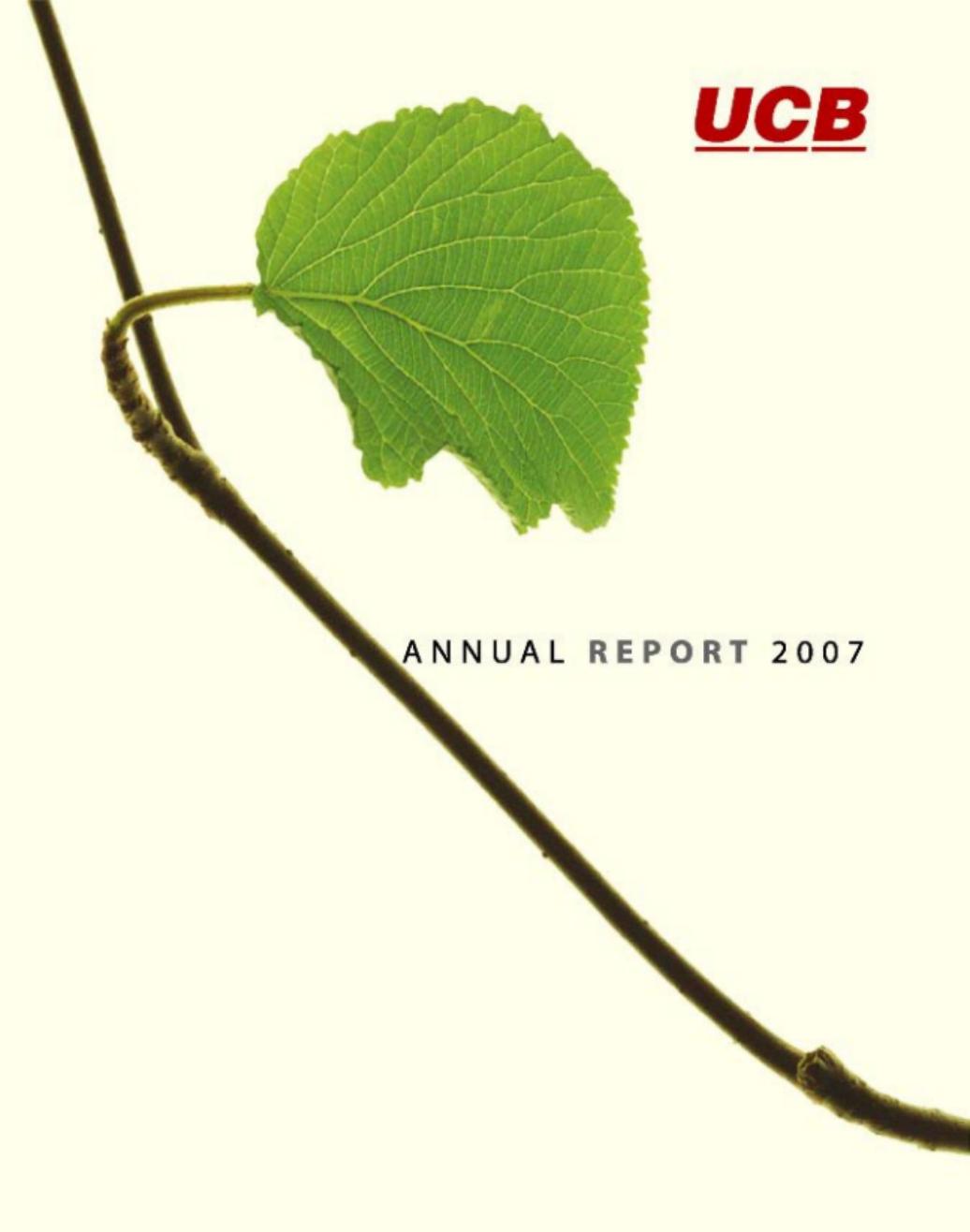




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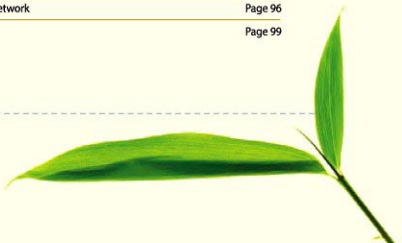
A large, vibrant green leaf with a serrated edge and prominent veins is attached to a dark, woody stem. The stem runs diagonally from the top left towards the bottom right of the frame. The background is a solid, light cream color.

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Letter of Transmittal

To
All Shareholders
Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Sub : **Annual Report for the year ended December 31, 2007**

Dear Sir (s)

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements as at December 31, 2007 for kind information & record.

Yours sincerely



Mirza Mahmud Rafiqur Rahman
Company Secretary

প্রাতিষ্ঠানিক তথ্য

Corporate Information

Name of the Company	United Commercial Bank Limited
Legal Status	Public Limited Company
Date of Incorporation	June 26, 1983
Date of Commencement	June 27, 1983
Registered Office	Federation Bhaban 60, Motijheel Commercial Area Dhaka-1000, Bangladesh
Telephone	PABX 9555075-77, 9568690-93
Fax	88-02-9560587, 7162403
E-Mail	info@ucbl.com
Website	www.ucbl.com
S.W.I.F.T	UCBL BDDH
Listing with Dhaka Stock Exchange	November 30, 1986
Listing with Chittagong Stock Exchange	November 15, 1995
Chairman	Hajee Yunus Ahmed
Managing Director	Hamidul Huq
Company Secretary	Mirza Mahmud Rafiqur Rahman





পরিচালনা পর্ষদ
Board of Directors

পরিচালনা পর্ষদ

Board of Directors



Hajee Yunus Ahmed



Aziz-Al-Mahmood



Md. Jahangir Alam Khan



M. A. Sabur



Hajee M. A. Kalam



M. A. Hashem



Shabbir Ahmed



Sharif Zahir



Kazi Enamul Hoque



Monoara Jahangir



Md. Nayeem Kalam



Showkat Aziz Russell



Riyadh Zafar Chowdhury



Ahmed Anif Billah



Md. Tanvir Khan



Farhana Akhter



Aziz Al Masud



Qamrun Nahar



Kaiser Ahmed

চেয়ারম্যান
হাজী ইউনুস আহমেদ

ভাইস চেয়ারম্যান
আজিজ আল-মাহমুদ

পরিচালক মন্ডলী
মোঃ জাহাঙ্গীর আলম খান
এম. এ. সবুর
হাজী এম. এ. কালান
এম. এ. হাসেন
শাকিব র আহমেদ
শরীফ জহির
কাজী এনামুল হক
মনোয়ারা জাহাঙ্গীর
মোঃ নাসিম কালান
শওকত আজিজ রাসেল
রিয়াদ জাকর চৌধুরী
আহমেদ আরিফ বিল্লাহ
মোঃ তানভীর খান
ফারহানা আখতার
আজিজ আল-মাসুদ
কামরুন নাহার
কামসার আহমেদ

ব্যবস্থাপনা পরিচালক
হামিদুল হক

সেক্রেটারী
মির্জা মাহমুদ রফিকুর রহমান
বোর্ডের নির্বাহী কমিটি

মোঃ জাহাঙ্গীর আলম খান

পরিচালক মন্ডলী
এম. এ. সবুর
হাজী এম. এ. কালান
শওকত আজিজ রাসেল
শাকিব র আহমেদ
শরীফ জহির
কাজী এনামুল হক

ব্যবস্থাপনা পরিচালক
হামিদুল হক

বোর্ডের অডিট কমিটি
চেয়ারম্যান
এম. এ. সবুর
শরীফ জহির
কাজী এনামুল হক

Chairman
Hajee Yunus Ahmed

Vice Chairman
Aziz Al-Mahmood

Directors
Md. Jahangir Alam Khan
M. A. Sabur
Hajee M. A. Kalam
M. A. Hashem
Shabbir Ahmed
Sharif Zahir
Kazi Enamul Hoque
Monoara Jahangir
Nayeem Kalam
Showkat Aziz Russell
Riyadh Zafar Chowdhury
Ahmed Arif Billah
Md. Tanvir Khan
Farhana Akhter
Aziz-Al-Masud
Qamrun Nahar
Kaiser Ahmed

Managing Director
Hamidul Huq

Secretary
Mirza Mahmood Rafiqur Rahman

EXECUTIVE COMMITTEE OF THE BOARD

Md. Jahangir Alam Khan

Directors
M. A. Sabur
Hajee M. A. Kalam
Showkat Aziz Russell
Shabbir Ahmed
Sharif Zahir
Kazi Enamul Hoque

Managing Director
Hamidul Huq

AUDIT COMMITTEE OF THE BOARD

Chairman
M. A. Sabur
Sharif Zahir
Kazi Enamul Hoque

নির্বাহীবৃন্দ

List of Executives

ম্যানেজিং ডিরেক্টর
হামিদুল হক

ডেপুটি ম্যানেজিং ডিরেক্টর
এ. কে. এম. কামাল উদ্দিন
এস. এস. কামাল উদ্দিন

এক্সিকিউটিভ ভাইস প্রেসিডেন্ট
মোর রহুল আমিন
কে. এম. শিরাজুল হক
মো: তারিকুল আজম
মো: শাহেন জালাল চৌধুরী
মির্জা মাহমুদ রাফিকুর রহমান
নাজেদ ইকবাল

সিনিয়র ভাইস প্রেসিডেন্ট
মো: শাহ আলম
মো: কামরুল হাসান
আলি হায়দার
মো: নুরুল আলম
মো: শওকত জামিল
পোলাল আওলিয়া
মো: কোশল হোসেন
চন্দন সেন গুপ্তা
মো: ইউনুস

ফার্স্ট ভাইস প্রেসিডেন্ট
এস. এম. দিদারুল আলম
এ. কে. এম. শাহিদুল্লাহ
পবিত্র কুমার চক্রবর্তী
এ. এম. নাসির উদ্দিন
মো: আমাল উদ্দিন
নুরুন্নাহান চৌধুরী
মো: আবু তাহের
মো: রহুল আমিন
মো: শাহাদাত হোসেন শোহাগ
মো: হাবিবুর রহমান
মো: হাবিবুর মোরশালিন
মো: বনিজল আলম
মো: আব্দুল মতিন
মো: আরমানুজ্জামান
আবু সাদেক মিয়া
মো: মহিউদ্দিন বিশ্বাস
মাহমুদুল বাশার খান
কাজী হাসানুজ্জামান
মো: একরাম উল্লাহ
মো: দেওয়ার্ড হোসেন মজুমদার
মোহাম্মদ ইকবাল
মো: জাসিম উদ্দিন
আবুল আলম ফেরদৌস
সাহা প্রতুল চন্দ্র
মো: আহাদুজ্জামান
মনজুর কাদের

Managing Director
Hamidul Huq

Deputy Managing Director
A. K. M. Kamal Uddin
M. S. Kamal Uddin

Executive Vice President
Md. Ruhul Amin
K. M. Sirajul Hoque
Md. Tariqul Azam
Md. Shahed Jalal Chowdhury
Mirza Mahmud Rafiqur Rahman
Nawed Iqbal

Senior Vice President
Md. Shah Alam
Md. Quamrul Hassan
Ali Haider
Md. Nurul Alam
Nurul Alam
Md. Shawkat Jamil
Golam Awlia
Md. Belal Hussain
Chandan Sen Gupta
Md. Yunus

First Vice President
S. M. Didarul Alam
A. K. M. Shahidullah
Pabitra Kumar Chakraborty
A. M. Nasir Uddin
Md. Jamal Uddin
Nuruzzaman Chowdhury
Md. Abu Taher
Md. Ruhul Amin
Md. Shahadat Hossain Shohag
Md. Habibur Rahman
Md. Habibur Morsalin
Md. Badrul Alam
Md. Abdul Matin
Md. Armanuzzaman
Abu Sadeque Miah
Md. Mohiuddin Biswas
Mahmudul Bashir Khan
Kazi Hasanuzzaman
Md. Ekram Ullah
Md. Delwar Hossain Mazumder
Mohammad Iqbal
Md. Jasim Uddin
Abul Alam Ferdous
Saha Pratul Chandra
Md. Ahaduzzaman
Monjur Kader



ভাইস প্রেসিডেন্ট
সঞ্জিব কুমার সেন
আলী আজম
এস. এম. হাফিজুর রহমান, প্রিন্সিপাল
মতিউর রহমান সিকদার
এস. এম. জাহাঙ্গীর কবির
মো: সাইফুল ইসলাম
মো: আবুল হোসেন
মানিক লাল সাহা
পার্শ্বলরবী নন্দী
মো: মোফাজ্জল হোসেন
মো: তোহরুল ইসলাম চৌধুরী
মো: মিজানুল ইসলাম
মো: ইকবাল আলী সিকদার
মো: মাজিহুর রহমান
মো: আব্দুর রব
মো: ফারুক আমিন চৌধুরী
মো: শামসুল আলম খান
আবু রেজা নাসিরুল্লাহ
মো: গোলাম আলি
এ. কে. এম. খোরশেদ আলম
মো: শহীদুল আজীম
মো: সৌপত মিয়া চৌধুরী
মো: শশিরঞ্জন আহমেদ
মো: জেদাউল করিম খান
মো: মাহবুব-উল-আলম
শামসুর রহমান চৌধুরী
মুনির হোসেন চৌধুরী
এস. এম. আবুল কাশেম
কাজী এবাদত হোসেন
আক্তার বানু আনু
মো: আব্দুল মান্নান চৌধুরী
আমরেন্দ্র শংকর দেব রায়
আনোয়ার বকুত
ইকবাল হাসান
মো: আব্দুল্লাহ-আল-মামুন
জগদীশ পাণ্ডা
মো: মোফাক্কহারুল ইসলাম
মুনির উদ্দিন চৌধুরী
মো: মাইনুল ইসলাম চৌধুরী
এ. ওয়াদুদ মিয়া
আহমেদ সাইফুল হুদা
মো: নেসার আলম
মো: সিরাজুল ইসলাম
মো: সারওয়ার মর্তুজা চৌধুরী
মো: সিরাজউদ্দীন আকন্দ
মো: আব্দুল সলাম চৌধুরী
ফার্স্ট এ্যাসিস্ট্যান্ট ভাইস প্রেসিডেন্ট
মো: ফজলে করিম খান
মো: আব্দুল কাদের
এ. টি. এম. ফকরুল ইসলাম
মো: জাহাঙ্গীর হক
মো: আলি হোসেন হাওলাদার
সাইফুল আলম
মো: খালেদুজ্জামান চৌধুরী
মো: আব্বাস উল্লাহ

Vice President
Sanjib Kumar Sen
Ali Azam
S.M.Hafizur Rahman, Principal
Motiur Rahman Sikder
S.M.Jahangir Kabir
Md.Saiful Islam
Md.Abul Hossain
Manik Lal Saha
Parthasarati Nandi
Md.Mofazzel Hossain
Md.Tohurul Islam Chowdhury
Md.Mizanul Islam
Md.Eakub Ali Sikder
Md.Majibur Rahman
Md.Abdur Rab
Md.Faruke Amin Chowdhury
Md.Shamsul Alam Khan
Abu Reza Nasirullah
Md.Golam Ali
A.K.M.Khushed Alam
Md.Shahidul Ameen
Md.Daulat Meah Chowdhury
Md.Bashiruddin Ahmed
Md.Rezaul Karim Khan
Md.Mahbub-ul-Alam
Shamsur Rahman Chowdhury
Munir Hussain Chowdhury
S.M.Abul Kashem
Quazi Ebadat Hossain
Akter Banu Anju
Md.Abdul Mannan Chowdhury
Amarendra Shankar Deb Roy
Anwar Bakht
Iqbal Hasan
Md.Abdullah-Al-Mamun
Zaglul Pasha
Md.Mofakkarul Islam
Munir Uddin Chowdhury
Md.Mainul Islam Chowdhury
A.Wadud Miah
Ahmed Saiful Huda
Mohd. Nesar Alam
Md.Didanul Islam
Md.Sarwar Mortuza Chowdhury
Md.Sirajuddin Akhand
Md.Abdus Salam Chowdhury
First Asstt.Vice President
Md.Fazle Karim Khan
Md.Abdul Quader
A.T.M.Fakhrul Islam
Md.Zafrul Hoque
Md.Ali Hossain Howlader
Saiful Alam
Md.Khalequzzaman Chowdhury
Md.Afaz Ullah

Executives



List of Executives

এক নজরে বিগত ৫ বছর
Last 5 Years at a glance



Figure in Million

	2003	2004	2005	2006	2007
অনুমোদিত মূলধন Authorised Capital	1,000	1,000	1,000	1,000	1,000
পরিশোধিত মূলধন Paid-up Capital	230	230	230	230	299
সংরক্ষিত তহবিল Reserve Fund	658	674	1,045	1,262	1,596
আয়ালত Deposits	17,413	20,970	24,559	33,016	42,296
ঋণ ও অগ্রিম Loans & Advances	14,396	15,385	20,211	26,110	37,566
বিনিয়োগ Investments	3,022	3,020	2,877	6,101	5,518
গ্রেট আয় Gross Income	2,197	2,554	3,188	4,118	6,052
গ্রেট ব্যয় Gross Expenditure	1,493	1,697	2,036	2,797	4,034
নেট লাভ (ট্যাক্স পূর্ববর্তী) Net Profit (Pre-tax)	417	626	852	1,321	1,668
আমদানি বাণিজ্য Import Business	18,488	24,386	29,408	39,853	60,329
রপ্তানি বাণিজ্য Export Business	7,492	10,470	14,785	20,803	27,230
বৈদেশিক প্রতিনিধি Foreign Correspondents	165	172	189	213	235
কর্মচারী সংখ্যা Number of Employees	1,874	1,878	1,949	2,029	2,082
শাখা সংখ্যা Number of Branches	80	80	80	84	84
শেয়ারহোল্ডার সংখ্যা Number of Shareholders	3,907	3,979	4,064	4,120	7,499



চেয়ারম্যানের দপ্তর থেকে
From the **Chairmans' Desk**



From the Chairmen's Desk

Hajee Yunus Ahmed
Chairman

সম্মতিত শেয়ারহোল্ডার, অতিথিবৃন্দ, ছাত্র বন্ধি ও মহোদয়গণ,

আসলামু আলাইকুম।

অনি অত্যন্ত আনন্দের সাথে আপনাদের ছাত্রায়ে আমি যে, ইতিমধ্যে ২৫তম সালের ২৫টি বছর পূর্ণ করেছে। এই কালান্তরে যে কোন ব্যাংকের ক্ষেত্রে একটি মহিলাবন্ধন। এ ক্ষেত্রে এই বছরের আনন্দের আপনাদের সাথে ছাত্র করে দিতে চাই এক একইসাথে আপনাদের সকলের ২৫তম বার্ষিক সাধারণ সভায় যোগদান করে। আপনাদের সকলের অবিস্মরণীয় এবং প্রেরণার ক্ষমকতিতে আপনাদের কার্যক্রমের গুরুত্বপূর্ণ ক্ষেত্র সচিব অধীনে রয়েছে সকল। তাই আমি আপনাদের সকলকে ধ্যায়ছি আমার কৃতজ্ঞতা ও ধন্যবাদ। আমার মৃত্যুর বিপদ করে যে আপনাদের আর্থিকগত ক্ষতি, একতর, প্রতিষ্ঠিত ও সজ্ঞার সাথে সম্মতিত প্রয়োজি অধীনে হয়ে অগ্রগতি।

ব্যাংকের প্রতি আপনাদের ঐকান্তিক সন্তর্পণের ক্ষমকতিতে পুনরায় সন্তর্পণের কালান্তর অধীনে করা সম্ভব হয়েছে। আপনাদের বিনিয়োগকে সর্বা গতিশীল ক্ষমকতিতে হয়ে উন্নয়ন রাখার ক্ষম আপনাদের প্রতি আপনাদের প্রতিষ্ঠিত এই প্রসঙ্গের অগ্রগতি অধীনে সত্যিকার কৃতিত্ব পান করেছে। অধ্যাতন বিদ্যালয় প্রযুক্তি এক ঐক্য প্রতিযোগিতার ক্ষমকতিতে ব্যক্তিগত ক্ষম অগ্রগতি অধীনে গুরুত্বপূর্ণ কৃতিত্ব পান করে আসছে।

বাংলাদেশের অর্থনীতি

অর্থবছর ২০০৭ বাংলাদেশ ও তার অর্থিক খাতের জন্য দিগ অগ্রগতির অধীনে বছর। সেবা ও ব্যাংকিং ক্ষেত্রে খাতের প্রস্তুত উন্নয়নের ফলে বাংলাদেশের অর্থনীতির ক্ষমকতিতে প্রযুক্তি বছর ৬.৫০ শতাংশে উন্নীত হয়েছে। অর্থনীতি খাতের ক্ষমকতিতে প্রযুক্তি এক প্রযুক্তি প্রযুক্তির প্রযুক্তি বৈশিষ্ট্য এই প্রযুক্তি অধীনে সত্যিকার করেছে। বণিষ্ঠিক ব্যাংকগুলোর সন্তর্পণ ও তার ব্যবস্থাপনার উন্নয়ন ধর্ম সুবিধা সন্তর্পণ করা ও ক্ষমকতিতে কালান্তর প্রযুক্তির বাংলাদেশ ব্যাংক বণিষ্ঠিক ব্যাংকগুলোর ক্ষমকতিতে বর্ধিত ক্ষমকতিতে বিবর্তিত সাধারণ ক্ষমকতিতে সন্তর্পণ করেছে এক প্রযুক্তির ক্ষমকতিতে পূর্ণাঙ্গ পূর্ণাঙ্গের পূর্ণাঙ্গ বৃদ্ধির ক্ষমকতিতে সন্তর্পণ ৯ থেকে ১০ শতাংশে উন্নীত করেছে।

Distinguished Shareholders, Guest of honour, Ladies & Gentlemen,

Assalamu Alaikum.

It is indeed my great pleasure to let you know that UCB has completed 25 years of excellent service. It's a milestone for any bank of Bangladesh. On this auspicious occasion I would like to share this success as well as welcome you all in the 25th Annual General Meeting (AGM) of the bank. I take this opportunity to express my gratitude & heartfelt thanks for your continued support and inspiration, which has resulted in greater success in many areas of our operations. We firmly believe in "United we achieve" through our sincerity, care, unity, commitment & transparency.

The tremendous result that we have achieved last year was possible for your relentless support to the Bank. Our commitment for making your investment to have an ever-increasing value has made possible to reach a commendable success. Banking as a vital sector of the national economy continued to be very important particularly in the backdrop of tough competition and continuous globalization process.

Bangladesh Economy

Fiscal year 2007 was another year of achievement for Bangladesh and its financial sector. The economy of Bangladesh maintained a strong GDP growth of 6.50% resulting from robust performance in services and manufacturing sector. The growth was substantially contributed by increased inflow of remittances from Bangladeshi expatriates and reasonable growth in export. Bangladesh bank increased the capital adequacy requirement of the Bank from 9 percent to 10 percent of RWA and also introduced general provision on Off-balance sheet items in an effort to reduce inflation and strengthen lending facilities of commercial banks for better asset liability management.

খ্রিষ্টাব্দে বহুগুণে বৃদ্ধি করে বিশ্ব সম্পদ ও ইকুইটি বিনিয়োগে ব্যয়কে সক্ষম করে। বর্তমানে বাংলাদেশে উচ্চ মূল্যে আকর্ষণীয় আর্থিক প্রকল্পগুলি চলেছে। বর্তমানে বাংলাদেশে উচ্চ মূল্যে আকর্ষণীয় আর্থিক প্রকল্পগুলি চলেছে। বর্তমানে বাংলাদেশে উচ্চ মূল্যে আকর্ষণীয় আর্থিক প্রকল্পগুলি চলেছে।

ব্যাংক, ব্যাংকিং এবং বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর। বর্তমানে বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর। বর্তমানে বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর। বর্তমানে বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর।

ইউসিবি কর্পোরেশন

ব্যাংক সেক্টরে পণ্য ও সেবা সরবরাহে সক্ষম এবং প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর। বর্তমানে বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর। বর্তমানে বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর। বর্তমানে বিশ্ব ব্যাংক প্রকল্পগুলি ব্যাংকিং সেক্টরে কার্যকর।

ইউসিবি তার প্রকল্পগুলি পরিচালনা করে এবং সেবা পরিষেবা, গ্রাহকসহ ও ব্র্যান্ডের প্রকল্পগুলি পরিচালনা করে। ইউসিবি তার প্রকল্পগুলি পরিচালনা করে এবং সেবা পরিষেবা, গ্রাহকসহ ও ব্র্যান্ডের প্রকল্পগুলি পরিচালনা করে।

২০০৭ সাল

ইউসিবি তার কার্যক্রমে সক্ষমতা সরবরাহ করে এবং সেবা পরিষেবা, গ্রাহকসহ ও ব্র্যান্ডের প্রকল্পগুলি পরিচালনা করে। ইউসিবি তার কার্যক্রমে সক্ষমতা সরবরাহ করে এবং সেবা পরিষেবা, গ্রাহকসহ ও ব্র্যান্ডের প্রকল্পগুলি পরিচালনা করে।

Increased provisioning requirement on the off-balance sheet items will improve capital adequacy but reduce the ROA and ROE of the banking sector. The banks are now facing increasingly interest sensitive customers who are demanding higher rate of return against their deposits. Coupled with these rising interest cost and reduced spread, the rise in prices of oil and other importable items have exerted pressure on dollar which have squeezed the exchange & fee earnings of the banks.

However, banking sector particularly the private commercial banks showed its resilience and continued to perform better by diversifying the asset portfolio to retail, SME, and capital market. The available statistics indicate that share of business of UCB's are increasing in deposits, lending & other business operations. In this competitive situation, UCB remained focused in all key areas and achieved higher growth in operating profit during 2007.

UCB Strategy

UCBL has consistently remained focused on efficient customer service by providing wide range of products & services. Our products and services are diverse as the market segment demand. Our customer group range from individuals, big corporate clients, NGOs to Non residents. Financing to NGOs were done for extending micro finance to cover less privileged people who are struggling to fight poverty. The Bank's objective is to continuously modify its existing products and introduce new products to meet changing needs of the customers. With the ever increasing volume of business, number of clientele and their expectations of high quality service, branch network is being expanded to cater to the banking needs of under banked areas and the Bank has been adopting latest technology to render cost-effective and customer-friendly products and services. The bank is proactive in revising its interest rates on deposits for the benefit of the customers and will focus more on off balance sheet services for the clients.

UCBL will also focus on its delivery platform, its people and its brand to support the growth. UCBL desire to build a strong foundation in future for the clients, shareholders, communities, and associates.

The year 2007

United Commercial Bank closed the year recording excellent progress in core areas of operations. The total assets of the Bank registered an increase of 30 per cent. The deposits increased by 28 per cent, Capital & Reserves by 35 per cent, Foreign Trade by 44 per cent, Advances by 44 per cent. The Liquid resource including Investment stood at Tk. 10,379 million being 25 per cent of total Deposit. The Bank was also able to earn highest ever Operating Profit of Tk 2,018 million during the year under report against Tk 1,321 million of 2006. Net Return on Equity (ROE) of the Bank stood at 26 per cent against 25 per cent of 2006. Return on Asset (ROA) stood at 1.62% against 1.51% of 2006. Return on Investment increased to 8.02 per cent against 4.72 per cent of 2006. Capital Adequacy Ratio stood at 9.28 per cent against requirement of 9.00 per cent. The Bank maintained required provision against loans and advances and other assets. All these are the demonstration of excellent performance of the Bank for the year 2007.

২০০৫ সালে ইউসিবি তার Computerized Automation শীর্ষক একটি বইয়ে এক প্রকল্পের উদাহরণ হিসেবে প্রদান করে Core Banking solution চালু করার উদাহরণ প্রদান করেন যেখানে ইউসিবিতেও সেরার তথ্যগত সূচী ইউসিবিতেও একত্রণ এঁখিত হকবে। ২০০৭ সালে জানু নতুন কার্যকর (Core competencies) গুড সেগের মধ্যমে ইউসিবিতেও ইউসিবিবি করত উপর আবেশকক করকি। নতুন নতুন উদাহরণ উঠান এক সক্রিয় প্রিন্সিপাল কার্যকরী আদর্শে করকত ও কার্যকরী করকতক ও সেগের চ্যালেঞ্জ উঠত করত সুবিধাক্তে চালান হকবে।

अभिषेक मण्डिता

[illegible]

ইউনিওন ওলদত সেবা পূর্বনের মাধ্যমে তার গ্রাহক, সান্না ও কর্মসূচীনের কল্যাণের প্রতি দৃষ্টি রেখে সকল তদারকী সহস্বায় সকল অধিনায়ক পৰিশালনের মাধ্যমে তার কলিত মাকে পৌছাতে চায়।

कमलधारा कलानि

এখন অতি উল্লেখ করতে চাই যে, সম্মতিত পোষকহাভান, প্রকব, অণুটি
পূর্ণাযাবক, জলবুখারী এক সৰ্বদা মাধ্যমক সজ্জিত সৰ্বদা আহ, সৰ্বদা ও
সৰ্বদাযাবক কলকতিতে সজ্জিত হযছে বাহ্যানে সললত। পৰিচালক পৰ্যদেৰ গম
যেত তানে সললক অতি বাহ্যিক ধৰণে সলল কৰি।

অনি এই সুবংশে অর্ধ মন্ত্রপার, বাগদান ব্যাক, নিকিতিটি এক একজনে
কলিল, রেখিয়ার অব জায়েই ইক কোম্পানি, ইক একজনে এক অধ্যাপ
কোম্পানি সহকর্মে ব্যাকের সামগ্রিক অগ্রগতি অর্জন তামে সর্বদা, নিক নির্দান
ও ইতিহাস লিপ্যন্তর জ্ঞান প্রদান ও কল্যাণে আসে।

পরিণামে, অধি পড়ানোর পণ্ডিত আবার সংস্কৃতীকরণে তাদের পণ্ডিতের জটিল ও সংস্কৃতি শিক্ষার প্রাচ্যের পদ্ধতিগুলি গ্রহণ করে বহুশিক্ষার ক্ষেত্রে বর্জিত পড়ানোর বুদ্ধিবৃত্তি নির্দেশ দিয়ে থাকে। বর্জিত জটিল প্রাচ্যের বহুশিক্ষার ক্ষেত্রে বর্জিত ও ধর্মমত জানে। একই সঙ্গে থাকে বর্জিত, বর্জিত ও বর্জিতভাবে তাদের আনুগত্য, নির্দিষ্ট, ধর্মমত পরিণাম ও পেশার জটিলের মাধ্যমে থাকে উত্তরোত্তর সংস্করণের ক্ষেত্রে বর্জিত আনুগত্য।

আগত মিতালি আমেরে সকলের জন্য করে আনুক নাহি। পরম কল্যায় আশ্রয়
 চাহিলে সর্বলোক পছন্দীয় অলীকই আমেরে সকলের উপর বর্ষিত হোক।

मनसिह भगवान् ।

হাটী ইউনুল আমেন
ফোনোগ্রাফি

UCB strengthened its Computerized Automation in 2005 and heading towards Core Banking Solution to provide our customers with the best services they can get and keep upfront our endeavor towards excellence of services in coming years. During 2007, we focused on strengthening the UCB by building on Core Competencies. The development of new initiatives and related training programs will continue to improve capabilities of our employees and service practices which in turn adding value to client relationships.

Future outlook

World economic crisis and stiff domestic competition in banking industry would make the year 2008 very challenging for us. We do believe that continuation of our superior services, adoption of new products and technologies, harmonious banker-customer relationship, embellishment of our human resources with various trainings, prudent business policies, better risk management and corporate governance system will help us to handle this challenges more efficiently. Sound asset quality of the bank will also maximize value addition to the shareholders, employees, customers as well as society in the days to come.

UCBL aims to reach its desire goal by maintaining all the rules & regulations of all regulatory authorities, taking care of the welfare of the customers and society and its employees providing quality services to its customers.

Acknowledgement

I like to mention that our success is due to the confidence and support of our shareholders customers, numerous patrons, well wishers and press media for their unstinted cooperation and encouragement. On behalf of the Board I would like to thank each and every one of them.

I take the opportunity to express my thanks and gratitude to the Ministry of Finance, Bangladesh Bank, Securities and Exchange Commission, Office of the Registrar of Joint Stock Companies and Firms, Stock Exchanges and other regulatory bodies for their support, guidance and encouragement.

In fine I express grateful thanks to my colleagues in the Board whose dynamic role, resilience and bold decision making ability helped the management to streamline all functionalities to the right direction with a view to achieving the best interest of the Bank. I also extend my deepest appreciation to the executives, officers and members of staff of the Bank for their diligence, professionalism, devotion and loyalty as they served tirelessly to bind success upon success at UCB.

Let there be a prosperous future ahead for all of us. May almighty Allah bestow His choicest blessings on all of us.

Thanking you all,

Hajee Yunus Ahmed
Chairman



পরিচালকমন্ডলীর প্রতিবেদন
Directors' **Report**

ANNUAL REPORT 2007

বুধি পেয়ে ২০০৬ খ্রুণ শেষে ৫,০৭৭ মিলিয়ন ডলারে দাঁড়ায়। কুটুম্বীতি হার ২০০৭ সালের খ্রুণ শেষে ৭.২০ শতাংশ দাঁড়ায় যা খ্রুণ, ২০০৬ এ ছিল ৭.১৬ শতাংশ।

ব্যাংক

ইউসিবিএল ২০০৭ সালে কর্মকাণ্ডের বিস্তারিত ক্ষেত্রে সন্তোষজনক প্রযুক্তি অর্জনের মাধ্যমে ক্রয়ের সক্ষমতা টেনেছে। ২০০৭ সালের শেষে ব্যাংকের মোট সম্পদের পরিমাণ পূর্ববর্তী বছরের ৩৮,৫৪৮ মিলিয়ন টাকা থেকে ৩০.১৮ শতাংশ বৃদ্ধি পেয়ে ৫০,১৮১ মিলিয়ন টাকায় উন্নীত হয়।

লগুন তথ্যকল, বাংলাদেশ ব্যাংক ও সোনালী ব্যাংকের হিসাবে স্থিতি ৪,১১৭ মিলিয়ন টাকা মোট সম্পদের অন্তর্ভুক্ত, যা পূর্ববর্তী বছরে ছিল ২,৮১২ মিলিয়ন টাকা। বিনিয়োগকৃত অর্থকল মোট তরল সম্পদ পূর্ববর্তী বছরে ১১,০২০ মিলিয়ন টাকা থেকে আয়তায় হচ্ছে ১০,০৭৯ মিলিয়ন টাকায় দাঁড়ায়। বছর শেষে বিনিয়োগকৃত অর্থকল মোট তরল সম্পদের পরিমাণ দাঁড়ায় মোট আয়নতের ২৪.৫৪ শতাংশ। ইউসিবিএল উপর লিট আয় দাঁড়িয়েছে ২৬ শতাংশ যা পূর্ববর্তী বছর ছিল ২৫ শতাংশ।

শাখা বিস্তৃতি

ইউসিবিএল সন সময়ই গ্রাহক সেবাকে সর্বোচ্চ তরুণতায় নিয়ে থাকে। এতদুপেক্ষে ব্যাংক উন্নততর ও আধুনিক সেবা প্রদানের জন্য ব্যক্তিগত যোগাযোগ অনুন্নত করেছে। বর্তমানে ব্যাংক দেশের সনকটি বিভাগকে অন্তর্ভুক্ত করে লেনদানশীল ৮৪টির শাখার বিস্তৃত নেটওয়ার্কে মাধ্যমে ব্যাংকিং কর্মকাণ্ড পরিচালনা করে আসছে। এর মধ্যে ঢাকা বিভাগে মোট ২৮টি, চট্টগ্রাম বিভাগে ২৮টি, সিলেট বিভাগে ১১টি, রাজশাহী বিভাগে ৯টি, খুলনা বিভাগে ৭টি ও বরিশাল বিভাগে ১টি শাখা রয়েছে। গ্রাহকসেবা উন্নত সেবা পিঠিত করার জন্য চট্টগ্রামে একটি জোনাল অফিস খোলা হয়েছে। সনাসরি বৈদেশিক ব্যাণ্ণিত অনুমোদিত শাখার সনখ্যা ১৯টি। পাশাপাশি বিশ্বের সন কটি মহাসেপের ৫০টি দেশে ব্যাংকের ২০৫টি শাখারে কনসপেঙ্কশন নেটওয়ার্ক বিস্তৃত যা গ্রাহকসেবার বিভিন্নদের ব্যাংকিং চাহিদা মিটিরের জন্য সম্পূর্ণরূপে কাজ অব্যাহত আছে। এ ছাড়াও গ্রাহকী বাংলাদেশীসের অর্থ

Annual average CPI (base FY96) inflation as of end of June 2007 was 7.20% compared with 7.16% at the end of June 2006.

The Bank

The Bank closed the year with satisfactory performance in every sector. At the end of the year 2007, total assets of the Bank stood at Tk.50,181 million against Tk 38,548 million of 2006 registering an increase of 30.18%.

Total assets included Tk 4,117 million cash in hand, balances with Bangladesh Bank and Sonali Bank against Tk 2,812 million in the previous year. Total liquid assets including investment stood at Tk 10,379 million during the year against Tk 11,023 million in the previous year. The liquid assets including investment was 24.54% of the total deposits as at the close of the year. Net return on equity during the year 2007 was 26% as against 25% in the previous year.

Net work

UCB always places utmost importance on client service. With that end in view the Bank continued its personalized approach in rendering improved and modernized services. Presently the Bank is functioning with its country wide network of 84 branches covering all six divisions of the country. Out of 84 branches, Dhaka Division has 28 branches, Chittagong Division has 28 branches, Sylhet Division 11 branches, Rajshahi Division 9 branches, Khulna Division 7 branches and Barisal Division 1 branch. The Bank has set up a Zonal Office at Chittagong to facilitate services to the customers. The number of Authorised Dealer Branches are 19. Besides, the Bank currently works with 235 correspondents covering 50 important countries in all the continents of the world which is continuously expanding to meet the growing cross-boarder banking needs of the customers. Moreover, the Bank

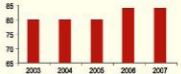


ঢাকা বিভাগীয় শাখা ব্যবস্থাপকসের অর্থ বার্ষিক সম্মেলন



ওয়ার্ল্ড টেলিকমের সাথে বিন সনবই বিশ্বক মুক্তি ব্যাংক অনুষ্ঠান

Branch Network





ব্যাংকের কার্ড ডিভিশনের প্রথম প্রতিষ্ঠা বার্ষিকী



ডাচ বাংলা ব্যাংকের সাথে ইউনাইটেড কমার্শিয়াল ব্যাংকের ATM এবং POS স্টেটমেন্ট ব্যবস্থার বিপরক চুক্তি স্বাক্ষর অনুষ্ঠান

প্রেরণের জন্য সিঙ্গাপুর, সংযুক্ত আরব আমিরাত, ওমান, কাতার এক কুয়েতসহ বেশ কয়েকটি দেশের এক্সচেঞ্জ হাউসের সাথে ব্যাংকের কার্যক্রম ব্যবস্থা রয়েছে।

আধুনিক ব্যাংকিং এর চাহিদার সাথে সামঞ্জস্য বিশালার জন্য সকল শাখাকে কম্পিউটারাইজেশনের আওতাধীন আনা হয়েছে। তথ্য ব্যবস্থাপনায় প্রযুক্তিপূর্ণ উন্নয়নের সাথে তাল মিলিয়ে গ্রাহক সেবার মান উন্নয়নের জন্য গ্রাহক অকলিউন ব্যাংকিং সুবিধা চালু করেছে। তরিক আন্তর্জাতিক সেলফ এক ঋণের প্রেরণের জন্য সরাসরি বৈদেশিক ব্যাঙ্ক অনুমোদিত সকল শাখায় সুইফট চালু করা হয়েছে। ডুয়েল কারেন্সি ডিগা রেডিও কার্ড বাজারে ছাড়া হয়েছে। কনজুমার ক্রেডিট স্কীমের আওতাধীন ঋণসহান কর্মসূচী শীঘ্রই চালু হতে যাচ্ছে।

ব্যবস্থাপনা

ব্যাংকের ব্যবস্থাপনা পরিচালক জনাব হামিদুল হক অত্যন্ত সাফল্যের সাথে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষের নেতৃত্ব দিয়েছেন। তিনি একজন ব্যতিক্রম্য গতিশীল ব্যাককার স্বর তিন দশকেরও বেশি সময়ের ব্যাংকিং অভিজ্ঞতা রয়েছে। ব্যাংকের উপব্যবস্থাপনা পরিচালক হিসাবে রয়েছেন বিশিষ্ট ও গতিশীল ব্যাককার জনাব এ. কে. এম. কামাল উদ্দিন এক এম. এম. কামালউদ্দিন। ব্যবস্থাপনাকে সক্রিয় সার্বজন ও সহযোগিতা দিয়েছে একদল যোগ্যতাসম্পন্ন নির্বাহী ও কর্মকর্তাবৃন্দ।

মূলধন ও রিজার্ভ

বাংলাদেশ ব্যাংকের অনুমোদিত মূলধনের পরিমাণ ১,০০০ মিলিয়ন টাকায় অধিষ্ঠিত রয়েছে এক পরিশোধিত মূলধনের পরিমাণ ২৯৯ মিলিয়ন টাকায় উন্নীত হয়। গত বছরের মূলধন রিজার্ভ ফান্ড ১,২৬২ মিলিয়ন টাকা থেকে ২৬ শতাংশ বৃদ্ধি পেয়ে ১,৫৯৬ মিলিয়ন টাকায় উন্নীত হয়।

ব্যাংকের মূলধন তহবিল গত বছরের ২,৬২০ মিলিয়ন টাকা থেকে ১,০৭৬ মিলিয়ন টাকা (৪১.০৬ শতাংশ) বৃদ্ধি পেয়ে ২০০৭ সালে ৩,৬৯৬ মিলিয়ন টাকায় উন্নীত হয়। ব্যাংকের মূলধনের Tier-I অর্থনৈতিক মূলধন ৮১৫ মিলিয়ন টাকা বৃদ্ধি পেয়ে ৩,১০৭ মিলিয়ন টাকায় দাঁড়িয়েছে। অর্থনৈতিক Tier-II অর্থনৈতিক

has arrangement with a number of Exchange Houses at Singapore, U.A.E, Oman, Qatar, and Kuwait to facilitate remittances from expatriate Bangladeshis.

To face the challenge of information technology and modern banking all the branches have been computerised. Keeping abreast of technological advancements in information management the Bank has introduced On Line Banking facilities for improving customer service. SWIFT has been installed at all A.D. branches to speed up international transactions. Dual Currency VISA Credit Card has been launched. Consumer Credit Scheme is in the process of being introduced shortly.

Management

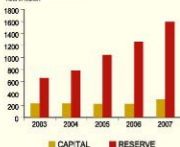
The Management team of the Bank is successfully led by Mr. Hamidul Huq, Managing Director. He is a renowned and a dynamic banker with more than three decades of banking experience. Prominent and dynamic banker A.K.M. Kamal Uddin and Mr. M. S. Kamaluddin are the Deputy Managing Director of the Bank. The Management is ably supported and assisted by qualified executives and Officers.

Capital & Reserves

During the year under report authorized capital of the Bank remained unchanged at Tk1,000 million and the paid-up capital stood at Tk. 299 million. The reserve fund of the Bank increased by 26% to Tk 1,596 million as against Tk. 1,262 million in the previous year.

The Capital fund of the Bank stood at Tk 3,696 million in 2007 against Tk 2,620 million of 2006 recording an increase of Tk 1,076 million (41.06%). Core capital (Tier -I) increased by Tk.815 million and stood at Tk 3,137 million while Supplementary capital (Tier-11) increased by Tk.261 million

Capital & Reserves
Take in million



সম্পদক ফান্ড ২৬১ মিলিয়ন টাকা বেড়ে ৫৫৯ মিলিয়ন টাকায় দাঁড়িয়েছে। মোট ফান্ড তথ্যকি কুঁকিভিত্তিক সম্পদের শতকরা ৯.২৮ ভাগ।

(87.48%) and stood at Tk 559 million. Total capital fund is equivalent to 9.28% of Risk Weighted Assets.

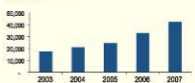
আমানত

আগোচ্য বছরে আমানতের পরিমাণ বৃদ্ধি পেয়েছে ২৮ শতাংশ। ২০০৭ সালের শেষে মোট আমানতের পরিমাণ গত বছরের ৩০,০১৬ মিলিয়ন টাকা থেকে ৪২,২৯৬ মিলিয়ন টাকায় বৃদ্ধি পায়। এই আমানতের মধ্যে ৮,৫১০ মিলিয়ন টাকা তলবী এক ৩০,৭৮৬ মিলিয়ন টাকা মেয়াদী আমানত। তলবী ও মেয়াদী আমানতের অনুপাত ছিল ২০:৮০। মোট আমানতের মধ্যে কেন্দ্রকারী খাত থেকে এসেছে ৩৬,৮২৮ মিলিয়ন টাকা এক অবশিষ্ট ৫,৪৬৮ মিলিয়ন টাকা এসেছে সরকারী খাত থেকে।

Deposit

The deposit of the Bank registered an increase of 28% in the year under review. At the close of 2007, total deposits stood at Tk 42,296 million against Tk 33,016 million in the previous year. The deposit mix comprised Tk 8,510 million as demand and Tk 33,786 million as time deposit. The ratio between demand and time liability was 20 : 80. Out of the total deposits, Tk 36,828 million was mobilized from the private sector while the balance Tk 5,468 million from the public sector.

DEPOSIT POSITION
Taka in million



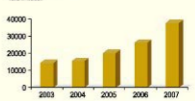
ঋণ

নতুন শিল্প প্রকল্পে অর্থায়ন, চলতি মূলধন, ব্যবসায় অর্থায়ন ও বৈদেশিক বাণিজ্যে অর্থায়নের ক্ষমতা ব্যাংক বিভিন্ন ঋণ কর্মসূচিতে অংশগ্রহণে অব্যাহত রেখেছে। কলো ব্যাংকের ঋণ বিতরণের পরিমাণ ২০০৬ সালের ২৬,১১০ মিলিয়ন টাকার থেকে বেড়ে ২০০৭ সালে ৩৭,৫৬৬ মিলিয়ন টাকায় উন্নীত হয়েছে। ঋণ এক আমানতের আনুপাতিক হার ছিল ০.৮৯ : ১। আগোচ্য বছরে ঋণগ্রহণী নীতি ঋণের পরিমাণ নিম্নরূপ।

Credit

The Bank continued its participation in different credit programmes for financing new industrial projects, working capital, trade finance, international trade etc. Consequently total credit rose to Tk 37,566 million in 2007 from Tk 26,110 million of 2006. The credit deposit ratio stood at 0.89 : 1. Sector wise credit during the year were as follows :-

LOANS & ADVANCES
Taka in million



খাত	মিলিয়ন টাকা
কৃষি ও মৎস্য	-
শিল্প	৮,৯১১
বিয়েল এট্রেট	১,০০৮
পরিবহন ও যোগাযোগ	২২২
পাইকারি ও খুচরা ব্যবসা	১৪,০৪১
অসম্পত্তি	৯,৯৪৬
রপ্তানী	২,২৭৬
অন্যান্য	৮০৬
মোট :	৩৭,৫৬৬

Sector	Taka in Million
Agriculture & Fishery	-
Industry	8,911
Real Estate	1,334
Transport	222
Whole Sale/Retail	14,041
Import	9,946
Export	2,276
Others	836
TOTAL	37,566

INDUSTRY WISE NET ADVANCES



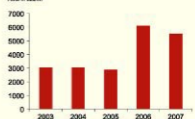
বিনিয়োগ

২০০৭ সালের শেষ ব্যাংকের মোট বিনিয়োগের পরিমাণ দাঁড়িয়েছে ৫,৫১৮ মিলিয়ন টাকা যা ২০০৬ সালে ছিল ৬,১০১ মিলিয়ন টাকা। উল্লেখ্য বছরে বিভিন্ন প্রতিষ্ঠানে শেয়ার বিনিয়োগের পরিমাণ ১০ মিলিয়ন টাকা লভ্যাংশ হিসাবে পাওয়া গিয়েছে।

Investment

At the close of 2007, total investment of the Bank stood at Tk 5,518 million against Tk 6,101 million in 2006. Income of Tk 10 million has been earned from dividend of different companies during the year under report.

INVESTMENT
Taka in million



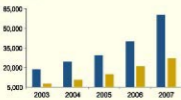
ট্রেজারী কার্যক্রম

ট্রেজারী বিভাগের কার্যক্রমের মধ্যে মুদ্রা বাজার কার্যক্রম, বৈদেশিক মুদ্রা বিক্রয় ব্যবস্থা, সম্পদ ও দায় ব্যবস্থাপনা এবং অস্থায়ী গির্জা আয়ের পূর্ণাঙ্গ বিনিয়োগ ইত্যাদি কার্যক্রম অন্তর্ভুক্ত। সি,আর,আর, ও এস,এল,আর সরবরাহ ট্রেজারীর একটি অন্যতম কাজ। ব্যাংকের ট্রেজারী বিভাগ উত্তম ভাবে ব্যবস্থাপনা করে জমা তির্যকতার সাথে সক্রিয়ভাবে স্থানীয় ও বৈদেশিক মুদ্রা বাজারে অংশগ্রহণ করেছে। ২০০৭ সালে ট্রেজারী বিনি ও অস্থায়ী সিকিউরিটিজে ব্যাংকের বিনিয়োগ ছিল টাকা ৫,৫১৮ মিলিয়ন। ব্যাংকের স্টেট আয়ের ১৬.২২ শতাংশ এসেছে ট্রেজারী কার্যক্রম থেকে।

Treasury Operations

The functions of Treasury constitutes Money Market Operations, Foreign Exchange Dealings, Asset Liability Management and other fixed income product. Maintenance of Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) is one of the major functions of Treasury. Treasury Department of the Bank has been actively participating in local money market as well as foreign currency market in a prudent way for utilization of surplus fund. The banks investment in Treasury Bills and other securities was Tk 5,518 million during the year. The Treasury operations contributed 16.22% in the total income.

FOREIGN TRADE
Taka in Million



বৈদেশিক বাণিজ্য

২০০৭ সালে ব্যাংক ২০,৬২৭ টি আমদানী ঋণপত্র খুলেছে যেখানে আমদানী বস্তুপত্র পরিমাণ ছিল ৬০,০২৬ মিলিয়ন বা ২০০৬ সালে ১৫,২২৩ ঋণপত্রের বিপরীতে আমদানী বস্তুপত্র পরিমাণ ছিল ৩৯,৮৫০ মিলিয়ন টাকা। ২০০৭ সালে রপ্তানী বিলের পরিমাণ ছিল ২৭,২০০ মিলিয়ন টাকা বা ২০০৬ সালে ছিল ২০,৮০৪ মিলিয়ন টাকা।

Foreign Trade

During the year 2007, the Bank opened 20,627 letters of credit for import amounting to Tk 60,329 million compared to 15,219 letters of credit amounting to Tk 39,853 million in 2006. The volume of export bills handled by the Bank in 2007 was Tk 27,230 million compared to Tk 20,804 million in 2006.

মানব সম্পদ

নির্বাচী ও কর্মকর্তাদের পেশাগত দক্ষতা আয়ত্তের সার্বিক কর্মসূচীর সার্বিক চক্রান্ত পূর্ণ দিক। ক্রমসংস্কারমান প্রতিযোগিতাপূর্ণ ব্যবসায়িক পরিবেশের সাথে মোকাফা করার জন্য মেধাবীতার চক্রান্তে নিয়োগ ও পেশাগত দক্ষতার উন্নয়ন ইউসিবি মানব সম্পদ ব্যবস্থাপনার মূল লক্ষ্য। এ সত্যকে মনে রেখে ব্যাংক মানব সম্পদ উন্নয়নের ব্যাপারে সব সময়ই সার্বিক চক্রান্ত দিয়ে আসছে। আধুনিক ব্যাবিক এর চ্যালেঞ্জ মোকাফায় কর্মকর্তাদের দক্ষতা ও যোগ্যতা বৃদ্ধির জন্য প্রশিক্ষণ কার্যক্রম পরিচালনার ইউসিবি রয়েছে সক্রিয় মনোযোগ। যেহেতু প্রয়োজনীয় যোগ্যতা ও পেশাগত দক্ষতা অর্জনের জন্য প্রশিক্ষণ কোন বিকল্প নেই তাই ব্যাংকের প্রশিক্ষণ কেন্দ্র সারা বছরই ব্যাবিক এ উৎকৃষ্ট গীতি ও প্রয়োজন সম্পর্কে অবগত করার জন্য ব্যাবিক এর বিভিন্ন

Human Resources

The quality of our people is of paramount importance to our strategy. UCBL's HRM policy is aimed at attracting and developing talent to face increasingly competitive business environment. With this end in view, human resource development has always been receiving highest priority in the Bank. UCBL has a strong focus on imparting training towards enhancement of Knowledge, skills and competencies of the employees to take over the challenge of modern banking. Since there is no alternative to training for acquiring the required efficiency and professional excellence, Bank's Training Institute was busy throughout the year to focus on creating awareness about the best principles and practices in banking through imparting training

ব্যাংকের অর্থায়নে গড়ে ওঠা একটি গার্মেন্ট শিল্প



ব্যাংকের আর্থিক সহায়তায় প্রতিষ্ঠিত একটি স্থাপনা নির্মাণ প্রতিষ্ঠান



বিষয়ের উপর প্রশিক্ষণ কার্য পরিচালনা করে।

২০০৭ সালে ব্যাংকের প্রশিক্ষণ কেন্দ্র ০২টি প্রশিক্ষণ কোর্স পরিচালনা করে যেখানে ৯৭৯ জন কর্মকর্তা প্রশিক্ষণ গ্রহণ করে। এছাড়াও ব্যাংকের কিছু নির্দিষ্ট ও কর্মকর্তা বাংলাদেশ ইনস্টিটিউট অব ব্যাংক ম্যানেজমেন্ট (বিআইবিএম) ও বিভিন্ন ট্রেনিং এজেন্সিতে প্রশিক্ষণ গ্রহণ করেন। কর্মকর্তা ও কর্মচারীদের কর্মক্ষমতা নিম্নলিখিত মূল্যায়ন করা হয়ে এক বেশ কিছু কর্মকর্তা ও কর্মচারীদের তাদের কাজের দক্ষতার বীকুটি বরাদ্দ পদোন্নতি প্রদান করা হয়েছে। ২০০৭ সালের শেষে ব্যাংকের মোট কর্মকর্তা ও কর্মচারীর সংখ্যা দাঁড়ায় ২,০৮২ জন, যার মধ্যে ২০৭ জন নির্বাহী, ১,০৭৮ জন কর্মকর্তা এবং ৭৯৭ জন কর্মচারী।

পরিদর্শন

অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিচালন বিভাগের অভিজ্ঞ কর্মকর্তাবৃন্দ নিয়মিতভাবে শাখা স্বত্বই ব্যাংকের শাখা সমূহের দ্রষ্টব্য কার্য সম্পন্ন করে। ২০০৭ সনে ব্যাংকের ৮৪টি শাখাতেই দ্রষ্টব্য ও পরিদর্শন করা হয়েছে। এ ছাড়াও কিছু শাখার আকস্মিক পরিদর্শনও করা হয়েছে। বাংলাদেশ ব্যাংকের দ্রষ্টব্য দল এসময়ে ব্যাংকের ৯টি শাখায় এক সমগ্র বৈশিষ্ট্য পেনদেশ অনুসরণিত ১৫টি শাখার পরিদর্শন কার্যাদি সম্পন্ন করেন।

শাখা কর্মক্ষম পর্যালোচনা

ব্যাংকের চ্যুপা ও ব্যাব্যায়ের প্রবৃদ্ধি স্বাধীনভাবে নির্ভর করে শাখাসমূহের কার্যক্ষমতার উপর। এ উদ্দেশ্যে সননে বেশ শাখাসমূহের কার্যক্ষমতা নিম্নলিখিত মূল্যায়ন করা হয়। স্বাক্ষর অগ্রুপটি পর্যালোচনার জন্য নিম্নলিখিত ব্যবধানে শাখা ব্যবস্থাপকদের সন্মত অগ্রুপিত হয় যা শাখার কর্মকর্তাকে আন্ত দ্রষ্টব্যোতে আরো জালো ফলাফল অর্জনে উৎসাহিত করে।

পরিচালন ফলাফল

আশোচ্য স্বত্ব ব্যাংকের মোট পরিচালন আয় পূর্ববর্তী স্বত্বের ৪,১১৮ মিলিয়ন টাকা থেকে ৬,০৫২ মিলিয়ন টাকায় দাঁড়ায়। মোট পরিচালন ব্যয় ২০০৬ সালের ২,৭৯৮ মিলিয়ন টাকা থেকে

on different aspects of banking.

32 (Thirty two) in house training courses were arranged during 2007 in which 979 officers took part. Moreover, a number of executives and officers were sent to Bangladesh Institute of Bank Management (BIBM) and other training agencies. Employees performances are regularly evaluated and a good number of them have been promoted as a reward and recognition of their good performance. At the end of 2007 total number of employees were 2,082 comprising of 237 executives, 1,078 officers and 767 staff.

Inspection

Experienced officials of Internal Control and Compliance Division regularly audit and inspect the activities of the Bank throughout the year. During 2007 audit and inspection were carried out covering all the 84 branches. Besides, a number of surprise inspections were also carried out. Bangladesh Bank Inspection Team also inspected 9 general branches and 15 A.D branches.

Review of Branch Performance

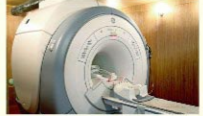
The growth of business and profitability of the Bank largely depends upon the performance of the branches. Keeping this in mind, the performance of the branches are regularly evaluated. Periodical branch managers conference is conducted to review progress of business that motivates the branches for doing better in the days to come.

Operating Result

The Bank earned a total operating income of Tk 6,052 million during the year against Tk 4,118 million in the previous year. The total operating

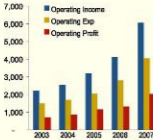


ব্যাংকের আর্থিক সহযোগিতায় প্রতিষ্ঠিত একটি ক্রেডিট শিল্প



ব্যাংকের অর্থায়নে প্রতিষ্ঠিত একটি আর্থিক শিল্প সেবা প্রতিষ্ঠান

Operating Result



বুঁকি পেয়ে ২০০৭ সালে ৪,০০৪ মিলিয়ন টাকায় দাঁড়ায়। ফলস্বরূপে পরিচালন যুগ্মকর পরিমাণ ২০০৬ সালের ১,৩২১ মিলিয়ন টাকার হলে অগোচর বছরে ২,০১৮ মিলিয়ন টাকায় দাঁড়ায়। ঋণ ও অগ্রিম এক অব্যাহা সম্পদের বিপ্লিতে সরবরাহ স্বাক টাকা ৩৫০ মিলিয়ন বাক দেওয়ার পর করপূর্ববর্তী যুগ্মকর পরিমাণ ছিল টাকা ১,৬৬৮ মিলিয়ন যা নিম্নবর্ণিতভাবে কটনের প্রভাব করা হয়েছে।

	মিলিয়ন টাকা
সহায় ও করপূর্ব পরিচালন সুদাকা	২,০১৮
বিয়োগ : ঋণ ও অগ্রিম এক অব্যাহা	
সম্পদের বিপ্লিতে বন্ধিত সহায়	(০৫০)
করপূর্ব নীতি যুগ্মক	১,৬৬৮
বিয়োগ: আয়কর বাক সহায়	(৮৫০)
আয়কর ও সহায় পরবর্তী নীতি যুগ্মক	৮১৫
বিয়োগ: বিবিধ বিচারে সরবরাহ	(৩০০)
অবশিষ্টকৃত যুগ্মক	৪৮২

সভাসমূহ

আগোচর বছরে ব্যাংকের পরিচালন পর্ষদ ১০টি সভায় মিলিত হয়। এ ছাড়াও ব্যাংকের নির্বাহী কমিটি ১৪টি এবং অডিট কমিটি ৭টি সভায় মিলিত হয়।

মুখ্য ঝুঁকি ব্যবস্থাপনা

কার্যকর ঝুঁকি ব্যবস্থাপনা ব্যাংকের আর্থিক ও পেশাগত কার্যক্রমের উন্নয়নে গুরুত্বপূর্ণ ভূমিকা পালন করে। ব্যাংকের কার্যক্রমের বিভিন্ন ক্ষেত্রে সমগ্রিত ঝুঁকিসমূহ ব্যবস্থাপনা কর্তৃপক্ষের নিয়ন্ত্রণাধীন আছে। স্বাক্ষরিক ও আর্থিক ঝুঁকিকে একটা গ্রুপেরখাট মাত্রায় নামিয়ে আনতে ব্যাংক নিয়ন্ত্রণিত ঝুঁকির ক্ষেত্রসমূহ অন্তর্ভুক্ত করে অনুশোদিত সকল মাস্টারপ্লান/সিপিএসের প্রয়োজ এক অনুশোদন যথাযথ ব্যবস্থা গ্রহণ করেছে।

- ১। সম্পদ ও ঋণ ব্যবস্থাপনা সম্পর্কিত নীতি নির্দেশনা।
- ২। ঋণ ঝুঁকি ব্যবস্থাপনা সম্পর্কিত নীতি নির্দেশনা।
- ৩। বৈদেশিক বাণিজ্য ঝুঁকি ব্যবস্থাপনা সম্পর্কিত নীতি নির্দেশনা।
- ৪। মানি লন্ডারিং প্রতিরোধ সম্পর্কিত নীতি নির্দেশনা।
- ৫। অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিচালন সংক্রান্ত নীতি নির্দেশনা।

expenditure was Tk 4,034 million in 2007 against Tk 2,798 million in 2006. Thus operating profit stood at Tk 2,018 million during the year against Tk 1,321 million of 2006. After making provision of Tk 350 million against loans & advances and other assets, the pre-tax profit for the year stood at Tk 1,668 million which is proposed to be appropriated as under :

	Tk in million
Operating profit before tax and provision	2,018
Less : Provision for Loans & Advances and Other Assets	(350)
Net profit before tax	1,668
Less : Provision for Taxation	(853)
Net profit after tax & provision	815
Less : Transferred to Statutory Reserve Fund	(333)
Retained earnings	482

Meetings

The Board of Directors held 13 meetings during the year. Besides 14 Executive Committee meetings and 7 Audit Committee meetings were held during the year under review.

Management of Core Risks in Bank

Effective Risk Management vital for improving operational and financial performance of the Bank. Risks involved in different operational area are under control of the management. The bank has taken appropriate measures to enforce and follow all approved risk manuals /guidelines covering the following risk area in order to control and minimize the business as well as financial risks at an acceptable level.

1. Policy Guidelines on Asset Liability Management
2. Policy Guidelines on Credit Risk Management
3. Policy Guidelines on Foreign Exchange Risk Management
4. Policy Guidelines on Money Laundering Prevention
5. Policy Guidelines on Internal Control and Compliance

ইউকি ব্যবস্থাপনার ব্যাখ্যা প্রোগ্রাম এবং ম্যুচুয়াল ফান্ডের নিয়মিত পর্যালোচনার জন্য ব্যাংক “ম্যানকম” নামে একটি ব্যবস্থাপন কন্ট্রোল পট্টন করেছে।

তথ্য প্রযুক্তি :

তথ্য প্রযুক্তি প্রয়োগের ক্ষেত্রে ইউকিবি গুরুত্বপূর্ণ অঙ্গপতি অর্জন করেছে। দেশের উল্লেখযোগ্য জেলাসমূহে অবস্থিত ব্যাংকের ৮৪টি শাখার মধ্যে ৬৪টি শাখায় অন লাইন ব্যাংকিং চালু করেছে। ২০০৮ সালের মধ্যে ৮৪টি শাখায় অন লাইন ব্যাংকিং চালু করা হবে। ইউকিবি SMS ব্যাংকিং সার্ভিস এবং ৮৪টি শাখার মাধ্যমে Western Union Money Transfer Service চালু করেছে। ইউকিবি Core Banking Solution সফলতার জন্য বর্তমান অবকাঠামোকে পুনর্বিন্যাসের কাজ চালিয়ে যাচ্ছে। ATM, POS এবং Internet Service এ বছরের মধ্যে চালু করাও প্রক্রিয়াধীন রয়েছে। প্রাথমিকের সিদ্ধান্তটি সেবা প্রদানের জন্য Disaster Recovery Centre স্থাপন প্রক্রিয়াধীন রয়েছে।

ফেজিট কার্ড

ইউকিবি ২০০৬ সালে ভুলেলে কারেন্সি ফেজিট কার্ড চালু করার মাধ্যমে ফেজিট কার্ড কার্যক্রম শুরু করেছে। ইত্যাকসরে ব্যাংকের কার্ড ডিভিশন ১৪,০০০ ফেজিট কার্ড ইস্যু করেছে। ব্যাংক সকল বিভাগীয় শহরে ফেজিট কার্ড সেবা সম্প্রদান করেছে। বিভাগীয় শহর ছাড়া ব্যাংক ককড়া, কুমিল্লা ও ময়মনসিংহ জেলা শহরেও কার্ড সেবা সার্ভিস শুরু করেছে। ইউকিবি ডিস্ট্রিক্ট ইন্টারপার্সনাল এর ম্যুচুয়াল সদস্য।

অনু অনুযায়ী কার্ড সেবাকে সকল গুরুত্বপূর্ণ জেলা শহরগুলোতে সম্প্রদানের পরিকল্পনা রয়েছে ইউকিবি। ২০০৮ সালের প্রথম কোয়ার্টারে মার্চেন্ট ব্যাংকিং ও এটিএম সেবা শুরু করার আশাবাদী। এ সকল কার্যক্রমের মাধ্যমে ইউকিবি কার্ড ইন্ডাস্ট্রিকে একটি উল্লেখযোগ্য অবদান অর্জন করেছে এবং একই সাথে ন্যা প্রযুক্তি নির্ভর SMS ব্যাংকিং সার্ভিস, Reward Point System, Credit Card Cheque, Double Insurance

The Bank has formed a Management Committee (MANCOM) to review proper Implementation and regular monitoring of core areas of Risk Management.

Information Technology

United Commercial Bank Ltd has made some significant advancement in the field of technology implementation. Among 84 branches 65 branches covering almost all the districts of Bangladesh have online banking facilities. By end of 2008 we shall have online banking facility in all the 84 branches. Modern services like SMS Banking are also available from these online branches. We have also introduced Western Union Money Transfer service through its 84 branches. UCB is evolving fast and upgrading its infrastructure to introduce Core Banking Solution. We are also launching our own ATMs, POS and Internet Services by this year. A state-of-the-art Fire-III Disaster Recovery Centre is being set up to facilitate uninterrupted service to the clients.

Credit Card

UCBL has started credit card operation in 2006 by introducing VISA branded dual currency credit card. Meanwhile Card Division has issued 14,000 credit card. UCBL has extended its service in all divisional cities i.e. Dhaka, Chittagong, Khulna, Sylhet, Rajshahi & Barisal. Other than divisional cities UCBL has also started card sales service in Bogra, Comilla & Mymensingh. UCBL is the principal member of Visa International.

UCBL wants to extend its card service in all the important district cities in near future. Hopefully by the 1st quarter of 2009 it will start Merchant & ATM acquiring business. With all the activities UCBL has achieved a remarkable position in the card industry as well as drawn attention in the banking sector through introduction of new technology based product like SMS



ব্যাংকের আর্থিক সহযোগিতায় পরিচালিত একটি বিন্দু উপদান কেন্দ্র

Benefit এবং Wide Global Acceptability এর সত্বে সন্তুষ্টির মাধ্যমে ব্যাংকিং সেটেক্সের দৃষ্টি আকর্ষণ করেছে।

নিরীক্ষক নিয়োগ

ফেরদা এম, জে, আবদীন এন্ড কোং ব্যাংকের ২০০৭ সালের আর্থিক বিবরণী নিরীক্ষা করেছে। কোম্পানী আইন, ১৯৯৪ এর ২১০ ধারা মোতাবেক বর্তমান অডিটরস এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন।

উপসংহার

ব্যাংক তার কর্মকাণ্ডের মূখ্য ক্ষেত্র সমূহে সন্তোষজনক অগ্রগতি অর্জন করে ২০০৭ সালের সমাপ্তি টেনেছে। ব্যাংকের সকল কর্মকাণ্ডবৃদ্ধির সমর্থিত ও নিরুপস্থিতি এক ব্যবস্থার সহযোগিতা ও সক্রিয় ব্যক্তিগত সর্বাধিক সমর্থন ও আর্থিক সহযোগিতার ফলে অগ্রগতি রয়েছে। উল্লেখযোগ্য কল্যাণ অর্জন করা সম্ভব হয়েছে। সর্বোপরি ব্যাংকের মনোবৃত্ত তারগত ভিত্তি, হিউম্যান আউলট কঠোর, স্বল্প মূল্যে আদানত সংগ্রহের সামর্থ্য, নোট সম্পদের উল্লেখযোগ্য প্রসূতি, বিতরণ তহবিল ও স্বাধীন ব্যবস্থাপনা এক পরিচালনা পর্ষদের সম্মানিত সদস্যগণ কর্তৃক ব্যবস্থাপনা কর্তৃপক্ষকে অক্লান্তিক নিরীক্ষার ও উৎসাহ প্রদান ব্যাংকের সর্বাধিক উন্নয়নে গুরুত্বপূর্ণ অবদান রেখেছে।

পরিচালনা পর্ষদ সম্মানিত গ্রাহকবৃন্দ, শেয়ারহোল্ডার, ব্যবসায় সহযোগী এবং দেশ ও বিদেশে অসংখ্য শুভাকাঙ্ক্ষীদের অবদান সমর্থন ও ব্যাংকের প্রতি অটল আস্থা রাখার জন্য কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছেন।

অর্থ মন্ত্রণালয়, বাংলাদেশ ব্যাংক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এবং অন্যান্য নিয়ন্ত্রনকারী সংস্থার কাছ থেকে সময়ে সময়ে পাওয়া মূল্যবান নিক নির্দেশনার জন্য কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছেন।

service, Reward Point System Credit Card Cheque, Double Insurance Benefit and Wide Global Acceptability etc.

Appointment of Auditors

M/S M.J. Abedin & Co, Chartered Accountants, audited the books of accounts of the Bank for the year 2007. In terms of section 210 of the companies Act, 1994 the current auditors retire from office in the Annual General Meeting.

Conclusion

The Bank closed the year 2007 recording satisfactory improvement in almost every sector. The concerted efforts of the employees of the Bank and all out support from all concerned have once again made possible the good results during the year. 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, stable deposit structure, ability to procure low cost funding, excellent growth in total assets, prudent fund & credit management, continued guidance and inspiration to the Management by the members of the Board played a vital role in the overall development.

The Board of Directors are truly indebted to the valued clients, shareholders, business associates and numerous well wishers at home and abroad for their continued support and trust they reposed upon the Bank.

The Board of Directors take the opportunity to express gratitude and thanks to the Ministry of Finance, Bangladesh Bank, Securities & Exchange Commission and other regulatory bodies for their valuable guidance from time to time.

পরিচালনা পর্ষদ উন্নত অভিলক্ষণ জ্ঞাপন করছেন
ব্যাংকের সকল নির্বাহী, কর্মকর্তা ও
কর্মচারীবৃন্দকে তাদের নিষ্ঠা, আন্তরিকতা,
নিরলস পরিশ্রম এবং গ্রাহকদেরকে প্রস্তুত
বিশেষায়িত সেবা ব্যাংকের প্রবৃদ্ধি অর্জনে বিশেষ
সহায়ক ভূমিকা পালন করেছে।

ইউসিবি আগত দিকগুলোতে উল্লেখযোগ্য হারে
প্রবৃদ্ধি অর্জনের আশা করছে এক এ আশাখান
ব্যক্ত করে ব্যাংকের ২০০৭ সালের হিসাবাবাকী
সম্বন্ধিত শেয়ারহোল্ডারদের অনুমোদনের জন্য
পেশ করছে।

পরিচালনা পর্ষদের পক্ষে



(হাজী ইউনুস আহমেদ)
চেয়ারম্যান

The Board of Directors also records
warm appreciation for the employees
at all level for their dedication,
sincerity, diligence and personalized
services rendered to the valued
customers which played an
instrumental role for sustainable
growth for the Bank.

UCB aspires a rapid growth in the
coming years and with this
expectation we place before the
esteemed shareholders the accounts
of the Bank for the year 2007 for
approval.

On behalf of the Board of Directors,



(Hajee Yunus Ahmed)
Chairman





In compliance with the BRPD circular no. 12 dated 23 December 2002 and Securities and Commission notification dated 20 February 2006, the Audit Committee was constituted by the Board of Directors of the Bank. The Audit Committee is comprised of the following 3 (three) members of the Board during 2007.

Sl. #	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr.M.A Sabur	Director	Chairman	MBA
02	Mr.Sharif Zahir	Director	Member	B.S.C.(Economics) USA
03	Mr.Kazi Enamul Hoque	Director	Member	B.Com.

As per regulatory guidelines, the Company Secretary of the Bank is the secretary of the Audit Committee.

During the year 2007, the Audit Committee has conducted 7 (Seven) meetings. Details of the meetings are shown below by date.

Meeting No	Held on
9th	February 06,2007
10th	March 19, 2007
11th	May 13, 2007
12th	June 14, 2007
13th	June 25, 2007
14th	July 07, 2007
15th	November 26, 2007

Functions of the Audit Committee:

The prime job the Committee is to facilitate the Board of Directors in its oversight responsibilities. The followings are the key areas where the Committee discussed, reviewed and recommended:

- (a) Review of Bank's Financial Statements in line with accounting standard set by regulators.

- (b) Review the findings and recommendations of external auditors.
- (c) Review the inspection report of Bangladesh Bank Inspection Department (DBI) and its subsequent compliance thereof.
- (d) Monitoring the Internal Control & Compliance system of the Bank.
- (e) Review of the Internal Audit Reports of the branches/divisions and status of compliance thereof.
- (f) Review of the classified portfolio and recovery position of the Bank..
- (g) Appointment of Auditors of the Bank for the year 2008.



M. A Sabur
Chairman

এস ই সি নোটিফিকেশন এর পরিপালন প্রতিবেদন

Compliance Report on SEC Notification

Status of compliance with the conditions imposed by the commission's Notification No. SEC/CMRRCD 2006-158/Admin/02-08 dated 20th February, 2006 issued under section 2CC of the Securities and Exchange ordinance, 1969

Condition No.	Title	Compliance status (Put in the appropriate column)		Explanation for non-compliance with the condition
		Complied	Not Complied	
1.1	Board's Size		✓	Due to delay in condonation case of AGM pending with Hon'ble High Court
1.2(i)	No. of the Independent Directors		✓	
1.2(ii)	Appointment of Independent Director		✓	
1.3	Chairman of Board & C.F.O	✓		
1.4(a)	Fair Presentation of Fin. Statements	✓		
1.4(b)	Proper Books of Accounts	✓		
1.4(c)	Appropriate Accounting Policies	✓		
1.4(d)	Application of IAS	✓		
1.4(e)	Implementation of Internal Control System	✓		
1.4(f)	Operation as a Going Concern	✓		
1.4(g)	Deviation of Operating Result	✓		
1.4(h)	3 years Operating & Financial Data	✓		
1.4(i)	Dividend Declaration		✓	Due to non-holding of AGM
1.4(j)	No. of Board Meeting & Attendance	✓		
1.4(k)	Pattern of Share Holding	✓		
2.1	Appointment of CFO, Head of Int. Audit & Company Secretary			
	Chief Financial Officer (CFO)	✓		
	Head of Internal Audit	✓		
	Company Secretary	✓		
2.2	CFO & Company Secretary to attend Board Meeting			
	Chief Financial Officer (CFO)	✓		
	Company Secretary	✓		
3.00	Audit Committee	✓		
3.1(i)	No. of Member in Audit Committee	✓		
3.1(ii)	Appointment of Independent Director in Audit Committee		✓	
3.1(iii)	Vacancy in Audit Committee	✓		
3.2(i)	Chairman of Audit Committee	✓		
3.2(ii)	Professional Knowledge of Chairman in Audit Committee	✓		
3.3.1(i)	Report of Audit Committee	✓		
3.3.1(i)(a)	Report on fraud of Interest	✓		
3.3.1(i)(b)	Report on fraud or irregularities	✓		
3.3.1(i)(c)	Report on infringement of Law	✓		
3.3.1(i)(d)	Report on Other matters	✓		
3.3.2	Reporting of Audit Committee to SIC	✓		
3.4	Disclose of Report of Audit Committee in Annual Report	✓		
4.00(i)	No. Appraisal or valuation Service by External Auditor	✓		
4.00(ii)	No System design by External Auditor	✓		
4.00(iii)	No Accounting Service by External Auditor	✓		
4.00(iv)	No Broker Dealer Service by External Auditor	✓		
4.00(v)	No Internal Audit by External Auditor	✓		
4.00(vi)	Any Other Service by External Auditor	✓		

Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance
(BRPD circular no 16 dated 24.07.2003)

	Particulars	Compliance Status
1.	<p>Responsibilities and authorities of the Board of Directors</p> <p>(a) Work-planning and strategic management</p> <p>(i) The Board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall 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 reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/ monitor at quarterly rest the development of implementation of work plans.</p> <p>(ii) The Board shall have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall appraise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO and other Senior Executives and have it evaluated at times.</p> <p>(b) Lending and risk management:</p> <p>(i) The policies, strategies, procedures etc in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, rescheduling and write-off thereof shall be made with the Board's approval under the purview of the existing laws, rules and regulations. The Board shall specially distribute the power of sanction of loan/investment and such distribution should desirably be made among CEO and his subordinate executives as much as possible. No director, however, shall interfere, directly or indirectly, in the process of loan approval.</p> <p>(ii) The Board shall frame policies for risk management and get them complied with and shall monitor at quarterly rests the compliance thereof</p> <p>(c) Internal control management:</p> <p>The Board shall be vigilant on the internal control system of the Bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. It shall review at quarterly rests the reports submitted by its audit committee regarding compliance of recommendations made in Internal and external audit reports and the Bangladesh Bank inspection reports.</p> <p>(d) Human resources management and development:</p> <p>(i) Policies relating to recruitment, promotion, transfer, disciplinary action and punitive measures, human resources development, etc and service rules shall be framed and approved by the Board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to the immediate two tiers below the CEO shall, however, rest upon the Board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e. policies for recruitment and promotion</p> <p>(ii) The board shall focus 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 shall get these programs incorporated in its annual work plan.</p> <p>(e) Financial management:</p> <p>(i) The annual budget and the statutory financial statements shall finally be prepared with the approval of the Board. It shall at quarterly rests review/monitor 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.</p>	<p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p>

Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance
(BRPD circular no 16 dated 24.07.2003)

	Particulars	Compliance Status
	<p>(f) Formation of supporting committees: For decision on urgent matters an executive committee, whatever name called, may be formed with the directors. There shall be no committee or sub-committee of the board other than the executive committee and the audit committee. No alternate director shall be included in these committees.</p>	Complied
	<p>(g) Appointment of CEO: The board shall appoint a competent CEO for the bank with the approval of the Bangladesh Bank</p>	Complied
2.	<p>Responsibilities of the chairman of the board of directors: (a) As the chairman of the board of directors (or chairman of any committee formed by the board or any director) does not personally possess the jurisdiction to apply policymaking or executive authority, he shall not participate in or interfere into the administrative or operational and routine affairs of the bank. (b) 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. (c) The chairman may be offered an office-room, a personal secretary/assistant, a telephone at the office and a vehicle in the business-interest of the bank subject to the approval of the board.</p>	Complied Complied Complied
3.	<p>Responsibilities of the adviser: The adviser, whatever name called, shall advise the board of directors or the CEO on such issues only for which he is engaged in terms of the conditions of his appointment. He shall neither have access to the process of decision-making nor shall have the scope of effecting executive authority in any matters of the bank including financial, administrative or operational affairs.</p>	No adviser is appointed.
4.	<p>Responsibilities and authorities of the CEO: The CEO of the bank, whatever name called, shall discharge the responsibilities and effect the authorities as follows: (a) In terms of the financial, business and administrative authorities vested upon him by the board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management. (b) The CEO shall ensure compliance of the Bank Companies Act, 1991 and/or other relevant laws and regulations in discharge of routine functions of the bank. (c) The CEO shall report to Bangladesh Bank of issues violative of the Bank Companies Act, 1991 or of other laws/regulations and, if required, may apprise the board <i>post facto</i>. (d) The recruitment and promotion of all staff of the bank except those in the two tiers below him shall rest on the CEO. He shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned strength of employees as approved by the board. The board or the chairman of any committee of the board or any director shall not get involved or interfere into such affairs. The authority relating to transfer of and disciplinary measures against the staff, except those at one tier below the CEO, shall 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 shall nominate officers for training etc.</p>	Complied Complied Complied Complied

নিরীক্ষকের প্রতিবেদন
Auditors' Report





ইউনাইটেড কমার্শিয়াল ব্যাংক লিমিটেড এর শেয়ারহোল্ডারদের প্রতি নিরীক্ষকের প্রতিবেদন Auditors' Report to the Shareholders of United Commercial Bank Ltd.

ইউনাইটেড কমার্শিয়াল ব্যাংক লিমিটেড এর ৩১শে ডিসেম্বর ২০০৭ সালের হিসাব, সক্রিয় মাল-কতির হিসাব ও নগদ অর্থ প্রবাহ বিবরণী, ইকুইটি পরিবর্তন সন্ক্রান্ত বিবরণী এবং সক্রিয় সন্ক্রান্ত টীকা সন্থ আমর নিরীক্ষা করেছি। এই আর্থিক বিবরণীসমূহ তৈরির দায়িত্ব ব্যাংক কর্তৃক। নিরীক্ষা করে মতামত এই আর্থিক বিবরণীসমূহের উপর মতামত প্রকাশ করেছি আমাদের দৃষ্টিতে।

বাংলাদেশে পৃথিত নিরীক্ষা মান (Bangladesh Standard of Auditing (BSA) অনুসারে আমর নিরীক্ষা কার্য সম্পন্ন করেছি। উক্ত মানসমূহের প্রয়োগ এই যে, আমর উক্ত আর্থিক বিবরণীসমূহ তত্ত্বগত ভুল-ত্রুটি মুক্ত এই মর্মে নিশ্চয়তা প্রদানের প্রয়াসে আমর নিরীক্ষা কার্য পরিচালনা করেছি। আর্থিক লেনদেনের সার্বসল প্রমাণের এক আর্থিক বিবরণীতে প্রকাশিত তথ্যসমূহের পরীক্ষামূলক ভাবে যাচাই করা অসম্ভব অতর্কিত। যবনিত বিবরণী বিবরণী, ব্যাংক পৃথিত তত্ত্বগত বিবরণী এবং উপস্থাপিত আর্থিক আর্থিক বিবরণী মূল্যায়ন করাও অসম্ভব অতর্কিত। আমর বিশ্বাস করে যে, আমাদের নিরীক্ষা কার্য আমর মতামতের যৌক্তিক ভিত্তি প্রদান করে।

আমর মতে, আর্থিক বিবরণীতে গ্রেট লস 2(viii)b, 2(xvii)b এবং ১৮.০১(খ) এ উল্লিখিত বিষয় সমূহের প্রত্যেক ব্যতীতকৈ আর্থিক বিবরণী সন্থ স্বচ্ছলতা বিবরণী সন্থ অসুস্থের তৈরী হয়েছে, যা ডিসেম্বর ৩১, ২০০৭ইং তারিখে সত্যক হয়েছে।

We have audited the accompanying Balance Sheet of United Commercial Bank Ltd. as on December 31, 2007 and the related Profit and Loss Account, Cash Flow Statement, Statement of Changes in Shareholders Equity and Notes to the Financial Statements for the year then ended. The preparation of these financial statements are the responsibility of the bank management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Except for the effect on the financial statements of the matters discussed in note 2(viii)b, 2(xvii)b and 18.01(a), in our opinion, the financial statements prepared in accordance with Bangladesh

ব্যাংকের কার্যাবলীর সত্য ও সঠিক চিত্র প্রদর্শন করে এবং কার্যক্রমের স্বচ্ছতা ও অর্থ প্রবাহ বিবরণী ব্যাংকিং কোম্পানী আইন ১৯৯১, বাংলাদেশ ব্যাংক কর্তৃক প্রণীত বিধিবিধান, কোম্পানী আইন ১৯৯৪, সিকিউরিটিজ এক্ট এবং প্রকৃত সনদ ১৯৮৭ এর অধীন প্রযোজ্য বিধিবিধান এর সাথে সামঞ্জস্যপূর্ণ।

আমরা আরও জানাই যে,

(ক) আমাদের জ্ঞান ও বিশ্বাস মতে নিম্নলিখিত জ্ঞান প্রয়োজনীয় তথ্য ও ব্যাংক প্রেরণে এক স্বাধীনভাবে পরীক্ষা করে প্রেরণ।

(খ) আমাদের মতে আইন অনুযায়ী হিসাবের অধিসূচক ব্যাংক কর্তৃক সনাক্ত করা হয়েছে এবং যে সকল শাখাসূচক আমরা পরিদর্শন করিনি তাদের থেকে প্রাপ্ত তথ্য সূচক আমাদের নিম্নলিখিত জ্ঞান পর্যাপ্ত ও সঠিক বলে প্রতীয়মান হয়েছে।

(গ) এই বিবৃতি প্রদানের বাক্যে ব্যাংকের স্থিতিশীল, লাভ-ক্ষতি হিসাব এক সমন্বিত সূচক টিকা সূচক হিসাবের বাক্য ও বিবৃতি সূচকের সাথে সঙ্গতিপূর্ণ।

(ঘ) যেকোনো ধরনের ব্যাংকের ব্যয়াদায় করা হয়েছে।

(ঙ) ৩১শে ডিসেম্বর ২০০৭ সনদে ব্যাংকের আর্থিক অবস্থা এক সূচক হিসাব আর্থিক বিবরণীতে যথাযথভাবে প্রতিলিপিত হয়েছে এবং উক্ত আর্থিক বিবরণী সর্বজনস্বীকৃত হিসাব নীতি অনুযায়ী প্রস্তুত হয়েছে।

(চ) উক্ত আর্থিক বিবরণী সূচক ব্যাংক কোম্পানী আইন ১৯৯১ এর বাংলাদেশ ব্যাংক কর্তৃক প্রণীত বিধিবিধান অনুযায়ী তৈরি করা হয়েছে।

(ছ) ব্যাংকের প্রয়োজনীয় মূলধনের পরিমাণে বঞ্চিত মূলধন টিকা ২৮৮,১০০,৭৮৭ খরিদ হয়েছে (গোটা নং ১০.০৪)।

(জ) উক্ত আর্থিক বিবরণী স্বাক্ষরকারী পেশাদার হিসাব রক্ষণ সংস্থার মাধ্যমে পর্যালোচনা করে বাংলাদেশ ব্যাংক কর্তৃক প্রণীত বিধিবিধানের বিধিবিধানের নির্ধারিত সনদ অনুযায়ী তৈরি করা হয়েছে।

(ঝ) শাখাসূচক থেকে প্রাপ্ত তথ্য ও বিবরণী স্বাধীনভাবে সনাক্ত করা হয়েছে এবং আর্থিক বিবরণী তৈরিতে সঙ্গতিপূর্ণ করা হয়েছে।

(ঞ) প্রয়োজনীয় তথ্য ও ব্যাংকসমূহ আমরা প্রেরণে এক তা সন্মোদন করে প্রতীয়মান হয়েছে।



এম. জে. আবদীন এন্ড কো
চার্টার্ড একাউন্ট্যান্টস

তারিখ: মে ২৪, ২০০৮, ঢাকা

Accounting Standards (BAS), give a true and fair view of the state of the Bank's affairs as of December 31, 2007 and of the results of its operations and cash flows for the year then ended and comply with the applicable sections of the Bank Companies Act, 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act, 1994, the Securities and Exchange Rule, 1987 and other applicable laws and regulations.

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 account as required by law have been kept by the bank so far as it appeared from our examination of those books and (where applicable) proper returns adequate for the purpose of our audit have been received from branches and not visited by us;

(iii) balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account and returns;

(iv) the expenditure incurred was for the purpose of the business of the Bank;

(v) the financial position of the bank as at December 31, 2007 and the profit for the year then ended have been properly reflected in the financial statements and prepared in accordance with the Generally Accepted Accounting Principles;

(vi) the financial statements have been drawn up in conformity with the Bank Companies Act, 1991 and in accordance with the accounting rules and regulations issued by the Bangladesh Bank;

(vii) required capital of the bank fell short by Tk. 288,130,787 (note-13.04);

(viii) the financial statements conform to the prescribed standards set out in the accounting regulations issued by the Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

(ix) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements and

(x) the information and explanations required by us have been received and found satisfactory.



M. J. ABEDIN & CO.
Chartered Accountants

Dated: May 25, 2008, Dhaka

Balance Sheet

as at 31st December, 2007

PROPERTIES & ASSETS	Notes	2007 Taka	2006 Taka
CASH	3.00	4,116,910,463	2,812,472,933
Cash in Hand (Including Foreign Currencies)		974,508,314	661,344,316
Balance with Bangladesh Bank & Sonali Bank (Including Foreign Currencies)		3,142,402,149	2,151,128,617
BALANCE WITH OTHER BANKS & FINANCIAL INSTITUTIONS	4.00	744,467,647	2,100,016,353
In Bangladesh		397,233,321	1,841,839,830
Outside Bangladesh		347,234,326	258,176,523
MONEY AT CALL AND SHORT NOTICE	5.00	-	10,000,000
INVESTMENT	6.00	5,517,712,534	6,100,772,843
Government Securities		4,919,523,196	5,999,187,159
Others		598,189,338	101,585,684
LOANS AND ADVANCES	7.00	37,566,020,031	26,110,094,793
Loans, Cash Credits and Overdrafts etc		34,745,843,050	24,085,316,032
Bills Purchased and Discounted		2,820,176,981	2,024,778,761
FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES (Less Depreciation)	8.00	422,281,643	291,209,397
OTHER ASSETS	9.00	1,813,191,208	1,123,054,126
NON BANKING ASSETS		-	-
TOTAL ASSETS		50,180,583,526	38,547,620,445
LIABILITIES AND CAPITAL			
LIABILITIES			
BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS ETC	10.00	321,835,385	264,695,789
DEPOSITS AND OTHER ACCOUNTS	11.00	42,295,996,837	33,015,843,862
Current Deposits & Other Accounts		6,897,631,814	4,876,154,870
Bills Payable		884,479,373	581,000,719
Savings Bank Deposits		8,089,147,075	7,655,769,180
Term Deposit		26,424,738,575	19,902,919,093
OTHER LIABILITIES	12.00	4,425,527,900	2,944,980,877
TOTAL LIABILITIES		47,043,360,122	36,225,520,528
CAPITAL / SHAREHOLDERS' EQUITY			
Paid up Capital	13.00	299,204,890	230,157,608
Statutory Reserve	14.00	1,232,359,718	898,792,231
General Reserve	15.00	363,563,302	363,563,302
Retained Earning/Profit & Loss Account	16.00	1,242,095,494	829,586,776
TOTAL SHAREHOLDERS' EQUITY		3,137,223,404	2,322,099,917
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		50,180,583,526	38,547,620,445

Off Balance Sheet Items

as at 31st December, 2007

OFF BALANCE SHEET ITEMS	NOTE	2007 Taka	2006 Taka
CONTINGENT LIABILITIES	17.00	24,162,756,371	15,260,398,314
Acceptances & Endorsements	17.01	9,081,068,327	6,225,721,876
Letter of Guarantees		2,227,127,401	1,500,372,572
Irrevocable Letters of Credit		12,669,807,000	7,392,032,000
Bills for Collection		184,753,643	142,271,866
Other Contingent Liabilities		-	-
OTHER COMMITMENTS		-	-
Documentary credit and other short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
TOTAL OFF-BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		24,162,756,371	15,260,398,314

The accompanying notes 1 to 40 form an integral part of these financial statements.


 Managing Director


 Director


 Director


 Director

Signed as per our annexed report of same date



M. J. ABEDIN & CO.
Chartered Accountants

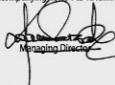
Dated: Dhaka
May 25, 2008

Profit and Loss Account

for the year ended 31st December, 2007

		2007 Taka	2006 Taka
OPERATING INCOME	Notes		
Interest Income	18.00	4,354,735,652	3,036,805,368
Interest paid on deposit and borrowings, etc.	19.00	(2,727,030,152)	(1,749,735,770)
Net Interest Income		1,627,705,500	1,287,069,598
Income from Investment	20.00	442,304,012	288,122,804
Commission, Exchange and Brokerage	21.00	968,013,235	645,049,697
Other operating income	22.00	286,452,048	148,133,162
TOTAL OPERATING INCOME (A)		3,324,474,795	2,368,375,261
OPERATING EXPENSES			
Salary and Allowances	23.00	913,890,953	729,844,714
Rent, Taxes, Insurance, Lighting etc.	24.00	103,539,442	92,511,872
Legal Expenses	25.00	5,372,069	6,684,020
Postage, Stamps, Telegram, Telephone etc.	26.00	34,787,336	25,783,980
Stationery, Printing, Advertisements etc.	27.00	56,495,862	36,014,133
Chief Executive's Salary including Other Fees	28.00	4,084,000	3,448,000
Director's Fee and other expenses	29.00	1,645,141	1,251,977
Auditors Fees		260,000	170,500
Depreciation and repair of Bank's Assets	30.00	73,519,107	63,192,223
Other expenses	31.00	113,043,453	88,904,933
TOTAL OPERATING EXPENSES (B)		1,306,637,363	1,047,806,352
Profit/(Loss) before Provision (C) = (A-B)		2,017,837,432	1,320,568,909
Provision for Loans & Advances	32.00	228,378,405	261,104,000
Provision for diminution in value of investments		1,726,595	-
Other provisions	33.00	119,895,000	-
Total provision (D)		350,000,000	261,104,000
Total profit before Income Tax (C - D)		1,667,837,432	1,059,464,909
Provision for Taxation	34.00	852,713,945	477,707,978
Current Tax Expense		852,713,945	477,707,978
Deferred Tax Expense		-	-
Net Profit after Tax		815,123,487	581,756,931
Appropriations :			
Statutory Reserve		333,567,487	211,893,000
General Reserve		-	-
Dividends		-	-
Retained Surplus		481,556,000	369,863,931
Earning per ordinary share (EPS) (Basic)	35.00	272.43	252.76

The accompanying notes 1 to 40 form an integral part of these financial statements.


Managing Director


Director


Director


Director

Signed as per our annexed report of same date


M. J. ABEDIN & CO.
Chartered Accountants

Dated: Dhaka
May 25, 2008

Cash Flow Statement

for the year ended 31st December, 2007

	Notes	2007 Taka	2006 Taka
(A) CASH FLOW FROM OPERATING ACTIVITIES			
Interest Receipts		4,784,835,205	3,317,123,380
Interest Payments		(2,727,030,152)	(1,749,735,770)
Dividend Receipt		9,856,476	7,784,792
Fees & Commission Receipt		631,453,545	415,724,529
Recoveries from previously written off advances		127,915,416	13,509,286
Payments to employees		(917,974,953)	(733,292,714)
Payments to suppliers		(194,822,640)	(154,309,985)
Income Tax paid		(627,834,272)	(518,062,654)
Receipt from other operating activities	36.00	625,359,721	377,458,330
Payment for other activities	37.00	(136,761,984)	(112,951,473)
Operating profit before changes in operating Assets and Liabilities (i)		1,574,996,362	863,247,721
Changes in operating assets and liabilities:			
Statutory Deposit		1,079,663,963	(3,242,293,299)
Purchase/Sales of trading securities		(396,603,653)	(28,938,404)
Loans and advances to customers		(11,581,255,101)	(5,973,458,961)
Other Assets	38.00	(62,302,810)	(262,442,048)
Deposit from customers		9,280,152,975	8,456,512,855
Other liabilities	39.00	275,247,525	395,091,426
Cash utilised in Operating Assets and Liabilities (ii)		(1,405,097,101)	(655,528,431)
Net cash flow from operating activities (i-ii)		169,899,261	207,719,290
(B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sales of Securities		-	47,936,976
Purchase of Securities		(100,000,000)	-
Purchase of Property, Plant & Equipments		(189,607,821)	(62,441,432)
Sales of Property, Plant & Equipments		1,457,788	1,528,808
Net cash increase/decrease for sales of subsidiary		-	-
Net cash employed in investing activities		(288,150,033)	(12,975,648)
(C) CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt from borrowing & issuance of debt securities		60,000,000	260,000,000
Repayment of borrowing and release of debt securities		(2,860,404)	(4,233,673)
Cash received from issuing of ordinary shares		-	-
Cash dividend payment		-	-
Net cash received from financing activities		57,139,596	255,766,327
(D) Net cash increase/(decrease) (A+B+C)		(61,111,176)	(412,737,752)
(E) Effects of the changes of exchange rate on cash and cash equivalents		-	-
(F) Opening Cash and cash equivalent at 1st January, 2007		4,922,489,286	4,471,959,317
(G) Closing Cash and cash equivalent at December 31, 2007	40.00	4,861,378,110	4,922,489,286

The accompanying notes 1 to 40 form an integral part of these financial statements.


Managing Director


Director


Director


Director

Signed as per our annexed report of same date

Dated: Dhaka
May 25, 2008

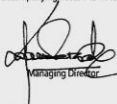

M. J. ABEDIN & CO.
Chartered Accountants

Statement of Changes in Equity

for the year ended 31st December, 2007

Particulars	Paid up Capital Taka	Statutory Reserve Taka	General Reserve Taka	Retained Surplus Taka	Total Taka
Balance as at January 01, 2006	230,157,608	686,899,231	358,085,486	459,722,845	1,734,865,170
Changes in Accounting Policy	-	-	-	-	-
Restated Balance	230,157,608	686,899,231	358,085,486	459,722,845	1,734,865,170
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-
Deficit/Surplus on Revaluation of Investments	-	-	-	-	-
Other Deficit/Surplus	-	-	5,477,816	-	5,477,816
Net Gains and Losses not Recognized in Income Statement	-	-	-	-	-
Net Profit for the year	-	-	-	581,756,931	581,756,931
Dividends	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-
Appropriation made during the year	-	211,893,000	-	(211,893,000)	-
Balance as at December 31, 2006	230,157,608	898,792,231	363,563,302	829,586,776	2,322,099,917
Balance as at January 01, 2007	230,157,608	898,792,231	363,563,302	829,586,776	2,322,099,917
Changes in Accounting Policy	-	-	-	-	-
Restated Balance	230,157,608	898,792,231	363,563,302	829,586,776	2,322,099,917
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-
Surplus/Deficit on Revaluation of Investments	-	-	-	-	-
Other Surplus/Deficit	-	-	-	-	-
Net Gains and Losses not Recognized in Income Statement	-	-	-	-	-
Net Profit for the year	-	-	-	815,123,487	815,123,487
Dividends (Bonus Share) (For 2001)	69,047,282	-	-	(69,047,282)	-
Issue of Share Capital	-	-	-	-	-
Appropriation made during the year	-	333,567,487	-	(333,567,487)	-
Balance as at December 31, 2007	299,204,890	1,232,359,718	363,563,302	1,242,095,494	3,137,223,404

The accompanying notes 1 to 40 form an integral part of these financial statements.



Managing Director



Director



Director



Director

Signed in terms of our separate report of even date.



M. J. ABEDIN & CO.
Chartered Accountants

Dated: Dhaka
May 25, 2008

Statement of Liquidity

Maturity Analysis of Assets & Liabilities as on 31st December, 2007

Particulars	Upto 1 Month	Over 1 mon upto 3 mon	Over 3 mon upto 12 mon	Over 1 year upto 5 year	Over 5 years	Total
ASSETS :-						
Cash	4,116,910,463	-	-	-	-	4,116,910,463
Balance with Other Bank & Financial Institutions	494,467,647	250,000,000	-	-	-	744,467,647
Money at Call and Short Notice	-	-	-	-	-	-
Investment	205,190,391	5,000,000	464,189,338	2,902,204,598	1,941,128,207	5,517,712,534
Loans and Advances	4,173,555,306	9,597,584,088	13,741,025,667	7,157,377,909	2,896,477,061	37,566,020,031
Premises and Fixed Assets	-	-	43,910,516	129,491,660	248,879,467	422,281,643
Other Assets	429,830,266	30,745,871	186,579,265	1,162,813,792	3,222,014	1,813,191,208
Non Banking Assets						-
TOTAL ASSETS	9,419,954,073	9,883,329,959	14,435,704,786	11,351,887,959	5,089,706,749	50,180,583,526
LIABILITIES :-						
Borrowing from Bangladesh Bank other Banks, Financial Institutions and Agents, etc.	262,803,468	-	1,892,321	57,139,596	-	321,835,385
Deposits	6,626,966,539	8,989,444,297	17,610,643,175	5,444,637,583	3,624,305,243	42,295,996,837
Other Accounts						
Provisions and Other Liabilities	852,488,521	108,819,805	599,760,940	2,864,458,634	-	4,425,527,900
TOTAL LIABILITIES	7,742,258,528	9,098,264,102	18,212,296,436	8,366,235,813	3,624,305,243	47,043,360,122
NET LIQUIDITY GAP	1,677,695,545	785,065,857	(3,776,591,650)	2,985,652,146	1,465,401,506	3,137,223,404


N.B:- Net result of the Liquidity Statement represents the Shareholders' Equity of the Bank.



Managing Director



Director

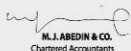


Director



Director

Dated: Dhaka
May 25, 2008



M. J. ABEDIN & CO.
Chartered Accountants

Notes to the Financial Statements

for the year ended December 31, 2007

1.00 The Bank and its Activities

The United Commercial Bank Limited (UCBL) was incorporated in Bangladesh as a public limited company with limited liability as on the 26th day of June of 1983 under Companies Act 1913 (subsequently replaced by Companies Act 1994) and commenced its operation immediately after incorporation with due permission from Bangladesh Bank w.e.f 13th November 1983. It has 84 branches all over Bangladesh.

The principal place of business and the registered office are located at 60, Motijheel Commercial Area, Federation Bhaban, Dhaka-1000, Bangladesh.

The principal activities carried out by the bank include all kinds of commercial banking activities / services to its customers through its branches and electronic delivery channels in Bangladesh.

2.00 Summary of Significant Accounting Policies and Basis of Preparation of the Financial Statements

(i) Basis of preparation of the Financial Statements

The financial statements of the Company are made up to 31st December each year, and are prepared under the historical cost convention, and in accordance with first schedule of Bank Companies Act (BCA) of 1991, Bangladesh Bank circulars, Bangladesh Accounting Standards (BAS), the Companies Act 1994, the Listing Regulations of the Stock Exchanges, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

Basis of Consolidation

A separate set of records for consolidation of the statement of affairs and income & expenditure account of the branches are maintained at the Head Office of the Bank based on which these financial statements have been prepared.

(ii) Revenue Recognition

The revenue during the year are recognized as following which satisfy all conditions of revenue recognition as prescribed by BAS 18 "Revenue Recognition".

- (a) Interest is calculated on daily product on unclassified loan and advances but charged on quarterly basis.
- (b) Interest is charged on classified loans and advances by crediting "Interest Suspense Account" as per Bangladesh Bank BRPD circular No. 16 of 1989 and such interest was not taken into income.
- (c) Dividend income is recognized at the time when it is realized.
- (d) Income on investments is recognized on accrual basis
- (e) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

(iii) Recognition of Interest on Deposit

- (a) Interest expenses are generally recognised on accrual basis taking into account of daily balance outstanding at the rate applicable for respective deposits and credited to depositors account half yearly basis. No interest is applicable on balance lying in current deposit account. Interest on FDR accrued but not due to clients A/c was credited to "Other Liability A/c - Interest Payable".
- (b) Other expenses are also recognised and recorded on accrual basis.

(iv) Fees and Commission Income

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

Notes to the Financial Statements

for the year ended December 31, 2007

(v) Fixed Assets and Depreciation

(a) Assets are stated at cost less accumulated depreciation.

(b) Depreciation has been charged on reducing balance method on all depreciable assets except motor vehicles and Computer Software on which straight-line method is applied. No depreciation has been charged on Land. Depreciation is charged for the assets which are purchased before the month of December and adjust the accumulated depreciation at the time of disposal.

Name of the Assets	Rate of Depreciation	Method of Charging Depreciation
Immovable Property (Land)	NIL	Not Applicable
Immovable Property (Building)	10% p.a	Reducing Balance Method
Furniture & Fixtures	10% p.a.	Reducing Balance Method
Vehicles	20% p.a.	Straight Line Method
Office Equipment	20% p.a.	Reducing Balance Method
Computer& Equipments	20% p.a.	Straight Line Method
Computer Software	25% p.a	Straight Line Method

(vi) Provident Fund

Provident fund benefits are given to the employees of the Bank in accordance with the registered Provident Fund Rules. The Commissioner of Income Tax, Dhaka (North) has approved the Provident Fund as a recognized provident fund within the meaning of section 2 (52) read with the provision of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from November 30, 1988. The Fund is operated by a Board of Trustees consisting 03 (three) members 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 of the employees' contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

(vii) Gratuity

(a) Gratuity benefits are given to the employees of the Bank in accordance with the approved Gratuity fund rules. National Board of Revenue has approved the gratuity fund as a recognized gratuity fund on December 27, 1995. The fund is operated by a Board of Trustees consisting 3 (Three) members of the Bank Employees are entitled to gratuity benefit after completion of minimum 5 (five) years of service in the Bank. The gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year who have rendered service upto 5 (Five) years and two month's basic pay for every completed year who have rendered service upto 10 (Ten) years. Gratuity so calculated is transferred to the fund and charged to expenses of the Bank.

(b) Shortfall on Gratuity Fund has been assessed at Tk 91,26,00,000/- upto 31-12-2006. Bank shall provide Tk 10,00,00,000/- (ten crore) annually for next 5(five) years w.e.f January 2008 for investment in Fixed Deposit till 2012 against shortfall of Tk 91,26,00,000/- in Gratuity Fund. No computation for gratuity has been made for 2007.

(viii) Earning per Shares (EPS)

The company calculates earnings per share (EPS) in accordance with BAS 33 "Earnings per Share" which has been shown on the face of Profit and Loss Account. This has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the year.

(ix) Statement of Liquidity

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

- Balance with other banks and financial institutions, money at call and on short notice etc. are on the basis of their maturity term.
- Investment are on the basis of their residual maturity term.
- Loan and advances are on the basis of their repayment/maturity schedule.

Notes to the Financial Statements

for the year ended December 31, 2007

- d) Fixed assets are on the basis of their useful lives.
- e) Other assets are on the basis of their adjustment.
- f) Borrowings 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 behavioral past trend.
- h) Other long term liability on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their settlement.

(x) Cash Flow Statement

Cash Flow Statement is prepared principally in accordance with BAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18 (b) of BAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method".

(xi) Statement of Changing in Equity

Statement of Changing in Equity has been prepared in accordance with BAS-1, "Presentation of Financial Statements" and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated June 25, 2003.

(xii) Foreign Currency Transactions

Foreign currency transactions are converted into equivalent Taka currency using the ruling exchange rates on the dates of such transactions. Assets and liabilities as at 31st December 2007 in foreign currency are translated into Taka currency at the prevailing mid rate and notional rates of the concerned foreign currencies of that day. Difference arising through transactions of foreign currencies buying and selling on different dates of the year has been adjusted by debiting / crediting to exchange gain or loss account.

Bank did not conduct any forward foreign exchange dealings during the year 2007.

(xiii) Post Balance Sheet Events

There is no material events occurred after the post balance sheet date upto the signing the audit report.

(xiv) Segment Reporting

The bank has only one reportable business segments and the operation of the bank is within the geographical territory of Bangladesh. Hence segment reporting in accordance with BAS-14 "Segment Reporting" is not applicable.

(xv) Risk Management

The Bank has taken initiative to bring down business risk at an acceptable level by implementing the Risk Management guidelines covering the following risk areas.

(a) Asset/Liability Management

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

(b) Credit Risk Management

Credit risk is one of the major risk of the Bank that may be simply defined as the potential that a bank borrower or counter party will fail to meet its obligation in accordance with the agreed terms and conditions. To assess and to mitigate the credit risk, the management has implemented Credit Risk Management (CRM) manual. Accordingly Bank's credit risk management activities have been designed to identify, measure, monitor and control all these issues in line with basic principles of credit management.

Notes to the Financial Statements

for the year ended December 31, 2007

Bank has segregated duties of the officers and executives engaged in credit related activities. Under the credit guideline credit approval, administration, monitoring and recovery function have been segregated. For this purpose 3 (Three) separate unit has been formed within the credit division. These are (a) Credit Risk Management Unit (b) Credit Administration Unit and (c) Credit Monitoring and Recovery Unit.

All the instructions of Bangladesh Bank relating to credit are strictly followed while sanctioning a credit. Loans are classified and provision maintained as per Bangladesh Bank guidelines.

(c) Foreign Exchange Risk Management

Foreign Exchange Risk is defined as the potential change in earnings arising due to change in market prices of foreign exchange. The foreign exchange risk of the Bank is minimal as the transactions are carried out on behalf of the customers against L/C commitment and other remittance requirements. No foreign exchange dealing on Bank's account was conducted during the year. The front Office of Treasury conducts the transactions independently and the back office of Treasury is responsible for verification of the deals and passing of their entries in the books of account. The reconciliation of Nostro accounts are done on monthly basis and outstanding entries beyond 30 days are reviewed by the Management for settlement.

(d) Prevention of Money Laundering

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. In order to manage the risk of money laundering the Bank has set up an effective Anti-Money Laundering Program in line with Anti-Money Laundering Act and Bangladesh Bank guidance. The Bank has a designated Chief Compliance Officer at Head Office and Compliance Officer at branches who independently review the transactions of the accounts to verify suspicious transactions. The Bank developed manuals for prevention of money laundering and introduced Know Your Customer (KYC) program and Transaction profile (TP) of customers at branch level and all other regulations are being complied meticulously. Continuous training is being imparted to all categories of Officers and Executives to enhance expertise for identifying suspicious activities and transactions.

(e) Internal Control and Compliance

Internal Control and Compliance is a process to provide high level of protection from errors, omissions, improper processes, fraud & forgeries and inability to comply with legal and regulatory requirements. Internal Control and Compliance Division undertakes periodical and special audit of the branches and departments at Head Office for review of the operations and compliance to banks and regulatory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division. The Bank has introduced Risk Based Internal Audit (RBIA) and audit rating over the branches.

(f) Operational Risk.

Operational risk may arise from error and fraud due to lack of Internal Control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

(xvi) Taxation

(a) Current Tax

The company is a publicly traded company as per the Income Tax Ordinance 1984. Provision for the Income Tax has been made at the existing rate of 45% in respect of business income.

(b) Deferred Tax

Deferred Tax liability was not computed.

(xvii) Statutory Reserve

Bank Companies Act, 1991 requires the Bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital.

Notes to the Financial Statements

for the year ended December 31, 2007

(xviii) Advances and Provisions

(a) Loan and advances are stated in the balance sheet on gross basis.

(b) Interest is calculated on a daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in suspense account as per Bangladesh Bank Instructions and such interest is not accounted for as income until realized from borrowers.

(c) Provision for loans and advances is made on the basis of periodical review by the management as per the instructions contained in Bangladesh Bank BCD Circular No.34 dated 16 November 1989, BCD Circular No.20 dated 27 December 1994, BCD Circular No.12 dated 4 September 1995, BRPD Circular No.16 dated 6 December 1998, BRPD Circular No.9 dated 14 May 2001, BRPD Circular No.02 of February 2005, BRPD Circular No.09 of August 2005 and BRPD Circular No.17 dated 06 December 2005. The classification rates are given below:

General provision on general (unclassified) loans and advances	@ 01%
General provision on special mention account	@ 05%
General provision on small and medium enterprise	@ 02%
General provision on consumer financing	@ 02%
General provision on substandard loans and advances	@ 20%
General provision on doubtful loans and advances	@ 50%
General provision on bad/loss loan and advances	@ 100%

Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank. However, the write off will not reduce the claim against the borrower. Detailed memorandum records for all such write off accounts are maintained carefully and followed up.

(xix) Off Balance Sheet Items & Provision

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. As per BRPD Circular # 10, dated September 18, 2007 Banks are advised to maintain provision @ 0.50% effective from December, 2007 and @ 1.00% effective from December 2008 against off-balance sheet exposures (L/C and Guarantee) in addition to the existing provisioning.

(xx) Investments

All investment securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discount accreted, using the effective yield method.

Held to Maturity (HTM)

Investment which have "fixed or determinable payments" and are intended to be held to maturity are classified as "Held to Maturity". These investments are subsequent measured at amortized cost, less any provision for impairment in value. Amortised cost is calculated by taking into account any discount or acquisition.. Any gain or loss on such investment is recognised in the profit and loss account when the investment is derecognised or impaired.

Held for Trading (HFT)

Investment classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are measured at present value and any change in the present value is recognised in the profit and loss account for the year in which it arises.

Value of investments has been shown as under:

Government treasury bill (HFT)	At present value
Government treasury bill (HTM)	At present value
Government treasury bill (HTM)	At present value
Zero coupon bonds	At present value
Prise bond and other bonds	At cost price
Debentures	At cost price
Un quoted shares	At cost price
Quoted shares	At cost or market price whichever is lower at balance sheet date.

Notes to the Financial Statements

for the year ended December 31, 2007

(xxi) Reconciliation of inter bank and inter branch account

Accounts with regard to inter bank (in Bangladesh and outside Bangladesh) as well as inter branches are reconciled regularly and there are no material differences which may affect the financial statements significantly.

(xxii) Cash and Cash Equivalent

Cash and cash equivalent include notes and coins on hand, unrestricted balance 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.

(xxiii) Comparative information

(a) Wherever considered necessary, figures of previous year have been rearranged for comparison purpose.

(b) Figures appearing in these accounts have been rounded off to the nearest Taka.

(xxiv) Audit Committee

The audit committee of the board was constituted by the Board of Directors of the bank in its emergent meeting held on 3rd April 2004. Subsequently the committee was reconstituted in its Board Meeting held on June 14, 2005. The Audit Committee of the Board of Directors consisted of the following 3 (three) members of the Board.

Sl.	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr. M.A Sabur	Director	Chairman	MBA
02	Mr. Sharif Zahir	Director	Member	B.S.C. (Economics) USA
03	Mr. Kazi Enamul Hoque	Director	Member	B. Com.

During the year 2007, the Audit Committee has conducted 7 (Seven) meetings. Details of the meetings are shown below by date.

Meeting No.	Held on
9th	February 06, 2007
10th	March 19, 2007
11th	May 13, 2007
12th	June 14, 2007
13th	June 25, 2007
14th	July 07, 2007
15th	November 26, 2007

The Audit Committee discussed the following issues during the year 2007

- Review of Bank's Financial Statements.
- Review the inspection report of Bangladesh Bank Inspection Department (DBI) and its subsequent compliance thereof.
- Monitoring the Internal Control & Compliance system of the Bank
- Review of the Internal Audit Reports of the branches/departments and status of compliance thereof.
- Review of the classified portfolio and recovery position of the Bank
- Review of the large classified /stuck up (Top 20 accounts) of the Bank
- Appointment of Auditors of the Bank for the year 2008.

Notes to the Financial Statements

for the year ended December 31, 2007

(xxv) Auditors' working-hour

The external auditors, M/s. M. J. Abedin & Co., Chartered Accountants of the Bank worked more than 4,480 hours at the Bank's Head Office and different branches. During their audit, they have audited above 80% of the Bank's risk weighted assets as at the reporting date.

(xxvi) Regulatory and Legal Compliance

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

- (a) The Bank Companies Act, 1991.
- (b) The Companies Act, 1994
- (c) Rules and Regulations issued by Bangladesh Bank
- (d) The Securities and Exchange Rule 1987, The Securities and Exchanges Ordinance 1969, The Securities and Exchange Commission Act 1993, The Securities and Exchange Commission (Public Issue) Rules 2006.
- (e) The income Tax Ordinance, 1984
- (f) The VAT Act, 1991.

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
3.00 Cash in Hand and with Bangladesh Bank and Sonali Bank		
Cash in hand		
In Local Currency	960,519,689	649,868,299
In Foreign Currency (WES)	-	-
In Foreign Currency	13,988,625	11,476,017
	<u>974,508,314</u>	<u>661,344,316</u>
Balance with Bangladesh Bank & Sonali Bank		
In Local Currency	2,605,794,996	1,709,083,304
In Foreign Currency	536,607,153	442,045,313
	<u>3,142,402,149</u>	<u>2,151,128,617</u>
	4,116,910,463	2,812,472,933
Balance with Bangladesh Bank		
In Local Currency	2,071,453,102	1,414,263,906
In Foreign Currency	536,607,153	442,045,313
	<u>2,608,060,255</u>	<u>1,856,309,219</u>
Balance with Sonali Bank		
In Local Currency	534,341,894	294,819,398
In Foreign Currency	-	-
	<u>534,341,894</u>	<u>294,819,398</u>

3.01 Statutory Deposit:

Cash reserve requirement (CRR) and statutory liquidity requirement (SLR) have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and BRPD Circular nos. 11 and 12 dated 25 August 2005.

The statutory cash reserve requirement on the Bank's time and demand liabilities at the rate 5% has been calculated and maintained with Bangladesh Bank in current account and 18% statutory liquidity requirement, including CRR, on the same liabilities has also been maintained in the form of treasury bills, bonds and debentures including foreign currency balances with Bangladesh Bank, CRR and SLR reserve maintained by the bank are shown below:

3.1.1 Cash Reserve Requirement (CRR)

(5.00% of Average Demand & Time Liabilities)

Required Reserve	1,887,998,988	1,481,127,075
Actual Reserve Held with B.Bank	2,071,453,102	1,492,204,000
Surplus/(Deficit)	<u>183,454,114</u>	<u>11,076,925</u>

3.1.2 Statutory Liquidity Requirement (SLR)

13.00% of Average Demand & Time Liabilities)

Required Reserve	4,908,797,368	3,850,930,395
Actual Reserve Held	6,414,384,779	6,943,970,114
Surplus/(Deficit)	<u>1,505,587,412</u>	<u>3,093,039,719</u>

Total Requirement (1A+2A)	6,796,796,356	5,332,057,470
Total Held (1B+2B)	<u>8,485,837,881</u>	<u>8,436,174,114</u>
Total Surplus/(Shortfall) (1C+2C)	<u>1,689,041,526</u>	<u>3,104,116,644</u>

3.1.3 Held for Statutory Liquidity Ratio

Cash in hand	960,519,689	649,868,299
Balance with Bangladesh Bank and its Agent Bank(s)	2,605,794,996	1,787,118,656
Government Securities	199,740,691	4,331,517,147
Government Bonds	4,674,332,805	1,618,271,612
Stock of Prized Bond	5,449,700	4,398,400
Debenture (HBFC)	40,000,000	45,000,000
	<u>8,485,837,881</u>	<u>8,436,174,114</u>

Figures of previous year have been rearranged, wherever considered necessary, to conform the current year's presentation.

4.00 BALANCE WITH OTHER BANK AND FINANCIAL INSTITUTIONS

Inside Bangladesh Note - 4.01	397,233,321	1,841,839,830
Outside Bangladesh (Annexure - A)	<u>347,234,326</u>	<u>258,176,523</u>
	744,467,647	2,100,016,353

Notes to the Financial Statements

for the year ended December 31, 2007

4.01 Inside Bangladesh	2007 Taka	2006 Taka
Current Account		
Janata Bank	65,964,374	44,477,133
Agrani Bank	21,092,938	10,918,895
The City Bank Ltd. (Visa Card)	77,574	-
Standard Chartered Bank (Visa Card)	1,618,097	5,321,200
Dutch Bangla Bank Ltd.	500,000	-
	<u>89,252,983</u>	<u>60,717,228</u>
STD Account		
Janata Bank	52,097,294	24,587,121
Rupali Bank	5,785,094	6,440,223
Sonali Bank 8.8 Avenue	97,950	95,258
	<u>57,980,338</u>	<u>31,122,602</u>
Fixed Deposit		
BRAC Bank Ltd.		
National Bank of Pakistan		
Dhaka Bank Ltd.	200,000,000	200,000,000
Southeast Bank Ltd.	-	100,000,000
Eastern Bank Ltd.	-	150,000,000
Arab Bangladesh Bank Ltd.	-	500,000,000
National Bank of Pakistan	50,000,000	50,000,000
Dutch Bangla Bank Ltd.	-	500,000,000
One Bank Ltd.	-	200,000,000
Uttara Finance & Investment Ltd.	-	50,000,000
	<u>250,000,000</u>	<u>1,750,000,000</u>
	<u>397,233,321</u>	<u>1,841,839,830</u>
4.02 Maturity Grouping of Balances with Other Banks & Financial Institutions		
On Demand	436,487,309	418,282,373
Upto 3 Months	307,980,338	205,224,902
Over 3 Months upto 1 Year	-	-
	<u>744,467,647</u>	<u>623,507,275</u>
5.00 Money at Call and Short Notice		
Call Loan Advanced to Bankers		
Sonali Bank	-	-
Bank Asia Ltd.	-	-
National Credit & Commerce Bank Ltd.	-	-
Arab Bangladesh Bank Ltd.	-	-
State Bank of India	-	-
	<u>-</u>	<u>-</u>
Call Loan Advanced to Other Financial Institute		
Peoples Leasing and Financial Services Ltd.	-	10,000,000
	<u>-</u>	<u>10,000,000</u>
	<u>-</u>	<u>10,000,000</u>
6.00 Investments		
Government Securities (Notes 6.1)	4,919,523,196	5,999,187,159
Others (Notes 6.2)	598,189,338	101,585,684
	<u>5,517,712,534</u>	<u>6,100,772,843</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
6.01 Government Securities		
Treasury Bill (At value)	199,740,691	2,753,391,816
Govt Treasury Bond (5 Years)	2,753,204,598	100,873,799
Govt Treasury Bond (10 Years)	1,921,128,207	1,517,397,813
Bangladesh Bank Bill	-	1,578,125,331
Debenture (At cost)	40,000,000	45,000,000
Prize Bond (At cost)	5,449,700	4,398,400
	<u>4,919,523,196</u>	<u>5,999,187,159</u>
6.02 Other Investments		
Share (At cost) Details in Annexure-B	598,189,338	101,585,684
Zero Coupon Bond	-	-
	<u>598,189,338</u>	<u>101,585,684</u>
	<u>5,517,712,534</u>	<u>6,100,772,843</u>
6.03 Maturity Grouping of Investment		
On Demand	5,449,700	4,398,400
Upto 3 Months	204,740,691	1,732,070,013
Over 3 Months upto 1 Year	464,189,338	2,439,854,921
Over 1 Year upto 5 Years	2,907,204,598	387,051,696
Over 5 years	1,936,128,207	1,537,397,813
	<u>5,517,712,534</u>	<u>6,100,772,843</u>
6.04 Cost and Market Value of Investment as on December 31, 2007.		
Particulars	Cost Taka	Market value on
Treasury Bills (Government Securities)	199,740,691	199,740,691
Government Treasury Bond (5 Years)	2,753,204,598	2,753,204,598
Government Treasury Bond (10 Years)	1,921,128,207	1,921,128,207
Debenture	40,000,000	40,000,000
Shares	598,189,338	818,473,056
Stock of Prize Bond	5,449,700	5,449,700
	<u>5,517,712,534</u>	<u>5,737,996,252</u>
7.00 Loans and Advances		
7.01 Loans, Cash Credit & Overdraft etc.		
Inside Bangladesh		
Loan	21,114,440,287	13,757,275,225
Cash Credit	7,975,133,220	6,326,453,865
Overdraft	5,656,269,543	4,001,586,942
Outside Bangladesh	-	-
	<u>34,745,843,050</u>	<u>24,085,316,032</u>
Bills Purchased & Discounted Payable Inside Bangladesh		
Inland Bills Purchased	2,137,083,650	1,592,350,152
Local Bill Discounted	-	-
Payable Inside Bangladesh	-	-
Foreign Bills Purchased & Discounted	683,093,331	432,428,609
	<u>2,820,176,981</u>	<u>2,024,778,761</u>
	<u>37,566,020,031</u>	<u>26,110,094,793</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
7.02 Maturity Grouping of Loans & Advances (Including Bills Purchased and Discounted)		
Payable on Demand	4,173,555,306	2,348,982,313
Upto 3 Month	9,597,581,263	5,086,887,914
Over 3 Month upto 1 Year	13,741,025,667	12,347,091,709
Over 1 Year upto 5 Year	7,157,377,909	2,865,442,746
Over 5 years	2,896,479,886	3,461,690,111
	<u>37,566,020,031</u>	<u>26,110,094,793</u>
7.03 Loans & Advances According to Significant Concentration		
Advances to the companies or firms in which the Directors of the Bank are interested	1,268,849	1,268,849
Advances to Chief Executive and Other Senior Executives	111,770,068	102,680,544
Advances to Industry Wise:		
Large & Medium	8,429,400,000	5,204,500,000
Small & Cottage	481,200,000	528,900,000
Advances to Customers Group	28,542,381,114	20,272,745,400
Total Loans & Advance	<u>37,566,020,031</u>	<u>26,110,094,793</u>
7.04 Geographical Location Wise Loans and Advances		
Urban		
Dhaka Region	23,351,263,521	16,210,381,913
Chittagong Region	10,061,993,041	7,148,299,994
Sylhet Region	102,406,589	101,042,573
Rajshahi Region	1,561,671,704	1,048,185,119
Khulna Region	1,517,523,734	906,642,237
Barisal Region	41,247,225	26,784,505
	<u>36,636,105,814</u>	<u>25,441,336,341</u>
Rural		
Dhaka Region	588,465,037	386,935,057
Chittagong Region	109,433,641	75,627,748
Sylhet Region	47,617,660	38,719,254
Rajshahi Region	-	-
Khulna Region	184,398,879	167,476,393
Barisal Region	-	-
	<u>929,915,217</u>	<u>668,758,452</u>
	<u>37,566,021,031</u>	<u>26,110,094,793</u>
7.05 Detail of Information on Advances more than 15% of Bank's Total Capital		
Number of Clients	31	52
Amount of Outstanding Advances (Annexure-C)	7,380,500,000	6,833,100,000
Classified Amount	-	-
7.06 Sector Wise Loans and Advances		
Continuous Loan	16,764,650,000	13,411,545,000
Demand Loan	11,103,626,000	6,232,079,000
Term Loan (Upto 5 Years)	4,022,668,000	3,169,944,000
Term Loan (Over 5 Years)	5,439,843,000	3,057,454,000
Staff Loan	235,233,000	239,073,000
	<u>37,566,020,000</u>	<u>26,110,095,000</u>
Industry Wise Loans and Advances		
Agriculture and Fishery	-	-
Industry		
Large & Medium	8,429,400,000	5,204,500,000
Small & Cottage	481,200,000	528,900,000
Real Estate	1,334,326,084	980,603,832
Transport & Communication	221,746,303	196,012,901
Commerce & Trade	14,041,193,400	10,021,590,959
Import	9,945,935,289	6,197,709,647
Export	2,276,113,359	1,553,059,706
Others	836,105,596	1,427,717,748
	<u>37,566,020,031</u>	<u>26,110,094,793</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
7.07 Nature wise Loans and Advance		
Time Loan	580,547,653	814,172,659
Loan Cash Credit	7,975,133,220	6,326,453,865
Overdraft	5,656,269,543	4,001,586,942
Import Loan	942,146,083	866,953,181
Loan against Trust Receipt	7,407,741,825	4,422,144,819
Packing Credit	428,070,130	283,156,164
House Building Loan (Including Staff)	1,334,326,084	980,603,832
Term Loan	7,183,306,987	4,130,435,522
Others	3,238,301,525	2,259,809,048
Bill Purchase and Discounted	2,820,176,981	2,024,778,761
	<u>37,566,020,031</u>	<u>26,110,094,793</u>
7.08 Classification of Loans & Advances According to Bangladesh Bank's Guidelines		
Unclassified		
Standard (SMA)	579,371,000	286,925,000
Standard (Small & Medium Enterprise)	4,389,039,000	2,727,911,000
Standard (Consumer Finance)	261,077,000	71,265,000
Standard (Others)	30,490,150,031	22,102,790,793
	<u>35,719,637,031</u>	<u>25,188,891,793</u>
Classified		
Sub - Standard	294,187,000	43,323,000
Doubtful	433,734,000	67,195,000
Bad & Loss	1,118,462,000	810,685,000
	<u>1,846,383,000</u>	<u>921,203,000</u>
	<u>37,566,020,031</u>	<u>26,110,094,793</u>
7.09 Particulars of Required Provision for Loans & Advances		
	Provision Required	Provision Required
General Provision		
Unclassified	302,549,000	218,637,000
Special Mention A/c	27,874,000	13,507,000
Small & Medium Ent.(SME)	87,781,000	54,558,000
Consumer Finance	13,054,000	3,563,000
	<u>431,258,000</u>	<u>290,265,000</u>
Specific Provision		
Sub - Standard	46,127,000	3,700,000
Doubtful	162,079,000	11,891,000
Bad & Loss	616,208,000	401,440,000
	<u>824,414,000</u>	<u>417,031,000</u>
Required Provision for Loans & Advances	1,255,672,000	707,296,000
Total Provision held	1,256,553,039	1,029,217,000
Excess/(Short) Provision	881,039	321,921,000
7.10 Disclosure of Particulars of Advances		
i) Debts considered good in respect of which the banking company is fully secured;	33,367,130,016	23,802,864,307
ii) Debts considered good for which the banking company holds no other security than the debtors personal security;	3,866,996,804	1,992,985,749
iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors;	331,893,211	314,244,737
iv) Debts adversely classified, provision not maintained there against;	-	-
	<u>37,566,020,031</u>	<u>26,110,094,793</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
v) Debts due by directors or officers of the banking or any of them either severally or jointly with any other person;	236,502,339	240,342,227
vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners, or managing agents or in case of private companies, as members;	1,268,849	1,268,849
vii) Maximum total amount of advances, 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 person;	78,875,000	97,142,000
viii) Maximum total amount of advances, including temporary advances granted during the year to the 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;	-	-
ix) Due from banking companies;	-	-
x) Amount of classified advances on which no interest is applied;	1,118,462,000	810,685,000
a) Decrease/ Increase in provision;	(34,966,796)	(27,930,000)
b) Amount realised against loan previously written off;	127,915,416	13,509,286
c) Amount of provision kept against loan classified as Bad/Loss on the balance sheet date and	617,028,039	738,952,081
d) Interest credited to Interest Suspense Account.	167,353,092	86,576,187
xi) Cumulative amount of the written off loan;	2,050,294,788	1,926,407,291
xii) Amount written off during the year and	123,887,497	73,911,628
xiii) Amount of written off loan for which law suit filed.	2,050,294,788	1,821,093,720
7.11 Bills Discounted and Purchased		
a) Payable in Bangladesh	2,137,083,650	1,592,350,152
b) Payable Outside Bangladesh	683,093,331	432,428,609
	<u>2,820,176,981</u>	<u>2,024,778,761</u>
7.11.1 Maturity Grouping of Bills Purchased and Discounted		
Upto 1 Month	732,041,563	228,906,163
Over 1 Month upto 3 Months	718,978,314	789,257,064
Over 3 Month upto 6 Months	1,369,157,104	915,099,445
Over 6 Months	-	91,516,089
	<u>2,820,176,981</u>	<u>2,024,778,761</u>

Notes to the Financial Statements

for the year ended December 31, 2007

7.12 Suit filed by different branches against defaulted borrowers during the year 2007.

Name of Branches	Suit value 2007	Suit value 2006
Bahaddarhat Branch	2,309,131.81	491,092.71
Bangshal Branch	4,097,213.04	-
Barisal Branch	-	1,153,902.90
Chapal Nawabgonj Branch	-	480,447.35
Chapal Nawabgonj Branch	-	2,011,535.21
Cox's Bazar Branch	-	3,793,374.74
Cox's Bazar Branch	-	4,858,318.07
Cox's Bazar Branch	-	240,361.12
Elephant Road Branch	2,143,006.00	8,829,553.00
Elephant Road Branch	-	574,186.00
Foreign Exchange Branch	3,609,749.00	-
Islampur Branch	-	1,287,003.00
Islampur Branch	-	9,983,034.00
Jubilee Road Branch	-	531,875.64
Khanjahan Ali Road Branch	3,568,417.48	11,508,225.77
Khanjahan Ali Road Branch	6,004,760.16	-
Khanjahan Ali Road Branch	-	61,694.88
Khanjahan Ali Road Branch	-	286,008.93
Khatungonj Branch	-	72,304,747.00
Khatungonj Branch	-	41,427,881.00
Khulna Branch	3,604,412.28	1,367,742.91
Khulna Branch	271,735.53	197,090.92
Khulna Branch	1,427,891.97	-
Khulna Branch	520,378.42	-
Mohammadpur Branch	-	13,416,877.97
Muradpur Branch	-	1,849,103.29
Nayabazar Branch	-	726,374.56
O. R. Nizam Road Branch	-	499,859.95
O. R. Nizam Road Branch	-	5,136,854.00
Principal Branch	208,257.34	7,027,800.00
Principal Branch	-	12,230,388.00
Principal Branch	-	7,027,800.00
Rangpur Branch	420,055.75	1,589,347.00
	28,185,008.78	210,892,479.92

8.00 Premises and Fixed Assets

Immovable Property (Land)	111,331,610	108,784,940
Immovable Property (Building)	88,733,500	24,273,877
Furniture and Fixture	100,106,394	71,518,947
Office Equipments	47,289,247	33,038,062
Computer & Equipments	47,892,355	27,410,854
Bank's Car/ Scooter/Vehicle	14,838,562	21,335,204
Computer Software	12,089,975	4,847,513
	422,281,643	291,209,397

Details of Premises & Fixed Assets Furnished in **Annexure - D**

Notes to the Financial Statements

for the year ended December 31, 2007

9.00 Other Assets	2007 Taka	2006 Taka
Stationery, Stamps & Security Paper	21,324,647	9,840,054
Advance Rent	51,167,996	52,765,860
Stock of Credit Card	2,330,193	1,806,488
Security Deposit	185,568	185,568
Advance Deposit	2,071,311	2,090,361
Advance Income Tax paid (Note - 9.04)	1,290,592,583	662,758,311
Suspense Account (Note - 9.01)	40,867,857	27,149,365
UCB International School Project	2,027,559	1,950,559
Interest Receivable	182,927,565	75,387,528
Accrued Income	185,557	9,448,449
Work in Progress	2,294,376	57,785,283
Others (Note - 9.02)	42,592,605	34,283,021
Branch Adjustment Account	174,623,391	187,603,279
	1,813,191,208	1,123,054,126

Branch adjustment account represents out standing Inter Branch and Head Office Transactions (Net) originated but not responded at Balance Sheet date.

This is made up as follows:

Due from Branches	17,814,983,136	14,624,239,317
Due to Branches	17,640,359,745	14,436,636,038
	174,623,391	187,603,279

The status of un-responded entries over 3 (three) months of December 31, 2007 are given below:

Particulars	Debit Entries		Credit Entries	
	No. of Entries	Amount	No. of Entries	Amount in Taka
Over 3 months upto 6 months	105	25,554,000	61	24,649,000
Over 6 months upto 9 months	40	5,906,000	25	2,552,000
Over 9 months upto 1 year	28	6,603,000	13	5,911,000
Over 1 year	76	33,815,000	47	24,246,000
	249	71,878,000	146	57,358,000

9.01 Suspense Account

Sundry Debtors	17,557,483	19,274,970
Advance against TA/DA	610,810	351,365
Advance against Petty Cash	32,948	-
Advance against Postage	10,609	10,109
Excise Duty	1,781,260	1,490,970
Advance against BSP/PSP	13,541,567	1,267,694
Protested Bill	3,222,014	3,222,014
Interest on Sanchay Patra	4,111,166	1,532,243
	40,867,857	27,149,365

9.02 Others

Cash Remittance	4,139,000	3,614,516
Adjusting Account Debit	1,382,394	404,199
D.D Cancelled	233,000	56,980
D.D paid without advice	23,355,152	24,611,474
Clearing Adjustment Account	8,308,395	5,595,852
Premium on Treasury Bond	5,174,664	-
	42,592,605	34,283,021

Notes to the Financial Statements

for the year ended December 31, 2007

9.03 Non-income Generating Other Assets	2007 Taka	2006 Taka
Stationery, Stamps & Security Paper	21,324,647	9,840,054
Advance Rent	51,167,996	52,765,860
Stock of Credit Card	2,330,193	1,806,488
Security Deposit	185,568	185,568
Advance Deposit	2,071,311	2,090,361
Advance Income Tax Paid	1,290,592,583	662,758,311
Suspense Account	40,867,857	27,149,365
Branch Adjustment Account	174,623,391	187,603,279
	<u>1,583,163,546</u>	<u>944,199,286</u>

9.04 Movement in Advance Income Tax Paid

Opening Balance	662,758,311	777,112,226
Addition during the year	627,834,272	518,062,654
Adjustment during the year	-	(632,416,569)
Balance held at the end of the year	<u>1,290,592,583</u>	<u>662,758,311</u>

Note : Amount of tax advanced during the year 2007 included a sum of Tk 34,00,00,000/- against tax payable for 2006

9.05 Year wise Breakup of Advance Income Tax Paid

2001	85,943,102	85,943,102
2002	(45,873,838)	(45,873,838)
2003	(105,735,875)	(105,735,875)
2004	(173,236,923)	(173,236,923)
2005	383,599,191	383,599,191
2006	518,062,654	518,062,654
2007	627,834,272	-
	<u>1,290,592,583</u>	<u>662,758,311</u>

10.00 Borrowings from Other Banking Companies, Financial Institution, Agents Etc.

In Bangladesh	321,835,385	264,695,789
Out Side Bangladesh	-	-
	<u>321,835,385</u>	<u>264,695,789</u>
Secured	321,835,385	264,695,789
Unsecured	-	-
	<u>321,835,385</u>	<u>264,695,789</u>

Maturity Grouping of Borrowings from other Banking Companies, Financial Institution

Payable on Demand	320,000,000	260,000,000
Upto 1 month	-	-
Over 1 month upto 6 months	1,835,385	2,803,468
Over 6 months upto 1 Year	-	1,892,321
Over 1 Year upto 5 Years	-	-
Over 5 Years upto 10 Years	-	-
	<u>321,835,385</u>	<u>264,695,789</u>

Notes to the Financial Statements

for the year ended December 31, 2007

11.00 Deposit and Other Accounts	2007 Taka	2006 Taka
Current Deposit & Other Accounts		
Current Deposit	3,336,766,933	2,634,153,869
Sundry Deposits (Note - 11.01)	3,311,758,209	2,149,216,136
Cash Credit Cr.Balance	83,668,605	73,495,624
Deposit in F.C	-	-
Non-Resident F.C Account (\$)	3,410,292	-
Resident F.C Deposit	3,791,313	1,428,545
Non-Resident F.C Deposit	158,236,462	17,860,696
	<u>6,897,631,814</u>	<u>4,876,154,870</u>
Bills Payable		
Pay Order	796,149,236	503,272,698
Demand Draft Payable	88,139,137	77,684,521
T.T Payable	191,000	43,500
	<u>884,479,373</u>	<u>581,000,719</u>
Savings Deposits & Other Accounts		
Savings Bank Deposits	8,089,147,075	7,655,769,180
Bearer Certificate of Deposit	-	-
	<u>8,089,147,075</u>	<u>7,655,769,180</u>
Term Deposit		
Fixed Deposit	20,719,193,936	15,408,704,883
Short Term Deposit	3,739,030,500	2,885,871,789
Staff Security Deposit	2,161,552	2,135,452
Deposit Pension Scheme	60,567,754	56,564,151
Monthly Savings Schemes	1,903,784,833	1,549,642,818
	<u>26,424,738,575</u>	<u>19,902,919,093</u>
	<u>42,295,996,837</u>	<u>33,015,843,862</u>
11.01 Sundry Deposits		
Sundry Creditors	273,202,694	184,254,527
Security Deposit	91,967,574	53,538,671
Outward Bill for Collection	8,432,370	44,750,266
Collection Clearing Adjustment Account	2,959,520	-
Foreign Correspondence Charge	75,649,101	44,765,586
Exporters Retention Quota	112,312,440	73,043,283
Cash Assistance to Exporters	4,924,372	-
Margin :		
Letter of Guarantees	168,033,075	140,839,684
Letter of Credit	2,219,548,990	1,413,916,270
Usance Letter of Credit (Normal)	263,037,425	123,469,746
Inland Bill Purchased	8,862,876	844,000
Dues to Government Agencies :		
Tax at Source	37,128,435	28,331,814
Value Added Tax (VAT)	10,299,597	7,194,444
Excise Duty	32,140,456	31,187,148
Others	3,259,284	3,080,697
	<u>3,311,758,209</u>	<u>2,149,216,136</u>

Notes to the Financial Statements

for the year ended December 31, 2007

11.02 Maturity Grouping of Deposit & Other Accounts

	2007 Taka	2006 Taka
From Banks		
Payable on Demand	7,008,301	1,068,784
Upto 1 month	-	-
Over 1 month upto 6 months	600,000,000	200,517,952
Over 6 months upto 1 Year	-	-
Over 1 Year upto 5 Years	-	-
Over 5 Years upto 10 Years	-	-
	607,008,301	201,586,736
Other than Banks		
Payable on Demand	1,745,861,009	1,570,673,773
Upto 1 month	4,873,907,290	3,176,474,097
Over 1 month upto 6 month	14,045,320,322	9,474,894,853
Over 6 month upto 1 Year	11,954,958,290	7,699,124,583
Over 1 Year upto 5 Years	5,444,636,532	6,573,932,407
Over 5 Year upto 10 Years	3,624,305,093	4,319,157,413
	41,688,988,536	32,814,257,126
	42,295,996,837	33,015,843,862

12.00 Other Liabilities

Provision for Classified Loans & Advances (Note - 12.01)	825,234,039	738,952,081
Provision for Classified Investment (Note - 12.02)	3,552,000	1,825,405
Provision for Classified Fixed Assets (Note - 12.03)	3,972,000	3,972,000
Provision for Classified Other Assets (Note - 12.04)	7,642,000	4,014,000
Provision for Unclassified Loans & Advance (Note - 12.05)	302,595,000	218,637,000
Provision for Special Mention Account (Note - 12.06)	27,879,000	13,507,000
Provision for Small & Medium Entp (SME) (Note - 12.07)	87,786,000	54,558,000
Provision for Consumer Finance (Credit Card) (Note - 12.08)	13,059,000	3,563,000
Provision for Off-Balance Sheet Exposure (Note - 12.09)	119,895,000	-
Provision for Taxation (CurrentTax) (Note - 12.10)	1,772,666,570	919,952,625
Deferred Tax Liability	3,948,419	3,948,419
Exchange Equalization Fund	8,043,177	8,043,177
Dividend Payable	41,400	41,400
Adjusting Account Credit	5,519,806	249,881,370
Interest Suspense Account (Note - 12.11)	292,947,369	219,507,580
Provision for Incentive Bonus	103,819,805	31,000,000
Interest Payable	833,488,425	429,437,467
Accrued Expenses	13,438,890	44,140,353
	4,425,527,900	2,944,980,877

12.01 Movement of Provision for Classified Loans & Advance

Opening Balance	738,952,081	623,922,333
Fully Provided Debts Written Off	(123,887,497)	(73,911,628)
Remission Allowed	(1,442,366)	(94,910)
Recoveries from Previously Written Off	127,915,416	13,509,286
Provision made during the year	124,396,799	204,483,000
Transferred from Surplus of Other Provision Heads	22,472,606	8,515,000
Transferred to Other Provision Head	(63,173,000)	(37,471,000)
	825,234,039	738,952,081

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
12.02 Movement of Provision for Classified Investment		
Opening Balance	1,825,405	485,405
Recoveries from Previously Written Off	-	-
Provision made during the year	1,726,595	1,340,000
	<u>3,552,000</u>	<u>1,825,405</u>
12.03 Movement of Provision for Classified Fixed Assets		
Opening Balance	3,972,000	3,972,000
Recoveries from Previously Written Off	-	-
Provision made during the year	-	-
	<u>3,972,000</u>	<u>3,972,000</u>
12.04 Movement of Provision for Classified Other Assets		
Opening Balance	4,014,000	4,014,000
Recoveries from Previously Written Off	-	-
Transferred to provision for Classified Loans and Advances	(1,513,606)	-
Transferred from Surplus Provision for Classified Loans and Advances	5,141,606	-
Provision made during the year	-	-
	<u>7,642,000</u>	<u>4,014,000</u>
12.05 Movement of Provision for Unclassified Advance		
Opening Balance	218,637,000	200,000,000
Recoveries from Previously Written Off	-	-
Transferred from Surplus Provision for Classified Loans and Advances	10,188,394	-
Provision made during the year	73,769,606	41,571,000
Surplus Provision Transferred to Other Provision Head	-	(22,934,000)
	<u>302,595,000</u>	<u>218,637,000</u>
12.06 Movement of Provision for Special Mention Account		
Opening Balance	13,507,000	6,028,000
Recoveries from Previously Written Off	-	-
Transferred from Surplus Provision for Classified Loans and Advances	35,331,000	-
Provision made during the year	-	26,614,000
Surplus provision transferred to other provision head	(20,959,000)	(19,135,000)
	<u>27,879,000</u>	<u>13,507,000</u>
12.07 Movement of Provision for Small & Medium Enterprise (SME)		
Opening Balance	54,558,000	54,558,000
Recoveries from Previously Written Off	-	-
Transferred from Surplus Provision for Classified Loans and Advances	9,740,000	-
Provision made during the year	23,488,000	-
	<u>87,786,000</u>	<u>54,558,000</u>
12.08 Provision for Consumer Finance (Credit Card)		
Opening Balance	3,563,000	3,563,000
Recoveries from Previously Written Off	-	-
Transferred from Surplus Provision for Classified Loans and Advances	2,772,000	-
Provision made during the year	6,724,000	-
	<u>13,059,000</u>	<u>3,563,000</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
12.09 Provision for Off-Balance Sheet Exposure		
Opening Balance	-	-
Fully provided debts written off	-	-
Recoveries from previously written off	-	-
Provision made during the year	119,895,000	-
	<u>119,895,000</u>	<u>-</u>
12.10. Movement of Provision for Taxation		
Opening Balance	919,952,625	1,073,954,921
Addition during the year	852,713,945	478,414,273
Adjustment during the year	-	(632,416,569)
Less : Excess Provision	-	-
	<u>1,772,666,570</u>	<u>919,952,625</u>
12.11 Interest Suspense Account		
Opening Balance	219,507,580	194,886,683
Amount transferred to interest suspense account during the year	167,353,092	86,576,187
Amount recovered from interest suspense account during the year	(73,672,474)	(48,107,667)
Amount written off during the year	(20,240,829)	(13,847,623)
	<u>292,947,369</u>	<u>219,507,580</u>
13.00 Shares Capital		
13.01 Authorized Capital		
10,000,000 ordinary shares of Tk 100 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
13.02 Issued Subscribed and Fully Paid up Capital		
The issued, subscribed and paid up capital amounts to 23,01,576.08 shares for 2006 and 29,92,048.90 shares for 2007 @ Tk 100 each	<u>299,204,890</u>	<u>230,157,608</u>
Break up of Issued Subscribed and Paid up Capital		

Particulars	2006			
	No. of Share holders	No of Shares	Amount in Taka	%
Sponsors/Promoters	46.00	950,207.49	95,020,749.20	41.29
Institution (Financial & Others)	3.00	902.00	90,200.00	0.04
General Public (Including NRBs)	4,070.00	1,207,116.88	120,711,687.80	52.45
Govt. of Peoples Republic of B'desh	1.00	143,349.71	14,334,971.00	6.23
	<u>4,120.00</u>	<u>2,301,576.08</u>	<u>230,157,608.00</u>	<u>100.00</u>
Particulars	2007			
	No. of Share holders	No of Shares	Amount in Taka	%
Sponsors/Promoters	46.00	1,297,062.30	129,706,230.00	43.35
General Public (Including NRBs)	7,452.00	1,508,632.00	150,863,200.00	50.42
Govt. of Peoples Republic of B'desh	1.00	186,354.60	18,635,460.00	6.23
	<u>7,499.00</u>	<u>2,992,048.90</u>	<u>299,204,890.00</u>	<u>100.00</u>

Notes to the Financial Statements

for the year ended December 31, 2007

13.03 Shareholding range on the basis of Shareholdings as on December 31, 2007

Shareholding range	Number of Shareholders	Number of Shares	Value of Shares (Fig in Taka)	% of Total Shares
Upto 500 Shares	7,289	399,364.90	39,936,490	13.35
501 to 5000 Shares	128	584,699.00	58,469,900	19.54
5001 to 10,000 Shares	26	192,616.00	19,261,600	6.44
10,001 to 20,000 Shares	32	583,440.00	58,344,000	19.50
20,001 to 30,000 Shares	7	184,035.00	18,403,500	6.15
30,001 to 40,000 Shares	3	102,368.00	10,236,800	3.42
40,001 to 50,000 Shares	6	266,005.00	26,600,500	8.89
50,001 to 100,000 Shares	5	298,294.00	29,829,400	9.97
100,001 & above	3	381,227.00	38,122,700	12.74
	7,499	2,992,048.90	299,204,890	100.00

Paid up Capital for the year 2007 has been increased by Tk. 69,047,282 which represents 30% bonus shares declared for the year 2001 as approved in the 19th A.G.M held on 09.09.2007.

Pending AGM's for the year 2002, 2003 and 2004 were held on January 10, 2008 at Officers Club, Baily Road, and AGM for the year 2005 was held on January 31, 2008 at Hotel Sonargaon, Dhaka without transaction of agenda in respect of proposed dividends due to restriction imposed by Hon'ble High Court. However yearwise breakdown of the proposed dividend in the form of bonus shares are shown below :

Year	% of Stock Dividend	Remarks
2002, 2003 & 2004	90%	Accumulated
2005	50%	-

13.04 Capital Adequacy Ratio

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars nos. 01, 14, 10, 01 and 05 dated January 08, 1996, November 16, 1996, November 24, 2002, February 19, 2007 and May 14, 2007 respectively, required capital of the Bank at the close of business on December 31, 2007 was Taka 39,846,113,680 as against available core capital of Taka 3,137,223,404 and supplementary capital of Taka 559,257,177 making a total capital of Taka 3,696,480,581 thereby showing a shortfall of capital of Taka 288,130,787 at that date.

Details are shown below :

	2007 Taka	2006 Taka
Core Capital (Tier-1)		
Paid-up Capital	299,204,890	230,157,608
Statutory Reserve	1,232,359,718	898,792,231
General Reserve	363,563,302	363,563,302
Retained Earning/Profit & Loss Account	1,242,095,494	829,586,776
	<u>3,137,223,404</u>	<u>2,322,099,917</u>
Supplementary Capital (Tier-2)		
General Provision	551,214,000	290,265,000
Exchange Equalisation Account	8,043,177	8,043,177
	<u>559,257,177</u>	<u>298,308,177</u>
Total Capital	<u>3,696,480,581</u>	<u>2,620,408,094</u>
Total Risk Weighted Assets (RWA)	39,846,113,680	27,018,239,892
Required Capital (10% of RWA from 2007) (2006-9%)	<u>3,984,611,368</u>	<u>2,431,641,590</u>
Capital Surplus/(Shortfall)	(288,130,787)	188,766,504
Capital Adequacy Ratio		
On Core Capital - against Standard of Minimum 5% (2006:4.5%)	7.87	8.59
On Supplementary Capital	1.41	1.11
On Total Capital - against Standard of Minimum 10% (2006:9%)	9.28	9.70

Notes to the Financial Statements

for the year ended December 31, 2007

13.05 Computation of Risk Weighted Assets

Particulars	Balance as at December 31, 2007	Risk weighted Factor	Risk Weighted Balance as at December 31, 2007
	(Taka in '000)		(Taka in '000)
Cash in Hand and at Banks			
(a) Cash in Hand and Balance with Banks			
(b) Balances with Other Financial Institutions-Private	-	20%	-
Money at Call and on Short Notice			
(c) Other Financial Institutions - Private	-	20%	-
Export and Foreign Bill			
(b) Other Fund Bill	683,093,332	50%	341,546,666
Import and Inland Bills			
(c) Major Non Financial Public Enterprise	-	50%	-
(f) Private Sector	3,733,131,031	100%	3,733,131,031
Advances			
(c) Other Financial Institutions			
(c) Other Financial Institutions Private	682,382,342	50%	341,191,171
(g) Private Sector	29,028,790,245	100%	29,028,790,245
Investment			
(c) Other Financial Institutions			
(1) Other Financial Institutions - Public	50,000,000	20%	10,000,000
(2) Other Financial Institutions - Private	588,189,338	50%	294,094,669
Other Assets:			
(a) Contingent assets as per contra	11,771,424,152	50%	5,885,712,076
(b) Fixed assets	418,309,644	50%	209,154,822
(e) Others	2,493,000	100%	2,493,000
Total Risk Weighted Assets	46,957,813,084		39,846,113,680

	2007 Taka	2006 Taka
14.00 Statutory Reserve		
Opening Balance	898,792,231	686,899,231
Add : Transferred during for the year	333,567,487	211,893,000
Less : Adjustment during the year	-	-
	1,232,359,718	898,792,231
15.00 General Reserve		
Opening Balance	363,563,302	358,085,486
Add : Transferred during for the year	-	-
Add : Surplus Provision of Tax and Others	-	5,477,816
	363,563,302	363,563,302
16.00 Retained Earnings		
Opening Balance	829,586,776	459,722,845
Less : Bonus Shares Allotted	69,047,282	-
Add : Profit after Tax	815,123,487	581,756,931
Less : Transferred to Statutory Reserve	333,567,487	211,893,000
	1,242,095,494	829,586,776

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
17.00 Contingent Liabilities & Commitment		
a) Directors	-	-
b) Government	801,378,337	825,361,116
c) Bank & Other Financial Institution	278,895,490	12,542,853
d) Others	23,082,482,544	14,422,494,345
	<u>24,162,756,371</u>	<u>15,260,398,314</u>
17.01 Acceptances & Endorsements		
Bankers Liabilities for Accepted Bills	2,603,453,059	1,575,326,305
Bankers Liabilities for Accepted Bills B.B	6,477,615,268	4,650,395,571
	<u>9,081,068,327</u>	<u>6,225,721,876</u>
There are 35 number of suits for value of Tk.1,942,426,353.00 were filed against the Bank upto 31.12.2007 out of which 8 number of suits for suit value Tk. 422,266,900.77 were already dismissed in favour of Bank. At present 27 number of suits with suit value for Tk.1,520,159,451.88 are pending against the Bank.		
18.00 Interest Income		
Interest on Loans and Advances (Note - 18.01)	4,080,500,887	2,881,421,339
Interest on Balances with Other Bank & Fin. Ins. (Note - 18.02)	214,961,398	82,846,323
Interest on Balance with Foreign Bank (Note - 18.03)	59,272,467	72,516,894
Penal Interest (Note - 18.04)	900	20,812
	<u>4,354,735,652</u>	<u>3,036,805,368</u>
18.01 Interest on Loans and Advances		
Loan General	94,368,102	100,292,488
Furniture Loan	-	579
Personal Credit Scheme	9,652,474	9,072,282
Transport Loan	28,505,483	35,719,833
Project Loan	767,062,244	415,887,222
House Building Loan (HBL)	142,149,908	85,102,614
House Building Loan (STAFF)	4,853,112	4,812,329
PAD (CASH)	120,287,663	87,090,882
PAD (EDF)	24,957,422	12,686,328
LIM	129,849,105	162,711,567
Loan against Trust Receipt (LTR)	729,322,522	518,699,665
Past Due Bills (PDB)	151,397,776	63,223,584
Packing Credit	28,848,583	19,310,657
Foreign Bill Purchased (FBP)	40,182,898	12,443,614
Inland Bill Purchased (IBP)	243,227,392	171,299,531
Loan under Lease Finance	25,888,720	8,049,447
Overdrafts	589,507,836	405,017,613
Cash Credits	911,687,687	766,142,681
Loan against Credit Card (Local)	28,924,237	3,858,423
Loan against Credit Card (International)	9,827,723	-
	<u>4,080,500,887</u>	<u>2,881,421,339</u>
18.01(a) The bank on the basis of finding of the external auditor classified loans and advances Tk. 412,927,000 but interest recognised on aforesaid was not reversed.		
18.02 Interest on Balances with Other Bank & Financial Institution		
Call Loans	22,919,096	35,481,503
Balance with Other Bank	192,042,302	47,364,820
	<u>214,961,398</u>	<u>82,846,323</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
18.03 Interest on Balance with Foreign Bank		
F.C held in Abroad	36,309	-
Regular Fund in Abroad	59,236,158	72,516,894
	<u>59,272,467</u>	<u>72,516,894</u>
18.04 Penal Interest		
Penal Interest on FDR	900	20,812
Penal Interest on M.S.S	-	-
Penal Interest on D.P.S	-	-
	<u>900</u>	<u>20,812</u>
19.00 Interest paid on Deposits Borrowings etc.		
Interest paid on Deposit (Note 19.01)	2,703,094,844	1,747,487,534
Interest paid on Borrowing (Note 19.02)	23,935,308	2,248,236
Interest on Deposit of Foreign Bank	-	-
	<u>2,727,030,152</u>	<u>1,749,735,770</u>
19.01 Interest paid on Deposit		
Savings Bank Deposits	372,602,268	342,082,347
Fixed Deposits	2,048,860,860	1,170,315,248
Call Deposit	-	105,834
Short Term Deposit	111,361,242	88,297,340
Staff Security Deposit	53,472	126,327
Deposit Pension Scheme	10,790,359	7,198,472
Bearer Certificate of Deposit	-	-
Monthly Savings Scheme	159,362,815	139,283,020
FCAD	63,828	78,946
	<u>2,703,094,844</u>	<u>1,747,487,534</u>
19.02 Interest paid on Borrowings		
Borrowing from Other Bank	23,661,636	1,712,042
Borrowing from B.Bank under ADB	201,761	401,375
F.C Borrowing	-	-
Penal Interest paid to B. Bank	-	-
Overdraft in Foreign Bank	71,911	134,819
	<u>23,935,308</u>	<u>2,248,236</u>
20.00 Income from Investment		
Interest Income from Investment (Note - 20.01)	430,099,553	280,318,012
Non Interest Income from Investment (Note - 20.02)	12,204,459	7,804,792
	<u>442,304,012</u>	<u>288,122,804</u>
20.01 Interest Income from Investment		
Treasury Bills (Government Securities)	151,996,843	207,776,651
Government Treasury Bond	270,724,777	56,288,893
Zero Coupon Bond	1,863,446	2,063,024
Debenture	1,976,986	2,217,329
Interest on Reverse Repo	3,537,501	11,972,115
	<u>430,099,553</u>	<u>280,318,012</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
20.02 Non Interest Income from Investment		
Dividend on Shares	9,856,476	7,784,792
Gain on Sale of Shares (Note - 20.2.1)	2,336,760	-
Gain on Sale/Purchase of Securities	11,223	-
Prize Money on Prize Bond	-	20,000
	<u>12,204,459</u>	<u>7,804,792</u>
	<u>442,304,012</u>	<u>288,122,804</u>
20.2.1 Gain on Sale of Shares		
Gain on Sale of Shares	2,336,760	-
Less : Loss on Sale of Shares	-	-
	<u>2,336,760</u>	<u>-</u>
21.00 Commission/Exchange & Brokerage		
Commission (Note - 21.01)	592,232,010	412,682,437
Fees (Note - 21.02)	39,221,535	9,047,983
Exchange Earning (Note - 21.03)	336,559,690	223,319,277
Brokerage	-	-
	<u>968,013,235</u>	<u>645,049,697</u>
21.01 Commission		
Remittance Inland	51,785,128	52,345,662
Remittance Foreign	2,619,343	1,309,455
L/Gs Inland	32,958,459	30,571,682
L/Gs Foreign	70,948	-
L/Cs Inland	5,435,322	11,855,531
L/Cs Cash	173,278,503	117,795,782
L/Cs Deferred	23,248,017	18,268
L/Cs Back to Back	102,351,486	76,548,306
Payment against Document (PAD)	200,943	368,183
Commission on Sale of Shares	-	4,925
Commission on BSP/ISP	733,402	1,292,763
Commission on LIM	-	95,450
Commission on LTR	822,715	2,090,865
Commission on Accepted Imported Bills	113,968,322	76,643,949
Exchange Comm. & Rebate	27,558,410	18,192,190
Bills Purchased Inland	7,401,888	5,611,474
Commission on Lottery Ticket	52,825	9,190
Commission on IBC & Others	145,106	38,652
Underwriting Commission	-	5,000
Discount on Bill/Bond	49,601,193	17,885,110
	<u>592,232,010</u>	<u>412,682,437</u>
21.02 Fees		
Appraisal Fees	3,119,780	1,175,791
L/C Advising Charge	5,841,800	4,830,100
Credit Card - Local		
Annual Fees on Credit Card	12,096,606	3,042,092
Reimbursement Fees	2,493,282	-
Cash Advance Fees	4,057,372	-
Pin Reissue Fees	4,500	-
Late Payment Fees	3,507,059	-
Excess Overlimit Fees	1,222,520	-
Statement Retrieval Fees	8,450	-
SMS Registration Fees	527,900	-

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
Credit Card - International		
Reimbursement Fees	1,650,150	
Cash Advance Fees	768,602	
Pin Reissue Fees	16,670	
Late Payment Fees	2,267,498	
Excess Overlimit Fees	285,671	
Statement Retrieval Fees	-	
Optional Reissue Fees	1,353,675	
	<u>39,221,535</u>	<u>9,047,983</u>
21.03 Exchange		
Exchange Earning (General)	358,591,476	223,319,277
Exchange (Dealing Room)	-	-
	<u>358,591,476</u>	<u>223,319,277</u>
Less : Exchange Loss (General)	(22,031,786)	-
Less : Exchange Loss (D. Room)	-	-
	<u>336,559,690</u>	<u>223,319,277</u>
Brokerage		
Note : No dealing of foreign exchange for trading purpose was made during the year 2007		
22.00 Other Operating Income		
Locker	893,500	702,750
Godown Rent	1,954,425	2,182,749
Gain on Sale of Assets (Note 22.01)	585,981	1,411,823
Miscellaneous Earning	71,936,090	43,447,837
Premises Rent	977,400	749,074
Insurance Charges Recoveries	1,055,179	850,968
Postage Recoveries	19,421,382	9,647,857
TLX/TP/Telegram Recoveries	11,792,184	18,518,272
Trunk Call Recoveries	1,476,370	411,657
Legal Charges Recoveries	716,270	660,104
Incidental Charges Recoveries	117,064,380	38,480,733
Swift Charges	29,367,110	18,442,970
On Line Recoveries	867,800	429,580
Handling Charge on LIM	6,805,039	2,016,764
Handling Charge on LTR	8,546,963	4,234,231
Handling Charge on EOL	7,251,429	519,601
Other Income on Credit Card	5,740,546	5,426,192
	<u>286,452,048</u>	<u>148,133,162</u>
22.01 Gain on Sale of Assets	1,002,726	1,411,823
Less : Loss on Sale of Assets	(416,745)	-
	<u>585,981</u>	<u>1,411,823</u>
23.00 Salaries and Allowances		
Basic Salary	409,826,908	332,552,415
Salary of Casual Labour	70,756,549	60,569,585
Festival Bonus	68,680,240	87,314,630
Incentive Bonus	103,400,418	31,000,000
House Rent Allowances	162,455,469	134,468,483
Provident Fund	38,978,535	32,039,336
Gratuity	36,000,000	31,800,000
Other Allowances (Note - 23.01)	23,792,834	20,100,265
	<u>913,890,953</u>	<u>729,844,714</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
23.01 Other Allowances		
Cash Risk Allowance	5,783,999	4,822,490
Conveyance Allowance	14,655,984	12,596,513
Entertainment Allowance	3,014,964	2,606,170
Others	284,000	46,292
Risk Allowance	53,887	28,800
	<u>23,792,834</u>	<u>20,100,265</u>
24.00 Rent, Taxes, Insurance, Lighting Etc.		
(a) Rent & Taxes		
Rent - Garage	126,087	163,200
Rent - Godowns	3,577,467	4,944,824
Rent - Office	49,405,480	42,991,341
Rent - Residence	7,905	-
Rent - Furniture Fixture	-	-
Rent Machine	1,500	38,625
Rent, Rates & Taxes	2,045,369	2,345,464
Rent, Rates & Taxes (VAT)	525,583	797,488
Other Rental Charges	578,077	252,694
(b) Lighting		
Light & Power - Office	16,133,294	14,451,318
Light Power - Residence	3,115,977	2,797,066
Gas - Office	278,239	198,046
Gas - Residence	1,191,169	1,130,277
Water - Office	701,826	1,184,852
Water - Residence	958,941	910,139
(c) Insurance		
Insurance Charge	20,472,637	15,805,703
Group Insurance Premium	1,519,251	1,358,475
(d) Lease Rental		
Rental - Car	2,463,840	2,669,160
Other Equipments	436,800	473,200
	<u>103,539,442</u>	<u>92,511,872</u>
25.00 Legal Expenses		
Professional Fees	3,462,366	2,749,580
Other Legal Charges	1,895,068	3,920,032
Stamp, Power of Attorney & Notary Public	14,635	14,408
	<u>5,372,069</u>	<u>6,684,020</u>
26.00 Postage, Stamps, Telegram, Telephone etc.		
PABX	-	-
Postage	4,066,186.00	2,667,864
Telegram/Telex/IP	66,565.00	164,325
Telephone/Trunk Call Office	15,089,655.00	12,682,855
Telephone/Trunk Call Residence	2,891,940.00	2,573,086
Reuter	1,239,847.00	1,185,923
Swift	5,739,348.00	4,561,825
Internet	3,088,445.00	1,471,930
Online Connectivity Charge	2,605,350.00	476,172
	<u>34,787,336</u>	<u>25,783,980</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
AUDITORS FEES	260,000	170,500
27.00 Stationery Printing & Advertisement		
Stationery - Security	1,592,487	1,518,976
Stationery - Petty	9,953,419	6,937,005
Stationery - Office	13,492,322	7,401,037
	<u>25,038,228</u>	<u>15,857,018</u>
Advertisement		
News Paper	6,264,926	4,833,255
Magazine	844,200	1,039,342
Miscellaneous Advertisement	1,340,275	4,459,825
Hoarding & Neonsign	320,500	1,879,180
Advertisement - Television	22,687,733	7,945,513
	<u>31,457,634</u>	<u>20,157,115</u>
	<u>56,495,862</u>	<u>36,014,133</u>
28.00 Chief Executive's Salary Including Other Fees		
Basic Salary	2,400,000	2,400,000
Festival Bonus	400,000	400,000
Incentive Bonus	600,000	-
House Rent Allowances	600,000	600,000
Other Fees	84,000	48,000
	<u>4,084,000</u>	<u>3,448,000</u>
29.00 Directors Fees & Other Expenses		
Honorarium	816,000	672,000
Other Financial Benefits (Travelling)	829,141	579,977
	<u>1,645,141</u>	<u>1,251,977</u>
Note : Board Meeting attendance fees, travelling and living expenses are being allowed to the Directors as per clause no.100,101& 102 of Memorandum Of Association of the Bank and subsequent Board approval.		
30.00 Depreciation and Repairs of Bank's Assets		
30.01 Depreciation		
Furniture/Fixture	11,041,303	8,068,637
Vehicles	9,942,318	12,498,951
Office Equipments	13,053,509	11,185,110
Computer & Equipments	15,664,143	10,775,772
Computer Software	4,949,125	2,026,612
Immovable Property (Building)	2,427,388	2,697,098
	<u>57,077,786</u>	<u>47,252,180</u>
30.02 Repair, Renovation & Maintenance		
Furniture/Fixture	1,154,574	956,442
Vehicles	4,836,046	4,302,673
Machine & Equipment's	2,618,498	4,201,370
Renovation & Maintenance	4,535,322	4,143,870
Premises	360	-
Machine & Equipment's & Swift	2,978,267	2,188,853
Computer Software	318,254	146,835
	<u>16,441,321</u>	<u>15,940,043</u>
	<u>73,519,107</u>	<u>63,192,223</u>

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
31.00 Other Expenses		
Entertainment	6,678,454	6,766,365
Petrol, Oil, Lubricant	25,918,281	20,329,335
Subscription	3,594,720	4,567,533
Donation	12,005,400	1,514,000
Travelling	10,641,361	11,039,657
Cartage and Freight	1,473,208	1,132,274
Hon'. General	156,080	582,700
Hon'. B. Diploma	-	-
Liveries & Uniforms	1,088,977	166,780
Business Development	50,000	2,611,968
Welfare and Recreation	-	-
Cash Carrying Charges	299,108	630
Medical Expenses	19,352,813	17,880,722
Car Expenses	11,291,854	10,516,167
Exchange Loss (General)	-	-
Exchange Loss (Dealing Room)	-	-
Loss on Sale of Shares	-	-
Loss on Sale of Fixed Assets	416,745	542,745
Loss on Sale of Other Assets	-	66,784
Write Off of Assets	430,854	92,750
Remittance Charges	89,057	70,410
Commission Paid to Banks	-	12,000
Foreign Bank Charges	616,374	819,803
Commission on Purchase/Sales of Shares	632,422	109,667
Consultancy Fees (Engineering)	410,000	343,000
Consultancy Fees (Construction)	1,052,500	-
Visa Card	8,910,483	4,756,774
Conference Expenses	242,918	398,750
Training /Seminar	376,045	360,637
Evening/Holiday Banking	483,580	31,850
Internship Expenses	18,750	-
Miscellaneous Expenses (Note - 31.01)	7,230,214	4,191,682
	<u>113,460,198</u>	<u>88,904,933</u>
Less : Loss on Sale of Assets	(416,745)	-
	<u>113,043,453</u>	<u>88,904,933</u>
31.01 Miscellaneous Expenses		
Laundry & Cleaning	287,124	270,923
Photographs	100,227	207,064
Sundry	6,842,863	3,713,695
	<u>7,230,214</u>	<u>4,191,682</u>
32.00 Provision for Loans & Advances		
Classified Advances	124,396,799	236,983,000
Unclassified Advances	73,769,606	14,453,000
Special Mention Account (SMA)	-	-
Special Mention Account (SME)	23,488,000	6,105,000
Consumer Finance (Credit Card)	6,724,000	3,563,000
	<u>228,378,405</u>	<u>261,104,000</u>

Notes to the Financial Statements

for the year ended December 31, 2007

33.00 Provision for Off-Balance Sheet Exposure

As per BRPD Circular No. 10 dated September 18, 2007, general provision @0.5% is required to be maintained against off balance sheet exposures, converted into funded facilities. Hence Tk. 119,895,000 has been provided as provision for off balance sheet items.

34.00 PROVISION FOR TAX

Provision for corporate tax in respect of the year 2007 (Assessment Year 2008-2009) has been made as per estimate of the bank's consultant for Tk. 85,27,13,945.

Year wise assessment status as on December 31, 2007:

Financial Year	Assessment Year	Net Profit as per Accounts	% of Income Tax	Taxes provision made by Bank	Assessment as per Authority	Excess Provision (Short Provision)	Remarks
Assessment in Progress							
2004	-	-	-	10,835,381	-	-	Assessment completed
2005	2006-2007	852,454,013	45	431,409,266	-	-	Assessment under process of finalisation at DCT Level.
2006	2007-2008	1,059,464,909	45	477,707,978	-	-	Return submitted. Assessment under process.
2007	-	1,667,837,432	45	852,713,945	-	-	Return to be submitted in due time.
			Total	1,772,666,570			

	2007 Taka	2006 Taka
35.00 Earning Per Share		
Number of Ordinary Shares	2,992,048.90	2,301,576.08
Net Profit after Tax	815,123,487.00	581,756,931.00
Earning per Share (EPS) (Basic)	272.43	252.76
36.00 Receipt from Other Operating Activities		
Exchange Earning & Brokerage	336,559,690	223,319,277
Other Operating Income	288,800,031	154,139,053
	625,359,721	377,458,330
37.00 Payment for Other Operating Activities		
Legal Expenses	5,372,069	6,684,020
Directors Fees & Other Expenses	1,645,141	1,251,977
Auditors Fees	260,000	170,500
Repair to Fixed Assets	16,441,321	15,940,043
Other Expenditure	113,043,453	88,904,933
Credit Card	-	-
	136,761,984	112,951,473
38.00 Increase / Decrease of Other Assets		
Closing Other Assets	1,813,191,208	1,123,054,126
Advance Income Tax Paid	(1,290,592,583)	(662,758,311)
Opening Other Assets	(460,295,815)	(197,853,767)
Increase /Decrease for the year	62,302,810	262,442,048

Notes to the Financial Statements

for the year ended December 31, 2007

	2007 Taka	2006 Taka
39.00 Increase / Decrease of Other Liabilities		
Closing Other Liabilities	4,425,527,900	2,944,980,877
Provision for Classified Loans & Advances	(825,234,039)	(738,952,081)
Provision for Classified Investment	(3,552,000)	(1,825,405)
Provision for Classified Fixed Assets	(3,972,000)	(3,972,000)
Provision for Classified Other Assets	(7,642,000)	(4,014,000)
Provision for Unclassified Loans & Advance	(302,595,000)	(218,637,000)
Provision for Special Mention Account	(27,879,000)	(13,507,000)
Provision for Small & Medium Enterprise (SME)	(87,786,000)	(54,558,000)
Provision for Consumer Finance (Credit Card)	(13,059,000)	(3,563,000)
Provision for Off-Balance Sheet Exposure	(119,895,000)	
Provision for Taxation (Current Tax)	(1,772,666,570)	(919,952,625)
Deferred Tax Liability	(3,948,419)	(3,948,419)
Opening Other Liabilities	(982,051,347)	(586,959,921)
Increase /Decrease for the year	<u>275,247,525</u>	<u>395,091,426</u>
40.00 Cash and Cash Equivalent		
Cash in Hand	974,508,314	661,344,316
Balance with B.Bank & Sonali Bank	3,142,402,149	2,151,128,617
Balance with Other Bank & Financial Institution	744,467,647	2,100,016,353
Money at Call & Short Notice	-	10,000,000
	<u>4,861,378,110</u>	<u>4,922,489,286</u>

Notes to the Financial Statements

for the year ended December 31, 2007

(Annexure - A)

Balance With Nostro Accounts as on December 31, 2007

Name of the Bank	Name of the Country	Currency Name	2007			2006		
			Amount in FC	Conv. rate per unit of FC	Amount in in BDT	Amount in FC	Conv. rate per unit of FC	Amount in in BDT
American Express Bank Ltd.	New York	Usd	428,273.61	68.69	29,415,973	945,520.04	69.06	65,297,769.55
American Express Bank Ltd.	Kolkata	Usd	11,526.33	68.69	791,686	(91,255.84)	69.07	(6,303,040.94)
Standard Chartered Bank	New York	Usd	1,956.89	68.69	134,409	(153,350.44)	69.07	(10,591,163.47)
Standard Chartered Bank	Kolkata	Usd	17,521.86	68.69	1,203,489	(511,211.83)	69.07	(35,306,896.16)
HSBC	New York	Usd	1,552,578.01	68.69	106,638,821	221,339.08	72.50	16,046,521.79
HSBC	Karachi	Usd	1,063.51	68.68	73,047	41,893.25	69.07	2,893,482.74
HSBC	Mumbai	Usd	100,270.26	68.69	6,887,063	37,940.03	69.07	2,620,331.97
HSBC	London	Gbp	127,959.40	137.24	17,561,148	82,337.58	135.24	11,135,216.74
Commerz Bank Ag.	Frankfurt	Usd	200,243.31	68.69	13,753,712	322,742.10	69.07	22,290,350.41
Commerz Bank Ag.	Frankfurt	Eur	20.34	101.57	2,066	259,923.74	91.19	23,703,338.83
Bank of Credit & Comm. Intl.	New York	Usd	62,388.66	59.00	3,680,931	74,086.54	59.00	4,371,105.86
Bank of Credit & Comm. Intl.	London	Gbp	442.06	80.00	35,365	524.94	80.00	41,995.20
Bank of Credit & Comm. Intl.	Tokyo	Yen	160,000.00	0.62	99,192	190,000.00	0.61	115,580.00
Jp.Morgan Chase Bank	New York	Usd	913,335.30	68.68	62,732,435	1,139,301.11	69.05	78,665,686.35
Mashreq Bank Plc	New York	Usd	194,629.88	68.68	13,368,153	(140,488.18)	69.06	(9,702,187.39)
Citi Bank Na	New York	Usd	1,018,707.09	68.68	69,969,896	1,175,609.10	69.07	81,199,424.71
People's Bank	Colombo	Usd	4,011.06	68.69	275,500	77,947.91	69.07	5,383,480.20
Toronto Dominion Bank	Toronto	Cad	6,211.67	70.13	435,600	49,420.72	59.28	2,929,823.37
Bank of Nova Scotia	Toronto	Cad	2,810.98	70.13	197,123	9,304.03	59.28	551,573.60
Bank of Tokyo - Mitsubishi Ltd.	Tokyo	Yen	1,976,599.00	0.61	1,211,062	16,619,176	0.58	9,645,769.75
Lloyds Tsb Bank Plc	London	Gbp	126,248.04	137.24	17,326,281	35,289.11	135.35	4,776,268.11
Bank of Bhutan	Bhutan	Usd	5,036.35	68.68	345,935	26,622.55	69.07	1,838,689.08
State Bank of India	Kolkata	Usd	2,781.17	68.69	191,025	3,902.91	69.07	269,554.87
Arab Bangladesh Bank Ltd.	Mumbai	Usd	470.90	68.69	32,344	17,832.16	69.07	1,231,579.91
Sonali Bank	Kolkata	Usd	2,460.48	68.68	168,998	509,341.51	69.07	35,177,722.32
Rupali Bank Ltd.	Karachi	Usd	5,749.88	68.69	394,931	5,749.95	69.07	397,120.87
icici Bank Mumbai	Mumbai	Usd	1,477.39	68.69	101,475	(736,870.67)	69.06	(50,889,816.40)
Nepal Bangladesh Bank Ltd.	Kathmandu	Usd	3,008.90	68.68	206,666	5,606.90	69.07	387,241.11
Total			6,927,783		347,234,326	20,218,284.30		258,176,522.98

Notes to the Financial Statements

for the year ended December 31, 2007

Details of Investment in Shares as on December 31, 2007

(Annexure - B)

Sl. No.	Name of Company	No. of Shares	Face Value per Share	Cost Price per Share	Total cost Price of Shares	Market Price per Share as on December 31, 2007	Total Market Price as on December 31, 2007
a. Trading Securities							
1	ICB	9,860	100	100.00	986,000	1,113.50	10,979,110
2	8TH ICB Mutual Fund	1,540	100	100.00	154,000	423.00	651,420
3	1ST BSRS Mutual Fund	6,824	100	100.00	682,400	634.50	4,329,828
4	Prime Bank Ltd.	50,384	100	842.03	42,424,907	923.75	46,542,220
5	Standard Bank Ltd.	213,342	100	104.20	22,230,762	337.75	72,056,261
6	Bank Asia Ltd.	14	100	100.00	1,400	521.75	7,305
7	One Bank Ltd.	93,508	100	100.00	9,350,800	572.50	53,533,330
8	NCCBL	28,562	100	329.51	9,411,469	441.50	12,610,123
9	The City Bank Ltd.	305,107	100	539.57	164,627,159	725.25	221,278,852
10	Jamuna Bank Ltd.	84,285	100	284.57	23,984,944	388.25	32,723,651
11	Exim Bank Ltd.	55,000	100	342.48	18,836,457	391.00	21,505,000
12	Southeast Bank Ltd.	31,300	100	354.28	11,088,979	573.25	17,942,725
13	National Bank Ltd.	33,000	100	597.51	19,717,885	1,494.25	49,310,250
14	Mercantile Bank Ltd.	79,100	100	395.41	31,277,258	419.00	33,142,900
15	BRAC Bank Ltd.	33,100	100	1,587.68	52,552,278	1,612.00	53,357,200
16	Eastern Bank Ltd.	8,640	100	1,108.95	9,581,338	1,070.75	9,251,280
17	Uttara Finance & Inv. Ltd.	1,192	100	183.39	218,600	693.50	826,652
18	Power Grid Ltd.	10,000	100	625.92	6,259,187	682.50	6,825,000
19	Summit Power Ltd.	24,600	100	1,569.72	38,615,024	1,441.50	35,460,900
20	Pragati Life Insurance Co.Ltd.	300	100	1,363.04	408,912	1,263.75	379,125
21	Fareast Life Insurance Co.Ltd.	100	100	1,757.88	175,788	1,886.75	188,675
22	Peoples Leasing & Fin.Services	5,000	100	320.76	1,603,790	314.25	1,571,250
	Sub-total (a)				464,189,337		684,473,056
b. Non-Trading Securities							
20	Employment Bank	100,000	100	100	10,000,000		10,000,000
21	National Housing Fin. & Inv. Ltd.	200,000	100	100	20,000,000		20,000,000
22	Central Depository (BD) Ltd.	4	1000000	1,000,000	4,000,000		4,000,000
23	STS Holdings Ltd.	4,000,000	10	25	100,000,000		100,000,000
	Sub-total (b)				134,000,000		134,000,000
	Grand Total (a + b)				598,189,337		818,473,056

Notes to the Financial Statements

for the year ended December 31, 2007

Annexure - C

Details of Information on Advances more than 10% of Bank's Total Capital as on December 31, 2007

Sl. No.	Name of the Borrower	Outstanding as on December 31, 2007			Outstanding as on December 31, 2006		
		Funded	Non-Funded	Total	Funded	Non-Funded	Total
1	Tempaco Fells	169,700,000	66,300,000	236,000,000	280,700,000	48,300,000	329,000,000
2	Slader Group	361,500,000	256,700,000	618,200,000	141,200,000	266,400,000	407,600,000
3	Palma Group	339,400,000	2,600,000	342,000,000	70,100,000	740,000,000	810,100,000
4	Yolk Group	54,800,000	128,100,000	182,900,000	35,600,000	146,000,000	175,600,000
5	Evence Group	44,800,000	369,800,000	414,600,000	185,800,000	7,900,000	193,700,000
6	M/s Antrim Neat Composite Ltd.	436,900,000	228,200,000	665,100,000	78,500,000	17,200,000	95,700,000
7	M/s Purbani Synthetic Mills Ltd.	266,600,000	96,600,000	363,200,000	213,400,000	21,800,000	235,200,000
8	M/s Keya Cotton Mills Ltd, Keya Knit	4,600,000	1,401,000,000	1,405,600,000	106,800,000	17,200,000	118,000,000
9	Beakon Neat Wear Ltd.	204,600,000	758,800,000	963,400,000	215,600,000	6,700,000	222,300,000
10	Multigym Spinning Mills Ltd.	288,600,000	192,900,000	481,500,000	146,800,000	22,200,000	169,000,000
11	P/P Group	482,500,000	478,900,000	961,400,000	260,600,000	250,000,000	510,600,000
12	Suman Group	75,500,000	176,700,000	252,200,000	141,800,000	124,600,000	266,400,000
13	Kabir Steel Ltd. & Allied Concern	436,000,000	449,600,000	885,600,000	5,600,000	70,800,000	76,400,000
14	M/s 4-H Fashions Ltd. & Allied Concern	146,300,000	579,200,000	725,500,000	50,900,000	512,400,000	563,300,000
15	Imam Group	150,500,000	201,200,000	351,700,000	124,000,000	287,900,000	411,900,000
16	P.A. Neat Composite Ltd. & Allied Concern	295,600,000	174,600,000	470,200,000	243,700,000	107,900,000	351,600,000
17	Pacific Bangladesh Telecom Ltd.	273,900,000	71,800,000	345,700,000	61,300,000	316,500,000	377,800,000
18	Mitali Fashions Ltd.	218,300,000	190,300,000	408,600,000	184,200,000	121,400,000	305,600,000
19	M/s Liza Fashion Industries Ltd.	287,000,000	230,700,000	517,700,000	101,500,000	147,700,000	249,200,000
20	Max Automobiles Products Ltd.	92,200,000	332,800,000	425,000,000	174,900,000	315,900,000	490,800,000
21	M/s M.M. Corp. & M/s S.R. Corp.	430,400,000	102,800,000	533,200,000	-	-	-
22	M/s Knit Asia Ltd.	281,200,000	114,400,000	395,600,000	-	-	-
23	M/s TAT International Ltd.	439,900,000	4,200,000	444,100,000	-	-	-
24	Smile Food Products Ltd.	167,600,000	410,200,000	577,800,000	-	-	-
25	M/s Motiur Rahman	127,600,000	-	127,600,000	167,300,000	14,000,000	181,300,000
26	Yasmin Spinning Mills Ltd.	252,100,000	-	252,100,000	164,100,000	79,200,000	243,300,000
27	M/s Sifat Enterprise	136,900,000	-	136,900,000	-	-	-
28	Ruby Food Products Ltd.	478,500,000	-	478,500,000	-	-	-
29	W & W Grains Corporation	102,000,000	-	102,000,000	-	-	-
30	M/s Micro Fibre Ltd. / Liberty Knit Wear Ltd./Maland Knitwear Ltd.	128,900,000	615,300,000	744,200,000	4,200,000	391,600,000	395,800,000
31	M/s The Denimex Appa Embroidery Ltd., Chittagong Fashion Millium Textile Ltd. and Chittagong Fashion Packaging & Printing and Knitwear Button Ind.	186,100,000	291,800,000	477,900,000	141,900,000	225,700,000	367,600,000
32	R.S.I Apparels Ltd.	-	-	-	1,900,000	218,600,000	220,500,000
33	Poly Enterprise	-	-	-	17,200,000	3,700,000	20,900,000
34	M/s Abdul Wahab	-	-	-	97,400,000	113,200,000	210,600,000
35	M/s Anisur Rahman	-	-	-	3,900,000	45,100,000	49,000,000
36	Shathi Traders	-	-	-	113,400,000	40,200,000	153,600,000
37	M/s Rota Enterprise	-	-	-	136,800,000	297,200,000	434,000,000
38	M/s Belukchi Spinning Mills Ltd.	-	-	-	177,200,000	-	177,200,000
39	Capital Fashions Ltd.	-	-	-	2,600,000	20,000,000	22,600,000
40	Sulfa Cotton Mills Ltd.	-	-	-	209,900,000	-	209,900,000
41	Metro Knitting & Dyeing Mills	-	-	-	8,200,000	346,600,000	354,800,000
42	Shilpa Fashions Ltd.	-	-	-	66,400,000	118,100,000	184,500,000
43	New Ratan Hosiery	-	-	-	55,900,000	-	55,900,000
44	Bera Fabrics Ltd. & Allied Concerns	-	-	-	193,600,000	29,600,000	223,200,000
45	A & A Trade Centre Ltd.	-	-	-	131,700,000	-	131,700,000
46	Abul Khair Group	-	-	-	206,300,000	556,100,000	762,400,000
47	K.V.C.R. Coll. Ind. Ltd.	-	-	-	219,300,000	243,700,000	463,000,000
48	Appalo Sulting & Garments Ltd.	-	-	-	273,600,000	-	273,600,000
49	Chittagong Textiles Ltd.	-	-	-	7,400,000	-	7,400,000
50	Globe Pharma. Ltd. & Allied Concern	-	-	-	313,400,000	44,700,000	358,100,000
51	Sejad Design Wear & Allied Concern	-	-	-	107,900,000	-	107,900,000
52	M/s Bengal Poly & Paper Sack Ltd.	-	-	-	267,300,000	17,600,000	284,900,000
53	M/s Advanced Dev. Technologies	-	-	-	102,300,000	13,400,000	115,700,000
54	M/s Asset Development Holdings Ltd.	-	-	-	328,600,000	49,100,000	378,700,000
55	Sohal Textile Mills	-	-	-	310,800,000	231,700,000	542,500,000
56	M/s KAI/Sweater Industries Ltd. & Allied Concern	-	-	-	153,800,000	115,700,000	269,500,000
57	Lab Aid Ltd.	-	-	-	305,600,000	400,000	306,000,000
Total Total		7,380,500,000	7,824,500,000	15,305,000,000	6,833,100,000	6,955,800,000	13,788,900,000

Notes to the Financial Statements

for the year ended December 31, 2007

Schedule of Fixed Assets as at December 31, 2007

Annexure - D

Particulars	Opening Balance as on December 31, 2006	Addition during the year	Adjustment during the year	Closing Balance as on December 31, 2007	Rate	Charged upto December 31, 2006	Adjustment during the year	Charged during the year	Total Depreciation as on December 31, 2007	Written down value as on December 31, 2007
Land	108,784,940	2,546,670	-	111,331,610	-	-	-	-	-	111,331,610
Building	33,297,500	66,887,011	-	100,184,511	10%	9,023,623	-	2,427,388	11,451,011	88,733,500
Furniture & Fixtures	121,525,109	40,623,976	3,983,430	150,165,855	10%	50,006,362	2,088,204	11,041,303	58,059,461	100,106,394
Office Appliances	117,105,745	27,612,933	1,977,692	142,745,986	20%	84,067,683	1,669,453	13,053,509	95,451,739	47,299,247
Computer Equipment	91,033,186	36,145,644	-	127,178,930	20%	63,622,432	-	13,664,143	79,286,575	47,892,355
Vehicles	87,351,339	3,650,000	4,654,000	86,297,339	20%	66,016,135	4,499,677	9,940,319	71,456,777	14,838,562
Computer Software	9,389,122	12,191,587	-	21,580,709	25%	4,461,699	-	4,549,125	9,410,734	12,089,975
Other Properties	-	-	-	-	-	-	-	-	-	-
Total	568,407,241	189,607,821	10,615,122	747,399,940		277,197,844	9,157,334	57,077,787	335,118,297	422,281,643
Total As on Dec. 31, 2006	515,417,559	62,441,432	9,451,759	568,407,241		237,868,606	7,922,942	47,252,180	277,197,844	291,209,397

Notes to the Financial Statements

for the year ended December 31, 2007

Related Party Disclosers

01.a Name of the Directors and their Interest In Bank

Sl. No.	Name of Directors	Status in the Board	Amount in Taka	
			Share holding on December 31, 2007	Share holding on December 31, 2006
1	Mr. Md. Jahangir Alam Khan	Chairman	2,921,485	2,247,296
2	Mrs. Qumrun Nahar	Vice Chairman	1,076,536	2,090,036
3	Mr. Hajee M. A. Kalam	Chairman-EC	4,167,043	3,205,543
4	Mr. M. A. Sabur	Chairman-Audit	5,357,875	5,032,475
5	Mr. Hajee Younus Ahmed	Director	6,463,475	5,363,075
6	Mr. M. A. Hashem	Director	2,405,000	1,850,000
7	Mr. Shabbir Ahmed	Director	2,218,385	1,741,885
8	Mr. Sharif Zahir	Director	3,075,038	3,074,938
9	Mr. Kazi Enamul Hoque	Director	2,718,315	2,475,715
10	Mr. Showkat Aziz Russell	Director	2,540,500	4,635,000
11	Mr. Riyadin Zafar Chowdhury	Director	1,300,000	1,000,000
12	Mr. Ahmed Arif Billah	Director	1,300,000	1,000,000
13	Mr. Kaiser Ahmed	Director	1,300,000	2,009,700
14	Mr. Aziz Al-Mahmood	Director		4,643,700
15	Mrs. Monoara Jahangir	Director		2,420,300
16	Mr. Md. Nayeem Kalam	Director		1,391,500
17	Mr. Tanvir Khan, Represents M/s. J. K. Fabrics	Director		5,256,800
18	Mr. Dulal Abdul Hafiz (Govt. Nominee)	Director		14,335,971
19	Mrs. Farhana Akhter	Director		1,000,000
20	Mr. Aziz Al-Masud	Director		4,649,000
	Total Taka		36,843,652	69,422,934

Notes to the Financial Statements

for the year ended December 31, 2007

01(b) Name of the Directors and their interest in different entities

Sl.	Name and Address	Designation	Entities where they have interest	Remarks
1	Mr. Md. Jahangir Alam Khan House # 22, Road # 3 Nasirabad Housing Society Chittagong	Chairman	1 J.K. Fabrics Ltd. 2 J.K. Knit Apparels Ltd. 3 J.K. Knit Composite Ltd. 4 J.K. Real Estate Ltd. 5 J.K. Spinning Mills Ltd. 6 J.K. Cotton Mills Ltd. 7 Tanima Knit Composite Ltd. 8 J.K. International Ltd.	
2	Mrs. Qamrun Nahar "Sokrana Manjil", VIII-Anantapur, P.O-Malijee Bazar, Noakhali	Vice Chairman	1 Ananta Properties Ltd. 2 Ananta Energy Resources Ltd. 3 Janata Insurance Co. Ltd.	
3	Hajee M. A. Kalam 75, Khatungonj, Chittagong	Chairman-EC	1 M/s. M.A. Kalam Ltd. 2 M/s. United Overseas (BD) Ltd. 3 Arab Plantation Ltd. 4 Sangu Textiles Ltd.	
4	Mr. M. A. Sabur Maxim Ltd., Taher Chamber 10, Agrabad C/A, Chittagong	Chairman-Audit	Chairman 1 Maxim International Ltd. Managing Director 2 M.A. Sabur & Co. Ltd. 3 Arbee Textiles Ltd. 4 Maxim Ltd. Director / Shareholder 5 Packages Eastern Ltd. 6 Sparo Apparels Ltd. 7 Janata Insurance Co. Ltd. 8 Masco Shares & Securities Ltd.	
5	Hajee Yunus Ahmed 576/A, C.D.A Avenue Nasirabad, Chittagong	Director	1 Shore to Shore (Bangladesh) Ltd. 2 Yunusco K. Textiles Ltd. 3 STS Textile Ltd. 4 LM Masinara Asia Limited 5 Adapt ID Bangladesh Limited 6 Yunusco Stone & Engineering Ltd. 7 Yunusco Properties Ltd. 8 Yunusco Ltd. 9 Shore to Shore Textile Ltd. 10 Yunusco Global Sourcing Ltd. 11 Y. K. Ltd. 12 Yunusco Power Limited	

Notes to the Financial Statements

for the year ended December 31, 2007

Name of the Directors and their interest in different entities

Sl.	Name and Address	Designation	Entities where they have interest	Remarks
6	Mr. M.A. Hashem 978 O.R. Nizam Road Nasirabad, Chittagong	Director	Chairman-Partex Group & following Companies : 1 Star Particle Board Mills Ltd. 2 Star Vegetable Oils Ltd. 3 Fotoroma Ltd. 4 Danish Condensed Milk (BD) Ltd. 5 Rubel Steel Mills Ltd. 6 Russell Steel Mills Ltd. 7 Corvee Maritime Co. Ltd. 8 Amber Cotton Mills Ltd. 9 Amber Pulp & Paper Mills Ltd. 10 Partex Beverage Ltd. 11 Partex Real Estate Ltd. 12 Partex Furniture Ind. Ltd. 13 Partex Ltd. 14 Partex Knitwear Ltd. 15 Partex Sugar Mills Ltd. 16 Partex Energy Ltd. 17 Partex Rotor Spinning Mills Ltd. 18 Danish Milk Ltd. 19 Partex Plastic Ltd. 20 Partex Laminates Ltd. 21 Danish Foods Ltd. 22 Danish Dairy Firm Ltd. 23 Partex Spinning Mills Ltd. 24 Partex Rotor Mills Ltd. 25 Partex Denim Ltd. 26 Partex Builders Ltd. 27 Plastics Accessories Ltd.	
7	Mr. Shabbir Ahmed East End Automobiles Chandgaon, Kalurghat Road Chittagong	Director	1 Farid Labels	
8	Mr. Sharif Zahir "Sokrana Manjil", VIII-Anantapur, P.O-Maljee Bazar, Noakhali	Director	1 Ananta Sportswear Ltd. 2 Ananta Energy Resources Ltd. 3 Ananta Properties Ltd.	
9	Mr. Kazi Enamul Hoque A.B. Industriels Ltd. Shiromony Industrial Area Khulna	Director	Managing Director 1 All in One Ltd. 2 All in One CNG Ltd. Director 1 Anju Azhar Stone Link Ltd. 2 A.B. Industries Ltd.	

Notes to the Financial Statements

for the year ended December 31, 2007

Name of the Directors and their interest in different entities

Sl.	Name and Address	Designation	Entities where they have interest	Remarks
10	Mr. Showkat Aziz Russell 978 O.R Nizam Road, Nasirabad, Chittagong	Director	Managing Director 1 Amber Cotton Mills Ltd. 2 Partex Sugar Mills Ltd. 3 Partex Energy Ltd. 4 Partex Rotor Spinning Mills Ltd. 5 Partex Denim Ltd. 6 Partex Rotor Mills Ltd. 7 Partex Spinning Mills Ltd. Director 1 Star Particle Board Mills Ltd. 2 Star Vegetable Oils Ltd. 3 Fotoroma Ltd. 4 Danish Condensed Milk (BD) Ltd. 5 Partex Furniture Ind. Ltd. 6 Corvee Maritime Co. Ltd. 7 Amber Pulp & Paper Mills Ltd. 8 Partex Beverage Ltd. 9 Partex Real Estate Ltd. 10 Partex Apparels Ltd. 11 Partex Ltd. 12 Partex Knitwear Ltd. 13 Danis Milk (BD) Ltd. 14 Partex Plastic Ltd. 15 Partex Laminates Ltd. 16 Danish Foods Ltd. 17 Danish Dairy Firm Ltd. 18 Rubel Steel Mills Ltd. 19 Partex Builders Ltd. 20 Plastics Accessories Ltd.	
11	Mr. Riyadh Zafar Chowdhury House # 9, Road # 2 Kulshi R/A, Chittagong	Director		
12	Mr. Ahmed Arif Billah 147, Agrabad C.D.A R/A Chittagong	Director	Managing Director 1 Masco Overseas Ltd. 2 Masco Exports Ltd. 3 Masco Industries Ltd. 4 Virgin Grace Ltd.	
13	Mr. Kaiser Ahmed 576/A, C.D.A Avenue Nasirabad, Chittagong	Director	1 Shore to Shore (Bangladesh) Ltd. 2 Yunusco K. Textiles Ltd. 3 STS Textile Ltd. 4 LM Masinara Asia Limited 5 Yunusco Stone & Engineering Ltd. 6 Yunusco Properties Ltd. 7 Yunusco Ltd. 8 Y.K. Ltd. 9 Janata Insurance Co. Ltd.	

Notes to the Financial Statements

for the year ended December 31, 2007

02. Significant contracts where Bank is a party and wherein Directors have interest; Nil
03. Shares issued to Directors & Executives without consideration or exercisable at discount; Nil
04. Related party Transactions;

Name of Party	Related by	Nature of transaction	Amount in Lac
Mrs. Kazi Naila Haque	Director	HBL	12.68

05. Lending policies to related parties;

Lending to related parties is effected as per requirements of Section 27 (1) of Bank Companies Act' 1991.

06. Loan and advances to Directors and their related concern;

Name of Party	Related by	Nature of transaction	Amount in Lac	Status
Mrs. Kazi Naila Haque	Mr. Kazi Enamul Haque	HBL	12.68	BL

"Late Kazi Amirul Haque guarantor is the brother of Bank's Director Mr.Kazi Enamul Haque"

07. Business other than Banking business with any related concern of the Directors as per Section 18 (2) of Bank Companies Act' 1991; Nil
08. Investments in the Securities of Directors and their related concern; Nil

General

1. Bank's share capital has not been utilized for acquiring any other direct or indirect business.
2. No amount was spent by the bank for compensating any member of the board for special services rendered during the year
3. During the year under report, United Commercial Bank Ltd. did not place any of its assets under pledge as security to obtain any liabilities.



Managing Director



Director



Director



Director

Dated : May 25, 2008
Place : Dhaka

Highlights on the Overall Activities

For the year 2007 and 2006

Particulars	Amount in Taka	
	2007	2006
Paid-up Capital	299,204,890	230,157,608
Total Capital	3,696,480,581	2,620,408,094
Capital Surplus/(Deficit)	(288,130,787)	188,766,504
Total Assets	50,180,583,526	38,547,620,445
Total Deposits	42,295,996,837	33,015,843,862
Total Loans & Advances	37,566,020,031	26,110,094,793
Total Contingent Liabilities & Commitments	24,162,756,371	15,260,398,314
Credit Deposit Ratio (%)	88.82	79.08
Percentage of Classified Loans against Total Loans and Advances	4.92	3.53
Operating Profit	2,017,837,432	1,320,568,909
Profit after Tax & Provision	815,123,487	581,756,931
Amount of Classified Loans during the year	819,068,641	742,200,000
Classified Advance at the end of the year	1,846,383,000	921,203,000
Provision kept against Classified Loans	770,841,039	732,108,000
Provision Surplus/(Deficit)	198,105,039	321,921,000
Cost of Fund (%)	10.76	10.48
Interest Earning Assets	42,169,200,191	33,369,266,677
Non-interest Earning Assets	8,011,383,335	5,178,353,767
Return on Investment (ROI) (%)	8.02	4.72
Return on Assets (ROA) (%)	1.62	1.51
Income from Investments	442,304,012	288,122,804
Earning per Share (EPS) (Taka)	272.43	252.76
Net Income per Share (Taka)	272.43	252.76
Price Earning Ratio (Times)	15.43	5.86

UNITED COMMERCIAL BANK LTD.

Fresh Balance Sheet

(As per Court Order dated 11.06.2008)
For the year ended December 31, 2006

____AUDITOR____

M. J. ABEDIN & CO.
Chartered Accountants
National Plaza (6th Floor)
1/G, Free School Street
Sonargaon Road
Dhaka - 1205

Balance Sheet

as at 31st December, 2007

PROPERTY & ASSETS

		Amount in Taka	
		December 31, 2007	December 31, 2006
Cash	03	4,116,910,463	2,812,472,933
Cash in Hand (Including Foreign Currencies)		974,508,314	661,344,316
Balance with Bangladesh Bank & Sonali Bank (Including Foreign Currencies)		3,142,402,149	2,151,128,617
Balance With Other Banks & Financial Institutions	04	744,467,647	2,100,016,353
In Bangladesh		397,233,321	1,841,839,830
Outside Bangladesh		347,234,326	258,176,523
Money at Call and Short Notice	05	-	10,000,000
Investment	06	5,517,712,534	6,100,772,843
Government Securities		4,919,523,196	5,954,187,159
Others		598,189,338	146,585,684
Loans and Advances	07	37,566,020,031	26,110,094,793
Loans, Cash Credits and Overdrafts etc.		34,745,843,050	24,085,316,032
Bills Purchased and Discounted		2,820,176,981	2,024,778,761
Premises and Fixed Assets	08	422,281,643	291,209,397
(Less Depreciation)			
Other Assets	09	1,813,191,208	1,123,054,126
Non Banking Assets		-	-
Total Assets		50,180,583,526	38,547,620,445

LIABILITIES AND CAPITAL

LIABILITIES

Borrowings From Other Banks, Financial Institutions and Agents etc.	10	321,835,385	264,695,789
Deposits And Other Accounts	11	42,295,996,837	33,015,843,862
Current Deposits & Other Accounts		6,897,631,814	4,876,154,870
Bills Payable		884,479,373	581,000,719
Savings Bank Deposits		8,089,147,075	7,655,769,180
Term Deposits		26,424,738,575	19,902,919,093
Other Liabilities	12	4,425,527,900	2,944,980,877
Total Liabilities		47,043,360,122	36,225,520,528

CAPITAL / SHAREHOLDERS' EQUITY

Paid up Capital (Note - a)	13
Proposed Issue of Bonus Shares for 2002, 2003 & 2004 (90%) (Note - b)	
Proposed Issue of Bonus Shares for 2005 (50%) (Note-c)	
Proposed Issue of Bonus Shares for 2006 (40%) (Note-d)	
Proposed Issue of Bonus Shares for 2007 (50%) (Note-e)	
Statutory Reserve	14
General Reserve	15
Retained Earning	16

Amount in Taka	
December 31, 2007	December 31, 2006
1,193,827,100	299,204,890
-	289,284,401
-	284,244,646
-	341,093,575
596,913,500	-
1,232,359,718	898,792,231
114,123,086	200,709,818
-	28,770,356
3,137,223,404	2,322,099,917
50,180,583,526	38,547,620,445

Total Shareholders' Equity

Total Liabilities and Shareholders' Equity

OFF BALANCE SHEET ITEMS

Contingent Liabilities	17
Acceptances & Endorsements	17.01
Letter of Guarantees	
Irrevocable Letters of Credit	
Bills for Collection	
Other Contingent Liabilities	

24,162,756,371	15,260,398,314
9,081,068,327	6,225,721,876
2,227,127,401	1,500,372,572
12,669,807,000	7,392,032,000
184,753,643	142,271,866
-	-

OTHER COMMITMENTS

Documentary Credit and Other Short Term Trade Related Transactions	
Forward Assets Purchased and Forward Deposits Placed	-
Undrawn Note Issuance and Revolving Underwriting Facilities	
Undrawn Formal Standby Facilities, Credit Lines and Other Commitments	-

Total Off Balance Sheet Items including Contingent Liabilities

24,162,756,371	15,260,398,314
-----------------------	-----------------------

Note :

This balance sheet is prepared afresh to maintain continuity of order of the court giving effect of the following:

- Increase in share capital due to Bonus Shares amounting TK. 894,622,210 being 90% Bonus Dividend approved for 2002, 2003, 2004 and 50% Bonus Dividend approved for 2005 and 40% Bonus Dividend approved for 2006 in the AGM held on 07.08.2010.
- Bonus Shares proposed for 2002, 2003 and 2004 (90%) in the adjourned Board meeting held on 12.09.2005.
- Bonus Shares proposed for 2005 (50%) in the Board meeting held on 26.12.2007.
- Bonus Shares proposed for 2006 (40%) in the Board meeting held on 04.08.2008.
- Bonus Shares proposed for 2007 (50%) in the Board meeting held on 04.08.2008.

Except for above, no changes have been made in the audited Balance Sheet dated 25.05.2008.


 Managing Director



 Director


 Director


 Director

The effect given in the Balance Sheet has been examined and found correct.

Dated : June 28, 2010
Place : Dhaka


M. J. ABEDIN & CO.
 Chartered Accountants

Profit and Loss Account

for the year ended 31st December, 2007

OPERATING INCOME

		Amount in Taka	
		December 31, 2007	December 31, 2006
Interest Income	18	4,354,735,652	3,036,805,368
Interest paid on Deposit and Borrowings, etc.	19	(2,727,030,152)	(1,749,735,770)
Net Interest Income		1,627,705,500	1,287,069,598
Income from Investment	20	442,304,012	288,122,804
Commission, Exchange and Brokerage	21	968,013,235	639,043,806
Other Operating Income	22	286,452,048	154,139,053
Total Operating Income (a)		3,324,474,795	2,368,375,261

OPERATING EXPENSES

Salary and Allowances	23	913,890,953	729,844,714
Rent, Taxes, Insurance, Lighting etc.	24	103,539,442	92,511,872
Legal Expenses	25	5,372,069	6,684,020
Postage, Stamps, Telegram, Telephone etc.	26	34,787,336	25,783,980
Stationery, Printing, Advertisements etc.	27	56,495,862	36,014,133
Chief Executive's Salary including Other Fees	28	4,084,000	3,448,000
Director's Fee and Other Expenses	29	1,645,141	1,251,977
Auditors Fees		260,000	170,500
Depreciation and Repair of Bank's Assets	30	73,519,107	63,192,223
Other Expenses	31	113,043,453	88,904,933
Total Operating Expenses (b)		1,306,637,363	1,047,806,352
Profit/(Loss) before Provision(c) = (a-b)		2,017,837,432	1,320,568,909
Provision for Loans & Advances	32	228,378,405	281,104,000
Provision for Diminution in Value of Investments		1,726,595	-
Other Provisions	33	119,895,000	-
Total Provision (d)		350,000,000	281,104,000
Total Profit before Income Tax (c - d)		1,667,837,432	1,039,464,909
Provision for Income Tax	34	852,713,945	477,707,978
Current Tax		852,713,945	477,707,978
Deferred Tax Expenses		-	-
Net Profit after Tax		815,123,487	581,756,931
Retained Earnings Brought Forward		28,770,356	-
Transferred from General Reserve		86,587,144	-
Balance Carried Forward		930,480,987	581,756,931



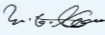

		Amount In Taka	
		December 31, 2007	December 31, 2006
Balance Brought Forward		930,480,987	581,756,931
APPROPRIATIONS			
Statutory Reserve (Under sec.24 of the Bank Companies Act 1991)		333,567,487	211,893,000
Proposed Issue of Bonus Shares for 2006 (40%) (Note- a)		-	341,093,575
Proposed Issue of Bonus Shares for 2007 (50%) (Note- b)		596,913,500	-
General Reserve		-	-
Retained Earnings		-	28,770,356
Earnings per Share (EPS)	35	45.52	194.43

Note :

This profit and loss account is prepared afresh as per order of the court giving effect of the following:

- Bonus Shares proposed for 2006 (40%) in the Board meeting held on 04.08.2008.
- Bonus Shares proposed for 2007 (50%) in the Board meeting held on 04.08.2008.

Except for above, no changes have been made in the audited Profit & Loss Account dated 25.05.2008.

 <hr/> Managing Director	 <hr/> Director	 <hr/> Director	 <hr/> Director
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The effect given in the Profit & Loss Account has been examined and found correct.

Dated : June 28, 2010
Place : Dhaka


M. J. ABEDIN & CO.
Chartered Accountants

Statement of Changes in Shareholders' Equity

for the year ended on 31st December, 2007

Particulars	Paid up Capital Taka	Statutory Reserve Taka	General Reserve Taka	Proposed Issued of Bonus Shares Taka	Retained Surplus Taka
Balance as at January 01, 2007	200,204,800	898,792,231	200,709,818	894,022,822	28,770,356
Changes in Accounting Policy	-	-	-	-	-
Restated Balance	200,204,800	898,792,231	200,709,818	894,022,822	28,770,356
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-
Deficit/Surplus on Revaluation of Investments	-	-	-	-	-
Other Deficit/Surplus (Note - c)	-	-	412	(412)	-
Net Gains and Losses not Recognized in Income Statement	-	-	-	-	-
Net Profit for the year	-	333,667,487	-	-	-
Proposed Bonus Shares for 2007 (50%) (Note - b)	-	-	(86,587,144)	586,913,500	481,656,000
Bonus Dividend Capitalized (Note - a)	894,022,210	-	-	(894,022,210)	(510,326,558)
Balance as at December 31, 2007	1,193,827,100	1,232,359,718	114,123,088	586,913,500	-

The accompanying notes 1 to 40 form an integral part of these financial statements.


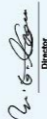

Note :

This statement of Changes in Shareholder's Equity is prepared afresh as per order of the court giving effect of the following:

- Increase in share capital due to Bonus Shares amounting Tk. 894,022,210 being 90% Bonus Dividend approved for 2002, 2003, 2004 and 50% Bonus Dividend approved for 2005 and 40% Bonus Dividend approved for 2006 in the AGM held on 07.06.2010.
- Bonus Shares proposed for 2007 (50%) in the Board meeting held on 04.08.2008.

c. The amount of Tk. 412.00 being fraction amount has been transferred to general reserve.

Except for above, no other changes have been made in the audited statement of changes in shareholders' equity dated 25.05.2008.

 Managing Director
  Director
  Director

The effect given in the Changes in Equity has been examined and found correct.

Dated : June 28, 2010
Place : Dhaka


 M. J. ABEEDIN & CO.
 Chartered Accountants

Notes to The Financial Statements

Except for the following notes, no other changes have been made in Notes to The Financial Statements dated 25.05.2008

13.00 Capital

Authorized

10,000,000 ordinary shares of Tk 100 each

Amount in Taka	
December 31, 2007	December 31, 2008

1,000,000,000

1,000,000,000

Issued Subscribed and Paid up Capital

The issued, subscribed and paid up capital of the bank amounts

to 11,938,271 shares for Tk 100 each (2006 - 2,992,048.90 @ Tk. 100 each)

1,193,827,100

299,204,890

Break up of Issued Subscribed and Paid up Capital

Particulars	2007			
	No. of Share holders	No of Shares	Amount in Taka	%
Sponsors/Promoters	49.00	2,759,109.00	275,910,900.00	23.11
General Public (Including NRBs)	10,882.00	8,233,977.00	823,397,700.00	68.97
Govt. of Peoples Republic of B'desh	207.00	945,185.00	94,518,500.00	7.92
	11,138.00	11,938,271.00	1,193,827,100.00	100.00

Particulars	2006			
	No. of Share holders	No of Shares	Amount in Taka	%
Sponsors/Promoters	46.00	1,297,062.30	129,706,230.00	43.35
General Public (Including NRBs)	7,452.00	1,508,632.00	150,863,200.00	50.42
Govt. of Peoples Republic of B'desh	1.00	186,354.60	18,635,460.00	6.23
	7,499.00	2,992,048.90	299,204,890.00	100.00

Classification of Shareholding by holding as on December 31, 2007

Holdings	Number of Shareholders	Number of Shares	Value of Shares (Fig in Taka)	% of Total Shares
1 to 500 Shares	10,033.00	880,241.00	88,024,100.00	7.37
501 to 5000 Shares	944.00	1,157,524.00	115,752,400.00	9.70
5001 to 10,000 Shares	49.00	356,935.00	35,693,500.00	2.99
10,001 to 20,000 Shares	35.00	515,739.00	51,573,900.00	4.32
20,001 to 30,000 Shares	19.00	458,033.00	45,803,300.00	3.84
30,001 to 40,000 Shares	10.00	356,441.00	35,644,100.00	2.99
40,001 to 50,000 Shares	7.00	303,441.00	30,344,100.00	2.54
50,001 to 100,000 Shares	25.00	1,649,186.00	164,918,600.00	13.81
10,000,001 & above	16.00	6,260,731.00	626,073,100.00	52.44
	11,138.00	11,938,271.00	1,193,827,100.00	100.00

Notes to The Financial Statements

	Amount in Taka	
	December 31, 2007	December 31, 2006
Capital Adequacy Ratio		
Core Capital (Tier-1)		
Paid-up Capital	1,193,827,100	299,204,890
Statutory Reserve	1,232,359,718	898,792,231
General Reserve	114,123,086	200,709,818
Proposed Issue of Bonus Shares for 2002, 2003 & 2004 (90%)	-	269,284,401
Proposed Issue of Bonus Shares for 2005 (50%)	-	284,244,646
Proposed Issue of Bonus Shares for 2006 (40%)	-	341,093,575
Proposed Issue of Bonus Shares for 2007 (50%)	596,913,500	-
Retained Earning/Profit & Loss Account	-	28,770,356
	3,137,223,404	2,322,099,917
Supplementary Capital (Tier-2)		
1% General Provision	551,214,000	290,265,000
Exchange Equalisation Account	8,043,177	8,043,177
	559,257,177	298,308,177
	3,696,480,581	2,620,408,094
Total Capital (Tier-1 + Tier-2)		
Risk Weighted Assets Including off Balance Sheet Items	39,846,113,680	27,018,239,892
Required Capital (10% of Risk Weighted Assets)	3,984,611,368	2,431,641,590
Capital Surplus/(Shortfall)	(288,130,787)	188,766,504
Capital Adequacy Ratio		
On Core Capital-against Standard of Minimum 5% (2006: 4.5%)	7.87	8.59
On Supplementary Capital	1.41	1.11
On Total Capital-against Standard of Minimum 10% (2006: 9%)	9.28	9.70
14.00 Statutory Reserve		
Opening Balance	898,792,231	686,899,231
Add : Transferred during for the year	333,567,487	211,893,000
Less : Adjustment during the year	-	-
	1,232,359,718	898,792,231
15.00 General Reserve		
Opening Balance	200,709,818	195,232,002
Add : Others Surplus	412	5,477,816
Add : Net Profit Appropriation	-	-
Less : Transferred to retained earnings	86,587,144	-
	114,123,086	200,709,818
16.00 Retained Earnings		
Opening Balance	28,770,356	-
Add: Transferred during the year	481,556,000	369,863,931
Add: Transferred from General Reserve	86,587,144	-
Less : Transferred to proposed issued of Bonus Shares	596,913,500	341,093,575
	-	28,770,356
35.00 Earnings per Share		
Net Profit After Tax	815,123,487	581,758,931
Numbers of Ordinary Shares (Note)	17,907,406	2,992,048
Earnings per Share (EPS)	45.52	194.43
Note :		
This presents :		
Number of shares issued as per balance sheet dated 25 May 2008	2,992,048	2,992,048
Number of shares issued against bonus declared for for 2002 to 2006 and confirmed by the shareholders in the AGM held on 07.06.2010	8,946,223	-
Proposed issue of Bonus Shares for 2007 (50%)	5,969,136	-
	17,907,406	2,992,048

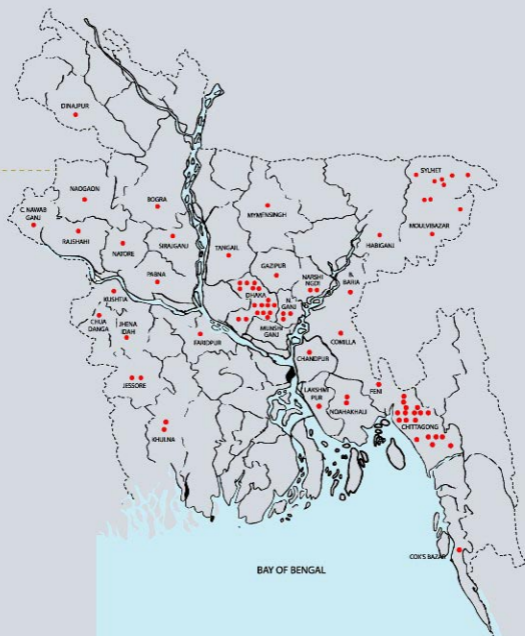
Managing Director

Director

Director

Director

Branch Network



Branch Network

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PS & Dist.Narsingdi
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Road # 27 (Old) 16 (New)
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*KHULNA BRANCH

Hotel Park Building, 48, K.D Ghosh Road,
Khulna-9000
Phone: +88-041-720502, 720522, 733676,
FAX: +88-041-720502
Mobile: 01711-881063
SWIFT: UCBLBDDHKLN
E-mail: kln@ucbl.com

JESSORE BRANCH

36, M.K Road, Jessore
Phone: +88-0421-66606, 66061, 73542
FAX: +88-0421-73542
Mobile: 01711-883758
E-mail: jsr@ucbl.com

KUSHTIA BRANCH

4, Bar Waritala Road, Kushtia
Phone: +88-071-61991, 62533
Mobile: 01711-881058
E-mail: kst@ucbl.com

JHENAI DAH BRANCH

129, Shere Bangla Road, Jhenaidah
Phone: +88-0451-62725
FAX: +88-0451-63125
Mobile: 01711-883760
E-mail: jhn@ucbl.com

NOAPARA BAZAR BRANCH

Noapara Bazar, P.S. Avoymagor, Jessore.
Phone: +88-0422-71789, 71395
Mobile: 01711-883761
E-mail: npj@ucbl.com

KHAN JAHAN ALI ROAD BRANCH, KHULNA

382, Khan Jahan Ali Road, Khulna
Phone: +88-041-732224
Mobile: 01711-883762
E-mail: khj@ucbl.com

CHUADANGA BRANCH

147, Barobazar, Chuadanga
Phone: +88-0761-62515
Mobile: 01711-883763
E-mail: cdg@ucbl.com

SYLHET DIVISION

*SYLHET BRANCH

Laldighirpar, Sylhet-3100
Phone: +88-0821-715070, 713541, 713519
Mobile: 01711-809727
Fax: +88-0821-715212
SWIFT: UCBLBDDHSHYL
E-mail: syl@ucbl.com

MOULVIBAZAR BRANCH

Central Road, Chowmuhan
Moulvibazar-3200
Phone: +88-0821-52766,
0861-62929,
Mobile: 01711-881059
E-mail: mbs@ucbl.com

BISWANATH BRANCH

Al-Burak Shopping Center,
Biswanath Bazar, Vill, P.O. P.S. Biswanath,
Dist. Sylhet
Phone: +88-038911-82063, 82059
Mobile: 01711-883749
E-mail: bis@ucbl.com

BEANIBAZAR BRANCH

Shahab Mension, Main Road,
Beanibazar, Sylhet-3170
Phone: +88-03799-288338,
Mobile: 01711-883750
E-mail: bbz@ucbl.com

AMBORKHANA BRANCH

Airport Road, Amborkhana, Sylhet
Phone: +88-0821-718181, 712631
Mobile: 01711-883751
Cable: UNIAMBAR
E-mail: amb@ucbl.com

GOALBAZAR BRANCH

P.O. Goalabazar
P.S. Balagonj, Sylhet
Phone: +88-03799-187015
Mobile: 01711-883752
Cable: UNIGOLA
E-mail: gob@ucbl.com

SHERPUR BRANCH

Unlon-Sadipur, P.O. Aurangapur,
P.S- Osmani Nagar (New), Sylhet.
Phone: +88-03796800024
Mobile: 01711-922479
E-mail: srp@ucbl.com

SHIBGONJ BRANCH

Unlon-Tultika, Sadar Thana - Sylhet
Dist- Sylhet
Phone: +88-0821-760300
Mobile: 01711-883753
E-mail: shb@ucbl.com

ZINDABAZAR BRANCH

1683/A, Zindabazar, Sylhet
Phone: +88-0821-714527, 723567
Mobile: 01711-881062
E-mail: znb@ucbl.com

NOBIGONJ BRANCH

P.O. & P.S. Nabigonj, Dist-Hobigonj
Phone: +88-038927-88105
Mobile: 01711-883754
E-mail: nbj@ucbl.com

BAROLEKHA BRANCH

P.O. & P.S. Barolekha
Dist. Moulvibazar
Phone: +88-08622-56140, 03797800032
Mobile: 01711-883759
E-mail: brl@ucbl.com

BARISAL DIVISION

BARISAL BRANCH

101, Sadar Road, Nahar Market
Barisal-8200
Phone: +88-0431-55371, 64289
Mobile: 01711-336457
Fax: +88-0431-53989
E-mail: bsl@ucbl.com

* Authorised branches for Foreign Trade

Worldwide Correspondents Network



Australia
Citibank NA
HSBC Bank Australia Limited
JP Morgan Chase Bank
National Australia Bank



Austria
Bank Austria Aktiengesellschaft
Volksbank Vorarlberg EGen



Belgium
BNP Paribas
Commerzbank AG
DEXIA Bank SA
Fortis Bank
KBC Bank



Bhutan
Bank of Bhutan
Bhutan National Bank



Brazil
Banco Bradesco SA
HSBC Bank Brasil S.A.



Canada
Bank of China
Bank of Nova Scotia
Citibank NA
HSBC Bank of Canada
Royal Bank of Canada
State Bank of India
Toronto Dominion Bank



China
Bank of China
Bank of Communications
Bank of Nova Scotia
China Everbright Bank
Citibank NA
HSBC Bank
JP Morgan Chase Bank NA
Standard Chartered Bank
Wachovia Bank NA



Czech Republic
Celexo-ovenská Obchodní Banka A.S.
HSBC Bank Plc



Egypt
Masreebank Psc



Finland
Danske Bank



France
BNP Paribas
Commerzbank AG
Credit Agricole Indosuez
Credit Lyonnais
HSBC Bank France SA
UBAF



Germany
Bayerische Hypo- und Vereinsbank AG
Commerzbank AG
Danske Bank
Deutsche Bank AG
Dresdner Bank
Hamburger Sparkasse AG
HSBC Trinkaus und Burkhardt
JP Morgan Chase Bank
Nassauische Sparkasse
Wachovia Bank NA



Hong Kong
Bank of Nova Scotia
Bank of Tokyo Mitsubishi UFJ Ltd.
BNP Paribas
Citibank NA
DBS Bank(Hong Kong) Ltd.
HSBC Finance Ltd.
HSBC Bank
ICBC Bank Ltd.
JP Morgan Chase Bank NA
KBC Bank NV
Mazharbank Psc
Standard Chartered Bank
Svenska Handelsbanken
UBAF(Hong Kong) Limited
Wachovia Bank NA



Hungary
Commerzbank Budapest RT
Neffissen Bank ZRT



India
Arab Bangladesh Bank Ltd.
Bank of Tokyo Mitsubishi UFJ Ltd.
Bank of America, Mumbai
Citibank NA
HSBC Bank
ICBC Bank Ltd.
Mazharbank Psc
Sonal Bank
Standard Chartered Bank
State Bank of India
Union Bank of India
State Bank of India
Union Bank of India



Indonesia
Bank International Indonesia
Citibank NA
HSBC Bank
PT Bank Mandiri(Persero) Tbk.
Standard Chartered Bank



Ireland
Citibank NA



Italy
Banca Monte Paschi Del Paschi Di Siena
Banca Popolare Dell' Emilia Romagna
Banca UBAL, Rome
Commerzbank AG
COPSA Banca SPA - Istituto
The Bank of Tokyo Mitsubishi UFJ Ltd.
Unicredit
Unicredito



Nepal
Nepal Bangladesh Bank Ltd.
Himalayan Bank Ltd.
Standard Chartered Bank Nepal Ltd.



Netherlands
Fenn Lamschot Bankiers NV
Fortis Bank NV
ING Bank
Commerzbank(Nederlands) N.V.
Rabobank Nederland



New Zealand
HSBC Bank



Norway
BNP Paribas
Den Norske Bank



Japan
Asahi Bank Ltd.
CALYON
Deutsche Bank AG
HSBC Bank
Standard Chartered Bank
Sumitomo Mitsui Banking Corp.
The Bank of Tokyo-Mitsubishi UFJ Ltd.
UBAF
Wachovia Bank NA



South Korea
Citibank NA
Hana Bank
HSBC Bank
Industrial Bank of Korea
Kookmin Bank
Korea Development Bank
Korea Exchange Bank
Shinhan Bank
Standard Chartered Bank
The Bank of Tokyo-Mitsubishi Ltd.
UBAF
Wachovia Bank NA
Woori Bank



Kuwait
National Bank of Kuwait



Luxembourg
Danske Bank



Malaysia
Citibank NA
Export-Import Bank of Malaysia Berhad
HSBC Bank
JP Morgan Chase Bank
May Bank Berhad
RHB Bank Berhad
Standard Chartered Bank



Myanmar
Myanmar Foreign Trade Bank



Oman
Bank Muscat SAOG



Pakistan
Aif Habib Bank Limited
HSBC Bank



Poland
Danske Bank
Bank Polska Kasa Opieki SA-Bank Pekao SA



Qatar
Mashreq Bank Psc



Saudi Arabia
Al Rajhi Banking & Investment Corp
Saudi British Bank



Singapore
Bank of Tokyo-Mitsubishi UFJ Ltd.
Bangkok Bank Public Co. Ltd.
Bank of Nova Scotia
Credit Lyonnais
Deutsche Bank AG
Fortis Bank NV
Habib Bank Ltd.
HSBC Bank
ICICI Bank Ltd.
JP Morgan Chase Bank NA
Maybank Berhad
Skandinaviska Enskilde Banken
Standard Chartered Bank
UBAF



Slovakia
Česká slovenská Obchodní banka A.S.



Slovenia
SIB Banca D.D.



South Africa
Citibank NA
Commerzbank AG



Spain
Banco Bilbao Vizcaya
BNP Paribas
Caja Laboral Popular
Commerzbank AG
HSBC Bank Psc



Sri Lanka
Citibank NA
People's Bank
ICICI Bank Ltd.



Sweden
Skandinaviska Enskilde Banken
Svenska Handels Banken



Switzerland
Banque Cantonale de Geneve
BNP Paribas Private Bank
Credit Suisse
Habib Bank AG Zurich
UBS AG
Zuercher Kantonal Bank



Taiwan
Bangkok Bank Public Co. Ltd.
Bank of Nova Scotia
Citibank NA
HSBC Bank



Taiwan
JP Morgan Chase Bank
Standard Chartered Bank
Wachovia Bank NA



Thailand
Bangkok Bank Public Co. Ltd.
Bank of Tokyo-Mitsubishi UFJ Ltd.
BNP Paribas
Citibank NA
HSBC Bank
Standard Chartered Bank



Turkey
AKBank T.A.S.
HSBC Bank
Citibank NA



UAE
Citibank NA
Habib Bank AG Zurich
HSBC Bank
Mashreq Bank Psc
Standard Chartered Bank



UK
Anglo-Romanian Bank Ltd.
Bank of Tokyo-Mitsubishi UFJ Ltd.
Citibank NA
Commerzbank AG
Danske Bank
Habib Bank AG Zurich
HSBC Bank
JP Morgan Chase Bank NA
Lloyds TSB Bank Psc
Mashreqbank Psc
Netwest Bank Psc
Standard Chartered Bank
Wachovia Bank NA



U.S.A.
American Express Bank Ltd.
Bank of America SA
Bank of New York
Bank of Nova Scotia
Bank of Tokyo-Mitsubishi Ltd.
China Trust Bank
Citibank NA
Deutsche Bank Trust Co.
Habib American Bank
HSBC Bank USA
JP Morgan Chase Bank
Key Bank National Association
Mashreq Bank Psc
North Folk Bank
PNC Bank NA
Standard Chartered Bank
Terling National Bank
Wachovia Bank NA



Uruguay
Citibank NA
Banco Bilbao Vizcaya Argentaria Uruguay SA



Vietnam
Bank for Foreign Trade of Vietnam
Citibank NA

**NOTICE OF 25TH (TWENTY-FIFTH)
ANNUAL GENERAL MEETING FOR THE YEAR 2008
(ACCOUNTING YEAR 2007)**

Notice is hereby given that 25th Annual General Meeting of United Commercial Bank Ltd. will be held on September 19, 2010 Sunday at 11.15 A.M. at Radisson Water Garden Hotel, Dhaka to transact the following business:

- (1) To receive and adopt Audited Accounts along with the fresh Balance Sheet for the year ended December 31, 2007 and Report of the Directors and Auditors thereon.
- (2) To approve 50% Stock Dividend as recommended by the Board of Directors.
- (3) Ratification and Confirmation of Appointment of Directors.
- (4) To confirm the appointment of Auditors and their remuneration.
- (5) To transact any other business with the permission of the Chair.

By order of the Board



(Mirza Mahmud Rafiqur Rahman)
Company Secretary

Dated : August 22, 2010.
Dhaka

Notes :

- (i) The '**Record Date**' has been fixed on **August 08, 2010**. Please note that there will be no transaction of Shares of United Commercial Bank Ltd. in the Stock Exchanges on **August 08, 2010**.
- (ii) A member eligible to attend the Annual General Meeting may appoint a proxy to attend on his/her behalf. Proxy Form must be affixed with revenue stamp of Taka 10.00 and submitted to the Registered Office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.
- (iii) The Shareholders whose names appear in the Register of Members of the Company or in the depository (CDBL) on the Record Date i.e. **August 08, 2010** shall be entitled to attend the meeting.
- (iv) Change of address, if any, should be notified to the related Depository Participant/ Registered Office of the Bank.

NOTES



United we achieve

Federaton Bhawan, 60 Motijheel C/A, Dhaka-1000. PHONE: 9668890-93, 9655075-77 Fax: 86-02-3562567 E-mail: info@ucbi.com