.

Taranagar Branch

Ghatarchar, Taranagar, Keranigonj Model Thana
Keranigonj, Dhaka.
☎ 01709648578, 01743106263

Takerhat Branch

Shahbuddin Mollah Complex, Vill: Takerhat
PS: Raoir, Dist: Madaripur.
☎ 01716608426

Gazipur Cantonment Branch

1st and 2nd Floor, BOF Complex, Gazipur Cantonment,
Shimultoli, Joydebpur, Gazipur.
☎ 01718494254

Mirpur DOHS Branch

Ground Floor, Cultural Centre Bhaban
Road#09, Mirpur DOHS, Pallabi, Dhaka-1216.
☎ 02-44806501-2

Chattogram Division**Comilla Cantonment Branch**

1st Floor, Mainamati Super Market
Comilla Cantonment, Comilla.
☎ 081-65005, PABX - 081-65004
☎ 77023

Chittagong Cantonment Branch

Bangladesh Tea Board Bhaban (Ground Floor)
171-172 Baijid Bostami Road Nasirabad, Chattogram.
☎ 031-683680, PABX - 031-2581170-71
☎ 031-2581172

Agrabad Branch

Rafique Tower, 92 Agrabad C/A, Chattogram.
☎ 031- 720188, PABX - 031- 2524462-3, 2514708-9
☎ 031-715791

Khatungonj Branch

205, Main Road, Plot#218, Khatungonj, Chattogram.
☎ 031-2861718, PABX - 031- 627860, 285235-6
☎ 2861719

CDA Avenue Branch

1st floor, Sanmar Tower-1, Holding#997 (New)
CDA Avenue, East Nasira bad, Chattogram.
☎ 031-2550938, PABX - 031- 2550936-7
031- 2553091-4
☎ 031- 2550939

Halishahar Branch

House#2030/A, Block#G, Road#3, Plot#2
Bara Pul, Port, Connecting Road, Chattogram.
☎ 031-2512593, PABX - 031-2512592
☎ 031-2512591

Naval Base Branch

BNS Isha Kha, Naval Base Anchor Building (1st Floor)
Potenga, Chattogram.
☎ 031-741834, PABX - 031-741833
☎ 741831

Feni Branch

Kazi Centre (Ground Floor), Holding#106
A.S.K Road, Feni.
☎0331- 63536, PABX - 0331-63535
☎0331-63537

Jubilee Road Branch

Royal Tower, Jubilee Road
Chattogram City Corporation, PS: Kotwali, Chattogram.
☎031-2857212, PABX - 031-2859061-2
☎031-285713

Ashugonj Branch

Mouza: Char Char Tala
PS: Ashugonj, Dist: Brahmanbaria.
☎0852-874026
☎0852-874027

Amirabad Lohagara Branch

Best Chowdhury Plaza, Amirabad, Lohagara, Chittagong.
☎03034-56612, 03034-56349 (PABX)
☎03034-56349

Chowmuhuni Branch

1st Floor, Holding # 309,310, Feni Road, Chow-
muhuni Paurashova, PS: Begumgonj, Dist: Noakhali.
☎0321-54193, 0321-54192
☎0321-54194

Cox's Bazar Branch

1st Floor of Degenta Annexure Complex
Cinema Hall Super Market, Bazar Ghat Cox's Bazar.
☎0341- 52108, PABX - 0341- 52109
☎52110

Kadamtali Branch

1st & 2nd Floor of Royal Plaza, 431, DT Road
Kadamtali Bus Station, Kadamtali, Chittagong.
☎031-2529951, PABX - 2529953, 2529954
☎2529952

Rangamati Branch

1st Floor, SR Tower, 107, Shahid Abdul Rashid Sarak
Banarupa, Rangamati.
☎0351- 61885, 0351-61932, PABX - 0351-61886

Comilla Branch

1st & 2nd Floor of Omori Mansion Badurtala 1st Lane
Kandirpar, Comilla.
☎081-64249 (PABX)
☎081-64250

Khagrachari Branch

Ground Floor, Mahdi Complex, Santinagar
Changi Square, PS: Khagrachari Sadar.
☎0371-61370, PABX - 0371-61390
☎0371-61374

Bandarban Branch

1st Floor, Chairman Market, Bandarban Bazar Fund
Plot#240/C, Bandarban Sadar, Bandarban.
☎0361- 63204, PABX - 0361-63205
☎63206

Dewan Bazar Branch

1st Floor Iqbal Tower, 85/86 Dewan Bazar
Nawab Sirajuddowla Road, Chittagong.
☎031-2869825, PABX -031-2869826
☎2869827

Titas Branch

1st Floor, Bhai Bhai Italian Plaza, Karikandi Bazar
PS: Titas, Comilla.
☎01730304862, 01915652100

Maligaon Branch

1st Floor, Maligaon Hospital Medicine Market
Daudkandi, Comilla.
☎01713010894

Chandpur Branch

1st Floor of Notun Bazar Super Market, Chandpur.
☎0841- 66541, PABX - 0841- 66543
☎0841-66542
☎01713012561, 01708140980

RBCBVH Branch

1st Floor, Radisson Blu Chattogram Bay View Hotel
Chattogram.
☎01713122929

Ramu Branch

Alhajj Jahed Shopping Complex
Mandolpara, Fatekharkul, Ramu, Cox's Bazar.
☎03425-56011, PABX - 03425-56017

Companygonj Branch

1st Floor, Khokon Tower, Vill: Poia Pathor (Compa-
nygonj) UP: Nobipur, PS: Muradnagar, Dist: Cumilla.
☎01709654653

Kabirhat Branch

1st and 2nd Floor, Haque Tower, Ward#2
Kabirhat Pourushova, Kabirhat, Noakhali.
☎01708140986

Rajshahi Division**Bogura Cantonment Branch**

Ullash Complex, Shahajahanpur
Bogura Cantonment Bogra
☎051-82033, PABX - 051- 82032

Khajwa Younus Ali Medical College & Hospital (KYAMCH) Branch

KhajwaYounus Ali Medical College & Hospital
Enayetpur, Sirajgonj.

☎ 0751- 63897, PABX - 0751-63761-3
☎ 63898.

Rajshahi Branch

1st Floor of Dainik Barta Complex
Alupatty, Ghoramara, Rajshahi.

☎ 0721- 770958, PABX - 0721-774051, 770655
☎ 0721-772820

Dayarampur Branch, Natore

1st Floor, MK Shopping Complex, Doyarampur Bazar
Kadirabad Cantonment Road, Doyarampur.

☎ 07722-72351
☎ 07722-72351

Dashuria Branch

1st Floor, Abdul Khalaque Market, Dashuria
Ishwardi, Pabna.

☎ 01755690421

Chapainawabgonj Branch

1st and 2nd Floor, 16 Jhilim Road, Ward#02
Pourasava: Chapai Nawabgonj, PS: Chapai Nawabgonj
Dist: Chapai Nawabgonj.

☎ 0781-52684-6
☎ 01733005020

Sherpur Branch

1st Floor, Shah Turkan Plaza, Sherpur, Bogra.

☎ 01770790786

Khulna Division**Jashore Cantonment Branch**

Trust Commercial Complex, Arabpur MP Check
Post, Jashore Cantonment, Jashore.

☎ 0421-61043 (PABX)
111 (Ext)

Khulna Branch

Sena Kallayan Bhaban, 1, KDA Avenue
Khulna City Corporation, PS: Sonadanga, Dist:
Khulna.

☎ 041-2831570, PABX - 041-2831571-2
☎ 041-2831573.

Mongla Branch

1st Floor of BN School & College Campus
PS: Mongla, Bagerhat.

☎ 04662-75395.
☎ 75396.

Munshiganj Branch

Vill: Munshiganj, PO: Kalinagar

PS: Shyamnagar, Satkhira.

☎ 01755552689

Jahanabad Cantonment Branch

Cinema Hall Complex, Jahanabad Cantonment
Gilatala, Fultala, Khulna.

☎ 041-785101, PABX - 041-785100
☎ 785102

Jhenaidah Branch

Ground floor, Holding#54, Jhenaidah Sadar, Jhenaidah
(Adjacent to Shishu Kunjo School & College inside
Jhenaidah Cadet College campus).

☎ 0451-61316
☎ 0451-61317

Kushtia Branch

1st Floor of Shatabdi Bhaban, Holding#92/A
Nabab Siraj-Ud-Doula Road, Kushtia Sadar, Kushtia.

☎ 071-73218 (PABX)
☎ 071-73851

Bagerhat Branch

1st Floor, 7/2, Khan Jahan Ali Road
Bagerhat Sadar, Bagerhat.

☎ 0468-64572
☎ 0468- 64573
☎ 01787672377

Daulatpur Branch

1st Floor, 1/1 SS Centre
Upper Jashore Road Daulatpur Khulna.

☎ 01708483175, 01708494259
☎ 52110

Sylhet Division**Jalalabad Cantonment Branch**

Jalalabad Cantonment, Sylhet.

☎ 0821-2870115
☎ 0821-2872135

Sylhet Corporate Branch

BMA Bhaban, Chouhatta, Kotwali, Sylhet.

☎ 0821-727531, PABX - 0821-719063
☎ 0821 -719139

Beani Bazar Branch

Al-Amin Super Market, College Road
Beani Bazar, Sylhet.

☎ 08223-56008
☎ 08223-56009

Moulvi Bazar Branch

Holding#426/2, Court Road
Hafizia Khatun Girl's School More
Kotowali, Moulvibazar.
☎0861-62981, PABX - 0861-62883
☎0861-62884

Goalabazar Branch

1st Floor, Hazi NasibUllah Market, Main Road
Goalabazar, Osmani Nagar, Sylhet.
☎08242-56297
☎08242-56327

Shahjalal Uposhahar Branch

Syed Plaza, Plot#1, Block#D, Shahjalal Housing
Estate Sylhet City Corporation, PS: Kotwali, Sylhet.
☎0821-727691 (PABX)
☎0821-727692

Modina Market Branch

1st Floor, Hoque Mansion, Holding#711
Modina Market, Pathantula, Sylhet.
☎0821-721811
☎0821-721811

Golapganj Branch

1st Floor of Rahman Shopping Complex, Holding#76
PS: Golapganj, Sylhet.
☎08227-56077
☎08227-56078

Hobiganj Branch

Mannan Shopping Center
Badiuzzaman Khan Road
Habiganj Sadar, Habiganj.
☎0831-54142, PABX - 0831-54143
☎0831-54
☎01755690420

Sunamgonj Branch

233 Alfat Bhaban, Old Bus Station
Ward#06, Paurasava: Sunamgonj
PS: Sunamgonj Sadar, Dist: Sunamgonj.
☎01730334648

Rangpur Division**Rangpur Cantonment Branch**

Sena Shomver Complex
RK Road, Rangpur.
☎0521-66653
☎67371

Saidpur Cantonment Branch

1st Floor of Shaheed Sarani Market, Airport Road
Saidpur Cantonment, Saidpur, Nilphamary.
☎05526-73631
☎05526-73630

Bir Uttam Shaheed Mahbub Cantonment Branch

Cantonment Board Market
Bir Uttam Shaheed Mahbub Cantonment, Dinajpur.
☎01755552688

Auliapur Branch

Vill: Auliapur, PO: Pulhat, Bisic Road
PS: Sadar, Dinajpur.
☎0531-66629
☎0531-66635

Lalmonirhat Branch

1st Floor of Simanto Shopping Complex
Holding#755, Misson More Zero Point
PS: Lalmonirhat Sadar, Lalmonirhat.
☎0591-62092
☎0591-62090

Shathibari Branch

1st Floor of Atique Market, Shathibari Bazar
PS: Mithapukur, Rangpur.
☎0522- 556314.

Barishal Division**Barishal Branch**

Ground Floor, S Rahman Market, 78, Sadar Road
Barisal City Corporation Area, Barishal.
☎0431-64506, PABX - 0431-2177324
☎0431- 2177323

Sheikh Hasina Cantonment Branch

Sheikh Hasina Cantt, Barisal
☎01729069565

Mymensingh Division**Momenshahi Cantonment Branch**

Aklima Complex (1st Floor), Sankipara, Momen-
shahi Cantonment, Mymensingh.
☎091-62371
☎091-62371

Shambhugonj Branch

1st Floor, Hazi Nurul Islam Tower
Sambugonj Main Road
Shambhugonj, Mymensingh.
☎091-65650
☎01755690426

SME/Krishi Branch and Service Center

Dhaka Division

Mirer Bazar SME/Krishi Branch

1st Floor, Istiak Commercial Complex, Holding#52
Block#B, Mirer Bazar Road, Gazipur City, Gazipur.

📞02-9816765

📠02-9816765

Madhabdi SME/Krishi Branch

R M Building#3, Phalpatri Road
Pourasava: Madhabdi, PS: Madhabdi, Dist: Narsingdi.

📞02-9446806

📠02-9446807

Manikgonj SME/Krishi Branch

1st Floor of Anjoli Super Market
75, Shaheed Rafique Sarak, Kali Bari, Manikgonj.

📞02-7711061, 02-7711058

📠7711067

Dholaikhal SME Service center

31/1, Lal Mohan Saha Street, Dholaikhal, Dhaka.

📞02-9571362

📠02-9571362

Rajshahi Division

Tamai SME/Krishi Branch

Protigga Banijjik Bhaban, PS: Belkuchi, Dist:
Sirajgonj.

📞07522-56357

📠01730334646

Natore SME/Krishi Branch

1st Floor of Shahara Plaza
Kanai Khali Natore Sadar, Natore.

📞0771-66889, 66916

📠0771-66942

Sub - Branch

Ramu Sub-Branch

Ramu Cantonment
Ramu, Cox-Bazar,



Photo Gallery



20th Anniversary Celebration of Trust Bank Limited



Annual Picnic of Trust Bank Head office



Annual Picnic of Trust Bank Head office



Annual Picnic of Trust Bank Head office



Inauguration of Mirpur DOHS Branch, Mirpur DOHS, Dhaka



Handing over of Cheque to a client of Trust Bank Limited at: Banker-SME Nari Uddokta Somabesh & Pannya Prodorshon Mela-2019



Agreement Signing Ceremony between Trust Bank Limited and Bangladesh Bank under IPFF II Project.



Board of Directors at 20th AGM of Trust Bank Limited



Attendance of Shareholders at 20th AGM of Trust Bank Limited



Observance of National Mourning Day (15 August 2019)



3rd Defence Services Cup Golf Tournament 2019



Meeting of Trust Bank Shariah Supervisory Committee



Hon'ble Managing Director of Trust Bank Limited at opening Ceremony of 15th National Summer Athletics Competition



Inauguration of Sheikh Hasina Cantonment Branch, Barishal



Re-Inauguration of Bogra Cantonment Branch, Bogura.



Agreement Signing Ceremony between Trust Bank Limited and Biman Bangladesh Airlines.



Agreement Signing Ceremony between Trust Bank Limited and Shimanto Bank Limited regarding Express Money Sub- Agency.



Agreement Signing Ceremony between Trust Bank Limited and Bangladesh House Building Finance Corporation.



Agreement Signing Ceremony between Trust Bank Limited and Bangladesh University of Professional (BUP).



Trust Bank Limited

Head Office & Registered Office
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate
Dhaka Cantonment, Dhaka-1206, Bangladesh
www.tblbd.com

Notice of the 21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting of Trust Bank Limited will be held on Sunday, 23 August 2020 at 11.00 a.m. through Digital Platform (in pursuant to the Bangladesh Securities and Exchange Commission's Order) to transact the following business:

AGENDA

01. To receive, consider and adopt the Audited Financial Statements for the year ended on 31 December 2019 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.
02. To declare Dividend for the year ended on 31 December 2019.
03. To elect/re-elect/approve the appointment of Directors (including Independent Director).
04. To appoint Statutory Auditors and fix their remuneration for the financial year 2020.
05. To appoint Professionals for issuance of certificate on compliance of Corporate Governance Code and fix their remuneration for the financial year 2020.

Dated: 29 July 2020

By order of the Board of Directors

Md. Mizanur Rahman, FCS
Company Secretary

Notes:

- a. The Record Date of AGM was 20 July 2020. The members' whose names appeared in the Register of Members of the Bank on Record Date are entitled to Dividend and eligible to attend the meeting.
- b. The 21st AGM of the Bank would be conducted through Digital Platform in pursuant to the Bangladesh Securities and Exchange Commission's Order.
- c. Shareholders are requested to join the virtual AGM directly through the link <https://trustbank.bdvirtualagm.com>. Shareholders may submit their questions/comments electronically to share.dept@tblbd.com before 48 hours of commencement of the AGM. Shareholders are requested to visit the Bank's website ([i.e. www.tblbd.com](http://www.tblbd.com)) for detail login process to the virtual meeting.
- d. Any Member of the Bank entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly signed by the Member and stamped with Revenue Stamp of TK. 20.00 (Twenty) each, must be submitted at the Share Department of the Bank at any time not less than 72 hours before the time fixed for AGM.
- e. In compliance with Bangladesh Securities and Exchange Commission's notification no. BSEC/CMRRCD/2006-158/2018/Admin/81, dated 20 June 2018, the soft copy of Annual Report will be sent to the e-mail address of the shareholders available in the beneficial owner (BO) accounts. The Annual Report along with the Proxy Form can also be collected, if so required, from the Share Department or can be downloaded from the website of the Bank: www.tblbd.com.
- f. The Dividend will be paid to the entitled Shareholders through BEFTN to the bank account available in BO accounts. Depository Participants (DP)/Stock Brokers are requested to send the list of Margin Account Holders to share.dept@tblbd.com specifying the category (individual, corporate, NRB etc.) based on the Record Date, if any, within 10 August 2020.



Trust Bank Limited

Head Office & Registered Office
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate
Dhaka Cantonment, Dhaka-1206, Bangladesh
www.tblbd.com

PROXY FORM

I/We..... of being a member of Trust Bank Limited, do hereby appoint Mr./Ms. of as my/our PROXY to attend and vote on my/our behalf at the 21st Annual General Meeting of the Bank to be held on Sunday, 23 August 2020 at 11.00 a.m. through using Digital Platform (in pursuant to the Bangladesh Securities and Exchange Commission’s Order No. SEC/SRMIC/04-231/932 dated 24 March 2020) and at any adjournment thereof.

As witness my/our hand this day of 2020.

.....
Signature of Shareholder(s)

.....
Signature of PROXY

No. of Shares held

Folio No.

BO ID No.



Note: A member entitled to attend at the Annual General Meeting may appoint a PROXY to attend in his/her behalf. The Proxy Form, duly stamped, must be deposited at the Share Department of the Company at least 72 hours before the scheduled time of the meeting. Signature of the Member should agree with the specimen signature registered with the Company/CDBL.

Signature Verified by

.....
Authorized Signatory

