



Annual  
Report  
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*United we achieve*



# ANNUAL REPORT 2008

Federation Bhaban, 60, Motijheel Commercial Area  
Dhaka-1000, Bangladesh

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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, 2008**

Dear Sir (s)

We are pleased to enclose a copy of the Annual Report together with the Audited Financial Statements as at December 31, 2008 for kind information & record.

Yours sincerely



Mirza Mahmud Rafiqur Rahman  
Company Secretary



## 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	UCBLBDDH
Listing with Dhaka Stock Exchange	November 30, 1986
Listing with Chittagong Stock Exchange	November 15, 1995
Chairman	Md. Jahangir Alam Khan
Managing Director	M. Shahjahan Bhuiyan
Company Secretary	Mirza Mahmud Rafiqur Rahman



পরিচালনা পর্ষদ  
Board of **Directors**

## পরিচালনা পর্ষদ Board of Directors



Md. Jahangir Alam Khan



Qamrun Nahar



Hajee M. A. Kalam



Hajee Yunus Ahmed



M. A. Sabur



M. A. Hashem



Shabbir Ahmed



Kazi Enamul Hoque



Showkat Aziz Russell



Riyadh Zafar Chowdhury



Nur Uddin Javed



Dr. Aziza Karim



Setara Begum



M. Shahjahan Bhuiyan

### চেয়ারম্যান

মোঃ জাহাঙ্গীর আলম খান

### ভাইস চেয়ারম্যান

কামরুন নাহার

### পরিচালক সভাপী

হাজী এম.এ. কালাম  
হাজী ইউনুস আহমেদ  
এম.এ. সবুর  
এম.এ. হাশেম  
শাব্বির আহমেদ  
কাজী এনামুল হক  
শওকত আজিজ রাসেল  
রিয়াদ জাফর চৌধুরী  
নূর উদ্দিন জাভেদ  
ডাঃ আজিজা করিম  
সিতারা বেগম

### ব্যবস্থাপনা পরিচালক

এম.শাহজাহান ভূইয়া

### সেক্রেটারি

মির্জা মাহমুদ রফিকুর রহমান

### বোর্ডের নির্বাহী কমিটি

#### চেয়ারম্যান

হাজী এম.এ. কালাম

### পরিচালক সভাপী

হাজী ইউনুস আহমেদ  
এম.এ. সবুর  
কাজী এনামুল হক  
শাব্বির আহমেদ  
শওকত আজিজ রাসেল

### ব্যবস্থাপনা পরিচালক

এম.শাহজাহান ভূইয়া

### বোর্ডের অডিট কমিটি

#### চেয়ারম্যান

এম.এ. সবুর

### সদস্য সভাপী

কামরুন নাহার  
কাজী এনামুল হক

### Chairman

Md. Jahangir Alam Khan

### Vice Chairman

Qamrun Nahar

### Directors

Hajee M. A. Kalam  
Hajee Yunus Ahmed  
M. A. Sabur  
M. A. Hashem  
Shabbir Ahmed  
Kazi Enamul Hoque  
Showkat Aziz Russell  
Riyadh Zafar Chowdhury  
Nur Uddin Javed  
Dr. Aziza Karim  
Setara Begum

### Managing Director

M. Shahjahan Bhuiyan

### Secretary

Mirza Mahmud Rafiqur Rahman

### EXECUTIVE COMMITTEE OF THE BOARD

#### Chairman

Hajee M. A. Kalam

### Directors

Hajee Yunus Ahmed  
M. A. Sabur  
Kazi Enamul Hoque  
Shabbir Ahmed  
Showkat Aziz Russell

### Managing Director

M. Shahjahan Bhuiyan

### AUDIT COMMITTEE OF THE BOARD

#### Chairman

M. A. Sabur

### Members

Qamrun Nahar  
Kazi Enamul Hoque

# List of Executives

## Managing Director

Mr. M. Shahjahan Bhuiyan

## Additional Managing Director

Mr. M. Shah Alam Sarwar

## Deputy Managing Director

Mr. A.K.M. Kamal Uddin

Mr. M.S. Kamaluddin

Mr. Shafiqul Alam

Mr. Muhmmmed Shahidul Islam

Mr. Mamun-Ur-Rashid

## Senior Executive Vice President

Mr. Md. Shahed Jalal Chowdhury

Mr. Mirza Mahmud Rafiqur Rahman

## Executive Vice President

Mr. Ruhul Amin

Mr. K. M. Sirajul Hoque

Mr. Md. Tariqul Azam

Mr. Nawed Iqbal

Mr. Md. Nurul Alam

Mr. Md. Shah Alam

Mr. Md. Zahurul Alam

## Senior Vice President

Mr. Md. Quamrul Hassan

Mr. Ali Haider

Mr. Nurul Alam

Mr. Mohammad Shawkat Jamil

Mr. Golam Awlia

Mr. Chandan Sen Gupta

Mr. Md. Yunus

Mr. Mian Quamrul Hasan Chowdhury

## First Vice President

Mr. S. M. Diderul Alam

Mr. Pabitra Kumar Chakraborty

Mr. A. M. Nasir Uddin

Mr. Md. Ruhul Amin

Mr. Md. Shahadat Hossain Shohag

Mr. Md. Habibur Rahman

Mr. Md. Habibur Morsalin

Mr. Badiul Alam

## Vice President

Mr. Mohammed Abdullah-Al-Mamun

Mr. Zaglul Pasha

Mr. Md. Mofakharul Islam

Mr. Munir Uddin Chowdhury

Mr. Md. Mainul Islam Chowdhury

Mr. A. Wadud Miah

Mr. Ahmed Saiful Huda

Mr. Mohd. Nesar Alam

Mr. Md. Diderul Islam

Mr. Sarwar Mortuza Chowdhury

Mr. Md. Sirajuddin Akhand

Mr. Md. Abdus Salam Chowdhury

Mr. Mohammed Khorshed Alam

Ms. Sabrina Alam

Mrs. Dilruba Sharmin Khan

Mr. Javed Iqbal

## First Assistant Vice President

Mr. Md. Fazole Karim Khan

Mr. Md. Abdul Quader

Mr. Md. Zaful Hoque

Mr. Md. Ali Hossain Howlader

Mr. Saiful Alam

Mr. Md. Khalequzzaman Chowdhury

Mr. Afaz Ullah

Mr. Md. Monzurul Islam

Mr. Abdul Monaf

Mr. Anwar Iqbal Chowdhury

Mr. Md. Abdur Rouf

Mr. Md. Ahsanul Haque

Mr. Md. Shafiqul Islam

Mr. Kazi Md. Lokman Hakim

Mrs. Lisa Islam

Mr. Md. Golam Sarwar

Mr. S. K. Jahangir

Mr. Md. Wahaduzzaman

Mr. Krishna Gopal Nath

Mrs. Syeda Arjunan Banu

Mr. Chowdhury Bodiuzzaman

Mr. Abdul Maied

Mr. Monjur Monshed Chowdhury

Mr. Md. Abul Hashem

Mr. Md. Ahsan Mozlish

Mr. Mohd. Zakaria

## First Assistant Vice President

Mr. Chowdhury Mohiuddin Mahmud

Mr. Md. Tarique Parvez Jewel

Mr. Md. Farid Uddin Ahmed

Mr. Nasimul Islam

Mr. Shamsur Rahman Bhuiyan

Mr. Md. Aminul Islam

Mr. Md. Abul Hashem Chowdhury

Mrs. Akhter Begum Chowdhury

Mr. Dewan Abdul Bakki

Mrs. Kamrun Naher

Mr. Faridul Hoque

Mr. Wais Ahmed Khan

Mr. Shah Bashir Uddin Ahmed

Mr. Md. Jahangir Alam

Mr. Nirmalendu Deb

Mr. A.K.M. Anwarul Hoque

Mr. Md. Mozammel Hoque

Mr. Md. Abdul Basith

Mr. Md. Showkat Karim

Mr. Shaheed Hossain Chowdhury

Mr. Chowdhury Md. Showkat Ali

Mr. Md. Majibur Rahman

Mr. Md. Sowkat Abdullah

Mr. Md. Shamsul Alam

Mr. Md. Tofazzal Hossain

Mr. Sultan Ahmed Shah Chowdhury

Mr. Md. Aman Ullah

Mr. Md. Selim Reza Khan

Mr. Md. Tofael Haider

Mr. Md. Kamal Pasha

Mr. Mohammad Hasan

Mr. Md. Majibur Rahman

Mrs. Akhter Nasreen Chowdhury

Mr. Moynuddin Ahmed

Mr. Md. Shamsul Hoque Khandaker

Mr. Kh. A.R.M. Kamrul Hasan

Mr. Kh. Zibnur Rahman (Nadim)

Mr. Abu Taiyab Md. Tajmilur Rahman

Mr. Abul Hasan Muhammad Azam

Mr. Ikram Farid Chowdhury

Mr. Emteaz Haque

Mr. Mohammad Nurul Huda

Mr. Mohammad Monabbir Ahmed Khan

Mr. Zahidur Rahman Md. Zulfikar

## এক নজরে বিগত ৫ বছর Last 5 Years at a glance

Figure in Million

	2004	2005	2006	2007	2008
অনুমোদিত মূলধন Authorised Capital	1,000	1,000	1,000	1,000	1,000
পরিশোধিত মূলধন Paid-up Capital	230	230	230	299	299
সংরক্ষিত তহবিল Reserve Fund	674	1,045	1,262	1,596	1,889
আদানত Deposits	20,970	24,559	33,016	42,296	54,485
ঋণ ও অগ্রিম Loans & Advances	15,385	20,211	26,110	37,556	44,446
বিনিয়োগ Investments	3,020	2,877	6,101	5,518	7,201
মোট আয় Gross Income	2,554	3,188	4,118	6,052	7,850
মোট ব্যয় Gross Expenditure	1,697	2,036	2,797	4,034	5,400
নেট লাভ (ট্যাক্স পূর্বকর্তা) Net Profit (Pre-tax)	626	852	1,321	1,668	1,463
আমদানি বাণিজ্য Import Business	24,386	29,408	39,853	60,329	60,009
রপ্তানি বাণিজ্য Export Business	10,470	14,785	20,803	27,230	36,500
বৈদেশিক প্রতিনিধি Foreign Correspondents	172	189	213	345	345
কর্মচারী সংখ্যা Number of Employees	1,878	1,949	2,029	2,082	2,292
শাখা সংখ্যা Number of Branches	80	80	84	84	84
শেয়ারহোল্ডার সংখ্যা Number of Shareholders	3,979	4,064	4,120	7,499	10,337

চেয়ারম্যানের দপ্তর থেকে  
From the **Desk of Chairman**



**Md. Jahangir Alam Khan**  
Chairman

মিয় শেয়ারহোল্ডারগণ,

ইউনাইটেড কমার্শিয়াল ব্যাংক লিঃ (ইউসিবি)'র সম্মানিত শেয়ার হোল্ডারগণকে ২৬তম বার্ষিক সাধারণ সভায় স্বাগত জানাতে পেরে আমি অত্যন্ত আনন্দিত। আমি ব্যাংকের স্কেয়ারম্যান হিসাবে আপনাদের সাথে উপস্থিত থাকতে পেরে সম্মানিত ও গর্ববোধ করছি।

আপনারা সবাই অবগত আছেন যে, বৈশ্বিক মন্দা ও অভ্যন্তরীণ পরিবেশ বিপর্যয় স্বত্ত্বেও ২০০৮ সালের অর্থনৈতিক প্রবৃদ্ধি আমাদের হতাশ করেনি। অর্থনৈতিক অগ্রগতি বজায় ছিল এবং উন্নত আমদানীর চাপ থাকা স্বত্ত্বেও আন্তর্জাতিক মুদ্রার বিজ্ঞার্ত বৃদ্ধি পেয়েছে। বছরের দ্বিতীয়ার্ধে তৈরী সোমাক শিল্পের ব্যাপক রপ্তানী এবং যন্ত্রপাতি পরিমিত রেমিটেন্স আহরনের ফলে দেশের অর্থনৈতিক পরিবেশ ছিল দ্বিতীয়ার্ধ যমিত ও আন্তর্জাতিক বাজারে মূল্য বৃদ্ধি এবং খাদ্য আমদানীর উন্নত চাপ বিরাজমান ছিল। সামগ্রিক অনিয়ন্ত্রিত বৈশ্বিক চাপ ও পরিবেশ বিপর্যয়ের ফলে ২০০৮ অর্থ বছরে ব্যাপক মুদ্রাস্ফীতি পরিলক্ষিত হয়।

প্রাকৃতিক দুর্যোগ এবং একই সাথে খাদ্যব্রবের দ্রুত মূল্যবৃদ্ধির ফলে দেশের ভূমিহীন দরিদ্র জনগোষ্ঠীর আয়ের উপর ব্যাপক চাপ পড়ে। খাদ্যব্রবের মূল্য কিছুটা সহনীয় পর্যায়ে আসার পর হঠাৎ করেই জ্বালানী তেলের মূল্য বৃদ্ধির ফলে খাদ্যব্রবের মূল্য আবারো বৃদ্ধি পায়। যার ফলে দরিদ্র জনগোষ্ঠী পুনরায় তীব্র চাপের মুখোমুখি হয়।

এতদস্বত্ত্বেও ব্যাংকিং খেতরে দৃশ্যমান অগ্রগতি পরিলক্ষিত হয়েছে। এক্ষেত্রে বিশেষভাবে উল্লেখযোগ্য হলো কেন্দ্রীয় ব্যাংকের বিধিবিধান শক্তিশালীকরণ, উন্নত ব্যবস্থাপনা এবং সরকারী সিকিউরিটি মার্কেটের উন্নয়নের উদ্যোগ। কেন্দ্রকারী ব্যাংকের অগ্রগতিও ছিল উল্লেখ করার মতো। ব্যাংকিং ইন্ডাস্ট্রি এই অগ্রগতির মিছিলে ইউসিবি'র অবদান ছিল অত্যন্ত বলিষ্ঠ ও সুদৃঢ়। অগোচর বছরে ব্যাংকের আয়মান দাঁড়িয়েছে প্রায় ৫৪,৪৮৫ মিলিয়ন টাকা, অন্যদিকে ব্যাংকের সম্পদের পরিমাণ দাঁড়িয়েছে প্রায় ৬৪,৭৯৪ মিলিয়ন টাকা এবং ব্যাংক মোট প্রায় ৪৪,৪৪৬ মিলিয়ন টাকা ঋণ প্রদান করেছে।

Dear Shareholders,

It gives me immense pleasure to welcome you all to the 26th Annual General Meeting of honourable and valued shareholders of United Commercial Bank Ltd. widely known through its Brand name 'UCB'. I feel honoured and privileged to stay with you as the Chairman of the Bank.

We all are aware that despite global economic challenges and domestic natural disasters, economic performance in Financial Year 2008 was resilient. Growth momentum was maintained and international reserves increased despite severe import pressures. A strong pick-up in domestic economic activity in the second half of the year, assisted by rapid growth in garments exports and surging remittances, allowed a steady external position despite the increased need for food imports and escalating international prices. Inflation rose as a result of these external shocks in Financial Year 2008.

The natural disasters and subsequent rapid food price increases of early 2008 put severe pressure on incomes, particularly of the urban and landless rural poor, reversing some of the recent reductions in poverty. Although food prices moderated somewhat near the end of 2008, the pass through of recent increases in fuel prices have seen food prices rise again and placed further pressure on the poor.

Progress has been made in isolated areas of Bank industry including (but not limited to) strengthening the regulatory and prudential framework of Bangladesh Bank, corporatizing and improving the management of the state banks, and initiating the development of a government securities market. Private Banks grew rapidly in FY08 and their financial soundness strengthened. UCB had the very strong footprint on the procession of said growth of Banking Industry in 2008. The deposit of the Bank stood about 54485 million, the total assets, on the other hand, stood at about Tk. 64,794 million and total loans and advances stood at about Tk. 44,446 million.



আমি আপনাদের অত্যন্ত দৃঢ়তার সাথে জানাচ্ছি যে, ব্যাংকের পরিচালকমন্ডলী বিশ্বাস করে যে যেহেতু ব্যাংক আমানতকারীদের রক্ষক হিসাবে কাজ করে সেহেতু ব্যাংকের জন্য একটি সুকিমুক্ত পরিবেশ তৈরী করার বিকল্প নেই। এই লক্ষ্যে পরিচালকমন্ডলী একটি সুদৃঢ় নীতিমালা তৈরীতে বদ্ধ পরিকর যার মাধ্যমে ব্যাংকের সাবলীল ও সুসংহত অগ্রগতি নিশ্চিত হবে এবং আমানতকারীদের স্বার্থ সংরক্ষিত থাকে। এ কারণে সচেতনতা, মূল্যায়ন এবং সঠিক ঝুঁকি ব্যবস্থাপনার বিষয়গুলো সবসময় আমাদের ব্যাংক ব্যবস্থাপনায় অগ্রাধিকার পায়।

সঠিক মূল্যায়নের মাধ্যমে ঋণ প্রদান আমাদের ব্যাংকের সংস্কৃতিতে পরিণত হয়েছে। ঝুঁকি ব্যবস্থাপনার মূল্যায়ন সংক্রান্ত প্রতিবেদন সরাসরি অডিট কমিটি এবং পরিচালকমন্ডলীর কাছে প্রেরণ করা হয়। ব্যাংকের ব্যবস্থাপনা সুনিবিড়ভাবে পর্বেক্ষকের লক্ষ্যে আমরা স্বনির্ভর অভ্যন্তরীণ নিয়ন্ত্রক ব্যবস্থাপনা প্রতিষ্ঠা করেছি।

শেয়ারহোল্ডারগণের মূল্যবান উপদেশ এবং সক্রিয় ও দায়িত্বশীল সহযোগিতার ফলশ্রুতিতে ব্যাংকের আজকের এই অগ্রগতি সম্ভবপর হয়েছে। আমাদের গ্রাহকদের নির্ভরতা এবং বিশ্বাস, তত্কাঙ্কিদের সহযোগিতা ব্যাংকের অগ্রগতিতে বসিষ্ঠ ভূমিকা রাখে।

পরিশেষে উল্লেখিত বছরে সকলের সহযোগিতা ও পরামর্শের জন্য পরিচালকমন্ডলীর পক্ষ থেকে আপনাদেরকে ধন্যবাদ জানাচ্ছি এবং কৃতজ্ঞতা প্রকাশ করছি।

আশা করি আগামী দিনগুলো হবে আরো সুন্দর এবং রঙিন।

ধন্যবাদ সহ-



মোঃ জাহাঙ্গীর আলম খান  
চেয়ারম্যান

I am confidently informing you that all the Directors of our Board believe that as the Bank is the custodian of depositors, we are bound to develop and establish the policy to create a risk free environment of the Bank for its steady and smooth growth to achieve its vision and secure the depositors' interest. As such, awareness, evaluation and efficient management of risks are always the top most priority for the Bank. The risk accompanying in banking sector are increasing day by day in both number and diversity. To manage and reduce risks, we try to identify measure, analyze, monitor and control them.

Responsible lending has become a culture in our risk management process. Risk management reports are submitted before the audit committee and Board of Directors. We have established an independent internal control management team to monitor the management of the Bank independently without the influence from any part of the management.

The progress of the Bank has been made possible due to active support, valuable suggestion and sincere cooperation of the shareholders. The trust and confidence of our clients, support of our well wishers and patrons have also played a great role in the Bank's growth.

Finally, on behalf of the Board of Directors, I take the opportunity to express gratitude and thanks to all concerned for cooperation, understanding and encouragement extended to the Bank in its work during the year.

Let there be good and colourful days ahead for all of us.

Thanks a lot.



Md. Jahangir Alam Khan  
Chairman



পরিচালকমণ্ডলীর প্রতিবেদন  
**Directors' Report**

২০০৮ সনের ৩১শে ডিসেম্বর সমাপ্ত বছরে সেপের অর্থনৈতিক অবস্থা ও ব্যাংকের কর্মকাণ্ডের সঞ্চিষ্ট চিত্র এবং অর্থিক প্রতিবেদন ও নিরীক্ষকদের রিপোর্ট সম্বলিত ব্যাংকের ২৬তম বার্ষিক প্রতিবেদন শেষ করতে পেরে পরিচালকমন্ডলী আনন্দিত।

#### বাংলাদেশের অর্থনীতি

প্রাকৃতিক দুর্যোগ, রাজনৈতিক অস্থিরতা এবং আন্তর্জাতিক বাজারে আদানী, বাণ্য দ্রব্য ও অন্যান্য নিত্যপ্রয়োজনীয় পণ্যের মূল্য বৃদ্ধি সত্ত্বেও ২০০৭-২০০৮ অর্থবছরে বাংলাদেশের অর্থনীতি প্রবৃদ্ধির হার ধরে রাখতে সক্ষম হয়েছে। কৃষি ও সেবা খাতের প্রবৃদ্ধি এবং রপ্তানী ব্যতীত ঘরে দাঁড়ানোর ফলে ২০০৮ সালে ৬.২০ শতাংশে জিডিপি প্রবৃদ্ধি অর্জন সক্ষম হয়েছে, যা ২০০৭ অর্থবছরে ছিল ৬.৪০ শতাংশ। মোট অভ্যন্তরীণ সঞ্চয় ও মোট সেপার উৎপাদনের অনুপাত ২০০৭ অর্থবছরে ২০.৪০ শতাংশের বিপরীতে ২০০৮ অর্থবছরে ২০.১০ শতাংশে দাঁড়ায়। মোট অভ্যন্তরীণ ঘন বৃদ্ধির হার ২০০৭ অর্থ বছরে ১৪.৪০ শতাংশ থেকে ২০০৮ অর্থবছরে ২১.৮০ শতাংশে দাঁড়ায়। মোট রপ্তানী আয়ের পরিমাণ ২০০৭ অর্থবছরে ১২,০৫০ মিলিয়ন ডলার থেকে ১৫.৭০ শতাংশ বৃদ্ধি পেয়ে ২০০৮ অর্থবছরে ১৩,৯৪৫ মিলিয়ন ডলারে দাঁড়ায়। অপরদিকে আমদানী ব্যয়ের পরিমাণ ২০০৭ অর্থবছরে ৫৫,৫১১ মিলিয়ন ডলার থেকে ২৫.০০ শতাংশ বৃদ্ধি পেয়ে ২০০৮ অর্থবছরে ৬৯,৪৮৬ মিলিয়ন ডলারে দাঁড়ায়। বৈদেশিক মুদ্রার রিজার্ভ ২০০৭ অর্থবছর শেষের ৫,০৭৭ মিলিয়ন ডলার থেকে ১,০৭২ মিলিয়ন ডলার বৃদ্ধি পেয়ে ২০০৮ অর্থবছর শেষে ৬,১৪৯ মিলিয়ন ডলারে দাঁড়ায়। বার্ষিক গড় মূল্যস্ফীতির হার ২০০৮ সালের জুন শেষে ৯.৯০ শতাংশে দাঁড়ায় যা জুন ২০০৭ এ ছিল ৭.২০ শতাংশ।

#### ব্যাংক

ইউসিবি ২০০৮ সালে কর্মকাণ্ডের বিভিন্ন ক্ষেত্রে সন্তোষজনক প্রবৃদ্ধি অর্জনের মাধ্যমে বছরের সমাপ্তি টেনেছে। ২০০৮ সালের শেষে ব্যাংকের মোট সম্পদের পরিমাণ পূর্ববর্তী বছরের ৫০,১৮১ মিলিয়ন টাকা থেকে ২৯.১২ শতাংশ বৃদ্ধি পেয়ে ৬৪,৮১৫ মিলিয়ন টাকায় উন্নীত হয়।

নগদ তহবিল, বাংলাদেশ ব্যাংক ও সোনালী ব্যাংকের হিচাবে দ্বিতি টাকা ৪,৭৪৬ মিলিয়ন মোট সম্পদের অন্তর্ভুক্ত, যা পূর্ববর্তী বছরে ছিল ৪,১১৭ মিলিয়ন টাকা। বিনিয়োগকৃত অর্থের মোট তরল সম্পদ পূর্ববর্তী বছরের ১০,৩৭৯ মিলিয়ন টাকা থেকে আশোচ্য বছরে ১৬,৩২৫ মিলিয়ন টাকায় দাঁড়ায়। বছর শেষে বিনিয়োগকৃত অর্থের মোট তরল সম্পদের পরিমাণ দাঁড়ায় মোট আয়নভের ২৯.৯৬ শতাংশ। ২০০৮ সালে ইকুইটি উপর নিট আয় নির্ভর্যে ১৭.৪৪ শতাংশ যা পূর্ববর্তী বছর ছিল ২৫.৯৮ শতাংশ।

The Board of Directors has the pleasure to present the twenty sixth Annual Report of the Bank alongwith the Accounts & Auditors' Report for the year ended December 31, 2008 with a brief overview of the country's economic condition and the Bank's performance.

#### Bangladesh Economy

Bangladesh economy was remarkably resilient in the year 2007-2008 by maintaining a satisfactory growth momentum despite repeated natural calamities, political uncertainty and price hike of oil, food and other essential commodities in the international market. The recovery in agriculture and services and the rebound in exports contributed to the reasonable 6.20% growth of GDP rate during 2008 against 6.40 % in fiscal year 2007. The domestic savings rate to GDP rose from 20.40% of FY07 to 20.10% in FY08. Total domestic credit increased by 21.80% in FY08 against 14.50% in FY07. Total export earnings increased by 15.70% from US\$ 12,053 million in FY07 to US\$ 13,945 million in FY08. On the other hand the import increased by 25.60% from US\$ 15,511 million in FY07 to US\$ 19,486 million in FY08. Foreign exchange reserve, however, increased by US\$ 1,072 million to US\$ 6,149 million at the end of FY08 from US\$ 5,077 million at the end of FY07. Annual average CPI (base FY96) inflation as of end of June 2008 was 9.90% compared with 7.20% at the end of June 2007.

#### The Bank

The Bank closed the year with satisfactory performance in every sector. At the end of the year 2008, total assets of the Bank stood at Tk.64,795 million against Tk 50,181 million of 2007 registering an increase of 29.12%.

Total assets included Tk 4,746 million cash in hand, balances with Bangladesh Bank and Sonali Bank against Tk 4,117 million in the previous year. Total liquid assets including investment stood at Tk 16,325 million during the year against Tk 10,379 million in the previous year. The liquid assets including investment was 29.96% of the total deposits as at the close of the year. Net return on equity during the year 2008 was 17.44% as against 25.98% in the previous year.



একটি সেমিনারে ইকুইটিজ কর্মসূচির ব্যাংক-এর অংশগ্রহণের ফলে সঞ্চয়ন অর্জন



ব্যাংকের চেয়ারম্যান মহোদয়ের অধীনে বসে ও বাংলাদেশের পরিচালক মহোদয়ের, বাংলাদেশ ব্যাংকের উপদেষ্টার ব্যাংকের ২৬ তম বার্ষিক প্রতিবেদন উপস্থাপন করেন বর্ষ উপসভায়। ডঃ মিজানুর রহমান

## শাখা বিস্তৃতি

ইউসিবি সব সময়ই গ্রাহক সেবারে তরুণত্বের সাথে বিবেচনা করে থাকে এবং সাময়িক প্রচেষ্টায় ব্যাংক গ্রাহকদের তরুণ সেবা প্রদানের মাধ্যমে ব্যাংকিং সেবায়ের ক্রমবর্ধমান প্রতিযোগিতা ও প্রতিদ্বন্দ্বিতা মোকাফেলা করে আসছে। বর্তমানে ব্যাংক দেশের সবকটি বিভাগকে অর্ন্তর্ভুক্ত করে দেশব্যাপী ৮৪টি শাখার বিস্তৃত নেটওয়ার্কের মাধ্যমে ব্যাংকিং সেবায়ের পরিচালনা করে আসছে। এর মধ্যে ঢাকা বিভাগে মোট ২৮টি, ঈশ্বরদী বিভাগে ২২টি, সিলেট বিভাগে ১১টি, রাজশাহী বিভাগে ৯টি, খুলনা বিভাগে ৭টি ও ময়িশূপ বিভাগে ১টি শাখা রয়েছে। গ্রাহকদের উন্নত সেবা নিশ্চিত করার জন্য চট্টগ্রামে একটি জোনাল অফিস খোলা হয়েছে। সরাসরি বৈদেশিক বিনিয়োগ অনুমোদিত শাখার সংখ্যা ১৯টি। পাশাপাশি বিশ্বের সব কটি মহাদেশের ৫০টি দেশে ব্যাংকের ২৫৭টি করেন্সিভেন্স নেটওয়ার্ক বিস্তৃত যা গ্রাহকদের বহির্বিদেশে ব্যাংকিং চাহিদা মিটিয়ে এবং সম্প্রদায়ের কাজে সাহায্য করে। এ ছাড়াও প্রবাসী বাংলাদেশীদের অর্থ প্রেরণের জন্য মিস্যুপ, সলুট অর অমিয়াত, ওমান, কাতার এবং কুয়েতসহ বেশ কয়েকটি দেশের এক্সচেঞ্জ হাউসের সাথে ব্যাংকের কার্যক্রম ব্যবস্থা রয়েছে।

গ্রাহকদের নির্ভরযোগ্য সেবা প্রদানের লক্ষ্যে সকল শাখাকে কম্পিউটারাইজেশনের আওতাধীন আনা হয়েছে। গ্রাহক সেবার মান উন্নয়নের জন্য ব্যাংক অনলাইন ব্যাংকিং সুবিধা চালু করা হয়েছে। অতিরিক্ত আর্থনৈতিক সেবাসহ এবং স্বল্পসংখ্যক প্রেরণের জন্য সরাসরি বৈদেশিক বিনিয়োগ অনুমোদিত সকল শাখার সুইফট চালু করা হয়েছে। তুলসি কার্ডের তিনটি ক্রেডিট কার্ড বাজারে ছাড়া হয়েছে। কনসুমার ক্রেডিট স্কিমের আওতাধীন প্রথম বণ্টন কর্মসূচী শুরুর চালু হতে যাচ্ছে।

## ব্যবস্থাপনা

ব্যাংকের ব্যবস্থাপনা পরিচালক জনাব এম. শাহজাহান ভূইয়া অভ্যন্তরীণ সাফল্যের সাথে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষের নেতৃত্ব দিয়েছেন। তিনি একজন ব্যাচনামা ও গতিশীল ব্যাংকের যার তিন দশকেরও বেশী সময়ের ব্যাংকিং অভিজ্ঞতা রয়েছে। ব্যাংকের উপব্যবস্থাপনা পরিচালক হিসেবে আসেন বিশিষ্ট ও গতিশীল ব্যাংকের জনাব এ. কে. এম. কামালউদ্দিন, জনাব এম. এ. কে. কামালউদ্দিন, জনাব শফিকুল আলম, জনাব শহিদুল ইসলাম এবং জনাব মাহমুদ রশিদ। ব্যবস্থাপনাকে সক্রিয় সমর্থন ও সহযোগিতা দিয়েছেন একদল যোগ্যতাসম্পন্ন নির্বাহী ও কর্মকর্তাবৃন্দ।

## মূলধন ও রিজার্ভ

আগোন্ত বছরে ব্যাংকের অনুমোদিত মূলধনের পরিমাণ ১,০০০ মিলিয়ন টাকার অধিবিবর্তিত রয়েছে এবং পরিসেবিত মূলধনের পরিমাণ ২৯৯ মিলিয়ন টাকার উন্নীত হয়। গত বছরের মূলধন রিজার্ভ ক্রম ৩,৫৯৬ মিলিয়ন টাকা থেকে ১৮.০০ শতাংশে বৃদ্ধি পেয়ে ১,৮৮৬ মিলিয়ন টাকার উন্নীত হয়।

ব্যাংকের মূলধন তহবিল গতবছরের ৩,৫৯৬ মিলিয়ন টাকা থেকে ১,৮৮৬ মিলিয়ন টাকা (২৯.০০ শতাংশ) বৃদ্ধি পেয়ে ২০০৮ সালে ৪,৫৮০ মিলিয়ন টাকার উন্নীত হয়। ব্যাংকের মূলধনের Tier-I অর্থনৈতিক মূলধন ৭৫৬ মিলিয়ন টাকা (২৪.০৮ শতাংশ) বৃদ্ধি পেয়ে ৩,০০০ মিলিয়ন টাকার দাঁড়িয়েছে। অধিকন্তু Tier-II অর্থনৈতিক মূলধন ১১৯ মিলিয়ন টাকা (৫.৭০ শতাংশ) থেকে ১৮৮ মিলিয়ন টাকার দাঁড়িয়েছে। মোট মূলধন তহবিল বুদ্ধিগতির সম্পদের শতকরা ১০.০৮ ভাগ।

## Net work

The Bank always considers client service the most vital factor and made concerted efforts to provide quality services to face ever increasing competition and challenge in the banking sector. 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 257 correspondents covering 53 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 has arrangement with a number of Exchange Houses at Singapore, U.A.E, Oman, Qatar, and Kuwait to facilitate remittances from expatriate Bangladeshis.

To provide uninterrupted service to the clients all the branches have been computerised. Online Banking facilities have been introduced 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

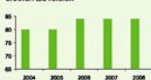
The Management team of the Bank is successfully led by Mr. M. Shahjahan Bhuiyan, Managing Director. He is a renowned and a dynamic banker with more than three decades of banking experience. Prominent and dynamic banker Mr. A. K. M. Kamal Uddin, Mr. M. S. Kamaluddin, Mr. Shafiqul Alam, Mr. Shahidul Islam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

## Capital & Reserves

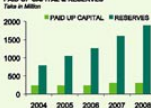
During the year under report authorized capital of the Bank remained unchanged at Tk1,000 million and the paid-up capital stood at Tk 299 million. The reserve fund of the Bank increased by 18.33% to Tk 1,889 million as against Tk 1,596 million in the previous year.

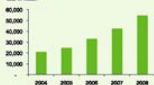
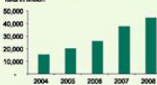
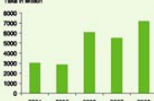
The Capital fund of the Bank stood at Tk4,780 million in 2008 against Tk3,696 million of 2007 recording an increase of Tk1,084 million (29.32%). Core capital (Tier-I) increased by Tk765 million (24.38%) and stood at Tk 3,902 million while Supplementary capital (Tier-II) increased by Tk319 million (57.07%) and stood at Tk 878 million. Total capital fund is equivalent to 10.34% of Risk Weighted Assets against requirement of 10.00%.

BRANCH EXPANSION



PAID UP CAPITAL & RESERVES



DEPOSIT POSITION  
Taka in millionLOANS & ADVANCES  
Taka in MillionINVESTMENT  
Taka in Million

### আমানত

আপ্যোচ বছরে ব্যাংকের আমানতের পরিমাণ বৃদ্ধি পেয়েছে ২৮.৮২ শতাংশ। ২০০৮ সালের শেষে মোট আমানতের পরিমাণ গত বছরের ৪২,২৯৬ মিলিয়ন টাকা থেকে ৫৪,৪৮৫ মিলিয়ন টাকায় বৃদ্ধি পায়। এই আমানতের মধ্যে ৮,৮১২ মিলিয়ন টাকা ভলি এবং ৪৫,৬৭৩ মিলিয়ন টাকা মেয়াদী আমানত। মোট আমানতের সাথে ভলি ও মেয়াদী আমানতের অনুপাত ছিল ২০ শতাংশ এবং ৮০ শতাংশ। মোট আমানতের মধ্যে বেসরকারী ব্যাংক থেকে এসেছে ৪৮,৬২৭ মিলিয়ন টাকা এবং অবশিষ্ট ৫,৮৫৮ মিলিয়ন টাকা এসেছে সরকারী ব্যাংক থেকে।

### ঋণ

নতুন শিল্প প্রকল্প অর্থায়ন, সস্ফুট মূলধন, ব্যাকসায় অর্থায়ন ও বৈদেশিক বাণিজ্যে ও অন্যান্য ব্যাংক অর্থায়নের জন্য ব্যাংক বিভিন্ন ঋণ কার্যক্রমে অংশগ্রহণ অব্যাহত রেখেছে। ফলে ব্যাংকের ঋণ বিতরণের পরিমাণও ২০০৭ সালের ৩৭,৫৬৬ মিলিয়ন টাকা থেকে বেড়ে ২০০৮ সালে ৪৪,৪৪৬ মিলিয়ন টাকায় উন্নীত হয়েছে। ঋণ এবং আমানতের অনুপাতিক হার ছিল ৮১.৫৭ শতাংশ। আপ্যোচ বছরে খাতগতায়ী শীট ঋণের পরিমাণ নিম্নরূপঃ

খাত	মিলিয়ন টাকা
১. শিল্প	১২,৮৬৬
২. রিয়েল এস্টেট	১,৮৫০
৩. পরিবহন ও যোগাযোগ	৩৩১
৪. শাইকারী ও খুচরা ব্যবসায়	১৫,৭৬০
৫. আবাদী	৯,৮৭৭
৬. রপ্তানী	২,৫৪৩
৭. অন্যান্য	১,৮৮৯
মোটঃ	৪৪,৪৪৬

মোট ঋণ ও অগ্রিমের মধ্যে বিভিন্ন ঋণগ্রহীতাদের প্রায় ৭৭৬ মিলিয়ন টাকা ক্ষুণ্ণ / পর্যালোচনা তালিকায় অন্তর্ভুক্ত হয় কারণ ঐ ঋণগ্রহীতাদের প্রতিবিধি, সেলসমেন ও আদায় সন্তোষজনক নয়। ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ঐ হিসাবগুলি সঠিকভাবে পর্যালোচনা করছেন এবং এক্ষেত্রে যদি কোন সন্তোষজনক অগ্রগতি না ঘটে তবে ব্যাংক কর্তৃপক্ষ বাংলাদেশ ব্যাংকের গাইডলাইন অনুযায়ী ঋণ গ্রহীতাদের বিরুদ্ধে প্রয়োজনীয় ব্যবস্থা গ্রহণ করবেন।

### বিনিয়োগ

২০০৮ সালের শেষে ব্যাংকের মোট বিনিয়োগের পরিমাণ দাঁড়িয়েছে ৭,২০১ মিলিয়ন টাকা যা ২০০৭ সালে ছিল ৫,৫১৮ মিলিয়ন টাকা। উল্লেখিত বছরে বিভিন্ন প্রতিষ্ঠানের মাধ্যমে বিনিয়োগের উপরীতে ৩৫ মিলিয়ন টাকা লভ্যাংশ হিসাবে পাওয়া গিয়েছে।

### Deposit

The deposit of the Bank registered an increase of 28.82% in the year under review. At the close of 2008, total deposits stood at Tk 54,485 million against Tk 42,296 million in the previous year. The deposit mix comprised Tk 8,812 million as demand and Tk 45,673 million as time deposit. The ratio of demand and time deposit to total deposit was 20% & 80% respectively. Out of the total deposits, Tk 48,627 million was mobilized from the private sector while the balance Tk 5,858 million from the public sector.

### 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 44,446 million in 2008 from Tk 37,566 million of 2007. The credit deposit ratio stood at 81.57%. Sector wise credit during the year were as follows:-

SL. Sector	Taka in Million
1. Agriculture & Fishery	-
2. Industry	12,896
3. Real Estate	1,850
4. Transport	331
5. Whole Sale/Retail	15,760
6. Import	9,877
7. Export	2,543
8. Others	1,189
Total	44,446

An amount of Tk 779 million loans & advances was found as marginal /watch list of different borrowers due to the fact that the movements, transactions and recovery was not satisfactory. The Bank management is closely monitoring those account and if no satisfactory movement is made in that case the bank management will take necessary action against the borrowers according to the guide line of Bangladesh Bank.

### Investment

At the close of 2008, total investment of the Bank stood at Tk 7,201 million against Tk 5,518 million in 2007. Income of Tk 35 million has been earned from dividend of different companies during the year under report.

## ট্রেজারী কার্যক্রম

ট্রেজারী বিভাগের কার্যক্রমের মধ্যে মুদ্রা বাজার কার্যক্রম, বৈদেশিক মুদ্রা বিনিময় ব্যবস্থা, সম্পদ ও দায় ব্যবস্থাপনা এবং অন্যান্য নির্দিষ্ট আয়ের পণ্য বিনিয়োগ ইত্যাদি কার্যক্রম অন্তর্ভুক্ত। সি.আর.আর. ও এস.এল.আর. সংক্রমণ ট্রেজারীর একটি অন্যতম কাজ। ব্যাংকের ট্রেজারী বিভাগ নিচমুদ্রার সাথে সক্রিয়ভাবে স্থানীয় ও বৈদেশিক মুদ্রা বাজারে অংশগ্রহণ করছেন এবং উত্তর তহবিল যথাযথ ব্যবহার করছেন। ২০০৮ সালে ট্রেজারী বিল ও অন্যান্য সিকিউরিটিজ ব্যাংকের বিনিয়োগ ছিল টাকা ৭,২০১ মিলিয়ন টাকা। ব্যাংকের মোট আয়ের ১২.৪৯ শতাংশ এসেছে ট্রেজারী কার্যক্রম থেকে।

## বৈদেশিক বাণিজ্য

২০০৮ সালে ব্যাংকের আমদানী বাণিজ্যের পরিমাণ ছিল ৬০,০০৯ মিলিয়ন টাকা, যা ২০০৭ সালে ছিল ৬০,৩২৯ মিলিয়ন টাকা। অপরদিকে, ২০০৮ সালে রপ্তানী বাণিজ্যের পরিমাণ ছিল টাকা ৩৬,৫০০ মিলিয়ন টাকা, যা ২০০৭ সালে ছিল ২৭,২৩০ মিলিয়ন টাকা।

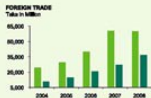
## মানব সম্পদ

নির্বাহী ও কর্মকর্তাদের পেশাগত দক্ষতা আমাদের সর্বির্ক কর্মকাণ্ডে সর্বাধিক গুরুত্বপূর্ণ দিক। ক্রমশঃপ্রারম্ভন প্রতিবেশীতাপূর্ণ ব্যবসায়িক পরিবেশের সাথে মোকাবেলা করার জন্য মোকাবেলার চাহুতীতে নিয়োগ ও পেশাগত দক্ষতার উন্নয়ন ইউসিবিবির মানব সম্পদ ব্যবস্থাপনার মূল লক্ষ্য। এ সত্যকে মনে রেখে ব্যাংক মানব সম্পদ উন্নয়নের ব্যাপারে সব সময় সর্বাধিক গুরুত্ব দিয়ে আসছে। আধুনিক ব্যাংকিং এর চ্যালেঞ্জ মোকাবেলার কর্মকর্তাদের দক্ষতা ও যোগ্যতা বৃদ্ধির জন্য প্রশিক্ষণ কার্যক্রম পরিচালনার ইউসিবিবির রয়েছে নিবিড় অঙ্গবেশণ। যেহেতু প্রয়োজনীয় যোগ্যতা ও পেশাগত দক্ষতা অর্জনের জন্য প্রশিক্ষণের কোন বিকল্প নেই তাই ব্যাংকের প্রশিক্ষণ কেন্দ্র সারা বছরই ব্যাংকিং এ উৎকৃষ্ট নীতি ও প্রয়োগ সম্পর্কে অবগত করানোর জন্য ব্যাংকিং এর বিভিন্ন বিখারের উপর প্রশিক্ষণ কার্য পরিচালনা করে।

২০০৮ সালে ব্যাংকের প্রশিক্ষণ কেন্দ্র ১৫(পনের)টি প্রশিক্ষণ কোর্স পরিচালনা করে যেখানে ১১৮ জন কর্মকর্তা প্রশিক্ষণ গ্রহণ করে। এছাড়াও ব্যাংকের কিছু নির্বাহী ও কর্মকর্তা বাংলাদেশ ইনস্টিটিউট অব ব্যাংক ম্যানেজমেন্ট (বিআইবিএম) ও বিভিন্ন ট্রেনিং এজেন্সিতে প্রশিক্ষণ গ্রহণ করেন। কর্মকর্তা ও কর্মচারীদের কর্মদক্ষতা নিয়মিত মূল্যায়ন করা হয় এবং বেশ কিছু কর্মকর্তা ও কর্মচারীদের তাদের কাজের দক্ষতার স্বীকৃতি স্বরূপ পদোন্নতি প্রদান করা হয়েছে। ২০০৮ সালের শেষে ব্যাংকের মোট কর্মকর্তা ও কর্মচারীর সংখ্যা দাঁড়ায় ২,২৯২ জন, যার মধ্যে ১৫৯ জন নির্বাহী, ১,০৬০ জন কর্মকর্তা এবং ৭৭৩ জন কর্মচারী।

## 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 bank's investment in Treasury Bills and other securities was Tk 7,201 million during the year. The Treasury operations contributed 15.49% in the total income.



## Foreign Trade

During the year 2008 the volume of import business was Tk 60,009 million compared to Tk 60,329 million in 2007. On the other hand the volume of export business in 2008 was Tk 36,500 million compared to Tk 27,230 million in 2007.

## 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 on different aspects of banking.

15 (Fifteen) in house training courses were arranged during 2008 in which 718 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 2008 total number of employees were 2,292 comprising of 159 executives, 1,360 officers and 773 staff.



ব্যাংকের ২০০৮, ২১তম ও ২২তম বার্ষিক সাধারণ সভার অংশবিশেষ



স্বাং ব্যবস্থাপকদের বার্ষিক সম্মেলনের অংশবিশেষ



## গ্ৰাটুইটি

অনুমোদিত গ্ৰাটুইটি তহবিল বিধি অনুযায়ী ব্যাংক কর্মকর্তা ও কর্মচারীদের গ্ৰাটুইটি সুবিধা প্রদান করা হয়। জাতীয় রাজস্ব বোর্ড ভিসেন্দর ২৭, ১৯৯৫ তারিখে ব্যাংকের গ্ৰাটুইটি তহবিলকে স্বীকৃত গ্ৰাটুইটি তহবিল হিসেবে অনুমোদন দেয়। ব্যাংকের ৩ (তিন) জন সদস্য দ্বারা গঠিত ট্রাস্টি বোর্ড এই তহবিল পরিচালনা করে। কর্মসূচি ৫ (পাঁচ) বছর চাকুরী কাল পূর্ণ হলে কর্মকর্তা ও কর্মচারীগণ গ্ৰাটুইটি সুবিধা পেয়ে থাকে।

৩১ মে ভিসেন্দর ২০০৮ পর্যন্ত গ্ৰাটুইটি ক্যাসে ঘাটতি নির্ধারণ করা হয় টাকা ৯৬,৪৩,৫৪,৯০৪.০০। উক্ত ঘাটতি পূরণের জন্য ব্যাংক প্রতি বছর ১০ (দশ) কোটি টাকা করে স্থায়ী আমদানি হিসেবে ২০১২ সাল পর্যন্ত সংস্থান সংরক্ষণ করবে। তদানুযায়ী ব্যাংক চলতি বছরের প্রয়োজনীয় সংস্থান ৭ কোটি ২০ লক্ষ টাকা সহ মোট ১৭ কোটি ২০ লক্ষ টাকা অ্যাসোচিও ব্যয়ের সংস্থান সংরক্ষণ করেছে।

## পরিদর্শন

অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন বিভাগের অভিজ্ঞ কর্মকর্তাবৃন্দ নিয়মিতভাবে সারা বছরই ব্যাংকের শাখা সমূহের নিরীক্ষা কর্ম পরিচালনা করে। ২০০৮ সালে ব্যাংকের ১৪৪টি শাখাতেই নিরীক্ষা ও পরিদর্শন করা হয়েছে। এ ছাড়াও কিছু শাখায় আকস্মিক পরিদর্শনও করা হয়েছে। বাংলাদেশ ব্যাংকের নিরীক্ষকদল এসময়ে ব্যাংকের ১২টি শাখায় এবং স্যারসি বৈদেশিক দেনদােন অনুমোদিত ১৪টি শাখায় পরিদর্শন কার্যসি সম্পন্ন করেন।

## শাখা কার্যক্রম পর্যালোচনা

ব্যাংকের মূল্যবান ও ব্যবসায়ের প্রবৃদ্ধি বহুলাংশে নির্ভর করে শাখাসমূহের কার্যক্রমের উপর। এ উদ্দেশ্যকে সামনে রেখে শাখাসমূহের কার্যক্রম নিয়মিত মূল্যায়ন করা হয়। ব্যবসায় অগ্রগতি পর্যালোচনার জন্য নিয়মিত ব্যবসায় শাখা ব্যবস্থাপকদের সভা অনুষ্ঠিত হয়, যা শাখার কর্মকাণ্ডকে আগন্ত দিনগুলোতে আরো ভালো ফলাফল অর্জনে উৎসাহিত করে।

## পরিচালন ফলাফল

অ্যাসোচিও বছরে ব্যাংকের মোট পরিচালন আয় পূর্ববর্তী বছরের ৬,০৫২ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ৭,১৫০ মিলিয়ন টাকায় দাঁড়ায়। মোট পরিচালন ব্যয় ২০০৭ সালের ৪,০০৪ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ২০০৮ সালে ৫,৪০০ মিলিয়ন টাকায় দাঁড়ায়। ফলাফলিত পরিচালন মূল্যায়ন পরিমাণ ২০০৭ সালের ২,০৪৮ মিলিয়ন টাকার স্থলে অ্যাসোচিও বছরে ২১.৪১ শতাংশ বৃদ্ধি পেয়ে ২,৪৫০ মিলিয়ন টাকায় দাঁড়ায়।

## Gratuity

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.

Shortfall of the Gratuity fund has been assessed at Tk. 96,43,54,934/- up to 31.12.2008. Bank shall provide Tk. 10,00,00,000 (ten core) annually for next 5 (five) years with effect from January 2008 for investment in Fixed Deposits till 2012 against shortfall of Tk. 96,43,54,934/- in gratuity fund. Accordingly Tk. 17.2 crore has been expended during the year including Tk. 7.2 crore for the current period.

## Inspection

Experienced officials of Internal Control and Compliance Division regularly audit and inspect the activities of the Bank throughout the year. During 2008 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 12 general branches and 14 A.D branches.

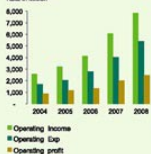
## Review of Branch Performance

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 7,850 million during the year against Tk 6,052 million in the previous year. The total operating expenditure was Tk 5,400 million in 2008 against Tk 4,034 million in 2007. Thus operating profit stood at Tk 2,450 million during the year against Tk 2,018 million of 2007 registering a growth of 21.41%.

OPERATING INCOME, OPERATING EXPENSES & OPERATING PROFIT  
Take in Million



আলোচ্য বছরে নীট সুদ আয় ২০.৪০ শতাংশ বৃদ্ধি পেয়ে ২,০০৮ মিলিয়ন টাকা দাঁড়িয়েছে, যা গত বছর ছিল ১,৬২৮ মিলিয়ন টাকা। এই বৃদ্ধি সম্ভব হয়েছে ঋণের ১৮.৩১ শতাংশ প্রযুক্তি অর্জনের কারণে। ২০০৮ সালে সুদ-বর্ধিত আয় ২০.৮২ শতাংশ বৃদ্ধি পেয়ে ২,১০১ মিলিয়ন টাকা দাঁড়িয়েছে, যা গত বছর ছিল ১,৬৬৭ মিলিয়ন টাকা। সুদ-বর্ধিত আয় ২০০৮ সালে ২১.০১ শতাংশ বৃদ্ধি পেয়ে ১,৬৬০ মিলিয়ন টাকা দাঁড়িয়েছে, যা ২০০৭ সালে ছিল ১,৩০৭ মিলিয়ন টাকা।

ঋণ ও অগ্রিম এবং অন্যান্য সম্পদের বিপরীতে সরেক্ষণ বাবদ টাকা ৯৮৭ মিলিয়ন টাকা এবং কব বাবদ ৬৯৮ মিলিয়ন টাকা সহোনের পর নীট মুদাকর পরিমাণ ছিল টাকা ৭৬৫ মিলিয়ন টাকা যা নিম্নবর্ণিতভাবে বন্টনের প্রভাব করা হয়েছে-

	মিলিয়ন টাকা
সহোনে ও করপূর্ব পরিসরান মুদাকর	২,৪৫০
বিরোধ : ঋণ ও অগ্রিম এবং অন্যান্য সম্পদের বিপরীতে বন্ধিত সহোনে	(১৮৭)
করপূর্ব নীট মুদাকর	১,৪৬৩
বিরোধঃ আয়কর বাবদ সহোনে	(৬৬৮)
আয়কর ও সহোনে পরবর্তী নীট মুদাকর	৭৯৫
বিরোধঃ বিবিধক্স রিজার্ভে সরেক্ষণ	(২৯০)
অবশিষ্ট মুদাকর	৪৭২

#### সভাসমূহ

আলোচ্য বছরে ব্যাংকের পরিচালনা পর্ষদ ১৯টি সভায় মিলিত হয়। এ ছাড়াও ব্যাংকের নির্বাহী কমিটি ২৬টি এবং অডিট কমিটি ৪টি সভায় মিলিত হয়। পরিচালনা পর্ষদের সভাসমূহে পরিচালক মহোদয় উপস্থিতির বিস্তারিত তথ্যাবলী Compliance Report on SEC Notification অন্বায়ে প্রদত্ত হলো।

#### শেয়ারহোল্ডিং এর ধরন

শেয়ারহোল্ডিং এর বিস্তারিত তথ্যাবলী Compliance Report on SEC Notification অন্বায়ে প্রদত্ত হলো।

#### মুখ্য ঝুঁকি ব্যবস্থাপনা

ব্যাংকের কর্মকাণ্ডের বিভিন্ন ক্ষেত্রে সেপ্রেট ঝুঁকিসমূহ ব্যবস্থাপনা কর্তৃক নিয়ন্ত্রণের নিয়ন্ত্রণ আছে। ব্যবসায়িক ও অর্থিক ঝুঁকিকে প্রত্যক্ষভাবে মাসের সারিতে আনতে ব্যাংক নিম্নলিখিত ঝুঁকির ক্ষেত্রসমূহ অন্তর্ভুক্ত করে অনুমোদিত সকল যাদুহাল/নির্ণেপনার প্রয়োজ্য এবং অনুসরণে রাখা ঝুঁকি গ্রহণ করেছে।

- ১। সম্পদ ও দায় 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। আভ্যন্তরীণ নিয়ন্ত্রণ ও পরিচালনা সত্ত্বাসমূহ নীতি নির্দেশনা।
- ৬। তথ্য ও যোগাযোগ প্রযুক্তি সত্ত্বাসমূহ নীতি নির্দেশনা।

ঝুঁকি ব্যবস্থাপনার যথাযথ প্রয়োজ্য এবং মুখ্য ক্ষেত্রসমূহের নিম্নিত পর্যালোচনার জন্য ব্যাংক "মানকম" নামে একটি ব্যবস্থাপনা কমিটি গঠন করেছে।

Net interest income stood at Tk.2,009 million during the year against Tk.1,628 million registering a growth of 23.40%. This increase was a result of strong loan growth of 18.31%. Non Interest Income stood at Tk.2,101 million in 2009 against Tk.1,697 million of 2007 showing a growth of 23.82%. Non Interest Expenses stood at Tk.1,660 million in 2008 against Tk.1,307 of 2007 registering an increase of 27.01%. The growth was due to higher compensation expenses and other overhead expenses.

After making provision of Tk.987 million against loans & advances and other assets and tax provision of Tk.698 million net profit stood at Tk.765 million which is proposed to be appropriated as under :-

	Tk in million
Operating profit before tax and provision	2,450
Less : Provision for Loans & Advances and Other Assets	(987)
Net profit before tax	1,463
Less : Provision for Taxation	(698)
Net profit after tax & provision	765
Less : Transferred to Statutory Reserve Fund	(293)
Retained earnings	472

#### Meetings

The Board of Directors held 19 meetings during the year. Besides 26 Executive Committee meetings and 4 Audit Committee meetings were held during the year under review. Details of the attendance of the Directors in Board meeting are in Compliance Report on SEC Notification on Corporate Governance.

#### Pattern of Shareholding

Details of the pattern of Shareholding are in Compliance Report on SEC Notification on Corporate Governance.

#### Management of Core Risks in 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
6. Policy Guidelines on Information and Communication Technology

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



ব্যাংকের অর্থানে গড়ে তৈরি একটি গার্ডেনিং শিল্প



ব্যাংকের অর্থিক সহযোগিতায় পরিচালিত একটি বিদ্যুৎ উৎপাদন কেন্দ্র



### তথ্য প্রযুক্তি :

তথ্য প্রযুক্তি প্রয়োগের ক্ষেত্রে ইউসিবি গুরুত্বপূর্ণ অগ্রগতি অর্জন করেছে। ব্যাংকের ১৪টি শাখার সবগুলোতেই অনলাইন ব্যাংকিং চালু করা হয়েছে। আধুনিক ব্যাংকিং সেবা যথা SMS ব্যাংকিং, সার্ভিস, অনলাইন মোবাইল বিল পরিশোধ সেবা গ্রাহকদের জন্য চালু করা হয়েছে। এছাড়াও ১৪টি শাখার মাধ্যমে Western Union Money Transfer Service চালু করেছে। সম্মানিত গ্রাহকদের বিভিন্ন সেবা প্রদানের লক্ষ্যে মিরপুরে একটি TIRE-III Disaster Recovery Centre গড়ে তোলা হয়েছে। ইউসিবি তার তথ্য-প্রযুক্তি অবকাঠামোকে উন্নত করার লক্ষ্যে প্রতিদ্বন্দ্বিতা নতুন প্রযুক্তি ব্যবহার করে চলেছে।

ইউসিবি তার কর্পোরেট প্রধান কার্যালয়ে আরও আধুনিক প্রযুক্তি নির্মাণ করে তলশানে স্থানান্তর করতে যাচ্ছে। নতুন কর্পোরেট প্রধান কার্যালয় তলশানে ইউসিবি একটি তথ্য ভাণ্ডার গড়ে তুলতে যাচ্ছে যেখানে TIRE-III Disaster Recovery Centre ও বিদ্যুৎ অবরোধ রোধে Green Building থাকবে। Core Banking Solution সূচনার জন্য বর্তমান অবকাঠামোকে পুনর্নির্মাণের কাজ চলিয়ে যাচ্ছে। ATMs এবং POS অতি দ্রুত চালু করা হবে। আমরা ATM বুথ এর সংখ্যা ৫০টিতে উন্নীত করার পরিকল্পনা করছি। আমরা ২০০৯ সালের মধ্যে Internet Banking Service চালু করার ব্যাপারে আশাবাদী।

### ক্রেডিট কার্ড

ইউসিবি ২০০৬ সালে ডুয়েল কারেন্সি ক্রেডিট কার্ড চালু করার মাধ্যমে ক্রেডিট কার্ড কার্যক্রম শুরু করেছে। ইতিবাক্যে ব্যাংকের কার্ড ডিভিশন ২১,০০০ ক্রেডিট কার্ড ইস্যু করেছে। ব্যাংক সকল বিভাগীয় শহরে যথা ঢাকা, সীতাম, খুলনা, সিলেট, রাজশাহী ও বরিশালে ক্রেডিট কার্ড সেবা সম্প্রসারণ করেছে। বিভাগীয় শহর ছাড়া ব্যাংক বগুড়া, কুমিল্লা ও মহম্মদপুরে জেলা শহরেও কার্ড সেবা সার্ভিস শুরু করেছে। ইউসিবি তিসা ইন্টারন্যাশনাল এর মুখ্য সদস্য।

অনুর বিধায়ে কার্ড সেবাকে সকল গুরুত্বপূর্ণ জেলা শহরসহ সমস্ত সম্প্রসারণের পরিকল্পনা রয়েছে ইউসিবি। ২০১০ সালের প্রথম কোয়ার্টারে মার্চেন্ট ব্যাংকিং ও এটিএম সেবা শুরু করার আশাবাদী। গণ্যের বহুমুখী করণের লক্ষ্যে ইউসিবি ২০১০ সালে MasterCard ক্রেডিট কার্ড চালু করার পরিকল্পনা করেছে। ২০০৯ সালে অক্টোবর মাসের মধ্যে ব্যাংক নিম্ন ATM ও Debit Card চালু করার সিদ্ধান্ত নিয়েছে। Prepaid Card ও একই ভাবে চালু করা হবে। এ সকল কর্মসূচির মাধ্যমে ইউসিবি কার্ড ইন্ডাস্ট্রিতে একটি উল্লেখযোগ্য অবদান অর্জন করেছে এবং একই সাথে নব্য প্রযুক্তি নির্ভর SMS ব্যাংকিং সার্ভিস, Reward Point System, Credit Card Cheque, Double Insurance Benefit এবং Wide Global Acceptability এর মত সেবা সমূহ সুসর মাধ্যমে ব্যাংকিং সেটেরও দৃষ্টি আকর্ষণ করেছে।

### Information Technology

United Commercial Bank Ltd. has already achieved several milestones in technology field. All 84 branches of UCBL are now having Online Banking facilities. Modern Banking Channel services like SMS Banking, Online Mobile Bill Pay facilities are available for its valued customers. Western Union Money Transfer services are available through all its 84 branches. A state-of-the-art TIRE-III Disaster Recovery Centre built at Mirpur to facilitate uninterrupted service to our valued clients. UCB is continuously upgrading technology infrastructure for adopting upcoming new technology based solution.

UCB is moving to its new Corporate Head Office at Gulshan with all modern technology facilities. UCB is building its Data Centre with its new Corporate Head Office at Gulshan. Meeting global standard for TIRE-III DC and Green Building to save energy. ATMs and POS service will commercially launch very soon. We are planning to expand our ATM coverage to 50 soon. We are also launching Internet Banking Services by 2009.

### Credit Card

UCB has started credit card operation in 2006 by introducing VISA branded dual currency credit card. Meanwhile Card Division has issued 21,000 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.

UCB wants to extend its card service in all the important district cities in near future. Hopefully by the 1st quarter of 2010 it will start Merchant & ATM acquiring business. UCB is also planning to introduce MasterCard Credit Card in 2010 as a tool of product diversification. UCB is going to launch its own ATM and debit card in the month of October, 2009. Prepaid Card will follow this instruction. 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 service, Reward Point System, Credit Card Cheque, Double Insurance Benefit and Wide Global Acceptability etc.



ব্যাংকের অর্থাৎ প্রতিষ্ঠিত একটি আধুনিক স্বাস্থ্য সেবা প্রতিষ্ঠান



ব্যাংকের আর্থিক সহযোগিতার প্রতিষ্ঠিত একটি কম্পেন্স শিল্প

## Retail Banking

কর্ণোয়েট এবং ব্যক্তি জীবনে আধুনিক ব্যাংকিং ব্যবস্থা প্রসারিত ব্যাংকিং ব্যবস্থার তুলনায় অনেক বেশী প্রসারিত, এই ব্যবস্থাকে অনুপ্রাণিত করে আমাদের রিটেল ব্যাংকিং ভিত্তি-এর আওতায় আধুনিক সকল ব্যাংকিং চাহিদা পূরণের লক্ষ্যে আমরা নতুন নতুন পণ্য ও সেবা উদ্ভাবন ও আধুনিকায়নে সর্বদা সচেষ্ট। অসীমতার প্রবৃদ্ধি এবং মানুষের পরিবর্তিত জীবন যাত্রার সাথে তাল মিলিয়ে মধ্য আরের উদীয়মান তরুণ সম্প্রদায়ের চাহিদা মেটাতে রিটেল ব্যাংক সম্প্রসারণের জন্যে এটিই উপযুক্ত সময়।

২০০৮ সালে আমরা আধুনিক ব্যাংকিং এর চাহিদার সাথে তাল মিলিয়ে পণ্য ও সেবা চক্রের মাধ্যমে রিটেল ব্যাংকিং ব্যবস্থা সম্প্রসারণে সিদ্ধান্ত নিয়েছি। ২০০৮ সালে ব্যাংক, বিভিন্ন শ্রেণীর ভোক্তাশ্রেণীর জন্য অধিক দক্ষতার সাথে গ্রাহকস্বাক্ষর পণ্য ও সেবা প্রদানের মাধ্যমে সক্রিয়ভাবে রিটেল ব্যাংক সম্প্রসারণে মনোনিবেশ করে। আদ্যোচ্য বছরে আমরা মার্চ পর্যন্তে বিক্রয় ও সেবা সম্প্রসারণের মাধ্যমে বৃহত্তর ভোক্তাশ্রেণীর নিকট সৌহার্দ্যে সক্ষম হয়েছি। একই বছর রিটেল ব্যাংক সম্প্রসারণ ব্যাংক প্রথম বারের মতো ডিরেক্ট সেলস টিম গঠন করেছে।

২০০৮ সালের শেষে, আমরা অটো লোন, হোম লোন, গ্র্যান্ড প্রাইস লোন, ডক্টর'স লোন, ম্যারিজ লোন, শিক্ষা লোন, ট্রাভেল লোনসহ অসংখ্য স্বল্প সুবিধা চালু করেছি। যদিও তখন পর্যন্ত রিটেল ব্যাংকিং ব্যবসার ক্ষেত্র মাত্র ব্যবস্থাপনার মাঝেই সীমাবদ্ধ ছিল। আমাদের রিটেল পণ্যভান্ডারো বাজারজাত করার আগেই ২০০৯ সালে আমাদের বিক্রয় প্রতিনিধিদের স্বাধীনভাবে প্রদান প্রদানের সিদ্ধান্ত নিয়েছি। আমরা বিশ্বাস করি, সম্পদ ও দায় উভয় ক্ষেত্রেই ২০০৯ সালে আমাদের ব্যাংকিং ব্যবস্থা ফলপ্রসূ হবে।

আমরা বিশ্বাস করি, ডিরেক্ট সেলস অফিসারের সূচনা এবং আমাদের সুসংগঠিত ৮৪ শাখার বিস্তৃত নেটওয়ার্কের মাধ্যমে, রিটেল ব্যাংকিং ব্যবসার সবচেয়ে জনপ্রিয় বেসরকারি ব্যাংক হিসেবে নিজেদেরকে প্রতিষ্ঠিত করতে সক্ষম হবে।

## Dividend

ব্যাংকের পরিচালনা পর্ষদ ৩১ শে ডিসেম্বর ২০০৮ তারিখে সমাপ্ত অর্থবছরের জন্য শতকরা ২৫ ভাগ (পঁচিশ) বোনাস শেয়ার (প্রতি ১০০ শেয়ারে ২৫ শেয়ার হারে) হিসেবে লভ্যাংশে সুপ্রতিশ্রুতি করেছেন যা ২৬তম বার্ষিক সাধারণ সভায় সম্মানিত শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপন করা হতো।

## Dividend

Recognizing the fact that modern banking has stretched far beyond the conventional deposit and lending of funds both in corporate and personal aspects, we exert special effort to develop and introduce new products and services to meet every facet of modern banking needs under Retail Banking Division. With the economy growing and the changes in the life style, there is no denying that his market is just right for retail business to cater the need for the emerging new young middle income group.

In 2008 we decided to focus on our retail banking responding to the market demand for a complete range of modern banking products and services. 2008 was a particularly active year for the retail business of the bank as it concentrated on different customer segments to offer a well-tailored set of products and services through expanded delivery channels, with high levels of efficiency and productivity. During the year we extended our customer reach through establishing a large field sales and service channel for expanded customer reach. The Bank for the first time in its history introduced Direct Sales Team (DST) to mobilize retail banking business in this year.

During the end of 2008 we have designed and launched a host of new asset products, namely, Auto Loan, Home Loan, Any Purpose Loan, Doctor's Loan, Marriage Loan, Education Loan, Travel loan. However, the scope of the retail banking business was limited to Liability Marketing until the end of 2008. We have decided to train the sales officers properly before moving on to market the retail asset in 2009. We believe that year 2009 will be very productive in the retail banking business in terms of both asset and liability.

With the introduction of the Direct Sales Officers and our strong distribution network of 84 branches, we have set ourselves a goal to become the most preferred bank in the retail banking amongst all the private banks.

## Dividend

The Board of Directors of the Bank recommended 25% stock dividend i.e. 25 (twenty five) Bonus Shares for every 100 (hundred) shares for the year ended on December 31, 2008 subject to approval of the shareholders at the 26th Annual General Meeting.



ব্যাংকের আর্থিক সহায়তার প্রতিষ্ঠিত একটি স্থাপনা নির্মাণ প্রতিষ্ঠান

### নিরীক্ষক নিয়োগ

মোর্স এম. জে. আব্দেলীন এক কোং পর পর দুই বছর ব্যাংকের হিসাবাবলী নিরীক্ষা করেছে এবং বাংলাদেশ ব্যাংকের নির্দেশনা অনুযায়ী পরবর্তী বছরে নিরীক্ষক হিসেবে নিয়োগ পাওয়ার যোগ্য। তারা ইতোমধ্যে ২০০৯ সালে নিরীক্ষক হিসেবে নিয়োগ পাওয়ার ইচ্ছা প্রকাশ করেছেন।

### উপসংহার :

ব্যাংক তার কর্মকাণ্ডের মূখ্য ক্ষেত্র সমূহে সন্তোষজনক অগ্রগতি অর্জন করে ২০০৮ সালের সমাপ্তি টেনেছে। ব্যাংকের সকল কর্মকর্তাবৃন্দের সমন্বিত ও নিরলস প্রচেষ্টা এবং ব্যবসা সহযোগীবৃন্দ ও সংশ্লিষ্ট ব্যক্তিবর্গের সার্বিক সমর্থন ও আন্তরিক সহযোগিতার ফলে আলোচ্য বছরে চমকবাক্য ফলাফল অর্জন করা সম্ভব হয়েছে। সর্বোপরি ব্যাংকের মজবুত তারগেীর ভিত্তি, স্থিতিশীল আমানত কাঠামো, স্বল্প সুদে আমানত সংগ্রহের সামর্থ্য, মোট সম্পদের চমকবাক্য প্রবৃদ্ধি, বিত্বজন তরফিল ও স্বল্প ব্যবস্থাপনা পরিচালনা পর্ষদের সম্মানিত সদস্যগণ কর্তৃক ব্যবস্থাপনা কর্তৃপক্ষকে অবিরাম নিক নির্দেশনা ও উপকাহ প্রদান ব্যাংকের সার্বিক উন্নয়নে গুরুত্বপূর্ণ অবদান রেখেছে। পরিচালনা পর্ষদ সম্মানিত গ্রাহকবৃন্দ, শেয়ারহোল্ডার, ব্যবসা সহযোগী এবং দেশে ও বিদেশে অসংখ্য ভক্তাদৃষ্টার অবাহত সমর্থন ও ব্যাংকের প্রতি অবিচল 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 পরিচালনা পর্ষদ কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছেন।

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

ইউসিবি আগত দিনতসোতে উল্লেখযোগ্য হারে প্রবৃদ্ধি অর্জনের আশা করছে এবং এ আশাবাদ ব্যক্ত করে ব্যাংকের ২০০৮ সালের হিসাবাবলী সম্মানিত শেয়ারহোল্ডারদের অনুমোদনের জন্য পেশ করেছে।

পরিচালনা পর্ষদের পক্ষে



মোঃ জাহাঙ্গীর আলম খান  
চেয়ারম্যান

### Appointment of Auditors

M/S M.J. Abedin & Co, Chartered Accountants, audited the books of accounts of the Bank for consecutive two years will retire and being eligible for re-appointment as per Bangladesh Bank guideline expressed their willingness to continue as external auditors for the year 2009.

### Conclusion

The Bank closed the year 2008 recording substantial improvement in core areas of operation. 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 strongly contributed to the overall development. The Board of Directors are 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.

The Board of Directors also thanks 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 is committed to do better in the coming years and with this expectation we place before the esteemed shareholders the accounts of the Bank for the year 2009 for approval.

On behalf of the Board of Directors,



Md. Jahangir Alam Khan  
Chairman

## অডিট কমিটি সংক্রান্ত প্রতিবেদন Report on Audit Committee

In compliance with the BRPD circular no. 12 dated 23 December 2002 and Securities and Exchange 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.

Sl. #	Name	Status with the Bank	Status with the Committee
01	M.A Sabur	Director	Chairman
02	Qamrun Nahar	Director	Member
03	Kazi Enamul Hoque	Director	Member

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

During the year 2008, the Audit Committee has conducted 4 (Four) meetings. Details of the meetings are shown below by date.

Meeting No	Held on
16th	Apr. 21, 2008
17th	May 25, 2008
18th	August 06, 2008
18th (Adjourned)	November 17, 2008

### 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/departments 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 2009.

## 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	
1.00	<b>BOARD OF DIRECTORS</b>			
1.1	Board's Size : should not be less than 5(five) and more than 20 (twenty)	✓		
1.2(i)	Independent Directors : at least 1/10 of the Board of Directors subject to minimum one		✓	This is under process
1.2(ii)	Appointment of Independent Directors by elected Directors		✓	This is under process
1.3	Separate Chairman of Board and Chief Executive and clearly defined roles and responsibilities	✓		
1.4	<b>Directors' Report to Shareholders on</b>			
1.4(a)	Fairness of Financial Statements	✓		
1.4(b)	Maintenance of proper Books of Accounts	✓		
1.4(c)	Adoption of appropriate accounting policies and estimates	✓		
1.4(d)	Compliance with International Accounting Standard	✓		
1.4(e)	Soundness of Internal Control System and effective implementation and monitoring	✓		
1.4(f)	Ability to continue as a Going Concern	✓		
1.4(g)	Significant Deviation in Operating Result from last year	✓		
1.4(h)	Presentation of at least preceding 3 years Key Operating & Financial Data	✓		
1.4(i)	Declaration of Dividend	✓		
1.4(j)	Number of Board Meetings & Attendance	✓		
1.4(k)	Pattern of Share Holding	✓		
2.00	<b>CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY</b>			
2.1	Appointment of CFO, Head of Internal Audit & Company Secretary and defining of their responsibilities	✓		
2.2	Attendance of CFO and Company Secretary in the Board of Directors meeting	✓		
3.00	<b>AUDIT COMMITTEE</b>			
3.1(i)	Number of Members in Audit Committee	✓		
3.1(ii)	Appointment of Independent Director in Audit Committee		✓	This is under process
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	<b>Reporting of the Audit Committee</b>			
3.3.1(i)	Reporting on the activities of the Audit Committee to the Board of Directors	✓		
3.3.1(ii)(a)	Reporting on conflicts of interest to the Board of Directors	✓		
3.3.1(ii)(b)	Reporting of any fraud or irregularities or material defect in the internal control system to the Board	✓		
3.3.1(ii)(c)	Reporting on infringement of Law to the Board of Directors	✓		
3.3.1(ii)(d)	Reporting on any other matters to the Board of Directors	✓		
3.3.2	Reporting to the authority	✓		
3.4	Reporting of the activities of Audit Committee in Annual Report	✓		
4.00	<b>EXTERNAL / STATUTORY AUDITORS</b>			
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 Actuarial services	✓		
4.00(vi)	No Internal Audit by External Auditor	✓		
4.00(vii)	No other Services	✓		

**Compliance Report on SEC Notification on Corporate Governance**

Compliance of Section 1.4(j)

Board meeting held during 2009 and attendance by each Director :

Composition of the Board	Status	Total Meeting Held	Attended
Md. Jahangir Alam Khan	Chairman	19	18
Qamrun Nahar	Vice Chairman	19	17
Hajee M. A. Kalam	Director	19	18
Hajee Yunus Ahmed	Director	19	14
M. A. Sabur	Director	19	19
M. A. Hashem	Director	19	5
Shabbir Ahmed	Director	19	19
Kazi Enamul Hoque	Director	19	18
Showkat Aziz Russell	Director	19	11
Riyadh Zafar Chowdhury	Director	19	3
Nur Uddin Javed	Director	19	14
Dr. Aziza Karim	Director	19	13
Setara Begum	Director	19	15

**Compliance of Section 1.4(k) : Pattern of Shareholding**

I) Parent/Subsidiary/Associated companies and other related parties : Nil

II) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit:

Sl. No.	Name of Directors	Status in the Board	Shares Held	% of Holding
a)	<b>Directors</b>			
	Md. Jahangir Alam Khan	Chairman	29,210	0.98
	Qumrun Nahar	Vice Chairman	20,898	0.70
	Hajee M. A. Kalam	Chairman-EC	41,669	1.39
	M. A. Sabur	Chairman-Audit	53,577	1.79
	Hajee Yunus Ahmed	Director	64,629	2.16
	M. A. Hashem	Director	24,050	0.80
	Shabbir Ahmed	Director	22,642	0.76
	Kazi Enamul Hoque	Director	27,181	0.91
	Showkat Aziz Russell	Director	25,405	0.85
	Riyadh Zafar Chowdhury	Director	13,000	0.43
	Nur Uddin Javed	Director	29,399	0.98
	Dr. Aziza Karim	Director	19,500	0.65
	Setara Begum	Director	3,097	0.10
b)	<b>Chief Executive Officer</b>	M. Shahjahan Bhuiyan		Nil
c)	<b>Company Secretary</b>	Mirza Mahmud Rafiqur Rahman		Nil
d)	<b>Chief Financial Officer</b>	-		Nil
e)	<b>Head of Internal Audit</b>	Shahed Jalal Chowdhury		Nil
III)	<b>Executives (Top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.)</b>			
Sl	<b>Designation</b>	<b>Name</b>	<b>Share Held</b>	
a)	Additional Managing Director	M. Shah Alam Sarwar	Nil	
b)	Deputy Managing Director	Shafiqul Alam	Nil	
c)	Deputy Managing Director	Muammad Shahidul Islam	Nil	
d)	Deputy Managing Director	Mamun-ur-Rashid	Nil	
e)	Deputy Managing Director	A. K. M. Kamal Uddin	Nil	
iv)	<b>Shareholders holding 10% or more voting interest in the company : Nil</b>			

## Compliance of Bangladesh Bank's Guidelines on Corporate Governance (BRPD circular no 16 dated 24.07.2003)

	Particulars	Compliance Status
1	<p><b>Responsibilities and authorities of the Board of Directors</b></p> <p><b>(a) Work-planning and strategic management</b></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>(b) Lending and risk management:</b></p> <p>(i) The policies, strategies, procedures etc in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedulement 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><b>(c) Internal control management:</b></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><b>(d) Human resources management and development:</b></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><b>(e) Financial management:</b></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 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>



Particulars	Compliance Status
<p><b>(f) Formation of supporting committees:</b></p> <p>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><b>(g) Appointment of CEO:</b></p> <p>The board shall appoint a competent CEO for the bank with the approval of the Bangladesh Bank</p>	Complied
<p><b>2. Responsibilities of the chairman of the board of directors:</b></p> <p>(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.</p> <p>(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.</p> <p>(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>	<p>Complied</p> <p>Complied</p> <p>Complied</p>
<p><b>3. Responsibilities of the adviser:</b></p> <p>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.
<p><b>4. Responsibilities and authorities of the CEO:</b></p> <p>The CEO of the bank, whatever name called, shall discharge the responsibilities and effect the authorities as follows:</p> <p>(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.</p> <p>(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.</p> <p>(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 post facto.</p> <p>(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>	<p>Complied</p> <p>Complied</p> <p>Complied</p> <p>Complied</p>



## Corporate Social Responsibility

Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. The 'social contract' between the corporation and the community is of great importance for UCB. We have adopted CSR practices in a formal, structured manner in line with our organizational vision to help the disadvantaged population of our country by social responsibility initiatives.

Though adopting the CSR activities is voluntary, CSR is being interwoven into the psyche of core businesses. Now-a-days many companies are more interested in focusing their products rather than to perform social responsibilities and we do not view it this way as CSR is ingrained in our culture and is part and parcel of what we do. Many of the activities which we undertake, we do not even publicize.

In 2008, we took the first important steps towards mainstreaming CSR into our core business. Time and resources were spent defining what the company's responsibilities towards society are and how we can best contribute to the development of society. In 2008, we engaged in the process of identifying our impact on society and how we can contribute to development of the local communities in which we operate and the world at large. In other words, we sought to define what responsible banking means.

UCB has organized its CSR activities around four main areas: customers, employees, environment and society. Responsibilities to employees and customers are foremost concerns in UCB's corporate accountability.

### Customers:

To a large extent, UCB lives off serving communities with financial products. This entails providing financing, advice and a strong financial infrastructure that opens up opportunities for our customers and other shareholders. Our success depends on how well we can apply our considerable professional knowledge and expertise. For that reason we have placed knowledge at the core of our Corporate Social Responsibility programme. By passing on our financial knowledge, we assist our customers in making better financial decisions. And by combining this knowledge with our principles of responsibility, we develop competitive products and help develop a healthy market for banking.

### Knowledge to develop opportunities:

With our widespread 84 branches all over the country, we provide our customers with professional advice that enables them to make better financial decisions. Well-informed and competent customers are a prerequisite for increased and more responsible competition, innovation and product quality in the financial markets. Our satisfied customers thus encourage us to keep working to integrate social and environmental considerations into our product development processes.

### Employees:

Discrimination at work place is a very common phenomenon. Nevertheless UCB acts in an ethical manner and keeps away from favoritism, injustice and discrimination. Responsibility to employees in UCB includes taking care of the personnel's welfare and safety at work and developing their skills, competences and proficiencies at work.

### Unleashing employee potential

In UCB employees are encouraged to constantly develop their professional and personal skills. We start by evaluating the employee's current skills for the purpose of offering targeted competency development - a key element in company's policy on learning. Afterwards necessary training opportunities are offered to provide a foundation for their further development.

### Focusing on work-life balance of employees

Our focus on work-life balance issues fits with the CSR strategy, which acknowledges our responsibility as a demanding and performance-oriented employer. Our employee opinion surveys revealed that our employees generally experience a good balance between work and private life.

### Staff diversity

Our endeavor is to provide equal opportunities to employees from any race or religion. UCB also provides special opportunity for underprivileged people. We have an equal opportunity policy for women to be considered and appointed to managerial and executive positions.

### Health and safety at work

Our ambition is to offer our employees the best working conditions possible. UCB is also cooperating with other stakeholders to raise the general level of workplace security in the industry.

### CSR Awareness in Employees

As part of the new CSR strategy, we have developed activities to keep employees up to date with our CSR goals and principles. In turn, we believe that they will put their knowledge to work - both at work and in their private lives. In 2008, we increased our efforts to raise employee awareness of company's CSR policy and what it means to our employees in their daily work. We will continue to do so in 2009, when employees will contribute to achieving our goal of green country and less fuel consumption.

### Environment and Society:

UCB aims to ensure meaningful social investment through effective projects into development issues of this country, primarily the hub on education, poverty alleviation, health, sports and environment. Project and policies are initiated on long-term basis accompanied with sustainability and advancement.

### Education

Our CSR programs in year 2008 focused on two major factors where majority of the budget is allocated. These are a. Education and b. Sports. United Commercial Bank has long been practicing CSR (corporate social responsibility) through scholarship for poor and brilliant students, education promotion scheme, education for underprivileged children, donation to educational institutions etc.

UCB have always been directly or indirectly involved in projects for improvement in educational sector of Bangladesh. As a continuous effort, UCB made a donation of BDT 5,00,000 to "Education and Cultural Fair - 2008" organized by Notre Dame College, a college which is working proudly for building future professionals.

Debating not only makes students more confident and persuasive public speakers, it ultimately increases students' self-confidence by helping to teach them the skills necessary to become competent adults. As an approach to enrich this arena, UCB provided financial assistance to "2nd Inter School & College Debates Championship 2008" Organized by Dhaka University Debating Society.

As an Islamic country, Bangladesh has a large number of Madrasas all around the country which is dedicated to flourish Islamic beliefs and education among people. Islamia Siddikr Yeatimkhana & Madrasa is such an institution which along with providing Islamic education to children provides support to orphans. UCB made a donation to Islamia Siddikr Yeatimkhana & Madrasa for providing better facilities to the orphans as well as better education.

Besides these, UCB also made a donation to "Shikhar Man Unnoin Procheta", an association which has been working for development of education sector in Bangladesh from the very beginning.

#### Sports

UCB is currently highlighting on youth development and sports. According to us, young generation is dispossessed of entertainment and extra curriculum activities. Accordingly there is also lack of proper patronization on sports especially in local and district level. UCB takes initiatives mostly to grass-root level so that the talents and skills may come from rural and district level.

As a continuous approach to support & promote sports among young generation, UCB provided an amount of BDT. 15,00,000 as financial support to "The Dhaka Sports Carnival -2008". This sports festival was held on November 28-30 & organized by Dhaka Club Limited, one of the oldest & most prestigious clubs in Bangladesh.

In recent years, Bangladesh has been showing remarkable improvements in Cricket & participating in international tournaments. UCB is a huge supporter of Bangladesh cricket and accordingly provided financial support of BDT. 17,70,000 to "Asia Cup Cricket- 2008" which was held during June 24 - July 06, 2008 in Pakistan.

With an objective of development of athletics of the country, UCB has always been supporting various activities organized by Bangladesh Athletic Federation. In this connection UCB provided financial assistance of BDT. 10,00,000 to Bangladesh Athletic Federation in year 2008.

Golf has always been considered as one of the most prestigious sports competition & UCB has been promoting golf by donating to major associations over the years.

#### Art & Culture

Bangladesh has a rich cultural heritage and a glorifying history of independence and socio-cultural evolution. As one of the most inspiring financial institutions of the country, UCB believes that it is our core social responsibility to ensure that our future generation, who will be leading the country soon, thrives not only academically but also develops strong knowledge of the country's past. As a supportive organization of protecting our history, UCB provided financial assistance to Bangladesh Itihash Parishad.

For promoting art & culture in our country, UCB also made donations to a numbers of clubs and different cultural associations.

#### Health

Over the years UCB has been contributing in health sector in Bangladesh which includes donating to different health-care institutions, financial assistance to underprivileged & poor people, raising awareness about epidemics etc. Year 2008 was no exception. Round the year UCB contributed to different projects for improvement of health sector in Bangladesh. Some of these are improvement in medical education, survival and healthy development of children, health and well being of women, disability reduction and the adoption and maintenance of healthy lifestyles etc.

Mr. Abdul Mannan, an ex-footballer was suffering from critical medical condition. UCB came forward & provided financial support to Mr. Abdul Mannan for his open heart surgery.

#### Disaster Management

Cyclone SIDR, rightly called "the deadliest storm to hit the country in over a decade," hit the Bangladesh coast around midnight on Thursday, November 15th. The storm devastated the south western coastal belt of Bangladesh, taking over 3,300 lives and affecting close to 9 million people across 30 districts. Apart from the immediate destructive effects, the fallout from Cyclone SIDR will affect heavily on the country for the next four to five years. In time of such crisis, UCB was one of the first organizations to respond and provided an amount of BDT 6,00,000 to Chief Advisor's Relief Fund for the SIDR affected people.

Besides this, UCB also made a donation of BDT 10,00,000 to Chief Advisor's Relief Fund for flood affected people.

#### Other Activities

Besides our focus on these sectors, UCB also contributed to different causes that are praiseworthy. For example, UCB made a donation of BDT. 1,50,000 to Bangladesh Supreme Court Employees, The Ministerial Services Association. UCB also provided financial assistance to Mr. M. A. Kamal, a freedom fighter.

UCB had always provided financial support to career fairs since they offer an ample opportunity to identify and recruit the best talents that correspond to organizational needs. With a view to assist jobseekers to find their desired job, UCB made a donation to North-South University for organizing 5th National Career Fair 2008, held on 25th - 26th October, 2008 at the Bangladesh China Friendship Conference Center. About hundred (100) reputable companies, both national and multinational, from different sectors participated in the event.

#### CSR Objectives for the future:

- A green Bangladesh
- Less Fuel consumption and energy saving
- Extensive literacy programs
- Educate the next generation of consumers in our markets on how to save, spend, borrow and manage money wisely
- Expand CSR-related HR programmes for all employees

UCB remains open to ideas and suggestions about possible further support and assistance options in increasing our activities under CSR, which can massively benefit the people of the country.

## ইউনাইটেড কমার্শিয়াল ব্যাংক লিঃ এর শেয়ারহোল্ডারদের প্রতি নিরীক্ষকের প্রতিবেদন Auditor's Report to the Shareholders of United Commercial Bank Ltd.

ইউনাইটেড কমার্শিয়াল ব্যাংক লিমিটেড এর ৩১শে ডিসেম্বর ২০০৮ সালের স্থিতিপত্র, সংশ্লিষ্ট লাভ-ক্ষতি হিসাব ও নগদ অর্থ প্রবাহ বিবরণী, ইত্যুতি পরিবর্তন সন্নিবেহ বিবরণী এবং সংশ্লিষ্ট সমুদয় টাকা সমূহ আমরা নিরীক্ষা করেছি। এই আর্থিক বিবরণীগুলি তৈরীর দায়িত্ব ব্যাংক কর্তৃপক্ষের। নিরীক্ষা কার্যের মাধ্যমে এই আর্থিক বিবরণীগুলির উপর মতামত প্রদান করাই আমাদের দায়িত্ব।

বাংলাদেশে পৃষ্ঠিত নিরীক্ষা মান (Bangladesh Standard of Auditing (BSA) অনুসারে আমরা নিরীক্ষা কার্য সম্পন্ন করেছি। উক্ত মান সমূহের প্রত্যাশা এই যে, আমরা উক্ত আর্থিক বিবরণীগুলি তথ্যগত ভুল-ত্রুটি মুক্ত এই মর্মে নিশ্চয়তা পাবার প্রয়াসে আমরা নিরীক্ষা কার্য পরিচালনা করি। আর্থিক লেনদেনের সমর্থনে প্রমাণপত্র এবং আর্থিক বিবরণীতে প্রকাশিত তথ্য সমূহকে পরীক্ষামূলক ভাবে যাচাই করা অতি কার্যের অন্তর্ভুক্ত। ব্যবহৃত হিসাব নীতিমালা, ব্যাংক প্রণীত গুরুত্বপূর্ণ হিসাবের শব্দভাণ্ড এবং উপস্থাপিত সার্বিক আর্থিক বিবরণী মূল্যায়ন করাও অতি কার্যের অন্তর্ভুক্ত। আমরা বিশ্লেষণ করে যে আমাদের নিরীক্ষা কার্য আমাদের মতামতের যৌক্তিক ভিত্তি প্রদান করে।

আমাদের মতে, আর্থিক বিবরণীতে নোট নং ২.১২ন, এবং ৭.১১ এ উল্লেখিত বিষয় সমূহের প্রভাব ব্যতিরেকে আর্থিক বিবরণী সমূহ বাংলাদেশ হিসাব মান অনুসারে তৈরী হয়েছে যা ২০০৮ইং তারিখে সমাপ্ত বছরে ব্যাংকের কার্যাবলীর সত্য ও সঠিক চিত্র প্রদর্শন করে এবং কার্যক্রমের ফলাফল ও অর্থ প্রবাহ বিবরণী ব্যাংকিং কোম্পানী আইন ১৯৯১, বাংলাদেশ ব্যাংক কর্তৃক জারীকৃত বিধিবিধান, কোম্পানী আইন ১৯৯৪, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কন্ট্রোল ১৯৮৭ এবং অন্যান্য প্রযোজ্য বিধিবিধান এর সাথে সামঞ্জস্যপূর্ণ।

আমরা আরও জানাচ্ছি যে,

(ক) আমাদের জানা ও বিশ্বাস মতে নিরীক্ষকের জন্য প্রয়োজনীয় তথ্য ও ব্যাংক পেয়েছি এবং যথাযথভাবে পরীক্ষা করে দেখেছি।

(খ) আমাদের মতে আইন অনুযায়ী হিসাবের বহিসমূহ ব্যাংক কর্তৃক সংরক্ষণ করা হয়েছে এবং যে সকল শাখাসমূহ আমরা পরিদর্শন করিনি তাদের থেকে প্রাপ্ত রিটার্ন সমূহ আমাদের নিরীক্ষার জন্য পর্যাপ্ত ও সঠিক বলে প্রতীয়মান হয়েছে।

We have audited the accompanying Balance Sheet of United Commercial Bank Ltd. as on 31 December 2008 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 independent 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 notes 2.12b and 7.11 in our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Bank's affairs as of 31 December 2008 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 proper returns adequate for the purpose of our audit have been received from branches and not visited by us.

(গ) এই রিপোর্ট প্রদানের ব্যবহৃত ব্যাকের স্থিতিপত্র, লাভ-ক্ষতির হিসাব এবং সর্গশ্রী সদস্যদের টাকা সমূহ হিসাবের বহিঃ ও রিটার্ন সমূহের সাথে সংশ্লিষ্ট।

(ঘ) যাবতীয় খরচাদি ব্যাকের ব্যবসার জন্য করা হয়েছে।

(ঙ) আর্থিক বিবরণীতে উপরে উল্লেখিত নেট সমূহের প্রত্যেক ব্যক্তিরকে আর্থিক বিবরণী সমূহ ৩১শে ডিসেম্বর ২০০৮ সমাপ্ত বছরে ব্যাকের আর্থিক অবস্থা এবং মুদ্রাকার জির আর্থিক বিবরণীতে স্বাধীনভাবে প্রতিকলিত হয়েছে এবং উক্ত আর্থিক বিবরণী সর্বজনস্বীকৃত হিসাব নীতি অনুসারে প্রণীত হয়েছে।

(চ) উক্ত আর্থিক বিবরণী সমূহ ব্যাংক কোম্পানী আইন ১৯৯১ এবং বাংলাদেশ ব্যাংক কর্তৃক জারীকৃত হিসাবের বিধি-বিধান অনুযায়ী তৈরী করা হয়েছে।

(ছ) আমাদের মতে সন্তোষজনক এবং আদায়যোগ্য নহে এমন ঋণ ও অগ্রিমের বিপরীতে পর্যাপ্ত সন্ধান রাখা হয়েছে (নোট - ৭.১১)।

(জ) উক্ত আর্থিক বিবরণী বাংলাদেশের পেশাদার হিসাব রক্ষন সংস্থার সাথে আলোচনারূপে বাংলাদেশ ব্যাংক কর্তৃক জারীকৃত হিসাবের বিধি-বিধানের নির্ধারিত মান অনুযায়ী তৈরী করা হয়েছে।

(ঝ) শাখাসমূহ থেকে প্রাপ্ত রেকর্ড ও বিবরণী স্বাধীনভাবে সংরক্ষণ করা হয়েছে এবং আর্থিক বিবরণী তৈরীতে সন্নিবেশিত করা হয়েছে।

(ঞ) প্রয়োজনীয় তথ্য ও ব্যাখ্যাসমূহ আমরা পেয়েছি এবং তা সন্তোষজনক বলে প্রতীয়মান হয়েছে।

(ট) মূলধন পর্যাপ্ততার অনুপাত বিধি মোতাবেক পর্যাপ্তভাবে সংরক্ষণ করা হয়েছে।

এম. জে. আবদীন এন্ড কো  
চার্টার্ড একাউন্ট্যান্টস

তারিখ: জুন ০৯, ২০০৯  
ঢাকা, বাংলাদেশ

(iii) the 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) except for the effect on the financial statements of the notes referred above, the financial position of the bank as at 31 December 2008 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) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery (Note - 7.11);

(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;

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

(xi) the capital adequacy ratio (CAR), as required by law, has been maintained adequately during the year.

M. J. ABEDIN & CO  
Chartered Accountants

Dated : June 09, 2009  
Dhaka, Bangladesh

# Balance Sheet

As at 31 December 2008

	Notes	Amount in Taka	
		31-Dec-08	31-Dec-07
<b>PROPERTY &amp; ASSETS</b>			
Cash	3.00	4,745,904,417	4,116,910,463
Cash in Hand (Including Foreign Currencies)		800,123,740	974,508,314
Balance with Bangladesh Bank & Sonali Bank ( Including Foreign Currencies)		3,945,780,677	3,142,402,149
Balance With Other Banks & Financial Institutions	4.00	4,248,401,025	744,467,647
In Bangladesh		3,783,603,779	397,233,321
Outside Bangladesh		464,797,246	347,234,326
Money at Call and Short Notice	5.00	130,000,000	-
Investment	6.00	7,200,679,298	5,517,712,534
Government		6,151,499,848	4,919,523,196
Others		1,049,179,450	598,189,338
Loans and Advances	7.00	44,446,332,765	37,566,020,031
Loans, Cash Credit Overdrafts etc.		42,300,890,811	34,745,843,050
Bills Purchased and Discounted		2,145,441,954	2,820,176,981
Fixed Assets Including Premises, Furniture Fixtures	8.00	999,188,451	422,281,643
Other Assets	9.00	3,024,358,531	1,813,191,208
Non-Banking Assets		-	-
Total Assets		64,794,864,487	50,180,583,526
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities :</b>			
Borrowings From Other Banks, Financial Institutions And Agents	10.00	458,306	321,835,385
Deposits and Other Accounts	11.00	54,485,266,725	42,295,996,837
Current Deposit & Other Accounts		6,990,524,781	6,897,631,814
Bills Payable		1,023,893,651	884,479,373
Savings Bank Deposits		8,860,391,761	8,089,147,075
Term Deposit		37,610,456,532	26,424,738,575
Bearer Certificate of Deposit		-	-
Other Liabilities	12.00	5,924,896,357	4,425,527,900
Total Liabilities		60,410,621,388	47,043,360,122
<b>Capital / Shareholders' Equity</b>			
Paid up Capital	13.00	299,204,890	299,204,890
Statutory Reserve	14.00	1,524,962,504	1,232,359,718
General Reserve	15.00	363,563,302	363,563,302
Assets Revaluation Reserve	13.06	456,496,559	-
Revaluation Reserve (HTM & HFT)	13.07	25,777,566	-
Retained Earnings	16.00	1,714,238,278	1,242,095,494
Total Shareholders' Equity		4,384,243,099	3,137,223,404
Total Liabilities and Shareholders' Equity		64,794,864,487	50,180,583,526

# Off Balance Sheet Items

As at 31 December 2008

Notes	Amount in Taka		
	31-Dec-08	31-Dec-07	
<b>OFF BALANCE SHEET ITEMS</b>			
Contingent Liabilities :	17.00	18,085,795,609	24,162,756,371
Acceptances & Endorsements	17.01	10,032,216,273	9,081,068,327
Letters of Guarantee		2,411,610,723	2,227,127,401
Irrevocable Letters of Credit		5,524,441,410	12,669,807,000
Bills for Collection		117,527,203	184,753,643
Other Contingent Liabilities		-	-
<b>Other Commitments :</b>			
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		-	-
<b>Total Off-Balance Sheet Items including Contingent Liabilities</b>		<b>18,085,795,609</b>	<b>24,162,756,371</b>

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

 _____ Managing Director	 _____ Director	 _____ Director	 _____ Director
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Signed as per our annexed report of same date

Dated : June 9, 2009  
Place : Dhaka





  
**M. J. ABEDIN & CO**  
 Chartered Accountants

# Profit and Loss Account

for the year ended 31 December 2008


Notes	Amount in Taka		
	31-Dec-08	31-Dec-07	
<b>OPERATING INCOME</b>			
Interest Income	18.00	5,749,293,669	4,354,735,652
Interest paid on Deposits and Borrowings	19.00	3,740,765,703	2,727,030,152
Net Interest Income		2,008,527,966	1,627,705,500
Income from Investment	20.00	670,700,489	442,304,012
Commission, Exchange and Brokerage	21.00	1,135,917,466	968,013,235
Other Operating Income	22.00	294,296,118	286,452,048
Total Operating Income (A)		4,109,442,039	3,324,474,795
<b>OPERATING EXPENSES</b>			
Salary and Allowances	23.00	1,132,146,806	913,890,953
Rent, Taxes, Insurance, Lighting etc.	24.00	121,028,339	103,539,442
Legal Expenses	25.00	10,550,031	5,432,069
Postage, Stamps, Telegram, Telephone etc.	26.00	34,768,235	34,787,336
Stationery, Printing, Advertisements etc.	27.00	81,441,814	56,495,862
Chief Executive's Salary including Other Fees	28.00	5,345,204	4,084,000
Director's Fees and Other Expenses	29.00	3,584,325	1,645,141
Auditors Fees		225,000	200,000
Depreciation and Repair of Fixed Assets	30.00	94,672,783	73,519,107
Other Expenses	31.00	175,780,624	113,043,453
Total Operating Expenses (B)		1,659,543,161	1,306,637,363
Profit/(Loss) before provision ( C ) = (A-B)		2,449,898,878	2,017,837,432
Provision for Loans & Advance	32.00	817,307,000	228,378,405
Provision for Diminution in Value of Investments		89,892,000	1,726,595
Other Provision	33.00	79,686,000	119,895,000
Total Provision ( D )		986,885,000	350,000,000
Total Profit before Income Tax (C - D )		1,463,013,878	1,667,837,432
Provision for Taxation	34.00	698,268,308	852,713,945
Net Profit after Tax		764,745,570	815,123,487
<b>APPROPRIATIONS</b>			
Statutory Reserve		292,602,786	333,567,487
General Reserve		-	-
Dividend		-	-
Retained Surplus		472,142,784	481,556,000
Earnings Per Share (EPS)	35.00	255.59	272.43

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 : June 9, 2009  
Place : Dhaka

  
**M. J. ABEDIN & CO.**  
Chartered Accountants



# Cash Flow Statement

for the year ended on 31 December 2008

	Notes	Amount in Taka	
		31-Dec-08	31-Dec-07
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Interest Receipts		6,306,433,843	4,784,835,205
Interest Payments		(3,740,765,703)	(2,727,030,152)
Dividend Receipt		35,015,558	9,896,476
Fees & Commission Receipt		634,175,502	631,453,545
Recoveries from Previously Written Off Advances		8,546,681	127,915,416
Payments to Employees		(1,137,492,010)	(917,974,953)
Payments to Suppliers		(237,238,388)	(194,822,640)
Payment for Advance Income Tax		(752,673,400)	(627,834,272)
Receipt from Other Operating Activities	36.00	874,582,839	625,359,721
Payment for Other Activities	37.00	(214,807,267)	(136,781,984)
Operating Profit before Changes in operating Assets and Liabilities (i)		1,775,777,855	1,574,996,362
Changes in Operating Assets and Liabilities:			
Statutory Deposit		(1,231,976,852)	1,079,663,963
Purchase/Sales of Trading Securities		(269,777,313)	(396,603,653)
Loans and Advances to Customers		(7,735,106,590)	(11,581,255,101)
Other Assets	38.00	(458,493,923)	(62,302,810)
Deposit from Customers		12,189,269,887	9,280,152,975
Other Liabilities	39.00	1,142,736,451	275,247,525
Cash Flow or (used in) Operating Assets and Liabilities (ii)		3,636,651,860	(1,405,097,101)
Net Cash Flow from Operating Activities (i+ii)		5,412,429,515	169,899,261
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sales of Securities		-	-
Purchase of Securities		(181,212,800)	(100,000,000)
Purchase of Property, Plant & Equipments		(652,256,783)	(189,607,821)
Sales of Property, Plant & Equipments		5,344,479	1,457,787
Net Cash Employed in Investing Activities		(828,125,104)	(288,150,033)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Receipt from Borrowing & Issuance of Debt Securities		-	60,000,000
Repayment of Borrowing and Release of Debt Securities		(321,377,079)	(2,860,404)
Cash Received from Issuing of Ordinary Shares		-	-
Cash Dividend Payment		-	-
Net Cash Flow or (used in) from Financing Activities		(321,377,079)	57,139,596
Net Cash Increase/(Decrease) (A+B+C)		4,262,927,332	(61,111,176)
Effects of the Changes of Exchange Rate on Cash and Cash Equivalents		-	-
Opening Cash and Cash equivalent at 01 January		4,861,378,110	4,922,489,296
Closing Cash and Cash equivalent at 31 December	40.00	9,124,305,442	4,861,378,110

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

 Managing Director	 Director	 Director	 Director
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Signed as per our annexed report of same date

  
M. J. ABEDIN & CO  
Chartered Accountants

Dated : June 9, 2009  
Place : Dhaka



# Statement of Changes in Equity

for the year ended on 31 December 2008

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Retained Surplus	Assets Revaluation Reserve (Note - 13.06)	Investment Revaluation Reserve (Note - 13.07)	Total
Balance as at 01 January 2007	230,157,608	898,792,231	363,583,302	829,586,716	-	-	2,322,099,817
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	230,157,608	898,792,231	363,583,302	829,586,716	-	-	2,322,099,817
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-
Deficit/Surplus on Revaluation of Investments	-	-	-	-	-	-	-
Other Deficit/Surplus	-	-	-	-	-	-	-
Net Gains and Losses not recognized in Income Statement	-	-	-	-	-	-	-
Net Profit for the year	-	-	-	815,123,487	-	-	815,123,487
Dividends (Bonus Shares) (For 2001)	69,047,292	-	-	(69,047,292)	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Accretion made during the year	-	333,587,487	-	(333,587,487)	-	-	-
Balance as at 31 December 2007	299,204,899	1,232,379,718	363,583,302	1,242,095,484	-	-	3,137,223,404
Balance as at 01 January 2008	299,204,899	1,232,379,718	363,583,302	1,242,095,484	-	-	3,137,223,404
Changes in Accounting Policy	-	-	-	-	-	-	-
Restated Balance	299,204,899	1,232,379,718	363,583,302	1,242,095,484	-	-	3,137,223,404
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	-	-
Deficit/Surplus on Revaluation of Investments	-	-	-	-	456,496,559	-	456,496,559
Other Deficit/Surplus	-	-	-	-	-	25,777,566	25,777,566
Net Gains and Losses not recognized in Income Statement	-	-	-	-	-	-	-
Net Profit for the year	-	-	-	764,745,970	-	-	764,745,970
Dividends	-	-	-	-	-	-	-
Issue of Share Capital	-	-	-	-	-	-	-
Accretion made during the year	-	292,602,786	-	(292,602,786)	-	-	-
Balance as at 31 December 2008	299,204,899	1,524,982,504	363,583,302	1,714,238,278	456,496,559	25,777,566	4,384,243,099

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

  
Managing Director

  
Director



Director

Signed as per our annual report of same date

  
M.J. ABEON & CO  
Chartered Accountants

# Statement of Liquidity

## Maturity Analysis of Assets & Liabilities

As on 31 December 2008

Amount in Taka

Particulars	Up to 1 Month	Over 1 month upto 3 months	Over 3 months upto 12 months	Over 1 year upto 5 years	Over 5 years	Total
<b>ASSETS</b>						
Cash	4,745,904,417	-	-	-	-	4,745,904,417
Balance with Other Bank & Financial Institutions	638,758,134	3,609,642,891	-	-	-	4,248,401,025
Money at call and Short Notice	130,000,000	-	-	-	-	130,000,000
Investment	150,211,355	5,600,000	733,966,650	3,936,141,008	2,375,360,285	7,200,679,298
Loans and Advances	6,936,285,304	9,402,038,337	15,003,926,413	10,015,953,261	3,088,129,450	44,446,332,765
Primitives and Fixed Assets	-	-	55,857,597	162,389,709	780,941,145	999,188,451
Other Assets	732,579,396	36,978,180	237,454,583	2,014,124,358	3,222,014	3,024,358,531
Non Banking Assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>13,333,738,606</b>	<b>13,053,659,408</b>	<b>16,031,205,243</b>	<b>16,128,608,336</b>	<b>6,247,652,894</b>	<b>64,794,864,487</b>
<b>LIABILITIES :</b>						
Borrowing From Bangladesh Bank Other Banks, Financial Institutions And Agents Etc.	458,306	-	-	-	-	458,306
Deposits	6,763,569,283	8,889,444,297	17,610,643,175	5,174,253,487	15,847,356,483	54,485,266,725
Other Accounts Provisions and Other Liabilities	1,406,475,990	1,586,971,175	587,067,940	2,344,381,252	-	5,924,896,357
<b>Total Liabilities</b>	<b>8,170,503,579</b>	<b>10,576,415,472</b>	<b>18,197,711,115</b>	<b>7,518,634,739</b>	<b>15,847,356,483</b>	<b>60,410,621,388</b>
<b>Net Liquidity Gap</b>	<b>5,163,235,027</b>	<b>2,477,243,936</b>	<b>(2,166,505,872)</b>	<b>8,609,973,597</b>	<b>(9,599,703,589)</b>	<b>4,384,243,099</b>

Note : Net result of the Liquidity Statement represents the Shareholders' Equity of the Bank.

## 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.

### 1.01 Principal Activities

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

### 2.01 Statements of Compliance

The financial statements of the Bank have been prepared up to 31 December each year in accordance with the "First Schedule (section-38) of the Bank Companies Act 1991 as amended by BRPD Circular no. 14, dated 25 June 2003, other Bangladesh Bank Circulars, Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standard (BFRS), 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.

### 2.02 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.

### 2.03 Basis of Measurement

The Financial Statements of the Bank have been prepared on the historical cost basis except for the following:

Government Treasury Bills and Bonds (HFT) at present value using marking to market concept.

Government Treasury Bills and Bonds (HTM) at present value using amortization concept.

Quoted ordinary shares at cost or market price which ever is lower at balance sheet date.

### 2.04 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".

- Interest is calculated on daily product on unclassified loan and advances but charged on quarterly basis.
- Interest is charged on classified loans and advances by crediting "Interest Suspense Account" instated of interest income as per Bangladesh Bank BRPD circular No. 16 of 1989.
- Dividend income is recognized at the time when it is realized.
- Income on investments is recognized on accrual basis.
- Commission and discounts on bills purchased and discounted are recognized at the time of realization.

## 2.05 Recognition of Interest on Deposit

a) Interest expenses are generally recognized 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 recognized and recorded on accrual basis.

## 2.06 Fees and Commission Income

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

## 2.07 Investments

All investment securities are initially recognized at cost, including acquisition charges associated with the investment.

### 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 subsequently 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 recognized 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 recognized in the profit and loss account for the year in which it arises.

### Revaluation

As per the DOS Circular Letter no.-05, dated 26 May 2008, HFT securities are revaluated on weekly basis and HTM Securities are amortized on yearly basis. The HTM Securities are also revalued if they are reclassified to HFT category with the Board's approval. Any Gain or loss on revaluation of HTM securities is recognized in the statement of changes in equity. Gain / (Loss) on revaluation of HFT securities is recognized in the profit and loss account on weekly basis and gain or revaluation is transferred to statement of changes in equity on monthly basis.

Value of Investments has been shown as under:

Government Treasury Bill (HTM)	At amortised cost price
Government Treasury Bond (HTM)	At amortised cost price
Government Treasury Bond (HFT)	At present value
Prize Bonds	At cost price
Debenture	Redeemable Value
Un Quoted Shares	At cost price
Quoted Shares	At cost or market price whichever is lower at balance sheet date.

## 2.08 Fixed Assets and Depreciation

a) Assets are stated at cost or revalued amount less accumulated depreciation.

b) No depreciation has been charged on Land. Full year depreciation is charged for the assets which are purchased before the month of December and no depreciation is charged at disposed year.

Rate and method of charging depreciation of fixed assets are mentioned below:

Name of the Assets	Rate of Depreciation	Method of Charging Depreciation
Immovable Property (Land)	NIL	Not Applicable
Immovable Property (Building)	2.5% 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

Gain or loss on sale of fixed assets are recognized in profit and loss account as per provision of BAS 16 "Property, Plant and equipments"

c) As at 19 March 2008, Bank's land property was revalued by a Padma Techno Consult & Survey Ltd. Accordingly, revaluation surplus is included in fixed assets and assets revaluation reserve of these financial statements.

## 2.09 Other Assets

Other assets include all other financial assets and include fees and other unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamps. Details are shown in Note-09.

## 2.10 Liabilities and Provisions

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

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note-10.

### b) Deposits and Other Accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposits, savings deposit and fixed deposit. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Note-11.

### c) Other Liabilities

As per BAS -37: "Provision, Contingent Liabilities and Contingent assets" the Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Other liabilities comprise items such as provision for loans and advances /investments, provision for taxes, interest payable, interest suspense, accrued expenses etc. Other Liabilities are recognized in the balance sheet according to the guidelines of Bangladesh bank, Income Tax Ordinance-1984 and internal policy of the bank. Details are shown in Note-12.

# Notes to the Financial Statements

For the year ended 31 December 2008

## d) Capital / Shareholder's Equity

### i. Authorized Capital

Authorized Capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Article of Association to issue to shareholders.

### ii. Paid-up Capital

Paid-up Capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholder's meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in Note-13.

### iii. Statutory Reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Companies Act, 1991 until such reserve equal to its paid up capital.

### vi. Revaluation Reserve

Revaluation reserve arises from the revaluation of Treasury Bills and Bonds (HFT & HTM) in accordance with the DOS circular no. 5 dated 26 May 2008.

## e. Contingent Liabilities

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

Any present obligation that arises from past events but is not recognized because:

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- The amount of obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognised in the financial statements as this may results in the recognition of income which may never be realized.

## 2.11 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.

# Notes to the Financial Statements

For the year ended 31 December 2008

## 2.12 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 up to 5 (Five) years and two month's basic pay for every completed year who have rendered service up to 10 (Ten) years. Gratuity so calculated is transferred to the fund and charged to expenses of the Bank.

b) Shortfall of the Gratuity fund has been assessed at Tk. 96,43,54,934/- up to 31.12.2008. Bank shall provide Tk. 10,00,00,000 (ten core) annually for next 5 (five) years with effect from January 2008 for investment in Fixed Deposits till 2012 against shortfall of Tk. 96,43,54,934/- in gratuity fund. Accordingly Tk. 17.2 crore has been expensed during the year including Tk. 7.2 crore for the current period.

## 2.13 Earning Per Share (EPS)

The company calculates earning 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. Details are shown in Note - 35.

### Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax has been considered as fully attributable to the ordinary shareholders.

### Weighted Average Number of Ordinary Share

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighted factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provisions of BAS 33 "Earnings per shares" The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration and therefore, the number of shares outstanding is increased without an increase in resource generating new earnings.

### Diluted Earnings Per Share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year under review.

## 2.14 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:

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

# Notes to the Financial Statements

For the year ended 31 December 2008

- 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.

## 2.15 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".

## 2.16 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 25 June 2003.

## 2.17 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 31 December 2008 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 2008.

## 2.18 Post Balance Sheet Events

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

## 2.19 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.

## 2.20 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.



# Notes to the Financial Statements

For the year ended 31 December 2008

## 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.

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 is 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.

# Notes to the Financial Statements

For the year ended 31 December 2008

## 2.21 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

i. Deferred Tax arises due to temporary difference, deductible or taxable, for the events or transactions recognized during the reporting period. Deferred tax assets are the amount of income tax recoverable in future periods in respect of deductible temporary differences. Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets & liabilities are measured using tax rate & tax laws enacted or substantially enacted at the balance sheet date. The Bank recognized deferred tax accounting policy as per Bangladesh Accounting Standard (BAS - 12).

Deferred tax is accounted for using the balance sheet method in respect of temporary timing difference resulting from depreciation of fixed assets.

ii. Deferred tax was first computed in 2004, thereafter in 2008.

## 2.22 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	@	01%
General provision on consumer financing (Credit Card)	@	05%
General provision on consumer financing (House Finance)	@	02%
General provision on Off-Balance Sheet Exposure	@	01%
Specific provision on substandard loans and advances	@	20%
Specific provision on doubtful loans and advances	@	50%
Specific 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.

## 2.23 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.

## Notes to the Financial Statements

For the year ended 31 December 2008

### 2.24 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.

### 2.25 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.

### 2.26 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.

### 2.27 Audit Committee

The audit committee of the board was constituted by the Board of Directors of the bank in its emergent meeting held on 03 April 2004. Subsequently the committee was reconstituted in its Board Meeting held on 14 June 2005. The Audit Committee of the Board of Directors consisted of the following 3 (three) members of the Board.

Sl. No.	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr. M. A Sabur	Director	Chairman	MBA (IBA)
02	Mrs. Quamrun Nahar	Vice Chairperson	Member	MA
03	Mr. Kazi Enamul Hoque	Director	Member	B. Com.

During the year 2008, the Audit Committee has conducted 04 (Four) meetings. Details of the meetings are shown below by date.

Meeting No.	Held on
16th	21 April 2008
17th	25 May 2008
18th	06 August 2008
18th Adjourned	17 November 2008

The Audit Committee discussed the following issues during the year 2008:

- a) Review the frequency of both functional and process of Internal Audit.
- b) Appointment of Auditors of the Bank for the year-2009.

### 2.28 Auditors' Working-hour

The external auditors, M/s. M. J. Abedin & Co., Chartered Accountants of the Bank worked more than 4,860 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.

### 2.29 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 31 December 2008

Amount in Taka	
31-Dec-08	31-Dec-07

## 3.00 Cash in Hand and With Bangladesh Bank and Sonali Bank

### Cash in Hand :

In Local Currency	789,968,518	960,519,689
In Foreign Currency (WES)	-	-
In Foreign Currency	<u>10,155,222</u>	<u>13,988,625</u>
	<u>800,123,740</u>	<u>974,508,314</u>

### Balance with Bangladesh Bank & Sonali Bank:

In Local Currency	3,560,948,409	2,605,794,996
In Foreign Currency	<u>384,832,268</u>	<u>536,607,153</u>
	<u>3,945,780,677</u>	<u>3,142,402,149</u>
	<u>4,745,904,417</u>	<u>4,116,910,463</u>

### Balance with Bangladesh Bank :

In Local Currency	2,884,942,497	2,071,453,102
In Foreign Currency	<u>384,832,268</u>	<u>536,607,153</u>
	<u>3,249,774,765</u>	<u>2,608,060,255</u>

### Balance with Sonali Bank :

In Local Currency	696,005,912	534,341,894
In Foreign Currency	-	-
	<u>696,005,912</u>	<u>534,341,894</u>

## 3.01 Statutory Deposit

Cash reserve ratio (CRR) and statutory liquidity requirement (SLR) have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and of instructions contained in BRPD Circular No. 11 dated 25 August 2005, BRPD Circular No. 12 dated 25 August 2005, BRPD Circular No.15 dated 31 October 2005 and DOS Circular letter No. 10 dated 11 September 2006 issued by Bangladesh Bank.

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

### 3.1.1 Cash Reserve Ratio (CRR)

#### ( 5.00% of Average Demand & Time Liabilities)

Required Reserve	2,523,199,270	1,887,998,988
Actual Reserve Held with B. Bank	<u>2,884,942,497</u>	<u>2,071,453,102</u>
Surplus/(Deficit)	<u>341,743,227</u>	<u>183,454,114</u>

### 3.1.2 Statutory Liquidity Requirement (SLR)

#### (13.00% of Average Demand & Time Liabilities)

Required Reserve	6,560,318,102	4,908,797,368
Actual Reserve Held	<u>7,647,629,500</u>	<u>6,414,384,779</u>
Surplus/Deficit	<u>1,087,311,398</u>	<u>1,505,587,412</u>

Total Requirement (1A+2A)	9,083,517,372	6,796,796,356
Total Held (1B+2B)	<u>10,512,571,997</u>	<u>8,485,837,881</u>
Total Surplus/(Shortfall) (1C+2C)	<u>1,429,054,625</u>	<u>1,689,041,525</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>3.1.3 Held for Statutory Liquidity Requirement</b>			
Cash In Hand		800,123,740	960,519,689
Balance with Bangladesh Bank and its Agent Bank (Local Currency)		3,560,948,409	2,605,794,996
Government Securities		144,858,255	199,740,691
Government Bonds		5,966,288,493	4,674,332,805
Stock of Prize Bond		5,553,100	5,449,700
Debenture (HBFC)		35,000,000	40,000,000
		<u>10,512,571,997</u>	<u>8,485,837,881</u>
<b>4.00 Balance With Other Bank and Financial Institutions</b>			
Inside Bangladesh ( <i>Note - 4.01</i> )		3,783,603,779	397,233,321
Outside Bangladesh ( <i>Annexure-A</i> )		<u>484,797,246</u>	<u>347,234,326</u>
		<u>4,248,401,025</u>	<u>744,467,647</u>
<b>4.01 Inside Bangladesh</b>			
<b>A. Current Account :</b>			
Janata Bank		85,586,800	65,964,374
Agrani Bank		21,510,552	21,092,938
The City Bank Ltd. (Visa Card)		-	77,574
Standard Chartered Bank (Visa Card)		17,098,625	1,618,097
Dutch Bangla Bank Ltd.		<u>11,179,489</u>	<u>500,000</u>
		<u>135,375,466</u>	<u>89,252,983</u>
<b>B. STD Account</b>			
Janata Bank		38,585,422	52,097,294
Rupali Bank		9,543,950	5,785,094
Sonali Bank B.B Avenue		<u>98,941</u>	<u>97,950</u>
		<u>48,228,313</u>	<u>57,880,338</u>
<b>C. Fixed Deposit</b>			
AB Bank Ltd.		600,000,000	-
NCCBL		500,000,000	-
Standard Bank Ltd.		250,000,000	-
Mutual Trust Bank Ltd.		350,000,000	-
Mercantile Bank Ltd.		500,000,000	-
Eastern Bank Ltd.		200,000,000	-
One Bank Ltd.		300,000,000	-
Jamuna Bank Ltd.		200,000,000	-
Southeast Bank Ltd.		450,000,000	-
Dhaka Bank Ltd.		200,000,000	200,000,000
Uttara Finance		50,000,000	-
National Bank of Pakistan		-	50,000,000
		<u>3,600,000,000</u>	<u>250,000,000</u>
<b>Total (A+B+C)</b>		<u>3,783,603,779</u>	<u>397,233,321</u>
<b>4.02 Maturity Grouping of Balances with Other Banks &amp; Financial Institutions:</b>			
On Demand		600,172,712	436,487,309
Up to 3 Month		3,648,228,313	307,980,338
Over 3 Month upto 1 Year		-	-
		<u>4,248,401,025</u>	<u>744,467,647</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>5.00 Money at Call and Short Notice</b>			
Call Loan Advanced to Bankers		-	-
National Credit & Commerce Bank Ltd		130,000,000	-
		<u>130,000,000</u>	<u>-</u>
<b>6.00 Investments</b>			
Government Securities ( <i>Note - 6.01</i> )		6,151,499,848	4,919,523,196
Other Investments ( <i>Note - 6.02</i> )		1,049,179,450	598,189,338
		<u>7,200,679,298</u>	<u>5,517,712,534</u>
<b>6.01 Government Securities</b>			
Treasury Bill (HTM)		144,658,255	199,740,691
Govt. Treasury Bond (2008 - HTM, 2007- 5 Years Bond)		2,370,360,285	2,753,204,598
Govt. Treasury Bond (2008 - HFT, 2007- 10 Years Bond)		3,595,928,208	1,921,128,207
Debenture (At cost)		35,000,000	40,000,000
Prize Bond (At cost)		5,553,100	5,449,700
		<u>6,151,499,848</u>	<u>4,919,523,196</u>
<b>6.02 Other Investments</b>			
Shares (At cost) (Details in <i>Annexure-B</i> )		1,049,179,450	598,189,338
Zero Coupon Bond)		-	-
		<u>1,049,179,450</u>	<u>598,189,338</u>
		<u>7,200,679,298</u>	<u>5,517,712,534</u>
<b>6.03 Maturity Grouping of Investment</b>			
On Demand		5,553,100	5,449,700
Upto 3 Months		5,000,000	204,740,691
Over 3 Month upto 1 Year		878,252,914	464,189,338
Over 1Year upto 5 Years		4,282,110,059	2,907,204,598
Over 5 years		2,029,763,225	1,936,128,207
		<u>7,200,679,298</u>	<u>5,517,712,534</u>
<b>6.04 Cost and Market Value of Investment as on 31 December 2008</b>			
<b>Particulars</b>	<b>Cost</b>	<b>Market Value/Amortized</b>	
Treasury Bills (HFT)	138,286,950	144,658,255	
Government Treasury Bond (HTM)	2,300,757,500	2,370,360,285	
Government Treasury Bond (HFT)	3,564,970,664	3,595,928,208	
Debenture	35,000,000	35,000,000	
Shares	1,049,179,450	1,052,031,941	
Stock of Prize Bond	5,553,100	5,553,100	
	<u>7,093,747,664</u>	<u>7,203,531,789</u>	

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>7.00</b>	<b>Loans and Advances</b>		
<b>7.01</b>	<b>Loans, Cash Credit &amp; Overdraft etc</b>		
	<b>Inside Bangladesh :</b>		
	Loan	26,540,396,495	21,114,440,287
	Cash Credits	8,877,332,414	7,975,133,220
	Overdrafts	6,883,161,902	5,856,269,543
	<b>Outside Bangladesh</b>	<u>-</u>	<u>-</u>
		<b>42,300,890,811</b>	<b>34,745,843,050</b>
	<b>Bills Purchased &amp; Discounted :</b>		
	<b>Payable inside Bangladesh</b>		
	Inland Bills Purchased	1,557,683,406	2,137,083,650
	Local Bill Discounted	-	-
	<b>Payable Outside Bangladesh</b>		
	Foreign Bills Purchased & Discounted	<u>587,758,548</u>	<u>683,093,331</u>
		<b>2,145,441,954</b>	<b>2,820,176,981</b>
		<b>44,446,332,765</b>	<b>37,566,020,031</b>
<b>7.02</b>	<b>Maturity Grouping of Loans &amp; Advances</b>		
	<b>(Including bills purchased and discounted)</b>		
	Payable on Demand	6,936,285,303	4,173,555,306
	Upto 3 Month	9,402,038,337	9,597,581,263
	Over 3 Month upto 1 Year	15,003,926,413	13,741,025,667
	Over 1 Year upto 5 Year	10,015,953,261	7,157,377,909
	Over 5 years	<u>3,088,129,450</u>	<u>2,896,479,886</u>
		<b>44,446,332,765</b>	<b>37,566,020,031</b>
<b>7.03</b>	<b>Net Loans &amp; Advances</b>		
	Gross Loans & Advances ( <i>Note - 7.01</i> )	44,446,332,765	37,566,020,031
	Less : Interest Suspense ( <i>Note - 12.12</i> )	401,170,128	292,947,369
	Provision for Loans & Advances ( <i>Note - 7.10</i> )	<u>1,248,915,863</u>	<u>1,256,553,039</u>
		<b>42,796,246,774</b>	<b>36,016,519,623</b>
<b>7.04</b>	<b>Loans &amp; Advances According to Significant Concentration</b>		
	i) Advances to the companies or firms in which the Directors of the Bank are interested	129,450,998	1,268,849
	ii) Advances to Chief Executive and other senior executives	255,497,453	111,770,068
	iii) Advances to Industry wise		
	Large & Medium	12,441,500,000	8,429,400,000
	Small & Cottage	453,600,000	481,200,000
	iv) Advances to customers group	31,166,284,318	28,542,381,114
	<b>Total Loans &amp; Advances</b>	<b>44,446,332,765</b>	<b>37,566,020,031</b>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>7.05 Geographical Location wise Loans and Advances</b>			
<b>Urban :</b>			
Dhaka Region	28,119,770,237	23,351,263,521	
Chittagong Region	10,304,417,983	10,061,993,041	
Sylhet	118,185,572	102,406,589	
Rajshahi	1,833,411,805	1,561,671,704	
Khulna	3,143,783,490	1,517,523,734	
Barisal	45,953,249	41,247,225	
	<u>43,585,522,337</u>	<u>36,636,105,814</u>	
<b>Rural :</b>			
Dhaka Region	589,756,262	588,465,037	
Chittagong Region	126,576,702	109,433,641	
Sylhet	84,702,695	47,617,660	
Rajshahi	-	-	
Khulna	79,774,768	184,398,879	
Barisal	-	-	
	<u>880,810,428</u>	<u>929,915,217</u>	
	<u>44,446,332,765</u>	<u>37,566,021,031</u>	
<b>7.06 Detail of Information on Advances more than 10% of Bank's Total Capital</b>			
Number of Clients	31	31	
Amount of Outstanding Advances (Annexure-C)	18,365,100,000	7,380,500,000	
Classified Amount	-	-	
<b>7.07 Sector - wise Loans and Advances</b>			
Government & Autonomous	-	-	
Co-Operative Sector	-	-	
Other Public Sector	-	-	
Private Sector	<u>44,446,332,765</u>	<u>37,566,020,031</u>	
	<u>44,446,332,765</u>	<u>37,566,020,031</u>	
<b>Industry - Wise Loans and Advances :</b>			
Agriculture and Fishery	-	-	
<b>Industry :</b>			
Large & Medium	12,441,500,000	8,429,400,000	
Small & Cottage	453,600,000	481,200,000	
Real Estate	1,849,988,864	1,334,326,084	
Transport & Communication	331,336,351	221,746,303	
Commerce & Trade	15,780,494,316	14,041,193,400	
Import	9,877,296,047	9,945,935,289	
Export	2,542,783,580	2,276,113,359	
Others	<u>1,189,333,608</u>	<u>836,105,596</u>	
	<u>44,446,332,765</u>	<u>37,566,020,031</u>	



# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka		
		31-Dec-08	31-Dec-07	
<b>7.08 Nature wise Loans and Advance</b>				
Time Loan		413,699,366	580,547,653	
Loan Cash Credit		9,571,917,795	7,975,133,220	
Overdraft		6,883,161,902	5,656,269,543	
Import Loan		3,136,259,050	942,146,083	
Loan against Trust Receipt		10,144,519,274	7,407,741,825	
Packing Credit		382,786,395	428,070,130	
House Building Loan (Including Staff)		1,849,988,865	1,334,326,084	
Term Loan		9,904,002,932	7,183,306,987	
Others		14,555,232	3,238,301,525	
Bill Purchase and Discounted		<u>2,145,441,954</u>	<u>2,820,178,881</u>	
		<b>44,446,332,765</b>	<b>37,566,020,031</b>	
<b>7.09 Classification of Loans &amp; Advances according to Bangladesh Bank's guidelines</b>				
<b>Unclassified :</b>				
Standard (SMA)		229,456,000	579,371,000	
Standard (Small & Medium Ent.)		10,248,319,000	4,389,039,000	
Standard (Consumer Finance)		625,331,000	261,077,000	
Standard (Others)		<u>31,291,846,765</u>	<u>30,490,150,031</u>	
		<b>42,394,952,765</b>	<b>35,719,637,031</b>	
<b>Classified :</b>				
Sub - Standard		387,656,000	294,187,000	
Doubtful		539,466,000	433,734,000	
Bad & Loss		<u>1,124,258,000</u>	<u>1,118,482,000</u>	
		<b>2,051,380,000</b>	<b>1,846,383,000</b>	
		<b>44,446,332,765</b>	<b>37,566,020,031</b>	
<b>7.10 Particulars of Required Provision for Loans &amp; Advances</b>				
	<b>Base for Provision</b>	<b>Rate of Provision</b>	<b>Provision Required</b>	<b>Provision Required</b>
<b>General Provision :</b>				
Unclassified	31,036,400,000	1%	310,364,000	302,549,000
Special Mention Account	223,120,000	5%	11,156,000	27,874,000
Small & Medium Ent. (SME)	10,248,300,000	1%	102,483,000	87,781,000
Consumer Finance	621,000,000	5%	<u>31,050,000</u>	<u>13,054,000</u>
			<b>455,053,000</b>	<b>431,258,000</b>
<b>Specific Provision :</b>				
Sub - Standard	286,283,000	20%	57,256,000	46,127,000
Doubtful	412,984,000	50%	206,482,000	162,079,000
Bad & Loss	524,271,000	100%	<u>524,271,000</u>	<u>616,208,000</u>
			<b>788,009,000</b>	<b>824,414,000</b>
<b>Required Provision for Loans &amp; Advances</b>			<b>1,243,062,000</b>	<b>1,255,672,000</b>
<b>Total Provision held for Loans &amp; Advances</b>			<u>1,248,915,863</u>	<u>1,256,553,039</u>
<b>Excess/(Short) Provision</b>			<b>5,853,863</b>	<b>881,039</b>

# Notes to the Financial Statements

For the year ended 31 December 2008

- 7.11 The following borrowers' accounts considered as marginal/watch list loan and advances due to the fact that the movements and transactions and recovery are not satisfactory. The bank management is closely monitoring those accounts and if no satisfactory movement is made within 30 June 2008, in that case the bank management will take necessary action against the borrowers according to the guide line of Bangladesh Bank.

Name of the Borrower	Outstanding as on 31 December 2008
Shoel Textile Mills Ltd.	45,016,333
Rahnuma Fashion Wear Ltd	371,315,610
Sawdager Brother	5,437,133
Fair & Fame Knit Fabrics Ltd	97,901,368
Marhaba Synthetic Mills Ltd	102,461,524
Madina Cold Storage (Pvt) Ltd	121,552,796
Noor Dying & Printing Works	35,706,771
<b>Total</b>	<b>779,391,555</b>

## 7.12 Disclosure of Particulars of Advances

	Amount in Taka	
	31-Dec-08	31-Dec-07
i) Debts considered good in respect of which the banking company is fully secured	29,305,095,868	33,367,130,016
ii) Debts considered good for which the banking company holds no other security than the debtors personal security	3,175,984,163	3,866,996,804
iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	11,965,252,733	331,893,211
iv) Debts adversely classified, provision not maintained there against.	-	-
	<b>44,446,332,765</b>	<b>37,566,020,031</b>
v) Debts due by directors or officers of the banking or any of them either severally or jointly with any other person	384,948,420	236,502,339
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	129,450,966	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	98,485,000	78,875,000
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.	128,182,117	-

# Notes to the Financial Statements

For the year ended 31 December 2008

Amount in Taka			
	31-Dec-08	31-Dec-07	
ix) Due from banking companies	2,051,380,000	1,118,462,000	
x) Amount of classified advances on which no interests applied			
a) Decrease/ Increase in provision	(7,637,175)	(34,966,796)	
b) Amount realised against loan previously written off	8,546,681	127,915,418	
c) Amount of provision kept against loan classified as Bad/Loss on the balance sheet date	524,271,000	617,028,039	
d) Interest credited to Interest Suspense A/c	274,763,290	167,353,092	
xi) Cumulative amount of the written off loan	3,793,014,066	2,050,294,788	
xii) Amount written off during the year	854,793,856	123,887,497	
xiii) Amount of written off loan for which law suit filed	2,919,277,903	2,050,294,788	
<b>7.13 Bills Discounted and Purchased</b>			
a) Payable in Bangladesh	1,557,683,406	2,137,083,650	
b) Payable Outside Bangladesh	587,758,548	683,093,331	
	<u>2,145,441,954</u>	<u>2,820,176,981</u>	
<b>7.13.1 Maturity Grouping of Bills Purchased and Discounted</b>			
Upto 1 Month	495,157,609	732,041,563	
Over 1 Month upto 3 Month	626,847,097	718,978,314	
Over 3 Month upto 6 Month	1,016,669,421	1,369,157,104	
Over 6 Month	6,767,827	-	
	<u>2,145,441,954</u>	<u>2,820,176,981</u>	
<b>7.14 Suit filed by different branches against defaulted borrowers during the year 2008.</b>			
<b><u>Name of Branches</u></b>	<b><u>Number of Suit</u></b>	<b><u>Suit value 2008</u></b>	<b><u>Suit value 2007</u></b>
Anderkilla Branch	1	4,186,741	-
Bahaddarhal Branch		-	2,309,132
Bengahal Branch		-	4,097,213
Chapai Nawabgonj Branch	1	6,228,699	-
Chowmuhani Branch	1	1,112,985	-
Elephant Road Branch	1	27,858,681	2,143,006
Foreign Exchange Branch		-	3,609,749
Faridpur Branch	1	1,431,668	-
Khanjahan Ali Road Branch	1	137,188	3,568,417
Khanjahan Ali Road Branch		-	8,004,760
Khulna Branch	2	4,920,673	5,824,418
Mohakhali Branch	1	107,561	-
Nayabazar Branch	3	201,700,521	-
Narayanganj Branch	4	249,962,752	-
Noapara Bazar Branch	7	131,061,591	-
Principal Branch	2	134,691,173	208,257
Rangpur Branch		-	420,058
<b>Total</b>	<b>25</b>	<b>763,400,213</b>	<b>28,185,009</b>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>8.00 Premises and Fixed Assets</b>			
Immovable Property (Land)	625,878,309	111,331,610	
Immovable Property (Building)	86,515,166	88,733,500	
Furniture and Fixture	110,569,201	100,106,394	
Office Equipments	54,619,861	47,289,247	
Computer & Equipments	75,312,817	47,892,355	
Banks Car/ Scooter/Vehicle	28,212,983	14,838,582	
Computer Software	18,080,114	12,089,875	
	<u>998,188,451</u>	<u>422,281,643</u>	
Details of Premises & Fixed Assets furnished in <i>Annexure -D</i> .			
<b>9.00 Other Assets</b>			
Stationery, Stamps & Security Paper	14,590,387	21,324,647	
Advance Rent	208,468,688	51,167,996	
Stock of Credit Card	1,021,911	2,330,193	
Security Deposit	1,143,818	185,568	
Advance Deposit	1,955,716	2,071,311	
Suspense Account ( <i>Note - 9.01</i> )	64,350,887	40,867,857	
Others ( <i>Note - 9.02</i> )	26,555,784	42,592,605	
Advance Income Tax paid Account ( <i>Note - 9.04</i> )	2,043,285,983	1,290,592,583	
Branch Adjustment Account ( <i>Note - 9.05</i> )	361,579,904	174,623,391	
UCB International School Project	2,109,559	2,027,559	
Interest Receivable	293,406,643	182,927,585	
Accrued Income	4,008,281	186,557	
Work in Progress	-	2,294,376	
	<u>3,024,358,531</u>	<u>1,813,191,208</u>	
<b>9.01 Suspense Account</b>			
Sundry Debtors	33,760,689	17,557,483	
Advance against TA/DA	905,150	610,810	
Advance against Petty Cash	18,750	32,948	
Advance against Postage	13,636	10,609	
Excise duty	3,305,290	1,781,260	
Advance against BSP/PSP	12,131,937	13,541,587	
Legal Charges	1,000	-	
Protested Bill	3,222,014	3,222,014	
Interest in Sanchay Patra	8,514,826	4,111,188	
Credit Card	2,477,576	-	
	<u>64,350,867</u>	<u>40,867,857</u>	
<b>9.02 Others</b>			
Cash Remittance	1,710,000	4,139,000	
Adjusting Account Debit	1,382,394	1,382,394	
D.D Cancelled	75,000	233,000	
D.D paid without Advice	12,325,984	23,355,152	
Clearing Adjustment Account	10,833,211	8,308,395	
Share Sale Proceed Receivable	229,195	-	
Premium on Treasury Bond	-	5,174,684	
	<u>26,555,784</u>	<u>42,592,605</u>	

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>9.03 Non-Income Generating Other Assets</b>			
Stationery, Stamps & Security Paper		14,590,387	21,324,647
Advance Rent		209,469,698	51,167,996
Stock of Credit Card		1,921,911	2,330,193
Security Deposit		1,143,818	185,568
Advance Deposit		1,955,716	2,071,311
Advance Income Tax Paid		2,043,265,983	1,290,592,583
Suspense Account		64,350,867	40,867,857
Branch Adjustment Account		361,579,904	174,623,391
		<u>2,698,278,284</u>	<u>1,583,163,546</u>
<b>9.04 Movement In Advance Income Tax Paid</b>			
Opening Balance		1,290,592,583	662,758,311
Addition during the year		752,673,400	627,834,272
Adjustment during the year		-	-
Balance held at the end of the year		<u>2,043,265,983</u>	<u>1,290,592,583</u>
<b>Note :</b> Amount of tax advanced during the year 2008 included a sum of Tk. 56,01,95,480 against tax payable for 2007.			
<b>9.04.1 Yearwise Breakdown of Advance Income Tax Paid</b>			
<b>A) Opening Balance as on 1999</b>		221,853,998	221,853,998
2000		49,851,013	49,851,013
2001		51,293,039	51,293,039
2002		61,037,822	61,037,822
2003		129,097,064	129,097,064
2004		187,764,678	187,764,678
2005		383,599,189	383,599,189
2006		518,062,654	518,062,654
2007		627,834,272	627,834,272
2008		<u>752,673,400</u>	-
		<u>2,983,067,129</u>	<u>2,230,393,729</u>
<b>B) Tax Liabilities Adjusted from Advance Tax Paid A/C</b>			
Tax Liability Adjusted for the year 97-2000 in 2002		(208,032,734)	(208,032,734)
Tax Liability Adjusted for the year 95, 96 & 2001 in 2003		(99,351,843)	(99,351,843)
Tax Liability Adjusted for the year 2002, 2003 & 2004 in 2006		<u>(632,416,569)</u>	<u>(632,416,569)</u>
		<u>(939,801,146)</u>	<u>(939,801,146)</u>
<b>Net balance of Advance Tax Paid Account (A + B)</b>		<u>2,043,265,983</u>	<u>1,290,592,583</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

## 9.05 Branch Adjustment Account

This is made up as follows:

	Amount in Taka	
	31-Dec-08	31-Dec-07
Due from Branches	27,619,880,454	17,814,983,136
Due to Branches	<u>27,258,300,550</u>	<u>17,840,359,745</u>
	<b>361,579,904</b>	<b>174,623,391</b>

Branch Adjustment account represents outstanding Inter-branch and Head Office transaction (Net) originated but yet to be responded at the balance sheet date. However, the status of unresponded entries of 31.12.2008 as of 28.02.09 are given below:

Particulars	Debit Entries	Credit Entries		
		Amount	No. of Entries	Amount
Over 3 months upto 6 months	36	12,398,515.81	20	11,438,003.97
Over 6 months upto 9 months	18	5,360,315.78	11	7,928,630.87
Over 9 months upto 1 year	18	375,835.18	9	1,172,681.31
Over 1 year	44	23,759,615.15	35	4,402,263.45
<b>Total</b>	<b>116</b>	<b>41,894,281.90</b>	<b>75</b>	<b>24,941,579.60</b>

## 10.00 Borrowings From Other Banking Companies, Financial Institution, Agents etc.

In Bangladesh	458,306	321,835,385
Out Side Bangladesh	-	-
	<u>458,306</u>	<u>321,835,385</u>
Secured	458,306	321,835,385
Unsecured	-	-
	<u>458,306</u>	<u>321,835,385</u>

### Maturity Grouping of Borrowings from Other Banking Companies, Financial Ins.

Payable on Demand	-	320,000,000
Upto 1 month	458,306	-
Over 1 month upto 6 month	-	1,835,385
Over 6 month upto 1 Year	-	-
Over 1 Year upto 5 Years	-	-
Over 5 Year upto 10 Years	-	-
	<u>458,306</u>	<u>321,835,385</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>11.00</b>	<b>Deposit and Other Accounts</b>		
	<b>Current Deposit &amp; Other Accounts :</b>		
	Current Deposit	3,702,855,530	3,336,766,933
	Sundry Deposits (Note - 11.01)	2,869,892,184	3,311,758,209
	Cash Credit Cr. Balance	118,926,919	83,668,805
	Non-Resident F.C A/c (\$)	272,685,749	3,410,292
	Resident F.C Deposit	10,727,808	3,791,313
	Non-Resident F.C Deposit	15,436,591	158,236,462
		<u>6,990,524,781</u>	<u>6,897,631,814</u>
	<b>Bills Payable :</b>		
	Pay Order	924,298,459	796,149,236
	Demand Draft Payable	98,936,748	88,139,137
	T.T Payable	658,444	191,000
		<u>1,023,893,651</u>	<u>884,479,373</u>
	<b>Savings Deposits &amp; Others Accounts :</b>		
	Savings Bank Deposits	8,860,391,761	8,089,147,075
	Bearer Certificate of Deposit	-	-
		<u>8,860,391,761</u>	<u>8,089,147,075</u>
	<b>Term Deposit :</b>		
	Fixed Deposit	30,106,542,248	20,719,193,936
	Short Term Deposit	5,190,904,284	3,739,030,500
	Staff Security Deposit	2,374,446	2,161,552
	Deposit Pension Scheme	55,083,845	60,567,754
	Monthly Savings Schemes	2,255,551,709	1,803,784,833
		<u>37,610,456,532</u>	<u>26,424,738,575</u>
		<u>54,485,266,725</u>	<u>42,295,996,837</u>
<b>11.01</b>	<b>Sundry Deposits</b>		
	Sundry Creditors	97,938,813	273,202,694
	Security Deposit	80,197,653	91,967,574
	Outward Bill for Collection	8,891,961	8,432,370
	Collection Clearing Adjustment Account	229,301	2,959,520
	Foreign Correspondence Charge	50,838,734	75,649,101
	Exporters Retention Quota	93,951,783	112,312,440
	Cash Assistance to Exporters	806,174	4,924,372
	<b>Margin:</b>		
	Letter of Guarantees	161,167,067	168,033,075
	Letter of Credit	1,978,646,114	2,219,548,990
	Usance Letter of Credit (Normal)	202,349,314	263,037,425
	Inland Bill Purchased	2,918,071	8,862,876
	<b>Due to Government Agencies:</b>		
	Tax at Source	69,638,313	37,128,435
	Value Added Tax (VAT)	16,820,786	10,299,597
	Excise Duty	37,950,863	32,140,456
	Credit Card	65,350,021	-
	Others	3,397,216	3,259,284
		<u>2,869,892,184</u>	<u>3,311,758,209</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

## 11.02 Maturity Grouping of Deposit & Other Accounts

### From Banks :

	31-Dec-08	31-Dec-07
Payable on Demand	-	7,008,301
Upto 1 month	-	-
Over 1 month upto 6 months	-	600,000,000
Over 6 months upto 1 Year	-	-
Over 1 Year upto 5 Years	-	-
Over 5 Years upto 10 Years	-	-
	-	607,008,301

### Other than Bank :

Payable on Demand	5,630,118,685	1,745,861,009
Upto 1 Month	14,247,811,715	4,873,907,290
Over 1 Month upto 6 Months	7,065,450,976	14,045,320,322
Over 6 Months upto 1 Year	17,227,062,052	11,954,958,290
Over 1 Year upto 5 Years	4,713,951,895	5,444,636,532
Over 5 Years upto 10 Years	5,600,871,402	3,624,305,093
	<u>54,485,286,725</u>	<u>41,688,688,536</u>
	<u>54,485,286,725</u>	<u>42,295,996,837</u>

## 12.00 Other Liabilities

Provision for Classified Loans & Advances (Note - 12.01)	793,837,863	825,234,039
Provision for Diminution of Value of Investment (Note - 12.02)	89,892,000	3,552,000
Provision for Classified Fixed Assets (Note - 12.03)	3,972,000	3,972,000
Provision for Classified Other Assets (Note - 12.04)	8,609,000	7,642,000
Provision for unclassified Loans & Advances (Note - 12.05)	310,389,000	302,595,000
Provision for Special Mention Account (Note - 12.06)	11,161,000	27,879,000
Provision for Small & Medium Entp (SME) (Note - 12.07)	102,488,000	87,786,000
Provision for Consumer Finance (Credit Card) (Note - 12.08)	31,060,000	13,059,000
Provision for Off-Balance Sheet Exposure (Note - 12.09)	180,863,000	119,895,000
Provision for Taxation (Current Tax) (Note - 12.10)	2,462,552,980	1,772,686,570
Deferred Tax Liability (Note - 12.11)	12,330,317	3,948,419
Exchange Equalization Fund	8,043,177	8,043,177
Dividend Payable	41,400	41,400
Adjusting Account Credit	10,403,953	5,519,806
Interest Suspense Account (Note - 12.12)	401,170,128	292,947,369
Provision for Incentive Bonus	102,071,902	103,819,805
Interest Payable	1,386,630,931	833,488,425
Accrued Expenses	9,399,706	13,438,890
	<u>5,924,896,357</u>	<u>4,425,527,900</u>

## 12.01 Movement of Provision for Classified Loans & Advance

Opening Balance	825,234,039	738,952,081
Fully Provided Debts Written Off	(854,279,760)	(123,887,497)
Remission Allowed	(514,096)	(1,442,366)
Recoveries from Previously Written Off	8,546,680	127,915,416
Provision made during the year	716,361,000	124,396,799
Transferred from Surplus of Other Provision Heads	99,865,000	22,472,606
Transferred to other Provision Head	(1,175,000)	(63,173,000)
	<u>793,837,863</u>	<u>825,234,039</u>



# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>12.02</b>	<b>Provision for Diminution of Value of Investment</b>		
	Opening Balance	3,552,000	1,825,405
	Surplus Provision Transferred to another Head	(3,552,000)	-
	Provision made during the year	89,892,000	1,726,595
		<u>89,892,000</u>	<u>3,552,000</u>
<b>12.03</b>	<b>Movement of Provision for Classified Fixed Assets</b>		
	Opening Balance	3,972,000	3,972,000
	Surplus Provision Transferred to another Head	-	-
	Provision made during the year	-	-
		<u>3,972,000</u>	<u>3,972,000</u>
<b>12.04</b>	<b>Movement of Provision for Classified Other Assets</b>		
	Opening Balance	7,642,000	4,014,000
	Surplus Provision Transferred to another Head	-	(1,513,606)
	Provision transferred from another Head	-	-
	Provision made during the year from Profit	967,000	5,141,606
		<u>8,609,000</u>	<u>7,642,000</u>
<b>12.05</b>	<b>Movement of Provision for Unclassified Advance</b>		
	Opening Balance	302,595,000	218,637,000
	Surplus Provision Transferred to another Head	(35,732,000)	10,188,394
	Provision Transferred from another Head	-	-
	Provision made during the year	43,506,000	73,769,606
		<u>310,369,000</u>	<u>302,595,000</u>
<b>12.06</b>	<b>Movement of Provision for Special Mention A/c</b>		
	Opening Balance	27,879,000	13,507,000
	Surplus Provision transferred to Other Provision Head	(21,159,000)	(20,969,000)
	Surplus Provision transferred from another Head	-	35,331,000
	Provision made during the year	4,441,000	-
		<u>11,161,000</u>	<u>27,879,000</u>
<b>12.07</b>	<b>Movement of Provision for Small &amp; Medium Enterprise (SME)</b>		
	Opening Balance	87,786,000	54,558,000
	Surplus Provision Transferred to Other Provision Head	(21,471,000)	-
	Provision Transferred from another Head	-	-
	Provision made during the year	36,173,000	33,228,000
		<u>102,488,000</u>	<u>87,786,000</u>
<b>12.08</b>	<b>Provision for Consumer Finance (Credit Card)</b>		
	Opening Balance	13,059,000	3,563,000
	Surplus Provision transferred to Other Provision Head	-	-
	Provision Transferred from another Head	-	-
	Provision made during the year	18,001,000	9,496,000
		<u>31,060,000</u>	<u>13,059,000</u>
<b>12.09</b>	<b>Provision for Off-Balance Sheet Exposure</b>		
	Opening Balance	119,895,000	-
	Surplus Provision Transferred to Other Provision Head	(17,751,000)	-
	Provision Transferred from other provision head	1,175,000	-
	Provision made during the year	77,544,000	119,895,000
		<u>180,863,000</u>	<u>119,895,000</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>12.10 Movement of Provision for Taxation</b>			
Opening Balance	1,772,666,570	919,952,625	
Addition during the year	689,886,410	852,713,945	
Adjustment during the year	-	-	
Less : Excess provision	-	-	
<b>Balance held at the end of the year</b>	<b>2,462,552,980</b>	<b>1,772,666,570</b>	
<b>12.11 Deferred Tax Liability</b>			
Opening Balance	3,948,419	3,948,419	
Addition during the year	8,381,898	-	
<b>Balance held at the end of the year</b>	<b>12,330,317</b>	<b>3,948,419</b>	
<b>12.12 Interest Suspense Account</b>			
Opening balance	292,947,369	219,507,580	
Amount transferred to interest suspense account during the year	274,763,290	167,353,092	
Amount recovered from interest suspense account during the year	(89,850,032)	(73,672,474)	
Amount written off during the year	(76,890,499)	(20,240,829)	
	<b>401,170,128</b>	<b>292,947,369</b>	
<b>13.00 Share Capital</b>			
<b>13.01 Authorized Capital</b>			
10,000,000 ordinary shares of Tk 100 each	<b>1,000,000,000</b>	<b>1,000,000,000</b>	
<b>13.02 Issued Subscribed and Fully paid up Capital</b>			
The issued, subscribed and paid up capital amounts to 2,992,049 share @ Tk. 100 each	<b>299,204,890</b>	<b>299,204,890</b>	

## Break up of Issued Subscribed and paid up Capital

Particulars	2007			
	No. of share holders	No of Shares	Amount in Taka	%
Sponsors/Promoters	46	1,297,082	129,706,230	43.35
General Public (Including NRBs)	7,452	1,508,632	150,863,200	50.42
Govt. of Peoples Republic of B'desh	1	186,355	18,635,460	6.23
<b>Total</b>	<b>7,499</b>	<b>2,992,049</b>	<b>299,204,890</b>	<b>100.00</b>

Particulars	2008			
	No. of share holders	No of Shares	Amount in Taka	%
Sponsors/Promoters	56	1,333,108	133,310,790	44.56
General Public (Including NRBs)	10,280	1,472,771	147,277,100	49.22
Govt. of Peoples Republic of B'desh	1	186,170	18,617,000	6.22
<b>Total</b>	<b>10,337</b>	<b>2,992,049</b>	<b>299,204,890</b>	<b>100.00</b>

# Notes to the Financial Statements

For the year ended 31 December 2008

## 13.03 Shareholding Range on the basis of Shareholdings as on 31 December 2008

Shareholding range	Number of Sharehold	Number of Shares	Value of Shares (Fig in Taka)	% of Total Shares
Upto 500 Shares	10,064	760,126	76,012,600	25.40
501 to 5000 Shares	201	304,818	30,481,800	10.19
5001 to 10,000 Shares	25	169,860	16,986,000	5.67
10,001 to 20,000 Shares	19	263,678	26,367,800	8.81
20,001 to 30,000 Shares	7	174,631	17,463,100	5.84
30,001 to 40,000 Shares	9	316,134	31,613,400	10.57
40,001 to 50,000 Shares	3	131,466	13,146,600	4.39
50,001 to 100,000 Shares	5	284,494	28,449,400	9.51
100,001 & above	4	587,042	58,704,200	19.82
<b>Total</b>	<b>10,337</b>	<b>2,992,049</b>	<b>299,294,900</b>	<b>100.00</b>

Pending AGM's for the accounting year ended 31 December 2002, 2003 and 2004 were held as per Hon'ble Company Judge of High Court Division of the Supreme Court of Bangladesh on 10 January 2008 at Officers Club, Baily Road, and AGM for the year 2005 was held on 31 January 2008 at Hotel Sonargaon, Dhaka without transaction of agenda in respect of proposed dividends due to restriction imposed by Hon'ble High Court.

Further, the Hon'ble High Court in its order dated 31.07.2008 ordered the Bank to hold, with afresh balance sheet, its 20th, 21st, 22nd and 23rd AGMs for the accounting year ended 31 December 2002, 2003, 2004 and 2005 by 30.09.2008.

As per Judgement and order dated 31.07.2008 passed by the Hon'ble Company Judge of the High Court Division of the Supreme Court of Bangladesh, the Board of Directors of United Commercial Bank Ltd. in its 266th meeting held on 04.08.2008 decided to hold 24th and 25th AGM for the accounting year ended 31.12.2006 and 31.12.2007 respectively on 25.09.2008.

In compliance to court order dated 31.07.2008, the Bank called to hold AGM for 31.12.2002 to 31.12.2006 on 17.08.2008. But due to leave to appeal filed against the court order Nos. PC 1472/2008, 1473/2008 and 1531/2008 the Appellate Division of Hon'ble Supreme Court passed an order of injunction over holding of 20th, 21st and 22nd AGMs for 31.12.2002, 31.12.2003 and 31.12.2004. As such, 20th, 21st, 22nd and 23rd AGMs scheduled to be held on 17.08.2008 have been postponed and the holding of 24th and 25th AGMs for 31.12.2006 and 31.12.2007 could not be held.

However year wise breakdown of the proposed dividend in the form of bonus shares for the year ended 31 December 2002 to 2007 are shown below :

Accounting Year Ended	% of Stock Dividend	Remarks
2002, 2003 & 2004	90%	Accumulated
2005	50%	
2006	40%	
2007	50%	

# Notes to the Financial Statements

For the year ended 31 December 2008

## 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 08 January 1996, 16 November 1996, 24 November 2002, 19 February 2007 and 14 May 2007 respectively, required capital of the Bank at the close of business on 31 December 2008 was Taka 4,624,715,527 as against available core capital of Taka 3,901,968,973 and supplementary capital of Taka 878,406,236 making a total capital of Taka 4,780,375,210 thereby showing a surplus of capital of Taka 155,659,682 at that date.

	Amount in Taka	
	31-Dec-08	31-Dec-07
Details are shown below :		
<b>Core Capital ( Tier-1 ) :</b>		
Paid-up Capital	299,204,890	299,204,890
Statutory Reserve	1,524,962,504	1,232,359,718
General Reserve	363,563,302	363,563,302
Retained Earning	1,714,238,277	1,242,095,494
Profit & Loss Account	-	-
	<u>3,901,968,973</u>	<u>3,137,223,404</u>
<b>Supplementary Capital (Tier-2) :</b>		
General Provision	635,941,000	551,214,000
Exchange Equalisation Account	8,043,177	8,043,177
Assets Revaluation Reserve (Note - a)	228,248,279	-
Revaluation Reserve of Govt. Securities (Note - b)	6,173,780	-
	<u>878,406,236</u>	<u>559,257,177</u>
<b>A) Total Capital</b>	<u><b>4,780,375,209</b></u>	<u><b>3,696,480,581</b></u>
Risk Weighted Assets	<u>46,247,155,272</u>	<u>39,846,113,680</u>
<b>B) Required Capital ( 10% on RWA of 2008)</b>	<u><b>4,624,715,527</b></u>	<u><b>3,984,611,368</b></u>
<b>Capital Surplus/(Shortfall) (A -B)</b>	<u><b>155,659,682</b></u>	<u><b>(288,130,787)</b></u>

### Note :

- a) This represents 50% of the value increased due to revaluation of bank's land property.

A sum of Tk. 45,649,559 is increased due to revaluation but as per guideline of BRPD Circular # 10 dated 24 November 2002, 50% of the increased value i.e. Tk. 228,248,279 has been included as a component of Tier-2 capital.

The revaluation work was done by Padma Techno Consult & Survey Ltd. (Report date 19.03.2008).

- b) This represents 50% of the value increased due to revaluation of Banks HTM Securities.

As per Bangladesh Bank's instruction (BRPD Circulars # 03, dated 12 March 2008) upto 50% of revaluation reserves on HTM securities amounting to Tk. 6,173,780 (i.e. 50% of Tk. 12,347,561) has been considered as Supplementary Capital.

### Capital Adequacy Ratio

On Core Capital - against Standard of Minimum 5%  
 On Supplementary Capital - against Standard of Minimum 5%  
 On Total Capital - against Standard of Minimum 10%

8.44	7.87
1.90	1.40
<b>10.34</b>	<b>9.27</b>

# Notes to the Financial Statements

For the year ended 31 December 2008

## 13.05 Computation of Risk Weighted Assets

Particulars	Balance as at 31 December 2008	Risk weighted Factor	Risk Weighted Balance as at 31 December 2008
<b>Cash in Hand and at Banks</b>			
a Cash in Hand and Balance with Banks			
b Balances with Other Financial Institutions-Private	50,000,000	20%	10,000,000
<b>Money at Call and on Short Notice</b>			
a. Other Financial Institutions - Private	-	20%	-
<b>Export and Foreign Bill</b>			
a. Other Foreign Bill	587,758,548	50%	293,879,274
<b>Import and Inland Bills</b>			
a Major Non Financial Public Enterprise	-	50%	-
b Private Sector	2,789,814,681	100%	2,789,814,681
<b>Advances</b>			
a Other Financial Institutions			
b Other Financial Institutions Private	652,930,110	50%	326,465,055
c Private Sector	36,693,016,716	100%	36,693,016,716
<b>Investment</b>			
a Other Financial Institutions			
(1) Other Financial Institutions - Public	45,000,000	20%	9,000,000
(2) Other Financial Institutions - Private	949,287,450	50%	474,643,725
<b>Other Assets:</b>			
a Contingent assets as per contra	10,298,925,192	50%	5,149,462,596
b Fixed assets	995,216,450	50%	497,608,225
c Others	3,265,000	100%	3,265,000
<b>Total Risk Weighted Assets</b>	<b>53,065,214,147</b>		<b>48,247,155,272</b>

## 13.06 Assets Revaluation Reserve

In terms of Bangladesh Accounting Standard (BAS) 16, 'Property, Plant & Equipment' and instruction contained in BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank were revalued as at 23.02.2008 by Padma Techno Consult & Survey Ltd. an independent professionally qualified valuation firm of the country based on market survey. Accordingly, revaluation surplus of Tk. 456,496,559 for land has been included as asset revaluation reserve at reporting date as follows:

Opening Balance (01.01.2008)	-	-
Add: Reserve made for the year	456,496,559	-
<b>Closing Balance (31.12.2008)</b>	<b>456,496,559</b>	<b>-</b>

This revaluation surplus cannot be distributed as dividend. Had the property been carried under cost model, it would be valued at Tk. 107,369,441.

## 13.07 Revaluation Reserve

HTM Securities (Notes 13.07.1)	12,347,561	-
HFT Securities (Notes 13.07.2)	13,430,005	-
	<b>25,777,566</b>	<b>-</b>

As per the DOS Circular Letter # 05 dated 26 May 2008, HFT securities are revalued on weekly basis and HTM securities are amortized on yearly basis.

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>13.07.1 Revaluation Reserve on HTM Securities</b>			
Discount Income on Treasury bonds were previously recognized as income using day count basis upto 2007. At the end of 2008 such bonds were amortized as per Bangladesh Bank Circular Letter # DOS - 5 dated 26 May 2008. The resulted net amortization gain of Tk. 12,347,561 as on 31.12.2008 has been credited to revaluation reserve.			
<b>13.07.2 Revaluation Reserve on HFT Securities</b>			
Balance as at 01 January 2008	-	-	
Gain from Revaluation on Investment	13,430,005	-	
Loss on Revaluation on Investment	-	-	
<b>Balance as at 31 December 2008</b>	<b>13,430,005</b>	<b>-</b>	
<b>14.00 Statutory Reserve</b>			
As per section 24(1) of the Banking companies act 1991, an amount equivalent to 20% of the profit before taxes for the year has been transferred to the statutory reserve fund as under:			
Opening Balance	1,232,359,718	898,792,231	
Add : Transferred during the year	292,602,786	333,567,487	
Less : Adjustment during the year	-	-	
<b>Closing Balance</b>	<b>1,524,962,504</b>	<b>1,232,359,718</b>	
<b>15.00 General Reserve</b>			
Opening Balance	363,563,302	363,563,302	
Add: Transferred during for the year	-	-	
<b>Closing balance</b>	<b>363,563,302</b>	<b>363,563,302</b>	
<b>16.00 Retained Earning</b>			
Opening Balance	1,242,095,494	829,586,776	
Less Adjustment during the year	-	(69,047,283)	
Add: Transferred during the year	472,142,784	815,123,487	
Less. Transferred to Statutory Reserve	-	(333,567,487)	
	<b>1,714,238,278</b>	<b>1,242,095,494</b>	
<b>17.00 Contingent Liabilities &amp; Commitment</b>			
a) Directors	-	-	
b) Government	1,151,813,545	801,378,337	
c) Bank & Other Financial Institution	603,301,056	278,895,490	
d) Others	16,330,881,009	23,082,482,544	
	<b>18,085,795,609</b>	<b>24,162,756,371</b>	
<b>17.01 Acceptances &amp; Endorsements</b>			
Bankers Liabilities for Accepted Bills	3,125,370,575	2,603,453,059	
Bankers Liabilities for Accepted Bills B.B	6,906,845,698	6,477,615,268	
	<b>10,032,216,273</b>	<b>9,081,068,327</b>	

There are 38 number of suits for value of Tk. 164,96,74,326.63 filed against the Bank upto 31.12.2008 out of which 10 number of suits for suit value Tk. 43,12,75,205.70 were already dismissed in favour of Bank. At present 28 number of suits with suit value for Tk. 121,85,99,120.93 are pending against the Bank.

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-09	31-Dec-08
<b>18.00</b>	<b>Interest Income</b>		
	Interest on Loans and Advances (Note - 18.01)	5,561,559,592	4,080,500,887
	Interest on Balances with Other Bank & Fin Ins. (Note - 18.02)	157,384,025	214,961,398
	Interest on balance with foreign Bank (Note - 18.03)	30,085,024	59,272,467
	Penal Interest (Note - 18.04)	265,028	900
		<u>5,749,293,669</u>	<u>4,354,735,652</u>
<b>18.01</b>	<b>Interest on Loans and Advances</b>		
	Loan General	72,171,168	94,368,102
	Staff Car Loan	46,410	-
	Personal Credit Scheme	7,137,549	9,652,474
	Transport Loan	39,485,152	28,505,483
	Project Loan	1,225,055,092	767,062,244
	House Building Loan ( HBL )	189,846,505	142,149,808
	House Building Loan ( STAFF )	19,803,314	4,853,112
	PAD ( CASH )	149,538,761	120,287,663
	PAD ( EDF )	54,400,013	24,957,422
	LIM	80,477,074	129,849,105
	Loan against Trust Receipt( LTR )	1,253,485,339	728,322,522
	Past Due Bills ( PDB )	120,544,257	151,397,776
	Packing Credit	39,112,798	28,648,583
	Foreign Bill Purchased ( FBP )	44,450,163	40,182,898
	Inland Bill Purchased ( IBP )	244,694,534	243,227,392
	Accepted Imported Bill	11,710	-
	Loan to Leasing Company	42,482,115	25,888,720
	Overdrafts	803,834,751	589,507,836
	Cash Credits	1,063,361,088	911,687,687
	Loan against Credit Card (Local)	87,521,635	28,924,237
	Loan against Credit Card (International)	24,300,064	9,827,723
		<u>5,561,559,592</u>	<u>4,080,500,887</u>
<b>18.02</b>	<b>Interest on Balances with Other Bank &amp; Financial Institutions</b>		
	Call Loans	60,615,058	22,919,096
	Balance with Other Bank	96,768,969	192,042,302
		<u>157,384,025</u>	<u>214,961,398</u>
<b>18.03</b>	<b>Interest on Balance with Foreign Bank</b>		
	F.C held in Abroad	-	36,309
	Regular Fund in Abroad	30,085,024	59,236,158
		<u>30,085,024</u>	<u>59,272,467</u>
<b>18.04</b>	<b>Penal Interest</b>		
	Penal Interest on FDR	1,863	900
	Penal Interest on M.S.S	40,886	-
	Penal Interest on D.P.S	222,279	-
		<u>265,028</u>	<u>900</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-09	31-Dec-08
<b>19.00</b>	<b>Interest paid on Deposits Borrowings etc.</b>		
	Interest on Deposit (Note - 19.01)	3,692,338,263	2,703,094,844
	Interest paid on Borrowing (Note - 19.02)	48,427,440	23,935,308
	Interest on Deposit of Foreign Bank	-	-
		<u>3,740,765,703</u>	<u>2,727,030,152</u>
<b>19.01</b>	<b>Interest paid on Deposit</b>		
	Savings Bank Deposits	390,042,485	372,602,268
	Fixed Deposits	2,961,833,878	2,048,860,860
	Short Term Deposits	128,938,024	111,361,242
	Staff Security Deposits	142,467	53,472
	Deposit Pension Scheme	8,689,934	10,790,359
	Monthly Savings Scheme	201,237,157	159,362,815
	FCAD	122,985	63,828
	Others	1,351,333	-
		<u>3,692,338,263</u>	<u>2,703,094,844</u>
<b>19.02</b>	<b>Interest paid on Borrowing</b>		
	Borrowing from Other Bank	48,222,078	23,661,636
	Borrowing from B.Bank under ADB	54,271	201,761
	Overdraft in Foreign Bank	151,091	71,911
		<u>48,427,440</u>	<u>23,935,308</u>
<b>20.00</b>	<b>Income from Investment</b>		
	Interest Income from Investment (Note - 20.01)	557,140,174	430,099,553
	Non Interest Income from Investment (Note - 20.02)	113,560,315	12,204,459
		<u>670,700,489</u>	<u>442,304,012</u>
<b>20.01</b>	<b>Interest Income from Investment</b>		
	Treasury Bills (Government Securities)	1,651,559	151,996,843
	Government Treasury Bond	552,136,629	270,724,777
	Bangladesh Bank Bill	-	1,863,446
	Debenture	1,976,986	1,976,986
	Interest on Reverse Repo	1,375,000	3,537,501
		<u>557,140,174</u>	<u>430,099,553</u>
<b>20.02</b>	<b>Non Interest Income from Investment</b>		
	Dividend on Shares	35,015,558	9,856,476
	Gain on Sale of Shares	61,124,994	2,336,780
	Gain on Sale/Purchase of Securities	17,374,763	11,223
	Prize Money on Prize Bond	45,000	-
		<u>113,560,315</u>	<u>12,204,459</u>
	<b>Total Income from Investment</b>	<u>670,700,489</u>	<u>442,304,012</u>
<b>20.02.1</b>	<b>Gain on Sale of Shares</b>		
	Gain on Sale of Shares	61,124,994	2,336,780
	Less : Loss on Sale of Shares	-	-
		<u>61,124,994</u>	<u>2,336,780</u>



# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>21.00</b>	<b>Commission/Fees, Exchange &amp; Brokerage</b>		
	Commission (Note - 21.01)	552,848,807	592,232,010
	Fees (Note - 21.02)	81,326,695	39,221,535
	Exchange Earning (Note - 21.03)	501,741,984	336,559,690
	Brokerage (Note - 21.04)	-	-
		<b>1,135,917,486</b>	<b>968,013,235</b>
<b>21.01</b>	<b>Commission</b>		
	Remittance Inland	52,107,866	51,785,128
	Remittance Foreign	4,740,341	2,619,343
	L/G Inland	41,851,438	32,958,459
	L/G Foreign	-	70,948
	L/C Inland	-	5,435,322
	L/C Cash	145,462,398	173,278,503
	L/C Deferred	16,137,952	23,248,017
	L/C Back to Back	114,752,944	102,351,486
	Payment against Document ( PAD )	1,535,220	200,943
	Commission for Service Rendered to Issue of Share	206,825	-
	Commission on BSP / PSP	549,971	733,402
	Commission on LTR	-	822,715
	Commission on Accepted Imported Bill	126,072,796	113,968,322
	Exchange Comm. & Rebate	35,814,816	27,558,410
	Bills Purchased Inland	3,845,999	7,401,888
	Commission on Lottery Ticket	20,610	52,825
	Commission on IBC & Others	16,098	145,106
	Commission & Fee from Online Transaction	9,441,844	-
	Discount on Bill/Bond	284,284	49,601,193
	Clearance	7,625	-
		<b>552,848,807</b>	<b>592,232,010</b>
<b>21.02</b>	<b>Fees</b>		
	Appraisal Fees	849,500	3,119,780
	L/C Advising Charge	10,361,497	5,841,800
	<b>Credit Card -Local</b>		
	Annual Fees on Credit Card	22,327,790	12,096,606
	Reimbursement Fees	5,065,108	2,493,282
	Cash Advance Fees	8,876,159	4,057,372
	Pin Reissue Fees	95,991	4,500
	Late Payment Fees	9,670,900	3,507,059
	Excess Over Limit Fees	4,140,900	1,222,520
	Statement Retrieval Fees	44,600	8,450
	SMS Registration Fees	742,550	527,900
	Cheque Book Issue Fee	538,300	-
	Cheque Processing Fee	1,234,071	-
	<b>Credit Card -International :</b>		
	Reimbursement Fees	3,283,629	1,650,150
	Cash Advance Fees	1,075,946	768,602
	Pin Reissue Fees	36,094	16,670
	Late Payment Fees	4,616,827	2,267,498
	Excess Overlimit Fees	714,819	285,671
	Mark Up	5,103,589	-
	Optional Reissue Fees	2,548,425	1,353,675
		<b>81,326,695</b>	<b>39,221,535</b>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>21.03</b>	<b>Exchange</b>		
	Exchange Earning (General)	501,813,481	358,591,476
	Exchange ( Dealing Room )	-	-
		501,813,481	358,591,476
	Less : Exchange Loss (General)	(71,517)	(22,031,786)
	Less : Exchange Loss (D.Room)	-	-
		<u>501,741,964</u>	<u>336,559,690</u>
<b>21.04</b>	<b>Brokerage :</b>		
	Note : No dealing of foreign exchange for trading purpose was made during the year 2008		
<b>22.00</b>	<b>Other Operating Income</b>		
	Locker	1,360,960	893,500
	Godown Rent	2,092,874	1,954,425
	Gain on Sale of Assets (Note 22.01)	-	585,981
	Miscellaneous Earning	88,669,562	71,936,090
	Premises Rent	977,400	977,400
	Insurance Charges Recoveries	1,195,538	1,055,179
	Postage Recoveries	21,789,901	19,421,382
	TLX/TP/Telegram Recoveries	8,729,489	11,792,184
	Trunk Call Recoveries	485,831	1,476,370
	Legal Charges Recoveries	177,718	716,270
	Incidental Charges Recoveries	98,694,850	117,064,380
	Swift Charges	30,961,849	29,367,110
	On Line Recoveries	-	967,800
	Handling Charge on LIM	3,460,064	6,805,039
	Handling Charge on LTR	13,823,191	8,546,963
	Handling Charge on EOL	12,965,370	7,251,429
	Other income on Credit Card	9,111,741	5,740,548
		<u>294,298,118</u>	<u>286,452,848</u>
<b>22.01</b>	<b>Gain on Sale of Assets</b>	-	1,002,726
	Less : Loss on Sale of Assets	-	(416,745)
		<u>-</u>	<u>585,981</u>
<b>23.00</b>	<b>Salaries and Allowances</b>		
	Basic Salary	461,420,164	409,826,908
	Salary of Casual Labour	72,520,004	70,756,549
	Festival Bonus	74,536,479	68,680,240
	Incentive Bonus	100,000,000	103,400,418
	House Rent Allowances	183,309,977	182,455,469
	Provident Fund	42,178,724	38,978,535
	Gratuity	172,000,000	36,000,000
	Other Allowances (Note 23.01)	26,181,458	23,792,834
		<u>1,132,146,806</u>	<u>913,890,953</u>
<b>23.01</b>	<b>Other Allowances</b>		
	Conveyance Allowances	15,732,565	14,655,984
	Entertainment Allowance	3,953,109	3,014,964
	Cash Risk Allowance	5,834,244	5,783,999
	Risk Allowance	359,217	53,887
	Others	302,323	284,000
		<u>26,181,458</u>	<u>23,792,834</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>24.00</b>	<b>Rent, Rates, Taxes, Insurance, Lighting etc.</b>		
	Rent – Office	54,792,292	49,405,480
	Rent – Godowns	3,847,026	3,577,467
	Rent – Residence	-	7,905
	Rent – Garage	73,100	126,087
	Rent, Rates & Taxes	2,242,440	2,045,369
	Rent, Rates & Taxes (VAT)	1,705,301	525,583
	Rent Machine	-	1,500
	Lease Rental-Car	3,147,340	2,463,840
	Lease rental-Other Equipments	436,800	436,800
	Other Rental Charges	1,416,611	578,077
	Insurance Charge	27,336,370	20,472,637
	Group Insurance Premium	1,405,839	1,519,251
	Light & Power – Office	17,455,182	16,133,294
	Light Power – Residence	3,247,409	3,115,977
	Water – Office	1,055,214	701,826
	Water – Residence	1,193,666	958,941
	Gas – Office	401,481	278,239
	Gas- Residence	1,272,258	1,191,169
		<u>121,028,339</u>	<u>103,539,442</u>
<b>25.00</b>	<b>Legal Expenses</b>		
	Professional Fees	8,301,186	3,522,366
	Other Legal Charges	2,164,654	1,895,068
	Stamp, Power of Attorney & Notary Public	84,191	14,635
		<u>10,550,031</u>	<u>5,432,069</u>
<b>26.00</b>	<b>Postage, Stamp, Telegram, Telephone, Etc</b>		
	Postage	4,489,947	4,066,186
	Telegram/Telex/TP	218,779	66,565
	Telephone/Trunk Call Office	12,173,751	15,089,655
	Telephone/Trunk Call Residence	2,187,302	2,891,940
	Router	1,287,648	1,239,847
	Swift	5,636,545	5,739,348
	Internet	2,095,122	3,088,445
	Online Connectivity Charge	6,679,141	2,805,350
		<u>34,768,235</u>	<u>34,787,336</u>
	<b>Audit Fees</b>	<u>225,000</u>	<u>200,000</u>
<b>27.00</b>	<b>Stationery, Printing &amp; Advertisement</b>		
	Stationery – Security	2,275,045	1,592,487
	Stationery – Petty.	11,864,555	9,953,419
	Stationery – Office	24,391,865	13,492,322
		<u>38,531,465</u>	<u>25,038,228</u>
	<b>Advertisement :</b>		
	News Paper	9,546,991	6,264,926
	Magazine	1,083,450	844,200
	Misc. Advertisement	3,265,650	1,340,275
	Hoarding & Neonsign	190,035	320,500
	Advertisement : Television	28,662,457	22,687,733
	Radio	161,786	-
		<u>42,910,349</u>	<u>31,457,634</u>
		<u>81,441,814</u>	<u>56,495,862</u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>28.00</b>	<b>Chief Executive's Salary including Other Fees</b>		
	Basic Salary	3,636,559	2,400,000
	Festival Bonus	1,000,000	400,000
	Incentive Bonus	-	600,000
	House Rent Allowances	780,645	600,000
	Other Fees	28,000	84,000
		<u>5,345,204</u>	<u>4,084,000</u>
<b>29.00</b>	<b>Directors Fees &amp; Other Expenses</b>		
	Honorarium	1,570,000	816,000
	Other Financial Benefits (Travelling Directors)	2,014,325	829,141
		<u>3,584,325</u>	<u>1,645,141</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 Property & Assets**

<b>30.01</b>	<b>Depreciation</b>		
	Furniture/Fixture	15,573,991	11,041,303
	Vehicles	7,794,578	9,838,638
	Office Equipments	23,980,535	12,953,408
	Computer & Equipments	12,474,256	15,935,914
	Computer Software	7,963,802	4,881,135
	Immovable Property (Building)	<u>2,218,334</u>	<u>2,427,388</u>
		<u>70,005,496</u>	<u>57,077,786</u>
<b>30.02</b>	<b>Repair Renovation &amp; Maintenance</b>		
	Furniture /Fixture	1,042,438	1,154,574
	Vehicles	9,405,150	4,836,046
	Machine & Equipment's	2,425,738	2,618,498
	Renovation & Maintenance	6,384,478	4,535,322
	Premises	2,127,254	360
	Machine & Equipment's & Swift	3,282,229	2,978,267
	Computer Software	-	318,254
		<u>24,667,287</u>	<u>16,441,321</u>
		<u><b>94,672,783</b></u>	<u><b>73,519,107</b></u>

# Notes to the Financial Statements

For the year ended 31 December 2008

		Amount in Taka	
		31-Dec-08	31-Dec-07
<b>31.00 Other Expenses</b>			
Entertainment	16,213,998	6,678,454	
Petrol, Oil Lubricant	34,457,504	25,918,281	
Subscription	3,213,362	3,594,720	
Donation	3,673,630	12,005,400	
Travelling	12,734,162	10,641,361	
Cartage and Freight	1,511,929	1,473,208	
Hon. General	80,000	156,080	
Hon. B. Diploma	2,000	-	
Liveries & Uniforms	870,659	1,088,977	
Business Development	13,238,827	50,000	
Cash Carrying Charges	8,600	299,108	
Medical Expenses	20,865,345	19,352,813	
Car Expenses	16,974,869	11,291,854	
Loss on Sale of Fixed Assets (Note - 31.01)	407,223	-	
Write Off of Assets	3,641,418	430,854	
Remittance Charges	100,510	89,057	
Foreign Bank Charges	1,168,628	616,374	
Commission on Purchase /Sales of Shares	-	632,422	
Consultancy Fees (Engineering)	20,000	410,000	
Consultancy Fees (Construction)	292,000	1,052,500	
Visa Card	24,516,455	8,910,483	
Conference Expenses	2,116,868	242,918	
Training /Seminar	1,164,764	378,045	
Evening/Holiday Banking	469,050	483,580	
Internship Expenses	-	18,750	
Miscellaneous Expenses (Note - 31.02)	18,038,823	7,230,214	
	<b>175,780,624</b>	<b>113,043,453</b>	
<b>31.01 Loss on Sale of Fixed Assets</b>			
Gain on Sale of Fixed Assets	402,406	-	
Loss on Sale of Fixed Assets	(809,629)	-	
	<b>(407,223)</b>	<b>-</b>	
<b>31.02 Miscellaneous Expenses</b>			
	311,799	287,124	
Laundry & Cleaning	59,036	100,227	
Photographs	6,048,322	6,842,863	
Sundry	2,744,949	-	
CDBL Charges	8,874,717	-	
Statutory Meeting Expenses	<b>18,038,823</b>	<b>7,230,214</b>	
<b>32.00 Provision For Loans &amp; Advances</b>			
	715,186,000	124,396,789	
Classified Advances	43,506,000	73,769,606	
Unclassified Advances	4,441,000	-	
Special Mention Account (SMA)	36,173,000	23,488,000	
Special Mention Account (SME)	18,001,000	6,724,000	
Consumer Finance (Credit Card)	<b>817,307,000</b>	<b>228,378,405</b>	
<b>Provision for Diminution of Investment (Annexure - E)</b>	<b>89,892,000</b>	<b>1,726,595</b>	

# Notes to the Financial Statements

For the year ended 31 December 2008

## 33.00 Other Provision

Provision for Other Assets  
Provision for Off-Balance Sheet Exposure

Amount in Taka	
31-Dec-08	31-Dec-07
967,000	-
78,719,000	119,895,000
<u>79,686,000</u>	<u>119,895,000</u>

### Provision for Off-Balance Sheet Exposure

As per BRPD Circular No. 10 dated September 18, 2007, general provision @ 1.00% is required to be maintained against off balance sheet exposures, converted into funded facilities. Hence Tk. 78,719,000 has been provided as provision for off balance sheet items.

## 34.00 Provision for Taxation

Current Tax (Note - 34.01)  
Deferred Tax

689,886,410	852,713,945
<u>8,381,898</u>	<u>-</u>
<u>698,268,308</u>	<u>852,713,945</u>

## 34.01 Provision for Current Tax

Provision for corporate tax in respect of the year 2008 (Assessment Year 2009-2010) has been made as per estimate of the bank's consultant for Tk. 689,886,410.

Year wise assessment status as on 31 December 2008 :

Financial Year	Assessment Year	Net Profit as per Accounts	% of Income Tax	Tax provision made by Bank	Assessment as per Tax Authority	Excess Provision/ (Short Provision)	Remarks
<b>Under Assessment</b>							
2005	2006-2007	852,454,013	45%	430,702,971	Yet to be received		Assessment under process of finalisation at DCT Level.
2006	2007-2008	1,058,464,909	45%	477,707,978	616,765,004	(139,057,026)	Return submitted under appeal.
2007	2008-2009	1,667,837,432	45%	852,713,945	Yet to be received		Return submitted. Assessment under process.
2008	2009-2010	1,463,013,878	45%	689,886,410	Not submitted		Return to be submitted

## 35.00 Earning Per Share

Net Profit after Tax  
Number of Ordinary Shares  
Earning Per Share (EPS)

764,745,570	815,123,487
<u>2,982,049</u>	<u>2,982,048.94</u>
<u>255.59</u>	<u>272.43</u>

# Balance with Nostro Accounts

As on 31 December 2008

Name of the Bank	Name of The City	Currency Name	2008			2007		
			Amount in FC	Conv.rate	Amount in BOT	Amount in FC	Conv.rate per unit of F.C	Amount in BOT
AMERICAN EXPRESS BANK LTD.	NEW YORK	USD	1,134,175.98	88.93	76,184,306	428,273.61	88.69	29,415,973
AMERICAN EXPRESS BANK LTD.	KOLKATA	USD	(802.66)	88.93	(41,544)	11,526.33	88.69	791,868
STANDARD CHARTERED BANK	NEW YORK	USD	1,296,071.07	88.93	89,344,530	1,996.89	88.69	134,408
STANDARD CHARTERED BANK	KOLKATA	USD	(102,576.37)	88.93	(7,071,230)	17,321.86	88.69	1,203,488
HSBC	NEW YORK	USD	291,111.70	88.93	20,067,756	1,582,678.01	88.69	106,688,821
HSBC	KARACHI	USD	(182,749.62)	88.93	(10,529,730)	1,083.51	88.69	73,047
HSBC	MUMBAI	USD	138,999.85	88.93	9,894,367	100,270.26	88.69	6,897,063
HSBC	LONDON	GBP	677.72	99.34	67,328	127,999.40	137.24	17,561,148
COMMERZ BANK AG	FRANKFURT	USD	190.65	88.93	13,349	200,243.31	88.69	13,753,712
COMMERZ BANK AG	FRANKFURT	EUR	963,381.87	97.00	93,446,307	20.34	101.67	2,066
BANK OF CREDIT & COMM. INTL.	NEW YORK	USD	62,388.68	88.93	3,680,830	62,388.68	99.00	3,680,831
BANK OF CREDIT & COMM. INTL.	LONDON	GBP	442.06	99.34	35,365	442.06	90.00	35,365
BANK OF CREDIT & COMM. INTL.	TOKYO	YEN	160,000.00	0.62	99,192	160,000.00	0.62	99,192
JP MORGAN CHASE BANK	NEW YORK	USD	1,267,554.47	88.93	89,446,788	813,335.30	88.69	62,732,435
MASHREQ BANK PSC	NEW YORK	USD	99,397.30	88.93	6,861,837	194,629.88	88.69	13,366,153
CITI BANK NA	NEW YORK	USD	1,886,909.20	88.93	130,073,897	1,018,707.06	88.69	69,969,896
PEOPLE'S BANK	COLOMBO	USD	896.70	88.93	43,891	4,011.06	88.69	275,500
TORONTO DOMINION BANK	TORONTO	CAD	34,170.78	56.52	1,931,417	6,211.67	70.13	435,606
BANK OF NOVA SCOTIA	TORONTO	CAD	33,287.80	56.52	1,881,498	2,810.96	70.13	197,123
BANK OF TOKYO-MITSUBISHI LTD	TOKYO	YEN	(5,125,422.00)	0.78	(3,913,260)	1,978,599	0.61	1,211,062
LOYD'S TSB BANK PLC	LONDON	GBP	6,679.70	99.34	663,641	126,248.04	137.24	17,320,281
BANK OF BHUTAN	BHUTAN	USD	(18,201.45)	88.93	(1,254,715)	5,036.55	88.69	345,935
STATE BANK OF INDIA	KOLKATA	USD	2,781.17	88.93	191,720	2,781.17	88.69	191,628
ARAB BANK BANGLADESH BANK LTD.	MUMBAI	USD	(67,161.81)	88.93	(4,828,110)	470.90	88.69	32,344
SONALI BANK	KOLKATA	USD	8,914.53	88.93	614,522	2,480.48	88.69	168,968
RUPALI BANK LTD.	KARACHI	USD	4,009.95	88.93	276,426	5,749.86	88.69	394,931
ICICI BANK MUMBAI	MUMBAI	USD	(263,463.60)	88.93	(19,640,528)	1,477.38	88.69	101,478
NEPAL BANGLADESH BANK LTD.	KATHMANDU	USD	(266,256.10)	88.93	(17,596,054)	3,008.00	88.69	206,868
WACHOVIA BANK	USA	USD	42,278.85	88.93	2,914,381			
Total					464,787,245			347,234,328

# Balance with Nostro Accounts

As on 31 December 2008

Name of the Bank	Name of The City	Currency Name	2008			2007		
			Amount in FC	Conv.rate	Amount in BOT	Amount in FC	Conv.rate per unit of F.C	Amount in BOT
AMERICAN EXPRESS BANK LTD.	NEW YORK	USD	1,134,175.98	88.93	76,184,306	428,273.61	88.69	29,415,973
AMERICAN EXPRESS BANK LTD.	KOLKATA	USD	(802.66)	88.93	(41,544)	11,526.33	88.69	791,868
STANDARD CHARTERED BANK	NEW YORK	USD	1,296,071.07	88.93	89,344,530	1,996.89	88.69	134,408
STANDARD CHARTERED BANK	KOLKATA	USD	(102,576.37)	88.93	(7,071,230)	17,321.86	88.69	1,203,488
HSBC	NEW YORK	USD	291,111.70	88.93	20,067,756	1,582,678.01	88.69	106,688,821
HSBC	KARACHI	USD	(182,749.62)	88.93	(10,529,730)	1,083.51	88.69	73,047
HSBC	MUMBAI	USD	138,999.85	88.93	9,894,367	100,270.26	88.69	6,897,063
HSBC	LONDON	GBP	677.72	99.34	67,328	127,999.40	137.24	17,561,148
COMMERZ BANK AG	FRANKFURT	USD	190.65	88.93	13,349	200,243.31	88.69	13,753,712
COMMERZ BANK AG	FRANKFURT	EUR	963,381.87	97.00	93,446,307	20.34	101.67	2,066
BANK OF CREDIT & COMM. INTL.	NEW YORK	USD	62,388.68	88.93	3,680,830	62,388.68	99.00	3,680,831
BANK OF CREDIT & COMM. INTL.	LONDON	GBP	442.06	99.34	35,365	442.06	90.00	35,365
BANK OF CREDIT & COMM. INTL.	TOKYO	YEN	160,000.00	0.62	99,192	160,000.00	0.62	99,192
JP MORGAN CHASE BANK	NEW YORK	USD	1,267,554.47	88.93	89,446,788	813,335.30	88.69	62,732,435
MASHREQ BANK PSC	NEW YORK	USD	99,397.30	88.93	6,861,837	194,629.88	88.69	13,366,153
CITI BANK NA	NEW YORK	USD	1,886,909.20	88.93	130,073,897	1,018,707.06	88.69	69,969,896
PEOPLE'S BANK	COLOMBO	USD	896.70	88.93	43,891	4,011.06	88.69	275,500
TORONTO DOMINION BANK	TORONTO	CAD	34,170.78	56.52	1,931,417	6,211.67	70.13	435,606
BANK OF NOVA SCOTIA	TORONTO	CAD	33,287.80	56.52	1,881,498	2,810.96	70.13	197,123
BANK OF TOKYO-MITSUBISHI LTD	TOKYO	YEN	(5,125,422.00)	0.78	(3,913,260)	1,978,599	0.61	1,211,062
LOYD'S TSB BANK PLC	LONDON	GBP	6,679.70	99.34	663,641	126,248.04	137.24	17,320,281
BANK OF BHUTAN	BHUTAN	USD	(18,201.45)	88.93	(1,254,715)	5,036.55	88.69	345,935
STATE BANK OF INDIA	KOLKATA	USD	2,781.17	88.93	191,720	2,781.17	88.69	191,628
ARAB BANK BANGLADESH BANK LTD.	MUMBAI	USD	(67,161.81)	88.93	(4,828,110)	470.90	88.69	32,344
SONALI BANK	KOLKATA	USD	8,914.53	88.93	614,522	2,480.48	88.69	168,968
RUPALI BANK LTD.	KARACHI	USD	4,009.85	88.93	276,426	5,749.86	88.69	394,931
ICICI BANK MUMBAI	MUMBAI	USD	(263,463.60)	88.93	(19,640,528)	1,477.38	88.69	101,478
NEPAL BANGLADESH BANK LTD.	KATHMANDU	USD	(266,256.10)	88.93	(17,596,054)	3,008.00	88.69	206,868
WACHOVIA BANK	USA	USD	42,278.85	88.93	2,914,381			
Total					464,787,246			347,234,328



# Details of Investment In Shares

As On 31 December 2008

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 31-Dec-08	Total Market Price On 31-Dec-08
<b>A QUOTED SHARES</b>							
01	STI ICB Mutual Fund	1,540	100	100.00	154,000	475.50	732,270
02	1ST BSR Mutual Fund	6,824	100	100.00	682,400	826.25	5,638,330
03	Prime Bank Ltd	102,960	100	656.88	67,845,706	539.75	55,583,455
04	Standard Bank Ltd	294,943	100	134.59	39,896,740	227.25	67,025,797
05	Bank Asia Ltd	14	100	100.00	1,400	383.25	5,366
06	One Bank Ltd	116,885	100	100.00	11,688,500	333.00	38,922,705
07	NCCBL	37,130	100	275.55	10,268,269	365.75	13,580,288
08	The City Bank Ltd	376,839	100	487.35	183,853,836	461.10	169,992,073
09	Jamuna Bank Ltd	90,305	100	272.27	24,586,944	266.75	24,088,859
10	Exim Bank Ltd	68,750	100	283.98	20,211,457	323.50	22,240,625
11	Southeast Bank Ltd	39,125	100	303.42	11,871,479	318.00	12,441,750
12	National Bank Ltd	27,900	100	420.98	11,745,235	1,014.25	28,297,575
13	Mercantile Bank Ltd	104,920	100	343.26	36,014,909	348.25	36,538,390
14	Brac Bank Ltd	43,682	100	1,283.71	56,524,278	828.00	36,176,976
15	Eastern Bank Ltd	11,577	100	853.00	9,875,038	589.25	6,821,747
16	AB Bank Ltd.	104,805	100	1,073.86	112,545,952	822.25	86,175,911
17	Pubali Bank Ltd.	124,915	100	639.45	79,876,357	543.00	67,828,845
18	Shahjalal Bank Ltd.	15,000	100	350.68	5,260,179	311.25	4,668,750
19	Uttara Finance & Inv Ltd	1,192	100	183.39	218,600	750.75	894,894
20	Power Grid Ltd	10,000	100	625.92	6,259,187	579.50	5,795,000
21	Summit Power Ltd	53,136	100	797.09	42,354,224	968.00	51,329,376
22	AIMS 1st Mutual Fund	145,000	100	19.53	2,831,960	14.07	2,040,150
<b>Sub-Total (A)</b>					<b>733,966,650</b>		<b>736,819,141</b>
<b>B UN-QUOTED SHARES</b>							
23	Employment Bank	-	100	-	10,000,000		10,000,000
24	National Housing Fin. & Inv Ltd	250,406	100	112.30	28,121,809		28,121,800
25	Central Depository (BD) Ltd	4,100,000	1,000,000	1,000,000	4,000,000		4,000,000
26	STS Holdings Ltd	4,000,000	10	26	100,000,000		100,000,000
27	Cashlink Bangladesh	420,000	100	100	42,000,000		42,000,000
28	GrameenPhone Ltd.	17,715,000	1	7.40	131,091,000		131,091,000
<b>Sub-Total (B)</b>					<b>315,212,800</b>		<b>315,212,800</b>
<b>TOTAL (A+B)</b>					<b>1,049,179,450</b>		<b>1,052,031,941</b>

## Details of information on advances more than 10% of bank's total capital as on 31 December 2008 :

Sl No	Name of the Borrower	Outstanding as on 31-12-2008			Outstanding as on 31-12-2007		
		Funded	Non-Funded	Total	Funded	Non-Funded	Total
1	M/s 4-H Fashions Ltd & allied concern	203,600,000	1,116,700,000	1,317,300,000	148,300,000	579,200,000	725,500,000
2	M/s. Sahel Textile Mills Ltd. Ward Fashion, Rannuwa Fashion	993,500,000	100,700,000	1,091,200,000	-	-	-
3	Kabir Steel Ltd & allied concern	882,000,000	84,100,000	966,100,000	458,000,000	449,800,000	905,800,000
4	PH-P Group	399,200,000	524,100,000	923,300,000	462,300,000	478,900,000	961,400,000
5	M/s. Norman Group	683,200,000	137,500,000	820,700,000	-	-	-
6	Beacon Heat Wear Ltd.	209,300,000	550,700,000	750,000,000	204,600,000	708,800,000	903,400,000
7	M/s Knit Aella Ltd	451,000,000	306,200,000	757,200,000	281,200,000	114,400,000	395,600,000
8	M/s Arctic Knit Composite Ltd	565,100,000	103,300,000	667,400,000	436,800,000	228,200,000	665,000,000
9	M/s. Abdul Wahab	646,800,000	-	646,800,000	-	-	-
10	P.A. Knit Composite Ltd & allied concern	415,200,000	227,400,000	642,600,000	295,600,000	174,800,000	470,200,000
11	M/s. Thermax Group	138,400,000	489,000,000	625,400,000	-	-	-
12	M/s Micro Fibre Ltd Liberty Knit	92,800,000	528,800,000	619,600,000	128,900,000	615,300,000	744,200,000
13	Sister Group	394,300,000	223,800,000	588,100,000	381,500,000	256,700,000	618,200,000
14	M/s Kaye Cotton Mills Ltd/Kaye Knit	378,200,000	189,700,000	567,900,000	4,800,000	1,401,000,000	1,405,800,000
15	M/s. Anwar Rahman	967,400,000	-	967,400,000	-	-	-
16	Pacific Bangladesh Telecom Ltd.	315,100,000	280,800,000	595,900,000	273,800,000	71,800,000	345,700,000
17	M/s/Am Schering Mills Ltd.	516,600,000	38,500,000	555,200,000	268,600,000	182,800,000	481,500,000
18	M/s. Pake Steel Alliance	173,600,000	372,700,000	546,300,000	-	-	-
19	M/s. Mahabub Brothers Pvt. Ltd.	545,000,000	-	545,000,000	-	-	-
20	M/s. Shaili Traders	532,600,000	-	532,600,000	-	-	-
21	M/s. Rake Enterprise	510,900,000	-	510,900,000	-	-	-
22	M/s. Chittagong Fashion Ltd.	206,000,000	246,600,000	502,500,000	-	-	-
23	M/s Lia Fashion Industries Ltd.	300,400,000	194,100,000	494,500,000	287,600,000	230,700,000	517,700,000
24	M/s. APS Pvt Ltd.	205,500,000	254,500,000	460,000,000	-	-	-
25	Suman Group	233,300,000	136,200,000	369,500,000	75,500,000	178,700,000	252,200,000
26	M/s. BSRM Group	347,400,000	11,700,000	359,100,000	-	-	-
27	M/s. Bulk Trade International	-	351,400,000	351,400,000	-	-	-
28	Gunze Group	128,100,000	186,300,000	304,400,000	44,800,000	349,800,000	414,600,000
29	Tamara Fata	238,200,000	42,800,000	281,000,000	169,700,000	65,300,000	235,000,000
30	M/s. Mat Autos Ltd.	207,800,000	6,300,000	212,000,000	-	-	-
31	M/s. REL Pran Group	119,600,000	40,900,000	160,400,000	-	-	-
32	Patel Group	-	-	-	339,400,000	2,800,000	342,000,000
33	Yota Group	-	-	-	54,800,000	126,100,000	180,900,000
34	Purpani Synthetic Ltd	-	-	-	265,600,000	96,600,000	363,200,000
35	Jeon Group	-	-	-	150,800,000	201,200,000	351,700,000
36	Uttal Fashions Limited	-	-	-	219,300,000	180,300,000	405,600,000
37	Max Automobiles	-	-	-	82,200,000	332,800,000	425,000,000
38	M.M. Com.	-	-	-	450,400,000	102,800,000	533,200,000
39	T.M International	-	-	-	439,800,000	4,200,000	444,000,000
40	Brite Food Products	-	-	-	167,800,000	410,200,000	577,800,000
41	Mobur Rahman	-	-	-	127,800,000	-	127,800,000
42	Yasmin Spinning Mills	-	-	-	292,100,000	-	292,100,000
43	M/s. Silk Engraving	-	-	-	136,900,000	-	136,900,000
44	Buby Food & Products	-	-	-	478,500,000	-	478,500,000
45	The Overseas App/Clothing Fashion	-	-	-	166,100,000	281,800,000	477,800,000
46	M.V. Gosh Corporation	-	-	-	102,000,000	-	102,000,000

# Schedule of Fixed Assets

As on 31 December 2008

Annexure-D

Particulars	COST			DEPRECIATION			Amount in Taka	
	Opening Balance as on 01 January 2008	Addition during the year	Adjustment during the year	Closing Balance as on 31 December 2008	Rate	Charged upto 31 December 2007	Depreciation as on 31 December 2008	DOWN VALUE AS ON 31-12-2008
Land	111,331,610	514,546,699	-	625,878,309	-	-	-	625,878,309
Building	100,184,511	-	-	100,184,511	2.50%	11,451,011	-	88,733,500
Furniture & Fixtures	183,512,307	25,818,661	3,519,794	186,811,184	10%	85,320,192	2,552,365	110,569,201
Office Appliances	139,008,287	23,418,496	5,802,845	156,821,918	20%	91,606,447	4,978,381	54,619,861
Computer Equipment	129,981,696	50,104,037	2,133,067	177,552,868	20%	80,139,969	1,890,473	75,312,817
Vehicles	82,387,242	24,669,000	4,886,000	102,196,242	20%	87,548,679	7,794,578	29,212,863
Computer Software	21,394,105	13,701,880	-	35,095,985	25%	9,052,078	7,963,802	18,080,114
Total	747,999,940	652,256,783	16,115,696	1,383,541,027		325,118,297	10,771,217	999,185,451
Total 31-Dec-2007	569,407,241	189,607,821	10,615,122	747,399,940		277,187,844	9,157,334	422,281,643

Addition to land includes Tk. 456,486,559 being value increased due to revaluation.

## Provision for Diminution in Value of Investments

As on 31 December 2008

Sl No.	Name of Company	Total cost Price of Shares	Total Market Price On 31-Dec-08	Provision
<b>A QUOTED SHARES</b>				
01	Prime Bank Ltd	67,646,000	55,583,000	12,063,000
02	The City Bank Ltd	183,654,000	169,992,000	13,662,000
03	Jamuna Bank Ltd	24,587,000	24,089,000	498,000
04	Brac Bank Ltd	56,524,000	36,177,000	20,347,000
05	Eastern Bank Ltd	9,875,000	6,822,000	3,053,000
06	AB Bank Ltd.	112,546,000	86,176,000	26,370,000
07	Pubali Bank Ltd.	79,876,000	67,829,000	12,047,000
08	Shahjalal Bank Ltd.	5,260,000	4,669,000	591,000
09	Power Grid Ltd	6,259,000	5,795,000	464,000
10	AIMS 1st Mutual Fund	2,832,000	2,040,000	792,000
<b>Total</b>		<b>549,059,000</b>	<b>459,172,000</b>	<b>89,887,000</b>

## 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 31 December 2008	Share holding on 31 December 2007
01	Mr. Md. Jahangir Alam Khan	Chairman	2,921,000	2,921,485
02	Mrs. Qumrun Nahar	Vice Chairman	2,089,800	1,076,536
03	Hajee M. A. Kalam	Chairman-EC	4,166,900	4,167,206
04	Mr. M. A. Sabur	Chairman-Audit	5,357,700	5,357,875
05	Hajee Younus Ahmed	Director	6,462,900	6,463,475
06	Mr. M. A. Hashem	Director	2,405,000	2,405,000
07	Mr. Shabbir Ahmed	Director	2,264,200	2,218,385
08	Mr. Kazi Enamul Hogue	Director	2,718,100	2,718,315
09	Mr. Showkat Aziz Russell	Director	2,540,500	2,540,500
10	Mr. Riyadh Zafar Chowdhury	Director	1,300,000	1,300,000
11	Mr. Nur Uddin Javed	Director	2,939,900	1,300,000
12	Dr. Aziza Karim	Director	1,950,000	1,300,000
13	Mrs. Setara Begum	Director	309,700	4,643,700
<b>Total Taka</b>			<b>37,425,700</b>	<b>38,412,477</b>

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

Sl.No.	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", Vill-Anantapur, P.O-Majidde 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	<b>Chairman</b> 1 Maxim International Ltd.  <b>Managing Director</b> 2 M.A. Sabur & Co. Ltd. 3 Arbee Textiles Ltd. 4 Maxim Ltd.  <b>Director / Shareholder</b> 5 Packages Eastern Ltd. 6 Sparso 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	

Sl.No.	Name and Address	Designation	Entities where they have interest	Remarks
6	Mr. M.A. Hashem 978 O.R. Nizam Road Nasirabad, Chittagong	Director	<b>Chairman-Partex Group &amp; following Companies :</b> 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 <u>Plastics Accessories Ltd.</u>	
7	Mr. Shabbir Ahmed East End Automobiles Chandgaon, Kalurghat Road Chittagong	Director	1 Farid Label's	
8	Mr. Kazi Enamul Hoque A.B. Industries Ltd. Shiromony Industrial Area Khulna	Director	<b>Managing Director</b> 1 All in One Ltd. 2 All in One CNG Ltd.  <b>Director</b> 1 Anju Azhar Stone Link Ltd. 2 A.B. Industries Ltd.	

Sl.No.	Name and Address	Designation	Entities where they have interest	Remarks
9	Mr. Showkat Aziz Russell 978 O.R Nizam Road, Nasirabad, Chittagong	Director	<b>Managing Director</b> 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.  <b>Director</b> 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.	
10	Mr. Riyadh Zafar Chowdhury House # 9, Road # 2 Kulshi R/A, Chittagong	Director		
11	Mr. Nur Uddin Javed Road # 3, Holding No-1330/A Nasirabad, Chittagong	Director	<b>Managing Director</b> 1 Nur Mohammed & Co. Ltd. <b>Director</b> 1 Fish Preservers Ltd.	
12	Dr. Aziza Karim Road # 22, House # 30	Director	<b>Director</b> 1 Tail Accessories (Pvt.) Ltd.	
13	Mrs. Setara Begum 1, Motel Road Cox's Bazar	Director	1 K-wality Stationeries Ltd. 2 Elite Printing & Packages Ltd. 3 Janata Insurance Co. Ltd. 4 Anchorage Trading Agent	



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:

Sl. No.	Name of party	Related by	Nature of transaction	Amount In Lac
01.	Mrs. Kazi Naila Haque	Director	HLB	12.68
02.	M/s. Sun Shine Corporation	Director	CC (HYPO)	30.36
03.	M/s. Sea Line Nylon	Director	P. Loan	1251.46
		Monofishing Net Ltd.	CC (HYPO). LIM	

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;

Sl. No.	Name of Party	Related by	Nature of transaction	Amount In Lac	Status
01.	Mrs. Kazi Naila Haque	Mr. Kazi Enamul Haque	HLB	12.68	BL
02.	M/s. Sun Shine Corp.	Mr. MA Sabur	CC (HYPO)	30.36	UC
03.	M/s. Sea Line Nylo	Mr. Nuruddin Javed	P. Loan	1251.46	BL
	Monofishing Net Ltd.		CC (HYPO). LIM		


"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:

- A. Bank's share capital has not been utilized for acquiring any other direct or indirect business.
- B. No amount was spent by the bank for compensating any member of the board for special services rendered during the year.
- C. During the year under report, United Commercial Bank Ltd. did not place any of its assets under pledge as security to obtain any liabilities.
- D. Figures of previous year have been re-arranged wherever considered necessary to conform the current year's presentation.

  
 Managing Director

  
 Director

  
 Director

  
 Director

Dated : June 09, 2009  
 Place : Dhaka

## Highlights on the Overall Activities

For the year 2008 & 2007

Particulars	Amount In Taka	
	2008	2007
Paid-up Capital	299,204,890	299,204,890
Total Capital	4,780,375,209	3,696,480,581
Capital surplus/(deficit)	155,659,682	(288,130,787)
Total Assets	64,794,864,487	50,180,583,528
Total Deposits	54,485,266,726	42,295,996,837
Total Loans & Advances	44,446,332,765	37,566,020,031
Total Contingent Liabilities & Commitments	18,085,795,609	24,162,756,371
Credit Deposit Ratio (%)	81.57	88.62
Percentage of Classified Loans against total loans and Advances	4.62	4.92
Operating Profit	2,449,898,878	2,017,837,432
Profit after Tax & Provision	764,745,570	815,123,487
Amount of Classified Loans during the year	1,204,664,700	819,068,641
Classified Advance at the end of the year	2,051,380,000	1,846,383,000
Provision kept against Classified Loans	793,837,863	825,234,039
Provision surplus/(deficit)	5,853,863	881,039
Cost of Fund (%)	11.32	10.76
Interest Earning Assets	52,999,967,072	42,169,200,191
Non-Interest Earning Assets	11,794,897,415	8,011,383,335
Return on Investment (ROI) (%)	9.31	8.02
Return on Assets (ROA) (%)	1.18	1.62
Income from Investments	670,700,489	442,304,012
Earning Per Share (Taka)	255.59	272.43
Net Income Per Share (Taka)	255.59	272.43
Price Earning Ratio (Times)	12.48	15.43

# UNITED COMMERCIAL BANK LTD.

## Fresh Balance Sheet

(As per Court Order dated 11.06.2008)  
For the year ended December 31, 2008

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### AUDITOR

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

# Balance Sheet

As at December 31, 2008

## PROPERTY & ASSETS

		Amount in Taka	
		December 31, 2008	December 31, 2007
<b>Cash</b>	<b>03</b>	<b>4,745,904,417</b>	<b>4,116,910,463</b>
Cash in Hand (Including Foreign Currencies)		800,123,740	974,508,314
Balance with Bangladesh Bank & Sonali Bank (Including Foreign Currencies)		3,945,780,677	3,142,402,149
<b>Balance With Other Banks &amp; Financial Institutions</b>	<b>04</b>	<b>4,248,401,025</b>	<b>744,467,647</b>
In Bangladesh		3,783,603,779	397,233,321
Outside Bangladesh		464,797,246	347,234,326
<b>Money at Call and Short Notice</b>	<b>05</b>	<b>130,000,000</b>	<b>-</b>
<b>Investment</b>	<b>06</b>	<b>7,200,679,298</b>	<b>5,517,712,534</b>
Government Securities		6,151,499,848	4,919,523,196
Others		1,049,179,450	598,189,338
<b>Loans and Advances</b>	<b>07</b>	<b>44,446,332,765</b>	<b>37,566,020,031</b>
Loans, Cash Credits and Overdrafts etc.		42,300,890,811	34,745,843,050
Bills Purchased and Discounted		2,145,441,954	2,820,176,981
<b>Premises and Fixed Assets</b>	<b>08</b>	<b>999,188,451</b>	<b>422,281,643</b>
(Less Depreciation)			
<b>Other Assets</b>	<b>09</b>	<b>3,024,358,531</b>	<b>1,813,191,208</b>
<b>Non Banking Assets</b>		<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>64,794,864,487</b>	<b>50,180,583,526</b>

## LIABILITIES AND CAPITAL

### LIABILITIES

<b>Borrowings From Other Banks, Financial Institutions and Agents etc.</b>	<b>10</b>	<b>458,306</b>	<b>321,835,385</b>
<b>Deposits And Other Accounts</b>	<b>11</b>	<b>54,485,266,725</b>	<b>42,295,998,837</b>
Current Deposits & Other Accounts		6,990,524,781	6,897,631,814
Bills Payable		1,023,893,651	684,479,373
Savings Bank Deposits		8,860,391,761	8,089,147,075
Term Deposits		37,610,456,532	26,424,738,575
<b>Other Liabilities</b>	<b>12</b>	<b>5,924,896,357</b>	<b>4,425,527,900</b>
<b>Total Liabilities</b>		<b>60,410,621,388</b>	<b>47,043,360,122</b>

**CAPITAL / SHAREHOLDERS' EQUITY**

Paid up Capital (Note - a)	13
Proposed issue of Bonus Shares for 2007 (50%) (Note-c)	
Proposed issue of Bonus Shares for 2008 (25%) (Note- b)	
Statutory Reserve	14
General Reserve (Note )	15
Assets Revaluation Reserve	
Revaluation Reserve (HTM & HFT)	
Retained Earning (Note)	16

Amount in Taka	
December 31, 2008	December 31, 2007
1,193,827,100	1,193,827,100
596,913,500	596,913,500
447,685,200	-
1,524,962,504	1,232,359,718
114,123,086	114,123,086
456,496,559	-
25,777,568	-
24,457,584	-
<b>4,384,243,099</b>	<b>3,137,223,404</b>
<b>64,794,864,487</b>	<b>50,180,583,526</b>

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	

18,085,795,809	24,162,756,371
10,032,216,273	9,081,068,327
2,411,610,723	2,227,127,401
5,524,441,410	12,669,807,000
117,527,203	184,753,643
-	-

**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

-	-
-	-
-	-
-	-
<b>18,085,795,809</b>	<b>24,162,756,371</b>

**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 07.06.2010.
- Bonus Shares proposed for 2007 (50%) in the Board meeting held on 04.08.2008.
- Bonus Shares proposed for 2008 (25%) in the Board meeting held on 28.06.2010.

Except for above, no changes have been made in the audited Balance Sheet dated 09.08.2009.



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 December 31, 2008

## OPERATING INCOME

		Amount in Taka	
		December 31, 2008	December 31, 2007
Interest income	18	5,749,293,869	4,354,735,652
Interest paid on Deposit and Borrowings, etc.	19	(3,740,765,703)	(2,727,030,152)
<b>Net Interest Income</b>		<b>2,008,527,966</b>	<b>1,627,705,500</b>
Income from Investment	20	670,700,489	442,304,012
Commission, Exchange and Brokerage	21	1,135,917,466	968,013,235
Other Operating Income	22	294,296,118	286,452,048
<b>Total Operating Income (a)</b>		<b>4,109,442,039</b>	<b>3,324,474,795</b>

## OPERATING EXPENSES

Salary and Allowances	23	1,132,146,806	913,890,953
Chief Executive's Salary including Other Fees	24	121,028,339	103,539,442
Rent, Taxes, Insurance, Lighting etc.	25	10,550,031	5,372,069
Legal Expenses	26	34,768,235	34,787,336
Postage, Stamps, Telegram, Telephone etc.	27	81,441,814	56,495,862
Stationery, Printing, Advertisements etc.	28	5,345,204	4,084,000
Director's Fee and Other Expenses	29	3,584,325	1,645,141
Auditors Fees		225,000	260,000
Depreciation and Repair of Bank's Assets	30	94,672,783	73,519,107
Other Expenses	31	175,780,824	113,043,453
<b>Total Operating Expenses (b)</b>		<b>1,659,543,161</b>	<b>1,306,637,363</b>
<b>Profit/(Loss) before Provision(c) = (a-b)</b>		<b>2,449,898,878</b>	<b>2,017,837,432</b>
Provision for Loans & Advances	32	817,307,000	228,378,405
Provision for Diminution in Value of Investments		89,892,000	1,726,595
Other Provisions	33	79,686,000	119,895,000
<b>Total Provision (d)</b>		<b>986,885,000</b>	<b>350,000,000</b>
<b>Total Profit before Income Tax (c - d)</b>		<b>1,463,013,878</b>	<b>1,667,837,432</b>
<b>Provision for Income Tax</b>	<b>34</b>	<b>698,268,308</b>	<b>852,713,945</b>
<b>Net Profit after Tax</b>		<b>764,745,570</b>	<b>815,123,487</b>
Retained Earnings Brought Forward		-	28,770,356
Transferred from General Reserve		-	86,587,144
<b>Balance Carried Forward</b>		<b>764,745,570</b>	<b>930,480,987</b>

		Amount in Taka	
		December 31, 2008	December 31, 2007
Balance Brought Forward		784,745,570	930,480,987
<b>APPROPRIATIONS</b>			
Statutory Reserve (Under sec.24 of the Bank Companies Act 1991)		292,602,786	333,567,487
Proposed Issue of Bonus Shares for 2007 (50%) (Note- a)		-	596,913,500
Proposed Issue of Bonus Shares for 2008 (25%) (Note- b)		447,685,200	-
General Reserve		-	-
Retained Earnings		24,457,584	-
Earnings per Share (EPS)	35	34.16	45.52

**Note :**

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

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

b. Bonus Shares proposed for 2008 (25%) in the Board Meeting held on 28.06.2010.

Except for above, no changes have been made in the audited Profit & Loss Account dated 09.06.2009.

 _____ Managing Director	 _____ Director	 _____ Director	 _____ Director
---	--	--	--

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 December 31, 2008

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Proposed Bonus Shares	Retained Surplus	Asset Revaluation Reserve	Investment Revaluation Reserve	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at January 01, 2008	1,183,827,100	1,232,359,718	114,123,086	996,913,500	-	-	-	3,137,223,404
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	1,183,827,100	1,232,359,718	114,123,086	996,913,500	-	-	-	3,137,223,404
Surplus/Deficit on Revaluation of Properties	-	-	-	-	-	456,496,559	-	456,496,559
Deficit/Surplus on Revaluation of Investments	-	-	-	-	-	-	-	-
Other Deficit/Surplus	-	-	-	-	-	-	25,777,566	25,777,566
Net Gains and Losses not Recognized in Income Statement	-	-	-	-	-	-	-	-
Net Profit for the year	-	292,602,786	-	-	472,142,784	-	-	764,745,570
Proposed Bonus Shares for 2008 (25%)	-	-	-	447,685,200	(447,685,200)	-	-	-
Appropriation made during the year	-	-	-	-	-	-	-	-
Balance as at December 31, 2008	1,183,827,100	1,524,962,504	114,123,086	1,544,598,700	24,457,584	456,496,559	25,777,566	4,394,343,099

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

**Note :**

This statement of Changes in Shareholders' Equity is prepared therein as per order of the court giving effect of the following:

a. Increase in share capital due to Bonus Shares amounting Tk. 894,692,210 being 90% Bonus Dividend approved for 2007, 2003, 2004 and 50% Bonus Dividend approved for 2009 and 40% Bonus Dividend approved for 2008 in the AGM held on 07.06.2010.

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

c. Bonus Shares proposed for 2008 (25%) in the Board meeting held on 28.05.2010.

Except for above, no other changes have been made in the audited statement of changes in shareholders' equity dated 09.08.2009.

  
Managing Director

  
Director

  
Director

  
Director

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

  
M. J. ASEDIN & CO.  
Chartered Accountants

Dated : June 28, 2010  
Place : Dhaka



## Notes to the Financial Statements

Except for the following notes, no other changes have been made in Notes to The Financial Statements dated 09.06.2009

### 13.00 Capital

#### Authorized

	Amount in Taka	
	December 31, 2008	December 31, 2007
10,000,000 ordinary shares of Tk 100 each	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

1,193,827,100	1,193,827,100
---------------	---------------

#### Break up of Issued Subscribed and Paid up Capital

Particulars	2008			
	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	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

#### Classification of Shareholding by holding as on December 31, 2008

Holdings	Number of Shareholder	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	1,849,186.00	184,918,600.00	15.51
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

	Amount in Taka	
	December 31, 2008	December 31, 2007
<b>Capital Adequacy Ratio</b>		
<b>Core Capital (Tier-1)</b>		
Paid-up Capital	1,193,827,100	1,193,827,100
Statutory Reserve	1,524,962,304	1,232,359,718
General Reserve	114,123,086	114,123,086
Proposed Issue of Bonus Shares for 2007 (50%)	596,913,500	596,913,500
Proposed Issue of Bonus Shares for 2008 (25%)	447,685,200	-
Retained Earnings/Profit & Loss Account	24,457,584	-
	<b>3,901,968,974</b>	<b>3,137,223,404</b>
<b>Supplementary Capital (Tier-2)</b>		
1% General Provision	635,941,000	551,214,000
Exchange Equalisation Account	8,043,177	8,043,177
Assets Revaluation Reserve	228,248,279	-
Revaluation Reserve of Govt. Securities	6,173,780	-
	<b>878,406,236</b>	<b>569,257,177</b>
	<b>4,780,375,210</b>	<b>3,696,480,581</b>
<b>Total Capital (Tier-1 + Tier-2)</b>		
Risk Weighted Assets including off Balance Sheet Items	46,247,155,272	39,846,113,680
Required Capital (10% of Risk Weighted Assets)	4,624,715,527	3,984,611,368
Capital Surplus/(Shortfall)	<b>155,659,683</b>	<b>(288,130,787)</b>
<b>Capital Adequacy Ratio</b>		
On Core Capital-against Standard of Minimum 5%	8.44	7.87
On Supplementary Capital- against Standard of Minimum 5%	1.90	1.40
On Total Capital-against Standard of Minimum 10%	10.34	9.28
<b>14.00 Statutory Reserve</b>		
Opening Balance	1,232,359,718	898,792,231
Add : Transferred during for the year	292,602,796	333,567,487
Less : Adjustment during the year	-	-
	<b>1,524,962,504</b>	<b>1,232,359,718</b>
<b>15.00 General Reserve</b>		
Opening Balance	114,123,086	200,709,818
Add : Others Surplus	-	412
Add : Net Profit Appropriation	-	-
Less : Transferred to retained earnings	-	86,587,144
	<b>114,123,086</b>	<b>114,123,086</b>
<b>16.00 Retained Earnings</b>		
Opening Balance	-	28,770,356
Add: Transferred during the year	472,142,784	481,556,000
Add: Transferred from General Reserve	-	86,587,400
Less : Transferred to proposed issued of Bonus Shares	447,685,200	596,913,756
	<b>24,457,584</b>	<b>-</b>
<b>35.00 Earnings per Share</b>		
Net Profit After Tax	764,745,570	815,123,487
Numbers of Ordinary Shares (Note)	22,384,258	17,907,406
<b>Earnings per Share (EPS)</b>	<b>34.16</b>	<b>45.52</b>
<b>Note :</b>		
This presents :		
Number of shares issued as per balance sheet dated June 09, 2009	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	8,946,223
Proposed issue of Bonus Shares for 2007 (50%)	5,969,135	5,969,135
Proposed issue of Bonus Shares for 2008 (25%)	4,478,852	-
	<b>22,384,258.00</b>	<b>17,907,406.00</b>


  
Managing Director


  
Director


  
Director


  
Director

Dated : June 28, 2010  
Place : Dhaka

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

**M. J. ABEDIN & CO.**  
Chartered Accountants

## Branch Network



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### TONGI BRANCH

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### NORTH BROOK HALL ROAD

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Bangla Bazar(1st floor), Dhaka  
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7122154, 712064  
FAX: +88-02-7122154  
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9884885  
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### UTTARA BRANCH

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### DHANMONDI BRANCH

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## CHITTAGONG DIVISION

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Phone: +88-0531-63266,  
63327, 64042  
Mobile: 01711-436596  
Fax-0531-63266  
E-mail: dnj@ucbl.com

### \*RANGPUR BRANCH

Shahid Shopping Complex Jahaj  
Company More, Holding No. 11013,  
Rangpur  
Phone: +88-0521-62851, 63730  
Mobile: 01711-881061  
Fax: +88-0521-62851  
SWIFT: UCBLBDDHHRNG  
E-mail: rj@ucbl.com

### RAJSHAHI BRANCH

70/71, Miah Para (1st Flr.)  
Shaheb Bazar, Natore Maha Sarak  
Rajshahi -6100  
Phone: +88-0721- 771386, 773367,  
812357  
FAX: +88-0721-771386  
Mobile: 01711-883755  
E-mail: rjh@ucbl.com

### NAOGAON BRANCH

379, Tula Patty (1st flr), Naogaon-6500  
Phone: +88-0741-62988, 62861  
Residence: 62987  
Mobile: 01711-809728  
Fax: +88-0741-62988  
E-mail: ngn@ucbl.com

### PABNA BRANCH

Al-Monsur Super Market (1st Floor), 407,  
Abdul Hamid Road, Pabna  
Phone: +88-0731-65417, 66331  
Mobile: 01711-883756  
E-mail: pbn@ucbl.com

### SERAJONGU BRANCH

720, S. S. Road  
P.O: Serajong, Dist: Serajongj  
Phone: +88-0751-62393, 64169  
FAX: +88-0751-62393  
Mobile: 01711-888362  
E-mail: srf@ucbl.com

\* Authorised branches for Foreign Trade

## Branch Network

### NATORE BRANCH

Union- Harishapur  
Patuapara, Natore  
Phone: +88-0771-66771,66913  
Mobile: 01711-809721  
E-mail: ntr@ucbl.com

### CHAPAINAWABGONJ BRANCH

4-5, Gudagari Rd, Chapainawabgonj,  
Phone: +88-0781-55283, 56497  
Mobile: 01711-436595  
Fax: +88-0781-56497  
E-mail: cpn@ucbl.com

### KHULNA DIVISION

#### \*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: UCBLBDHKLN  
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

#### JHENAIDAH 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. Avoyonagar, Jessore.  
Phone: +88-04222-71789, 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

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

#### MOULVIBAZAR BRANCH

Central Road, Chowmuhani  
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 Menslon, 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

#### GOALABAZAR BRANCH

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

### SHERPUR BRANCH

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

### SHIBGONJ BRANCH

Union-Tultikar, 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: bs@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 Wienberg E.Gen

**Bahrain**  
 Citibank NA

**Belgium**  
 BNP Paribas  
 Commerzbank AG  
 DIXIA Bank SA  
 Fortis Bank  
 KBC Bank

**Bhutan**  
 Bank of Bhutan  
 Bhutan National Bank

**Brazil**  
 Banco Bradesco SA  
 HSBC Bank Brazil 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**  
 Československá Obchodní Banka A.S.  
 HSBC Bank Plc

**Egypt**  
 Mashreqbank Plc

**Finland**  
 Danske Bank

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

**Germany**  
 Bayerische Hypo- und Vereinsbank AG  
 Commerzbank AG  
 Deutsche Bank  
 Dresdner Bank  
 Hamburger Sparkasse AG  
 HSBC Trinkaus und Burkhardt  
 JP Morgan Chase Bank  
 Neustädte 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  
 ICICI Bank Ltd.  
 JP Morgan Chase Bank NA  
 KBC Bank NV  
 Mashreqbank Plc  
 Standard Chartered Bank  
 Svenska Handelsbanken  
 UBA (Hong Kong) Limited  
 Wachovia Bank NA

**Hungary**  
 Commerzbank Budapest RT  
 Raiffeisen Bank ZRT

**India**  
 Arab-Bangladesh Bank Ltd.  
 Bank of Tokyo-Mitsubishi UFJ Ltd.  
 Bank of America, Mumbai  
 Citibank NA  
 HSBC Bank  
 ICICI Bank Ltd.  
 Mashreq Bank Plc  
 Sural 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 Dei Paschi Di Siena  
 Banca Popolare Dell' Emilia Romagna  
 Banca UBAI, Rome  
 Commerzbank AG  
 CCRIL Banca SPN - Istituto  
 The Bank of Tokyo-Mitsubishi UFJ Ltd.  
 Unicredit  
 Unicredit





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



**Netherlands**  
Fenn Lanshof 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.  
CAYON  
Deutsche Bank AG  
HSBC Bank  
Standard Chartered Bank  
Sumitomo Mitsui Banking Corp.  
The Bank of Tokyo-Mitsubishi UFJ Ltd.  
UBA  
Wachovia Bank NA



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



**Kuwait**  
National Bank of Kuwait



**Luxembourg**  
Danske Bank



**Macau**  
Hang Seng 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**  
Myanma Foreign Trade Bank



**Oman**  
Bank Muscat SAOG



**Pakistan**  
AIF Habib Bank Limited  
HSBC Bank



**Philippines**  
Citibank NA



**Poland**  
Danske Bank  
Bank Polska Ogiad SA-Bank Polska SA



**Qatar**  
Masheeqbank Psc



**Russia**  
Roostromstroybank



**Saudi Arabia**  
Al Rajhi Banking & Investment Corp  
Saudi British Bank



**Singapore**  
Bank of Tokyo-Mitsubishi (U) 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  
Standard Chartered Bank  
Standard Chartered Bank  
UBA



**Slovakia**  
Ceskoslovenska Obchodni Banka A.S.



**Slovenia**  
SKB Banka D.D.



**South Africa**  
Citibank NA  
Commerzbank AG



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



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



**Sweden**  
Skandinaviska Enskilda Banken  
Svenska Handelsbanken



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



**Taiwan**  
Banking 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 (U) 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  
Masheeq Bank Psc  
Standard Chartered Bank



**UK**  
Anglo-Romanian Bank Ltd.  
Bank of Tokyo-Mitsubishi (U) Ltd.  
Citibank NA  
Commerzbank AG  
Danske Bank  
Habib Bank AG Zurich  
HSBC Bank  
JP Morgan Chase Bank NA  
Lloyds TSB Bank Psc  
Masheeqbank Psc  
Natwest 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  
Masheeq Bank Psc  
North Fork Bank  
PNC Bank NA  
Standard Chartered Bank  
telling National Bank  
Wachovia Bank NA



**Uruguay**  
Citibank NA  
Banco Bilbao Vizcaya Argentaria Uruguay SA



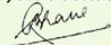
**Vietnam**  
Bank for Foreign Trade of Vietnam  
Citibank NA

**NOTICE OF 26th (TWENTY-SIXTH) ANNUAL GENERAL  
MEETING FOR THE YEAR 2009**  
(ACCOUNTING YEAR 2008)

Notice is hereby given that 26th Annual General Meeting of United Commercial Bank Ltd. will be held on September 19, 2010 Sunday at 11.30 A.M. at Radisson Water Garden Hotel, Dhaka to transact the following business:

- (1) To receive and adopt the fresh Balance Sheet & Audited Accounts for the year ended December 31, 2008 and Report of the Directors and Auditors thereon.
- (2) To approve 25% 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) Stock Dividend approved in 26th AGM will be computed on giving effect of Stock Dividend approved in 25th AGM.
- (v) Change of address, if any, should be notified to the related Depository Participant/ Registered Office of the Bank.

## NOTES

**UCB**

*United we achieve*

Federation Bhaban, 60 Motijheel Commercial Area, Dhaka-1000, Bangladesh. PABX: 9568690-93, 9555075-77 Fax: 88-02-9560587 E-mail: info@ucbl.com Web: www.ucbl.com