

Annual Report 2012





Our Vision

To be a modern Bank having the object of building a sound national economy and to contribute significantly to the Public Exchequer.

Our Mission

To be the best private commercial bank in Bangladesh in terms of efficiency, capital adequacy, asset quality, sound management and profitability.

Our Core Values

Our Shareholders: By ensuring fair return on their investment through generating stable profit.

Our customer: To become most caring bank by providing the most courteous and efficient service in every area of our business.

Our employee: By promoting the well being of the members of the staff.

Community: Assuring our socially responsible corporate entity in a tangible manner through close adherence to national policies and objectives.

Board of Directors

Chairman

Ln. Kazi Akramuddin Ahmed

Vice Chairman

Mr. Ashok Kumar Saha

Directors

Mr. Kamal Mostafa Chowdhury

Mr. Mohammad Nurul Islam (upto 04.07.2012)

Mr. Ferozur Rahman

Mr. Mohammad Monzurul Alam

Mr. S.A.M. Hossain

Mr. Mohammed Abdul Aziz

Al-haj Mohammed Shamsul Alam

Mr. Abdul Ahad

Mr. Md. Zahedul Hoque

Mr. Ferdous Ali Khan (upto 04.07.2012)

Al-Haj Mohammad Yousuf Chowdhury

Mr. Moshfeque Mamun Rizvi (upto 04.07.2012)

ICB represented by the Managing Director Mr. Md. Fayekuzzaman

Mr. Shaikh Mesbauddin (upto 04.07.2012)

Mr. S. S. Nizamuddin Ahmed, Independent Director

Managing Director & CEO

Mr. S. A. Farooqui

Group Company Secretary

Mr. A. F. M. Nizamul Islam Chowdhury



Executive Committee

Mr. Mohammed Abdul Aziz	Chairman
Mr. Kamal Mostafa Chowdhury	Member
Mr. Ferozur Rahman	Member
Mr. S.A.M. Hossain	Member
Al-haj Mohammed Shamsul Alam	Member
Mr. Abdul Ahad	Member
Mr. S. A. Farooqui, Managing Director	Ex-Officio Member
Mr. A. F. M. Nizamul Islam Chowdhury	Secretary

Audit Committee

Mr. S. S. Nizamuddin Ahmed	Chairman
Mr. Kamal Mostafa Chowdhury	Member
Mr. Ashok Kumar Saha	Member
Mr. Md. Zahedul Hoque	Member
Mr. Md. Fayekuzzaman, MD, ICB	Member
Mr. A. F. M. Nizamul Islam Chowdhury	Secretary

Shariah Supervisory Committee

Janab Kazi Akramuddin Ahmed Chairman of the Bank	Chairman
Janab Prof. Mowlana Mohammad Salauddin, Khatib, Baitul Mukaraam National Mosque	Member
Janab Hafiz Kazi Muhammad Ibrahim Head Mohaddis (Hadits Dept.)	Member
Jameah Qasemiah Kamil Madrasa, Narsinghdi	Member
Janab Kazi Khurram Ahmed	Member
Janab S. A. Farooqui Managing Director of the Bank	Ex-Officio Member
Janab A. F. M. Nizamul Islam Chowdhury	Secretary

Board of Directors



Ln. Kazi Akramuddin Ahmed
Chairman



Ashok Kumar Saha
Vice Chairman



Kamal Mostafa Chowdhury
Director



Mohammad Nurul Islam
Director (Upto 04-07-2012)



Ferozur Rahman
Director



Md. Monzurul Alam
Director



S. A. M. Hossain
Director



Mohammed Abdul Aziz
Director



Al-Haj Md. Shamsul Alam
Director



Abdul Ahad
Director

Board of Directors



Md. Zahedul Haque
Director



Ferdous Ali Khan
Director (Upto-04-07-2012)



Al-Haj Md. Yousuf Chowdhury
Director



Moshfeque Mamun Rizvi
Director (Upto-04-07-2012)



Md. Fayekuzzaman
Director



Shaikh Mesbauddin
Director (Upto-04-07-2012)



S. S. Nizamuddin Ahmed
Independent Director



S. A. Farooqui
Managing Director & CEO

Sponsors of the Bank



Ln. Kazi Akramuddin Ahmed
Sponsor & Founder Chairman



Kamal Mostafa Chowdhury
Sponsor & Founder Vice Chairman



Mohammed Nurul Islam
Sponsor



Late Nani Gopal Saha
Sponsor



Ferozur Rahman
Sponsor



Al-Haj Mohammad Ayub
Sponsor



Harun Rashid Chowdhury
Sponsor



Md. Monzurul Alam
Sponsor



Sponsors of the Bank



S. A. M. Hossain
Sponsor



Mohammed Abdul Aziz
Sponsor



Al-Haj Md. Shamsul Alam
Sponsor



Abdul Ahad
Sponsor



Al-Haj Md. Nurul Haque Sowdagar
Sponsor



Ferdous Ali Khan
Sponsor



Harun-Or-Rashid
Sponsor



Late Mahabub Uddin Molla
Sponsor



Farzana Yousuf
Sponsor

০৯ সেপ্টেম্বর, ২০১২ইং



ননী গোপাল সাহা
উদ্যোক্তা



শোকবার্তা

বিশিষ্ট শিল্পপতি, এনজিএস গ্রুপের চেয়ারম্যান ও ব্যবস্থাপনা পরিচালক এবং স্ট্যান্ডার্ড ব্যাংক লিঃ এর উদ্যোক্তা পরিচালক বাবু ননী গোপাল সাহা (৮৩) গত ০৬.০৯.২০১২ইং তারিখ রাতে শেষ নিঃশ্বাস ত্যাগ করেছেন। তার মৃত্যুতে স্ট্যান্ডার্ড ব্যাংক লিঃ এর পরিচালনা পর্ষদের সন্মানিত পরিচালকবৃন্দ ও ব্যাংকের সকল নির্বাহী, কর্মকর্তা ও কর্মচারী এবং আমি নিজে গভীরভাবে মর্মান্বিত ও শোকাহত।

অক্লান্ত পরিশ্রমী, মেধাবী ননী গোপাল সাহা নিজের চেষ্টায় ব্যবসা শুরু করেছেন এবং আন্তরিকতা ও সততার মাধ্যমে তিনি ব্যবসা-বাণিজ্যের জগতে যে সুনাম ও সফলতা অর্জন করেছেন, তা বর্তমান সময়ে বিরল। তিনি ব্যক্তি জীবনে সৎ, পরোপকারী এবং দানশীল ছিলেন। তিনি সীতারুণ শংকর মঠ ও মিশনের প্রধান উপদেষ্টাসহ বিভিন্ন সামাজিক, সাংস্কৃতিক ও ধর্মীয় প্রতিষ্ঠানের সঙ্গে যুক্ত ছিলেন।

বাবু ননী গোপাল সাহা স্ট্যান্ডার্ড ব্যাংক গঠনে উদ্যোক্তা হিসেবে প্রথম থেকেই সম্পৃক্ত ছিলেন। তিনি এই ব্যাংকের অবকাঠামো বিনির্মাণে পর্ষদকে তার সূচিক্তিত পরামর্শ ও সহযোগিতা দিয়ে যথেষ্ট অবদান রাখেন। তার এই অসামান্য অবদান ব্যাংক কৃতজ্ঞতার সাথে চিরদিন স্মরণ করবে।

আমরা প্রার্থনা করি সৃষ্টিকর্তা যেন শোকাহত পরিবারকে এই দুঃখ ও বেদনা কাটিয়ে উঠার ধৈর্য ও মনোবল দান করেন। তার বিদেহী আত্মার শান্তি কামনা করে আমরা পরম করুণাময়ের নিকট প্রার্থনা করি তিনি স্বর্গবাসী হউন।

কাজী আকরামউদ্দিন আহমেদ
চেয়ারম্যান, স্ট্যান্ডার্ড ব্যাংক লিমিটেড



A View of team of senior Management of Standard Bank Limited



A View of team of Management Committee of Standard Bank Limited

Corporate Information

Name of the Company	: Standard Bank Limited
Chairman of the Bank	: Ln. Kazi Akramuddin Ahmed
Legal Form	: A public limited company incorporated in Bangladesh on 11th May, 1999 under the Companies Act 1994, Subsequently listed in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.
Commencement of business	: 3rd June, 1999
Registered Office	: Metropolitan Chamber Building (3rd floor) 122-124, Motijheel C/A, Dhaka-1000.
Telephone	: +880 2 7175698, 7169134, 9560299, 9558375
Telefax	: +880 2 7176367, 7169078
SWIFT Code	: SDBLBDDH
E-mail	: sblho@bangla.net
Web Page	: www.standardbankbd.com
Auditors	: Khan Wahab Shafique Rahman & Co. Chartered Accountants
Legal Advisor	: Mr. Abdul Hadi Barrister-at-Law Dr. Kamal Hossain & Associates
Tax Consultants Advocate & Tax Consultant	: Alhaj Md. Serajul Islam
Managing Director & CEO	: S. A. Farooqui
Additional Managing Director	: Md. Nazmus Salehin
Deputy Managing Director	: i. Md. Alauddin Al-Azad (Up to-19-09-2012) ii. Md. Abul Hossain
Group Company Secretary	: A. F. M. Nizamul Islam Chowdhury

Management Team

Mr. S.A. Farooqui
Managing Director & CEO

Mr. Md. Nazmus Salehin
Additional Managing Director

Mr. Md. Abul Hossain
Deputy Managing Director

Mr. A F M Nizamul Islam Chowdhury
Group Company Secretary

Executive Vice President
Mr. Mufakhkharul Islam
Mr. Syed Mohammad Masum
Mr. Md. Nazrul Islam
Mr. Kazi Md. Talha
Mr. Mohammad Ali
Mr. Sheikh Abu Ahmed
Mr. Naim Md. Abdur Rashid

Principal
Mr. A. F. Moshir Rahman

Sr. Vice President
Mr. Md. Nurus Safa
Ms. Haider Nurun Naher
Mr. A.M.M. Lasker
Mr. Muhammad Sakhawatur Rahman
Mr. Mohammad Abdul Wali (Retired on 31.12.12)
Mr. Syed Anisur Rahman
Mr. Md. Nurul Islam

Vice President
Mr. H A Z M Mahegir
Mr. Md. Gaznafar Ali
Mr. Nasir Ahmed
Mr. Md. Abu Sayed
Mr. A.H.M. Manzur Quader Khan
Mr. Md. Saiful Islam Khan
Mr. Md. Sanaullah
Mr. Md. Zakirul Islam
Mr. Ahmadur Rahman Chowdhury

Chief Security Officer
Major (Retd.) Alim Hossain Khan

Sr. Asst. Vice President
Mr. Md. Tajul Islam Chowdhury
Mr. S.M. Mizanur Rahman
Mr. Md. Golam Mostafa
Mr. Md. Rezaul Karim
Mr. Md. Shahabuddin Chisti
Mrs. Arjoomand Begum
Mrs. Quamrun Nahar Hasmi
Mr. Md. Suruj Ali
Mr. Ashek Abedin
Mr. Humayun Kabir
Mr. Md. Emdadul Hassan
Mr. Rahim Khan
Mr. Sheikh Lutfar Rahman

Mr. Kazi Zahirul Haque
Mr. Md. Abdus Salam
Mr. Md. Anwar Hossain
Mr. Prabir Ranjan Das
Mr. Md. Enayet Rabbi
Mr. Md. Farukuzzaman
Mr. Muhammad Ali
Mr. Md. Zahangir Alam
Mr. Kazi Mohidur Rahman
Mrs. Rebeka Sultana
Mr. Md. Shafiqul Hassan
Mr. Md. Ekramul Haque
Mr. Md. Raisul Alam

Asst. Vice President
Mr. M A Goffer Daria
Mr. Haradhan Chandra Chakraborty
Mr. Mohammad Shohrab Hossain
Mr. S. M. Nazrul Islam
Mr. Md. Mabzulul Bari
Mr. Muhammad Jabedul Islam
Mr. Md. Miganur Rohman
Mr. Mohammad Faisal
Mr. S. M. Amir Hossain
Mr. Mohammad Jahangir Alam
Mr. A K M Laznur Rahman
Mr. Md. Moyeedul Islam
Mr. Md. Saiful Islam
Mr. Md. Shafiqul Islam
Mr. Md. Nurul Islam
Mr. Mohammad Ahmed Zaki
Mr. Md. Hamidul Haque
Mr. A B M Sohel Akhter
Mr. Munshi Golam Rahman
Mr. Md. Abu Hena Nazimuddin
Mr. A.K.M. Manjur Alam
Mr. Md. Nayeem Chowdhury
Mr. Md. Shariful Islam
Md. Abdul Mannan
Mr. Md. Ataur Rahman
Mr. Mesbah Ul Alam
Mr. M. S. Shahriar
Mr. Md. Rezaul Hoque
Mr. Md. Alhaj Ullah
Mr. Shoaib Mahmud Tuhin
Mr. Mir Mohammad Emrul Kayes
Mr. Tapas Kumar Mandal
Mr. Golam Mostafa
Mr. Md. Rafiqul Islam
Mr. Md. Ibrahim Khalil
Mr. Shahnur Md. Oleul Hassan
Mr. Mamun Abdur Raschid
Mr. Md. Golam Mawla
Mrs. Rubina Khan
Mr. T M Nurul Islam Talukder
Mr. Syed Mosnoon Ali
Mr. Parvez Mahfuz
Mr. Md. Farhad Hussain
Mr. Kanchan Kumar Dey
Mr. Md. Khorshed Alam
Mr. Md. Mahbubur Razzak

Group Corporate Structure



Head Office and Branch Network

Head Office

Metropolitan Chamber Building (3rd Floor)
122-124, Motijheel Commercial Area
Dhaka-1000, Bangladesh

Divisions

Board & Company Affairs Division
Share Department
Financial Administration Division
Treasury Division
Human Resources Division
General Banking Division
Public Relation Division
System & Operation Division
Anti Money Laundering
Information Technology Division

Head Office NSC Tower (15th floor),
63/3, Purana Paltan, Dhaka

Credit Division
Credit Administration Division

Recovery Division
SME/Agri Credit Division
Marketing & Business Development Division
Internal Control and Compliance Division

Head Office (Tapa Complex),
169, Syed Nazrul Islam Sharani(new)
Bijoynagar, Dhaka-1000

Card Division
International Division
Islami Banking wing

Head Office (Bengal Center)
28, Tophkhana Road, Dhaka 1000

Training Institute
Library
Research & Planning Division

Regional Office

- Dhaka**
Metropolitan Chamber Building (3rd floor),
122-124, Motijheel C/A., Dhaka-1000.
9560299, 9559044, 9570893, 01711-425402
- Chittagong**
Hossen Chamber (G/F), 105, Agrabad C/A,
Chittagong 711806, 713432, 2513857, 2513856,
2512515, 2512598, 2512599, 01711-809177,
01817-030246, 01819-328491
- Khulna**
Chamber Bldg. (G/F), 5, KDA Avenue, Khulna
041-732633, 732655, 01714-066575, 01917-099177
(01711-896599, 01711-432638)
- Rangpur**
Shah Jamal Market(1stfloor), 11 Station Road,
Rangpur 0521-52127, 51795, 01711-068544,
01190-081237
- Sylhet**
Bellal Market,
Sylmart Complex, Naya Sarak, East Z B, Sylhet
0621-710434, 721842, 01739-807617, 01716-
929400

Branch Network

- Principal Branch**
Metropolitan Chamber Building (3rd floor),
122-124, Motijheel C/A., Dhaka-1000.
9560299, 9559044, 9570893, 01711-425402
- Gulshan Branch**
4/A Kamal Ataturk Avenue,
Gulshan-2, Dhaka-1212.
9881015, 9885164 (fax), 8852679, 8861232,
01914-743359, 01911-334997, 9880452 (GB)
- Imamgoj Branch**
Bellal Market,
79, Mouvi Bazar, Dhaka-1100.
7316820, 7342525, 7311243, 01911-093132
- Tophkhana Road Branch**
36 Tophkhana Road (1st floor), Dhaka-1000.
7168796, 8571413, 01713-062899, 01717000538
- Dhanmondi Branch**
House # 4, Road # 27(Old), 16(New),
Dhanmondi R/A, Dhaka-1205.
9145737, 8156621, 01715 364865
- Uttara Model Town Branch**
Plot #113/C, Road-7, Sector-4,
Uttara Model Town, Dhaka.
8955171, 8955172, 01199-812113, 01715 866111
- Munshikhola Branch**
Dhaka-Narayanganj Road, Pagla, Munshikhola.
7448979, 01714 096158
- Foreign Exchange Branch**
81, Motijheel C/A., (1st floor), Dhaka-1000.
9571933, 7160787, 01755-500237, 01715- 228818
- Panthapath Branch**
77, Bir Uttam C.R. Dutta Road, Free School Street,
Hatirpool, Dhaka. 9667801, 9666521, 01730-015104
- Gulshan-1 Branch**
Uday Tower, 57/A Gulshan Avenue, Gulshan-1, Dhaka.
8811641, 8827850, 9862111 (direct), 01922 538509
- Narayanganj Branch**
Khan Super Market, 47/9 BB Road, DIT, Narayanganj
7646153, 7647062, 01912-965887
- Ekuria (Keranigonj) Branch**

Branch Network

- Hasnabad, Ekurila, Keranigonj, Dhaka.
7761100, 01730904651
13. **Banani Branch**
Plot # 106, Road-11, Bloc-C, Banani, Dhaka.
8889545, 8829022, 01199 004153
 14. **Dakshin Khan Branch**
298 Dakshin Khan Bazar, Dakshin Khan, Dhaka. 8956056,
 15. **Mirpur Branch**
Northern Lions R.P. Tower, Plot-4, Block-D, Mirpur-2, (Near Sony Hall) Dhaka.
9014060, 9014059, 01726-178801, 01711-850130
 16. **Matuail Branch**
Konapara, Momenbagh More, Matuail, Damra, Dhaka
7546147, 01924827106 ,01716-286245
 17. **Pragati Sharani Branch**
Kazi Hazl Ahmed Plaza, KA-70, Pragati Sharani (1st floor),
Kuril, Badda, Dhaka-1229
8410225-7, 01911 334997, 01718-811378
 18. **Newabpur Road Branch**
Shahi Bhaban (1st floor), 106, BCC Road, Thatari Bazar,
Dhaka.
9512139-40, 01722 242868, 01711-692004
 19. **Kamarpara Branch**
A. R. Complex, 75 Kamarpara, Uttara, Turag, Dhaka.
8981592-1, 01924 954141 , 01713 585638
 20. **Green Road Branch**
Castle Green (1st floor), 142 Green Road, Dhaka.
9102770-1, 01713-049030, 01718 646006
 21. **Ring Road Branch**
Probal Tower, 45-49 Ring Road (1st floor), Adabor-
Shamoly, Dhaka.
01715-077946, 01674-892926, 9103413- 4
 22. **Mohammadpur Branch**
Manama Turag, 14/23 Shahjahan Road, Block-A, Moham-
madpur, Dhaka.
9110630, 9110705, 01819 262898
 23. **Nawabgonj Branch**
Nawabgonj Adhunik Biloni, Zellaparishad Market,
Nawabgonj, Dhaka.
01716-339111
 24. **Malibagh Branch**
Faith Tower, 476/A DIT Road, Malibagh, Dhaka. 01819-
434858, 9331790, 9331929
 25. **Ashkona Branch**
Dana Plaza, 247 Ashkona Bazar (Uttara), Dhaka. 8961830,
8961823, 01711 907180
 26. **Kanchpur Branch, Narayangonj**
Jamir Khan Complex, Kanchpur Bus Stand, Kanchpur,
Narayangonj
01733 629472, 01715 173791
 27. **Mohakhali Branch, Dhaka**
Green Delta Alms Tower, 51-52, Mohakhali C/A., Dhaka
9855478, 9855478, 01552-410353
 28. **Agrabad Branch**
Hossen Chamber (G/F), 105, Agrabad C/A, Chittagong
711808, 713432, 2513857, 2513856, 2512515, 2512598,
2512589, 01711-809177, 01817-030246, 01819-328491
 29. **Khatungonj Branch**
33, Ramjoy Mahajon Lane, Khatungonj, Chittagong.
610192-3, 639593-4, 2512598, 01564 325265, 01777 888408
 30. **Jubilee Road Branch**
6 Noor Ahmed Road, Chittagong, 612188, 627811, 610356,
01730015106, (621874, 621875)
 31. **CDA Avenue Branch (GEC More)**
741 East Nasirabad, (1st floor), GEC More, Chittagong
031-2850940-1, 031-610029(fax), 01819 390278, 610029
 32. **Ctg. EPZ Branch**
Gazi Compl, Airport Rd. EPZ Gate, Chittagong 800168,
800668, 01819-378988, 01819 948117
 33. **Bahaddarhat Branch**
Manila Tower, Bahaddarhat More, Chittagong 2552512-3,
01710 950169,
 34. **Chowdhuryhat Branch**
Fateyabad, Hathazari, Chittagong
683225, 683342, 01819-331290
 35. **Pahartali Branch, Chittagong**
Abul Khair Bhaban, 20/44, D.T. Road, CDA Market,
Pahartali, Chittagong
2771931-3, 01817-700484, 01815-672575
 36. **Cox's Bazar Branch**
Hafazat Market, 103, Main Road, East Bazar Ghata, Cox's Bazar
0341-51377-8, 01815602796, 01711-963050
 37. **Sadarhat Branch**
Harbourage Dream (1st floor), 291, Sadarhat Road,
Chittagong.
619950, 619960, 619970(Fax) 01714-131383, 01196-011143
 38. **Oxygen More Branch**
Ali Noor Complex (1st floor), Oxygen More, Chittagong.
01711-111269, 2584461, 2584462
 39. **Chaktai Branch**
330, Chaul Potti, New Chaktai, Chittagong
031-626794, 031-626796, 01817-753266, 01712-914100
 40. **Sylhet Branch**
Sylmart Complex, Naya Sarak, East Z B, Sylhet
0821-710434, 721842, 01739-807617, 01716-929400
 41. **Khulna Branch**
Chamber Bldg. (G/F), 5, KDA Avenue, Khulna
041-732633, 732655, 01714-088575, 01917-099177
(01711-896589, 01711-432638)
 42. **Takarhat Bazar Branch**
Nosipur, Raipor, Madaripur
01712-589795, 01712-757967, 01720-939040
 43. **Rajshahi Branch**
Chand & Shopp. Complex New market, Rajshahi
0721-811981-2, 01712-620556, 01711-284141
 44. **Benapole Branch**
Nahar Tower, Benapole Bazar, Benapole
04228-76076, 01711-159073, 01911-296474
 45. **Jessore Branch**
6/D R.N. Road, Jessore
0421/68394-5, 01733-808799, 01768-540665
 46. **Gopalganj Branch**
City Square Shopping Mall, College Road, Gopalganj
6661570-1, 01712-901592, 01554237840
 47. **Brahmanbaria Branch**
Peara Meah Tower, Court Road, Brahmanbaria 01726-
264852, 0851-61788, 01553739791
 48. **Barisal Branch**
Mannan Plaza, 84, Sadar Road, Barisal
01720-510474, 01717-221460, 0431-61273-4
 49. **Bogra Branch**
Helal Mansion, Sherpur Road, Sutrapur, Bogra Sadar,
Bogra. 0516-7507-8, 01742-897974, 01716-625242
 50. **Kotwali para Branch, Gopalganj**
K. M. Super Marker
Ghagar Bazar, Kowtali para Gopalganj
6651277, 01719-816944, 01721-097008
 51. **Rangpur Branch**
Shah Jamal Market(1st floor), 11 Station Road, Rangpur
0521-52127, 51795, 01711-068544, 01190-081237
 52. **Beani Bazar Branch**
Jaman Plaza (1st floor), Beani Bazar, Sylhet
08223-56097-8, 01717-871082, 01710-186046
 53. **Moulvi Bazar Branch**
Kushumbagh Shopping City, Sylhet Road, Moulvibazar
Sadar, Moulvibazar
0861-63451-2, 01712-658105, 01722-598296
 54. **Shafigur Branch**
Shapna-Joy Tower, Shafigur Bazar, Kaliakoir, Gazipur.
0682251056-9, 01714-204450, 01716-004886

Branch Network

55. **Kustia Branch**
43, N.S. Road (1st floor), Amlapara, Kustia.
071-71298, 01712-613380, 01712458, 01966-768972
56. **Mymensingh Branch**
Canada Square Shopping Centre(1st fl.), 27, Rambabu Road, Mymensingh.
091- 63530 & 63532, 01711-462440, 01918-916683
57. **Dinajpur Branch**
Northern Plaza, Gonesh Tola, Dinajpur.
01730-962444, 053-163211 & 163979, 01711-383278
58. **Faridpur Branch**
R.K. Plaza (1st floor), 244 Goal Chamot, Hazratola, Faridpur
0631-61875, 01716-346036 & 01911-530685, 0631- 61877
59. **Patuakhali Branch**
Gazi Plaza (1st floor), 2-3 Sadar Road, Patuakhali.
044-162359, 01711-001734, 01713-506181
60. **Bhairab SME/Krishi Branch**
595/2 Bangabandhu Soroni (1st floor), Bhairabpur, Bhairab, Kishorgonj. 01681-298065,02-9471301-302, 01712087900
61. **Syedpur SME/Krishi Branch**
Khaled Market (1st floor), Dr. Zhikrul Haq Road, Syedpur, Nilphamari. 01717-134211 & 0552-671454-5, 01720-045731
62. **Gazipur SME/Krishi Branch**
Sahabuddin Complex (1st floor), 168, Joydebpur Bazar, Gazipur. 9264263 & 9264155, 01716-040988, 01921-855625
63. **Bishwanath SME/Krishi Branch**
Hasmat Ali Complex, College Road, Bishwanath, Sylhet. 01730-015114, 0622-456207-8, 01918-768248
64. **Goalabazar SME/Krishi Branch**
New Plaza, Sylhet Road, Goalabazar, Osmani Nagar, Sylhet. 0824-256189-87, 01716023769, 01715-367606
65. **Nanglemora SME/Krishi Branch**
Nanglemora High School Premises, Hathazari, Chittagong. 01729-094379, 01710-999912, 01711978810
66. **Savar SME/Krishi Branch**
66 Bazar Road (1st floor), Savar, Dhaka.
7745991&7745992, 01675-267616, 01714-645691
67. **Nilphamari Branch**
Chamber Building (1st floor), Haji Mohsin Road, Nilphamari Bazar, Nilphamari.
01712-370615,01915-984974, 055162591-90
68. **Comilla Branch**
4/4 Kaporiapotti (1st floor), Comilla.
01711-478774, 01913-314881, 081-72480, 081-72489
69. **Shibchar Branch**
Iman Gomosta Market (1st floor), Shibchar Bazar, Main Road, Madaripur.
01721-856895,01712-502562, 06624568500
70. **Bashurhat Branch, Noakhali**
Rupali Plaza (1st floor), Bashurhat, Comanigonj, Noakhali.
0322-356093, 01711-712503, 01727-829669
71. **Bagerhat Branch, Bagerhat**
119/2 K. Ali Road (1st floor), Bagerhat.
0468-64202-3, 01715-249680, 01711-417175
72. **Satkhira Branch**
Islam Tower (1st floor), Polashpole, Satkhira.
047162405, 01711-133083, 01717-456835
73. **Rohanpur Branch**
Al-haj Abdul Latif Super Market, Boro Bazar, Rohanpur, Gomostapur, Chapal Nawabgonj.
07823-74228, 07821-74217,74228, 01761-646963, 01710-437558.
74. **Tangail Branch**
Khan Super Market, Main Road, Tangail Town, Tangail
0921-61774,61746, 01919-226537, 01743-601641
75. **Gobindagonj Branch**
Shila Plaza, 211/1, Gobindagonj, Dhaka-Rangpur Highway,

Galbandha
05423-75134, 75108, 01712-522833,01716-872870

76. **Bakshigonj Branch**
Sawdagar Shopping Complex (1st floor), Old Bus Stand Road, Bakshigonj, Jamalpur
09622-56136, 56137, 01712-000663, 01734-498448
77. **Bhojeshwar Branch**
Shahnour Shopping Complex (1st floor), Bhojeshwar Bazar, Narla, Sheristpur
01759-142432, 01715-313960
78. **Tungipara Branch**
Rahima-Rangu Super Market, Patgati Bazar, Tungipara, Gopalganj.
6656 253, 6656254, 01916-481111, 01711-230039

Proposed Branch to be opened

- 01 **Gunagari Branch (Rural), Banskhali, Chittagong**
02 **Eskaton, Dhaka**
03 **Sunamganj, Sunamganj**
04 **Sonargaon Janapath Road Branch (Rural), Uttara**
05 **Patherhat Branch (Rural), Raojan, Chittagong**
06 **Ramchandrapur Branch (Rural), Comilla**
07 **Hailshahar/Kalamiah Bazar Branch, Chittagong**
08 **Pabna Branch**
09 **Keraniganj Branch, Dhaka**
10 **Inderhat Branch (Rural), Swarupkathi, Pirojpur**

75(seventy five) ATM Booth will be opened by the year 2013 at suitable locations across the country.

Islamic Banking Window

01. **Islamic Banking Window, Dhaka**
36 Topkhana Road, (1st floor), Dhaka-1000.
9513515-6, 01713-062699
01730-015106, 01730-015106,
02. **Islamic Banking Window, Chittagong**
Hossen Chamber (G/F), 105, Agrabad C/A, Chittagong
711808, 713432, 01711-809177

Subsidiaries**SBL Capital Management**

- 01 **Chamber Building (G/F), 122-124 Motijheel C/A., Dhaka-1000. 9151484 & 7175898, 7169134, 9558375/301-10, 9515827(Fax).**

Standard Bank Securities Ltd.

- 01 **Head Office (Ext), 2, DIT Avenue(Ext), Motijheel C. A , Dhaka**

Overseas Exchange House

01. **Standard Exchange Co. (UK) Ltd.**
101 White Chapel Road, London E1 1DT, UK Tel. +44(0)2073770009, Fax: 44(0)2076554456 & Cell: +44(0) 7949494486
02. **Standard Co.(USA) Inc. (Standard Express)**
37-22 73rd Street – Suite # B2, Jackson Heights, NY 11372, U.S.A. Mob: +1-646-3318255
standardusa@gmail.com, malek_966@yahoo.com
03. **Standard Express**
Jamaica Branch, 168-22 Hillside Avenue, Jamaica, NY 11432, USA. Tel: +1 718-526-2868, Fax: 718-526-2978
04. **Standard Express**
Ozon Park Branch, 74 19 101 Avenue, Ozon Park NY 11419, USA. +1 917 300 6048
- 05 **Standard Express**
Brooklyn Branch
471 McDonald Ave, Brooklyn, NY 11218
Tel: 347-627-9666, Fax: 347-627-9667
standardbkn@gmail.com

Credit Rating Report

Standard Bank Limited has been rated by Credit Rating Agency of Bangladesh (CRAB) on the basis of Audited Financial Statements as on 31 December, 2011. The summary of the rating is presented below:

CRAB has rated Standard Bank Limited as "**AA₃**" (Pronounced as Double A three) rating in the long term and "**ST-2**" rating in the short term which is stable as before.

Commercial Banks rated **AA₃** have very 'Strong Capacity to meet their financial commitments. They differ from the highest-rated commercial bank only to a small degree **AA₃** is judged to be of very high quality and is subject to very low credit risk.

Commercial banks rated in the short term **ST-2** category are considered to have the strong capacity for timely repayment of obligations. Banks rated in this category are characterized with commendable position in terms of liquidity, internal fund generation and access to alternative sources of funds is outstanding.



Head Office, Chamber Building (3rd Floor)
122-124, Motijheel C/A, Dhaka-1000

**NOTICE OF THE 14th ANNUAL GENERAL MEETING
OF THE MEMBERS OF STANDARD BANK LIMITED**

Notice is hereby given that the 14th (Fourteenth) Annual General Meeting of the Honorable Shareholders of Standard Bank Ltd. will be held on Monday the 15th April, 2013 at 10:30 a.m. at Bashundhara Convention Center-2, Baridhara, Dhaka to transact the following business:

Agenda

01. To receive, consider and adopt the Profit and Loss Accounts of the Company for the year ended on 31st December 2012 and the Balance Sheet as on that date together with the Reports of the Directors and the Auditors thereon.
02. To declare and approve stock dividend for the year ended 31st December, 2012 as recommended by the Board of Directors.
03. To appoint Auditor(s) of the Company for the term until next AGM.
04. To Consider and approve the loan proposal of the Directors as recommended by the Board.

All Members are requested to attend the meeting on the date, time and place as mentioned above.

Dated : Dhaka,
March 13, 2013

By the order of the Board

(A. F. M. Nizamul Islam Chowdhury)
DMD & Group Company Secretary

Notes:

- a. The Board of Directors has recommended 17% stock dividend for the year ended 31st December 2012 subject to approval in the 14th Annual General Meeting.
- b. 21st March, 2013 has been scheduled as Record Date. The Shareholders whose name appeared in the register of members of the Company or in the Depository Register on record date are eligible to attend the meeting and qualify for stock dividend.
- c. A member eligible to attend and vote at the 14th Annual General Meeting (AGM) may appoint a proxy to attend and vote on his/her behalf. The Proxy form duly stamped & signed by the member must be deposited at the Registered Office at least 48 hours before the meeting.
- d. Admission in the Venue of AGM will be allowed on production of the Attendance Slip.

N.B. : The agenda as to election/re-election of Directors of the Bank is not included till disposal of Civil Appeal as per leave granting order under date 12.02.2005 passed in CPLA no. 942-946 by the Appellate Division of Supreme Court of Bangladesh.



কাৰী আব্দুলমুন্সিৰ আহমেদ
চেয়ারম্যান

চেয়ারম্যান মহোদয়ের স্বাগত ভাষণ

বিসমিলাহির রহমানির রাহিম,

প্রিয় শেয়ার হোল্ডারবৃন্দ, প্রকৃতির অতিবিশ্ব্বন্দ, ব্যাংকের সম্মানিত গ্রাহকবৃন্দ, উপস্থিত স্ত্রী মহিলা ও স্ত্রী মহোদয়গণ,

আস-সালামু আলাইকুম।

গ্রীষ্মের এই সকালে আমি সম্মানিত শেয়ারহোল্ডার, গ্রাহকবৃন্দ এবং আগত সুবীকৃৎসকে ব্যাংকের ১৪তম বার্ষিক সাধারণ সভায় ব্যাংকের সকল সম্মানিত পরিচালক এবং পর্ষদের পক্ষ থেকে জানাই আন্তরিক কৃতজ্ঞতা ও সু-স্বাগতম। আমি আমার কৃতজ্ঞতা ও শ্রদ্ধা নিবেদন করছি তাঁদের প্রতি যাদের অব্যাহত সমর্থন, সক্রিয় সহযোগিতা ও উদ্বীর্ণতা, বিগত বছরগুলিতে আমাদের অগ্রগতি অর্জনে সহায়ক ভূমিকা পালন করেছে। আমার প্রত্যাশা আগামীতে ব্যাংক আপনাদের সকলের তরফ থেকে আরো আন্তরিক সমর্থন ও সক্রিয় সহযোগিতা পেতে থাকবে। ২০১২ সনে ব্যাংকের বিভিন্ন কার্যক্রম এবং আগামী দিনে ব্যাংকের সম্ভাবনার বিষয়ে প্রতিবেদন আপনাদের সামনে পেশ করার সুযোগ পেয়ে আমি গর্বিত।

সুখী মনস্কী,

সচ্ছতা, জবাবদিহিতা ও আন্তর্যব্যাংক প্রতিযোগিতার মাধ্যমে উন্নততর গ্রাহক সেবা প্রদানের লক্ষ্য নিয়ে ১৯৯৯ সনে আমাদের ব্যাংকের যে কার্যক্রম শুরু করা হয়েছিল আমাদের কর্ম তহপরতার মাধ্যমে, দ্রুত পরিবর্তনশীল এবং প্রতিদ্বন্দ্বিতাপূর্ণ অর্থনৈতিক ও সামাজিক পরিস্থিতির মধ্যেও আমাদের ব্যাংকের প্রবৃদ্ধির ধারা অব্যাহত রাখতে সক্ষম হয়েছি। যার জন্য আমরা শোকরিয়া আদায় করছি।

আপনারা সকলেই অবগত আছেন যে, বিগত বছর অর্থাৎ ২০১২ সালে বিশ্বমন্দা এবং দ্রব্য মূল্যের অস্থিতিশীলতা ও বাজার উদ্বর্তন বিরাজমান ছিল। তার মধ্যেও আমাদের ব্যাংক প্রতিযোগিতামূলক পরিবেশে নিষ্ঠার সাথে কাজ করে এসব সমস্যা সফলভাবে মোকাবেলা করতে সক্ষম হয়েছে এবং ব্যাংকের কার্যক্রমকে সম্মানিত গ্রাহকবৃন্দের কাছে সহজলভ্য করে তোলে। গ্রাহকদের দ্রুত পরিবর্তনশীল চাহিদা মেটাণের লক্ষ্যে ব্যাংক তার প্রাতিষ্ঠানিক কাঠামো যুগোপযোগী ও আধুনিক করেছে। বিশেষ করে বেসেল-২ এর সাথে সঙ্গতি রেখে ব্যাংকের মূলধন কাঠামো শক্তিশালী করার লক্ষ্যে বিভিন্ন কার্যকরী পদক্ষেপ গ্রহণ করেছে। বর্তমানে ব্যাংকের পরিশোধিত মূলধন ৪৮৭ কোটি টাকা যা ২০১২ সালের ঘোষিত ১৭ ভাগ স্টক ডিভিডেন্ড প্রদান সাপেক্ষে ৫৮৪ কোটি টাকায় উপনীত হবে। বৃদ্ধির মাপকাঠিতে মূলধনের পর্যাপ্ততা নিরূপণ করে প্রয়োজনীয় মূলধন বৃদ্ধির লক্ষ্যে কার্যকর ব্যবস্থা গ্রহণের প্রচেষ্টা অব্যাহত রেখেছি।

উল্লেখ্য যে, স্ট্যান্ডার্ড ব্যাংক লিঃ বর্তমানে দেশে ৭৮টি শাখার মাধ্যমে তার গ্রাহকদেরকে রিয়েলটাইম অন-লাইন ব্যাংকিং সেবা প্রদান করে আসছে। পূজি বাজারে অংশগ্রহণ এবং দেশের পূজি বাজারকে আরো শক্তিশালী ও গতিশীল করার নিমিত্তে এসবিএল ক্যাপিটাল ম্যানেজমেন্ট নামে ব্যাংকের শতভাগ মালিকানাধীন একটি আলাদা সার্বস্বত্বকারী কোম্পানী খোলা হয়েছে। বিগত বছরে ব্যাংক ডিএসই সদস্যপদ ক্রয় করে এসবিএল সিকিউরিটিজ লিঃ নামে আরো একটি সার্বস্বত্বকারী কোম্পানী গঠন করে এবং উক্ত কোম্পানী বিএসইসিএর অনুমোদন পাওয়ার পর স্বতন্ত্রভাবে শেয়ার ক্রয়/ বিক্রয় ও মার্জিন লেনদেন ব্যবস্থা করতে সমর্থ হবে। আশা করি চলতি বছরে মার্চেন্ট ব্যাংকিং এবং ব্রোকারেজ কার্যক্রম ঢাকা, চট্টগ্রাম ও অন্যান্য মহানগরীর বিনিয়োগকারীদের দ্বারা প্রাপ্ত পৌছানোর সম্ভব হবে এবং পুজি বাজারে আমাদের ব্যাংকের অংশ গ্রহণ আরো সম্প্রসারিত হবে।

ঢাকা ও চট্টগ্রামের দুটি শাখায় আলাদা ইসলামী ব্যাংকিং উইন্ডোর মাধ্যমে সারাদেশে বিদ্যমান ৭৮টি শাখার সাহায্যে ইসলামী ব্যাংকিং সেবা প্রদান করা হচ্ছে। আমরা ব্যাংকের উল্লেখযোগ্য সংখ্যক গ্রাহককে ইসলামী ব্যাংকিং এর সেবার আওতায় আনার জন্য প্রয়োজনীয় ব্যবস্থা নিচ্ছি এবং সমগ্র ব্যাংককে ইসলামী ব্যাংকে রূপান্তর করার জন্য আমরা বাংলাদেশ ব্যাংকের সঙ্গে প্রচেষ্টা চালিয়ে যাচ্ছি।

আমাদের ব্যাংক অনিবাসী বাংলাদেশীদের অর্জিত বৈদেশিক মুদ্রা দ্রুত দেশে আনয়নের লক্ষ্যে আন্তর্জাতিক ব্যাংক সম্পন্ন প্রতিষ্ঠান মানিগ্রামসহ বিভিন্ন এনজেল হাউজের সাথে চুক্তি সম্পাদন করেছে। ২০১২ সনে আমরা যুক্তরাজ্যের লন্ডনে স্ট্যান্ডার্ড এনজেল (ইউকে) লিমিটেড এর পাশাপাশি বিশেষে অবস্থানরত ভাইসের দেশের প্রতি যে আর্কষণ লক্ষ্য করেছি তাতে আমরা অনুপ্রাণিত হয়ে ব্যাংকের শতভাগ মালিকানাধীন যুক্তরাষ্ট্রের নিউইয়র্ক জেকসন হাউস এ স্ট্যান্ডার্ড কোম্পানী ইউএসএ ইনকর্পোরেশন "স্ট্যান্ডার্ড এনজেল" বোলার পর নিউইয়র্ক জ্যামাইকা, ওজোনপার্ক, ক্রুকলিন ও ব্রুনেল-এ আরও ৪ টি শাখা খুলেছি এবং এসটোরিয়া নিউইয়র্ক ও লস এঞ্জেলস এ শাখা খোলার বন্দোবস্ত করা হচ্ছে। ইতিমধ্যে "স্ট্যান্ডার্ড মানি ট্রান্সফার (অস্ট্রেলিয়া) পিটিওয়াই লিঃ" নামীয় শাখা খোলার বিষয়ে বাংলাদেশ ব্যাংক হইতে আমরা লাইসেন্স পেয়েছি যাহা খোলার পর্যায়ে প্রক্রিয়াধীন রহিয়াছে। পর্যায়ক্রমে বাস্কী অধ্যুষিত বিশ্বের অন্যান্য স্থানে বেমন- স্পেন, দক্ষিণ কোরিয়া, মধ্যপ্রাচ্যে, কানাডা, ইটালী, মালয়েশিয়া ও সিঙ্গাপুরে আরো এনজেল হাউস খোলা হবে। বৈদেশিক বাণিজ্য ক্ষেত্রে সেবা সম্প্রসারণের লক্ষ্যে হংকং শাহজালাল (৪) আন্তর্জাতিক বিমান বন্দর, ঢাকাতে আমরা করেন কারেপি একজেল বৃদ্ধি খুলেছি।

পাশাপাশি বাণ্যকাল থেকে সঞ্চয়ের অভ্যাস গড়ে তোলার লক্ষ্যে ছাত্র/ছাত্রীদের স্কুল ব্যাংকিং, শিক্ষা স্কীম কার্যক্রম পরিচালনার লক্ষ্যে ঢাকাস্থ কামারপাড়া শাখায় এবং চট্টগ্রামস্থ চৌধুরী হাট শাখায় স্কুল ব্যাংকিং কার্যক্রম চালু করিয়াছি এবং শ্রমজীবী ও সাধারণ মানুষের কল্যাণে ওয়ার্কস সেভিংস স্কীম এর মতো জনকল্যাণমুখী ব্যাংকিং কার্যক্রম প্রক্রিয়াধীন এবং শীঘ্রই তা প্রবর্তন করা হবে। জনসেবার বিষয়টি ভাবনায় রেখে আমার বিভিন্ন সংস্থার আনুগত্য/বাণিজ্যিক/শিল্পখাতের বিভিন্ন ইউটিলিটি বিল সমূহ সংগ্রহ করে থাকি এবং ধর্মীয় মূল্যবোধের প্রতি শ্রদ্ধা প্রদর্শন সাপেক্ষে সম্মানিত হাজী সাহেবদের হজ্জের কি সমূহ জমা গ্রহণ করে থাকি। বাংলাদেশ রোড ট্রান্সপোর্ট অথরিটি (বিআরটিএ) যানবাহন কি সমূহ ও আমরা জমা নিয়ে থাকি। এই সকল কার্যক্রম ব্যাংকিংকে পো-কন্ট/নো-কন্ট আমানত সংগ্রহের ক্ষেত্রে গুরুত্বপূর্ণ ভূমিকা রাখে যাহা ব্যাংকের মুনাফা বৃদ্ধিতে সহায়কও বটে। দেশের ব্যবসা-বাণিজ্যে গতিশীলতা আনয়নের লক্ষ্যে ক্ষুদ্র ও মাঝারী ঋণে বিনিয়োগের পরিমাণ বৃদ্ধি করা হয়েছে। দেশের কৃষি, কৃষক তথা আপামর পরিচিত জনসাধারণের জীবন মান উন্নয়নের লক্ষ্যে কৃষি ঋণে বিনিয়োগের পরিমাণ বৃদ্ধি করা হচ্ছে। বিগত ২০১২ সনে এসএমই ঋণে ২৬৪.৯০ কোটি টাকা ঋণ বিতরণ করা হয়েছে যাহা ২০১১ সনে ছিল ২৫৪.৭২ কোটি টাকা।

ক্ষুদ্র ব্যবসায়ী ও কৃষকদের সেবা প্রদানের লক্ষ্যে প্রধান কাযালয় ও শাখা পর্যায়ে এসএমই ও কৃষি ঋণ নামে স্বতন্ত্র বিভাগ চালু করা হয়েছে। আমরা বিশ্বাস করি, দেশ ও জাতির উন্নয়নের জন্য এসএমই ও কৃষি ঋণের উন্নয়ন অনন্বীকার্য। তাই আমাদের প্রতিটি শাখাকে এসএমই ও কৃষি ঋণে অর্থায়নের জন্য নির্দিষ্ট লক্ষ্যমাত্রা নির্ধারণ করে দিয়েছি যাতে করে উক্ত ঋণে আমরা আরো উল্লেখযোগ্য অবদান রাখতে সক্ষম হবো। দাখিল বিমোচন কর্মসূচি (আদর্শ গ্রাম প্রকল্প) এর আওতায় প্রতি জেলায় একটি করে গ্রাম নির্বাচনের জন্য আমাদের ব্যাংক পরিকল্পনা নিয়েছে। কৃষকদেরকে ব্যাংকিং চ্যানেলের আওতায় আনার লক্ষ্যে আমাদের ব্যাংক গ্রামীণ, এসএমই/ কৃষি শাখাতে ১০টাকা করে জমা গ্রহণের মাধ্যমে হিসাব খোলার নিয়ম চালু

চেয়ারম্যান মহোদয়ের স্বাগত ভাষণ

করেছে। জুলাই-ডিসেম্বর, ২০১২ সালব্যাপী আমাদের ব্যাংক ১২.২৮ কোটি টাকা শস্য উৎপাদন খাতে ঋণ দিয়েছে এবং কতিপয় এনজিও ও কর্মজীবী কল্যান সংস্থার মাধ্যমে ২১.৫০ কোটি টাকা ঋণ অনুমোদন করা আছে।

আমাদের ব্যাংক যশোর জেলাধীন ঝিকরপাছা উপজেলায় গুদখালী ইউনিয়নের ৪০ জন কুল চাষীদের মাঝে ঋণ বিতরণ করেছে এবং বেনাপোল শাখার মাধ্যমে ১০০ জন চাষীর মাঝে ঋণ বিতরণ প্রক্রিয়াধীন আছে। বেনাপোল শাখা কালিয়ানী, ঘোণা, শার্শার ২০ জন মৎস্য চাষীদের মাঝে ১.৬০ কোটি টাকা ঋণ বিতরণ করেছে। শস্যখাতে যেমন ডাল, জুয়া, তৈলবীজ, মসলা ইত্যাদি খাতে ১৩.৬১ লক্ষ টাকা ঋণ বিতরণ করা হয়েছে।

বিপত বৎসরে ফরেন রেমিটেন্স খাতে আমরা উল্লেখ যোগ্য পরিমাণে ব্যবসা আহরনে সমর্থ হয়েছি। উক্ত খাতে ব্যবসার পরিমাণ দাঁড়াইয়াছে ৫৩৭৯.৮০ মিলিয়ন টাকা, যাহা পূর্ববর্তী বৎসরের তুলনায় ৪৯.৫০% বেশি। রপ্তানিখাতে আমরা অগ্রাধিকার নিয়েছি ট্রেডিশনাল আইটেম যেমনঃ কাঁচা পাট, পাটজাত দ্রব্য, তৈরী গোশাক, চামড়া, এবং নন ট্রেডিশনাল আইটেম যেমনঃ টাইলস, বাইসাইকেল, চিড়ি, হস্তশিল্প, পানসুপারি, খনিয়া বীজ, পানির বোতল ইত্যাদি।

অনলাইন ব্যাংকিং সার্ভিস প্রবর্তনের পর পরই ব্যাংক ক্রেডিট ও ডেবিট কার্ডের মাধ্যমে সেবার মানকে অত্যাধুনিক করা হয়েছে। ইতোমধ্যে অল্প ব্যাংকের ক্রেডিট কার্ড দেশ-বিদেশের বিভিন্ন স্থানে ব্যবহার করা যায় তথ্যজন্য অন্যান্য ব্যাংক ও সংস্থার সঙ্গে চুক্তির মাধ্যমে আমরা একটি নেটওয়ার্ক গড়ে তুলেছি এবং আমাদের কার্ড হোল্ডারগণ যাতে নিরলস সেবা পেতে পারেন তথ্যজন্য আমরা অত্যাধুনিক যন্ত্রপাতি দিয়ে আমাদের কার্ড ও আইটি বিভাগ দ্বয়কে স্বয়ংক্রিয় করে রেখেছি। আমরা ইতোমধ্যে গ্রামীণ ও শহরে যৌথভাবে আমাদের এটিএম বুথ খুলে ডিজিটাল বাংলাদেশের অগ্রযাত্রা শুরু করেছি। পর্যায়ক্রমে এটিএম এর সুবিধা আমরা সর্বস্তরের গ্রাহকের কাছে সহজলভ্য করতে চাই। সারাদেশে আমাদের ১৭টি এটিএম বুথ খোলা হয়েছে এবং চলতি বছরে আমরা আরও ৭৫টি এটিএম বুথ খোলার পরিকল্পনা নিয়ে কার্যক্রম পরিচালনা করছি। এছাড়া সোনালী ও ইসলামী ব্যাংকের মাধ্যমে বিট ক্যাশ নেটওয়ার্কের আওতায় ১৫০টির বেশি এটিএম বুথ পরিচালনায় আমাদের চুক্তি রয়েছে। সেবার মান আধুনিকায়নে আমরা প্রাথমিকভাবে মূল্যবান গ্রাহকদের এসএমএস ব্যাংকিং সুবিধা প্রদান করছি যাহাতে মোবাইল মেসেজের মাধ্যমে গ্রাহকদের হিসাবের লেনদেন অবহিত করা হয়, ২৪ ঘণ্টা গ্রাহক তাহার হিসাবের স্থিতি জানতে পারেন এবং গ্রাহককে তার হিসাবের সর্বশেষ ৫টি লেনদেনের বিবরণী পরিবেশন করা হয়। ব্যাংকের গুয়েব সাইটে একদলসংক্রান্ত তথ্যাদি পরিবেশিত রহিয়াছে। ভবিষ্যতে পর্যায়ক্রমে গ্রাহকদের বিভিন্ন ইউটিলিটি বিলসমূহ পরিশোধ / জমা প্রদানের মাধ্যমে সেবাদানের বিষয়টি কার্যকর করতে আমরা সচেষ্ট থাকিব। ইহছাড়া মোবাইল ব্যাংকিং কার্যক্রম অতি শীঘ্র আমরা চালু করার উদ্যোগ নিতে যাছি।

বৈদেশিক ব্যবসা বাণিজ্য পরিচালনার লক্ষ্যে বর্তমানে ১৭টি অখরাইজড ডিলার (এডি) শাখার কার্যক্রম অব্যাহত আছে। আরও তিনটি শাখা সিইপিজেড, গ্রীনরোড ও মিরপুর শাখার এডি লাইসেন্স এর জন্য আবেদন করার পরিকল্পনা আমাদের রয়েছে।

এ সকল কার্যক্রম এবং কারিগরি উৎকর্ষতা ও প্রতিযোগিতার পটভূমিতে আমাদের সেবার মান অধিকতর উন্নত হবে, ইনশাআলাহ। ব্যাংকের প্রত্যাশা, আধুনিকায়নের এই প্রক্রিয়া উন্নত গ্রাহক সেবা প্রদানের লক্ষ্য অর্জনে সহায়ক হবে। এবং দেশে বিদেশে অবস্থানরত সকল গ্রাহককে স্বল্প সময়ে কার্যকর সেবা প্রদানে সক্ষম হবে।

বিশ্বব্যাপি আর্থিক মন্দা এবং প্রতিযোগিতামূলক পরিবেশের প্রেক্ষাপটে ২০১২ সনে আমাদের ব্যাংক আমানত, ঋণ ও মুনাফার ক্ষেত্রে যে সফলতা অর্জন করেছে তা অত্যন্ত প্রসংশনীয়। গতিশীল বিনিয়োগ ব্যাংকের সফলতা উচ্চ শিখরে নিয়ে যায়। ব্যাংকের এ সাফল্য জাতীয় অর্থনীতিতে গুরুত্বপূর্ণ ভূমিকা রাখবে। ২০১২ সনে অর্জিত ব্যবসার পরিসংখ্যান নিম্নরূপঃ

ব্যাংকের আমানত	৭,৬১১ কোটি টাকা
ঋণ ও অর্ধীম	৬,১৫৩ কোটি টাকা
বৈদেশিক বাণিজ্য	৯,৬৪০ কোটি টাকা
ব্যাংকের নীট মুনাফা	১৩৩ কোটি টাকা
প্রতি শেয়ারে আয়	২.৭৩ টাকা

২০১২ সালে আমরা ৫টি গ্রামীণ ও ৫টি শহরভিত্তিক মোট ১০টি শাখা খুলেছি। চলতি সনে আমরা আরো ৮টি শাখা খোলার অনুমতি পেয়েছি। ইতোমধ্যে স্থান নির্বাচন ও আনুষ্ঠানিক কার্যক্রমের কাজ সমাপ্ত। ব্যাংকের এই বিভিন্ন সম্প্রসারণ কার্যক্রমকে বাস্তবায়ন করার লক্ষ্যে আমরা অভিজ্ঞ কর্মকর্তা-কর্মচারী নিয়োগ দিয়ে মোট লোকবল ১,২৭১ জনে উন্নীত করেছি। চলতি সনে আরও প্রয়োজনীয় সংখ্যক প্রবেশনায়ী সিনিয়র অফিসারসহ অভিজ্ঞ কর্মকর্তা-কর্মচারী নিয়োগের পরিকল্পনা আমাদের রয়েছে।

সম্মানিত শেয়ারহোল্ডারগণ,

আমাদের অঙ্গীকার এই ব্যাংকটিকে একটি আধুনিক প্রযুক্তিনির্ভর, আদর্শ, প্রগতিশীল ও আন্তর্জাতিক মানের ব্যাংক হিসাবে গড়ে তোলা। আপনারা জেনে খুশি হবেন যে, বিপত বছরে আন্তর্জাতিক খ্যাতি সম্পন্ন 'ইরা সফটওয়্যার' এর সঙ্গে ব্যাংক যে চুক্তি সম্পাদন করেছে তার আওতায় আমরা এখন রিয়েল টাইম অনলাইন এর মাধ্যমে ব্যাংকিং সুবিধা দিচ্ছি। বর্তমানে ব্যাংকের সকল শাখায় অনলাইন কার্যক্রম চালু হয়েছে। এখন আমাদের এক শাখার গ্রাহক আমাদের অন্য শাখা হতে তার ব্যাংকিং লেনদেন নির্বিঘ্নে সম্পন্ন করতে পারছে। অনলাইন এর যে কোন সমস্যা দ্রুত সমাধানের জন্য যে বিজনেস টিম গঠন করা হয়েছে। এ বিভাগ নিরলসভাবে কাজ করে যাচ্ছে যাহাতে শাখাগুলির কাজকর্ম কেন্দ্রীয়ভাবে পর্যবেক্ষন করা যায় এবং আইটি সিস্টেমের কাজ কর্মের পদ্ধতিগত তদারকি স্বচ্ছ হয়। ফলে ব্যাংকিং কাজকর্মের ত্রুটি অনেকাংশে হ্রাস পেয়েছে। অনলাইন কার্যক্রম যাতে সবসময় নির্ভুল ও স্বচ্ছর সাথে পরিচালিত হয় তা আইটি অডিট অনুবিভাগ সব সময় পর্যবেক্ষন ও নিরীক্ষণ করছে।

একটি দক্ষ অভ্যন্তরীণ নিরীক্ষা ও পরিপালন বিভাগ আমাদের রয়েছে। ব্যবস্থাপনা কর্তৃপক্ষ এবং অভিজ্ঞ ও শক্তিশালী অডিট কমিটির তত্ত্বাবধানে পরিকল্পনা মাসিক উচ্চ বিভাগের কার্যক্রম পরিচালিত হয়। এ বিভাগের ব্যাপক কার্যক্রমের ফলশ্রুতিতে শাখার কুলমাত্রি, ত্রুটি বিচ্যুতি পরিহার করা সম্ভব হচ্ছে। বাংলাদেশ ব্যাংকের প্রতিনিধিত্বের উপস্থিতিতে পর্যটনের বিশেষ বোর্ডসভার মাধ্যমে বিধি বিধান পরিপালন, অনিয়ম ইত্যাদি বিষয়ে আলোচনা সাপেক্ষে আমরা সুষ্ঠু কার্যক্রম পরিচালনা করে আসছি।

২০০৫ সালে আমাদের ব্যাংক নিজস্ব ট্রেনিং ইনস্টিটিউট প্রতিষ্ঠিত হয়। বর্তমানে এ প্রতিষ্ঠানটি ধীরে ধীরে পূর্ণাঙ্গ অবয়বে রূপ লাভ করছে। ব্যাংকিং জ্ঞান, গুণাবলী ও দক্ষতার উৎকর্ষ সাধনে এই ইনস্টিটিউট বিভিন্ন রকম কোর্স পরিচালনা করছে; যেমন ব্যাংকিং ফাউন্ডেশন কোর্স ফর প্রবেশনায়ী অফিসার, নব নিযুক্ত এ্যাসিস্টেন্ট অফিসারদের

চেয়ারম্যান মহোদয়ের স্বাগত ভাষণ

জন্য ইনভাকশন কোর্স, অভিজ্ঞ কর্মকর্তাদের জন্য বৈদেশিক বাণিজ্য ও ঋণ ও অগ্রিমের উপর উন্নত কোর্সসহ সমভাবে প্রয়োজন সাপেক্ষে কর্মকর্তাদের জন্য অন্যান্য কোর্স / কর্মশালা। এইরূপ ৩৩ টি কোর্স / কর্মশালা ২০১২ সালে পরিচালনা করা হইয়াছে, যাহাতে ৮৯৯ জন অংশ নিয়েছেন।

প্রিয় শেয়ারহোল্ডারগণ,

আমাদের ব্যাংকের, শ্রেণীবিন্যাসকৃত ঋণ বা কু-ঋণের পরিমাণ খুবই কম। সার্বিকভাবে ব্যাংকের এসেট কোয়ালিটি চমৎকার। তবুও আমরা শ্রেণীবিন্যাসকৃত ঋণসহ সাধারণ ঋণের জন্য প্রডিশনিং স্বাধিকভাবে ও যথেষ্ট পরিমাণ সংরক্ষণ করেছি। ব্যাংকের শ্রেণীবিন্যাসকৃত ঋণের পরিমাণকে নিয়ন্ত্রণ ও তদারকি করার জন্য প্রধান কার্যালয়ে 'ঋণ আদায় বিভাগ' শাখার খাতকদের সঙ্গে নিয়মিত যোগাযোগ করছে। উক্ত বিভাগ প্রতিনিয়ত মনিটরিং ও ফলোআপ করছে, ফলে শ্রেণীবিন্যাসকৃত ঋণের উর্ধ্বগতি ইতিমধ্যে নিয়ন্ত্রণে রাখা সম্ভব হয়েছে। এটা সম্ভব হয়েছে পর্ষদের সম্মানিত পরিচালকবৃন্দের প্রজ্ঞা, ব্যবস্থাপনা কর্তৃপক্ষের বিচক্ষণতা ও ব্যবস্থাপকবৃন্দের বিশেষনাঙ্ক কর্মক্রমের জন্য। আমি সবাইকে জানাই আন্তরিক ধন্যবাদ।

প্রিয় শেয়ারহোল্ডারবৃন্দ,

আপনারা ইতোমধ্যে অবহিত হয়েছেন যে, আমাদের ২০১২ সালের নীট মুনাফার পরিমাণ ১৩৩ কোটি টাকা। ব্যাংকের পরিচালনা পর্ষদ বাস্তব অবস্থা পর্যালোচনা পূর্বক ১৭% হারে বোনাস শেয়ার লভ্যাংশ হিসাবে প্রদানের সুপারিশ করেছে যা আপনারদের অনুমোদনের জন্য আলোচ্যসূত্রে অন্তর্ভুক্ত করা হয়েছে। তাই ব্যাংকের মূলধন কাঠামো এখন অনেক শক্তিশালী। আমাদের প্রত্যাশা বর্তমানে ব্যাংকের যে আয়ের ধারা বহাল আছে তা অব্যাহত থাকলে ইনশাআলাহ আমরা ভবিষ্যতে আরো আকর্ষণীয় লভ্যাংশ প্রদান করতে সক্ষম হবো।

প্রিয় শেয়ারহোল্ডারগণ,

ব্যাংক মুনাফা অর্জনের পাশাপাশি যাতে দেশের আর্থ সামাজিক উন্নয়ন ও জনকল্যানমূলক কাজে সরাসরি সম্পৃক্ত হতে পারে তার জন্য বিভিন্ন কল্যানমূলক কাজ করে যাচ্ছে। নিম্নে ২০১২ ইং সালে আমাদের উল্লেখযোগ্য কল্যানমূলক কাজের বিবরণ সন্নিবেশ করা হলঃ

বিবরণ

টাকা

আর্মি অফিসার যারা বিভিন্ন কর্তৃক নিহত হয়েছেন তাদের পরিবারকে সহায়তা	১৪,৪০,০০০/-
ঢাকা শিশু হাসপাতালে অনুদান	১,০০,০০,০০০/-
জাতির জনক বঙ্গবন্ধু শেখ মুজিবুর রহমান মেমোরিয়াল ট্রাস্টকে অনুদান	২,০০,০০,০০০/-
বাংলাদেশ এসোসিয়েশন অব ব্যাংক (ব্যাব) এর পক্ষে আইআরআরআইকে অনুদান	৬,০০,০০০/-
প্রতিবন্ধীদের বিশেষ অলিম্পিকের স্পন্দরশীপ অনুদান	২,০০,০০০/-
বিএনএসবি চন্দ্র হাসপাতালকে ফ্যাকো মেশিন স্থাপনে অনুদান	২৬,৫০,০০০/-
ফজিরাহু রামুর বৌদ্ধ মন্দির পূর্ণগঠনকল্পে মাননীয় প্রধান মন্ত্রীর জ্ঞান তহবিলে অনুদান	২,০০,০০,০০০/-
শীতার্ঘ্য মানুষের জন্য কঞ্চল প্রদানের সহায়তা কল্পে	৬৮,০০,০০০/-
শান্তিনগর বাজারে ফরমালিন সনাক্তকরণ মেশিন স্থাপনের অনুদান বাবদ	২,৭০,০০০/-
বানু বাজারের অগ্নিকাণ্ডে ফজিরাহুদের মাঝে সুস্বি বিতরণ বাবদ	৩,১২,০০০/-
ওয়ার্ল্ড মার্কেটিং সামিট ২০১২ তে প্রদত্ত অনুদান	২০,০০,০০০/-
গরিব অভাবগ্রস্ত/চিকিৎসা খরচ ইত্যাদি বাবদ লোকদের সাহায্য প্রদান	৭,৬৬,৫০০/-
মোট	৬,৫০,০৮,৫০০/-

পাশাপাশি পরিবেশ সহায়ক গ্রীণ ব্যাংকিং কার্যক্রমের আওতায় পরিচালকদের সমন্বয়ে একটি উচ্চ ক্ষমতা সম্পন্ন কমিটি গঠনের মাধ্যমে ব্যাংকের গ্রাহকদের মধ্যে পরিবেশ সচেতনতা বৃদ্ধি, বায়োগ্যাস, সৌর বিদ্যুৎ, জ্বালানী ও বিদ্যুৎ সাশ্রয়ী এবং পরিবেশ সহায়ক ব্যবসা ও প্রকল্পে অর্থায়ন জোরদার করা, গ্রীণ মার্কেটিং কার্যক্রম এর আওতায় পণ্য রূপান্তর বা পণ্যের ধরণ পরিবর্তন, প্রক্রিয়াকরণ ও প্যাকেজিংসহ বিপন্ন প্রক্রিয়া ইত্যাদি কার্যক্রম পরিচালিত হয়ে আসছে। ব্যাংকের প্রধান কার্যালয় ও শাখা পর্যায়ের আভ্যন্তরীণ কার্যক্রমে গ্রীণ ব্যাংকিং এর আওতায় বিদ্যুৎ, পানি, কার্বন ও কাগজ সাশ্রয়ী দাপ্তরিক কার্যক্রম এর বিকল্প হিসেবে ইলেকট্রনিক ব্যাংকিং ও তথ্য সংরক্ষণ প্রবর্তন ইত্যাদি তাত্ত্বিক কার্যক্রম পরিচালিত হয়ে আসছে।

কৃতজ্ঞতা জ্ঞাপন,

আমি ব্যাংকের সার্বিক অগ্রগতি, উন্নয়ন ও সফলতা অর্জনে স্ট্যাভার্ড ব্যাংক পরিবারের প্রত্যেক সদস্যকে তাদের নিরলস পরিশ্রম ও সেবা প্রদানের জন্য জানাচ্ছি পর্ষদের পক্ষ থেকে কৃতজ্ঞতা ও আন্তরিক ধন্যবাদ।

ব্যাংকের পরিচালনা পর্ষদ ও সর্বস্তরের কর্মকর্তা-কর্মচারী এবং আমার নিজের পক্ষ থেকে উপস্থিত সকলকে ধন্যবাদ জ্ঞাপন করছি। আমাদের ব্যাংকের মূল চালিকা শক্তি ব্যাংকের সম্মানিত গ্রাহক ও শেয়ার হোল্ডারগণ। অল্প ব্যাংকের উদ্যোক্তা শেয়ার বা অন্য কোন শেয়ার এমপের বিভাজন নেই। সম্মানিত শেয়ারহোল্ডারগণ ও সম্মানিত গ্রাহকবৃন্দকে তাঁদের সহযোগিতার জন্য সকলকে জানাই আন্তরিক ধন্যবাদ। কৃতজ্ঞতা জ্ঞাপন করছি অর্থ মন্ত্রনালয়, বাংলাদেশ ব্যাংক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ডিএসই, সিএসই, জয়েন্ট টক কোম্পানী সমূহের রেজিস্ট্রার, সিডিবিএল এবং অন্যান্য সকল প্রতিষ্ঠানের সক্রিয় সহযোগিতার জন্য। আমাদের প্রত্যাশা এসব প্রতিষ্ঠান সমূহ তাদের সহযোগিতা ও সমর্থন ভবিষ্যতেও অব্যাহত রাখবেন।

আলাহ হাফেজ।

কাজী আকরামউদ্দিন আহমেদ
চেয়ারম্যান, পরিচালনা পর্ষদ





Message from Managing Director & CEO

Ever since Standard Bank Ltd. was established, our goal was to contribute to the national economy and at the same time increase shareholders' equity value. We have also tried to be a compliant bank and it was our continuous endeavor to follow all best practices of the industry while doing business with our valued customers and other stakeholders.

We have completed the year 2012 quite successfully despite many adversaries. The bank has registered growth and achieved best results in all areas of business operation. Our consistent growth over the last a few years confirms that we are moving in right direction with right strategies. The global economy was sluggish throughout the year 2012 and most of the advanced economies did not perform as expected. But Bangladesh economy has done well despite many challenges. We have noticed significant growth in our exports and foreign remittance. We have also observed that our reserve has shown steady rise and much above the mandatory requirement of three month's import bill. Bangladesh Bank has put in lot of efforts to contain inflation through restricting credit in unproductive and luxury items. There was a steady flow of credit in industrial sector, agricultural and non farm sector. Bangladesh Bank through newly stated monetary policy envisages attainment of GDP growth at 7.5 percent by expanding credit volume in private sector and aims at bringing down the inflation from 7.3 percent to further down. Trade deficit in the first six months of the current fiscal year is narrowed by 34 percent due to fall in import. Confidence among businesses is on the rise, with industrial production, investment and employment increasing in the first half of the current fiscal year.

During the year 2012, the Bank has consolidated its position by ensuring sustainable growth in our business operation by pursuing multiple sources of revenue. Standard Bank is always trying for creating wide array of financial services and products to cater to the emerging needs of the market. The Bank focused on attracting new customers and retaining the loyalty of old customers through improved customer services at a very competitive price.

We have attached financial statements of the Bank in the Annual Report, which provide a summary of last year's activity. The bank posted a net profit of TK. 1331 million compared to TK. 1296 million in the year 2011. The Bank has shown increased growth in deposits and advances which grew by 19 % and 11% respectively during the year 2012. Total assets of the Bank stands at TK. 94370 million in the year 2012 from TK. 74953 million in the year 2011. This reflects our ability to compete in the current market and increase our market share. Though the demand for credit was slow throughout the year but we have progressed cautiously and managed our risk profiles carefully. We have maintained strict monitoring in our credit management and follow up after disbursement that had contributed in reducing classified loans to 2.5%.

We have never lost sight of keeping the bank adequately capitalized against all kinds of loans and advances and as per Bangladesh Bank's guidelines the ratio stands at 11.28% compared to risk weighted assets.

We have made significant progress in trade finance in the year 2012. Our growth in import and export is comparable with global growth in Bangladesh. We have also mobilized considerable amount of inward remittance by undertaking many initiatives home and abroad. Our exchange houses in UK and USA have collected and remitted fund to Bangladesh to the tune of TK. 4670 million. Our remittance business helped us not only in our import payments but also in generating surplus foreign exchange in our favour.

Retail and SME has been recognized by Bangladesh Bank as a major driver of economic growth. Consequently we have deepened our stake in both the areas. We have opened many SME centres across the country in strategic locations. In agriculture sector and non farm sector we have taken new initiatives to make lending collateral free as much as possible. We have expanded card base of our Visa Credit card and debit card and made satisfactory progress in this business. We are planning a few new initiatives to attract new customers and retain loyalty of existing ones.

As you all know that we have made substantial investment in our IT infrastructure and alternate delivery channels, we believe our customer service will be far superior to that of our competitors. Main objective of investment in technology is to provide our customers convenience and quick service by avoiding delay. We are always mindful of cost component so that customers are not unnecessarily burdened. Technology has contributed significantly in doing business in transparent manner. We have already established a network of 17 ATMs mainly at our branch locations so that customers can access to them regardless of banking hours and holidays. We have made arrangement with other networks of Dutch Bangla Bank and Brac Bank where our customers can have access to more than 3000 ATMs. We have already undertaken an initiative to join National Payment Switch under Bangladesh Bank at the earliest.

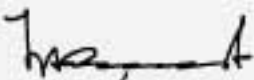
We have always attached highest importance while making recruitment for the Bank as human resources are our greatest assets. Every year we hire management trainee officers through competitive examination conducted by third party so that there is complete transparency in the process. For recruitment of senior and experienced bankers we are very discreet and do extensive homework before finalization of employment. We want talented employees and try to retain them by providing competitive compensation package and better environment.

Last year we have taken active part in many CSR activities and many state run activities by way of giving financial contribution. We are also mindful of our responsibility for the disadvantage group in our society. We continued our financial assistance to meritorious students particularly in rural areas under corporate social responsibility.

Once again I should say that the Bank is growing and our results are also impressive compared to the size of the bank. We are committed to make our bank into a modern and dynamic institution with corporate governance. We want to remain compliant, fair and transparent in our business deals.

Before I conclude I should remain grateful to our regulatory authorities, valued shareholders, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd. and Chittagong Exchange Ltd. respected customers and other stakeholders for their continued support. Our Board in general and Honourable Chairman in particular have put in relentless efforts in guiding the Bank's strategies and providing us with invaluable suggestions in all important matters.

May Allah bless us all.



S. A. Farooqui
Managing Director & CEO

View of General Meeting



A partial view of 13th Annual General Meeting of Standard Bank Ltd., Hon'ble Chairman of the Board Mr. Kazi Akramuddin Ahmed is seen addressing the honourable shareholders.



A partial view of 13th Annual General Meeting of the Bank. Hon'ble Shareholders of the Bank are seen.

Director's Report

Global Economy

In 2012, the world economy, by and large slowed down while a few emerging economies experienced robust growth. Latest World Bank forecast has put the global economy to grow at 4.1 percent in 2013, against estimated growth of 3.5 percent in 2012. The forecast also indicated that recovery from global recession would not be uniform. Advanced economies would expand just 2 percent in 2013, while developing economies might expand 6 percent and Euro zone might shrink 0.9 percent. According to Asian Development Bank, Asian zone would expand 7.3 percent in 2013. Financial crisis and debt burden existed mainly in Europe and such scenario is unlikely to be over any time soon. Against this background, policy makers in Europe and the US are trying to strike a judicious balance between support for the economy and medium term financial consolidation and that volatility in global financial markets do not escalate.

European Central Bank (ECB) has committed to continue to intervene strongly to maintain stability in sovereign debt markets. Leaders of eurozone countries further indicated to stand by their commitments to preserve trust in national policies and the euro. Given growing downside risks to the US activity the Federal Reserve should stand ready to deploy more conventional support along with short term and medium term fiscal consolidation. On global economy prospects IMF just concluded that recovery is in line with its expectation but high debt levels in the market, rising oil prices are key risks ahead. There is not great deal of room for maneuver and no room for policy mistakes at highest level of the advanced and emergent economies. However, achieving this will require that policy makers tackle difficult political economy challenges and undertake collaborative responses with all stakeholders.

Bangladesh Economy

Since last two decades, Bangladesh has grown consistently despite political upheavals and natural calamities. The poverty level has been halved and income inequality is gradually declining. Other social indices are also improving, immunization and nutrition is better than India's. Exports are growing from strength to strength and include apparels, leather, ship building, pharmaceuticals and jute and jute goods etc. We have also noticed over a period that destination of our export covered new countries all around the world. Bangladesh is still regarded as one of the lowest cost countries despite inflationary pressures. Flexible exchange rate helped our export trade which is now gaining 3 percent share of GDP and per capita income of \$816 means the country has massive potential for increased affluence.

During the year 2012, Bangladesh economy experienced positive trend with real GDP growth of 8.32 percent compared to 6.7 percent in FY 2012. The momentum was due mainly to export growth, steady remittance, increased output in agriculture and services sector. Industrial sector grew by 9.47 percent, service by 6.06 percent, agriculture by 2.53 percent compared to 8.2 percent, 6.22 percent and 5.13 percent respectively in FY2011. The expansion was broad based and covered most of the important sectors. Exports grew at 10.36 percent during first nine months. Imports also grew at 11.22 percent during first nine months. At current market price, total GDP of Bangladesh in FY2012 was estimated at Taka 9147.84 billion compared to Taka 7967.04 billion in FY2011 which represents a growth of 14.8 percent in FY2011.

Government and Bangladesh Bank adopted fiscal policies and strategies for achieving higher growth, reduction of poverty and unemployment and widening the net for social security. Inflationary pressure



was a main concern for the Government and to reduce the same, Bangladesh Bank raised cash reserve ratio (CRR) and statutory liquidity ratio (SLR) for banks by 0.5 percent to 6 percent and 19 percent respectively in December 2010. The economy has been facing a few challenges during the current fiscal year and it is apprehended that there might be shortfall in achieving more than 7 percent growth target. Rising inflation, increased Government borrowing to finance subsidies, reduced level of foreign aid and pressure on balance of payments are the main challenges that Government need to give due importance before further escalation. Mention may be made that Government and Bangladesh Bank are evaluating country's economic performance at regular interval and adjusting policies to remain on the right track.

According to Bangladesh Bank, realization of GDP growth expectations for 2013 and beyond will depend mainly on continuing stable domestic growth and steady external demand and budget spending on infrastructure investments including power. Tax receipts have improved but need further broadening of the tax base and rationalization in direct tax collections.

STANDARD BANK LTD (SBL)

The Standard Bank Limited witnessed record achievement in its business performance during the year 2012. The Bank was incorporated as a Public Limited Company on May 11, 1999 under the Companies Act, 1994 and it achieved satisfactory progress from its commercial operation since June 03, 1999. SBL introduced several attractive products and services and extended loans and credits to different sectors of the economy. Besides, the Bank has already introduced real time on-line banking and it is now fully automated. Through all these myriad activities, SBL has created a positive impact in the banking sector of the country.

OBJECTIVE OF THE BANK

The motto of the Standard Bank Limited is to explore new innovative banking in an automated and computerized environment. It aims at providing one stop service and prepare itself to face the new challenges of globalization and 21st century. One of the main objectives of the Bank is to be a provider of quality products and services at a competitive price. The Bank also caters to the needs of its corporate clients and provides a comprehensive range of financial services to national and multinational companies. The dimension of responsible corporate behavior of the Bank is the maintenance of ethical standard in its functioning.

Management

Human Resources Division of Standard Bank Limited plays a very vital role in formulating policies, developing corporate practice and culture in achieving its goal by properly utilizing the existing skilled manpower and also brining in the best talents through an abstract and prudent recruitment policy in the right direction to fulfill the mission and vision of the bank. Proper recruitment policy lays the solid foundation for strong erection towards establishment of an institution at the initial stage and sustainable growth for its consecutive enrichment. The division has been performing the job of recruitment from the very inception of the institution maintaining 100% clarity and transparency under a well-regulated system to establish a free and fair selection of its team under the able guidance of well experienced HRM team consisting of the executives and officers.

Total numbers of Executives, Officers and Staffs in the bank are 1271 as on 31.12.2012, out of them number of male employees and female employees are 1095 and 176 respectively, who are relentlessly working together with a vision to serve the bank with devotion and dedication to uphold its glorious image in the eyes of the members of public.

Director's Report



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed is seen presiding over the 188th meeting of the Board of Directors.



Mr. S.S Nizamuddin Ahmed, Chairman Audit Committee is seen presiding over the 44th. meeting of the Audit Committee.



Mr. S.A.M Hossain, Chairman Executive Committee is seen presiding over the 94th Meeting of the Executive Committee.

Training Research and Planning

The Training Institute of, the bank has been set up in March, 2005 with a view to equip human resources of the Bank with required knowledge and skills to perform their jobs in befitting manner. Training is regarded as a major catalyst for bringing about required changes in human behaviour. Today, we live in a knowledge-based world where training is an exposure for continuous learning. Developing professional proficiency, there is no alternative to training. Attaining "Competence" and "Competitiveness" is a bench mark for survival. Professional knowledge and skill can be disseminated and instilled by the professionals only. Achieving professionalism is only possible through continuous care on the job practices. Our service dimension has undergone so much so changes due to the emergence of free market economy, unprecedented innovations of information technology and E-Commerce that the importance of training has been increased manifold than ever before.

Accordingly, the Training Institute is responsible for planning and designing training courses, developing appropriate contents in keeping with the training need assessment and prepare training materials, tools and techniques for imparting training effectively and prepare course calendar for the year keeping in view of the Bank's vision and mission to be a leading bank. Setting an example of excellence and standard in banking in Bangladesh is our management objective.

The Institute also focuses to undertake Research & Planning for analytical review of bank's operational achievement and performances to review by the management and set strategy to sustain and improve bank's speedy qualitative growth to build up public image and prestige.

Since, the Training Institute is mainly entrusted with the responsibility of imparting training, a tailor-made training courses have been designed to equip them with required knowledge, skills and virtue so that they can translate bank's dream into a reality. It has specially designed courses i) Banking Foundation Course for Probationary Officer and ii) Induction Course on Banking for Assistant Officer for newly recruits. Simultaneously, need-based courses/workshops have been conducted for existing bank officials.

In 2012, Training Institute conducted 33 courses/workshops for 899 (cumulative) officers of the bank.



Partial View of Orientation Program of the 7th batch Probationary Senior Officers

Director's Report

Information Technology Division

Standard Bank Limited has a comprehensive business automation plan to provide cost effective sophisticated electronic services to its customers. It enhances customer satisfaction with the ultimate result of increased number of more loyal and trusted customers at lower cost. Instead of providing the service through bank counter, customers are encouraged to enjoy the service through various electronic delivery channels like ATM, POS, Internet Banking, Kiosk, BEFTN, SMS Banking etc. During 2012, SBL IT had done following projects successfully.

(i) SBL SMS Banking

SMS is no longer a new phenomenon in Bangladesh. Standard Bank Limited (SBL) has also introduced SMS Banking facility which will enable SBL clients to access their accounts for key financial information 24 hours a day. The solutions comes with Automatic Alerts and Push-Pull facilities where clients can get their required account information on their registered mobile for all the transactions done through branch, cash, cheque, SBL Debit Cards, POS and Internet Banking.

(ii) SBL Internet Banking

We already have started technology based innovative banking services like Internet banking. By using our secured Internet Banking service anyone can get these facilities: a) view & print their account statement, b) fund transfer and account balance enquiry, c) calculation tools for loans & deposits, d) view session summary quite easily from anywhere around the globe using internet.

(iii) SBL Kiosk (Bills pay) System

SBL Kiosk Banking is a banking service offered to personal customers within the branch. This service offers customers the flexibility to conduct their banking transactions via the Kiosk 24X7. After overwhelming responses from opening at Mirpur Branch, SBL will deploy more units in different branches for introducing smooth bill payments of DESCO, DPDC, WASA, BTCL, GAS, Credit Cards etc for the customers.

(iv) SWIFT Version 7_0_57:

We upgraded the old version of SWIFT Alliance Messenger with recent Version 7_0_57

(v) Ten new Branches have been added in SBL Network:

By the year 2012, we inaugurated 10 new branches and also opened 11 own ATM Booth at different locations where we deployed new PCs and structured communication network with redundant link and implemented online CBS system.

(vi) SBL ready to join National Payment Switch Bangladesh (NPSB):

SBL is ready to join National Payment Switch Bangladesh (NPSB) under supervision of Bangladesh Bank. Where all banks can share a common platform for ATM (Automated Teller Machine) and POS (Point of Sales) transactions with all automated banking facilities. Beside these we are using DBBL and OMNIBUS ATM Networks.

(vii) Server Virtualization

We have taken initiative for virtualization of our Test and Backup Servers at Datacenter which eventually reduce hardware maintenance costs because of a lower number of physical servers. By taking advantage of server virtualization we can easily improve the efficiency of our Data Center, as well as lower our total cost of ownership.

Green Banking Initiative by SBL IT:

For introducing the E-services like I-Banking, SMS Banking, E-recruitment, BillsPay and CIB Online, we reduced most of the paperwork as well as make the internal communication faster and documented. Beside Server Virtualization and blade server installation at Datacenter we have reduced significant amount of power consumption. We already introduced in-house E-mail Facility under SBL Domain. We already launched new lucrative website which provided up-to-date and details information about Standard Bank Limited and its wide range of products which also makes users to view or download updated financial reports online. Other platforms like Internet Banking allow e-statement. This reduces the carbon footprint of the customers by ensuring they do not have to resort to physical statements or travel to their branches. Sharing electronic files, voice mail and e-mail instead of paper memos.

Finally we can say, with the success of our automation, we will able to develop new products and new delivery channels, to reach new customer and create the opportunity for greater value proposition. Our IT objective is to achieve maximum use of tried and tested technology, keeping on improving with our offer to the customers with greater value proposition. It is time for business and technology to work more intimately in achieving banking goal for products and services.

Visa Credit Card and Debit/ATM Card

Credit Card is a retail product and has become very popular because of its convenience and ease. As a replacement of cash, it has an appeal which cannot be matched with any other product. Since Credit Card is to be used home and abroad, the bank decided to take Associate Membership from VISA International through National Credit & Commerce Bank Limited. VISA is also one of the top 20 global brands and it has the largest market share in the world. With Visa's license, we have successfully launched VISA Credit Card in the month of August 2010 and since then our Cards are being used across the world. In order to give full thrust to issue Cards and create sizable market share in Bangladesh, Card Division has been relocated to a new place, an exclusive floor near at Head office. Since Credit Card business brings more profit, many banks in the mean time are in Card issuance. Our challenge will be not only to create a market share but also cover our own customers so that they do not go to other places for enjoying Card facilities. We have a plan to engage commission based sales executives to market our Visa Credit Card and at the same time also recruit recovery agents on commission basis for follow up of defaulted cases. Standard Bank Card is now conducting its operation through ITCL and different steps have been taken for acquiring more business as well. Our Credit Card operations have been streamlined by faster and simpler working method.

The numbers of Credit Card increased from 1041 to 1500 significantly in the year. We have plan to incorporate the online CIB Reporting as per Bangladesh Bank guidelines and introduced Fraud Control Unit to minimize the risk in the Card business areas. The Credit Card total outstanding increased from Tk. 53 Million to Tk. 84 Million. So, the working spirit that we have shown in 2012 will continue to drive more in 2013 to improve the revenue line of Card Division.

Director's Report

Card Division already set its ambitious strategies for making consistent business growth in 2013 and the priorities are as follows:

- More focus on Collection & Recovery issue to reduce the bad loan amount of Card portfolio.
- Introduce variety of value added services through new Product Development initiatives i.e. Visa Prepaid Hajj Card, Visa Debit Card, Conversion of VISA Platinum Card from existing Gold Card, E-Statement, Reward Point, Balance Transfer, Card Cheque.
- Increase the number of ATM booths.
- Reform and Restructuring of the Card sales team to meet the challenging target.
- Introduce Call Center with a new dimension and enhance the Customer Services.
- Revamp the Card Operation system as per Visa requirements.
- Strengthen Fraud Control Unit to combat against the fraud and minimize risk in the associate with business areas.

In order to provide banking services regardless of time and location, we have introduced our own Standard Bank Debit Card. The launching of ATM Debit Card has opened up new horizon for bank customer which added new dimension in Card business of the Bank. The numbers of Debit Card also increased from 7958 to 15133 in the year as well. We have also installed 17 ATMs at our branches and another 50 will be installed this year. To cover maximum area we have entered into a sharing agreement with DBBL and Brac Bank so that our customers can access to their ATMs which are located all over Bangladesh. In addition we have agreement with Q-cash network of more than 1000 ATMs which also cover Sonali Bank and Islamic Bank Limited.



Hon'ble Director of the Bank Mr. Md. Manzurul Alam accompanying the Directors is found opening ATM Booth at Oxygen More, Chittagong.



A partial view of Dhaka Based Managers' Conference-2012, Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen addressing the Managers'.



A partial view of Orientation speech to the 7th Batch Probationary Senior Officers, Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen addressing the Officers.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed among others Hon'ble Directors is seen at a Press Conference of 13th Anniversary of the Bank.

Director's Report

Performance of SBL Capital Management Limited (SCML)

The year 2012 is considered an eventful year for capital market due to various reasons. This year so many initiatives have been taken from various corners to bring stability in the market but none of these initiatives could bring in desired result. The price level and volume of trade registered a regular slide and investors' participation (both individual and institutional) showed a shrinking trend throughout the year. Lac of coordination regarding policy issues, fund constraint, crack in confidence level of investors etc. are considered as the major factors behind the bearish trend of the market. The DSE General Index (DGEN) of 5352 and trade volume Tk 697 crore at the beginning of the year and the DGEN of 4219 and trade volume of Tk.250 crore during the end of 2012 reflect the bearish nature of the market.

Due to dull market scenario participation of investors remained at low level throughout the year. Similarly, transaction through the own portfolio of SBL Capital Management Limited (SCML) as well as clients' portfolio accounts remained at a low level compared to that of the last year. In order to arrest the downfall in price level substantial fund was injected on regular basis in the market through SCML own Portfolio and at the same time margin loan was provided to clients to facilitate portfolio investment. Reshuffling of own portfolio was done on prudent basis and side by side monitoring and supervision of margin loan to clients was carried out on regular basis. As per the guidelines of the regulatory bodies a list of affected investors was prepared and investors were requested to avail the 'interest waiver facility' through fulfilling certain formalities as well as making applications in IPOs having strong fundamentals through the 'IPO quota ' earmarked for them. But it was observed that very few investors availed the 'interest waiver 'facility but all of them availed the IPOs quota facility. The account holders who received IPO shares through this quota became benefited to some extent. But these steps were not sufficient enough to stop the slide in market price. As a result, un-realized loss could not be wiped out. In order to give comfort to Merchant Bankers and Institutional Investors, the Bangladesh Bank(BB) as well as the Bangladesh Securities and Exchange Commission (BSEC) during the end of the year allowed maintaining provision @20% on the amount of un-realized loss in the own portfolios of the Bank, Insurance, FIs and the Merchant Banking Subsidiary companies as well as of the client portfolio accounts for the year ended on 31 December 2012 and the rest 80% provision of un-realized loss amount in four installments in 2013. We expect to see positive impact of these initiatives soon if the market does not slide further in near future.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen presiding over the 6th Meeting of the Board of Directors of SBL Capital Management Limited.



Hon'ble Prime Minister, Jananetri Sheikh Hasina is found opening Tungi Para Branch, Gopalganj. The Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen with the Hon'ble Prime Minister along with Mr.A.M.A Muhih, Hon'ble Minister for Finance, Lt.Col.(Retd) Mr.Muhammed Faruk Khan, Hon'ble Minister for Civil Aviation & Tourism, Mr. Fayekuzzaman, Director, Mr. Ashok Kumar Saha, Vice Chairman of the Bank, Mr. Harun Rashid Chowdhury, Hon'ble Sponsor shareholder, Mr. S. A. Farooqui, MD and others.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed accompanying the Directors is found opening Kanchpur Branch, Narayanganj, Dhaka.



Hon'ble Deputy Speaker Col. (Retd.) Shawkat Ali, M.P. is found opening Bhojeshwar Branch, Shariatpur. Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed and Executives are also seen in the Ceremony.

Director's Report

Islami banking

For clients full satisfaction Vis-à-vis our sponsors' also, we have introduced Islamic Banking alongside our conventional Banking at the end of the year 2009. Currently we are operating Islamic Banking through two Windows at Topkhana Road Branch, Dhaka & Agrabad Branch, Chittagong under a separate high profile Islami Banking Software which is known as HIKMA Software. We are providing Islami Banking facilities to the customers on behalf of any of two windows through all conventional branches of the Bank in the country by utilizing the online Banking software. We are following & maintaining properly the Guidelines for Islamic Banking issued by Bangladesh Bank. We are also maintaining separate CRR/SLR with Bangladesh Bank for our Islamic Banking. Our Islami Banking books & accounts, deposits, investments, profit/loss, balance sheet etc. everything is fully separate from the conventional. Standard Bank Limited has formed Shariah Supervisory Committee for its Islamic Banking consisting of 5 (five) honorable members including some eminent Islamic scholars of the country. We are doing our Islamic Banking activities as per Islamic Shariah.

We are offering the following Deposit, Investment, Foreign Trade & Foreign Exchange products to our clients under Islamic Banking:

Deposit products:

01. Al-Wadiah Current Account 02. Mudaraba Savings Account (MSA) 03. Mudaraba Special Notice Deposit Account (MSND) 04. Foreign Currency Account 05. NFCD Account 06. RFCD Account 07. Mudaraba Term Deposit Receipt Account (MTDR) 08. Mudaraba Monthly Savings Scheme (MMSS) 09. Mudaraba Hajj Savings Scheme (MHSS) 10. Mudaraba Regular Income Program (MRIP) – newly introduced in 2012.

Investment products:

01. Bai-Murabaha 02. Bai-Muajjal 03. Bai-Salam 04. Hire Purchase under Shirkatul Melk (HPSM)

Foreign Trade & Foreign Exchange:

01. Import 02. Export 03. Remittance

In our above 02(two) Islami Banking Windows and also through all conventional branches of the Bank on behalf of any of two windows by utilizing the online Banking software, we are providing all the above products, Services & facilities to our clients and we are receiving very good response from them.

Our vision of Islami Banking is to open more Islami Banking Windows/Branches soon and to convert the whole Bank into Islami Banking from conventional Banking by obtaining permission from Bangladesh Bank.



The Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen presiding over the 3rd Meeting of the Shariah Supervisory Committee of Standard Bank Limited.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed accompanying the Directors is found opening Chakrai Branch, Chittagong



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed accompanying the Directors is found opening Ashkona Branch, Dhaka



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is found opening Rohanpur Branch, Chapai Nawabganj.

Director's Report

Capital Management:

In order to strengthen capital management and ensure that CAR (Capital Adequacy Ratio) is kept at appropriate level so as to lay a solid foundation for sustainable, fast, and healthy development of businesses of the bank, SBL has been formulated long term Risk Based capital planning.

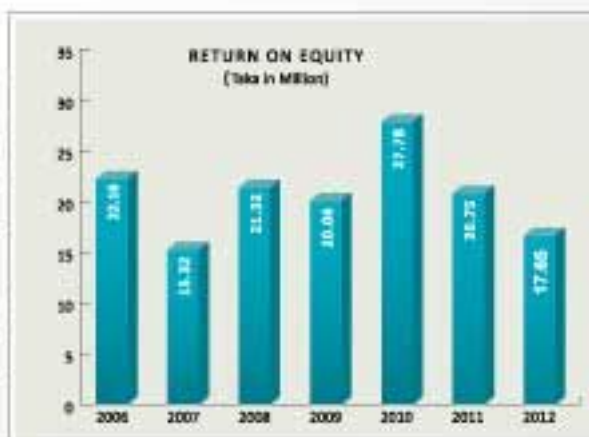
Bank has been maintained some key principle for its capital management to operate smooth banking activities. These principles are, meet regulatory requirement, maintain proper CAR level, support implementation of development strategy planning, optimize asset structure, allocate economic capital reasonably, realize maximum return on capital, and guarantee sustainable and healthy development of bank.

The bank's capital management framework serves to ensure that the bank and its principal subsidiaries are adequately capitalized in line with the risk profile, regulatory requirements, economic capital standards and target ratios, at both bank and subsidiary level. The bank capital management objectives are to:

- > maintain sufficient capital resources to meet minimum regulatory capital requirements set by Central Bank in accordance with Basel II requirements;
- > maintain sufficient capital resources to support the bank's business & risk appetite;
- > cover unexpected loss within the bank's target confidence levels and support the bank's credit rating;
- > allocate capital to businesses to support the bank's strategic objectives, including optimizing returns on economic and regulatory capital; and
- > ensure to maintain buffer capital as excess of minimum requirements.

A) Capital:

Bank's Authorized Capital was enhanced from Tk. 880.00 crore to Tk. 1500.00 crore in 27th EGM on 14.11.2011. The Paid-up Capital of the Bank has stood at Tk. 487.36 crore in 2012. The Statutory Reserve stood at Tk. 248.97 crore. The total equity capital & reserve of the Bank at the end of the 2012 was Tk. 820.75 crore. In future Bank has a plan to enhance both the authorized capital & paid-up capital of the Bank to cope with financial growth and regulatory constraint.



B) Capital Adequacy:

In terms of Bangladesh Banks' revised Basel-II Guidelines, the Minimum Capital Requirement (MCR) from January to June 2011 was 9% of Risk Weighted Assets (RWA) and from July-2011 to onward, the MCR was fixed at 10% of RWA.

The Tier-1 Capital of SBL stood at Tk.820.75 crore which is increased by Tk. 125.11 crore from previous year. While MCR needed to be covered 50% from Tier-1 Capital. It includes the equity such as Paid-up Capital, Reserve & Retained Earnings.

Besides Tier-II, another part of the Capital Structure stood at Tk. 81.51 crore at the end of 2012 which includes General Provision on unclassified loans & advances. Total Capital increased by Tk. 132.14 crore during the year 2012.

Capital Adequacy Ratio is measured by the ratio of the total Capital to the Risk weighted asset. Capital Adequacy Ratio (CAR) has stood at 11.28% at the end of 2012, where CAR requirement was 10%.

C) Capital Planning:

Bank has been forecasting 7 (seven) years from 2011 to 2017 capital planning for meeting ICAAP (Internal Capital Adequacy Assessment Process) requirement under SRP (Supervisory Review Process) of Basel-II guideline. For this reason Bank enhanced its Authorized Capital from Tk. 880.00 crore to Tk. 1500.00 crore. To use of capital efficiently Bank tries to reduce Risk Weighted Asset (RWA) by its best effort. Moreover in future Bank morally decides to issue stock dividend & right share for enhancing capital to meet regulatory requirement.

A detail of Capital Structure is shown in below:

1. Tier-1 (Core Capital)		Tk. In Crore
1.1	Fully Paid-up Capital/Capital lien with BB	487.36
1.2	Statutory Reserve	248.97
1.3	Non-repayable Share premium account	
1.4	General Reserve	
1.5	Retained Earnings	84.42
1.6	Minority interest in Subsidiaries	
1.7	Non-Cumulative Irredeemable Preferences shares	
1.8	Dividend Equalization Account	
1.9	Other if any(if any item approved by BB)	
1.10	Sub-Total: (1.1 to 1.9)	820.75
Deductions from Tier-1 (Core Capital)		
1.11	Book value of Goodwill & value of any contingent assets which are shown as assets	
1.12	Shortfall in provisions required against classified assets	
1.13	Shortfall in provisions required against investment in shares	
1.14	Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities	
1.15	Reciprocal crossholdings of bank capital/subordinated debt	
1.16	Any investment exceeding the approved limit under section 26(2) of Bank Company Act-1991	
1.17	Investment in subsidiaries which are not consolidated	
1.18	Other if any	
1.19	Sub Total (1.11 to 1.18)	
1.20	Total Eligible Tier-1 Capital (1.10-1.19)	820.75
2. Tier-2 (Supplementary Capital)		
2.1	General Provision (Unclassified loans + off Balance Sheet exposure)	80.67
2.2	Assets Revaluation Reserves up to 50%	
2.3	Revaluation Reserves for Securities up to 50%	0.84
2.4	Revaluation Reserves for Equity instrument up to 10%	
2.5	All other preference shares	
2.6	Subordinated debt	

Director's Report

2.7	Other if any(if any item approved by BB)	
2.8	Sub-Total (2.1 to 2.7)	
2.9	Deductions if any	
2.10	Total Eligible Tier-2 Capital (2.8-2.9)	81.51
3.	Total Eligible Capital (Tier-1+Tier-2) (1.20+2.10)	902.26

Report on Risk Management Practices at SBL

Introduction:

Risk is inherent part of Bank's business. Effective Risk Management is critical to any Bank for achieving financial soundness. In view of this, aligning Risk Management to Bank's organizational structure and business strategy has become integral part in banking business. Last few years, Standard Bank Limited has taken various initiatives for strengthening risk management practices. Bank has an integrated approach for management of risk and in tune with this, formulated policy documents taking into account the business and regulatory requirements and best international practices.

The future of banking will undoubtedly rest on risk management dynamics. Banks need adequate efficient risk management system to survive in market in the long run. Bank wants to optimize the risk/return tradeoff by either maximizing return for a given level of risk or minimizing the risk required for a desired level of return. Standard Bank focuses on risk based internal controlling system, modern technology based infrastructure, innovative financial product that high profit low risk. The goal of risk management is to ensure depositor's interest as well as addressing the objectives of the bank's many stakeholders, including: Customers, Management, Employees, Boards and shareholders, Supervisors, Rating agencies, Investors, Creditors and Counterparties.

Bank's risk management processes has been continued to prove effective throughout the year of 2012, despite a tough economic environment. Bank management remained closely involved in important risk management initiatives, which have focused particularly on preserving appropriate levels of asset quality, liquidity and capital, and effectively managing the risk portfolios.

Credit risk:

The goal of credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters. Banks need to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions.

Credit risk comprises counterparty risk, settlement risk and concentration risk.

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The goal of credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters. Banks need to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. Banks also consider the relationships between credit risk and other risks. The effective management of credit risk is a critical component of a comprehensive approach to risk management and essential to the long-term success of the bank.

Standard Bank Ltd identified the two distinct dimensions of credit risk management that are preventive measures and curative measures. Preventive measures include risk assessment, risk measurement and risk pricing, early warning system to pick early signals of future defaults and better credit portfolio diversification. The curative measures, on the other hand, aim at minimizing post-sanction loan losses through

such steps as securitization, derivative trading, risk sharing, legal enforcement etc. It is widely believed that an ounce of prevention is worth a pound of cure. Therefore, SBL focuses on preventive measures in tune with the norms prescribed by New Basel Capital Accord.

The Management of the Bank has been taken some effective measures to mitigate credit risk such as diversity of Credit concentrations, Sound credit granting and approval process, Maintaining an appropriate credit administration process, Credit Rating of Corporate Borrower and formation of strong credit recovery team for minimizing Credit risk.

Market risk:

Bank has well-established framework for Market Risk management with the Asset Liability Management Policy and the Treasury Policy forming the fulcrum for procedures, processes and structure. It has a major objective of protecting the bank's net interest income in the short run and market value of the equity in the long run for enhancing shareholders wealth. The important aspect of the Market Risk includes liquidity management, interest rate risk management and the pricing of assets and liabilities.

Interest Rate Risk:

Changes in interest rate affect earnings, value of assets, liability off-balance sheet items and cash flow. Hence, in addressing interest rate risk Bank has been very watchful to maintain earnings, improve the capability, ability to absorb potential loss and to ensure the adequacy of the compensation received for the risk taken and affect risk return trade-off.

Equity Price Risk:

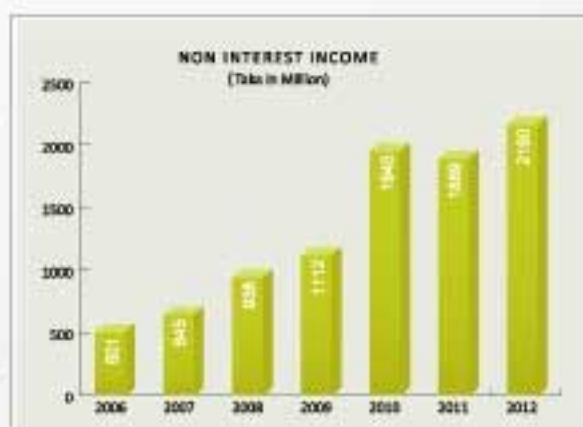
The measurement of equity risk should capture the risk exposure to price movements in the overall equity market (e.g. a market index), specific sectors of the equity market (e.g. industry sectors or cyclical and non-cyclical sectors), and individual equity issues where appropriate. Bank has been very much conscious on price volatility during 2012 so that it can prevent any excessive investment in risky portfolios.

Foreign Exchange Risk:

Foreign exchange risk is the risk that a bank may suffer loss as a result of adverse exchange rate movement during a period in which it has an open position, either spot or forward or both in same foreign currency. Even in case where spot or forward positions in individual currencies are balanced the maturity pattern of forward transactions may produce mismatches.

Operational risk:

Operational Risk, which is intrinsic to the bank in all its material products, activities, processes and systems, is emerging as an important component of the enterprise-wide risk management system. The operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people and IT system, or from external events. It includes legal risk but excludes strategic and reputation risk. Recognizing the importance of Operational Risk Management, Bank has adopted a Comprehensive Operational Risk Management Policy.



Director's Report

Standard internal Control System, Risk based Branch Inspection process has been taken place. Besides Core Banking Database Management System and a separate Disaster Recovery process is established to limit all possible risk in business operation.

Calculation of Risk Based Capital Adequacy (Basel II):

The adoption of Basel II has been boost good Risk Management practices and good corporate governance in banks. The objective of risk management is not to prohibit or prevent risk taking activity, but to ensure that the risks are consciously taken with full knowledge, clear purpose and understanding so that it can be measured and mitigated. From March-2011 Bank prepares Risk Based Capital adequacy statement on Solo basis as well as on consolidated basis.

As per Bangladesh Bank guidelines the quarterly Risk Based Capital adequacy position are given below:

Solo Basis (Only Bank)

(Taka in Crore)

Sl	Quarter end	Total Capital	CAR (%)	Buffer Capital
01	March-2012	817.52	11.61	113.44
02	June-2012	851.37	11.24	94.23
03	September-2012	864.85	11.10	85.36
04	December-2012	902.26	11.28	102.10

Consolidated Basis (With Subsidiaries)

(Taka in Crore)

Sl	Quarter end	Total Capital	CAR (%)	Buffer Capital
01	March-2012	817.05	11.29	93.24
02	June-2012	837.96	11.07	81.09
03	September-2012	854.41	10.86	67.73
04	December-2012	901.67	11.31	104.30

Stress Testing:

Stress tests are used in proactively managing the bank's risk profile, capital planning and management, strategic business planning and setting of capital buffers. Stress testing is an integral component of the group's internal capital adequacy assessment process (ICAAP), and is used to assess and manage the adequacy of regulatory and economic capital.

More specifically, stress testing may reveal a reduction in surplus capital or a shortfall in capital under specific scenarios. This may then serve as a leading indicator to the bank to raise additional capital, reduce capital outflows, adjust the capital structure and/or reduce its risk appetite. Bank has assessed combined shock by aggregating the results of credit shock, exchange rate shock, equity shock & interest rate shock. In case of credit shock, increase in NPLs, results of increase in NPLs due to default of Top large borrowers, fall in the forced sale value (FSV) of mortgaged collateral, negative shift in the NPLs categories & increase of NPLs in particular 2 sectors have taken into consideration. During the fourth quarter of the year, the outcome of the stress tests indicated that the bank was well within



its risk tolerance levels in all of the scenarios. The result is given below:

Quarter End	CAR Before Shock	CAR After Shock	Changes in CAR in Minor Level
March-2012	11.61	10.39	-1.22
June-2012	11.24	10.10	-1.14
September-2012	11.10	10.05	-1.05
December-2012	11.28	10.08	-1.20

This process finally produces a numerical estimate of the change in the value of risk exposed positions. To interpret the result, Bank used a series of consideration to evaluate bank's overall positions; deterioration in quality of asset result in stress losses that affect bank's profitability & finally bank's capital adequacy.

Disclosures on Risk Based Capital (Basel-II) as on 31.12.2012

(a) Scope of Application

Qualitative Disclosure	(a)	The Revised Risk Based Capital Adequacy (RBCA) framework which is called Basel-II guideline issued by Bangladesh Bank in December-2010 duly applies to Standard Bank Limited.
	(b)	Standard Bank Limited prepared its RBCA report on 'Solo Basis' as well as 'Consolidated Basis' where three (03) subsidiaries belongs to Standard Bank Ltd.
	(c)	No incidence occurred which may cause for imposing any regulatory restriction or impediment for transferring fund with in the Standard Bank group.
Quantitative Disclosure	(d)	No Capital deficiency in solo or consolidated assessment.

(b) Capital Structure

Qualitative Disclosure	(a)	<p>Regulatory capital will be categorized into three tiers: Tier 1, Tier 2, and Tier 3.</p> <p>Tier 1 capital: Tier 1 capital called 'Core Capital' comprises of highest quality of capital elements that consists of :</p> <ul style="list-style-type: none"> a) Paid up capital b) Non-repayable share premium account c) Statutory reserve d) General reserve e) Retained earnings f) Minority interest in subsidiaries g) Non-cumulative irredeemable preference shares h) Dividend equalization account <p>Tier 2 capital: Tier 2 capital called 'Supplementary Capital' and consists of:</p> <ul style="list-style-type: none"> a) General provision (on & off Balance sheet) b) Revaluation reserves <ul style="list-style-type: none"> ▪ Revaluation reserve for fixed assets ▪ Revaluation reserve for securities 4 ▪ Revaluation reserve for equity instrument
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Director's Report

	<p>c) All other preference shares d) Subordinated debt</p> <p>Tier 3 capital: Tier 3 capital called 'Additional Supplementary Capital', consists of short-term subordinated debt (original maturity less than or equal to five years but greater than or equal to two years).</p> <p>The calculation of Tier 1 capital, Tier 2 capital, and Tier 3 capital shall be subject to the following conditions:</p> <p>a) The amount of Tier 2 capital is not exceeded the limited to 100% of Tier 1 capital.</p>
Quantitative Disclosure	The quantitative disclosure of Capital Structure are as follows:

b. Tier-1 (Core Capital)		SOLO	Consolidated
1.1	Fully Paid-up Capital/Capital Lien with BB	487.36	487.36
1.2	Statutory Reserve	248.97	248.97
1.3	Non-repayable Share premium account		
1.4	General Reserve		
1.5	Retained Earnings	84.42	83.83
1.6	Minority interest in Subsidiaries		
1.7	Non-Cumulative irredeemable Preferences shares		
1.8	Dividend Equalization Account		
1.9	Other if any (if any item approved by BB)		
1.10	Sub-Total: (1.1 to 1.9)	820.75	820.16
Deductions from Tier-1 (Core Capital)			
1.11	Book value of Goodwill		
1.12	Shortfall in provisions required against classified assets		
1.13	Shortfall in provisions required against investment in shares		
1.14	Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities		
1.15	Reciprocal crossholdings of bank capital/subordinated debt		
1.16	Any investment exceeding the approved limit under section 26(2) of Bank company Act-1991		
1.17	Investment in Subsidiaries which are not consolidated		
1.18	Other if any		
1.19	Sub-Total (1.11 to 1.18)		
1.20	Total Eligible Tier-1 Capital (1.10-1.19)		



c. Tier-2 (Supplementary Capital)			
2.1	General Provision Unclassified loans + off Balance Sheet exposure)	80.67	80.67
2.2	Assets Revaluation Reserves up to 50%		
2.3	Revaluation Reserves for Securities up to 50%	0.84	0.84
2.4	Revaluation Reserves for Equity instrument up to 10%		
2.5	All other preference shares		
2.6	Subordinated debt		
2.7	Other if any (if any item approved by BB)		
2.8	Sub-Total (2.1 to 2.7)		
2.9	Deductions if any		
2.10	Total Eligible Tier-2 Capital (2.8-2.9)	81.51	81.51
3	Total Eligible Capital (Tier-1+Tier-2)(1.20+2.10)	902.26	901.67

(c) Capital Adequacy

Qualitative Disclosure	(a)	<p>Adequate capital means enough capital to compensate with Bank's risks profile. For assessing overall risk profile and a strategy for maintaining adequate capital, Bank has developed an Internal Capital Adequacy Assessment Process (ICAAP) for practicing better risk management techniques.</p> <p>Bank is strengthened and effectiveness its risk management process and internal control system in assessing and planning of economic capital against all risks.</p> <p>The strategic planning process critically analysis of bank's current and future capital requirements. The strategic plan includes the bank's capital needs, anticipated capital expenditures, desirable capital level, and external capital sources.</p>		
			Solo	Consolidated
Quantitative Disclosure	(b)	Capital Requirement for Credit Risk	745.75	719.63
	(c)	Capital Requirement for Market Risk	10.91	34.24
	(d)	Capital Requirement for Operational Risk	43.50	43.50
	(e)	Total & Tier-1 Capital Ratio:		
		For the consolidated group:		
		■ Total CAR		11.31%
		■ Tier-1 CAR		10.29%
		For stand alone:		
		■ Total CAR		11.28%
		■ Tier-1 CAR		10.26%

Director's Report

(d) Credit Risk

Qualitative Disclosure	<p>(a) ■ Definition of past due and impaired (for accounting purposes): A customer will be considered to be past due once a repayment becomes overdue.</p> <p>Past due and impaired: In instances in which a customer is past due and for whom the furnished collateral is insufficient to cover the outstanding amount will be considered to be both past due and impaired. Accordingly, impairment will be raised in line with the impairment policy for the relevant accounts. Past due but not impaired: In instances in which a customer is past due, but the customer's facilities are fully collateralized, no impairment will be raised and the customer will be considered past due, but not impaired.</p> <p>A Continuous loan, Demand loan or a Term Loan which will remain overdue for a period of 02 (two) months or more, will be put into the "Special Mention Account (SMA)". This will help banks to look at accounts with potential problems in a focused manner and it will capture early warning signals for accounts showing first sign of weakness. Loans in the "Special Mention Account (SMA)" will have to be reported to the Credit Information Bureau (CIB) of Bangladesh Bank.</p> <p>Any continuous loan will be classified as:</p> <ol style="list-style-type: none"> i. 'Sub-standard' if it is past due/overdue for 03 (three) months or beyond but less than 06 (six) months. ii. 'Doubtful' if it is past due/overdue for 06 (six) months or beyond but less than 09 (nine) months iii. 'Bad/Loss' if it is past due/overdue for 09 (nine) months or beyond. <p>Any Demand Loan will be classified as:</p> <ol style="list-style-type: none"> i. 'Sub-standard' if it remains past due/overdue for 03 (three) months or beyond but not over 06 (six) months from the date of expiry or claim by the bank or from the date of creation of forced loan. ii. 'Doubtful' if it remains past due/overdue for 06 (six) months or beyond but not over 09 (nine) months the date of creation of forced loan. iii. 'Bad/Loss' if it remains past due/overdue for 09 (nine) months or beyond from the date of expiry or claim by the bank or from the date of creation of forced loan. <p>In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting upto Tk. 10.00 Lacs is not repaid within the due date, the amount of unpaid installment(s) will be termed as 'past due or overdue installment'. In case of such types of Fixed Term Loans:</p> <ol style="list-style-type: none"> i. If the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loan will be classified as "Sub-standard". ii. If the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loan will be classified as "Doubtful". iii. If the amount of past due instalment is equal to or more than the amount of installment(s) due within 12 (twelve) months, the entire
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Director's Report

Quantitative Disclosure			Tk. in Crore
	(b)	Total gross credit risk exposures broken down by major types of credit exposure:	
		SOD/Guard against TDR	1210.61
		Loans (General including Bai-Muajjal)	1664.89
		Cash Credit/Murabaha	924.97
		House Building Loans	143.40
		Staff Loans	19.21
		Transport Loans	73.58
		LTR	895.31
		PAD	310.52
		Packing Credit (PC)	36.83
		Demand Loan	75.99
		Lease Finance/Izara	78.50
		Syndicate/Club Finance	175.73
		Visa Credit Card	8.39
		SME/SE	387.28
		CCS/Hire Purchase	14.76
		Bills purchased & discounted (Local & Foreign)	118.06
		Total	5534.68
	(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure:	Tk. in Crore
		Urban:	
		Dhaka Region	3893.75
		Chittagong Region	1703.03
		Sylhet Region	27.17
		Rajshahi Region	57.05
		Khulna Region	176.43
		Rangpur Region	63.68
		Barisal Region	14.86
		Total	5935.98
		Rural:	
		Dhaka Region	150.19
		Chittagong Region	17.06
		Sylhet Region	11.08
		Rajshahi Region	
		Rangpur Region	7.82
		Barisal Region	
		Khulna Region	15.91
		Outside Bangladesh	
		Total	202.06
		Grand Total (urban+rural)	6138.04
	(d)	Industry or counterparty types distribution of exposures broken down by major types of credit exposure:	Tk. in Crore
		Commercial Lending	1543.36
		Export financing	304.56
		House Building loan	102.51
		Consumers credit scheme	16.32
		Small & Medium Enterprise	389.36
		Special program loan	28.72
		Others	349.04
		Total	2733.87

	Industrial loans:	
	Agricultural Industries	59.18
	Textile Industries	1573.46
	Food & Allied Industries	85.00
	Pharmaceuticals Industries	48.64
	Leather , Chemical & Cosmetics etc	24.00
	Cement & Ceramic Industries	102.93
	Service Industries	262.45
	Transport & Communication Industries	214.55
	Other Industries	991.25
	Total	3361.46
	(e) Residual contractual maturity breakdown of the whole portfolio broken down by major types of credit exposure:	Tk. in Crore
	Payable On demand	-----
	Up to one month	332.15
	Over one month but not more than three months	568.99
	Over three months but less than one year	2748.71
	Over one year but less than five years	2119.88
	Above five years	368.29
	(f) By major industry or counterparty type : Amount of impaired loans and if available, past due loans, provided separately	In Crore Taka
	Corporate	65.25
	SME	9.54
	Consumer Financing	
	Others	79.09
	Specific and general provisions; and Charges for specific allowances and charge-offs during the period	146.71 -----
	(g) Gross Non performing Assets (NPAs)	153.88
	Non performing Assets (NPAs) to Outstanding Loans & advances	2.51%
	Movement of Non Performing Assets (NPAs)	121.13
	Opening balance	82.43
	Additions	49.68
	Reductions	153.88
	Closing balance	
	Movement of specific provisions for NPAs	53.96
	Opening balance	72.28
	Provisions made during the period	41.17
	Write-off	-----
	Write-back of excess provisions	85.07
	Closing balance	

Director's Report

(e) Equities: Disclosures for Banking Book Positions

Qualitative Disclosure	(a)	<p>The general qualitative disclosure requirement with respect to the equity risk, including:</p> <p>The Bank does not hold any value which is describes as "Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons" in RBCA Guidelines of Bangladesh bank. Therefore the Bank does not needed to narrate any "Discussion of important policies covering the valuation and accounting of equity holding in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices".</p> <p>Apart from above, the Bank has being calculated value at cost method for Quoted shares & Unquoted shares.</p>						
Quantitative Disclosure	(b)	<p>Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.</p> <table style="width: 100%; border: none;"> <tr> <td></td> <td style="text-align: right;">Tk. Crore</td> </tr> <tr> <td>Quoted shares</td> <td style="text-align: right;">15.00</td> </tr> <tr> <td>Unquoted shares</td> <td style="text-align: right;">262.67</td> </tr> </table>		Tk. Crore	Quoted shares	15.00	Unquoted shares	262.67
		Tk. Crore						
	Quoted shares	15.00						
	Unquoted shares	262.67						
	(c)	<p>The cumulative realized gain (losses) arising from sales and liquidations in the reporting period.</p> <p>Realized gain (losses) from equity investments</p>						
(d)	<table style="width: 100%; border: none;"> <tr> <td>Total unrealized gains (losses) –</td> <td></td> </tr> <tr> <td>Total latent revaluation gains (losses) -</td> <td style="text-align: right;">0.84</td> </tr> <tr> <td>Any amounts of the above included in Tier 2 Capital</td> <td></td> </tr> </table>	Total unrealized gains (losses) –		Total latent revaluation gains (losses) -	0.84	Any amounts of the above included in Tier 2 Capital		
Total unrealized gains (losses) –								
Total latent revaluation gains (losses) -	0.84							
Any amounts of the above included in Tier 2 Capital								
(e)	<p>There are no Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.</p>							

(f) Interest Rate Risk in the Banking Book (IRRBB)

Qualitative Disclosure	(a)	<p>The Banking Book consists of assets and liabilities contracted basically on account of relationship or for steady income and statutory obligations and are generally held till maturity/payment by counter party.</p> <p>The earnings or changes in the economic value are the main focus in banking book.</p> <p>Interest rate risk is the risk that a bank will experience deterioration in its financial position as interest rates move over time.</p> <p>Interest rate risk in the banking book arises from a bank's core banking activities.</p> <p>Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest sensitive income and operating expenses.</p>
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Quantitative Disclosure	(b)	Interest Rate Risk -			
		Increase in Interest Rate:			
			Minor	Moderate	Major
		Magnitude of Shock	1.00%	2.00%	3.00%
		Net Interest Income impact			
		<12 Months	-37.86	-75.72	-113.59
		Capital after shock	864.40	826.54	788.67
		CAR after shock (%)	10.80	10.33	9.86
		Change in CAR after shock (%)	-0.47	-0.95	-1.42
		Repricing Impact			
		Change in the value of the bond portfolio	-4.01	-8.01	-12.02
		Capital after shock	860.39	818.52	776.66
		CAR after shock (%)	10.75	10.23	9.71
	Change in CAR after shock (%)	-0.05	-0.10	-0.15	
	Overall change in CAR (Nil & repricing impact, %)	-0.52	-1.05	-1.57	

(g) Market Risk

Qualitative Disclosure	(a)	<p>Views of BOD on trading/investment activities:</p> <p>Market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, and equity and commodity prices.</p> <p>The important aspect of the Market Risk includes liquidity management, interest rate risk management and the pricing of assets and liabilities. There are three types of Market Risk such as Interest Rate Risk, Foreign Exchange Risk & Equity Price Risk.</p> <p>The Board will have to approve all policies related to market risk, sets limits and reviews compliance on a regular basis.</p> <p>Method used to measure Market Risk:</p> <p>In Standardized Approach, the capital requirement for various market risks (interest rate risk, equity price risk, commodity price risk, and foreign exchange risk) is determined separately.</p> <p>Market Risk Management System:</p> <p>The Treasury Division manage market risk covering Liquidity, interest rate and foreign exchange risk with oversight from Assets Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.</p> <p>Policies and Processes for mitigating market risk:</p> <p>There are approved limits for credit deposit Ratio, liquid assets to total assets ratio, maturity mismatch, commitments for both on-balance sheet and off-balance sheet items and borrowing from money market and forex position. The limits are monitored and enforced on a regular basis to protect against market risk. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.</p>
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Director's Report

Quantitative Disclosure	(b)	The capital requirement for:	Solo	Consolidated
			Interest rate risk	6.24
		Equity position risk	3.03	26.36
		Foreign exchange risk	1.63	1.63
		Commodity risk		

(h) Operational Risk

Qualitative Disclosure	(a)	<p>Views of BOD on system to reduce Operational Risk: Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.</p> <p>In addressing Operational Risk, Bank has been strengthened its Internal Control System, and ensure sound Corporate Governance in all sphere of Management and Operation level as well. The Bank should maintain a robust CBS (Core Banking Software) and enriches its IT infrastructure in terms of demand of time. Besides, in order to capacity building of its Human Resources Bank may be taken a number of steps like training, workshop etc.</p> <p>Performance gap of executives and staffs: SBL has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. SBL's strong brand image plays an important role in employee motivation. As a result there is no significant performance gap.</p> <p>Potential external events: No potential external events are expected to expose the Bank to significant operational risk.</p> <p>Policies and Processes for mitigating operational risk: To mitigate operational risk, Bank use basic indicator approach to calculate capital charge against operational risk. The policy for operational risks including internal control & compliance risk is approved by Board taking into account relevant guidelines of Bangladesh Bank. The Bank developed a Risk Management Unit and supervisory review Committee for review and managing operation risk as well as evaluating of the adequacy of the capital. For mitigating operational risk Internal Control and compliance division undertakes periodical and special audit of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements.</p> <p>Approach for calculating capital charge for operational risk: The Bank followed Basic Indicator Approach (BIA) for measuring capital charges for operational risk. Under the Basic Indicator Approach (BIA), the capital charge for operational risk is a fixed percentage (denoted by alpha) of average positive annual gross income of the Bank over the past three years.</p>		
Quantitative Disclosure	(b)	The Capital Requirement for Operational Risk		43.50



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed is seen presiding over the 188th meeting of the Board of Directors.



A partial view of Rohanpur Branch Opening Ceremony, Hon'ble Managing Director of the Bank Mr. S. A. Farooqui is seen addressing the Clients.

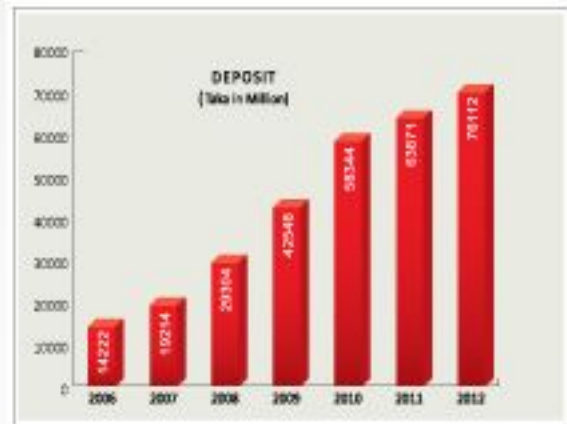


Hon'able Director of the Bank Mr. Ferozur Rahman accompanying the Additional Managing Director Mr. Md. Nazmus Salehin, Group company Secretary Mr. A. F. M. Nazamul Islam Chowdhury and others Executive is found opening ATM Booth at Comilla.

Director's Report

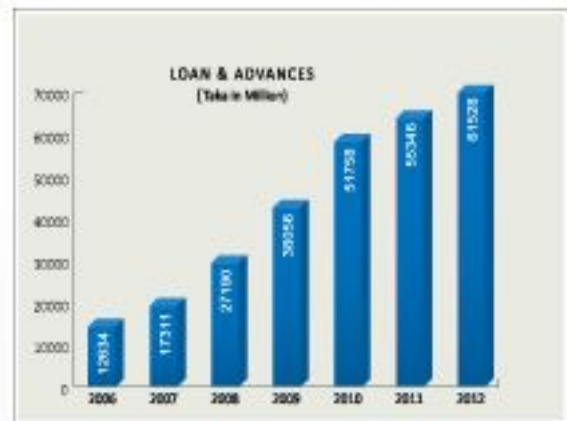
Deposits

SBL always tried to give the highest return on the deposits from the customers. The deposits of SBL reached the level of Tk. 76089 million during 2012 from Tk. 63871 million of previous year. The growth rate is 19 %. Cost of deposit for the year stood at 11.54 % compared to the previous year's cost of 9.81%. The increase in deposit was possible due to superior customer service delivery at the branch level. SBL is offering different types of deposit products for the customers. Among the products, Fixed Deposits, Scheme Deposits of different types, savings deposits, short-term deposits remained the core deposits of the Bank. SBL Regular Income program (SRIP), Double Income Plus (DI+), SBL Regular Deposit Program (SRDP), Life Secured Double Income Program (LSDIP) etc. are some attractive products, which contributed to the growth of deposit.



Loan and Advances

Total loans and advances figure of the Bank has increased to Tk. 61380 million as on December 31, 2012 in comparison to Tk.55,346.84 million as on December 31, 2011, which indicates an increase of 11 % over the figure of last year. During this time the Bank has passed through some adversity in the economy, due to volatile capital market and world recession. Addressing those constraints, SBL prudently worked on consolidation of its existing portfolio ensuring profitability and risk mitigation.



During this time, the Bank has given emphasis on service sector like power sector, telecommunication, tourism, hotel, motel, and other emerging sectors like pharmaceuticals, Steel re-rolling, Ceramic, Jute etc. and extended credit in those sectors for contributing into GDP of the national economy. The Bank is also giving emphasize on Small & Medium Enterprise Loan, Women entrepreneurship & Agricultural sector and allocated fund of Tk. 3873 million for Agricultural sector towards contributing to poverty alleviation program. More funds will be allocated considering the requirement in future.

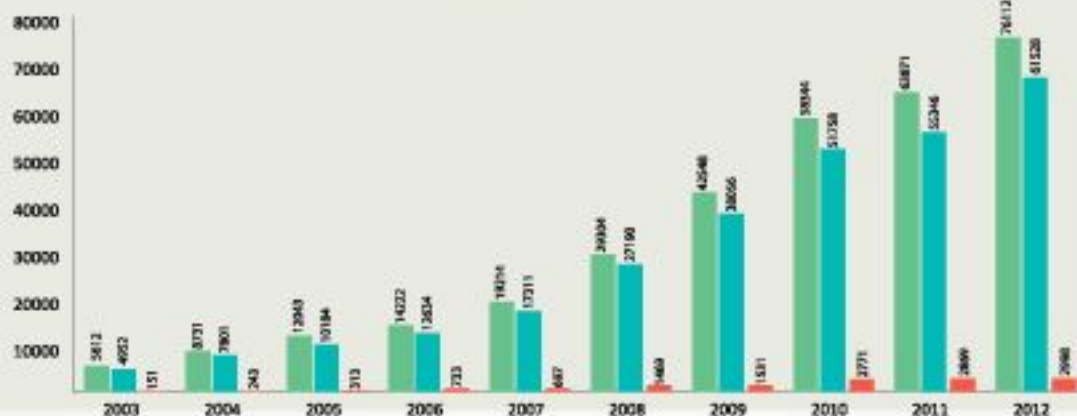
For setting up large size project and to diversify risk, the Bank has been actively participating in the syndication arrangements. Total participation at the end of year 2011 it was Tk.1400.00 million which stood Tk. 1757 million at the end of year 2012. This includes power generation, telecommunication, airlines, pharmaceuticals, textiles etc.

Because of careful and continuous effort in operation of credit, it has been possible to arrest the nonperforming loan within 2.50 % i.e TK. 1539 million as on December 31, 2012 out of total loan of Tk 61380 million.

The Bank is very much aware of this marginal increasing trend of NPL and recovery effort has been geared up to reduce the non performing loan amount. A separate recovery unit has been formed with experienced employees, monitoring system has been strengthened and careful and due steps are being taken to maintain asset quality.



DEPOSIT ADVANCES & PROFIT
Taka in Million

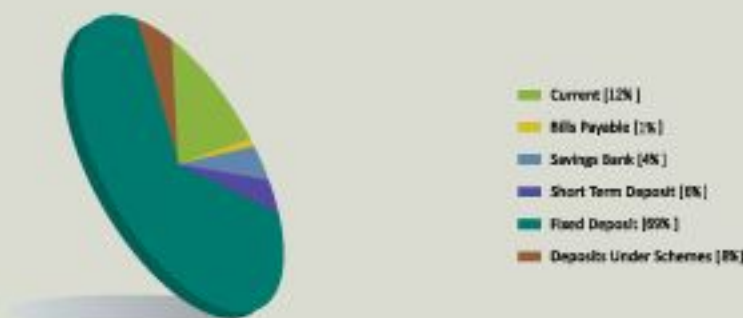


Analysis of Deposits

(Figure in million Taka)

Particulars	2007	2008	2009	2010	2011	2012
Current	3,173	4,385	4,947	7,219	8,045	9,076
Bills Payable	343	329	453	646	741	902
Savings Bank	854	1,085	1,773	2,456	2,579	2,955
Short Term Deposits	933	1,224	1,722	1,804	2,285	4,270
Fixed Deposits	12,965	20,912	31,706	43,988	46,657	52,494
Deposits Under Schemes	946	1,369	1,947	2,232	3,564	6,415
Total	19,214	29,304	42,548	58,345	63,871	76,112

DEPOSIT PORTFOLIO MIX

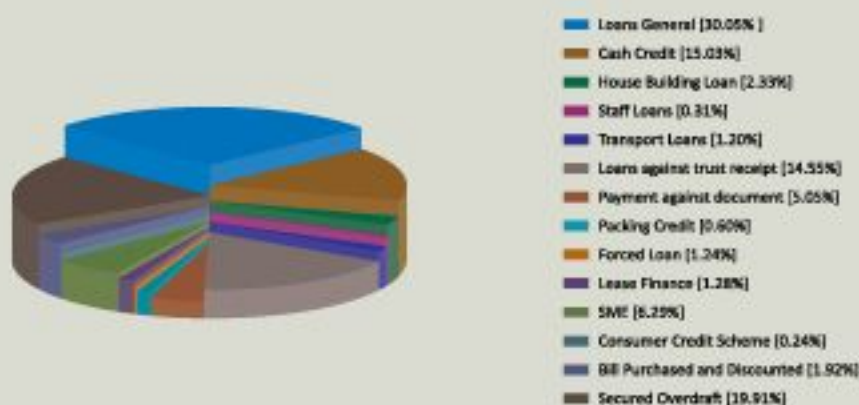


Director's Report

Analysis of Loans and advances

Particulars	2007	2008	2009	2010	2011	2012
Secured overdraft	1,917	3,411	4,965	8,405	11,215	12,106
Loans General	3,223	4,597	9,092	13,552	14,964	18,637
Cash credit	4,303	5,617	6,946	8,814	8,459	9,250
House Building loans	444	720	946	1,404	1,392	1,434
Staff Loans	25	48	180	233	173	192
Transport Loans	223	441	551	717	721	736
Loans against trust receipt	3,234	5,573	7,529	7,843	9,398	8,953
Payment against document	1,854	3,043	3,114	3,234	2,538	3,105
Packing credit	269	567	655	1,056	494	368
Forced Loan	55	55	80	74	205	760
Lease Finance	288	627	810	793	823	785
SME	802	1,206	1,834	3,396	3,190	3,873
Consumer Credit Scheme	54	65	23	53	186	148
Bills purchased and discounted	619	1,220	1,332	2,184	1,588	1,181
Total	17,310	27,190	38,057	51,758	55,346	61,528

LOAN PORTFOLIO MIX



Credit Division

Total loans and advances figure of the Bank has raised up-to Tk.61,380.40 million as on December 31, 2012 in comparison to Tk.55,346.84 million as on December 31, 2011, which indicates an increase by 10.90% over the figure of last year. During this time banking sector has passed through some adversity in the economy, due to volatile capital market and world recession. Addressing those constraints, SBL prudently concentrated on consolidation its existing portfolio ensuring profitability and risk mitigation.

During this time, the Bank has given emphasis on service sector like Telecommunication, Tourism, Hotel, Motel, and other emerging sectors like power sector, Pharmaceuticals, Steel re-rolling, Ceramic, Jute,

Garments etc. and extended credit in those sectors for contributing into GDP of the economy. The Bank is also giving emphasize on Small & Medium Enterprise, Women Entrepreneurship & Agricultural sector and allocated fund of Tk.1050.00 million for Agricultural sector towards contributing to poverty alleviation program. More funds will be allocated considering the requirement in future.

For setting up large size project and to diversify risk, Bank has been actively participating in the syndication arrangements. Total participation at the end of year 2011 it was Tk.1,400.00 million which stands Tk.2315.50 million at the end of year 2012 includes power generation, telecommunication, airlines, pharmaceuticals, textiles etc. Almost all the loans and advances under syndication arrangements are regular and performing well.

The Bank also gives emphasis on green financing. It financed various projects which are environment friendly like CNG projects, Effluent Treatment Plants (ETP) of pharmaceuticals and support use of gas generated projects, financing of Auto Brick field using Hybrid Hoffman Kiln (HHK) for reduction of carbon emission.

Because of Bank's careful and continuous effort in operation of credit, it has been possible to arrest the nonperforming loan within 2.51% i.e TK.1,538.70 million as on December 31, 2012 out of total loan of Tk.61,380.40 million, last year this percentage was 2.18%.

The Bank is very much aware of this marginal increasing trend of NPL and recovery effort has been geared up to reduce the non performing loan amount. Recovery unit, monitoring system has been strengthened & careful and due steps are being taken to maintain asset quality.

Although most of the financial institutions have faced difficulties during the year 2012 for a multitude of reasons mentioned earlier, SBL showed its flexibility, strength and tolerance capacity by taking timely and appropriate decisions. SBL is firm to follow credit policy of the bank as well as Bangladesh Bank guidelines and directives. SBL discourages diversion of fund and undue expansion of credit. The Bank is operating under sound, well defined credit granting criteria. These criteria include a thorough understanding of the borrower as well as the purpose, and its source of repayment. Collateral offered against a credit facility is properly valued and duly verified. Risk grading is appropriately assessed to extend credit. Thus, credit operation of the Bank contributes at optimum level within the defined risk limitation that ensures to achieve growth target and superior return on capital.

Credit Administration Division (CAD)

The Credit Administration function is critical in ensuring that proper documentation and approvals are in place prior to the disbursement of loan facilities. For this reason, it is essential that the functions of Credit Administration be strictly segregated from Relationship Management/Marketing in order to avoid the possibility of controls being compromised or issues not being highlighted at the appropriate level.

CAD is one of the vital parts of Bangladesh Bank CRM Guideline. As a whole total activities of credit arena is under the umbrella of CAD. For effective implementation of CRM guideline policy usually Bank's are split up the credit functions under the following areas:

a) Pre sanction activities:

Selection of borrower to sanction of loans and advances is under the purview of this stage.

b) Post sanction to disbursement activities:

After sanction of loans and advances the activities up to disbursement of loans and advances.

c) Post disbursement to settlement activities:

Monitoring the repayment, recovery of loans and advances, necessary legal activities and counseling with the

Director's Report

borrower are the arena of this stage.

Job areas of CAD in our Bank are mostly confined after sanction to disbursement of loans and advances. Before disbursement of loans and advances we have to scrutiny the terms and conditions of sanction advice to protect Bank's interest from legislative point of view.

Disbursements under loan facilities are only be made when all security documentation is in place. CIB report should reflect/include the name of all the lenders with facility, limit & outstanding. All formalities regarding large loans & loans to Directors should be guided by Bangladesh Bank circulars & related section of Banking Companies Act.

Security documents are prepared in accordance with approval terms and are legally enforceable. Standard loan facility documentation that has been reviewed by legal counsel should be used in all cases. Exceptions should be referred to legal counsel for advice based on authorization from an appropriate executive in CRM.

After sanction of loans and advances CAD starts its job through checking documentation with relevant sanction advice and current legal environment. If documentations are executed in proper manner Bank can avoid many of its adverse situation may occur in future. In other words it can say that activities of CAD are reducing the probability of NPL of a Bank. Mentionable that increasing trend of NPL is the major problem of banking sector in Bangladesh.

Furthermore, CAD also maintains very close liaison with our Treasury Division. Before disbursement of loans CAD observes AD Ratio and relevant compliance of Bangladesh Bank's guidelines/circulars.

Before allowing disbursement of loans and advances CAD observe the following factors:

1. Scrutiny of documentation:

- a) Charge documents
- b) Collateral security documents
- c) Guarantee
- d) Other terms and conditions of sanction advice

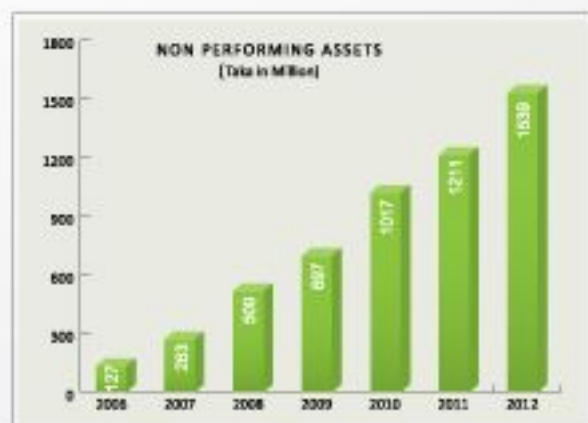
2. Monitoring:

- a) Classification status
- b) Overdue liability
- c) Nature of transactions

Equity investment

Recovery

Standard Bank Limited emerged as a Private Commercial Bank of Bangladesh on 3rd June, 1999. Meanwhile thirteen and half years have passed and Bank has expanded its wing, i.e. 78 branches are now working throughout the country. Business volume and other peripheral activities are increasing day by day. Now total deposit of the Bank as on 31.12.2012 is Tk.76064.78 million and Loans and advances is Tk.61380.40 million. Over the period some





loans generally become non performing. So, to maintain asset quality and to arrest the growth of non performing loan, a division called Recovery Division has been set up.

Recovery Division from its inception has been following up the classified loans, slow-sticky, overdue and SMA loans and giving proper treatment/advice to the branches regularly. Besides this, Recovery Division always monitors the suits filed against the defaulting borrowers with lawyers and informs the position to the Higher Management and Board of Directors of the Bank time to time.

As a result a very negligible percentage of loan (2.51% i.e. Tk.1538.69 million) has become non performing loan as on December, 2012 out of total loans and advances of Tk.61380.40 million. Last year (2011) this percentage was 2.19%. During the year 2012 an amount of total Tk.824.35 million was classified and an amount of classified loan Tk.496.89 million was reduced by recovery in the form of cash Tk.35.47 million, rescheduling loans and advances of Tk.49.72 million and writing-off loans and advances of Tk.411.70 million. The percentage of recovery of classified loan is 24.41%. The bank is aware of the increasing trend of NPL and effective recovery efforts have been geared up to reduce the non performing loans. Bank is very alert about the asset quality and taking proper steps to maintain asset quality by reducing the classified loans and stopping new classification of loans and advances in the current year.

Business Team

Business Team, a new Division has been formed in Head Office during 2012. The main function of this new Division is to find out the problems and loopholes of running on-line platform under centralized system for better monitoring of branch transactions, system's integrity and improvement, customization of software as per requirement. The Team took up initiatives for centralization of most of the Credit and Foreign Exchange related works of important branches during year 2012. The Team is also working in the major areas of operation in consultation with relevant Department, Division & Branch In-charges and particularly with IT Division to minimize the risk as well as to strengthen system for risks mitigation. The Team acts as watchdog and ensures transparency through regular follow-up of transactions/ activities and online platform.



Agreement of signing ceremony between Standard Bank Limited and Hajj Agencies Association of Bangladesh (HAAB)

Director's Report

Retail Banking

Small & Medium Enterprise Financing:

The growth of SME sector is the key driving force behind employment generation, increased productivity and creation of new wealth as well as distribution thereof. SME development, therefore, can be regarded as a major weapon to fight against poverty. As per guideline of Bangladesh Bank, Standard Bank Limited has taken active role to increasing SME financing out of its total loan portfolio. Considering the importance of SMEs in the economy of our country, Standard Bank Limited has introduced separate operational setup to ensure better services to SMEs.

Bangladesh Bank has taken effective role to give a wakeup call to Small & Medium Entrepreneurs and organized a "Road Show" from Teknaf to Tetulia for awareness among the Small & Medium Entrepreneurs in participation with different private and public Banks. Standard Bank Limited participated in the Road Show and participated in several fairs organized by Bangladesh Bank, SME Foundation & FBCCI.

Performance of Standard Bank Ltd. at a glance:

To exploit rapidly increasing opportunities in the fast expanding SME sector, all of our branches including specialized SME & Krishi Branches namely, 1) Gazipur, 2) Bhairab Bazar, 3) Biswanath, 4) GoalaBazar, 5) Syedpur, 6) Nangalmora, 7) Savar are very actively engaged in taking all necessary efforts and action to extend credit to the SME sector with priority to women entrepreneurs. A yearly target has also been set up and communicated to the branches. During the year 2012, Tk.264.90 Crore has been disbursed under SME sector while it was Tk.254.72 Crore upto December, 2011. The target for 2012 under SME was Taka 550.00 crore covering credit facilities to women entrepreneurs.

Women Entrepreneur Desk:

As per Bangladesh Bank guideline, branches have been instructed to open Women Entrepreneur's Dedicated Desk to serve Women Entrepreneur to make friendly relationship with them, help them to fulfill formalities and render them special service. We are lending Women Entrepreneurs @ 10% interest against refinance facility from Bangladesh Bank as per policy guideline of Bangladesh Bank.

Refinance Agreement with Bangladesh Bank:

Agreement has been executed with Bangladesh Bank on 06.04.2010 for refinance against disbursed loan to Women Entrepreneurs (@10% interest) and another agreement with Japan International Corporate Agency (JICA) on 11.06.2012 to get refinance against disbursed loan to support Small & Medium sized manufacturing enterprises. So far we have received Tk.2.52 Crore refinance from Bangladesh Bank for lending to Women Entrepreneurs.



Comparative Business Performance on SME financing as on 31.12.2012:

Enterprise	(Fig in Crore)		Growth Rate (%)	Yearly Target	Achievement (%)	Outstanding as on 31.12.2012
	Disbursement during the year					
	2011	2012	2012	2012	2012	
Small	168.72	159.63	(5.39)	220	72.56%	225.27
Medium	86.00	105.27	22.41	330	31.90%	162.06
Total	254.72	264.90	4.00	550	48.16%	387.33

Events and Fairs on SME participated by Standard Bank Limited during 2012:

1. SME entrepreneurs and Bankers conference held at Barisal sponsored by SME Foundation and Bangladesh Bank.
2. Attended workshop on micro credit arranged by Micro Credit Regulatory Authority at Chittagong. The main focus of the program was to create scope for bankers for financing in Micro Credit institutions. The program has emphasized on various aspects of effective contribution of Micro Credit in fighting poverty as well as to create scopes for social consciousness.

Agriculture & Rural credit Division:

Report from Agriculture & Rural credit Division:

Bangladesh is basically agriculture oriented country which calls for proper attention of all concerned agencies in providing all sorts of supports to the sector which importantly includes proper and adequate financial for agricultural production and other rural activities. Keeping this in priority, the Ministry of Agriculture have put in place harmonious incentives to Agriculture and Rural Sector, improving the delivery of necessary support associated with agricultural inputs & fertilizer such as irrigation, fertilizer, marketing, etc. to the farmers. These measures reflected a favorable impact on the agriculture sector. Despite global crisis, Bangladesh economy has performed well due to, among others, growth in agricultural production. Such achievement has been largely contributed by financial support extended to the sector by the banks of the country. To ensure supply of credit in Agriculture and Rural sector, Bangladesh Bank has fixed up a target for disbursement of Taka 14130.00 crore with active participation of all banks for fiscal year 2012-2013.

Target for fiscal year 2011-2012:

Bangladesh Bank has put forward a basis of 2% of outstanding loans and advances as on 31.03.2012 and advised all banks of Bangladesh to fix up their target accordingly. Accordingly, a target of Taka 107.00 crore for the year 2012-2013 has been fixed up for disbursement of loan in Agriculture & Rural sector through designated branches of the bank directly and in support of Micro-Credit Financial Institutions (MFIs.) Non-Government Organizations (NGO).

Activities of Agriculture and Rural Credit Division:

• Poverty Alleviation Program : (Adarsha Gram Prokalpo)

Standard bank Ltd. conducted baseline survey of 2 (Two) villages named "Karpala" village under Kotalipara Upazilla and 'Tungipara' under Tungipara upazilla of Gopalganj. After completion of survey, we disbursed Total 88 nos. loans of Tk.12.22 lac, as a step to improve the socio economic condition of above noted 2(two) villages under combined village development program as a part of Banks commitment to social responsibility. On satisfactory recovery of the loans, we have disbursed Taka 15.68 lac through our kotalipara and Gopalganj Branch in second phase. Standard Bank Ltd has planned to select 1(One) village of each district phase by phase for socio economic development of poor people. To bring farmers under banking channel, Standard Bank Limited have introduced opening of accounts with deposit of Taka 10/- in our rural & SME/ Krishi Branches.

• Agriculture loan disbursement through MFIs :

The bank has taken necessary efforts to disburse major part of loan for crop production through established and reputed MFIs vis-à-vis branches. The Bank disbursed Tk.12.28 crore during July-December, 2012 and loan amounting Taka Tk.21.50 Crore has been approved for disbursement through some reputed MRA approved NGOs as BURO Bangladesh & Karmajibi Kallyan Shaongstha (KSS). In addition, Tengamara Mohila Sabuj Shongha (TMSS), Rural Re-construction Foundation (RRF), Jagoroni Chakra Foundation are also actively participating in disbursement of agricultural and rural credit in their command areas. Some more credit proposals of established and reputed MRI / NGO are under active consideration.

• Area Approach/ Cluster Policy:

As per policy guide line of Bangladesh Bank, Standard Bank Limited have disbursed Tk.27.00 lac to 40 flower cultivators of Godkahli union under Jhikargacha Upazilla of Jessore district and 100 nos. loans amounting Tk.50.00 lac is under process of disbursement through Benapole Branch. Beside, Benapole Branch has also disbursed Taka 1.60 Crore to 20 fish cultivators in Kaliani, Goga, Sharsha of Benapole of Jessore District.

• Special Priority Sector Crops at subsidized interest at 4%:

A target of Taka.20.00 Lac has been fixed for high value crops i.e. all kinds of pulses, maize, oilseeds, spices, etc. In the fiscal year 2011-2012, Taka 13.61 was disbursed.

• Solar Panel , Bio-Gas, Effluent Treatment Plant :

Refinance agreement between Bangladesh Bank & Standard Bank Limited was signed on 05th October 2011 for Solar Panel , Bio-Gas , Effluent Treatment Plant (ETP) financing. During the period July to December Taka 60.00 lac has been disbursed against installation Solar Home System (SHS) to 150 clients in different areas of Modhupur of tangail District. Further disbursement in this sector is on going.

• Agriculture Loan Disbursement in Core Sector (Crops, Fishery , Live Stock)

To achieve yearly target, the Bank is working vigorously with the branches, MFIs / NGOs. The Division is engaged in marketing established and reputed MFIs / NGOs in this regard to bring about a satisfactory disbursement of loan in agricultural and rural credit to achieve the set target.

Investment

Treasury investment mainly cause for maintaining the Statutory Liquidity Ratio (SLR). SBL Treasury usually maintains its investment portfolio mainly for maintaining SLR and to some extent for the prudent fund management. SBL Treasury Portfolio mostly containing of 91 Day, 182 Day and 364 Day Government Treasury Bills. Also there are a couple of 5 Years, 10 Years, 15 Years and 20 Years Bangladesh Government Treasury Bonds in our holding. Diversified investment portfolio also reflects distribution of liquidity performance. In the year 2012, the size of investment portfolio raised at Tk.1443.02 Crore against Tk. 739.85 Crore in the year 2011 showing an increase of 95.04%. Within the portfolio of 2012, 92.92% are in the HFT (Held for Trading) mode and the rest 7.08% are in the HTM (Held to Maturity) mode. Besides the investment of Government Treasury Bills/Bonds, SBL invested Tk.35.00 crore to the Fixed Rate Subordinated Bond of Dhaka Bank Limited, National Bank Limited, Trust Bank Limited Unsecured Subordinated Non-convertible Bond and First Bangladesh Fixed Income Fund.

International Banking

International Trade

One of the most important components of Standard Bank's business profile is International Trade that has been playing a significant role in the overall foreign exchange business since inception of the bank. The bank

Director's Report

is contributing in country's national economy by successfully handling foreign exchange offering a broad spectrum of Trade Finance Products through its 17 Authorized Dealer (AD) including International Division. We may apply for more AD licenses in favour of our CEPZ Branch, Green Road Branch and Mirpur Branch by the year 2013 to undertake foreign exchange business.

Import

Import volume of the bank was USD 670.39 Million eqv. To BDT 50,497.18 Million in the year 2011. During the year 2012, import business closed at USD 584.11 Million eqv. To BDT 48,499.70 with decrease of 12.87% due to recent worldwide economic recession and adversity.

Export

During the year 2012, total export volume stood at USD 520.37 million equivalent to BDT 42,520.80 million. Export volume decreased by 15.38% with compare to the export of USD 614.96 million equivalent to BDT 45,355.92 million of the year 2011.

The bank emphasized on export of both traditional items like Raw Jute, Jute Goods, Readymade Garments, Leather and non-traditional items like Tiles, Bi-Cycle, Shrimp, Handicrafts, Betel Leaf, Betel Nut, Coriander seeds, Pet Bottle Flake etc.

Foreign Correspondences

Quality and quantity of foreign exchange business depends on enhanced correspondent relationship with reputed banks all over the world. Among others, increasing foreign exchange business is an objective of the bank. Keeping the objective in consideration, all out effort to establish correspondent banking relationship with internationally reputed banks all over the world is in continued process. Now the bank has correspondent banking network with 423 renowned banks around the globe along-with RMA (Relationship Management Application) under SWIFT covering their all branches globally. During the year 2012, RMA arrangement under SWIFT with 40 local banks has been established.

The bank is enjoying credit line of substantial amount from most of the renowned banks globally where Standard Chartered Bank, Mashreqbank psc, HSBC Bank Ltd, Habib American Bank New York (China, Turkey, Japan, South Korea, Indonesia, UAE), ICICI Bank (Singapore, New York, India, Hong kong, London), Commerzbank AG Germany, AB Bank Mumbai, AB International Finance Hong Kong, HBZ Finance Hong Kong and Banca UBAE, Italy are mentionable. This helps us to honor our LCs and to fulfill our payment commitment abroad. In addition, Asian Development Bank (ADB) under the agreement signed in 2009, will confirm our LCs for big amount through our correspondent banks abroad.

Inward Remittance

Presently, the bank has remittance drawing arrangement with Wall Street Finance LLC, USA, Wall Street Exchange Centre LLC, UAE and MoneyGram Inc., USA. MoneyGram facilitates remittance made by Bangladeshi expatriates all over the world by using their Global network. Remittance drawing arrangement with Wall Street Exchange Centre, LLC, UAE has been commenced in 2011. We have also made drawing arrangement with Western Union and ZENJ Exchange Company, Bahrain as sub agent. The bank continues its efforts to make remittance arrangements with different exchange houses in the potential countries. The bank has signed agreement with Universal Exchange center and Economic Exchange center of UAE. Also waiting to sign the agreement with Lulu Int'l Exchange, Al-Ghorair Exchange, Al-Ahalia Money Exchange Bureau and Bin Bakhet Exchange in UAE and in UK with Fast Encash & Dex Int'l Uk Ltd.

Total Inward Remittance

Foreign Remittance Business of the bank stood at USD 66.78 million equivalents to BDT 5,379.80 million for the Year 2012, which is higher by 49.50% with compared to previous year-2011 remittance (BDT). The same for 2011 was USD 44.67 million equivalents to BDT 3,338.06 million.

Remittance received from Exchange Companies

During the year 2012, we have received USD 57.13 million equivalents to BDT 4,676.35 million through different exchange companies. In 2011, remittance received through exchange companies was USD 37.59 million equivalents to BDT 2,815.00 received from all exchange companies. The growth was 66.12% for the year 2012 than that of 2011.

Other remittance

The bank received remittance from other sources amounting to USD 9.65 million equivalents to BDT 703.45 in the year 2012 while it was USD 7.08 million equivalents to BDT 523.06 million in 2011.

Bank's Own Exchange Company

Standard Exchange Co (UK) Ltd., 100% owned subsidiary company of Standard Bank Limited is operating in UK since August, 2009 at 101 Whitechapel Road, London E1 1DT, UK. Besides, we have opened Standard Co. (USA) Inc. U/A/N "STANDARD EXPRESS" at 37-22 73rd Street – Suite # B2, Jackson Heights, NY 11372, U.S.A. on 1st March 2011 and 4 more branches have been opened at Jamaica, Ozon Park, Brooklyn and Bronx in New York. Opening of its next branches in Astoria, New York and Los-Angeles is under process.

We have already obtained license from Bangladesh Bank for opening "Standard Money Transfer (Australia) Pty Ltd." in Australia, opening of the same is under process. We also have planned for opening more Exchange Company in Italy, Spain and South Korea. As such, Bangladeshi expatriates will be able to remit money with ease, comfort and confidence.

Foreign Currency Exchange Booth:

Another remarkable value added service in the Foreign Exchange Business of our bank is that we have got approval for opening a Foreign Currency Exchange Booth in Hazrat Shahjalal International Airport, Dhaka which will be opened shortly.

Treasury

SBL Treasury is an important and unique banking unit and it is one of the best earning sources of the Bank at the Head Office level. Unlike every bank, our Treasury Division comprises with the two wings. One is Money Market Dealing with the Local Currency for managing and utilizing fund and the other is Foreign Exchange Dealing with the Foreign Currency. We have a superb Treasury Team working for prudent fund management with excellence in performance and skill. During the Year 2012 income from the Treasury was Tk.118.59 Crore.

Strategic Business Outlook

Standard Bank Ltd. has put in strong endeavor to involve in banking sectors with the vision to grow with the economy of the country. It considers the entire spectrum of businesses activities irrespective of size, not only for the better service to its clients, but for all stake holders and people at large.

The changing scenario at Banking sector is experiencing different attention on different perspective. The priorities are also taking new style in recent development of Regulatory structure and market condition in Bangladesh. Thus Standard Bank Ltd. has taken number of steps to diversify its business avenue. Special attention is

Director's Report

being given to finance in Infrastructure, Power Generation, Pharmaceutical, Ship-Building, Iron & Steel industries. Due attention is now being given to Agri & Agri based sector. SME and other micro credit operations are new areas for us for uplifting national economy at large.

Besides, business expansion is being addressed in many ways like opening of one exchange house in the UK and similar other exchange houses to be opened in the USA, Italy and Canada within the shortest possible time.

At home some more Branches are being opened considering potentialities and demand of the economic needs of the concerned areas. Its ultimate goal is to cover more areas with technology based delivery channels.

Dynamic decision making process, Moderate Risk based Management, Diversified and peoples friendly business model, Dedicated IT infrastructure, Technology base product, Strong Internal Control System and Efficient Performance of the Management team are most effective tools in attaining better outcome at Standard Bank Ltd.

Our strategic management is a process that evaluates and controls our business in the total Banking industries, in which we are exactly involved. We also assess the market environment to set goals and strategies by taking into consideration of all potential competitors.

Branch Expansion and Business Diversification

The year 2012 for our Bank was, of course, remarkable as well as worth noting because of the fact that the year had been marked by an astounding record of growth and development through multidimensional steps taken by the management. Several epoch making steps in matters of business dissemination and diversification had taken place during the year.

Keeping in mind the existing on going strategy plan set beforehand, we, during the year 2012, opened 10 (Ten) new branches including 5 (Five) Rural Branches with the total number of branches coming at 78 (Seventy Eight) out of which 16 branches are Authorized Dealer. These AD branches, properly manned by highly dedicated professionals and dexterously supported by state-of-the-art technology, are capable of and adept in handling all types of foreign Exchange Business and transactions.

Our bank plans to open 8 (Eight) new branches & 20 (Twenty) SME/Krishi Rural Branches both urban and rural areas in the year 2013 across the country in order to reach the general masses and make available banking services to every sectors/areas, thus speeding up the pace of growth of economy.

Standard Exchange Co (UK) Ltd., 100% owned subsidiary company of Standard Bank Limited is operating in UK since August, 2009 at 101 Whitechapel Road, London E1 1DT, UK. Besides, we have opened Standard Co. (USA) Inc. U/A/N "STNADARD EXPRESS" at 37-22 73rd Street-Suit # B2, Jackson Heights, NY 11372, U.S.A. on 1st March, 2011 with 04 branches at Jackson Heights, Jamaica, Ozon Park and Brooklyn in New York. Opening of our branches at Bronx, Astoria and in Los Angeles is under process.

We have already obtained license from Bangladesh Bank for opening "Standard Money Transfer (Australia) Pty Ltd." In Australia, opening of which is under process subject to obtaining license from Australia Financial Service Authority. We have also planned for opening more Exchange Companies in Italy and Spain. As such, Bangladesh expatriates will be able to remit money with ease, comfort and confidence.

Internal Control and Compliance Division

Despite the rapid changes in the banking industry, the fundamental concept behind effective internal controls remains the same. The internal controls are intended to ensure banks achieve their goals and long-term profit

ability targets in a safe, prudent and controllable manner. To be concrete, an effective internal control system can assure banks to meet the following objectives:

- > Business operations are efficient and effective.
- > Recorded transactions are accurate.
- > Financial and management reporting are reliable and complete.
- > Risk management systems are effective.
- > The bank complies with applicable laws and regulations, internal policies and procedures.

The Bank has set Internal Control & Compliance Division at Head Office to ensure that the internal control processes are in place through establishment of Audit Committee as per the instructions of Bangladesh Bank. The Committee reviews the internal and external audit reports without any intervention of the Bank Management and ensures that Management takes effective measures in case of any deficiencies / lapses are found in the reports of internal control system.

The Bank has introduced " Risk Based Internal Audit (RBIA) to assess the business risk as well as control risk associated with the branches and determine how much care, monitoring & periodicity of comprehensive internal audit would be required to reposition the branches.

Each year Internal Control & Compliance Division (ICCD) set out a Risk Based Internal Audit Program. During the year 2012 Risk Based Internal Audit Program was chalked by ICCD and which was approved by the Management as well as Audit Committee of Board of Directors. The audit plan included the timing and frequency of audit of branches. Accordingly 69 (Sixty Nine) branches have been audited in the year 2012 and reported major irregularities or lapses to the Management & Audit Committee of Board of Directors. As per directions/suggestions of Board Audit Committee as well as higher Management, corrective measures have been taken so as to stop recurrence of such lapses or irregularities in future.

Besides above, Bangladesh Bank Inspection teams conducted Inspection on 24 (Twenty Four) branches and 3 (Three) Divisions of Head Office during the year 2012 which included Comprehensive Inspection, Inspection on Foreign Exchange Transaction and Core Risk Inspection on Anti Money Laundering Activities and Credit Risk Management. Details as under:

Nature of Inspection	Head Office/ Division	Branches
Comprehensive	1	24
Credit Risk Management	1	0
Foreign Exchange Transaction	1	3

To comply with the directives of Bangladesh Bank, a special meeting of Board of Directors was convened in 2012 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present and all the reports complied within prescribed deadline.

The Management Committee (MANCOM) of the Bank monitors the effectiveness of internal control system time to time. The MANCOM provided certificate on overall adequacy & effectiveness of internal control system based on Bank's policy & procedure to the Board of Directors in the year – 2012.

Above picture definitely demonstrates the working capability and perfectness of officers and executives of ICCD as well as all level of employees of the Bank.



Director's Report

Anti Money Laundering

The Bank has circulated Money Laundering Prevention Act, 2012 and Anti Terrorism (Amendment) Act, 2012 to all branches to cope with latest AML strategies of national and global standard. In 2012 we also circulated and advised the branches the guidelines issued by Bangladesh Bank regarding Wire Transfer & Mobile Banking for strict compliance, besides Bank's Central Compliance Unit (CCU) regarding AML headed by Chief Anti Money Laundering Compliance Officer (CAMLCO) ensures proper implementation of its AML program.

In branches there are separate assigned BAMLCO (Branch Anti Money Laundering Compliance Officer) to look after total AML issues from a single point. The CCU has been ensured closely monitoring and supervising function among the Branches outlets and all operational parts of the Bank to strictly enforce its AML affairs.

Risk based approach has been taken place in addressing AML issues. Bank also follows standard Customer Due Dilligence (CDD) and / or Expanded Due Dilligence (EDD) process in accordance with domestic regulatory framework and International Standard Best Practices.

In a view to adhere to national and international standard of AML functions, Bank has a precise policy to comply with all recommendations, accord, and sanctions of United Nations (UN), Financial Action Task Force (FATF) and Asia Pacific group (APG). Besides, bank is highly constrained for not to establish or continue any relationship with any Entity listed by United Nations (UN), Financial Action Task Force (FATF) and Asia Pacific group (APG). Apart from disagreement for establish or continue relationship with any Shell Bank / Company or Anonymous customer home and abroad.

The Bank has been strictly follows some standard process to assert Suspicious Account / Transaction in all of its client base, product lines and walk in customers.

To educate its all levels of officials, Bank follows training and staff development program with its Training Institute, external Training provider, Online Training, and in-house awareness procedures. Besides, Bank has been continuing Customers awareness program in its all service delivery point.

As per Bangladesh Bank's Guidance notes Internal Control & Compliance Division (ICCD) assesses the status of the branch regarding AML through Individual Testing Procedure and report to AMLD. A Risk Based Self Assessment process is being taken place to assess and profile the own Risk by the Branch for determining and review their AML work plan. Bank ensures all internal and external reporting requirements as per regulatory framework.

Standard Bank Limited has been conceived the keen commitment to pursue strictly AML, so that the organization can capable to keep its all operational activities away from any type of threat derived from Money Laundering and Terrorist Financing.

Appointment of Auditors

M/s. Khan Wahab Shafique Rahman & Co. a renowned audit firm having wide experience, has been appointed as Auditors of the Bank for the year 2012 by the shareholders in their 13th Annual General Meeting until the next AGM. They have completed audit of the bank in time.

Board of Directors

In compliance of Bangladesh Bank's rule, the Bank has constituted the Board of Directors with 13 members of high academic caliber and excellent professional knowledge, experience and skills together with the Managing Director as Ex-officio Director. During the year 2012 there had been 14 Board meetings. The Board approved different loan & investment proposals and adopted policies and plans for smooth growth of business. The Board provided guidelines for technological development in consideration of requirement of time and to face the challenges and competitions. The Board also reviewed different policies & programs on monthly basis and provides guidelines to the Management for upholding and protecting the interest of the Bank.

Executive Committee

The Executive Committee (EC) of the Board consisted of 07 members (Six Directors and the Managing Director). The Committee approved all the credit proposals and expenditure etc. as per approved guidelines and policy of the Board. The EC of the Board used to ensure the implementation of policy and guidelines of the Board. There were 10 (ten) meetings of the Executive Committee during the year 2012.

Audit Committee

The Audit Committee reconstituted as under by the Board of Directors of the Bank in accordance with the BRPD circular letter no.12 dt.23.12.2002. issued by Bangladesh Bank:

SL.No.	Names	Status with the Bank	Status with the Committee
1.	Mr. S.S. Nizamuddin Ahmed	Director	Chairman
2	Mr. Kamal Mostafa Chowdhury	Director	Member
3	Mr. Ashok Kumar Saha	Vice-Chairman	Member
4.	Mr. Md. Zahedul Hoque	Director	Member
5.	Mr. Md. Fayekuzzaman	Director	Member
6.	Mr. A.F.M Nizamul Islam Chowdhury	Group Company Secretary	Member Secretary

The Group Company Secretary of the Bank has been nominated as Secretary of the said Committee as per Bangladesh Bank Circular.

The Committee held 8(eight) meetings during the year under review.

DISCLOSURE ON AUDIT COMMITTEE

The Audit Committee constituted as under by the Board of Directors of the Bank in accordance with the BRPD circular letter no.12 dt.23.12.2002. issued by Bangladesh Bank:

SL.No.	Names	Status with the Bank	Status with Committee	Educational Qualification
1.	Mr. S.S. Nizamuddin Ahmed	Independent Director	Chairman	M. Com
2.	Mr. Kamal Mostafa Chowdhury	Director	Member	B.A (Hons)
3	Mr. Ashok Kumar Saha	Vice-Chairman	Member	MBA
4	Mr. Md. Zahedul Hoque	Director	Member	MBA
5	Mr. Md. Fayekuzzaman	Director	Member	B.Com(Hons) M.Com.
6	A.F.M Nizamul Islam Chowdhury	Group Company Secretary	Member Secretary	B.A, L.LB



Director's Report

The Group Company Secretary of the Bank has been nominated as Secretary of the said Committee as per Bangladesh Bank Circular.

During the year 2012, the Audit Committee conducted 8 (eight) meetings wherein following financial statements and audit & inspection reports were placed and discussed:

1. Consolidated Balance Sheet as on December, 2011 of the Bank.
2. Un-audited financial statements as on 31st. March, 2012 of our Bank.
3. Risk based Internal Audit Program for the year 2012.
4. Un-audited financial statements as on 30th. June, 2012 of our Bank.
5. Annual Report on the Health of the Bank for the year-2011.
6. Summary Audit Report of Principal Branch as on 26.05.2012 and irregularities there against.
7. Comprehensive Inspection Report of Bangladesh Bank as on 31.12.2011 on our Bank and compliance thereof.
8. Consolidated Balance Sheet (un-audited) as on 30th. September , 2012.
9. Nastro a/c reconciliation position as per comprehensive inspection report of Bangladesh Bank as on 31.12.2011 of our Bank.
10. Proposal for approval of Organogram of the Bank specially of ICCD & IT Division.
11. Statement showing an overview of the Card Division.
12. The following Statements on different dates:
 - i). Monthly recovery statement of Classified loans & advances .
 - ii) Monthly statement showing recovery position of Rescheduled / Time Extended / Blocked a/c.
 - iii) Monthly statement of slow-sticky, Overdue & SMA loans & advances.
 - iv). Monthly statement showing the position of Term loan created / converted from LTR / CC accounts.
 - v). Statement of Write-off loans and account wise present position of Waiver cases loans .
13. Summary of Audit Report of our Gulshan Br, Principal Br , Agrabad Br, Khatungonj Br, Topkhana Road Br, Gulshan-1 Br, Imamgonj Br, Khulna Br, Kushtia Br, C.D.A Br, CEPZ Br. & Interim Summary Audit Report of Jubilee Road Br.
14. Compliance with the instructions/ Circulars of Bangladesh Bank / SEC / Other Govt. Regulatory Authority.
15. Self-Assessment of Anti-Fraud internal Controls.

The Audit Committee discussed agenda thoroughly and provided guidelines & instructions to the Management for compliance, which are group wise shown below :

Group "A" Organogram & Man power.

- * Organogram of the Bank specially the organogram of ICCD and IT Division showing nomenclature, functions, manpower etc. to be placed in the next meeting.
- * To depute two more experienced Officer under the ICCD , one for Monitoring unit and another for Compliance unit for smooth functioning of the Division.
- * To set up a new Department viz ICT Audit and also to conduct audit on the functions of the ICT Division regularly on priority basis.
- * To recruit some experienced Officials for smooth functioning of IT Division.
- * Bank's Website should be up-dated and if necessary, by outsourcing of experienced persons/Organisation.
- * A separate and independent Department in the name of "Disciplinary & Appeal" should be set up at Head Office and a bank official very well experienced in the line should be recruited & posted to properly process, frame, dispose-off and correctly deal matters like calling of explanations , charge sheets, reprimands / rewards as per normal banking Rules, Regulations and usual practices.
- * To take effective measures including opening of SME/Krishi Branches for disbursement of SME/ Agri loan in order to avoid penalty.

Group "B" Policy & Guidelines.

- * To select feeding branches and to form Cash Squad to ensure safe cash management through out the country so that cash is utilized properly avoiding excess holding of cash in the branches as well as to arrange deposition of cash to Bangladesh Bank within minimum possible time.
- * To follow earlier instructions for mobilization of no cost, low cost deposit in order to rationalize the expenses as well as maintaining healthy A :D ratio.
- * To minimize / reduce the expenses reasonably for boosting up income.
- * To strengthen the recovery drive for keeping the loan portfolio performing.
- * To identify the weak area of the loan and to closely monitor and supervise all the overdue & classified loan a/cs.
- * To fix up the individual recovery target among the Officers / Executives monthly basis & to follow up the performance individually.
- * To assess business position of the borrower before taking legal steps, in case of need to protect the interest of the Bank.
- * To negotiate / settle the suits already filed against the borrower outside the court ,where applicable.
- * To calculate and to include provisional income on the following heads in the final quarter : Unquoted Shares (a) CDBL,(b) SWIFT, (c) Market Stabilization Fund and (d) Zero coupon Bond
- * To improve asset quality by taking effective efforts for recovery of classified loan so as to turn them to performing loan.
- * To intensify its efforts to expedite hearing else to settle down cases under compromise formula so as to bring cash/amount back into Bank.
- * Efforts should be intensified to recover the classified, overdue & SMA loans as reported in different loan accounts.
- * To make necessary arrangement and for taking effective measures, efforts for declassification as per norms of Bangladesh Bank.
- * Plan to boost up for increase of Credit Cards etc.
- * To take all possible measures for recovery of the defaulted dues from the Cardholders such as :

To avail the opportunity of seeking assistance for recovery of the Bank dues from the authority of Employer of the Card holders.

To collect the proceeds of the cheque kept as lien under the custody of the Bank.

To pursue the defaulted Cardholders vigorously for recovery of overdues.

To make adjustment of the liabilities of terminated employees having SBL Credit Cards within 3



Director's Report

months while disposing settlement of service benefit.

*Bank's Sign Boards on the mortgaged properties should be displayed at the earliest.

*Inspection of mortgage properties of Lea Fashions & Apparels Ltd. of khatungonj branch should be done.

*To take adequate proper and required steps for disposal of the mortgage properties for adjustment of the liabilities and to file suit against the borrower for the rest outstanding amount.

*To increase the supplementary Capital by issuing sub-ordinate bond like other Banks.

*Endeavour should be made to make the Exchange Houses profitable.

*Vigilance / Surprise Inspection should be carried out regularly on different branches with special emphasis on risk gradation.

* A massive program should be taken for setting up more ATM Booth as well as to extend Debit Card facilities.

* To launch income oriented products specially for boosting up income / commission on L/C, BG, PG and other fee based income.

*To formulate a policy for Card Division and to arrange submission of the same in the A.C meeting.

i) Guidelines, if any, provided by Bangladesh Bank for Credit Card in general.

ii) Determining the Sanctioning process as followed by other Banks.

iii) Formula for selection of the Credit Cardholders.

iv) Delegation of power for issuance of Credit Card inline with Bank's loan.

v) To devise Control Mechanism and follow those meticulously.

vi) To devise Reporting policy and ensure timely reporting to Head Office Management.

*To arrange submission of " Self-Assessment of Anti-fraud Internal Controls sheet" together with a certificate as per proforma provided by Bangladesh Bank vide DOS Circular letter no.17 dated 07.11.2012 to the Member Secretary of Board's Audit Committee within 10th of the next month ending every quarter to enable him to place the same in the meeting of the Audit Committee for perusal and also for counter signature of the Chairman of the Audit Committee.

Group " C " Audit Report.

*To design and carry out the internal control system based on the guidelines provided by Bangladesh Bank in Managing Core Risk in Banking.

*To carry out the audit task as per approved audit plan.

* Irregularities, Omission, commission as pointed in Bangladesh Bank Inspection report should be rectified within given time frame.

*ICT Audit guide lines of Bangladesh Bank should be followed and the functions of the ICT Division should be audited by the IT knowledgeable persons.

*Credit Card Division should be audited and report should be placed before the Committee.

*Fund Management Division should also be audited.

*To conduct audit / inspection on SME / Krishi loan branches and also rural branches.

* Auditors while inspecting the Branches should invariably verify the data, statistics as reported by them in the compliance report.

*The Audit Committee Provided some guidelines & suggestions on making compliance of Bangladesh Bank comprehensive inspection report viz-a- viz advised to ensure implementation and compliance of the recommendations and suggestions as available in the comprehensive inspection report of Bangladesh Bank.

*To undertake special audit for detecting the default Cardholders and to furnish the total list of the Cardholders

defaulted for 3 months & above in the next meeting.

*To place the Audit Reports of the branches focusing and highlighting the major & gross, serious irregularities in brief manner .

*To take effective steps for auditing the high risk and all other Branches as per ICCD guidelines & norms of Bangladesh Bank within the scheduled time positively.

*All the incoming correspondences / letters etc. received from Bangladesh Bank, SEC and other Regulatory Authorities should be marked to ICCD. ICCD will send those letters/ circulars/ Gazette etc. to the respective Division / Department for compliance. ICCD will collect the compliance reports from those Divisions/ Departments and will place memorandum on compliance report at every meeting of the Audit Committee.

Group "D" Recovery

* To quantify the data, information and the position of recovery always in the compliance report so that substantive result can be achieved.

*To place group liability position of a particular borrower such as ;limit, nature, outstanding, recovery, overdue, security, rescheduling position, classification status, suit position, steps taken for recovery etc should be shown in a single sheet.

*To submit the following two category statements relating to classified Loans & Advances in the meeting:

- a) One having collateral securities against the limit and
- b)No collateral security against the limit.

*To strengthen the Recovery Division of Head Office by deputing one competent Senior Executive ,who should be specially assigned for the recovery of Classified,Overdue,SMA, Rescheduled, Time Extended, Blocked accounts, Slow-Sticky, Term loans created from LTRs ,Write-off and non performing loans . Further Recovery team has to be formed headed by branch Manager at the branch level, where there is substantial amount of classified , overdue, non performing and other such loans stated herein above for launching all out drive and efforts for recovery at the earliest and also for close watch , monitoring & follow up to protect & safeguard the interest of the Bank.

Group "E" Disciplinary Action

*To initiate Departmental action against Manager and concerned Officers for recommending, sanctioning and disbursing of overdue, classified and Non-performing loans.

*The Management should ask explanation from concerned Officers & Executives of Head Office relating to processing, sanctioning, monitoring and follow up of the loans and to take appropriate disciplinary action against them.



Director's Report



Mr. S.S Nizamuddin Ahmed, Chairman Audit Committee is seen presiding over the 40th. meeting of the Audit Committee.

Green Banking Committee

Global warming has become a very vital issue that calls for the responsible factors to be addressed properly by all stake holders to maintain the environment at its natural standard. The rapid change in climate has direct impact on bio diversity, agriculture, forestry, water resources and human health. Unusual weather pattern is rising greenhouse gas, declining air quality which demands for businesses to take responsibility in safeguarding the environment at a standard which would not only arrest further deterioration but improvement, as well.

Bank, being a business cum financing concern has great responsibility in maintaining environment through In-House environment management and financing businesses that are eco friendly. To bring the banks in green practices, Bangladesh Bank has put forward "Policy Guidelines for Green Banking" suggesting certain actions to be taken by the banks as forming Board's Committee comprising of Directors, Green Banking Unit, Incorporation of Environment Risk Management (ERV) as a part of Credit Risk Management (CRM), initiating In-House Environment Management, Introducing Green Finance, Creation of Climate Risk Fund, Introducing Green Marketing, On-Line Banking, Employee Training & Client Awareness, Formulation of Sector Specific Environmental Policies, Green Strategic Planning, Setting Green Branches, Introducing Innovative Products, etc.

Keeping this in view, the Board of Directors of the bank adopted Green Banking Policy of the bank for implementation. Executive Committee of the Board of Directors is acting as the Green Banking Committee of Board of Directors.

The Green Banking Committee of the Board of Directors sits for meeting to review the progress of implementation of the Action Plan of the Green Banking Policy of the bank and take necessary decisions towards effective implementation of the Action Plan. Standard Bank Limited, in compliance of Green Banking Policy Guidelines is implementing Green Banking Action Plan with due importance and gravity which includes efficient management of electricity, water, paper, gas, fuel, use of energy saving bulb, use of day light, installation of solar panel at branch premises, Credit Card & Debit Card, On-Line & Internet Banking, Environment Risk Management, Eco friendly financing, etc. The management of the bank is giving due emphasis and considerations relating to ensuring compliance to relevant factors while approving credit facilities to business entities so that such finances will not be detrimental to environment.



Mr. Mohammed Abdul Aziz, Chairman Green Banking Committee is seen presiding over the 3rd Meeting of the Green Banking Committee.

Shariah Supervisory Committee:

1. Janab Kazi Akram Uddin Ahmed Chairman of the Bank as Chairman of the committee
2. Janab Prof. Mowiana Mohammad Salauddin Khatib Baitul Mukarram National Mosque, Dhaka as a member of the committee
3. Janab Hafiz Kazi Muhammad Ibrahim Head Mohaddis (Hadits Dept), Jameah Qasemiah Kamil Madrasha, Norsinghdi as a member of the committee
4. Janab Kazi Khurram Ahmed Computer Engineer as a member of the committee
5. Janab S. A. Farooqui Managing Director of the Bank as an ex-officio member of the committee

Two meetings of the Shariah Supervisory committee held in 2012 on 24.04.2012 & 24.09.2012 at the Board room of the Bank. The agenda of the 2nd meeting held on 24.04.2012 were:

1. Confirmation of the minutes of 1st meeting of the Shariah Supervisory committee held on 21.04.2011
2. Approval the Final profit rates of the Mudaraba Deposits for the year 2011
3. Proposal for opening of another 2 (two) Islami Windows at Cox's Bazar and Satkhira
4. Miscellanies

Islami Banking Wing has placed 3(three) memos in the meeting for kind approval and Shariah Supervisory Committee have approved the memos. The agenda of the 3rd meeting held on 24.09.2012 were:

1. Confirmation of the minutes of 2nd meeting of the Shariah Supervisory committee held on 24.04.2012
2. Approval for Un- Audited Balance Sheet and Profit & Loss A/C statement as on 30th June, 2012 of Islami Banking, Standard Bank Ltd.
3. Proposal for introducing of a new Mudaraba Deposit Scheme product named Mudaraba Regular Income Program (MRIP) of Islami Banking
4. Approval for getting fund for TK.5.50 crore up to 180 days tenure from Bangladesh Bank Islami Mudaraba investment Bond/Fund for the purpose of Investment/Depositing with other Banks/Non Banking Financial Institutes/ maintaining of SLR/CDR (IDR) under lien of MTDR(s).
5. Miscellanies

Islami Banking Wing has placed 4(four) memos in the meeting for kind approval and Shariah Supervisory Committee have approved the memos.



Director's Report



Relief Contributed by Standard Bank Ltd.



The Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen presiding over the 3rd Meeting of the Shariah Supervisory Committee of Standard Bank Limited.

Corporate Social Responsibility (CSR) of Standard Bank Ltd.

Standard Bank, in addition to contributing to economic growth, wants to achieve significant change in the communities. Standard Bank tries to improve community relations to cultivate understanding and credibility. The Bank is internally devoted to maintain Corporate Social Responsibility in numerous ways. It has excellent track record of support for charitable causes. In 2012, Standard Bank has spent Tk. 65.04 million as donations for education, healthcare, community development, infrastructure development, relief operations etc. We keep ourselves accountable for the social, environmental and economic impact of our operations. We design our policies and business practices to reflect the highest standards of corporate governance, transparency and social and religious ethics.

Our CSR program consists of three main dimensions:

The Board of Directors and the Management strongly believe that we should have firm commitment and obligation to the society we live in. We not only put in efforts for profit maximization but also focus on playing our due role for the benefit of the society. The Bank as whole is regarded as a 'Corporate Citizen' and engaged in various social activities. Our initiatives include financial help and support in the areas of health, education and sports. We have participated in extending financial help to the family of deceased army officers in BDR Darbar Hall tragedy. We have also donated handsome amount to the victims of natural calamities for rehabilitation purpose. Even the Bank has generously given financial help for the treatment of poor and ultra poor section of the society. We give below some of our CSR activities undertaken during the year 2012:

Description of initiatives	Amount in BDT
Contribution to the family of deceased army officers, who were killed at BDR Darbar Hall.	1,440,000/-
Donate to "Dhaka Shishu Hospital"	10,000,000/-
Contribute to "Jatir Janak Bangabandhu Sheikh Mujibur Rahaman Memorial Trust"	20,000,000/-
Paid to 'IRRI' on behalf of BAB.	600,000/-
Sponsorship for Special Olympic for Autistic.	200,000/-
Donate to 'BNSB Eye Hospital' for installing Phaco Emulsification System.	2,650,000/-
Donate to Prime Minister's relief fund for re-construction of Buddhist Temples at Ramu	20,000,000/-
Blanket for cold effected peoples	6,800,000/-
Donate for purchasing & installation of formalin dehidread machine	270,000/-
Purchase & distribution of Lungi among the fire affected peoples at Babu Bazar	312,000/-
Donate to all Marketing Summit-2012	2,000,000/-
Donate for peoples for treatment	766,500/-
Total	65,038,500/-

Director's Report



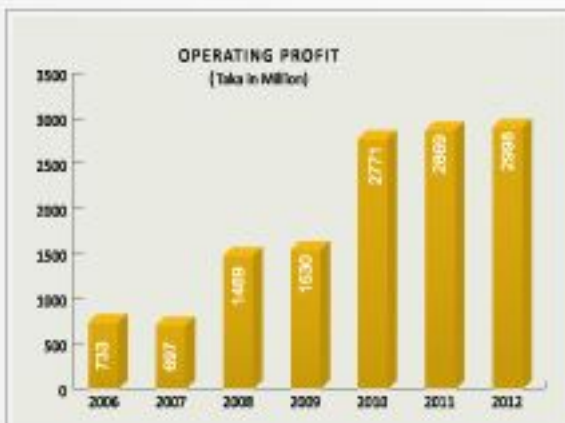
Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is found handing over a cheque of Standard Bank's contribution to the deceased Sena family of BDR Mutiny.

Operating and Net Profit

Standard Bank Limited generated an operating profit of Tk. 299.77 crore in 2012 compared to Tk. 286.89 crore in 2011 making a growth of 5%. After all provisions including general provisions on unclassified loans, profit before tax stood at Tk. 255.83 crore. Earning per share (EPS) is Tk. 2.73 in 2012.

Dividend

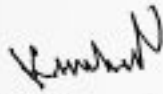
The Board of Directors recommended 17% stock dividend subject to the approval of the Hon'ble Shareholders for the year ended 31st December 2012 as well as obtaining no objection from Bangladesh Bank in order to maintain satisfactory capital base of the Bank.



Acknowledgement

Standard Bank Ltd. has achieved a satisfactory level of progress in all the areas of its operation during the year 2012. The members of the Board of Directors of Standard Bank Ltd. take this opportunity to offer their sincere thanks to the Government of the People's Republic of Bangladesh, different Ministries, Bangladesh Bank and other regulatory bodies for their guidance, support, help and cooperation towards the overall growth and development of the bank during the year 2012. The directors have expressed their deepest sense of gratitude and thanks to the valued clients, patrons and wellwishers for their continued support. Finally, we cordially thank and appreciate the Executives, Officers and members of the Staff for their commitment, devotion, dedication, loyalty and hard work that they have rendered towards overall growth, development and progress of the Bank.

On behalf of the Board of Directors



Lt. Kazi Akramuddin Ahmed
Chairman



Project Financed by Standard Bank Ltd.



Inside view of *Khaleque foundry light casting* financed by SBL, Jessore Branch



Inside view of *L-Usine Fashion Limited* financed by SBL, Gulshan-1 Branch



Inside view of *M/S.Khondokar Rice Mill*, financed by SBL, Kustia Branch.



Inside view of *M/S. Intramex Textile*, financed by SBL, Foreign Exchange Branch.



Outside view of *Golden Beez Himagar Ltd.* financed by SBL, Rangpur Branch.



Inside view of *Poles and Concrete Limited* financed by SBL, Khulna Branch.



Project Financed by Standard Bank Ltd.



Inside view of SADD MUSA Group financed by SBL, Khatungonj Branch



Inside view of Florescent Apparels Ltd. financed by SBL, Principal Branch, Dhaka.



Inside view of Super Knitting & Dyeing Mills Ltd. Financed by SBL, Khatungonj Branch, Chittagong.



Inside view of Amichi Apparels Ltd. financed by SBL, Imamgonj, Branch, Dhaka.



Inside view of M/S Eurotex Knitwear Ltd. financed by SBL, Narayangonj Branch, Dhaka.



Outside view of M/S. Khawja Baba Auto Rice Mill, financed by SBL, Rajshahi Branch.

Project Financed by Standard Bank Ltd.



Inside view of MVS Everway Yarn Dyeing Ltd. financed by SBL ,Imamgonj, Branch, Dhaka.



Inside view of food Processing Unit of Banga Bakers Ltd. financed by SBL, Topkhana Road Branch.



Outside view of Vancot Limited financed by SBL, Agrabad Branch, Chittagong.



Inside view of Chaity Composite Ltd. financed by SBL, Principal Branch, Dhaka .



Outside view of M/S. Western Marine Services Ltd. financed by SBL Agrabad Branch, Chittagong



Inside view of Knit Softwear Ltd. Financed by SBL, Principal Branch, Dhaka .

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

Sl. No.	Particulars	Compliance status
1	Responsibilities and authorities of the Board of Directors	
	(a) Work-planning and strategic management:	
	(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 rests the development of implementation of the work-plans.	Complied
	(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 apprise 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.	Complied
	(b) Lending and risk management:	
	(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 specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, directly or indirectly, into the process of loan approval.	Complied
	(ii) The board shall frame policies for risk management and get them complied with and shall monitor at quarterly rests the compliance thereof.	Complied
	(c) Internal control management:	
	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.	Complied
	(d) Human resources management and development:	
	(i) Policies relating to recruitment, promotion, transfer, disciplinary 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	Complied

Sl. No.	Particulars	Compliance status
	administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.	
(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.	Complied
(e)	Financial management:	
(i)	The annual budget and the statutory financial statements shall finally be prepared with the approval of the board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.	Complied
(ii)	The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board.	Complied
(f)	Formation of supporting committees:	
	For decision on urgent matters an executive committee, whatever name called, may be formed with the directors. There shall be no committee or sub-committee of the board other than the executive committee and the audit committee. No alternate director shall be included in these committees.	Complied
(g)	Appointment of CEO:	
	The board shall appoint a competent CEO for the bank with the approval of the Bangladesh Bank.	Complied
2	Responsibilities of the Chairman and Board of Directors	
(a)	As the chairman of the board of directors (or chairman of any committee formed by the board or any director) does not personally possess the jurisdiction to apply policymaking or executive authority, he shall not participate in or interfere into the administrative or operational and routine affairs of the bank.	Complied



Sl. No.	Particulars	Compliance status
	(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.	Complied
	(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.	Complied
3	Responsibilities of Advisor The advisor, 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.	No Advisor
4	Responsibilities and authorities of CEO The CEO of the bank, whatever name called, shall discharge the responsibilities and effect the authorities as follows:	
	(a) In terms of the financial, business and administrative authorities vested upon him by the board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.	Complied
	(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.	Complied
	(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.	Complied
	(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.	Complied

Compliance Report on SEC's Notification

The Securities and Exchange Commission (SEC) requires all listed companies to report on the compliance of the conditions described in SEC's notification dated 20 February 2006 on "Comply or Explain" basis. The Board of directors of the Company has taken

Number of Board Meetings and attendance of Directors:

SL. No.	Name of Directors	Designation	Attendance in Board Meeting of the Bank		Remarks
			Number of meetings held	Number of meetings attended	
1	Mr. Kazi Akramuddin Ahmed	Chairman	18	17	1 day leave was granted by Board
2	Mr. Kamal Mostafa Chowdhury	Director	18	17	1 day leave was granted by Board
3	Mr. Mohammed Nurul Islam	Director	18	8	Relieved from Directorship on 04.07.2012
4	Mr. Ashok Kumar Saha	Vice-Chairman	18	14	4 days leave was granted by Board
5	Mr. Ferozur Rahman	Director	18	17	1 day leave was granted by Board
6	Mr. Md. Monzurul Alam	Director	18	5	13 days leave was granted by Board
7	Mr. S. A. M. Hossain	Director	18	14	4 days leave was granted by Board
8	Mr. Mohammed Abdul Aziz	Director	18	17	1 day leave was granted by Board
9	Al-Haj Mohammed Shamsul Alam	Director	18	18	
10	Mr. Abdul Ahad	Director	18	14	4 days leave was granted by Board
11	Mr. Md. Zahedul Hoque	Director	18	16	2 days leave was granted by Board
12	Mr. Ferdous Ali Khan	Director	18	6	Relieved from Directorship on 04.07.2012
13	Al-Haj Md. Yousuf Chowdhury	Director	18	10	8 days leave was granted by Board
14	Mr. Moshfeque Mamun Rizvi	Director	18	5	Relieved from Directorship on 04.07.2012
15	Mr. Md. Fayekuzzaman, MD, ICB	Director	18	16	2 days leave was granted by Board
16	Mr. Shaikh Mesbauddin	Director	18	9	Relieved from Directorship on 04.07.2012
17	Mr. S. S. Nizamuddin Ahmed	Director	18	15	3 days leave was granted by Board
18	Mr. S. A. Farooqui	Managing Director & Ex-Officio Director	18	18	-



SL.	Name of Directors	Designation	Percentage of share as on 31.12.2012
1.	Mr. Kazi Akramuddin Ahmed	Chairman	2.35%
2.	Mr. Kamal Mostafa Chowdhury	Director	2.41%
3.	Mr. Ashok Kumar Saha	Vice Chairman	2.01%
4.	Mr. Ferozur Rahman	Director	2.07%
5.	Mr. Md. Monzurul Alam	Director	2.00%
6.	Mr. S.A.M. Hossain	Director	2.72%
7.	Mr. Mohammed Abdul Aziz	Director	2.83%
8.	Al-Haj Mohammed Shamsul Alam	Director	2.61%
9.	Mr. Abdul Ahad	Director	3.41%
10.	Mr. Md. Zahedul Hoque	Director	2.28%
11.	Al-Haj Mohd. Yousuf Chowdhury	Director	2.00%
12.	Investment Corporation of Bangladesh (ICB) represented by its Managing Director Mr. Md. Fayekuzzaman	Director	7.31%
13.	Mr. Sahazada Syed Nizamuddin Ahmed	Independent Director	0.03%

iii) Shareholding of CFO, Group Company Secretary & Head of Internal Audit

Chief Financial Officer & his spouse and minor children	N/A
DMD & Group Company Secretary & his spouse and minor children	0.009%
Head of Internal Audit & his spouse and minor children	Nil

iv) Share holding of Senior Executive(Top five salaried persons other than CEO,CFO,CS,HIA)

1) Mr. Md. Nazmus Salehin	AMD	Nil
2) Mr. Md. Abul Hossain	DMD	Nil
3) Mr. A. F. M. Nizamul Islam Chowdhury	DMD & Group Company Secretary	0.003%

v) Shareholder(s) holding 10% or more voting interest in the company as at 31.12.2012

Nil

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/129/Admin/43 dated 03 July 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Non Complied	
1.0	Board of Directors:			
1.1	The members of the Board should not be less than 5 (five) and more than 20(Twenty)	√		
1.2 (i)	Independent Director : at least 1/5 th of total No. of Directors	√		
1.2 (ii) a)	Independent Director holds less than one percent (1%) shares of the total paid-up shares of the Bank	√		
1.2 (ii) b)	Independent Directors is not connected with the company's any sponsor or director or shareholder who hold one percent (1%) or more shares	√		
1.2 (ii) c)	Independent Director does not have any other relationship with the Bank or its subsidiary companies	√		
1.2 (ii) d)	Independent Director is not a member, director or officer of any stock exchange	√		
1.2 (ii) e)	Independent Director is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2 (ii) f)	Independent Director is not a partner or an executive or was not a partner or an executive during the preceding 3 years of any statutory audit firm	√		
1.2 (ii) h)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution (NBFi)	√		
1.2 (ii) i)	Independent Director has not been convicted for a criminal offence involving moral turpitude	√		
1.2 (iii)	Independent Director is nominated by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1.2 (iv)	Post of independent director(s) can not remain vacant for more than 90 (ninety) days	√		
1.2 (v)	The Board lays down a code of conduct of all Board members and annual compliance of the code to be recorded	√		
1.2 (vi)	Tenure of office of Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	√		
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	√		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission	N/A		
1.4	Chairman shall be elected from among the directors and respective roles and responsibilities of Chairman and CEO shall clearly be defined by Board of Directors	√		
1.5	Director's report to shareholders:			
1.5 (i)	Industry outlook and possible future developments in the industry	√		
1.5 (ii)	Segment-wise or product-wise performance	√		
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	√		
1.5 (viii)	Explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc	√		
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on Annual Report	√		
1.5 (x)	Remuneration to directors including independent directors	√		
1.5 (xi)	Fairly present financial statement, state of affairs, the result of operations, cash flows and changes in equity	√		
1.5 (xii)	Proper books of account have been maintained	√		



1.5 (xii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	√		
1.5 (xvii)	Significant deviations in operating results from last year	√		
1.5 (xvii)	Summary of key operating and financial data for at least last five years	√		
1.5 (xix)	Declaration of dividend (cash or stock) for the year	√		
1.5 (xx)	Number of Board meetings held during the year and attendance by each director shall be disclosed	√		
1.5 (xxi)	Shareholding pattern:	√		
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5 (xxi) c)	Executives	√		
2.0	Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS):			
2.1	Appointment	√		
2.2	Requirement to attend the Board Meetings	√		
3.0	Audit Committee			
3 (i)	Audit Committee is a sub-committee of the Board of Directors	√		
3 (ii)	Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√		
3.1 (i)	Audit Committee shall be composed of at least 3 (three) members	√		
3.1 (ii)	Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director	√		
3.1 (iii)	Members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	On the expiration of term of service of the Committee members or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee	√		
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	Quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	√		
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM)	√		
3.3	Role of Audit Committee:			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		
3.3 (iii)	Monitor Internal Control Risk management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	√		
3.3 (vii)	Review the adequacy of internal audit function	√		

3.3 (vii)	Review statement of significant related party transactions submitted by the management	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus	√		
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1 (ii) a)	Report on conflicts of interests	N/A		
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	√		
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations	√		
3.4.1 (ii) d)	any other matter which shall be disclosed to the Board of Directors immediately	√		
3.4.2	Reporting to the Authorities	√		
3.5	Reporting to the Shareholders and General Investors	√		
4.0	External/Statutory Auditors:			
4 (i)	Appraisal or valuation services or fairness opinions	N/A		
4 (ii)	Financial information systems design and implementation	√		
4 (iii)	Book-keeping or other services related to the accounting records or financial statements	√		
4 (iv)	Broker-dealer services	N/A		
4 (v)	Actuarial services	N/A		
4 (vi)	Internal audit services	√		
4 (vii)	Any other service that the Audit Committee determines	√		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	√		
5.0	Subsidiary Company:			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company	√		
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company			
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	√		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	√		
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	√		
6.0	Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO) :			
6. (i) a)	Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
6. (i) b)	Financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	√		
7.0	Reporting and Compliance of Corporate Governance:			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions	√		



Shareholders Information Graphical Presentation

TYPES OF SHAREHOLDING



TYPES OF SHAREHOLDING



TYPES OF SHAREHOLDING



5 -YEAR FINANCIAL HIGHLIGHTS

	(Figure in million Taka)				
	2008	2009	2010	2011	2012
Income Statement					
Interest Income	3,227	4,434	5,850	8,192	9,548
Interest Expenses	2,253	3,351	4,126	6,024	7,210
Net Interest Income	974	1,083	1,724	2,168	2,338
Non-Interest Income	938	1,112	1,945	1,888	2,160
Non-Interest Expense	443	664	898	1,188	1,500
Net Non-Interest Income	495	448	1,047	701	660
Profit before Provision & Tax	1,469	1,531	2,771	2,869	2,998
Provision for Loans & Assets	385	246	394	519	439
Profit after provision before Tax	1,084	1,285	2,377	2,350	2,558
Provision for Tax (Including Deferred Tax)	427	520	1,007	1,053	1,227
Profit after Tax	657	765	1,370	1,297	1,331
Balance Sheet					
Authorised Capital	3,000	8,800	8,800	15,000	15,000
Paid-up Capital	2,203	2,644	3,173	4,061	4,874
Shareholders' Equity (Capital & Reserve)	3,426	4,222	5,625	6,871	8,218
Borrowings	-	-	-	266	4,315
Deposits	29,305	42,556	58,344	63,821	76,112
Other Liabilities	1,480	2,224	2,627	3,996	5,724
Liquid Assets	6,291	9,686	13,637	17,343	28,530
Money At Call & On Short Notice	20	630	300	1,900	2,800
Loans & Advances	27,190	38,056	51,758	55,332	61,528
Investments	3,218	5,340	7,624	9,534	17,578
Fixed Assets	115	179	379	510	585
Other Assets	614	1,081	823	1,768	3,727
Total Assets(excluding off-balance sheet items)	34,210	49,001	66,596	74,953	94,370
Net Asset Value (NAV)	4,222	5,625	6,871	6,871	8,219
Off-Balance Sheet exposure	13,423	13,860	22,168	17,104	19,788
Others Business					
Import Business	35,689	40,411	56,167	50,497	48,500
Export Business	25,072	29,177	41,919	45,356	33,967
Foreign Remittance	830	697	1,044	2,815	4,676
Capital Measures					
Total Risk Weighted assets	24,780	34,939	61,763	67,629	80,016
Core Capital(Tier I)	3,423	4,208	5,577	6,956	8,208
Supplementary Capital(Tier II)	399	531	794	746	815
Total capital	3,822	4,739	6,371	7,702	9,023
Tier I Capital Ratio	13.81%	12.04%	9.03%	10.29%	10.26%
Tier II Capital Ratio	1.61%	1.52%	1.29%	1.10%	1.02%
Total Capital Ratio	15.42%	13.56%	10.32%	11.39%	11.28%



	(Figure in million Taka)				
	2008	2009	2010	2011	2012
Credit Quality					
Volume of Non-performing loans	509	697	1,017	1,211	1,539
% of NPLs to Total Loans & Advances	1.87%	1.83%	1.96%	2.19%	2.50%
Provision for Unclassified Loans	282	391	559	580	616
Provision for Classified Loans	245	365	512	540	851
Provision for Off-Balance Sheet Items	115	130	211	166	191
Share Information					
Number of Share	22	26	32	406	487
Earning per Share(Taka)	24.83	28.90	43.15	2.66	2.73
Face Value per Share(Taka)	100.00	100.00	100.00	10.00	10.00
Market price per Share(Taka)	227.25	332.25	646.00	30.20	19.20
Price Earning Ratio(Times)	8	11	15	11	7
Net Asset Value per share (Taka)	191.65	212.75	216.75	16.92	16.86
Dividend per Share:					
Cash Dividend (%)	0	0	0	0	0
Bonus Share (%)	20%	20%	28%	20%	17%
Rights Share Issue	0	0	0	0	0
Operating Performance Ratio					
Net Interest Margin on average earning assets	3.72%	3.27%	3.80%	3.68%	3.14%
Net Non-Interest Margin on average earning assets	1.89%	1.35%	2.31%	1.19%	0.88%
Credit / Deposit Ratio(%)	93%	89%	89%	87%	81%
Return on Equity(ROE) %	21.22%	20.01%	27.83%	20.75%	17.65%
Return on Assets(ROA)%	2.30%	1.84%	2.37%	1.83%	1.57%
Return on Investment (ROI)	9.37%	9.02%	15.61%	7.35%	7.31%
Price earning ratio (times)	9.15	11.50	14.97	11.35	7.03
Yield on average advance (%)	14.50%	13.59%	13.03%	15.30%	16.34%
Total cost of Fund					
Cost of Deposit(%)	9.29%	9.33%	7.83%	9.98%	10.79%
Administrative cost (%)	1.69%	1.57%	1.61%	1.62%	1.93%
Other Information					
Number of Branches	32	41	58	68	77
Urban	25	32	42	47	52
Rural	7	9	10	14	18
Number of SME & Agriculture Branches	3	6	6	7	7
Number of Employees	734	821	1018	1049	1270
Number of Shareholders	20,283	19,855	36,570	38,142	37,141
Number of Foreign Correspondents	21	21	22	22	22
Average earning assets	26,194	33,087	45,317	58,998	74,576
Average Total assets	28,580	41,606	57,799	70,775	84,661
Average Deposits	24,260	35,931	50,450	61,082	69,966
Average Advance	22,251	32,623	44,907	53,545	58,430
Average investment	2,616	4,279	6,482	8,579	13,556
Average Equity	3,096	3,824	4,924	6,248	7,545

Certificate on compliances of conditions of The Corporate Governance guidelines to the shareholders of Standard Bank Limited

We have examined the compliances of conditions of The Corporate Governance guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Standard Bank Limited (the "Bank") as stipulated in clause 7 (i) of the BSEC notification no SEC/CMRRCD/2006-158/134/Admin/44dated 7 August 2012.

The compliances of conditions of The Corporate Governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the Bank's Management. Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the Bank for ensuring the compliance of conditions of corporate governance and correct reporting of compliance state on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, except as reported on the attached status of compliance statement, the Bank has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated 7 August 2012.

Khan Wahab Shafique Kaffman & Co.

Khan Wahab Shafique Kaffman & Co.

Chartered Accountants

Dated; Dhaka

March 08, 2013

TO THE SHAREHOLDERS OF STANDARD BANK LIMITED

We have audited the accompanying consolidated financial statements of Standard Bank Limited ("the Bank") and its subsidiaries, namely "SBL Capital Management Ltd., Standard Exchange Company (UK) Ltd. and Standard Co. (USA) Inc. DBA: Standard Express" which comprise consolidated balance sheet as at 31st December, 2012, consolidated profit and loss account, consolidated cash flow statement and consolidated statement of changes in equity and the related notes thereto for the year then ended.

Management of Standard Bank Limited is responsible for preparation of these consolidated financial statements in accordance with Bangladesh Financial reporting Standards (BFRS), the Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the companies Act 1994 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

The financial statements comprise of the Bank's subsidiaries namely "Standard Exchange Company (UK) Ltd. and Standard Co. (USA) Inc. DBA Standard Express". Total assets and total revenue of the bank's subsidiaries has been translated from GBP and USD using the foreign exchange rates at Tk. 125.4992 and Tk. 79.60 respectively. These financial statements of the subsidiaries have been audited by other auditors whose reports have been furnished to us and in our opinion, so far as it relates to the amounts included in respect of the bank's subsidiaries, is based solely on the reports of the other auditors.

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

Opinion

- There exists a shortfall in respect of provision for income tax upto assessment year 2010-2011 as disclosed at note No. 35 of the financial statements, part provision of which has been made in the current year.

In our opinion, except the matters described in above paragraph together with their effects in the financial statements, the financial statements has been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of affairs of the Bank and its subsidiaries as at 31st December, 2012 and of their financial performance and cash flows for the year then ended and comply with the Companies act 1994, the Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 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 purposes of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches, some of which visited by us;
- iii. the Bank's Balance Sheet, Profit and Loss Account together with annexed notes 1 to 47 dealt with by the report are in agreement with the books of account and returns;
- iv. the expenditures incurred during the year were for the purposes of the business of the Bank;
- v. the financial position of the Bank as of 31 December, 2012 and the profit for the year then ended have been properly reflected in the financial statements, the financial statements have been 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 and investments for doubtful of recovery and adequate provisions have also been made against Off Balance Sheet items;
- viii. the financial statements conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh.
- 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;
- xi. 80% of the risk-weighted assets have been reviewed spending around 4250 man-hours.

Dated, Dhaka
March 8, 2013

Khan Wahab Shafiqul Rahman & Co.
Khan Wahab Shafique Rahman & Co.
Chartered Accountants



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed seen signing the Balance Sheet of the Bank for the year ended as on 31st December, 2012

Standard Bank Limited

Consolidated Balance Sheet as at 31st December 2012

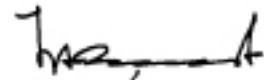
Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
PROPERTY & ASSETS			
CASH	3(a)	5,517,984,309	5,094,232,541
Cash in Hand (including foreign currencies)		662,581,588	513,951,929
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		4,855,402,721	4,580,280,612
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4(a)	2,633,875,737	814,783,082
In Bangladesh		1,206,966,812	340,969,803
Outside Bangladesh		1,426,918,925	473,813,280
MONEY AT CALL AND ON SHORT NOTICE	05	2,800,000,000	1,900,000,000
INVESTMENTS	6(a)	17,578,147,095	9,533,665,711
Government		14,440,891,438	7,399,758,779
Others		3,137,255,657	2,133,906,932
LOANS AND ADVANCES / INVESTMENTS	7(a)	61,527,715,535	55,332,044,249
Loans, Cash Credits, Over Draft etc./ Investments		60,347,143,583	53,743,073,721
Bills Purchased and Discounted		1,180,571,952	1,588,970,528
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8(a)	584,910,194	510,247,469
OTHER ASSETS	9(a)	3,727,250,632	1,768,087,087
NON-BANKING ASSETS			-
TOTAL ASSETS		94,369,883,502	74,953,060,139
LIABILITIES & CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	4,315,054,156	266,241,072
DEPOSITS AND OTHER ACCOUNTS	11(a)	76,112,082,501	63,820,621,033
Current / Al-Wadeeah Deposits & Other Deposits		9,076,058,463	7,995,192,533
Bills Payable		902,014,438	740,461,550
Savings Bank / Mudaraba Savings Deposits		2,955,133,351	2,578,525,447
Short Term Deposits / Mudaraba Short Term Deposits		4,269,551,130	2,285,335,472
Fixed Deposits / Mudaraba Term Deposits		52,493,828,918	46,656,825,656
Deposits Under Schemes / Mudaraba Deposit Schemes		6,415,496,201	3,564,260,375
OTHER LIABILITIES	12(a)	5,724,206,667	3,995,620,762
TOTAL LIABILITIES		86,151,343,324	68,082,482,867
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	4,873,584,430	4,061,320,361
Statutory Reserve	14(a)	2,489,734,034	1,995,155,875
General Reserve	15	-	-
Revaluation Reserve on Investment	15(b)	16,884,104	78,016
Bonus Share		-	-
Surplus in Profit and Loss Account/ Retained earnings	16(a)	838,286,073	813,973,020
TOTAL SHAREHOLDERS' EQUITY		8,218,488,641	6,870,527,272
Minority Interest	16.1(b)	51,536	50,000
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		94,369,883,502	74,953,060,139

Standard Bank Limited

Consolidated Balance Sheet as at 31st December 2012

Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances and Endorsements	17(a)	7,625,798,257	6,492,115,917
Letters of Guarantee		4,047,967,446	2,842,140,213
Irrevocable Letters of Credit		7,434,647,370	7,217,929,342
Bills for Collection		679,394,120	551,633,424
Other Contingent Liabilities		-	-
TOTAL:		19,787,807,193	17,103,818,896
OTHER COMMITMENTS:			
Documentary credits and 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		19,787,807,193	17,103,818,896

These financial statements should be read in conjunction with annexed notes



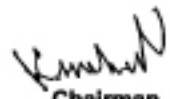
Managing Director



Director

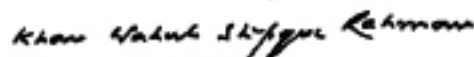


Director



Chairman

See annexed auditors' report to the Shareholders of the date.



KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

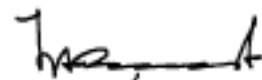
Dated, Dhaka
March 8, 2013

Standard Bank Limited

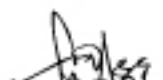
Consolidated Profit & Loss Account for the year ended 31st December 2012

Particulars	Notes	Amount in Taka	
		2012	2011
Interest Income / Profit on Investment	18.3(a)	9,547,749,673	8,192,098,633
Interest / Profit paid on Deposits & Borrowings etc.	19(a)	7,209,645,679	6,023,905,930
Net Interest / Net Profit on Investments		2,338,103,994	2,168,192,703
Investment Income	20(a)	990,778,896	630,567,427
Commission, Exchange Earnings & Brokerage	21(a)	972,854,362	1,087,917,647
Other Operating Income	22(a)	196,131,391	169,933,767
TOTAL OPERATING INCOME (A)		4,497,868,643	4,056,611,544
Salary & Allowances	23(a)	838,750,765	668,660,976
Rent, Taxes, Insurance, Electricity etc.	24(a)	195,473,101	158,570,286
Legal Expenses	25(a)	6,650,236	1,829,442
Postage, Stamp, Telecommunication etc.	26(a)	26,261,643	24,589,079
Stationery, Printing, Advertisement etc.	27(a)	79,150,710	69,886,517
Managing Director's salary & fees	28	8,220,000	6,605,000
Directors' Fee & Other benefits	29(a)	6,005,990	6,103,075
Audit Fees	30(a)	482,500	1,022,255
Charges on loan losses	31	-	-
Depreciation and Repair of Bank's Assets	32(a)	105,437,268	92,212,435
Other Expenses	33(a)	233,758,432	158,282,455
TOTAL OPERATING EXPENSES (B)		1,500,190,645	1,187,761,520
Profit / (Loss) Before Provision (C) = (A - B)		2,997,677,998	2,868,850,025
Specific Provision	34(a)	311,120,190	184,700,969
General Provision		36,184,111	43,231,226
Provision for Off-Balance Sheet items		25,562,281	-
Provision for diminution in value of investments		41,072,139	291,191,197
Other Provision		25,476,404	-
Total Provision (D)		439,415,125	519,123,392
Total Profit / (Loss) before Taxes (E)=(C - D)		2,558,262,873	2,349,726,633
Provision for Taxation	35(a)	1,227,011,427	1,053,217,989
Current Tax		1,220,869,627	1,044,758,867
Deferred Tax		6,341,799	8,459,122
Net Profit / (Loss) after Taxation :		1,331,251,447	1,296,508,644
Retained earnings brought forward from previous year	16.1(a)	1,614,322	263,606
Net Profit available for distribution		1,332,865,768	1,296,772,250
Appropriations :			
Statutory Reserve	14(a)	494,578,159	482,799,230
Proposed Bonus Shares		-	-
Retained Earnings carried forward		838,287,609	813,973,020
Earning per Share (EPS):	36(a)	2.73	2.66

These financial statements should be read in conjunction with annexed notes



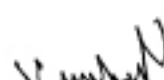
Managing Director



Director



Director



Chairman

See annexed auditors' report to the Shareholders of the date.

Khan Wahab Shafique Rahman

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

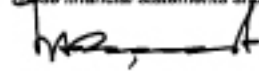
Dated, Dhaka
March 8, 2013

Standard Bank Limited

Consolidated Cash flow statement for the year ended 31st December 2012

Particulars	Notes	Amount in Taka	
		2012	2011
A) CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in Cash		9,475,085,961	8,427,192,884
Interest payments in Cash		(7,095,507,925)	(5,185,794,630)
Dividend receipts		41,165,641	50,508,420
Income from Investment		949,613,255	580,059,007
Fee and commission receipts in Cash		501,471,633	452,969,713
Recoveries on loans previously written off		-	-
Cash Payments to employees		(846,970,765)	(675,265,976)
Cash Payments to suppliers		(79,150,710)	(69,886,517)
Income taxes paid		(1,345,914,221)	(1,116,659,111)
Receipts from other operating activities	37 (a)	196,131,391	169,933,767
Payments for other operating activities	38 (a)	(503,346,031)	(372,068,390)
Cash generated from operating activities before changes in operating assets and liabilities		1,292,578,229	2,260,989,167
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		(1,003,348,725)	(1,042,856,471)
Loans and advances to other banks		-	-
Loans and advances to customers		(6,195,671,286)	(3,798,814,612)
Other assets	39(a)	(558,047,608)	(73,823,166)
Deposits from other banks		(755,000,000)	50,000,000
Deposits from customers		13,046,461,468	4,650,009,513
Other liabilities account of customers		-	-
Trading liabilities		4,048,813,084	250,000,000
Other liabilities	40(a)	(34,611,033)	(41,220,633)
Net cash flow from operating activities (A)		9,841,174,129	2,254,283,796
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(145,385,865)	(193,865,214)
Sale of property, plant & equipment		-	3,248,412
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(145,385,865)	(190,616,802)
C) CASH FLOW FROM FINANCING ACTIVITIES			
Received from issue of loan capital and debt security		-	-
Received for redemption of loan capital and debt security		-	-
Receipts from issue of ordinary shares		-	-
Dividends paid		-	-
Net cash flow from financing activities (C)		-	-
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		9,695,788,265	2,063,666,996
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		471,382,729	634,947,934
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		15,208,696,386	12,510,081,456
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		25,375,867,380	15,208,696,386
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		662,581,588	513,951,929
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		4,855,402,721	4,580,280,612
Balance with other Banks and financial institutions Note-4(a)		2,633,875,737	814,783,062
Money at Call and Short Notice		2,800,000,000	1,900,000,000
Govt. Security/Reverse repo (Less:Revaluation Reserve on Investment)		14,422,392,134	7,398,372,663
Prime Bonds		1,815,200	1,308,100
		25,375,867,380	15,208,696,386

These financial statements should be read in conjunction with annexed notes



Managing Director



Director

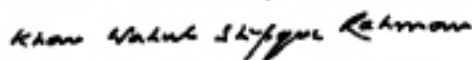


Director



Chairman

See annexed auditors' report to the Shareholders of the date.



KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

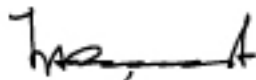
Dated, Dhaka
March 8, 2013

Standard Bank Limited

Consolidated Statement of Changes in Equity for the year ended 31st December 2012

(Figure in BDT)

Particulars	Paid up Capital	Statutory Reserve	Minority Interest	Revaluation gain/loss on Investments	Profit & Loss surplus A/c	Total
Balance as on 1-1-2012	4,061,320,361	1,995,155,875	50,000	78,016	813,973,020	6,870,577,272
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	4,061,320,361	1,995,155,875	50,000	78,016	813,973,020	6,870,577,272
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	-	(78,016)	-	(78,016)
Surplus/Deficit on revaluation of investment	-	-	-	16,854,104	-	16,854,104
Currency translation difference	-	-	-	-	(94,629)	(94,629)
Net gains and losses not recognised in the income statement	-	-	-	-	-	-
Adjustment of last year	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,331,251,447	1,331,251,447
Dividends (Bonus shares)	812,264,069	-	-	-	(812,264,069)	-
Minority interest	-	-	1,536	-	(1,536)	-
Issue of Right Shares	-	-	-	-	-	-
Appropriation made during the year	-	494,578,159	-	-	(494,578,159)	-
Balance as on 31.12.2012	4,873,584,430	2,489,734,034	51,536	16,854,104	638,286,073	8,218,540,178
Balance as on 31.12.2011	4,061,320,361	1,995,155,875	50,000	78,016	813,973,020	6,870,577,272



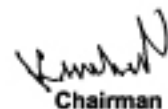
Managing Director



Director



Director



Chairman

See annexed auditors' report to the Shareholders of the date.

Khan Wahab Shafique Rahman

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Standard Bank Limited

Balance Sheet as at 31st December 2012

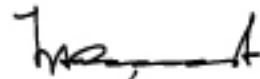
Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
PROPERTY & ASSETS			
CASH	03	5,502,015,154	5,080,044,426
Cash in Hand (including foreign currencies)		646,612,433	499,763,814
Balance with Bangladesh Bank & its agent Bank (Including Foreign Currencies)		4,855,402,721	4,580,280,612
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	04	2,447,628,908	564,740,841
In Bangladesh		1,085,333,949	147,960,161
Outside Bangladesh		1,362,294,959	416,780,681
MONEY AT CALL AND ON SHORT NOTICE	05	2,800,000,000	1,900,000,000
INVESTMENTS	06	17,517,671,697	9,608,926,692
Government		14,440,891,438	7,399,758,779
Others		3,076,780,259	2,209,167,913
LOANS AND ADVANCES / INVESTMENTS	07	61,380,395,485	55,346,841,200
Loans, Cash Credits, Over Draft etc./ Investments		60,199,823,533	53,757,870,872
Bills Purchased and Discounted		1,180,571,952	1,588,970,528
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	08	563,117,630	489,547,211
OTHER ASSETS	09	3,685,144,359	1,714,258,723
NON-BANKING ASSETS		-	-
TOTAL ASSETS		93,895,973,233	74,704,359,093
LIABILITIES & CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	4,315,054,156	266,241,072
DEPOSITS AND OTHER ACCOUNTS	11	76,088,780,424	63,780,315,523
Current / Al-Wadeeah Deposits & Other Deposits		9,052,756,386	7,954,887,023
Bills Payable		902,014,438	740,461,550
Savings Bank / Mudaraba Savings Deposits		2,955,133,351	2,578,525,447
Short Term Deposits / Mudaraba Short Term Deposits		4,269,551,130	2,285,335,472
Fixed Deposits / Mudaraba Term Deposits		52,493,828,918	46,656,825,656
Deposits Under Schemes / Mudaraba Deposit Schemes		6,415,496,201	3,564,280,375
OTHER LIABILITIES	12	5,267,736,639	3,701,362,358
TOTAL LIABILITIES		85,671,573,219	67,747,918,953
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	4,873,584,430	4,061,320,361
Statutory Reserve	14	2,489,734,034	1,985,155,875
General Reserve	15	-	-
Revaluation Reserve on investment	15(a)	16,884,104	78,016
Bonus Share		-	-
Surplus in Profit and Loss Account/ Retained earnings	16	844,197,445	899,885,888
TOTAL SHAREHOLDERS' EQUITY		8,224,400,013	6,956,440,140
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		93,895,973,233	74,704,359,093

Standard Bank Limited

Balance Sheet as at 31st December 2012

Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances and Endorsements	17.1	7,625,798,257	6,492,115,917
Letters of Guarantee	17.2	4,047,967,446	2,842,140,213
Irrevocable Letters of Credit	17.3	7,434,647,370	7,217,929,342
Bills for Collection	17.4	679,394,120	551,633,424
Other Contingent Liabilities	17.5	-	-
TOTAL:		19,787,807,193	17,103,818,896
OTHER COMMITMENTS:			
Documentary credits and 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		19,787,807,193	17,103,818,896

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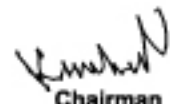
Managing Director



Director

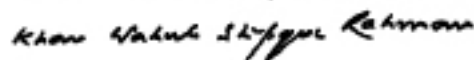


Director



Chairman

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KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

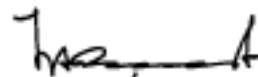
Dated, Dhaka
March 8, 2013

Standard Bank Limited

Profit and Loss Account for the year ended 31st December 2012

Particulars	Notes	Amount in Taka	
		2012	2011
Interest Income / Profit on Investment	18	9,494,949,262	8,099,284,291
Interest / Profit paid on Deposits & Borrowings etc.	19	7,209,645,679	6,023,905,930
Net Interest / Net Profit on Investments		2,285,303,583	2,075,378,361
Investment Income	20	908,297,709	486,081,663
Commission, Exchange Earnings & Brokerage	21	876,904,814	1,041,635,430
Other Operating Income	22	192,286,791	163,756,733
TOTAL OPERATING INCOME (A)		4,262,792,897	3,766,832,187
Salary & Allowances	23	602,624,038	642,003,909
Rent, Taxes, Insurance, Electricity etc.	24	176,822,924	143,642,566
Legal Expenses	25	2,496,804	1,829,442
Postage, Stamp, Telecommunication etc.	26	24,975,632	24,159,467
Stationery, Printing, Advertisement etc.	27	76,349,013	66,648,212
Managing Director's salary & fees	28	8,220,000	6,605,000
Directors' Fee & Other benefits	29	5,471,238	5,752,859
Audit Fees	30	375,000	450,000
Charges on loan losses	31	-	-
Depreciation and Repair of Bank's Assets	32	101,339,782	88,869,412
Other Expenses	33	218,361,088	144,942,976
TOTAL OPERATING EXPENSES (B)		1,417,035,519	1,124,903,843
Profit / (Loss) Before Provision (C) = (A - B)		2,845,757,378	2,641,928,345
Specific Provision	34	311,120,190	184,700,969
General Provision		36,184,111	43,231,226
Provision for Off-Balance Sheet items		25,562,281	-
Provision for diminution in value of investments		-	-
Total Provision (D)		372,866,582	227,932,195
Total Profit / (Loss) before Taxes (E)=(C - D)		2,472,890,796	2,413,996,150
Provision for Taxation	35	1,221,737,011	1,051,227,415
Current Tax		1,215,395,211	1,042,768,293
Deferred Tax		6,341,799	8,459,122
Net Profit / (Loss) after Taxation :		1,251,153,786	1,362,768,735
Retained earnings brought forward	16.1	87,621,819	19,916,383
Net Profit available for distribution		1,338,775,604	1,382,685,118
Appropriations :			
Statutory Reserve		494,578,159	482,799,230
Proposed Bonus Shares		-	-
Retained Earnings carried forward		844,197,445	899,885,888
Earning per Share (EPS):	36	2.57	2.80

These financial statements should be read in conjunction with annexed notes



Managing Director



Director



Director



Chairman

See annexed auditors' report to the Shareholders of the date.

Khan Wahab Shafique Rahman

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Standard Bank Limited

Cash Flow Statement for the year ended 31 December 2012

Particulars	Notes	Amount in Taka	
		2012	2011
A) CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in Cash		9,422,285,550	8,334,378,542
Interest payments in Cash		(7,095,507,925)	(5,185,794,630)
Dividend receipts		8,671,841	12,775,351
Income from Investment		899,625,868	473,286,312
Fee and commission receipts in Cash		405,522,085	408,687,496
Recoveries on loans previously written off		-	-
Cash Payments to employees		(810,844,038)	(648,608,909)
Cash Payments to suppliers		(76,349,013)	(66,648,212)
Income taxes paid		(1,327,850,345)	(1,109,633,912)
Receipts from other operating activities	37	192,286,791	163,756,733
Payments for other operating activities	38	(452,800,371)	(340,984,097)
Cash generated from operating activities before changes in operating assets and liabilities		1,165,040,443	2,039,214,674
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		(867,612,348)	(1,067,171,353)
Loans and advances to other banks		-	-
Loans and advances to customers		(6,033,554,285)	(3,813,611,563)
Other assets	39	(569,014,941)	(22,673,608)
Deposits from other banks		(755,000,000)	50,000,000
Deposits from customers		12,949,327,147	4,609,704,003
Other liabilities account of customers		-	-
Trading liabilities		4,048,813,084	250,000,000
Other liabilities	40	(34,287,707)	(56,121,990)
Net cash flow from operating activities (A)		9,903,711,395	1,989,140,163
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(144,293,559)	(181,387,608)
Sale of property, plant & equipment		-	3,248,412
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(144,293,559)	(178,139,196)
C) CASH FLOW FROM FINANCING ACTIVITIES			
Received from issue of loan capital and debt security		-	-
Received for redemption of loan capital and debt security		-	-
Receipts from issue of ordinary shares		-	-
Dividends paid		-	-
Net Cash flow from financing activities (C)		-	-
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		9,759,417,837	1,811,000,967
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		471,382,729	634,947,934
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		14,944,466,030	12,498,517,129
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		25,175,266,596	14,944,466,030
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		646,612,433	499,763,814
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		4,855,402,721	4,580,280,612
Balance with other Banks and financial institutions Note-4(a)		2,447,828,908	564,740,841
Money at Call and Short Notice		2,800,000,000	1,900,000,000
Govt. Security/Reverse repo/Leas./Fiscalisation Reserve on Investment)		14,424,007,334	7,398,372,663
Prize Bonds		1,615,200	1,308,100
		25,175,266,596	14,944,466,030

These financial statements should be read in conjunction with annexed notes



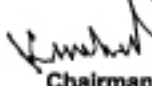
Managing Director



Director




Director



Chairman

See annexed auditors' report to the Shareholders of the date.



Khan Wahab Shafique Rahman

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Standard Bank Limited

Statement of Changes in Equity for the 31st December 2012

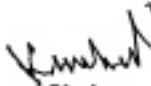
(Figure in BDT)

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 1-1-2012	4,061,320,361	1,995,155,875		- 78,016	899,885,888	6,956,440,140
Changes in accounting policy	-	-		-	-	
Restated Balance	4,061,320,361	1,995,155,875		- 78,016	899,885,888	6,956,440,140
Surplus/Deficit on revaluation of properties	-	-		-	-	
Adjustment of last year revaluation gain on investments				- (78,016)		(78,016)
Surplus/Deficit on revaluation of investment	-	-		- 16,884,104	-	16,884,104
Currency translation difference	-	-		-	-	
Net gains and losses not recognised in the income statement	-	-		-	-	
Adjustment of last year	-	-		-	-	
Net profit for the period	-	-		-	1,251,153,786	1,251,153,786
Dividends (Bonus shares)	812,264,069			-	(812,264,069)	
Issue of Right Shares	-	-		-	-	
Appropriation made during the year	-	494,578,159		-	(494,578,159)	
Balance as on 31.12.2012	4,873,584,430	2,489,734,034		16,884,104	844,197,445	8,224,400,014
Balance as on 31.12.2011	4,061,320,361	1,995,155,875		78,016	899,885,888	6,956,440,140

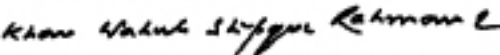

Managing Director


Director


Director


Chairman

See annexed auditors' report to the Shareholders of the date.


Khan Wahab Shafique Rahman

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Standard Bank Limited

Liquidity Statement (Asset and Liability Maturity Analysis) for the year ended 31 December 2012

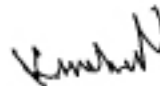
Particulars	Upto 01 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
Assets:						
Cash in hand	646,612,433	-	-	-	-	646,612,433
Balance with Bangladesh Bank	141,899,633	-	-	-	4,713,503,088	4,855,402,721
Balance with other banks and financial institutions	2,100,628,908	50,000,000	297,000,000	-	-	2,447,628,908
Money at call & on short notice	2,800,000,000	-	-	-	-	2,800,000,000
Investment	1,615,200	1,772,440,524	5,229,140,000	4,760,170,000	5,754,305,973	17,517,671,697
Loans and Advances	3,321,518,696	5,689,981,082	27,487,125,320	21,198,828,942	3,682,941,444	61,380,395,485
Fixed assets including premises, furniture and fixtures	-	-	-	-	563,117,630	563,117,630
Other assets	49,168,592	135,510,241	1,874,034,158	1,626,431,369	-	3,685,144,359
Non-banking assets	-	-	-	-	-	-
Total Assets	9,061,443,461	7,647,931,847	34,887,299,478	27,585,430,311	14,713,868,135	93,895,973,233
Liabilities:						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	4,315,054,156	-	-	-	-	4,315,054,156
Deposits	3,849,961,737	5,294,275,815	33,205,917,205	25,084,402,813	8,654,222,854	76,088,780,424
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	615,614,008	19,730,745	131,313,837	1,673,383,716	2,827,688,233	5,267,738,638
Total Liabilities	8,780,629,901	5,314,006,569	33,337,231,142	26,757,796,529	11,481,909,087	85,671,573,218
Net Liquidity Gap	280,813,560	2,333,925,287	1,550,068,336	827,633,782	3,231,959,048	8,224,400,014

Net result of the liquidity statement represents the Shareholders equity of the Bank.



Managing Director


Director


Director


Chairman

See annexed auditors' report to the Shareholders of the date.


Khan Wahab Shafique Rahman & Co.

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Standard Bank Limited

Notes to the Financial Statements for the year ended 31 December 2012

1. LEGAL STATUS AND NATURE OF THE COMPANY

Standard Bank Limited was incorporated in Bangladesh as a Public Limited Company with limited liability under the Companies Act, 1994 on 11th May 1999 and commenced commercial operation on 3rd June 1999. The Bank went for the public issue of shares in 2003 and its shares are listed with Dhaka Stock Exchange and Chittagong Stock Exchange. Now it has 77 Branches all over Bangladesh.

The commercial banking activities of the Bank encompass a wide range of services including accepting deposits, making loans, discounting bills, conducting money transfer and foreign exchange transactions and performing other related services such as safe keeping, collections, issuing guarantees, acceptances and letters of credit.

a) Conventional Banking:

The principal activities of the bank are to provide all kinds of commercial banking services to its customers through its branches & SME Centers.

b) Islamic Banking:

The Bank operates Islamic banking in two branches designated for this purpose in complying with the rules of Islamic shariah. A separate balance sheet, income statement as recommended by the Central Shariah Board for Islamic Banking in Bangladesh.

1.1 Subsidiary Companies

1.1(a) SBL Capital Management Ltd(SCML):

The Bank obtained permission to embark upon Merchant banking from the Bangladesh Securities and Exchange Commission (BSEC) vide its certificate no. BSEC/Reg/MB/SUB/13/2010/529 dated January 05, 2011 Under the Bangladesh Securities and Exchange Commission Act, 1993. The main objectives of the Company are to carry out the business of full fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc

1.1(b) Standard Exchange Company (UK) Limited

Bangladesh Bank vide their letter No.BRPD(M) 204/15/2009-18 Dated 15th February 2009 has accorded approval to the bank for opening a fully owned subsidiary company in the name and style of Standard Exchange company (UK) Limited. The company was incorporated 19th March, 2009 under the Companies Act 2006 of UK with the registration number 06851946 as private company limited by shares. The registered office is located at 101 Whitechapel Road London. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.

1.1(c) Standard Co (USA) Inc.DBA : Standard Express:

Bangladesh Bank vide their letter No. BRPD(M) 204/15/2009-116 Dated 27th October 2009 has accorded approval to the bank for opening a fully owned subsidiary company in the name and style of Standard Co (USA) Inc.DBA : Standard Express, in short we presented "Standard Express (USA) Ltd. The company was incorporated 1st February, 2010 with the registration number 27-2118554 as private company limited by shares. The registered office is located at 37-22 73rd street #2B Jackson heights, New York. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.

1.1(d) Standard Bank Securities Limited

The Board of Director of our Bank in its 197th meeting held on 02.09.2012 approved for formation of a separate subsidiary company under our Bank namely Standard Bank Securities Limited for utilization of DSE membership to undertake the operation of the Brokerage House. Accordingly the said subsidiary company has been incorporated with registrar of Joint Stock Companies & Firms vide registration no. C-105752/12 dated 22nd November, 2012. The operation of the company has not yet been started. Therefore, no separate Financial Statements have been prepared, and all transactions of the company have been incorporated in the Financial Statements of the Bank.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation Financial Statements

The Financial statements of the Bank are made upto 31st December 2012 and are prepared under the historical cost convention and in accordance with the "First Schedule (Sec-38) of the Bank Companies Act, 1991, BRPD Circular # 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Accounting Standards and International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh, Companies Act, 1994, the Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange Listing Regulations and other laws and rules applicable in Bangladesh."

Standard Bank Limited

2.1 Basis of Consolidation :

The consolidated financial statements include the financial statements of standard Bank Limited, Islamic banking window, and its subsidiaries SBL Capital management Ltd, Standard Exchange Company (UK) Ltd and Standard Co (USA) Inc. DBA : Standard Express made up to the end of the financial year. A Banking software system "Stelar" consolidated all transactions of branches as well as head office and produces consolidated balance sheet and Profit & loss Account . These consolidated records are maintained at the Head office of the Bank based on which these financial statements have been prepared.

The consolidated financial statements have been prepared in accordance with Bangladesh Accounting standard 27: consolidated and separate financial statements. The consolidated financial statements have been prepared to a common reporting period ending in 31 December 2012.

Subsidiary:

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

Transactions eliminated on Consolidation:

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

2.2 Statement of Cash flows

Statement of cash flows is prepared by using the 'Direct Method' in accordance with BAS 7 "Statement of Cash Flows" and under the guidance of Bangladesh Bank BRPD Circular No. 14 dated 25.06.2003 & BRPD Circular No. 15 dated 09.11.2009 whereby gross cash receipts and gross cash payments on Operating Activities, Investing Activities and Financing Activities have been recognized. Cash and Cash Equivalents comprise short term, highly liquid investments that are readily convertible and are subject to an insignificant risk to changes in value.

2.3 Reporting Period

These financial statements cover one calendar year from January 01 to December 31, 2012.

2.4 Statement of Changes in Equity

Statement of changes in Equity has been prepared in accordance with BAS 1 "Presentation of Financial Statements" and under the guidance of Bangladesh Bank BRPD Circular No. 14 dated 25.06.2003 & BRPD Circular No. 15 dated 09.11.2009

2.5 Significant Judgement and Estimates

The preparation of Financial Statements in conformity with Accounting Standards and Statutory requirement which requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity or major areas where assumptions and estimates are significant to the Financial Statements are described in the following:

1. Income Taxes
2. Deferred Taxation
3. Depreciation

2.6 Revenue Recognition

Loans and Advances

- i) Interest on unclassified loan and advance is calculated on a daily product basis but charged and accounted for quarterly and in some cases yearly on accrual basis.
- ii) No interest is charged on loan classified as bad and loss.
- iii) Interest is charged on classified loans and advances as per BCD Circular No. 34 of 1988, BCD Circular No. 20 of 1994, BCD Circular No. 12 of 1995, BRPD Circular No. 16 of 1998 and BRPD Circular No. 9 of 2001 and such interest is not included in income and credited to interest suspense account.
- iv) Interest suspense and penal interest, if any, calculated on classified advances is taken as income in the year of receipt of such interest from the defaulting borrowers.

Standard Bank Limited

- v) Commission and discounts on Bills Purchased and discounted are recognized at the time of realization.

Foreign Currency transaction are converted into equivalent local currency using the ruling exchange rate on the date of such transaction.

Investments

All investment securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accreted, using the effective yield method and are taken to discount income. The valuation method of investments used are:

Held to Maturity (HTM)

Investments which have fixed or determinable payments and are intended to be held to maturity, other than those that meet the definition of held at amortized cost-others are classified as held to maturity. Investment(HTM)-BHBFC is shown in the financial statements at cost price.

Held to Trading (HFT)

Investments 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 fair value and any change in the fair value is recognised in the statement of income for the period in which it arises. These investments are subsequently revalued at current market value on weekly basis as per Bangladesh Bank guideline. Revaluation gain has been shown in revaluation reserve account & revaluation loss has been shown in profit & loss account.

Value of investments has been enumerated as follows:

Items	Applicable Accounting Value
Government Treasury Bill -HTM	Amortized value
Government Treasury Bill -HFT	Market value
Government Treasury Bonds -HTM	Amortized value
Government Treasury Bonds-HFT	Market value
Prize Bond	At Cost Price
Shares & Debentures	At Cost Price

2.7

FOREIGN CURRENCY TRANSACTION

a) Foreign Currencies Transaction

- i) Transaction in foreign currencies are converted into taka at the foreign exchange rates ruling on the transaction date.
- ii) Monetary assets and liabilities in foreign currency are expressed in taka terms at the rates of exchange ruling on the balance sheet date.
- iii) Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

b) Commitments

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

c) Translation gains and losses

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

2.8

Loan and Advances

Specific provisions were made to adjust all impaired loans and advances with their expected realizable value as per instructions contained in Bangladesh Bank BCD Circular No. 34 of 16 November 1989, BCD Circular No.20 of 27 December 1994, BCD Circular No. 12 of 4 September 1995, BRPD Circular No. 16 of 06 December 1998, BRPD Circular No.09 of 14 May 2001, BRPD Circular No. 02 of February 2005, BRPD Circular No. 09 of 20 August 2005, BRPD Circular No.17 of 06 December 2005 and BRPD Circular No.14 of 23 September 2012 respectively at the following rates:

A. For Unclassified Loans and Advances	Rate
General Provision on Standard Loans and Advances	1%
General Provision on Standard Loans to Small Enterprises & Medium Enterprise	1%

Standard Bank Limited

General Provision on Standard Loans to housing finance and on loans for professionals	2%
General Provision on Standard Consumer Financing	2%
General Provision on Special Mention Account	5%

B. For Classified Loans and Advances

Specific Provision on Substandard Loans and Advances	20%
Specific Provision on Doubtful Loans and Advances	50%
Specific Provision on Bad/Loss Loans and Advances	100%

2.9 Loans write-off

Loans are normally written off, when there is no realistic prospect of recovery of these amounts and in accordance with BRPD Circular No.2 (13th January 2003). A separate Credit Recovery Division (CRD) has been set up at the Banks Head Office which monitors loans written off and legal action taken through the money loan court. These write-offs do not undermine or affect the amount claimed against the borrower by the bank.

The CRD maintains a separate ledger for all individual cases written off by each branch. The CRD follow up on the recovery efforts of these written off loans and reports to management on periodic basis. Written off loans and advances are reported to the Credit Information Bureau (CIB) of Bangladesh Bank.

2.10 Provisions for off balance sheet exposures

BRPD Circular No- 10 (18 September, 2007) requires a general provisions for off balance sheet exposures to be calculated at 1% on off balance sheet exposures . Accordingly we have recognized a provision of 1% on the following off balance sheet items.

- * Acceptance and endorsements
- * Letter of Credit
- * Letter of Guarantee

2.11 Earning Per Share

The company calculates Earning per share (EPS) in accordance with Bangladesh Accounting Standards (BAS)-33 "Earning Per Share" which has been shown on the face of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.12 Fixed Assets and Depreciation

Fixed Assets: Fixed assets are stated at cost less accumulated depreciation as per BAS 16 "Property, Plant and Equipment" and depreciation thereon charged to Operating Expenses. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably:

- a) Fixed assets are stated at cost less Accumulated Depreciation.
- b) Depreciation has been charged at the following rates on reducing balance from the date of acquisition with the exception of Motor Vehicle on which straight line method is applied.

Name of the Assets	Rate of Depreciation
Building	2.50%
Furniture & Fixtures	10.00%
Office Appliances	20.00%
Vehicles	20.00%

2.13 Deposits and Other Accounts

Deposits and other accounts includes bills payable have been analyzed in terms of the maturity grouping showing separately other deposits and inter-bank deposits.

2.14 Provision for Taxation

The company is a publicly traded company as per the Income Tax Ordinance 1984. Provision for Current Income Tax has been made at the existing rate of 42.50% as prescribed in Finance Act 2012 of the accounting profit made by the Bank after considering some of the Taxable add backs of income and disallowances of expenditures.

Standard Bank Limited

2.15 Deferred Taxation

Deferred Tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. Deferred tax assets are the amount of income taxes 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 difference. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The bank has recognized deferred tax accounting policy as per Bangladesh Accounting Standard (BAS)-12.

2.16 Retirement benefits to the employees

Provident Fund

Provident Fund benefits are given to the employees of the bank in accordance with the locally registered Provident Fund Rules. Separate Board of Trustee of the Bank operates it.

Gratuity

The Bank operates an Employees Gratuity Fund Trust by a Board of Trustees consisting of seven members. All confirmed employees who have been in the service of the Bank should eligible to have the benefit under the gratuity schemes. The Gratuity trust rule got recognised from the National Board of Revenue(NBR). The bank has started making provision against gratuity from the year 2006. Provision for the year ended 31 December 2012 for the scheme has been made and the entire amount of the gratuity fund are transferred to a savings account under the control of the Board of trustee.

Welfare Fund

Standard Bank Limited Employees' Welfare Fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund from time to time. The fund is established to cover the accidental coverage in the event of death or permanent disabilities, retirement benefit and stipend to the employees' children.

2.17 SBL Foundation

The Bank, as part of corporate social responsibility, has established SBL Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the bank on requirement basis. The fund is governed and administered by the Board of Trustees consisting of seven members.

2.18 Risk Management

In the ordinary course of business, the Bank is exposed to a variety of risks the most important of which are credit risk, market risk and liquidity risk. These risks are identified, measured and monitored through various control mechanisms across the Bank in order to price facilities and products on a risk adjusted basis and to prevent undue risk concentrations.

2.19 Credit Risk Management

Credit risk is the risk of default by counter parties to transactions.

The management of specific credit risk is devolved to individual business units. The Banks credit risk management function ensures that appropriate policies are established and ensures compliance with the related credit sanction monitoring procedures and controls at the business unit level. Credit exposures are aggregated from individual business units and are monitored at the Bank level on a regular basis.

Portfolio monitoring is carried out by asset quality (credit rating), sector of the economy and country. As in other parts of the Bank business, a program of regular audits is followed by the Banks credit control staff.

The Banks exposure to risk from its lending activities is diversified both geographically and in the various sectors of the economy.

2.20 Market Risk

Market risk is the risk of adverse movements in the level of interest rates, in the rate of exchange between currencies and market price of securities and other financial contracts. Accordingly, these movements may affect the Bank's profitability. Market risk is actively managed at an individual business unit level and is monitored and reviewed at both individual business and the Bank level by an independent bank risk management function to ensure compliance with market risk limits.

Standard Bank Limited

Interest rate risk is the Banks exposure to adverse movements in interest rates. It arises as result of timing differences on the repricing of assets and liabilities. Interest rates on assets and liabilities denominated in Bangladeshi Taka are regulated by the Bangladesh Bank and the fluctuations are relatively predictable. The Bank closely monitored interest rates movements in other currencies and the interest rate level and repricing maturity structure of its assets and liabilities.

Currency risk results from adverse movements in the rate of exchange between currencies if there is a net currency position in one or more currencies. The net position in any currency is monitored on a continuous basis so that it is limited within set limits.

2.21 Liquidity Risk

Liquidity risk is the risk that the Bank is unable to meet payments obligations and potential payment obligation as and when these fall due without incurring unacceptable losses.

The businesses of the Bank require a stable flow of funds both to replace existing deposits as they mature and to satisfy demands of customers for additional borrowing. Undrawn borrowing facility commitments and the level of outstanding contingent obligation are taken into consideration in monitoring the Banks liquidity position.

To manage the risk, the Bank maintains at all times a diversified stock of highly liquid assets in the principal currencies.

The responsibility for liquidity rest with assets and liability management committees at each location subject to overall control by Bank treasury.

2.22 General

- a) Wherever considered necessary figures of previous year have been rearranged for comparison purposes.
- b) Figures appearing in these accounts have been rounded off to the nearest Taka.

Standard Bank Limited

Notes to the Financial Statements for the year ended 31 December 2012

3.	CASH	Amount in Taka	
		2012	2011
3.1	Cash in hand		
	In local Currency	595,629,945	480,804,145
	In Foreign Currency	50,982,488	18,959,669
	Total	646,612,433	499,763,814
3.2	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		
	In local Currency	4,447,800,633	4,101,578,071
	In Foreign Currency	316,894,606	380,513,147
		4,764,685,239	4,482,091,218
	Sonal Bank as agent of Bangladesh Bank		
	Local currency	90,717,482	96,189,394
		4,855,402,721	4,580,280,612
	Total	5,502,015,154	5,080,044,426
3.3	Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR)		
	Cash Reserve Requirement and Statutory Liquidity Requirement have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 and BRPD circular No. 11 and 12, dated August 25, 2005 and MPD circular No.04 dated 01.12.2010.		
	The Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 6% has been calculated and maintained with Bangladesh Bank in current account and 19% Statutory Liquidity Ratio, including CRR, on the same liabilities has also been maintained in the form of treasury bills, bonds including FC balance with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:		
	a) Cash Reserve Requirement (CRR) 6% of Average Demand and Time Liabilities :		
	Required Reserve	4,305,901,000	3,653,439,000
	Actual Reserve maintained	4,447,800,633	3,847,697,000
	Surplus/(Deficit)	141,899,633	194,258,000
	b) Statutory Liquidity Requirement (SLR) 19% of average Demand and Time Liabilities:		
	Required Reserve (including CRR)	13,635,354,000	11,569,224,000
	Actual Reserve maintained (including CRR)	15,484,362,882	11,845,330,971
	Surplus/(Deficit)	1,849,008,882	276,106,971
	Total Required Reserve	13,635,354,000	11,569,224,000
	Total of actual reserve held	15,484,362,882	11,845,330,971
	Total Surplus	1,849,008,882	276,106,971
3.4	Held for Statutory Liquidity Ratio		
	Cash in hand	646,612,433	499,763,814
	Balance with Bangladesh Bank and its agent bank(s)	4,538,518,115	3,945,886,394
	Government Securities (Less: Revaluation Reserve on Investment)	11,744,866,420	6,433,182,808
	Government bonds	2,679,140,914	966,497,955
		19,609,137,882	11,845,330,971
	Less: Assured liquidity Support (ALS) from Bangladesh Bank	4,124,775,000	-
		15,484,362,882	11,845,330,971
3(a)	Consolidated cash		
ai	Cash in hand		
	Standard Bank Limited (note-3.1)	646,612,433	499,763,814
	Standard Exchange Co.(UK) Ltd.	178,585	398,280
	Standard Express(USA) Ltd.	15,790,570	13,789,835
	SBL Capital Mgt. Ltd.	-	-
		662,581,588	513,951,929

all	Balance with Bangladesh Bank and its agent bank(s)		
	Standard Bank Limited (note-3.2)	4,855,402,721	4,580,280,612
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		4,855,402,721	4,580,280,612
		5,517,984,309	5,094,232,541
4.	Balance with other Bank and financial institutions		
	In Bangladesh (note 4.1)	1,085,333,949	147,960,161
	Outside Bangladesh (note 4.2)	1,362,294,959	416,780,681
		2,447,628,908	564,740,841
4.1	In Bangladesh		
	Current Deposits	-	-
	Short Term Deposit (STD)		
	Basic Bank Limited	59,575	30,209
	Prime Bank Limited	-	670
	IFIC Bank Limited	495	495
	National Bank Limited	4,557	7,318
	Agrani Bank Limited	19,615,349	5,828,328
	Janata Bank Limited	11,601,686	11,167,179
	The City Bank Limited	75,412	75,412
	Eastern Bank Limited	7,358	7,991
	Dutch Bangla Bank	(657,176)	1,404,333
	Trust Bank Ltd.	176,576	814,026
	Standard Chartered Bank	9,408,522	8,451,491
	BRAC Bank Ltd	2,803,884	542,025
	UCBL	(64,716)	(64,716)
	Conventional Settlement A/C	(4,698,573)	701,712
		38,333,949	28,964,473
	Savings Deposit	-	-
	Fixed Deposits		
	Haji Finance Company Ltd.	69,000,000	68,741,095
	SIBL	50,000,000	13,000,000
	ICB	500,000,000	-
	GSP Finance Ltd	100,000,000	-
	Lankabangla Finance Ltd.	100,000,000	-
	Aj-Arafa Islami Bank Ltd.	202,000,000	10,000,000
	Islami Bank Window (Topkhana)	26,000,000	27,254,593
		1,047,000,000	118,995,688
		1,085,333,949	147,960,161
4.2	Outside Bangladesh (Nostro Accounts)		
	In Current account		
	Interest Bearing		
	Standard Chartered Bank, New York	245,779,324	13,786,949
	Mashreq Bank Psc, New York	107,184,145	31,290,281
	HSBC Bank, New York	396,227,411	76,331,254
	Wachovia Bank , N.A., New York	-	5,029,255
	Citi Bank, N.A., New York	-	68,678,245
	ICICI Bank Ltd., Mumbai, India	14,701,165	2,409,157
	A.B. Bank LTD. MUMBAI	11,279,825	13,619,736
	Non Interest Bearing	-	-
	HSBC, Mumbai, India	7,488,621	4,338,852
	AXIS Bank Limited, Mumbai,India	68,567	70,287

Standard Chartered Bank Ltd., Mumbai, India	3,750,048	16,254,135
Standard Chartered Bank Ltd., Frankfurt	11,936,867	3,574,176
Standard Chartered Bank Ltd., Tokyo	2,311,953	1,585,547
ICICI Bank Ltd., Hongkong	4,392,937	482,072
Nepal Bangladesh Bank Ltd, Kathmundu	169,873	752,834
HSBC Bank, Karachi, Pakistan	3,666,869	3,700,412
Bhutan National Bank, Bhutan	123,823	106,466
Commerz Bank, Frankfurt	112,676,713	14,806,532
Habib American Bank Ltd.	387,665,666	143,568,343
Habib Metropolitan Bank Ltd. Karachi, Pakistan	11,767,719	-
Mashreq Bank ,London	902,652	968,925
HSBC Bank Plc, London, UK	40,810,033	15,049,223
HSBC Bank Australia Ltd, Sydney, Australia	390,747	-
Wachovia Bank , London	-	380,000
	1,362,294,959	416,780,681
Total	2,447,628,908	564,740,841
(Annexure-A may kindly be seen for details)		
4.3 Maturity grouping of balance with other banks and financial institutions		
Payable on demand	-	-
Up to 1 month	2,100,628,908	445,745,153
Over 1 month but not more than 3 months	50,000,000	23,000,000
Over 3 months but not more than 1 year	297,000,000	95,995,688
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	2,447,628,908	564,740,841
4(a) Consolidated Balance with other banks and financial institutions in Bangladesh		
Standard Bank Limited (note-4.1)	1,085,333,949	147,960,161
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	121,622,863	193,009,642
	1,206,956,812	340,969,803
Outside Bangladesh		
Standard Bank Limited (note-4.2)	1,362,294,959	416,780,681
Standard Exchange Co.(UK) Ltd.	18,051,554	12,445,150
Standard Express(USA) Ltd.	46,572,412	44,587,449
SBL Capital Mgt. Ltd.	-	-
	1,426,918,925	473,813,280
	2,633,875,737	814,783,082
4(b) Net Balance with other banks and financial institutions		
Balance with other banks and financial institutions(note-4)	2,447,628,908	564,740,841
Add: Lending to other banks and financial institutions(note-05)	2,800,000,000	1,900,000,000
Less: Borrowing from other banks and financial institutions(note-10)	4,315,054,156	266,241,072
	932,574,752	2,198,499,769
4(c) Consolidated Net Balance with other banks and financial institutions		
Balance with other banks and financial institutions(note-4b)	932,574,752	2,198,499,769
Less: Borrowing from other banks and financial institutions	-	-
	932,574,752	2,198,499,769
5. Money at Call and Short Notice		
Banking Company		
Prime Bank Limited	750,000,000	-
Agrani Bank Limited	-	150,000,000
Sonali Bank Limited	-	200,000,000
Mutual Trust Bank Limited	50,000,000	200,000,000

Jamuna Bank Limited	200,000,000	800,000,000
AB Bank Limited	-	50,000,000
Southeast Bank Limited	350,000,000	-
Mercantile Bank Limited	680,000,000	-
Uttara Bank Limited	150,000,000	-
	<u>2,180,000,000</u>	<u>1,400,000,000</u>

Non-Banking Financial Institutions

ICB	500,000,000	450,000,000
Lanka Bangla Finance Limited	50,000,000	-
Union Capital Limited	70,000,000	-
Int'l Leasing	-	50,000,000
	<u>620,000,000</u>	<u>500,000,000</u>

Total**2,800,000,000** **1,900,000,000****5.1 Maturity grouping of Money at Call and Placements:**

Payable on demand	2,800,000,000	1,900,000,000
Up to 1 month	-	-
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	<u>2,800,000,000</u>	<u>1,900,000,000</u>

6. Investments**i) Investment classified as per Bangladesh Bank Circular:**

Held for trading (HFT)	13,408,944,217	6,978,263,679
Held to maturity (HTM)	1,030,332,021	420,187,000
Subordinated Bonds	300,000,000	200,000,000
Other Securities	2,778,395,459	2,010,476,013
	<u>17,517,671,697</u>	<u>9,608,926,692</u>

ii) Investment classified as per nature:**a) Government securities****Treasury Bill-at market value**

21 days Treasury Bills	-	-
28 days Treasury Bills	-	-
42 days Treasury Bills	-	-
70 days Treasury Bills	-	-
84 days Treasury Bills	-	-
85 days Treasury Bills	-	-
91 days Treasury Bills	1,772,440,524	3,770,191,824
112 days Treasury Bills	-	-
182 days Treasury Bills	5,229,140,000	1,400,295,000
364 days Treasury Bills	4,760,170,000	1,262,774,000
2 years Treasury Bills	-	-
5 years Treasury Bills	-	-
	<u>11,761,750,524</u>	<u>6,433,260,824</u>
	<u>11,761,750,524</u>	<u>6,433,260,824</u>

b) Government bonds

Prize bonds	1,615,200	1,308,100
Government bonds	2,677,525,714	965,189,855
	<u>2,679,140,914</u>	<u>966,497,955</u>
Total Government Investment (a+b)	<u>14,440,891,438</u>	<u>7,399,758,779</u>

c) Subordinated Bond

Dhaka Bank Ltd	50,000,000	50,000,000
Trust Bank Ltd.	100,000,000	100,000,000
National Bank Ltd	50,000,000	50,000,000
Zero Coupon Bond	100,000,000	-
	<u>300,000,000</u>	<u>200,000,000</u>

d) Other investments			
Quoted Shares (Note-6.3)		150,000,000	150,000,000
Unquoted Shares (Note-6.3)		2,826,780,259	1,859,167,913
		2,776,780,259	2,009,167,913
Total other investment		3,076,780,259	2,209,167,913
Total Investment		17,517,671,697	9,608,926,692
-			
6.1 Maturity grouping of Investments :			
On demand		1,615,200	1,308,100
Up to 1 month		-	-
Over 1 month but not more than 3 months		1,772,440,524	-
Over 3 months but not more than 1 year		5,229,140,000	5,170,486,824
Over 1 year but not more than 5 years		4,760,170,000	2,227,963,855
Over 5 years		5,754,305,973	2,209,167,913
		17,517,671,697	9,608,926,692
-			
6.2 Government Bond			
5 years Government bonds		1,026,216,714	965,189,855
10 years Government bonds		916,952,000	-
15 years Government bonds		659,395,000	-
20 years Government bonds		74,962,000	-
		2,677,525,714	965,189,855
-			
6.3 Investment in shares			
Quoted Shares			
First Bangladesh Fixed Income Fund		150,000,000	150,000,000
		150,000,000	150,000,000
Unquoted Shares			
Central Depository Bangladesh Limited (CDBL)		156,548,164	156,548,164
Preference share of SUPCL & SPPCL		81,217,200	77,912,500
Market Stabilization Fund		5,000,000	5,000,000
SWIFT		1,198,135	1,198,135
Standard Exchange Co.(UK) Ltd.		37,649,760	43,283,624
Standard Express(USA) Ltd.		65,272,000	75,275,490
SBL Capital Mgt. Ltd.		1,499,950,000	1,499,950,000
SBL Securities Ltd.		799,945,000	-
		2,826,780,259	1,859,167,913
-			
6(a) Consolidated Investments			
Government			
Standard Bank Limited (note-6)		14,440,891,438	7,399,758,779
Standard Exchange Co.(UK) Ltd.		-	-
Standard Express(USA) Ltd.		-	-
SBL Capital Mgt. Ltd.		-	-
		14,440,891,438	7,399,758,779
Others			
Standard Bank Limited (note-6)		3,076,780,259	2,209,167,913
Standard Bank Limited (Share Capital to SCML)		(1,499,950,000)	(1,499,950,000)
Standard Exchange Co.(UK) Ltd.		(37,649,760)	(43,283,624)
Standard Express(USA) Ltd.		(65,272,000)	(75,275,490)
SBL Capital Mgt. Ltd.		1,663,347,158	1,543,248,133
		3,137,255,657	2,133,906,932
		17,578,147,095	9,533,665,711
-			
7. Loan and advances/Investments			
As per classification into the following broad categories:			
f) Loans, cash credits, overdrafts, etc			
Inside Bangladesh			
Secured overdraft/Quard against TDR		12,106,074,573	11,214,521,013

Loans (General) (Including Bai-Muajjal)	16,648,922,776	13,677,749,739
Cash credit/ Murabaha	9,249,680,213	8,459,299,002
House Building loans	1,433,969,716	1,392,030,162
Staff Loans	192,097,801	173,909,936
Transport Loans	735,777,032	721,000,423
Loans against trust receipt	8,953,126,064	9,398,528,663
Payment against document	3,105,172,208	2,538,397,969
Packing credit	368,309,994	494,349,231
Demand Loan	759,949,955	204,534,183
Lease Finance / Izara	785,007,162	823,109,007
Syndicate/Club Finance	1,757,329,790	1,284,782,967
VISA Credit Card	83,915,773	53,310,439
SME/SE	3,872,841,858	3,189,611,458
Consumer Credit Schema/Hire purchase	147,648,620	132,736,460
	60,199,823,533	53,757,870,672
Outside Bangladesh	-	-
	60,199,823,533	53,757,870,672
ii) Bills purchased and discounted		
Payable inside Bangladesh		
Inland bills purchased	666,508,899	935,580,451
Payable outside Bangladesh		
Foreign bills purchased and discounted	494,063,053	653,390,077
	1,180,571,952	1,588,970,528
Total	61,380,395,485	55,346,841,200
7.1 Net loans and advances/Investments		
Loans and advances/Investments(note-7)	61,380,395,485	55,346,841,200
Less:		
Non-performing loans and advances/Investments(note-7.9)	1,538,699,860	1,211,228,000
Interest suspense (note-12.4)	95,380,209	103,380,412
Provision for loans and advances/Investments(note-12.2)	1,467,145,308	1,119,840,995
	3,101,225,377	2,434,449,407
	58,279,170,108	52,912,391,793
7.2 Residual maturity grouping of loans and advances/Investments including bills purchased and discounted		
Repayable on demand	-	-
Up to 1 month	3,321,518,696	2,558,297,009
Over 1 month but not more than 3 months	5,689,961,082	5,717,509,110
Over 3 months but not more than 1 year	27,487,125,320	26,407,448,358
Over 1 year but not more than 5 years	21,198,828,942	17,338,900,843
Over 5 years	3,682,941,444	3,324,685,861
	61,380,395,485	55,346,841,200
7.3 Loans and advances/Investments under the following broad categories :		
Loans	38,844,068,747	34,064,050,657
Cash Credit	9,249,680,213	8,459,299,002
Overdraft	12,106,074,573	11,214,521,013
	60,199,823,533	53,757,870,672
Bills purchased and discounted	1,180,571,952	1,588,970,528
	61,380,395,485	55,346,841,200
7.4 Loans and advances/Investments on the basis of significant concentration including bills purchased and discounted		
a) Loans and advances/Investments to allied concerns of Directors/Sponsors of the Bank (Annexure-D)	135,449,000	100,846,000
b) Loans and advances/Investments to Chief Executive and other senior executives (including staff)	291,646,863	256,744,000
c) Loans and advances/Investments to customers group :		
i) Commercial lending	15,433,600,000	16,703,800,000
ii) Export financing	3,045,600,000	2,549,600,000
iii) House building loan	1,025,100,000	949,495,000

Loans (General) (Including Bai-Muajjal)	16,648,922,776	13,677,749,739
Cash credit/ Murabaha	9,249,680,213	8,459,299,002
House Building loans	1,433,969,716	1,392,030,162
Staff Loans	192,097,801	173,909,936
Transport Loans	735,777,032	721,000,423
Loans against trust receipt	8,953,126,064	9,398,528,663
Payment against document	3,105,172,208	2,538,397,989
Packing credit	368,309,994	494,349,231
Demand Loan	759,949,955	204,534,183
Lease Finance / Izara	785,007,162	823,109,007
Syndicate/Club Finance	1,757,329,790	1,284,782,967
VISA Credit Card	83,915,773	53,310,439
SME/SE	3,872,841,858	3,189,611,458
Consumer Credit Scheme/Hire purchase	147,648,620	132,736,460
	60,199,823,533	53,757,870,672
Outside Bangladesh	-	-
	60,199,823,533	53,757,870,672
ii) Bills purchased and discounted		
Payable inside Bangladesh		
Inland bills purchased	686,508,899	935,580,451
Payable outside Bangladesh		
Foreign bills purchased and discounted	494,063,053	653,390,077
	1,180,571,952	1,588,970,528
Total	61,380,395,485	55,346,841,200
7.1 Net loans and advances/investments		
Loans and advances/investments(note-7)	61,380,395,485	55,346,841,200
Less:		
Non-performing loans and advances/investments(note-7.9)	1,538,699,860	1,211,228,000
Interest suspense (note-12.4)	95,380,209	103,380,412
Provision for loans and advances/investments(note-12.2)	1,467,145,308	1,119,840,995
	3,101,225,377	2,434,449,407
	58,279,170,108	52,912,391,793
7.2 Residual maturity grouping of loans and advances/investments including bills purchased and discounted		
Repayable on demand	-	-
Up to 1 month	3,321,518,696	2,558,297,009
Over 1 month but not more than 3 months	5,689,981,062	5,717,509,110
Over 3 months but not more than 1 year	27,487,125,320	26,407,448,358
Over 1 year but not more than 5 years	21,198,828,942	17,338,900,843
Over 5 years	3,682,941,444	3,324,685,861
	61,380,395,485	55,346,841,200
7.3 Loans and advances/investments under the following broad categories :		
Loans	38,844,068,747	34,064,050,657
Cash Credit	9,249,680,213	8,459,299,002
Overdraft	12,106,074,573	11,214,521,013
	60,199,823,533	53,757,870,672
Bills purchased and discounted	1,180,571,952	1,588,970,528
	61,380,395,485	55,346,841,200
7.4 Loans and advances/investments on the basis of significant concentration including bills purchased and discounted		
a) Loans and advances/investments to allied concerns of Directors/Sponsors of the Bank (Annexure-D)	135,449,000	100,846,000
b) Loans and advances/investments to Chief Executive and other senior executives (including staff)	291,646,863	256,744,000
c) Loans and advances/investments to customers group :		
i) Commercial lending	15,433,600,000	16,703,800,000
ii) Export financing	3,045,600,000	2,549,600,000
iii) House building loan	1,025,100,000	949,495,000

iv) Consumers Credit Scheme	163,200,000	187,800,000
v) Small and medium enterprises	3,893,600,000	3,189,500,000
vi) Special program loan	287,200,000	163,100,000
vii) Other Loans and advances/Investments	3,490,400,000	2,844,700,000
	27,338,700,000	28,587,995,000
d) Industrial Loans/Investments		
i) Agricultural Industries	591,800,000	173,000,000
ii) Textile Industries	15,734,600,000	10,868,700,000
iii) Food and allied Industries	850,000,000	887,700,000
iv) Pharmaceuticals Industries	496,400,000	482,256,000
v) Leather, Chemical and Cosmetics etc	240,000,000	119,800,000
vi) Cement and Ceramic Industries	1,029,300,000	1,176,324,000
vii) Service Industries	2,624,500,000	3,365,219,000
viii) Transport and Communication Industries	2,145,500,000	2,874,100,000
ix) Other Industries	9,912,499,622	8,454,157,200
	33,614,599,622	28,401,256,200
Total Loans and advances/investments	61,380,395,485	55,346,841,200

7.5 Geographical Location-wise Loans and advances/investments:

Urban:

Dhaka Region	38,937,464,672	34,965,629,673
Chittagong Region	17,030,351,881	16,122,939,456
Sylhet Region	271,660,861	259,636,446
Rajshahi Region	570,541,737	540,852,901
Khulna Region	1,764,343,641	2,074,946,570
Rangpur Region	636,835,870	313,268,993
Barisal Region	148,633,340	108,556,240
	59,359,832,002	54,385,629,279

Rural :

Dhaka Region	1,501,862,278	595,427,016
Chittagong Region	170,556,412	106,885,240
Sylhet Region	110,798,480	78,777,151
Rajshahi Region	-	-
Rangpur Region	78,230,964	34,310,067
Barisal Region	-	-
Khulna Region	159,115,349	146,012,447
	2,020,563,483	961,211,921

Outside Bangladesh

Total

	61,380,395,485	55,346,841,200
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7.7 Details of pledged collaterals

Agriculture and SME	4,457,400,000	2,826,100,000
Manufacturing/Production	20,606,600,000	20,328,700,000
Real Estate	5,802,900,000	7,428,600,000
Capital Market and Non-Bank Financial Institutions	1,706,300,000	1,960,000,000
Service	8,767,300,000	11,336,500,000
Others	10,015,000,000	7,426,700,000
	51,355,500,000	51,296,600,000

7.8 DETAIL OF LARGE LOAN

Number of clients with amount of outstanding and classified loans/investments to whom loans and advances/investments sanctioned exceeds 10% of total capital of the Bank. Total Capital of the Bank was Taka 902.27 crore as at 31st December, 2012 (Taka 770.21 Crore in 2011)

Number of Clients	33	41
Amount of outstanding advances/investments /investments	3249.86 Crore	2781.23 Crore
Amount of classified advances/investments/investments	-	-
Measures taken for recovery	Not applicable	Not applicable

Name of Clients	Outstanding as on 31.12.2012		Total Amount (In crore)	
	Funded	Non-Funded	2012	2011
Aman Group	70.37	15.82	85.99	-
Amba Group	54.59	0.01	54.60	52.61
Bashundhara Group	100.70	25.29	125.99	88.38
Navana Group	71.34	55.24	126.58	103.13
Gemcon Group	-	-	-	31.14
Habil Group	-	-	-	15.84
Seed Mills Group	79.07	42.49	121.56	137.98
Sirha Group	139.63	95.02	234.65	237.50
Inhamek Group	44.31	38.82	83.13	66.31
Paradise Group	156.40	44.84	201.24	118.12
Parlex Rotor Group	54.44	3.67	58.11	29.29
Madina Group	86.70	3.58	90.28	62.44
Everway Yarn Dyeing Industries Ltd.	76.96	60.60	137.56	135.94
S.S Engineering & Construction Group	83.19	31.18	114.37	92.68
Chilly Concepts Ltd. Ashique Dress	128.02	89.55	217.57	136.69
Baly Yarn Dyeing Ltd.	16.08	40.53	56.61	93.96
IFMS Fabrics Ltd.	22.49	62.78	85.27	81.15
M/s Nur - E - Alahae & Brothers (Pvt.) Ltd.	108.42	1.86	110.08	94.68
Inconide Ltd.	-	-	-	71.38
Shah Cement Industries Ltd.	37.00	23.34	60.34	15.10
Parsha Trade International ATCO International	-	-	-	78.82
Nuruzzaman Khan Jori Textile Mills Ltd.	-	-	-	28.81
Nasir Group	50.00	40.00	90.00	2.25
Naseer Group	52.69	61.00	113.69	68.77
Nitol Group	71.00	10.00	81.00	63.49
Rose Sweaters Ltd. Unit - I & II Scarlet Knitwears Ltd.	26.50	86.00	112.50	51.06
Diganta Sweater Ltd. Cosmo Sweater Ltd. Sweater Zone Ltd. Tripper Sweaters Ltd.	28.50	230.00	258.50	35.92
One Address Ltd. TG Transformer Ltd. & TSCG Power Ltd.	29.50	75.00	104.50	68.33
Beig Jini Picking & Ginning Ltd. & B. J. Gao Textile Ltd. Shoode Ltd.	52.00	67.00	119.00	63.46
Shehzad Designwear Limited Shehzad Parvez & Shehzad Javed Zahed Jaffer Chemdryng	64.10	26.00	90.10	38.04
ZAAFA Composite Textiles Ltd.	90.00	22.00	112.00	-
Lalshama Fashion Ltd. Sam Poo Dyeing(SIC) Ltd. & Cellular Mobile (Pvt.) Ltd Computer Ltd. Q. midite	92.50	85.00	177.50	67.51
Libas Textile Limited	-	-	-	54.15
Premier Cement Mills Ltd., Roknoor Navigation Ltd., Roknoor Corporation, Jahangir & Others, M/s. Seetom, Premier Power Generation Ltd.	-	-	-	94.18
M/s Friends Traders	-	-	-	66.73
Computer Source Ltd.	-	-	-	61.36
Anwar Group	71.81	2.01	73.92	78.55
Metro group	-	-	-	36.30
Concord Group	-	-	-	55.32
Keys Group	-	-	-	56.60
City Group	-	-	-	47.86
Total	1,958.41	1,338.21	3,296.62	2,781.23

7.9 Particulars of loans and advances/investments

	2012 Taka	2011 Taka
i) Loans/investments considered good in respect of which the Bank is fully secured	35,311,152,904	30,125,370,854
ii) Loans/investments considered good against which the bank holds no security other than the debtors' personal guarantee	12,574,256,884	12,564,012,343
iii) Loans/investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	13,494,985,697	12,657,458,003
iv) Loans/investments adversely classified; provision not maintained there against		
	<u>61,380,395,485</u>	<u>55,346,841,200</u>

v) Loans/Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	291,646,863	256,744,000
v) Loans/Investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies as members	135,449,000	100,846,000
vii) Maximum total amount of advances/investments, including temporary advances/investments made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	211,307,581	191,300,930
vii) Maximum total amount of advances/investments, including temporary advances/investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members	155,766,350	115,972,900
ix) Due from banking companies	-	-
x) Total amount of Classified advances/investments on which interest is not credited to income	1,538,699,860	1,211,228,000
a) Movement of Classified Loans and advances/investments		
Opening Balance	1,211,228,000	1,016,670,868
Increase/(decrease) during the year	327,471,860	194,557,132
	1,538,699,860	1,211,228,000
b) Provision kept against loan classified as bad debts	850,736,202	539,616,000
c) Interest credited to interest suspense Account (note-12.4)	95,380,209	103,380,412
xi) Cumulative amount of written off loans/investments		
Opening Balance	339,501,685	70,521,567
Amount written off during the year	412,620,891	268,980,118
	752,122,576	339,501,685
Amount realized against loan/investments previously written off	-	-
The amount of written off / classified loans/investments for which law suits have been filed	1,641,427,932	1,541,581,799

7.10 Classification of loans and advances/investments

Unclassified:	59,841,695,625	54,135,613,200
Standard including staff loans/investments	59,825,673,029	54,133,006,200
Special Mention Account (SMA)	16,022,596	2,607,000
Classified:	1,538,699,860	1,211,228,000
Sub standard	36,161,155	766,000
Doubtful	61,875,176	1,678,000
Bad/Loss	1,440,663,529	1,208,784,000
	61,380,395,485	55,346,841,200

7.11 Particulars of required provision for loan and advances/investments

Status	Base for Provision	Rate %		
General Provision				
Unclassified loans/investments (excluding SMA)	59,825,673,029	*Various	615,614,008	580,189,145
Special Mentioned Account	15,901,958	-	795,098	35,850
			616,409,106	580,224,995

* Provision on unclassified loan/investments is kept @ 1% on general loans and advances/investments and 2% on small enterprise financing and 5% on consumer financing.

Status	Base for Provision	Rate %		
Classified-specific provision				
Sub Standard	13,316,529	20	2,663,306	38,000
Doubtful	23,423,933	50	11,711,967	595,000
Bad/Loss	836,360,918	100	836,360,918	538,963,000
			850,736,190	539,616,000
Required provision for loans and advances/investments			1,467,145,296	1,119,840,995
Total Provision maintained (note-12.2)			1,467,145,308	1,119,840,995
Excess/(Short) provision at 31 December			12	-

7.12 Particulars of required provision on Off-Balance Sheet Exposures

	Base for Provision	Rate %		
Acceptance and endorsements less margin	7,625,798,257		76,257,983	64,921,159
Letter of guarantee less margin	4,047,967,446	1%	40,479,674	28,421,402
Letter of credit less margin	7,434,647,370		74,346,474	72,179,293
Required provision of Off-Balance Sheet Exposures			191,084,131	165,521,855
Total provision maintained (note-12.3)			191,084,131	165,521,855
Excess/(short) provision at 31 December			-	-

7.13 Suits filed by the bank (Branch wise details)

Principal Branch	90,005,000	90,005,000
Topkhana Branch	50,241,305	40,138,000
Khulna Branch	683,317,905	683,317,905
Gulshan Branch	19,900,000	19,900,000
Sylhet Branch	16,636,677	16,989,912
Uttara Branch	110,007,526	113,045,436
Rajshahi Branch	4,885,785	6,198,699
Khatungonj Branch	296,087,646	230,286,712
Jubilee Road Branch	149,467,076	149,467,076
Cox's Bazar Branch	392,806	392,806
Imamgonj Branch	142,373,253	142,373,253
Saidpur SME/Krishni Branch	566,000	-
Agrabad Branch	31,681,953	-
Panthapath Branch	43,865,000	48,467,000
	1,641,427,932	1,541,581,799

7(a) Consolidated Loans and advances/investments

Standard Bank Limited (note-7)	60,199,823,533	53,757,870,672
Standard Bank Limited (Loan to SCML)	(1,543,082,659)	(1,389,726,044)
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	1,690,402,709	1,374,929,093
	60,347,143,583	53,743,073,721

Consolidated bills purchased and discounted

Standard Bank Limited (note-7)	1,180,571,952	1,588,970,528
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	1,180,571,952	1,588,970,528
	61,527,715,535	55,332,044,249

7.14 Bills purchased and discounted

Payable in Bangladesh	686,508,899	935,580,451
Payable outside Bangladesh	494,063,053	653,390,077
	1,180,571,952	1,588,970,528

7.15 Maturity grouping of bills purchased and discounted

Payable within one month	-	-
Over one month but less than three months	494,083,053	653,390,077
Over three months but less than six months	686,508,899	935,580,451
Six months or more	-	-
	1,180,571,952	1,588,970,528

8. Fixed assets including premises, furniture and fixture

Land and Building	162,752,460	138,273,959
Furniture & Fixture	253,022,708	203,137,815
Office Appliance	313,745,521	249,606,120
Software	33,724,851	33,682,585
Bank's Vehicle	62,452,551	56,704,053
Total cost	825,698,091	681,404,532

Less: Accumulated Depreciation	262,580,461	191,857,322
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Net book value at the end of the year (See Annexure-B for details)	563,117,630	489,547,211
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8(a) Consolidated fixed assets including premises, furniture and fixture

Standard Bank Limited (note-8)	563,117,630	489,547,211
Standard Exchange Co.(UK) Ltd.	4,078,724	4,744,889
Standard Express(USA) Ltd.	11,504,308	8,876,006
SBL Capital Mgt. Ltd.	6,209,532	7,079,383
	584,910,194	510,247,489

9. Other assets

Stock of Stationery	15,678,356	12,906,009
Stamps in hand	1,095,419	471,503
Suspenses A/c (note-9.1)	121,919,008	75,710,036
Advance Deposit	1,223,001	909,331
Branch adjustments accounts (note-12.8)	72,375,630	76,007,109
Sundry Assets (note-9.2)	3,472,852,945	1,548,252,735
	3,685,144,359	1,714,258,723

9.1 Suspense Accounts

Sundry Debtors	45,744,332	21,244,437
Advance Against TA/DA	617,090	489,000
Advance Against Proposed Branch	34,756,220	21,198,000
Advance Against Legal Expenses	3,731,745	3,830,567
Encashment-PSP/BSP/WEDB	16,130,435	16,919,678
Advance on against board meeting	615,000	625,000
Clearing Adjustment	(7,786,950)	4,754,797
Advance Against Annual General Meeting	432,000	199,500
Advance Against Cash Incentive	59,000	-
DD Cancellation	-	487,184
BFTN adjustment	(647,622)	(4,859,891)
Cash Remittance	28,267,758	10,621,764
	121,919,008	75,710,036

9.2 Sundry Assets

Advance Rent	168,345,940	114,083,954
Interest Receivable (note - 9.4)	114,595,002	41,931,290
Dividend Receivable	-	2,783,171
Prepaid expenses	121,659,851	21,404,899
Advance Tax (note-9.3)	2,693,983,724	1,364,776,741
Repo Adjustment	48,949,508	-
Excise duty adjustment on FDR	3,398,620	3,112,190
DSE Membership Fee	321,920,000	-
Demand Draft without advice	300	160,690
	3,472,852,945	1,548,252,735

9.3	Advance Tax		
	Advance Corporate Tax	2,636,145,290	1,329,308,999
	Advance Income tax on L/C Commission	34,778,154	23,618,158
	Advance Income tax on Tr.Bill	-	-
	Advance Income tax on Share dividend	7,998,436	3,430,788
	Advance Income tax on Interest Balance with other banks	15,061,844	8,418,796
		2,693,983,724	1,364,776,741
9.4	Interest Receivable		
	Interest Receivable on Staff loan	285,833	955,644
	Interest Receivable on LTR	283,222	283,222
	Interest Receivable on Bill purchased & discount	7,152,098	8,168,288
	Interest Receivable on Treasury Bond	86,120,257	21,449,263
	Interest Receivable on SOD	4,441	-
	Interest Receivable on transport loan	5,085	-
	Interest Receivable on Investment	4,899,014	6,643,724
	Interest Receivable on packing credit	1,014,000	-
	Interest Receivable on FDR	15,031,052	4,431,149
		114,595,002	41,931,290
		-	-
9(a)	Consolidated other assets		
	Standard Bank Limited (note-9)	3,685,144,359	1,714,258,723
	Standard Exchange Co.(UK) Ltd.	1,118,072	2,178,773
	Standard Express(USA) Ltd.	5,682,874	5,455,940
	SBL Capital Mgt. Ltd.	35,305,327	46,193,651
		3,727,250,632	1,768,087,087
10.	Borrowings from other banks, financial institutions and agents		
	In Bangladesh (note-10.1)	4,315,054,156	266,241,072
	Outside Bangladesh	-	-
		4,315,054,156	266,241,072
10.1	In Bangladesh		
	City Bank N A	-	250,000,000
	Bangladesh Bank as ALS	4,124,775,000	-
	Re-Financa from B Bank	15,279,156	16,241,072
	Bangladesh Bank Islamic Fund	175,000,000	-
		4,315,054,156	266,241,072
	Outside Bangladesh	-	-
		4,315,054,156	266,241,072
10.2	Security against borrowing from other banks, financial institutions and agents		
	Secured	-	-
	Unsecured	-	-
		-	-
10.3	Maturity grouping of borrowing from other banks, financial institutions and agents		
	Repayable on demand	-	250,000,000
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years	-	-
		-	250,000,000
11.	Deposits and other deposits		
	Deposits from banks (note-11.1)	95,000,000	850,000,000
	Deposits from customers (note.11.3)	75,993,780,424	62,930,315,523
		76,088,780,424	63,780,315,523

11.1	Deposits' from banks		
	Current deposits and other deposits	-	-
	Bills payable	-	-
	Savings bank/Mudaraba Savings deposits	-	-
	Short-term deposits	-	-
	Fixed deposits/Mudaraba Fixed Deposits	95,000,000	850,000,000
		95,000,000	850,000,000
11.2	Deposits' from banks (Fixed Deposits)		
	National Bank Limited	-	100,000,000
	Jamuna Bank Limited	-	500,000,000
	Standard Chartered Bank	95,000,000	-
	Trust Bank Limited	-	250,000,000
		95,000,000	850,000,000
11.3	Customer Deposits		
	i) Current deposits and other Deposits		
	Current / Al-wadeeah current deposits	2,154,613,997	2,329,072,879
	Foreign Currency deposits	2,187,903,678	1,516,430,174
	Sundry deposits (note - 11.4)	4,730,238,713	4,109,383,970
		9,052,756,386	7,954,887,023
	ii) Bills payable		
	Pay orders issued	704,674,823	673,421,393
	Pay slips issued	600	600
	Demand draft	197,339,015	67,039,557
		902,014,438	740,461,550
	iii) Savings bank Deposits/Mudaraba savings deposits	2,955,133,351	2,578,525,447
	iv) Term Deposits/Fixed Deposits		
	Fixed deposits/Mudaraba Fixed Deposits (Excluding Bank Deposit)	52,398,828,918	45,806,825,656
	Short term deposits	4,269,551,130	2,285,335,472
	Deposits Under Schemes	6,415,496,201	3,564,280,375
		63,083,876,249	51,656,441,503
	Total	75,993,780,424	62,930,315,523
11.4	Sundry deposits		
	Sundry creditors	103,715,740	96,660,246
	Foreign currency held against back to back L/C	1,000	-
	Margin on Letter of Guarantee	331,360,587	241,336,860
	Margin on Letter of Credit	265,256,842	408,648,467
	Margin on FDBP/IBP/Export bills etc.	162,250,222	90,809,876
	Sales proceeds of PSP/BSP etc.	10,400,000	6,770,000
	Risk Fund	4,697,552	4,135,402
	Service charge	404,367	993,498
	Security Money	4,605,262	3,520,162
	SBL Employees Provident Fund	3,620	4,651
	SBL Employees W. Fund	1,474,375	2,649,043
	SBL Foundation	24,409,717	14,000,000
	Provision for Green Banking	2,500,000	1,000,000
	Interest payable on deposits	2,223,811,313	2,109,673,559
	VAT, Excise Duty and Income Tax	337,312,062	278,114,732
	Reserve for unforeseen losses	8,000,000	6,500,000
	Others	1,250,036,054	844,567,474
		4,730,238,713	4,109,383,970
11.5	Maturity analysis of inter-bank deposits		
	Repayable on demand	-	-
	Up to 1 month	-	-
	Over 1 month but within 3 months	95,000,000	850,000,000
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		95,000,000	850,000,000

11.6	Maturity analysis (Deposits received from other than banks)		
	Repayable on demand	1,939,152,597	1,164,536,440
	Up to 1 month	1,910,809,140	2,474,428,814
	Over 1 month but within 3 months	5,199,275,815	3,452,167,986
	Over 3 months but within 1 year	33,205,917,205	31,673,776,733
	Over 1 year but within 5 years	25,084,402,813	18,019,500,916
	Over 5 years but within 10 years	8,654,222,854	6,195,904,635
	Over 10 years	-	-
		75,993,780,424	62,980,315,523
11.7	Maturity analysis (Bills payable)		
	Repayable on demand	902,014,438	740,461,550
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		902,014,438	740,461,550
11.8	Payable on Demand and Time Deposits		
a)	Demand Deposits		
	Current / Al-wadeeah current Deposits	2,154,613,997	2,329,072,679
	Savings Deposits/Mudaraba Savings deposits (10%)	295,513,335	257,852,545
	Foreign Currency Deposits (non interest/profit bearing)	2,167,903,676	1,516,430,174
	Sundry deposits	4,730,238,713	4,109,383,970
	Bills payable	902,014,438	740,461,550
		10,250,284,159	8,953,201,118
b)	Time Deposits		
	Savings deposits/Mudaraba savings deposits (90%)	2,659,620,016	2,320,672,902
	Fixed deposits/Mudaraba Term Deposits	52,493,828,918	46,656,825,656
	Short term deposits/Mudaraba short term deposits	4,269,551,130	2,285,335,472
	Deposits under schemes	6,415,496,201	3,564,280,375
	Foreign currency deposits (interest/profit bearing)	-	-
		65,838,496,265	54,827,114,405
		76,088,780,424	63,780,315,523
11.9	Fixed Deposits- Maturity wise Grouping(Including Bank Deposit)		
	Repayable within 01 month	2,106,333,500	2,106,333,500
	Repayable over 1 months but within 03months	3,159,500,250	3,159,500,250
	Repayable over 3 months but within 1 year	23,631,873,500	23,631,873,500
	Repayable over 1 year but within 5 years	20,392,915,668	14,555,912,406
	Repayable over 5 years but within 10 years	3,203,206,000	3,203,206,000
	Unclaimed Deposits for 10 years and above	-	-
		52,493,828,918	46,656,825,656
11.10	Deposits Under Schemes		
	Standard Bank Regular Deposit Programme(SRDIP)	963,725,911	570,840,324
	Double Income Plus (DI+)	3,035,168,894	1,973,832,953
	Standard Bank Regular Income Programme(SRIP)	1,421,081,430	217,804,933
	Savings scheme for Tk.10.00 lac	459,933,367	349,420,980
	Savings scheme for Tk.5.20 lac	429,573,774	422,030,782
	Marriage SB Insurance Scheme	753,436	741,416
	SBL Lakhpati Plus Programme	38,409,205	9,724,197
	SBL Millionaire Plus Programme	66,650,184	19,684,790
	Life secured Deposit Insurance Programme(LSDIP)	200,000	200,000
		6,415,496,201	3,564,280,375
11(a)	Consolidated deposits and other deposits		
	Current deposits and other deposits		
	Standard Bank Limited (note-11.3)	9,052,756,386	7,954,887,023
	Standard Exchange Co.(UK) Ltd.	-	447,209
	Standard Express(USA) Ltd.	1,798,721	2,379,067
	SBL Capital Mgt. Ltd.	21,503,356	37,479,234
		9,076,058,463	7,995,192,533

Bills payable		
Standard Bank Limited (note-11.3)	902,014,438	740,461,550
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	902,014,438	740,461,550
Savings bank/Mudaraba savings deposits		
Standard Bank Limited (note-11.3)	2,955,133,351	2,578,525,447
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	2,955,133,351	2,578,525,447
Short Term Deposits		
Standard Bank Limited (note-11.3)	4,269,551,130	2,285,335,472
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	4,269,551,130	2,285,335,472
Term/Fixed deposits		
Standard Bank Limited (note-11.3)	52,493,828,918	46,656,825,656
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	52,493,828,918	46,656,825,656
Deposits under schemes		
Standard Bank Limited (note-11.3)	6,415,496,201	3,564,280,375
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	6,415,496,201	3,564,280,375
	76,112,082,501	63,820,621,633
12. OTHER LIABILITIES		
Provision for Taxation (note-12.1)	3,318,212,257	2,102,817,046
Deferred Tax (note-12.1a)	25,666,658	19,324,859
Accrued Expenses	19,730,745	13,411,787
General Provision for Unclassified Loans (note-12.2)	615,614,008	580,189,145
General Provision for SMA (note-12.2)	795,098	35,850
Specific provision for Classified loans (note-12.2)	850,736,202	539,616,000
Provision for classified others Assets (note-12.6)	100,000	100,000
Provision for decrease in value of investments (note-12.7)	4,775,231	4,775,231
Provision for Off-Balance Sheet Items (note-12.3)	191,084,131	165,521,850
Interest Suspense Account (note-12.4)	95,380,209	103,380,412
Provision for Nostro A/c	42,575	42,575
Provision for Bonus	100,000,000	80,000,000
Provision for LFC	13,123,292	9,182,359
Provision for Gratuity	18,800,000	50,000,000
Profit receivable on Bai Murabaha/Bai Muajjal	2,633,037	2,735,430
Standard Exchange U.K	1,390,645	2,937,909
Foreign Currency translation gains (note-12.9)	11,654,551	27,291,905
Total	5,267,738,639	3,701,362,358
12.1 Provision for Taxation		
Opening Balance	2,102,817,046	1,060,056,253
Addition during the year	1,215,395,211	1,042,768,293
	3,318,212,257	2,102,824,546
Adjustment during the year	-	7,500
Closing Balance	3,318,212,257	2,102,817,046

Provision for taxation has been made on accounting profit considering taxable allowances/disallowances as per Income Tax Ordinance 1984.

12.1(a)	Consolidated Provision for Taxation		
	Standard Bank Limited (note-12)	3,318,212,257	2,102,817,046
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	7,264,990	1,990,574
		3,325,477,247	2,104,807,620
12.1(a)	Deferred Tax :		
i)	Written down value of fixed assets		
	Carrying amount at balance sheet	563,117,630	489,547,211
	Tax base	502,725,493	444,076,953
	Taxable Temporary Difference	60,392,137	45,470,258
ii)	Employees benefit	-	-
	Carrying amount at balance sheet	-	-
	Tax base	-	-
	Taxable Temporary Difference	-	-
	Total temporary difference	60,392,137	45,470,258
	Tax Rate	42.50%	42.50%
	Deferred Tax asset/(Liability)	(25,666,658)	(19,324,859)
	Opening Balance	19,324,859	10,865,737
	Addition during the year	6,341,799	8,458,122
		25,666,658	19,324,859
	Adjustment during the year	-	-
	Closing Balance	25,666,658	19,324,859
12.2	Provision for Loans and advances/Investments		
i)	The movement in general provision for unclassified Loans:		
	Provision held at the beginning of the year	580,189,145	536,957,919
	Additional provision for the year	35,424,863	43,231,226
	Provision held at the end of the year	615,614,008	580,189,145
ii)	The movement in general provision on Special Mention Account (SMA) loans:		
	Provision held at the beginning of the year	35,850	21,573,819
	Amount transferred to provision for bad & doubtful debts	-	(21,537,969)
	Additional provision for the year	759,248	-
	Provision held at the end of the year	795,098	35,850
iii)	The movement in specific provision for bad and doubtful debts:		
	Provision held at the beginning of the year	539,616,000	511,928,268
	Amount adjusted during the year	12	-
	Amount written off during the year	-	(224,459,436)
	Amount transferred from general provision on SMA	-	21,537,969
	Amount transferred from general provision on Off Balance sheet	-	45,908,230
	Additional provision for the year	311,120,190	184,700,969
	Provision held at the end of the year	850,736,202	539,616,000
	Total	1,467,145,308	1,119,840,995
12.3	The movement in General provision for Off Balance Sheet Items:		
	Provision held at the beginning of the year	165,521,850	211,430,080
	Amount transferred to provision for bad & doubtful debts	-	(45,908,230)
	Additional provision for the year	25,562,281	-
	Provision held at the end of the year	191,084,131	165,521,850
12.4	Interest Suspense Account		
	Balance at the beginning of the year	103,380,412	111,029,237
	Amount transferred to "Interest Suspense Ac" during the year	13,420,902	13,238,265

	Amount recovered in "Interest Suspense A/c" during the year	(-)	-	-	
	Amount written off during the year	(-)	(21,421,106)	(20,887,090)	
	Balance at the end of the year		95,380,209	103,380,412	
12.5	Exchange Equalization				
	Balance at the beginning of the year		-	-	
	Transfer to Profit and loss account		-	-	
			-	-	
12.6	Provision for classified others Assets				
	Balance at the beginning of the year		100,000	100,000	
	Add: Addition during the year		-	-	
			100,000	100,000	
12.7	Provision for decrease in value of investments				
	Balance at the beginning of the year		4,775,231	4,775,231	
	Less: adjustment during the year		-	-	
	Add: Addition during the year		-	-	
			4,775,231	4,775,231	
12.7(a)	Consolidated Provision for decrease in value of investments				
	Standard Bank Limited (note-12.7)		4,775,231	4,775,231	
	Standard Exchange Co.(UK) Ltd.		-	-	
	Standard Express(USA) Ltd.		-	-	
	SBL Capital Mgt. Ltd.		332,263,336	291,191,197	
			337,038,567	295,966,428	
12.7(b)	Consolidated Provision for Others				
	Standard Bank Limited (note-12.7)		-	-	
	Standard Exchange Co.(UK) Ltd.		-	-	
	Standard Express(USA) Ltd.		-	-	
	SBL Capital Mgt. Ltd.		25,476,404	-	
			25,476,404	-	
12(a)	Consolidated other liabilities				
	Standard Bank Limited (note-12)		5,267,738,639	3,701,362,358	
	Standard Exchange Co.(UK) Ltd.		20,710,880	-	
	Standard Express(USA) Ltd.		29,546,930	-	
	SBL Capital Mgt. Ltd.		406,210,218	294,258,404	
			5,724,206,667	3,995,620,762	
12.8	Branch Adjustment (net up)				
	Branch adjustments account represents outstanding Inter-Branch and Head Office transactions(net) originated but yet to be responded at the balance sheet date. However, the status of unresponded entries as on 31.12.2012 Tk.7,23,75,630 as follows:				
	Number of Unrespondent		Unrespondent entries (Amount-Tk.)		
	Dr.	Cr.	Dr.	Cr.	
	Less than 3 months	45	41	82,450,857	8,596,160
	3 months to less than 6 months	10	19	41,125	1,312,499
	6 months to less than 9 months	2	11	213,929	415,344
	9 months to less than 12 months	0	1	-	6,278
	12 months and more	-	0	-	-
		57	72	82,705,911	10,330,281
	Branch Adjustment				
	Branch adjustments account represents outstanding inter branch and head office transactions originated but yet to be responded at the balance sheet date. The balance of unreconciled items has been adjusted / reconciled subsequently on the date of issue of Financial Statements.				
12.9	Foreign Currency translation gains				
	Standard Exchange Co.(UK) Ltd.		4,031,951	9,665,815	
	Beginning of the year		9,665,815	9,665,815	

Additional for the year	299,370	-
Adjustment for the year	5,933,234	-

Standard Express(USA) Ltd.	8,934,600	17,626,090
Beginning of the year	17,626,090	17,626,090
Additional for the year	-	-
Adjustment for the year	8,691,490	-
Total Foreign Currency translation gains	12,966,551	27,291,905
Less: Foreign Currency translation loss	-	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	1,312,000	-
	11,654,551	27,291,905

13. Share Capital

13.1 Authorized Capital

15,00,00,000 ordinary shares of Tk.10/- each	15,000,000,000	15,000,000,000
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The Bank increased its authorized capital from Taka 880.00 crore to Taka 1500.00 crore by passing a special resolution in the Bank's 27th extra Ordinary General Meeting held on 14th November, 2011 at Institute of Diploma Engineers of Bangladesh, 160/A, Kakrail VIP Road, Dhaka, Bangladesh. All corporate formalities were duly complied by the Bank as required.

13.2 Issued, subscribed and fully Paid up Capital :

66,000,000 ordinary shares of Taka 10/- each issued for cash	660,000,000	660,000,000
355,780,843 ordinary shares of Taka 10/- each issued as bonus shares	3,557,808,430	2,745,544,361
65,577,600 ordinary shares of Taka 10/- each issued as Right shares in 2007	655,776,000	655,776,000
	4,873,584,430	4,061,320,361

13.3 Initial Public offer (IPO)

Out of the total issued, subscribed and fully paid up capital of the Bank 3,300,000 ordinary shares of Tk.100.00 each amounting to Taka 3,30,000,000 was raised through public offering of shares in 2003.

13.4 Rights issue

Bank has increased its paid up capital by issuance of 2:1 rights share at par on 8 November 2007.

13.5 Particulars of fully Paid up Share Capital :

Particulars	Number of shares		Number of shares in (%)	
	01.01.2012	31.12.2012	01.01.12	31.12.12
Sponsors/Promoters	174,028,920	213,132,403	42.85%	43.74%
Investment Corporation of Bangladesh	25,021,180	31,281,184	6.16%	6.42%
ICB Investor's A/c	3,995,910	4,328,239	0.98%	0.89%
Financial Institutions	45,862,272	51,851,904	11.29%	10.64%
General Public	157,222,754	185,744,733	38.71%	38.32%
Total	406,132,636	487,358,443	100.00%	100.00%

13.6 Classification of Shareholders by holding as on 31st December, 2012

Shareholding range	Number of Share holders	No. of shares	Percentage(%)
01-500	12418	2,338,704	0.48%
501-5,000	19879	35,197,675	7.22%
5,001-10,000	2397	17,202,413	3.53%
10,001-20,000	1272	17,918,806	3.68%
20,001-30,000	337	8,320,180	1.71%
30,001-40,000	165	5,627,060	1.15%
40,001-50,000	117	5,404,282	1.11%
50,001-100,000	210	14,913,406	3.06%
100,001-10,00,000	275	78,070,613	16.02%

10,00,000 to 100,00,000	60	156,647,269	32.14%
100,00,000 and over	11	145,716,035	29.90%
	37141	487,358,443	100%

13.7 Capital adequacy ratio

In terms of section 13(2) of the Bank Companies Act 1991 and Bangladesh Bank BRPD circular No.24 & 35 dated August 03, 2010 and December 29, 2010 respectively, required capital of the Bank based on risk weighted assets at the close of business on 31 December 2012 was Tk. 8001,61,00,000/-, as against available Core Capital of Tk.820,75,15,909/- and Supplementary Capital of Taka 81,51,40,191/- making a total of Taka.902,26,56,100/- thereby showing a surplus capital/equity of Taka. 102,10,46,100/- at that date. Details are given below:

Core Capital (Tier-I)

	2012 Taka	2011 Taka
Paid up Capital	4,873,584,430	4,061,320,361
Statutory Reserve (note-14a)	2,489,734,034	1,995,155,875
General Reserve	-	-
Surplus Profit & Loss Account/Retained Earnings	844,197,445	899,885,888
Total Core Capital	8,207,515,909	6,956,362,124

Supplementary Capital (Tier-II)

General Provision maintained against unclassified loan/investment (note-12.2)	615,614,008	580,224,995
Provision for Off-Balance sheet exposure(note-12.3)	191,084,131	165,521,850
Revaluation gain/loss on investments 50% of total (note-15.a)	8,442,052	39,008
Total Supplementary Capital	815,140,191	745,785,853

A. Total Capital

	9,022,656,100	7,702,147,977
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Total Assets of the Bank including off-balance sheet

	114,157,690,695	92,056,879,035
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B. Total Risk Weighted Assets

	80,016,100,000	67,629,300,000
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C. Required Capital based on risk weighted assets (10% on B)

	8,001,610,000	6,762,930,000
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D. Surplus/(Deficiency) (A-C)

	1,021,046,100	939,217,977
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Capital Adequacy Ratio

	11.28%	11.39%
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Percentage of Capital on Risk weighted Assets:

	31.12.12		31.12.11	
	Required	Held	Required	Held
Capital Requirement				
Core Capital (Tier-I)	5.00%	10.26%	5.00%	10.29%
Supplementary Capital (Tier-II)	5.00%	1.02%	5.00%	1.10%
Total	10.00%	11.28%	10.00%	11.39%

13.8 Minimum Capital Requirement (MCR) Under Risk Based Capital (Basel-II)**A. Eligible Capital:**

	Taka in Crore	Taka in Crore
1. Tier-1 (Core Capital)	820.75	695.64
2. Tier-2 (Supplementary Capital)	81.51	74.58
3. Tier-3 (Eligible for Market Risk only)	-	-
4. Total Eligible Capital (1+2+3) :	902.27	770.21
B. Total Risk Weighted Assets (RWA):	8,001.61	6,762.93
C. Capital Adequacy Ratio (CAR) (A/B)*100	11.28%	11.39%
D. Core Capital to RWA (A1/B)*100	10.26%	10.29%
E. Supplementary Capital to RWA (A2/B)*100	1.02%	1.10%
F. Minimum Capital Requirement (MCR) = 10% of RWA	800.16	676.29

14 Statutory Reserve

	Opening balance at the beginning of the year	1,995,155,875	1,512,356,845
	Addition during the year	494,578,159	482,799,230
	Closing balance at the end of the year	2,489,734,034	1,995,155,875
14(a)	Consolidated Statutory Reserve		
	Opening balance at the beginning of the year	1,995,155,875	1,512,356,845
	Addition during the year	494,578,159	482,799,230
	Closing balance at the end of the year	2,489,734,034	1,995,155,875
15.	General Reserve		
	Opening balance at the beginning of the year	-	-
	Transferred from diminution in value of investments	-	-
	Closing balance at the end of the year	-	-
15(a)	Revaluation gain/loss on investments		
	Gain from revaluation of investment (HFT & HTM)	78,016	78,016
	Adjustment during the year	(78,016)	(78,016)
	Addition during the year	16,884,104	78,016
	Closing balance at the end of the year	16,884,104	78,016
15(b)	Consolidated revaluation gain/loss on investment		
	Standard Bank Limited	16,884,104	78,016
	Gain on revaluation of investment at Standard Exchange co.UK	-	-
	Closing balance at the end of the year	16,884,104	78,016
16.	Retained earnings/movement of profit and loss account		
	Balance on 1 January	899,885,888	908,330,212
	Add: Net Profit after tax for the year	1,251,153,786	1,362,768,735
	Add: Transfer from General Reserve	-	-
	Less: Transfer to statutory Reserve	(494,578,159)	(482,799,230)
	Less: Issue of bonus shares	(812,264,069)	(888,413,829)
	Balance at 31 December	844,197,445	899,885,888
16(a)	Consolidated retained earnings/movement of profit and loss account		
	Balance on 1 January	813,973,020	891,403,743
	Add: Net Profit after tax for the year	1,331,251,447	1,296,508,644
	Add: Transfer from General Reserve	-	-
	Less: Transfer to statutory Reserve	(494,578,159)	(482,799,230)
	Less: Foreign Currency translation loss	(94,629)	(2,726,308)
	Less: Minority Interest	(1,536)	-
	Less: Issue of bonus shares	(812,264,069)	(888,413,829)
	Balance at 31 December	838,286,073	813,973,020
16.1	Retained Earnings carried forward from previous year		
	Balance on 1 January	19,916,383	8,056,555
	Add: Net Profit after tax & statutory reserve for the previous year	879,989,505	900,273,657
	Add: Transfer from General Reserve	-	-
	Less: Issue of bonus shares	(812,264,069)	(888,413,829)
	Balance at 31 December	87,621,819	19,916,383
16.1(a)	Consolidated Retained Earnings carried forward from previous year		
	Balance on 1 January	263,606	1,007,353
	Add: Net Profit after tax & statutory reserve for the previous year	813,709,414	890,396,390
	Add: Transfer from General Reserve	-	-
	Less: Foreign Currency translation loss	(94,629)	(2,726,308)
	Less: Issue of bonus shares	(812,264,069)	(888,413,829)
	Balance at 31 December	1,614,322	263,606
16.1(b)	Minority Interest		
	Share Capital	50,000	50,000
	Add: Retained Earnings	1,536	-
	Balance at 31 December	51,536	50,000
17.	CONTINGENT LIABILITIES		
17.1	Acceptances and Endorsements		
	Back to Back L/C (Foreign)	1,705,350,035	1,218,498,532

	Back to Back L/C (Local)	5,920,448,222	5,275,592,381
	Back to Back L/C (EPZ)	-	-
		7,625,798,257	6,494,088,913
	Less: Margin	-	1,972,996
		7,625,798,257	6,492,115,917
17.2	Letter of Guarantee		
	Letter of Guarantee(Local)	4,047,967,446	3,053,027,774
	Letter of Guarantee(Foreign)	-	12,455,000
	Shipping guarantees	-	-
		4,047,967,446	3,065,482,774
	Less: Margin	-	223,342,561
		4,047,967,446	2,842,140,213
	Money for which the Bank is contingently liable in respect of guarantees given favoring:		
	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	Others	4,047,967,446	3,065,482,774
		4,047,967,446	3,065,482,774
	Less: Margin	-	223,342,561
		4,047,967,446	2,842,140,213
17.3	Irrevocable Letter of Credit		
	Letter of Credit (sight)	2,943,921,770	3,923,299,581
	Letter of Credit (Cash)	4,480,725,600	3,203,771,301
	Letter of Credit (Inland)	-	476,789,640
	Letter of Credit (Others)	-	22,737,287
		7,434,647,370	7,626,577,809
	Less: Margin	-	408,648,467
		7,434,647,370	7,217,929,342
17.4	Bill for Collection		
	Inward local bill for collection	206,336,069	296,443,803
	Inward Foreign bill for collection	8,401,000	3,920,000
	Outward local bill for collection	196,474,000	185,954,000
	Outward Foreign bill for collection	264,183,051	154,152,501
		679,394,120	640,470,304
	Less: Margin	-	88,838,880
		679,394,120	551,633,424
17.5	Other Contingent Liabilities	-	-
		-	-
		19,787,807,193	17,103,818,896
17(a)	Consolidated contingent liabilities		
	Acceptances and endorsements		
	Standard Bank Limited (note-17)	7,625,798,257	6,492,115,917
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		7,625,798,257	6,492,115,917
	Letters of guarantee		
	Standard Bank Limited (note-17)	4,047,967,446	2,842,140,213
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		4,047,967,446	2,842,140,213
	Irrevocable Letters of Credit		
	Standard Bank Limited (note-17)	7,434,647,370	7,217,929,342
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		7,434,647,370	7,217,929,342
	Bills for Collection		

	Standard Bank Limited (note-17)	679,394,120	551,633,424
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		679,394,120	551,633,424
	Other Contingent liabilities		
	Standard Bank Limited (note-17)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		-	-
18	Income Statement		
	Income:		
	Interest/ profit, discount and similar income (note-18.1)	9,494,949,262	8,099,284,291
	Dividend income (note-20)	8,671,841	12,775,351
	Fees, Commission and brokerage (note-21)	405,522,085	406,687,496
	Gains Less Losses arising from dealing in securities (note-20)	-	39,570,000
	Gains Less Losses arising from Investment securities (note-20)	899,625,868	433,716,312
	Gains Less Losses arising from dealing in Foreign Currencies (Note-21.2)	471,382,729	634,947,934
	Income from non banking assets	-	-
	Other operating income (note-22)	192,286,791	163,756,733
	Profit less losses on interest rate changes	-	-
	Total	11,472,438,576	9,790,738,117
	Expenses:		
	Interest/profit paid on deposit, Borrowings etc.(note-19)	7,209,645,679	6,023,905,930
	Losses on loans and advances/Investments	-	-
	Administrative Expenses (note-18.2)	1,127,951,292	917,034,478
	Other operating expenses (note-33)	218,361,088	144,942,976
	Depreciation on Banking assets (note-32)	70,723,139	62,926,389
	Total	8,626,681,198	7,148,809,773
	Operating Profit before Provision	2,845,757,378	2,641,928,345
18(a)	Consolidated Income Statement		
	Income:		
	Standard Bank Limited (note-18)	11,472,438,576	9,790,738,117
	Standard Exchange Co.(UK) Ltd.	17,367,332	26,040,816
	Standard Express(USA) Ltd.	28,658,492	13,969,857
	SBL Capital Mgt. Ltd.	189,049,922	249,768,684
	Total	11,707,514,322	10,080,517,474
	Expenses:		
	Standard Bank Limited (note-18)	8,626,681,198	7,148,809,773
	Standard Exchange Co.(UK) Ltd.	28,145,203	30,351,799
	Standard Express(USA) Ltd.	40,878,097	18,915,186
	SBL Capital Mgt. Ltd.	14,131,826	13,590,892
	Total	8,709,836,324	7,211,667,450
	Consolidated Operating Profit before Provision	2,997,677,998	2,868,850,025
18.1	Interest/profit , Discount and similar income		
	Interest/profit received from Loans and advances/Investments (note-18.3)	9,043,310,773	7,918,787,404
	Interest/profit received from FC clearing Account	-	1,276,314
	Interest/profit received from Bank and other financial institutions	451,638,489	179,220,573
		9,494,949,262	8,099,284,291
18.2	Administrative Expenses		
	Salary and allowances (note-23)	802,624,038	642,003,909
	Rent, Taxes, Insurance, Electricity etc.(note-24)	176,822,924	143,642,566
	Legal expenses (note-25)	2,496,804	1,829,442
	Postage, stamp, telecommunication etc.(note-26)	24,975,632	24,159,467
	Stationery, Printings, advertisement etc.(note-27)	76,349,013	66,648,212

	Managing Director's salary and fees (note-28)	8,220,000	6,605,000
	Directors' Fees (note-29)	5,471,238	5,752,859
	Auditor's fees(note 30)	375,000	450,000
	Repair of Bank's assets (note-32)	30,616,643	25,943,023
		1,127,951,292	917,034,478
18.3	Interest/profit received from Loans and advances/investments		
	Loan (General)/Musharaka	1,759,184,568	1,855,671,390
	Transport Loan	106,282,686	118,860,045
	Loans against trust receipts	1,599,869,089	1,455,409,040
	Packing credit	61,595,135	74,979,126
	House Building Loan	254,631,760	226,359,020
	Lease finance/Izara	141,554,369	134,488,709
	Syndicate Finance	188,708,138	140,597,371
	Payment against documents	614,405,356	410,241,102
	Cash Credit/Bai-Muajjal	1,511,780,782	1,305,969,730
	Secured Overdraft	1,723,295,445	1,398,651,690
	Consumer credit scheme/Hire purchase	29,176,230	28,772,779
	Others loans and advances/investments	1,053,827,215	768,787,402
	Total interest on loans and advances/investments	9,043,310,773	7,918,787,404
	Interest / profit received from FC clearing account	-	1,276,314
	Interest/profit received from Bank and other Financial Institution	273,730,294	64,916,476
	Interest on Call Loans	177,908,195	114,304,097
		9,494,949,262	8,099,284,291
18.3(a)	Consolidated interest income/profit on investment		
	Standard Bank Limited (note-18.3)	9,494,949,262	8,099,284,291
	Standard Bank Limited (Inft. Received from SCML)	(202,310,641)	(148,346,158)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	445,582	609,456
	SBL Capital Mgt. Ltd.	254,665,460	240,551,044
		9,547,749,673	8,192,098,633
19.	Interest/profit paid on deposits, borrowings, etc.		
	Interest/Profit paid on deposits	7,048,795,423	5,981,536,444
	Interest paid on borrowings	160,850,256	62,369,486
		7,209,645,679	6,023,905,930
19(a)	Consolidated interest / profit paid on Deposits, borrowings, etc.		
	Standard Bank Limited (note-19)	7,209,645,679	6,023,905,930
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		7,209,645,679	6,023,905,930
20.	Income from Investment		
	Dividend on shares	8,671,841	12,775,351
	Gain on shares	-	39,570,000
	Interest/profit received from Subordinated Bond	24,328,514	16,971,687
	Interest on treasury bills	875,297,354	416,744,825
		908,297,709	486,061,663
20(a)	Consolidated Income from Investment		
	Standard Bank Limited	908,297,709	486,061,663
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	82,481,187	144,505,784
		990,778,896	630,567,427

21. Commission, Exchange and Brokerage		
Commission /Fees (note-21.1)	405,522,085	406,687,496
Exchange earnings (note-21.2)	471,382,729	634,947,934
Brokerage	-	-
	876,904,814	1,041,635,430
21.1 Commission		
Commission on L/Cs	288,289,667	279,044,394
Commission on L/Gs	49,550,684	62,394,682
Commission on accepted bills	53,147,540	53,614,974
Commission on OBC,IBC, etc.	430,347	737,833
Commission on PO,DD,TT,TC etc.	8,611,457	7,573,341
Other Commission	5,492,390	3,322,272
	405,522,085	406,687,496
Brokerage	-	-
	405,522,085	406,687,496
21.2 Exchange		
Gains arising from Dealing Securities	-	-
Less: Losses	-	-
Gains arising from Investment Securities	-	-
Less: Losses	-	-
Gains arising from Foreign Trade Business	528,979,526	634,947,934
Less: Losses	(57,596,797)	-
	471,382,729	634,947,934
21(a) Consolidated Commission, Exchange and Brokerage		
Standard Bank Limited (note-21)	876,904,814	1,041,635,430
Standard Exchange Co.(UK) Ltd.	17,367,332	26,040,816
Standard Express(USA) Ltd.	28,212,900	13,360,401
SBL Capital Mgt. Ltd.	50,369,316	6,881,000
	972,854,362	1,087,917,647
22. Other operating income		
SWIFT & Telex charge recoveries	24,177,870	21,301,497
Postage charge recoveries	16,442,485	20,281,663
Service charges	43,598,289	38,958,929
FCC recoveries	489,036	58,500
Rebate on nostro a/c	33,846,300	28,666,233
Handling charges on EDF	15,910,227	5,821,256
Locker charges	634,721	316,856
LC advising charges	1,613,951	2,356,041
Loan processing/documentation fees	2,095,792	2,178,192
Capital Gain on Sale of Assets	2,536,550	1,920,058
Service charges agst CIB/Clearing return	573,130	40,730
VISA Card Fees	6,032,016	3,011,889
On line Charges	1,957,618	1,704,438
MTM Revaluation gain	13,705,836	-
Miscellaneous earnings	28,671,970	37,140,451
	192,286,791	163,756,733
22(a) Consolidated other operating income		
Standard Bank Limited (note-22)	192,286,791	163,756,733
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	3,844,600	6,177,034
	196,131,391	169,933,767
23. Salaries and allowances		
Basic salary	277,849,787	223,228,836
Allowances (note-23.1)	327,787,590	259,310,853
Bonus & ex-gratia	155,420,048	130,491,997

	Bank's contribution to provident fund	23,905,569	17,612,967
	Casual wages	17,681,044	11,359,256
		802,624,038	642,003,909
23.1	Allowances		
	House rent allowances	124,546,330	91,203,729
	Conveyance allowances	14,850,958	11,468,887
	Entertainment allowances	232,445	193,629
	House maintenance & utility	48,802,872	41,948,150
	Medical allowances	59,717,078	42,128,004
	Risk allowances	869,814	856,078
	Technical allowances	22,800	34,950
	Washing allowances	1,537,341	1,705,933
	Charge allowances	1,136,032	602,250
	Leave Fare Compensation	14,881,014	12,831,155
	Gratuity	56,847,486	52,353,157
	Leave Encashment	4,008,978	3,572,781
	Extra allowances	734,442	412,150
		327,767,590	259,310,853
23(a)	Consolidated salaries and allowances		
	Standard Bank Limited (note-23)	802,624,038	642,003,909
	Standard Exchange Co.(UK) Ltd.	10,540,803	11,579,243
	Standard Express(USA) Ltd.	17,683,111	7,589,896
	SBL Capital Mgt. Ltd.	7,902,813	7,487,928
		838,750,765	668,660,976
24.	Rent, Taxes, Insurance, electricity, etc.		
	Rent- Office	98,637,067	78,670,718
	Rent- Godown	414,000	417,400
	Rates and taxes	11,580,749	8,970,090
	Insurance	37,713,299	36,714,819
	Utilities	28,477,809	18,869,539
		176,822,924	143,642,566
24(a)	Consolidated Rent, Taxes, Insurance, electricity, etc.		
	Standard Bank Limited (note-24)	176,822,924	143,642,566
	Standard Exchange Co.(UK) Ltd.	6,063,619	6,543,664
	Standard Express(USA) Ltd.	10,158,340	6,242,692
	SBL Capital Mgt. Ltd.	2,428,218	2,141,364
		195,473,101	158,570,286
25.	Legal expenses		
	Legal fees & charges	2,496,804	1,809,947
	Stamp & notary public expenses	-	19,495
		2,496,804	1,829,442
25(a)	Consolidated Legal expenses.		
	Standard Bank Limited (note-25)	2,496,804	1,829,442
	Standard Exchange Co.(UK) Ltd.	299,190	-
	Standard Express(USA) Ltd.	3,854,242	-
	SBL Capital Mgt. Ltd.	-	-
		6,650,236	1,829,442
26.	Postage, Stamps, Telecommunication etc.		
	Postage	12,170,543	13,621,513
	Telegram, telex, fax and e-mail	330,032	458,815
	Telephone, Mobile (office & residence)	5,721,493	4,589,608
	SWIFT /Reuters charges	6,753,564	5,489,531
		24,975,632	24,159,467
26(a)	Consolidated Postage, Stamps, Telecommunication etc.		
	Standard Bank Limited (note-26)	24,975,632	24,159,467
	Standard Exchange Co.(UK) Ltd.	115,063	211,279

	Standard Express(USA) Ltd.	1,103,693	168,111
	SBL Capital Mgt. Ltd.	67,235	50,222
		26,261,643	24,589,079
27.	Stationery, Printing, Advertisement etc.		
	Printing stationery	6,039,313	4,601,115
	Security stationery	2,292,106	2,560,070
	Petty stationery	8,112,692	6,284,868
	ATM Debit Card	18,070	8,400
	Computer stationery	9,205,548	6,299,864
	Publicity and advertisement	50,681,284	46,893,895
		76,349,013	66,648,212
27(a)	Consolidated Stationery, Printing, Advertisement etc.		
	Standard Bank Limited (note-27)	76,349,013	66,648,212
	Standard Exchange Co.(UK) Ltd.	68,899	168,948
	Standard Express(USA) Ltd.	2,587,204	1,850,688
	SBL Capital Mgt. Ltd.	145,594	1,218,669
		79,150,710	69,886,517
28.	Managing Director's salary and fees		
	Basic salary	2,400,000	1,950,000
	House rent allowance	1,800,000	1,350,000
	Medical Allowances	360,000	225,000
	House maintenance & utility	1,260,000	900,000
	Bonus	1,200,000	1,250,000
	Leave Fare Compensation	1,200,000	930,000
		8,220,000	6,605,000
29.	Directors fees & meeting expenses		
	Directors fees	1,754,500	1,519,000
	Travelling and halage	2,314,367	3,110,143
	Refreshment and dinner	1,402,371	1,123,716
	(Each Director is paid Tk.5,000/- per meeting per attendance)	5,471,238	5,752,859
29(a)	Consolidated Directors fees & meeting expenses		
	Standard Bank Limited (note-29)	5,471,238	5,752,859
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	534,752	350,216
		6,005,990	6,103,075
30.	Consolidated Auditors fees		
	Standard Bank Limited	375,000	450,000
	Standard Exchange Co.(UK) Ltd.	-	435,755
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	107,500	136,500
		482,500	1,022,255
31.	Charges on loan losses		
	Loan-written off	-	-
	Interest waived	-	-
		-	-
32.	Depreciation and repair of Banks assets		
	Depreciation on Fixed Assets		
	Land and Building	3,351,065	2,116,723
	Furniture & fixture	17,725,826	15,847,493
	Office appliance & equipment	22,441,396	19,331,916
	Computer	13,932,692	11,619,670
	Software	7,104,800	6,810,733
	Motor vehicle	6,167,360	7,199,854
		70,723,139	62,926,389

Repair, Renovation & Maintenance of Bank's Assets			
	Office furniture	767,225	444,859
	Office appliance & equipment	4,973,490	4,492,011
	Computer & Software	17,008,300	11,368,380
	Motor vehicle	7,867,628	9,637,773
		30,616,643	25,943,023
		101,339,782	88,869,412
32(a)	Consolidated depreciation and repair of Banks assets		
	Standard Bank Limited (note-32)	101,339,782	88,869,412
	Standard Exchange Co.(UK) Ltd.	987,302	1,293,942
	Standard Express(USA) Ltd.	2,240,333	1,026,308
	SBL Capital Mgt. Ltd.	869,851	1,022,773
		105,437,268	92,212,435
33.	OTHER EXPENSES		
	Entertainment (office)	14,910,734	11,793,666
	Donation & subscription	4,116,025	2,010,410
	Travelling	9,950,292	4,374,228
	Anniversary	4,843,831	-
	Branch /Subsidiary company opening expenses	9,457,855	3,804,139
	Training and seminar expenses	2,385,771	1,398,018
	Newspaper and periodicals	663,891	756,168
	Petrol, oil and lubricants	21,987,531	14,197,774
	Car expenses	14,087,247	9,614,784
	Photocopy expenses	1,433,463	1,420,599
	Staff uniform and liveries	1,042,704	874,320
	Cleaning and washing	729,688	614,107
	Premises up keeping	1,120,222	1,102,002
	Local conveyance	4,766,259	3,791,189
	Business development	3,886,250	2,059,125
	Freight and cartage	39,480	18,850
	Cook and servant	862,517	606,510
	Annual General Meeting	14,814,976	14,469,876
	Bank charges and commission paid	3,270,460	5,157,103
	Loss on Sale of Assets	-	198,382
	On Line (ABB) expenses	274,000	268,067
	Managers Conference exp	1,864,293	1,488,585
	Performance award	530,000	633,000
	SBL welfare fund	1,000,000	1,000,000
	Generator expenses	6,028,539	3,535,242
	Connectivity fees	12,358,949	9,771,129
	CDBL Charges	3,706,749	31,911
	Visa Card Process charges	1,188,225	1,550,019
	Dhaka Stock Exchange	1,458,396	1,532,621
	Chittagong Stock Exchange	1,418,396	1,532,621
	Registered Joint Stock Company	3,309,106	1,201,500
	Corporate Social Responsibility (CSR)	47,784,727	34,579,318
	MTM Revaluation loss	-	2,252,556
	Green Banking	1,500,000	1,000,000
	SBL Foundation	20,000,000	5,000,000
	Miscellaneous	1,570,512	1,305,157
		218,361,088	144,942,976
33(a)	Consolidated other expenses		
	Standard Bank Limited (note-33)	218,361,088	144,942,976
	Standard Exchange Co.(UK) Ltd.	10,070,307	10,118,968
	Standard Express(USA) Ltd.	3,251,174	2,037,491
	SBL Capital Mgt. Ltd.	2,075,863	1,183,020
		233,758,432	158,282,455
33.1	Nostro account maintenance		
	Nostro account maintenance	-	-
	Bank charge	-	-
		-	-

34	Provision for loans/investments,off balance sheet exposure & other assets		
	Provision for bad and doubtful loans and advances/investments	311,120,190	184,700,969
	Provision for SMA loans and advances/investments	759,248	-
	Provision for unclassified loans & advances/investments	35,424,863	43,231,226
	Provision for off balance sheet exposure	25,562,281	-
	Provision for diminution in value of investments(34.1)	-	-
		372,866,582	227,932,195
34.1	Provision for diminution in value of investments		
	Dealing Securities		
	Quoted	-	-
	Unquoted	-	-
	Investment Securities		
	Quoted	-	-
	Unquoted	-	-
		372,866,582	227,932,195
34.1(a)	Consolidated Provision for diminution in value of investments		
	Dealing Securities		
	Standard Bank Limited (note-34.1)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Investment Securities	41,072,139	291,191,197
	Standard Bank Limited (note-34.1)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	41,072,139	291,191,197
		41,072,139	291,191,197
34(a)	Consolidated Provision for loans/investments,off balance sheet exposure & other assets		
	Provision for bad and doubtful loans and advances/investments-SBL	311,120,190	184,700,969
	Provision for SMA loans and advances/investments-SBL	759,248	-
	Provision for unclassified loans & advances/investments -SBL	35,424,863	43,231,226
	Provision for off balance sheet exposure-SBL	25,562,281	-
	Provision for diminution in value of investments-SCML	41,072,139	291,191,197
	Provision for others	25,478,404	-
		439,415,125	519,123,392
35	Tax expenses		
	Current tax	1,215,395,211	1,042,768,293
	Deferred tax	6,341,799	8,459,122
		1,221,737,011	1,051,227,415

Income Tax assessments till 2009-10 (Income year - 2008) have been finally settled. The Income Tax Assessments for the year 2010-2011(Income year -2009) is pending before Taxas Appelate Tribunal. The income tax return for the years 2011-2012 & 2012-2013 have been submitted under section 82BB and pending for assessment. Income Tax has been provided @ 42.5% on the net profit earned by the Bank for the year 2010, 2011& 2012. As per assessment orders there exist shortfall in the provision for income tax against which no provision has been made considering Appeals which is pending before the tribunal . The details of Income tax Assessments are as follows:

Accounting Year	Assessment Year	Tax Provision as per Accounts	Assessed TAX Liability	Excess/ (Short Fall) of Provision	Assessment Status
1999 -2008	2000-2001 to 2009-2010	1,687,632,916	2,062,131,870	(374,498,954)	Assessments finally settled after Appeal & Tribunal

2009	2010-2011	540,000,000	674,567,817	(134,567,817)	Under Section 82BB(3)(b)(2) Pending Before tribunal
2010	2011-2012	1,010,904,881	-	-	Under Section 82BB Assessment Pending
2011	2012-2013	1,042,768,293	-	-	Under Section 82BB Assessment Pending
2012	2013-2014	1,227,011,427	-	-	Return will be submitted
		<u>5,508,317,517</u>	<u>2,736,699,687</u>	<u>(509,066,771)</u>	

a) It is mentioned here that provision for income tax amounting to Taka 80,904,881 has been made upto this year against shortfall provision of income tax amount of Tk. 374,498,954 for the years 1999-2008 as stated in the year-wise tax schedule, the remaining shortfall shall be provided in the year 2013,2014 and 2015.

b) The additional shortfall provision Tk. 134,567,817 for the assessment year 2010-2011, which is pending before the tribunal shall be provided after finalisation of assessment.

35(a) Consolidated tax expenses

Current tax

Standard Bank Limited (note-35)
Standard Exchange Co.(UK) Ltd.
Standard Express(USA) Ltd.
SBL Capital Mgt. Ltd.

1,215,395,211	1,042,768,293
-	-
-	-
5,274,416	1,990,574
<u>1,220,669,627</u>	<u>1,044,758,867</u>

Deferred tax

Standard Bank Limited (note-35)
Standard Exchange Co.(UK) Ltd.
Standard Express(USA) Ltd.
SBL Capital Mgt. Ltd.

6,341,799	8,459,122
-	-
-	-
-	-
<u>6,341,799</u>	<u>8,459,122</u>

36 Earning per share (EPS)

Net profit after tax

Number of Ordinary Share

Earning Per Share *

1,251,153,786	1,362,768,735
<u>487,358,443</u>	<u>487,358,443</u>
<u>2.57</u>	<u>2.80</u>

* Earning per share calculated dividing basic earning during the year by number of share outstanding as on reporting date complying with the provision of BAS-33. Previous year's figures have been adjusted for the issue of 8,12,26,407 bonus shares (for 2011)

36(a) Consolidated earning per share (EPS)

Net profit after tax

Number of Ordinary Share

Earning Per Share *

1,331,251,447	1,296,508,644
<u>487,358,443</u>	<u>487,358,443</u>
<u>2.73</u>	<u>2.66</u>

* Earning per share calculated dividing basic earning during the year by number of share outstanding as on reporting date complying with the provision of BAS-33. Previous year's figures have been adjusted for the issue of 8,12,26,407 bonus shares (for 2011)

37 Received from other operating activities

SWIFT & Telex charge recoveries
Postage charge recoveries
Service charges
FCC recoveries
Rebate on nostro a/c
Handling charges on EDF

24,177,870	21,301,497
16,442,485	20,281,663
43,599,289	38,958,929
489,036	58,500
33,846,300	28,686,233
15,910,227	5,821,256

	Locker charges	634,721	316,856
	LC advising charges	1,613,951	2,356,041
	Loan processing/documentation fees	2,095,792	2,178,192
	Capital Gain on Sale of Assets	2,536,550	1,920,058
	Service charges agst CIB/Clearing return	573,130	40,730
	VISA Card Fees	6,032,016	3,011,889
	On line Charges	1,957,618	1,704,438
	MTM Revaluation gain	13,705,836	-
	Miscellaneous earnings	28,671,970	37,140,451
		192,286,791	163,756,733
37(a)	Consolidated Received from other operating activities		
	Standard Bank Limited (note-35)	192,286,791	163,756,733
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	3,844,600	6,177,034
		196,131,391	169,933,767
38	Payments for other operating activities		
	Rent, Taxes, Insurance, Electricity etc.	176,822,924	143,642,566
	Legal Expenses	2,496,804	1,829,442
	Postage, Stamp, Telecommunication etc.	24,975,632	24,159,467
	Directors' Fee & Other benefits	5,471,238	5,752,859
	Audit Fees	375,000	450,000
	Repair of Bank's assets	30,616,643	25,943,023
	Other Expenses	212,042,130	139,206,740
		452,800,371	340,984,097
38(a)	Consolidated Payments for other operating activities		
	Standard Bank Limited (note-36)	452,800,371	340,984,097
	Standard Exchange Co.(UK) Ltd.	10,070,307	18,167,853
	Standard Express(USA) Ltd.	3,251,174	8,448,294
	SBL Capital Mgt. Ltd.	37,224,179	4,468,146
		503,346,031	372,068,390
39	Changes in other assets		
	Stock of stationery	2,770,347	605,882
	Stamps in hand	623,916	(131,037)
	Suspenses A/c	46,208,972	(29,558,499)
	Advance deposit	313,670	(473,500)
	Branch adjustments accounts	(2,948,605)	76,036,858
	Advance rent	54,261,986	(2,564,586)
	Dividend Receivable	(2,783,171)	2,783,171
	Prepaid expenses	100,255,152	(14,548,369)
	Excise Duty adjustment on FDR	286,430	677,970
	Repo adjustment	48,266,634	-
	DSE Membership Fee	321,920,000	-
	Demand draft without advice	(180,390)	(9,954,282)
		569,014,941	22,873,608
39(a)	Consolidated Changes in other assets		
	Standard Bank Limited (note37)	569,014,941	22,873,608
	Standard Exchange Co.(UK) Ltd.	(1,080,701)	(897,227)
	Standard Express(USA) Ltd.	(1,350,851)	5,455,940
	SBL Capital Mgt. Ltd.	(1,124,650,997)	46,390,845
		(558,047,608)	73,823,166
40	Changes in other liabilities		
	Dividend suspense	-	(40,995)
	Standard Exchange UK	(1,547,264)	2,937,909
	Interest suspense account	(8,000,203)	(7,648,825)
	Branch adjustment	-	(67,014,125)
	Provision for bonus	20,000,000	11,611,900
	Settlement of Central Clearing with conventional	-	(24,977,290)
	Loss of Ex.House Uk	-	-
	Profit receivable	(102,393)	1,563,841

Islamic Settlement A/C	-	21,891,240
Provision for LFC	3,940,933	5,554,365
Foreign Currency translation gains	(15,378,780)	-
Provision for gratuity	(33,200,000)	-
Total	(34,287,707)	(56,121,990)

40(a) Consolidated Changes in other liabilities

Standard Bank Limited (note-38)	(34,287,707)	(56,121,990)
Standard Exchange Co.(UK) Ltd.	(1,060,701)	-
Standard Express(USA) Ltd.	(1,350,851)	-
SBL Capital Mgt. Ltd.	2,088,226	14,901,357
	(34,611,033)	(41,220,633)

41 Expenditure Incurred for employees

Number of employees at 31st December 2012 was 1270 (2011; 1049) who were in receipt of remuneration for that year which in the aggregate was not less than TK 52,000 and those employed for a part of that year who were in receipt of remuneration of not less than Tk.7,000.

42 Disclosure on Audit committee**a) Particulars of Audit Committee**

The Audit Committee constituted by the Board of Directors of the Bank in accordance with the BRPD Circular letter No. 12 dated 23.12.2002 of Bangladesh Bank as under :

Sl. No.	Name	Status with Bank	Status with Committee	Educational Qualification
1	Mr. S.S. Nizamuddin Ahmed	Director	Chairman	M.Com
2	Mr. Kamal Mostafa Chowdhury	Director	Member	B.A.(Hons)
3	Mr Ashok Kumar Saha	Vice Chairman	Member	MBA
4	Mr. Md. Zahedul Hoque	Director	Member	MBA
5	Mr. Md. Fayekuzzaman	Director	Member	B.Com(Hons) M.Com
6	Mr. AFM Nizamul Islam Chowdhury	Group Company Secretary	Member Secretary	B.A, L.L.B

The Group Company Secretary of the Bank has been nominated as Secretary of the said Committee as per Bangladesh Bank Circular.

During the year 2012, the Audit Committee conducted 8 (eight) meetings wherein following audit & inspection reports and financial statements were discussed:

- 1 Consolidated Balance Sheet as on December,2011of the Bank.
- 2 Un-audited financial statements as on 31st. March,2012 of our Bank.
- 3 Risk based Internal Audit Program for the year 2012.
- 4 Un-audited financial statements as on 30th.June,2012 of our Bank.
- 5 Annual Report on the Health of the Bank for the year-2011.
- 6 Summary Audit Report of Principal Branch as on 28.05.2012 and irregularities there against.
- 7 Comprehensive Inspection Report of Bangladesh Bank as on 31.12.2011 on our Bank and compliance thereof.
- 8 Consolidated Balance Sheet (un-audited)as on 30th. September ,2012.
- 9 Nastro a/c reconciliation position as per comprehensive inspection report of Bangladesh Bank as on 31.12.2011of our Bank.
- 10 Proposal for approval of Organogram of the Bank specially of ICCD & IT Division.
- 11 Statement showing an overview of the Card Division.
- 12 The following Statements on different dates:
 - i). Monthly recovery statement of Classified loans & advances
 - ii) Monthly statement showing recovery position of Rescheduled /Time Extended / Blocked a/c.
 - iii) Monthly statement of slow-sticky, Overdue & SMA loans & advances.
 - iv). Monthly statement showing the position of Term loan created / converted from LTR / CC accounts.
 - v). Statement of Write-off loans and account wise present position of Waiver cases loans .
- 13 Summary of Audit Report of our Gulshan Br, Principal Br , Agrabad Br, Khatungorj Br, Topkhana Road Br, Gulshan-1 Br, Imamgorj Br, Khulna Br, Kushiá Br, C.D.A Br, CEPZ Br. & Interim Summary Audit Report of Jubilee Road Br.
- 14 Compliance with the Instructions/ Circulars of Bangladesh Bank / SEC / Other Govt. Regulatory Authority.
- 15 Self-Assessment of Anti-Fraud Internal Controls.

The Audit Committee discussed agendum thoroughly and provided guidelines & instructions to the Management for compliance, which are group wise shown below :

Group "A" Organogram & Man power.

- *Organogram of the Bank specially the organogram of ICCD and IT Division showing nomenclature, functions, manpower etc. to be placed in the next meeting.
- *To depute two more experienced Officer under the ICCD , one for Monitoring unit and another for Compliance unit for smooth functioning of the Division.
- *To set up a new Department viz ICT Audit and also to conduct audit on the functions of the ICT Division regularly on priority basis.
- *To recruit some experienced Officials for smooth functioning of IT Division.
- * Bank's Website should be up-dated and if necessary, by outsourcing of experienced persons/Organisation.
- * A separate and independent Department in the name of "Disciplinary & Appeal" should be set up at Head Office and a bank official very well experienced in the line should be recruited & posted to properly process, frame, dispose-off and correctly deal matters like calling of explanations , charge sheets, reprimands / rewards as per normal banking Rules, Regulations and usual practices.
- * To take effective measures including opening of SME/Krishi Branches for disbursement of SME/ Agri loan in order to avoid penalty.

Group "B" Policy & Guidelines.

- * To select feeding branches and to form Cash Squad to ensure safe cash management through out the country so that cash is utilized properly avoiding excess holding of cash in the branches as well as to arrange deposition of cash to Bangladesh Bank within minimum possible time.
- * To follow earlier instructions for mobilization of no cost, low cost deposit in order to rationalize the expenses as well as maintaining healthy A :D ratio.
- * To minimize / reduce the expenses reasonably for boosting up income.
- * To strengthen the recovery drive for keeping the loan portfolio performing.
- * To identify the weak area of the loan and to closely monitor and supervise all the overdue & classified loan a/cs.
- *To fix up the individual recovery target among the officers / Executives monthly basis & to follow up the performance individually.
- * To assess business position of the borrower before taking legal steps, in case of need to protect the interest of the Bank.
- * To negotiate / settle the suits already filed against the borrower outside the court ,where applicable.
- *To calculate and to include provisional income on the following heads in the final quarter : Unquoted Shares (a) CDBL,(b) SWIFT, (c) Market Stabilization Fund and (d) Zero coupon Bond
- *To improve asset quality by taking effective efforts for recovery of classified loan so as to turn them to performing loan.
- *To intensify its efforts to expedite hearing else to settle down cases under compromise formula so as to bring cash/ amount back into Bank.
- *Efforts should be intensified to recover the classified, overdue & SMA loans as reported in different loan accounts.
- *To make necessary arrangement and for taking effective measures, efforts for declassification as per norms of Bangladesh Bank.
- * Plan to boost up for increase of Credit Cards etc.
- *To take all possible measures for recovery of the defaulted dues from the Cardholders such as :
 - To avail the opportunity of seeking assistance for recovery of the Bank dues from the authority of Employer of the Card holders.
 - To collect the proceeds of the cheque kept as lien under the custody of the Bank.
 - To pursue the defaulted Cardholders vigorously for recovery of overdues.
 - To make adjustment of the liabilities of terminated employees having SBL Credit Cards within 3 months while disposing settlement of service benefit.
- *Bank's Sign Boards on the mortgaged properties should be displayed at the earliest.
- *Inspection of mortgage properties of Lea Fashions & Apparels Ltd.of khatlungorj branch should be done.
- *To take adequate proper and required steps for disposal of the mortgage properties for adjustment of the liabilities and to file suit against the borrower for the rest outstanding amount.
- *To increase the supplementary Capital by issuing sub-ordinate bond like other Banks.
- *Endeavour should be made to make the Exchange Houses profitable.
- *Vigilance / Surprise Inspection should be carried out regularly on different branches with special emphasis on risk gradation.
- * A massive program should be taken for setting up more ATM Booth as well as to extend Debit Card facilities.
- * To launch income oriented products specially for boosting up income / commission on L/C, BG, PG and other fee based income.

*To formulate a policy for Card Division and to arrange submission of the same in the A.C meeting.

i) Guidelines, if any, provided by Bangladesh Bank for Credit Card in general

ii) Determining the Sanctioning process as followed by other Banks.

iii) Formula for selection of the Credit Cardholders.

iv) Delegation of power for issuance of Credit Card inline with Bank's loan.

v) To devise Control Mechanism and follow those meticulously.

vi) To devise Reporting policy and ensure timely reporting to Head Office Management.

*To arrange submission of " Self-Assessment of Anti-fraud Internal Controls sheet" together with a certificate as per proforma provided by Bangladesh Bank vide DOS Circular letter no.17 dated 07.11.2012 to the Member Secretary of Board's Audit Committee within 10th of the next month ending every quarter to enable him to place the same in the meeting of the Audit Committee for perusal and also for counter signature of the Chairman of the Audit Committee.

Group " C " Audit Report.

*To design and carry out the internal control system based on the guidelines provided by Bangladesh Bank in Managing Core Risk in Banking.

*To carry out the audit task as per approved audit plan.

* Irregularities, Omission, commission as pointed in Bangladesh Bank Inspection report should be rectified within given time frame.

*ICT Audit guide lines of Bangladesh Bank should be followed and the functions of the ICT Division should be audited by the IT knowledgeable persons.

*Credit Card Division should be audited and report should be placed before the Committee.

*Fund Management Division should also be audited.

*To conduct audit / inspection on SME / Krishi loan branches and also rural branches.

* Auditors while inspecting the Branches should invariably verify the data, statistics as reported by them in the compliance report.

*The Audit Committee Provided some guidelines & suggestions on making compliance of Bangladesh Bank comprehensive inspection report viz-a- viz advised to ensure implementation and compliance of the recommendations and suggestions as available in the comprehensive inspection report of Bangladesh Bank.

*To undertake special audit for detecting the default Cardholders and to furnish the total list of the Cardholders defaulted for 3 months & above in the next meeting.

*To place the Audit Reports of the branches focusing and highlighting the major & gross, serious irregularities in brief manner .

*To take effective steps for auditing the high risk and all other Branches as per ICCD guidelines & norms of Bangladesh Bank within the scheduled time positively.

*All the incoming correspondences / letters etc. received from Bangladesh Bank, SEC and other Regulatory Authorities should be marked to ICCD. ICCD will send those letters/ circulars/ Gazette etc. to the respective Division / Department for compliance. ICCD will collect the compliance reports from those Divisions/ Departments and will place memorandum on compliance report at every meeting of the Audit Committee.

Group " D " Recovery

* To quantify the data, information and the position of recovery always in the compliance report so that substantive result can be achieved.

*To place group liability position of a particular borrower such as ,limit, nature, outstanding, recovery, overdue, security, rescheduling position, classification status, suit position, steps taken for recovery etc should be shown in a single sheet.

*To submit the following two category statements relating to classified Loans & Advances in the meeting,

a) One having collateral securities against the limit and

b) No collateral security against the limit.

*To strengthen the Recovery Division of Head Office by deputing one competent Senior Executive ,who should be specially assigned for the recovery of Classified,Overdue,SMA, Rescheduled, Time Extended, Blocked accounts, Slow-Sticky, Term loans created from LTRs ,Write-off and non performing loans . Further Recovery team has to be formed headed by branch Manager at the branch level, where there is substantial amount of classified , overdue, non performing and other such loans stated herein above for launching all out drive and efforts for recovery at the earliest and also for close watch , monitoring & follow up to protect & safe guard the interest of the Bank.

Group " E " Disciplinary Action

*To initiate Departmental action against Manager and concerned Officers for recommending, sanctioning and disbursing of overdue, classified and Non-performing loans.

*The Management should ask explanation from concerned officers & Executives of Head Office relating to processing, sanctioning, monitoring and follow up of the loans and to take appropriate disciplinary action against them.

43 Related Party Disclosures

i) Particulars of Directors of the Bank as on 31st December 2012

Sl.No.	Name of the Persons	Designation	Present Address	% of Shares as on 31.12.12
1	Mr. Kazi Akramuddin Ahmed	Chairman	House No.73, Road No.6, O.R. Nizam Road R/A, Chittagong	2.35%
2	Mr. Kamal Mostafa Chowdhury	Director	"Bedura House" 72, Bangshal Road, Firingl Bazar, Kotwali, Chittagong	2.41%
3	Mr. Ashok Kumar Saha	Vice Chairman	29/B Ghalforhadbeg, Chittagong	2.01%
4	Mr. Ferozur Rahman	Director	My Heart,8/10 Sukrabad, Dhaka-1209	2.07%
5	Mr. Mohammad Monzurul Alam	Director	218,DT Road , Dewanhat, Chittagong-4000	2.00%
6	Mr. Serajul Anwar Mohammad Hossain	Director	Victor Electronics, 400 Bipani Bitan (3rd Floor), Chittagong-4000	2.72%
7	Mr.Mohammed Abdul Aziz	Director	168, Fakirapool, Motijheel, Dhaka-1000	2.83%
8	Al-Haj Mohd. Shamsul Alam	Director	Radiovision, 398, Bipani Bitan Chittagong-4000	2.61%
9	Mr. Abdul Ahad	Director	New Apan Jewelers 31/B Baltul Mokarram (1st Fl) Dhaka-1000	3.41%
10	Mr. Mohammad Zahedul Hoque	Director	284, Khalungonj Chittagong	2.28%
11	Al-Haj Mohammad Yousuf Chowdhury	Director	8/B, O.R. NIZAM ROAD, PANCLISH R/A PANCLISH, CHITTAGONG-4000	2.00%
12	Investment Corporation of Bangladesh, represented by its Managing Director Mr. Md. Fayekuzzaman	Managing Director, Investment Corporation of Bangladesh	Head Office 8 Rajuk Avenue (14th Floor) Dhaka	7.31%
13	Mr. Sahazada Syed Nizamuddin Ahmed	Independent Director	House # 1, Road # 2/A, (Banani Chairman Bari), Banani, Dhaka.	0.03%
14	Mr. S.A. Farooqui	Ex-Officio Director	Head Office, Metropolitan Chamber Building, 122-124 Motijheel C/A, Dhaka	

44 Reconciliation of inter Banks/Books of accounts

Books of Accounts with regard to inter bank (In Bangladesh and outside Bangladesh) are reconciled and there are no material differences, which may affect the financial statements significantly.

45 Auditors work hour

The external auditor has covered 80% of the risk weighted assets and has spent around 4250 hours to complete the audit as per Bangladesh Auditing Standards. They have audited 11 (eleven) branches and Head Office of the bank.

46 Statement of Liquidity

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on 31st December, 2012 under the guidelines of Bangladesh Bank BRPD circular No.14 dated 25th June, 2003.

47 Events after the Balance Sheet date

The Board of Directors in itsst meetings decided to recommend payment of..... stock (Seventeen percent) dividend ie 1(one) bonus share against 5.88 shares for the year 2012. The total amount of dividend is Taka 82,85,09,353.

Standard Bank Limited

Balance Sheet of Islami Banking Window as at 31st December 2012

Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
PROPERTY & ASSETS			
CASH		14,930,155	23,311,657
Cash in Hand (including foreign currencies)		1,733,763	3,365,715
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		13,196,392	19,945,942
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		282,195,094	80,902,765
In Bangladesh		282,195,094	80,902,765
Outside Bangladesh		-	-
MONEY AT CALL AND ON SHORT NOTICE		-	-
INVESTMENTS		9,000,000	-
Government		9,000,000	-
Others		-	-
INVESTMENTS		67,906,576	63,243,776
General Investment		67,906,576	63,243,776
Bills Purchased and Discounted		-	-
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE		129,934	53,821
OTHER ASSETS		10,560,516	4,616,416
NON-BANKING ASSETS		-	-
TOTAL ASSETS		384,722,275	172,128,435
LIABILITIES & CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents		175,000,000	
DEPOSITS AND OTHER ACCOUNTS		205,970,547	166,196,397
Current / Al-Wadeeah Deposits & Other Deposits		14,404,101	10,331,360
Bills Payable		1,360,031	281,528
Savings Bank / Mudaraba Savings Deposits		16,089,911	22,494,045
Short Term Deposits / Mudaraba Short Term Deposits		457,602	305,195
Fixed Deposits / Mudaraba Term Deposits		169,841,300	130,827,486
Deposits Under Schemes / Mudaraba Deposit Schemes		3,817,602	1,956,783
OTHER LIABILITIES		4,124,941	3,797,430
Total profit/(loss) before taxes		(373,213)	2,134,606
TOTAL LIABILITIES		384,722,275	172,128,435
OFF-BALANCE SHEET ITEMS		-	-
CONTINGENT LIABILITIES			
Acceptances and Endorsements		-	-
Letters of Guarantee		-	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Other Contingent Liabilities		-	-
OTHER COMMITMENTS:			
TOTAL OFF - BALANCE SHEET ITEMS		-	-



Managing Director

See annexed auditors' report to the Shareholders of the date.




Director



Director



Chairman

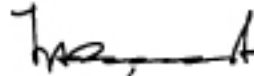

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 5, 2013

Standard Bank Limited

Profit and Loss Account of Islami Banking Window for the year ended 31 December 2012

Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
Interest Income / Profit on Investment		8,167,899	5,660,688
Interest / Profit paid on Deposits & Borrowings etc.		18,509,568	10,083,657
Net Interest / Net Profit on Investments		(10,341,669)	(4,422,969)
Investment Income		19,046,410	9,824,763
Commission, Exchange Earnings & Brokerage		9,377	17,699
Other Operating Income		763,962	412,235
TOTAL OPERATING INCOME (A)		9,478,080	5,831,728
		27,987,648	15,915,385
Salary & Allowances		7,766,791	2,626,820
Rent, Taxes, Insurance, Electricity etc.		-	-
Legal Expenses		-	-
Postage, Stamp, Telecommunication etc.		-	-
Stationery, Printing, Advertisement etc.		110,375	10,310
Managing Director's salary & fees		-	-
Directors' Fee & Other benefits		112,470	-
Audit Fees		-	-
Charges on loan losses		-	-
Depreciation and Repair of Bank's Assets		376,517	4,360
Other Expenses		169,108	31,630
TOTAL OPERATING EXPENSES (B)		8,535,261	2,673,120
Profit / (Loss) Before Provision (C) = (A - B)		942,819	3,158,608
Specific Provision		-	-
General Provision		1,316,032	1,024,000
Provision for Off-Balance Sheet items		-	-
Provision for diminution in value of investments		-	-
Other Provision		-	-
Total Provision (D)		1,316,032	1,024,000
Total Profit / (Loss) before Taxes (E)=(C - D)		(373,213)	2,134,608



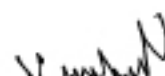
Managing Director



Director

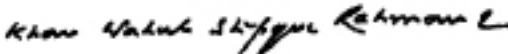


Director



Chairman

See annexed auditors' report to the Shareholders of the date.

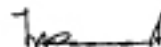

KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered AccountantsDated, Dhaka
March 8, 2013


Balance Sheet of SBL Capital Management Limited

As at 31st December 2012

Particulars	Notes	Amount in Taka	
		31.12.2012	31.12.2011
PROPERTY & ASSETS			
Non-Current Assets			
Property, Plant & Equipment	03	6,209,533	7,079,383
Investment in securities	04	1,663,347,158	1,543,248,133
Total non-current assets (A)		1,669,556,691	1,550,327,516
Current Assets			
Margin loan to clients	05	1,690,402,709	1,374,929,093
Accounts Receivable	06	17,858,996	39,116,502
Advance Income Tax	07	17,384,679	7,005,199
Other Assets	08	61,650	71,950
Cash & Cash equivalents	02	121,622,863	193,009,642
Total current assets(B)		1,847,330,899	1,614,132,386
TOTAL ASSETS (A+B)		3,516,887,590	3,164,459,902
EQUITY AND LIABILITIES			
Capital and Reserve			
Share Capital	09	1,500,000,000	1,500,000,000
Retained earnings	10	480,913,507	(57,019,892)
Total Equity		15,460,913,507	1,442,980,108
Current Liabilities			
Loan from Standard Bank Limited	11	1,543,082,659	1,389,726,044
Bills Payable	12	800,000	800,000
Accrued expenses	13	226,681	276,633
Sundry Deposit	14	21,287,356	37,254,964
Liability for withholding Tax & VAT	15	216,000	240,381
Accounts Payable	16	40,178,807	-
Provision for Corporate Income Tax	30	7,264,990	1,990,574
Total Current Liabilities		1,613,056,493	1,430,288,597
Provision for diminution in value of investment	27	332,263,336	291,191,197
Provision for Margin Loan	28	25,355,500	-
Provision for interest waiver to affected investors	29	120,904	-
TOTAL EQUITY AND LIABILITIES		3,516,887,590	3,164,459,902


Chief Executive Officer


Director


Chairman

See annexed auditors' report to the Shareholders of the date.


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

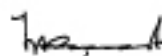
Dated, Dhaka
March 8, 2013


Income statement of SBL Capital Management Limited

for the year ended 31 December 2012

Particulars	Notes	Amount in Taka	
		2012	2011
INCOME			
Interest Income		234,355,464	229,582,692
Transaction /Settlement fee		15,340,686	35,246,058
Management fee		32,875,629	43,004,497
Gain on sale of shares		49,967,367	28,522,140
Dividend on investment in shares		32,493,800	37,733,069
Underwriting commission		2,153,000	6,881,000
Bank interest on STD accounts		20,309,996	10,968,352
Other income	17	3,844,600	6,177,034
Total Income(A)		391,360,562	398,114,842
Expenditure			
Interest expense	18	202,310,641	148,346,158
Salary & allowances	19	7,902,813	7,487,928
Rent, Taxes, Insurance, Electricity etc.	20	2,428,218	2,141,364
Postage, Stamp, Telecommunication etc.	21	67,235	50,222
Stationery, Printing, Advertisement etc.	22	145,594	1,218,669
Directors' Fee & Other benefits	23	534,752	366,327
Audit & consultancy Fees	24	107,500	136,500
Depreciation and Repair of Bank's Assets	25	869,851	1,022,773
Other Expenses	26	2,059,751	1,183,020
Total Expenditure(B)		216,426,354	161,952,962
Profit before provision(C=A-B)		174,934,208	236,161,880
Less: Provision for diminution in value of investments	27	41,072,139	291,191,197
Less: Provision for Margin Loan	28	25,355,500	-
Less: Provision for interest waiver to affected investors	29	120,904	-
Profit/(Loss) before tax		108,385,665	(55,029,317)
Less: Provision for corporate income tax	30.01	5,274,416	1,990,574
Profit/Loss after tax, carried forward		103,111,249	(57,019,892)
Earnings per share (Taka)		7.23	(3.67)


Chief Executive Officer


Director


Chairman

See annexed auditors' report to the Shareholders of the date.


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Cash Flow of SBL Capital Management Limited

for the year ended 31 December 2012

Particulars	Amount in Taka	
	2012	2011
A) Cash flow from operating activities: Net Profit after tax	103,111,249	(57,019,892)
Add: non Cash Transaction	47,142,072	293,698,786
Increase/Decrease in Provision for Expenses	(49,952)	276,633
Increase/Decrease in Liability for withholding Tax	(24,381)	240,381
Increase Provision for Investment in securities	41,072,139	291,191,197
Increase/Decrease in Corporate Income Tax	5,274,416	1,990,574
Depreciation	869,850	-
Add: Bill Payable	-	-
Increase/Decrease in sundry Deposit	(15,967,608)	800,000
Decrease/Increase in accounts Receivable	21,257,504	37,254,964
Increase in Advance income Tax	(10,379,479)	(39,116,502)
Increase/Decrease in Others Assets	10,300	(7,005,199)
Increase in Account payable	40,178,807	(71,950)
Increase in Provision for Margin Loan	25,355,500	-
Increase in Provision for Interest Waiver to affected investors	120,904	-
Net cash flow from operating activities	210,829,249	-
B) Cash flow from investing activities :		
Increase Investment in securities	(120,099,026)	(1,543,248,133)
Purchase of Assets	-	(7,079,383)
Increase Loan to Clients	(315,473,616)	(1,374,929,093)
Advance to Others	-	-
Net cash flow from investing Activities	(434,702,790)	(2,919,072,591)
C) Cash used by Financing Activities:		
Issue of Share Capital	-	1,500,000,000
Increase Loan from SBL	153,356,615	1,389,726,044
Net cash flow from financing activities	153,356,615	2,889,726,044
D) Net Increase/Decrease in cash and cash equivalents(A+B+C)	(71,386,778)	193,009,642
E) Opening cash and cash equivalents	193,009,642	-
Closing cash and cash equivalents (D+E)	121,622,863	193,009,642
Cash & Cash equivalents		
Name of the Bank Account:		
SBL Capital Mgt. Ltd Investors A/c# 1807	118,733,046	188,877,355
SBL Capital Mgt. Ltd A/c# 1808	2,574,211	1,782,154
SBL Capital Mgt. Ltd Own Portfolio A/c# 1810	315,606	2,350,133
	121,622,863	193,009,642


Chief Executive Officer


Director


Chairman

See annexed auditors' report to the Shareholders of the date.


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Dated, Dhaka
March 8, 2013

Statement of Changes in Equity

for the year ended 31 December 2012

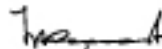
(Figure in BDT)

Particulars	Share capital	General Reserve	Retained earnings	Total
Balance as on 1-1-2012	1,500,000,000		(57,019,892)	1,442,980,108
Net profit for the period	-	-	103,111,249	103,111,249
Balance as on 31-12-2012	1,500,000,000	-	46,091,357	1,546,091,357

These financial statements should be read in conjunction with annexed notes



Chief Executive Officer

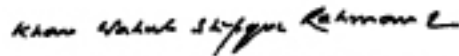


Director



Chairman

See annexed auditors' report to the Shareholders of the date.



KHAN WAHAB SHAFIQUE RAHMAN & CO.

Chartered Accountants

Dated, Dhaka
March 8, 2013

Notes to the financial statement

SBL Capital Management Limited for the year ended 31 December 2012

1.00 Company and its Activities

1.01 SBL Capital Management Limited is a subsidiary company of Standard Bank Limited incorporated as a public limited company on 20th October 2010 with the Registrar of Joint Stock Companies, Dhaka vide certificate of incorporation No. C-87663/10 dated 20 October 2010 and commenced its business on the same date. The function split, were separated from Standard Bank Limited by forming a subsidiary company in terms of Bangladesh Bank's BRPD circular No.12 dated 14 October 2009. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued a full fledged Merchant Banking licence in favor of SBL Capital Management Limited, vide letter No. SEC/Reg/MB/SUB/13/2010/529, dated January 05, 2011 with effect from January 09, 2011.

1.02 Principal Activities

The main objectives of the Company are to carry out the business of full fledged merchant banking activities like margin loan provided to clients for the investment in securities, issue management, portfolio management, underwriting, corporate advisory services etc.

1.03 Significant Accounting Policies:

Statement of Compliance:

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS)/Bangladesh Accounting Standards (BAS), the companies Act.1994, Securities & Exchange Rules, 1987 and other applicable laws in Bangladesh.

Basis of preparation of Financial Statements:

The financial statements are prepared on a going concern basis under historical cost convention in accordance with Generally Accepted Accounting Principles. Wherever appropriate, such principles are explained in succeeding notes. The financial statements include:-

- (i) Statement of Financial Position (Balance sheet).
- (ii) Statement of Comprehensive Income (Income and Expenditure Statement)
- (iii) Statement of Cash Flows
- (iv) Statement of Changes in Equity
- (v) Accounting Policies and Explanatory Notes

1.04 Reporting period

The Reporting period of the Company from 1st January 2012 to 31st December 2012.

1.05 Statement of Cash Flows

Statement of cash flow is prepared in accordance with the Bangladesh Accounting Standard (BAS)-7: Cash Flow statement has been presented under indirect method.

1.06 Property Plant and Equipment

Recognition and measurement:

Items of Property, Plant & Equipment (PPE) are initially measured at cost. After initial recognition, the item of PPE are carried at cost less accumulated depreciation and impairment losses. Depreciation is charged using reducing balance method as per Bangladesh Accounting Standard (BAS).

<u>Category of Assets</u>	<u>Rate of Depreciation</u>
Furniture & Fixture	10%
Office Equipment	20%
Renovation & Decoration	10%
Software	20%

1.07 Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances, which were held and available for use of the Company without any restriction.

1.08 Investments

All investment in securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investments. The valuation methods used for investments is:

Investment in listed securities are acquired and held primarily as well as secondarily for the purpose of selling them in future or held for dividend income and are reported at cost. Unrealised gain are not recognised in the statement of comprehensive income statement.

- 1.08.2 Provision for diminution in value of investment has been made as per BSEC circular no. SEC/CMRRCD/2009-193/144 dated February 27, 2013.
- 1.09 Receivables**
Receivables are recognised when there is a contractual right to receive cash or another financial assets from another entity.
- 1.10 Share Capital**
Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.
- 1.11 Borrowing Funds**
Borrowing funds include borrowings from Standard Bank Limited , which is stated in the statement of financial position as Short Term Loan.
- 1.12 Accounts payable**
Accounts payable which are payable to five brokers against buying of securities as on 31st December,2012. The reconciliation procedure with each broker is yet to be completed.
- 1.13 Provision for Current Taxation**
Provision for current income tax has been made as per Income Tax Ordinance 1984.
- 1.14 Provision for Deferred Taxation**
Deferred tax liabilities are amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using Tax rates and Tax laws that have been enacted or substantially enacted at the date of statement of financial position. The impact on the account of changes in the deferred tax assets and liabilities has not been recognised as per the statement of income as per BAS-12, "Income Taxes" as there has been no differences between accounting and tax based profit for the year.
- 1.15 Benefit to the Employees:**
The retirement benefits such as Gratuity Fund, Incentive Bonus for the employees of the company as on reporting date have not yet been recognised for in accordance with the provisions of Bangladesh Accounting Standards-19, "Employees Benefits" as the company is not yet decided for those benefits.
- 1.16 Provision for liabilities**
A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the BAS -37 "Provisions, Contingent Liabilities and Contingent Assets"
- 1.17 Provision for Margin Loan.**
A provision against margin loan has been made @ 1.5% on total outstanding loan as on 31st December,2012.
Further a provision for interest waiver to affected investor has been made as per circular of Ministry of Finance No. 53.014.031.02.00.002.2012-72 dt. 5th March,2012.
- 1.18 Interest Income**
In terms of the provisions of BAS-18 "Revenue", interest income is recognised on accrual basis.
- 1.19 Investment Income**
Interest income on investment is recognised on accrual basis. Capital gains are recognised when these are realised.
- 1.20 Fees and Commission Income**
Fees and commission income arising on services provided by the Company are recognised on accrual basis.
- 1.21 Dividend income on shares**
Dividend on shares is recognised during the period in which it is declared and ascertained i.e, established as the right of shareholders.
- 1.22 Events after the reporting period:**
Where necessary, all the material events after the reporting date have been considered and appropriate adjustment/disclosures have been made in the financial statements.
- 1.23 Directors responsibility on financial statements:**
The board of directors of the company is responsible for the preparation and presentation of these financial statements.

	Amount as on 31.12.2012	Amount as on 31.12.2011
2.00 Cash & Bank Balances:		
Cash in hand	-	-
Bank Balance with SBL Principal Branch (Note: 2.01)	121,622,863	193,009,642
Sub total	121,622,863	193,009,642
2.01 SBL Principal Branch :		
SBL Capital Mgt. Ltd. Investors (A/C:1807)	118,733,046	188,877,355
SBL Capital Mgt. Ltd. (A/C:1808)	2,574,211	1,782,154
SBL Capital Mgt. Ltd. Own Portfolio (A/C:1810)	315,606	2,350,133
Sub total	121,622,863	193,009,642
3.00 Property, Plant and Equipment:		
Opening Balance	8,102,156	7,206,791
Add: Additions	-	895,365
Less: Disposals	-	-
Closing Balance (A)	8,102,156	8,102,156
Depreciation:		
Opening balance	-	-
Add: Charge for the period (B)	1,022,773	1,022,773
Closing Balance	1,022,773	1,022,773
Written down value (A-B)	6,209,533	7,079,383
Details are shown in Annexure-A		
4.00 Investments		
Government Securities	-	-
Other Investments (Note: 4.01)	1,663,347,158	1,543,248,133
	1,663,347,158	1,543,248,133

4.01	Ordinary Shares	No. of Company	Cost value 31.12.12	Cost value 31.12.11
	Investment in Primary(PP) share market (Note: 4.01.01)	1	3,750,000	-
	Investment in Secondary share market (Note: 4.01.02)	56	1,659,597,158	1,543,248,133
	Total		1,663,347,158	1,543,248,133

4.01.01 Sector wise investment in Primary share market:	Cost value 31.12.12	Cost value 31.12.11
IT company	3,750,000	-
Sub total	3,750,000	-

4.01.02 Sector wise investment in Secondary share market:	Cost value 31.12.12	Cost value 31.12.11
Banking Company	408,542,165	331,518,003
Non Banking Financial Institutions	181,374,294	149,867,405
Insurance Company	241,459,901	194,909,472
Investment Company	140,454,659	144,224,045
Fuel and Power	292,874,456	312,727,117
Manufacturing company and others	394,891,683	409,902,091
Sub total	1,659,597,158	1,543,248,133

Statement of Investment made upto December 31, 2012:

Sl	Name of the Company	Cost price (Taka)	Market value as at 31.12.12 (Taka)
1	Aamra Technologies	-	807,400
2	Aftab Automobiles	1,173,013	1,185,750
3	Agrani Ins. Co. Ltd.	12,403,793	10,242,225
4	Asia Pacific Ins. Co	6,813,402	6,230,250
5	Bd Fin & Inv Co Ltd.	11,865,686	3,696,000
6	Bsrn Steel Limited	61,692,008	28,518,000
7	Dhaka Bank Ltd.	33,725,031	22,873,040
8	Fareast Islami Life	42,833,992	21,970,125
9	Fas Finance Inv Ltd.	8,136,488	4,247,000
10	First Janata Bank Mf	4,372,927	3,500,000
11	Generation Next Ltd.	1,406,527	1,376,000
12	Global Insurance Ltd	32,370,899	21,956,523
13	Grameen Mfo:Scheme 2	14,756,619	10,395,000
14	Grameenphone Ltd.	141,801,408	100,625,000
15	Icml 2nd Nrb Mf	78,915,176	43,125,000
16	Icb Ancl 2Nd Mf	11,022,931	5,814,450
17	Icb Islamic Bank Ltd	17,050,506	7,833,750
18	Ific Bank 1St Mf	16,321,821	11,760,000
19	Int. Leasing And Fsl	6,521,372	3,819,000
20	Islami Bank Bd Ltd.	39,765,473	40,125,000
21	Islami Insurance	8,223,361	7,026,300
22	Islamic Finance Inv	13,308,536	8,268,587
23	Jamuna Bank Limited	35,521,808	27,131,510
24	Khulna Power Co. Ltd	59,502,902	39,079,056
25	Lafarge Surma Cement	1,986,426	1,645,000
26	Lankabangla Finance	42,064,398	23,623,010
27	Meghna Petroleum Ltd	3,727,948	3,502,850
28	Mercantile Bank Ltd	7,767,927	6,693,595
29	Mercantile Ins. Ltd.	13,454,471	11,166,750
30	Midas Financing Ltd.	43,309,041	20,323,500
31	National Bank Ltd.	43,919,490	26,520,663
32	National Housing	7,568,933	4,237,500
33	Nccbl	10,357,807	8,717,800
34	Nitol Insurance	14,478,105	8,344,940
35	One Bank Ltd.	16,554,867	13,212,600
36	Padma Oil Co. Ltd	1,354,434	1,265,625
37	Peoples Insurance	5,347,367	4,702,500
38	Peoples Leasing	15,421,206	6,446,304
39	Popular Life 1St Mf	10,942,139	7,920,000
40	Pragati Ins Ltd.	57,417,382	32,359,392
41	Prime Bank Limited	66,952,605	62,903,700
42	Prime Bank1St Icb Mf	4,123,046	2,635,500
43	Prime Finance	34,119,383	7,216,000
44	Prime Islami Life	36,055,374	14,674,000
45	Pubali Bank Ltd.	17,963,735	16,502,475
46	Rupali Insurance	1,934,740	4,440,228
47	Social Islami Bnk ltd	23,360,173	17,460,000
48	Southeast Bank Ltd	4,126,568	4,010,000
49	Square Pharma	179,263,369	169,443,000
50	Standard Insurance	10,126,014	8,628,906
51	Summit Power Ltd.	98,449,782	67,693,718
52	The Premier Bank Ltd	15,691,794	11,344,779
53	Titas Gas T&D Co Ltd	129,839,389	114,160,725
54	Ucbl	67,583,623	41,536,000
55	Union Capital Ltd	6,628,185	2,780,000
56	Uttara Bank Limited	8,200,958	5,329,238
	Total	1,659,597,158	1,163,045,264

5.00 Margin Loan to Clients			
Portfolio Margin Loan		1,690,402,709	1,374,929,093
	Sub total	<u>1,690,402,709</u>	<u>1,374,929,093</u>
6.00 Accounts Receivable			
Receivable from Brokers for Investors Portfolio		10,304,323	22,646,906
Receivable from Brokers form Own Portfolio		-	2,132,522
Interest receivable from SND A/c-PB		-	-
Dividend receivable		5,401,675	10,076,074
Underwriting commission receivable		2,153,000	4,261,000
	Sub total	<u>17,858,998</u>	<u>39,116,502</u>
7.00 Advance Income Tax			
Opening balance		7,005,199	-
Add: AIT during the year (Note:7.01)		10,379,479	7,005,199
Closing balance		<u>17,384,679</u>	<u>7,005,199</u>
7.01 Advance tax on Interest income			
Advance tax on dividend income & Others		2,695,062	1,096,835
		7,684,366	5,908,364
	Sub total	<u>10,379,479</u>	<u>7,005,199</u>
8.00 Other Assets			
Suspense A/c-Petty cash		-	-
Printed stationery		61,650	71,950
	Sub total	<u>61,650</u>	<u>71,950</u>
9.00 Share Capital			
9.01 Authorized Capital			
50,000,000 ordinary shares of TK. 100/- each		<u>5,000,000,000</u>	<u>5,000,000,000</u>
9.02 Issued,Subscribed and Paid Up Capital			
15,000,000 Ordinary Shares of TK. 100 each		1,500,000,000	1,500,000,000
Less: Un-Paid Capital		-	-
	Total	<u>1,500,000,000</u>	<u>1,500,000,000</u>
9.03 Pattern of shareholdings:			
Name	Nos. of Shares	Amount(TK)	
Mr.Kazi Akramuddin Ahmed	50	5,000	
Mr. Al-haj Md. Yousuf Chowdhury	50	5,000	
Mr. Mohammed Abdul Aziz	50	5,000	
ICB represented by the Managing Director Mr. Md. Fayekuzzaman	50	5,000	
Mr. Tazmeem Mostafa Chowdhury	50	5,000	
Dr. Mohammed Rezaul Islam	50	5,000	
Mr.Sheikh Omar Faruque	50	5,000	
Md. Nizamul Alam	50	5,000	
Md.Shahedul Alam	50	5,000	
Mr. Mufakhkharul Islam	50	5,000	
Standard Bank Limited represented by the Managing Director Mr. S A Farooqui	14,999,500	1,499,950,000	
Total		<u>1,500,000,000</u>	
10.00 Retained earnings			
As per last accounts		(57,019,892)	-
Less: Issuance of bonous shares		-	-
Add: Profit for the period		103,111,248	(57,019,892)
	Sub total	<u>46,091,356</u>	<u>(57,019,892)</u>
11.00 Short Term Loan			
Opening Balance		1,389,726,044	-
Add:Addition during the year		343,356,615	-
		<u>1,733,082,659</u>	-
Less: Refund During the year		190,000,000	-
Closing Balance		<u>1,543,082,659</u>	<u>1,389,726,044</u>

The above loan, Loan (General) was taken from Standard Bank Limited bearing interest @ 14% per annum on quarterly basis vide reference No.SBLHO/CR/LMT-1/2011/1576 dated 24.04.2011.

12.00 Bills Payable

Merchant Bank and Accounting Software was purchased from Leads Corp. Ltd amounting to Tk.16.00 lac. 50% payment was made at the time of work order and balance 50% would be made payable after successful operation of Accounting Software.

13.00 Accrued expenses

CDBL charges	36,790	76,633
Accrued Misc.Exp. (Note:13.01)	189,891	200,000
Depreciation	-	-

Sub total 226,681 276,633

13.01 Accrued Miscellaneous Expenses

Opening balance	200,000	-
Add: Accrued Exp.during the year	158,210	200,000
Less: Adjustment	168,319	-
Closing balance	<u>189,891</u>	<u>200,000</u>

14.00 Sundry deposit

Portfolio deposit Account (Investors)	21,098,599	37,239,964
Affected Small Investors Deposit	153,757	-
Unidentified entries	35,000	15,000

Sub total 21,287,356 37,254,964

15.00 Liability for withholding Tax & VAT

Withholding Salary Tax	-	18,111
Withholding VAT	-	13,320
LFC	216,000	210,950

Sub total 216,000 240,381

16.00 Accounts Payable

Payable to brokers against buying of Securities	40,178,807	-
	<u>40,178,807</u>	<u>-</u>

17.00 Other Income

Documentation Fees	13,000	29,500
Charge for Investment Certificate	50,400	82,400
Account Closing Charges	31,200	42,600
Sharing Infrastructure Charge	3,750,000	6,022,534
	<u>3,844,600</u>	<u>6,177,034</u>

18.00 Interest expenses

Interest paid to loan from standard bank Ltd	202,310,641	148,346,158
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Sub total 202,310,641 148,346,158

19.00 Salaries and allowances

Salaries (Basic)	2,838,100	3,089,200
Remuneration for Probationaries	151,285	-
House rent allowance	1,419,050	1,227,100
Utility	337,300	377,400
House Maintenance	337,300	377,400
Medical allowance	828,133	743,997
Conveyance allowance	158,747	162,567
Provident fund (Bank contribution)	283,810	245,420
Leave fare compensation (LFC)	220,533	210,950
Festival Bonus	591,040	433,500
Washing allowance	11,550	11,900
Closing Allowances	-	-
Car Maintenance	280,920	30,000
Driver Salary	105,000	273,336
Casual Wages	229,045	203,158
Car Fuel	111,000	102,000

Sub total 7,902,813 7,487,928

20.00 Rent, Taxes, Insurance, Electricity etc.		
Rent for Office Premises	2,153,840	1,873,040
Electricity	179,164	104,856
Water & Sewerage	41,178	55,432
City Corporation Tax	29,036	29,036
Rent for pot plant	25,000	79,000
Sub total	2,428,218	2,141,364
21.00 Postage, Stamp, Telecommunication Etc.		
Postage and courier	6,403	21,100
Telephone bill	6,732	8,622
Mobile bill	54,100	20,500
Sub total	67,235	50,222
22.00 Stationery, Printing, Advertisement etc.		
Printing & Stationery	84,944	288,631
Computer, Printer & Networking Accessories	60,650	196,860
Advertisement & Publicity	-	733,178
Sub total	145,594	1,218,669
23.00 Director's fees and Others		
Director's fees	207,000	161,111
Director's entertainment	130,352	89,216
Director's traveling	197,400	116,000
Sub total	534,752	366,327
24.00 Audit & Consultancy		
Audit fees	57,500	57,500
Consultancy fees	-	10,000
Professional fees	-	69,000
Legal fees	50,000	-
Sub total	107,500	136,500
25.00 Depreciation & Repair of Bank's Assets:		
Depreciation on Office equipment	199,752	249,689
Depreciation on computer, printer and ups	186,792	222,566
Depreciation on Office renovation	367,992	408,880
Depreciation on furniture & fixture	18,035	20,038
Software	97,280	121,600
Sub Total	869,851	1,022,773
26.00 Other Expenses:		
Travelling & Conveyance expenses	15,535	13,765
Entertainment expenses (office)	27,841	121,064
Photocopy and photograph	4,546	5,389
Training & Recruitment expenses	18,000	21,000
Uniform & Leverage	13,000	11,403
Drinking water bill	12,040	27,160
CDBL charges	1,624,175	602,144
Registration & Renewal fees	153,000	4,000
BO account maintenance fee	-	800
Membership subscription-BMBA	-	75,000
Miscellaneous expense for Board Meeting	9,323	16,432
Maintenance, repair, renovation	54,454	41,160
Paper & Periodicals	9,854	9,203
Cable connection bill	2,100	3,000
Misc. Accrued Expense	87,500	200,000
Other charges (Excise duty, MICR cheque book)	28,383	31,500
Sub total	2,059,751	1,183,026
27.00 Provision for diminution in value of Investment		
Opening balance	291,191,197	-
Add: Provision made during the period	41,072,139	291,191,197
Closing balance	332,263,336	291,191,197
28.00 Provision for Portfolio Margin Loan		
Opening balance	-	-
Add: Provision made during the period	25,355,500	-
Closing balance	25,355,500	-

29.00 Provision for interest waiver to affected investors

Opening balance	-	-
Add: Provision made during the period	120,904	-
Closing balance	<u>120,904</u>	<u>-</u>

30.00 Provision for Corporate Income Tax

Opening balance	1,990,574	-
Add: Provision made during the year (Note-30.01)	5,274,416	1,990,574
Closing balance	<u>7,264,990</u>	<u>1,990,574</u>

30.01 Calculation of Provision for Corporate Income Tax:

Interest Income		254,885,460
Less: Interest Expenses		<u>(202,310,641)</u>
Net Interest Income		52,354,819
Add: Operating Income		
Transaction & Settlement fees	15,340,686	
Management fees	32,875,629	
Underwriting Commission	2,163,000	
Documentation charges	13,000	
Sharing Infrastructure charges	3,750,000	
Investment Certificate charges	50,400	
Account Closing charges	31,200	
Total Income		<u>54,213,915</u>
Less: Operating Expenses	(14,115,713)	106,568,734
Less: All Provision	<u>(66,548,543)</u>	<u>(80,664,256)</u>
Business Income		25,904,478
Less: Retained Earnings (Loss) for the year of 2011		<u>(57,019,892)</u>
Net Position available for the determination of Corporate Tax		<u>(31,115,414)</u>

Corporate Tax Calculation:

Particulars	Source of Income/Taka	Applicable Tax rate (%)	Provision/Taka
Total Dividend on Investment in Share	32,493,800		
Less: Net Position available for the determination of Corporate Tax	<u>(31,115,414)</u>		
Net Dividend on Investment in Share	1,378,386	20%	275,677
Gain on sale of Shares	49,967,387	10%	4,996,739
			<u>5,274,416</u>

STANDARD BANK LIMITED

Balance with other Bank-outside Bangladesh (Nostro Accounts) as at 31st December 2012

(Annexure-A)

Name of the Bank	Currency Name	31.12.2012			31.12.2011		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT
Interest Bearing.							
Standard Chartered Bank, New York	USD	3,078,016.68	79.85	245,779,324.10	168,435.68	81.85	13,786,948.87
Mashreq Bank Psc, New York	USD	1,342,320.34	79.85	107,184,144.92	382,274.55	81.85	31,290,280.51
HSBC Bank, New York	USD	4,949,629.38	79.85	395,227,411.03	932,541.84	81.85	76,331,253.98
Wachovia Bank, N.A., New York	USD		79.85	-	61,442.60	81.85	5,029,254.99
Citi Bank, N.A., New York	USD		79.85	-	839,044.74	81.85	68,678,245.20
ICICI Bank Ltd., Mumbai, India	ACU	184,110.00	79.85	14,701,165.09	29,432.76	81.85	2,409,156.76
A.B. Bank LTD. MUMBAI	ACU	141,262.86	79.85	11,279,825.24	166,392.83	81.85	13,619,735.67
Non Interest Bearing							
HSBC, Mumbai, India	ACU	93,783.72	79.85	7,488,620.66	52,983.49	81.85	4,336,852.31
AXIS Bank Limited, Mombai,India	ACU	858.70	79.85	68,567.11	858.70	81.85	70,287.09
Standard Chartered Bank Ltd., Mumbai, India	ACU	46,963.71	79.85	3,730,047.55	198,577.39	81.85	16,254,135.25
Standard Chartered Bank Ltd.,Frankfurt	EURO	112,370.36	106.23	11,936,867.37	33,749.40	105.90	3,574,176.21
Standard Chartered Bank Ltd., Tokyo	JPY	2,472,280.00	0.94	2,311,952.64	1,509,470.00	1.05	1,585,547.29
ICICI Bank Ltd., Hongkong	USD	55,014.94	79.85	4,392,937.46	5,889.49	81.85	482,071.84
Nepal Bangladesh Bank Ltd, Kathmandu	ACU	2,127.40	79.85	169,872.68	9,197.40	81.85	752,833.86
HSBC Bank, Karachi, Pakistan	ACU	45,922.02	79.85	3,666,868.70	45,208.07	81.85	3,700,411.63
Bhutan National Bank, Bhutan	ACU	1,550.70	79.85	123,823.24	1,300.70	81.85	106,466.07
Commerz Bank, Frankfurt	EURO	1,060,707.34	106.23	112,636,713.24	139,811.68	105.90	14,806,532.27
Habib American Bank Ltd.	USD	4,834,929.89	79.85	387,665,666.22	1,753,979.92	81.85	143,568,342.99
Habib Metropolitan Bank Ltd, Karachi,Pakistan	ACU	147,373.00	79.85	11,767,719.31			-
Mashreq Bank, London	GBP	6,943.15	130.01	902,651.85	7,661.73	126.46	968,924.59
HSBC Bank Psc, London, UK	GBP	313,908.60	130.01	40,810,032.84	119,001.09	126.46	15,049,222.94
HSBC Bank Australia Ltd, Sydney, Australia	AUD	4,650.79	84.02	390,747.28	4,600.83	82.59	380,000.49
Total				1,362,294,958.54			416,780,680.82

STANDARD BANK LIMITED

Fixed Assets Including Premises, Furniture and Fixtures as at 31st December 2012

Annexure-"B"

Description	Cost					Depreciation					Written down value at 31st December 2012
	Balance at 1st January 2012	Addition during the year	Adjustment for disposal	Balance at 31st December 2012	Balance at 1st January 2012	Addition during the year	Adjustment for disposal	Balance at 31st December 2012			
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka			
Land and Building	138,273,959	24,478,501	-	162,752,460	2,155,751	3,351,065	-	5,506,816	157,245,644		
Furniture & Fixture	203,137,815	49,884,893	-	253,022,708	47,991,362	17,725,826	-	65,717,188	187,305,520		
Office Appliances	249,606,120	64,139,401	-	313,745,521	95,301,209	36,374,088	-	131,675,297	182,070,224		
Software	33,682,585	42,266	-	33,724,851	13,513,952	7,104,800	-	20,618,752	13,106,099		
Bank Vehicle	56,704,053	5,748,498	-	62,452,551	32,895,048	6,167,360	-	39,062,408	23,390,143		
Total 31.12.2011	681,404,532	144,293,559	-	825,698,091	191,857,322	70,723,139	-	262,580,461	563,117,630		
Total 31.12.2010	503,265,336	181,387,608	3,248,412	681,404,532	129,327,683	62,926,389	396,750	191,857,322	489,547,211		

STANDARD BANK LIMITED

Loan and advances to Directors/Sponsors and their related concern as on 31.12.12

* Figure in Lac *

Annexure-C

Sl. No.	Name of the Directors /Sponsors	Status with Bank	Name of Firm/Companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Nature of Facilities	Limit (Taka)	Outstanding amount (Taka)	Classification status	Remarks
1	Mr. Kazi Akramuddin Ahmed	Chairman	M/s. Kazi & Co.	CC(H)	300.00	123.51	UC	Regular
2	Mr. Alhaj Md. Yousuf Chowdhury	Vice Chairman	M/s. Lucky Traders	CC(H)	328.00	166.00	UC	Regular
3	Mr. Ferdous Ali Khan	Director	M/s. Ferdous Tailors & Fabrics	CC(H)	20.00	20.31	UC	Regular
4	Mr. Karim Mostafa Chowdhury	Director	M/s. Raja Corporation	SOD(Gen)	488.00	72.93	UC	Regular
5	Alhaj Md. Shamsul Alam	Director	M/s. Radio Vision	CC(H)	230.00	183.88	UC	Regular
6	Mr. Md. Abdul Aziz	Director	M/s. Diamond Commercial Agency	CC(H)	449.00	0.00	UC	Regular
7	Mr. Feriur Rahman	Director	M/s. Olio Enterprise	CC(H)	420.00	90.00	UC	Regular
8	Alhaj Md. Monzurul Alam	Director	M/s. Marjur Alam	CC(H)	250.00	16.50	UC	Regular
9	Mr. S.A. M. Hossain	Director	M/s. Samira Trade International	CC(H)	160.00	139.36	UC	Regular
10	Mr. Mohammad Zahedul Haque	Director	M/s. NIZ Fashion	CC(H)	522.00	522.00	UC	Regular
Total					3167.00	1354.49		

STANDARD BANK LIMITED

Name of the Directors/ Sponsors and the entities in which they have interest as on 31st December, 2012

SL. No.	Name & Address	Status with Bank	Name of Firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor employee, etc.	Position	Percentage (%) of Holding/ Interest in the concern	Remarks
1	2	3	4	5	6	7
1	Mr. Kazi Akramuddin Ahmed House # 73, Road # 6, O.R. Nizam Road R/A, Chittagong.	Chairman	The Eastern Engineering Works Ltd. Bright Steel Ware Rope MFG Co. Ltd. M/s. Kazi & Co.	Managing Director Managing Director Proprietor	64.00% 33.33% 100.00%	
2	Mr. Kamal Mostafa Chowdhury "Bedura House", 72, Bangshal Road, Firingi Bazar, Kotwali, Chittagong.	Director	Raja Corporation Raja Securities Ltd. Holy Crescent Hospital Ltd. K. M. C. International	Proprietor Managing Director Director Proprietor	100.00% 14.29% 2.27% 100.00%	
3	Mr. Mohammad Nurul Islam (Relieved from Directorship on 04.07.2012) 952/B, Osman Manzil, (18 th Floor) Asadgong, Chittagong	Director	Moon International M/S Md. Nurul Islam Isratils Agro-Corp & Dairy Ltd M/S Asla Enterprise	Proprietor Proprietor Chairman Proprietor	100% 100% 20% 100%	
4	Mr. Ashok Kumar Saha 29/B, Ghaiforhadbeg Chittagong	Vice Chairman	N.G. Saha Steel Inds. (Pvt.) Ltd. NGS Cement Inds Ltd NGS Steel Inds. Ltd. Ultam Oil Mills Ltd. NGS Foods & Beverage Products Skyview Advertising	Director Director Director Director Proprietor Proprietor	25% 25% 25% 25% 100% 100%	
5	Mr. Ferozur Rahman My Heart', 8/1, Sukrabad, Agargaon, Dhaka.	Director	Golden Dragon Ltd. Hotel Eram Intl. Ltd. Hotel Pescocock M/s. Olio Enterprise	Director Director Director Proprietor	16% 21.75% 65% 100%	
6	Mr. Md. Monzurul Alam 2-18, D.T. Road, Dewamhat, Chittagong.	Director	Taher & Co. Ltd. Golden Brick Works Ltd. Golden Steel Alloy Works Ltd. Al-Haj Mostafa Hakim- Housing & Real Estate Ltd. Golden Oxygen Ltd Al-haj Mostafa Hakim Cement Ind. Ltd.	Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director	36714 shares 219725 shares 124163 shares 101000 shares 101000 shares 9500 shares	

STANDARD BANK LIMITED

Name of the Directors/ Sponsors and the entities in which they have interest as on 31st December, 2012

7	Mr. S. A. M. Hossain Victor Electronics 400 Bipani Bhan (3 rd Floor), Chittagong.	Director	Golden Iron Works Ltd. Mrs. Monzur Alam Mutual Jute Spinner Ltd. Mostafa Hakim Container Yard, Ltd. Al-Haj Mostafa hakim Bricks, Ltd Eagle Star Textile Mills Limited H.M. Steel & Ind. Ltd.	Managing Director Proprietor Managing Director Managing Director Managing Director Chairman	218525 shares 100% 4000 shares 5000 shares 5000 shares 30357 shares 10000 shares	
8	Mr. Mohammed Abdul Aziz 268, Fakirapool, Motijheel, Dhaka	Director	Diamond Commercial Agency Ruma Products Moonlux Composite Knit Garment Ltd.	Proprietor Proprietor Proprietor Director	100% 100% 100% 12.50%	
9	Al-Haj Mohammed Shamsul Alam Mrs. Radio Vision 398, Bipani Bhan Chittagong.	Director	M/S. Radio Vision M/S. Pam Complex Global Information Network M/S. A.B. Electronics M/S. G. Telecom M/S. G. Net Digital Communication Midas Financing Ltd.	Partner Shareholder Shareholder Partner Partner Partner Shareholder	50% 10% 10% 40% 33.33% 33.33% 33.33%	
10	Mr. Abdul Ahad New Apan Jewellers, 31/B, Baitul Mukarram, Dhaka	Director	New Apan Jewellers	Proprietor	100%	
11	Mr. Md. Zahedul Hoque 284/285, Khairungrj, Chittagong.	Director	M/S Zahed Brothers M/s NLZ Fashion M/S NLZ Fashion Ltd. M/S. Noor Oil & Food Products Ltd. M/S. Ararat Ltd.	Proprietor Proprietor Managing Director Director Director	100% 100% 100% 80%	
12	Mr. Ferdous Ali Khan (Relieved from Directorship on 04.07.2012) House # 27, Lake Drive Road, Sector # 7, Uttara Model Town Dhaka	Director	Ferdous Tailors & Fabrics	Proprietor	100%	
13	Al-Haj Md. Yousuf Chowdhury 8/B, O. R. Nazam Road, Panchlalish R/A., Chittagong	Director	M/s. Lucky Traders M/s Lucky International M/s. J.Y. Trading M/s. Modern Corporation	Proprietor Proprietor Proprietor Proprietor	100% 100% 100% 100%	
14	Mr. Moshfiqur Maimun Rizvi (Relieved from Directorship on 04.07.2012) 51, Park Road, Baridhara Dhaka, Bangladesh.	Director	Desh General Insurance Company	Director	10800 shares	

STANDARD BANK LIMITED

Name of the Directors/ Sponsors and the entities in which they have interest as on 31st December, 2012

15	Investment Corporation of Bangladesh, representing by Managing Director Mr. Md. Fayekuzzaman. Investment Corporation of Bangladesh (ICB), Head Office, 8, Rajuk Avenue(14 th Floor), Dhaka.	Director	Not Applicable	
16	Mr. Shaikh Meesbauddin (Relieved from Directorship on 04.07.2012) House # 93, Road # 02, Block # A, Niketon, Gulshan-1, Dhaka-1212	Director	M. I. Z. Enterprise Proprietor	100%
17	Mr. S. S. Nizamuddin Ahmed House # 1, Road # 2/A (Banani Chairman Bari) Banani, Dhaka	Independent Director	Not Applicable	
18	Mr. S. A. Farooqui, Managing Director & CEO, Standard Bank Ltd. Chamber Building (3 rd floor) 122-124, Molijheel C/A., Dhaka-1000	Ex-Officio Director	Not Applicable	

STANDARD BANK LIMITED

Name of Directors and their Shareholdings as on 31st December, 2012

Sl. No.	Name of Directors	Status	Opening Share balance as on 01.01.2012	Closing Share balance as on 31.12.2012
1	Mr. Kazi Akramuddin Ahmed	Chairman	95,63,260 Shares of Tk. 10/- Each Tk. 9,56,32,600/-	1,14,75,912 Shares of Tk. 10/- Each Tk. 11,47,59,120/-
2	Mr. Kamal Mostafa Chowdhury	Director	97,98,160 Shares of Tk. 10/- Each Tk. 9,79,81,600/-	1,17,57,792 Shares of Tk. 10/- Each Tk. 11,75,77,920/-
3	Mr. Mohammad Nurul Islam Relieved from Directorship on 04.07.2012	Director	55,71,300 Shares of Tk. 10/- Each Tk. 5,57,13,000/-	73,25,560 Shares of Tk. 10/- Each Tk. 7,32,55,600/-
4	Mr. Ashok Kumar Saha	Vice Chairman	40,47,100 Shares of Tk. 10/- Each Tk. 4,04,71,000/-	97,95,720 Shares of Tk. 10/- Each Tk. 9,79,57,200/-
5	Mr. Ferozur Rahman	Director	66,62,640 Shares of Tk. 10/- Each Tk. 6,66,26,400/-	1,00,98,168 Shares of Tk. 10/- Each Tk. 10,09,81,680/-
6	Mr. Mohammad Monzurul Alam	Director	64,12,640 Shares of Tk. 10/- Each Tk. 6,41,26,400/-	97,47,768 Shares of Tk. 10/- Each Tk. 9,74,77,680/-
7	Mr. Serajul Anwar Mohammad Hossain	Director	1,10,59,320 Shares of Tk. 10/- Each Tk. 11,05,93,200/-	1,32,71,184 Shares of Tk. 10/- Each Tk. 13,27,11,840/-
8	Mr. Mohammed Abdul Aziz	Director	1,14,95,620 Shares of Tk. 10/- Each Tk. 11,49,56,200/-	1,37,94,744 Shares of Tk. 10/- Each Tk. 13,79,47,440/-
9	Al-Haj Mohammed Shamsul Alam	Director	1,05,90,720 Shares of Tk. 10/- Each Tk. 10,59,07,200/-	1,27,08,864 Shares of Tk. 10/- Each Tk. 12,70,88,640/-
10	Mr. Abdul Ahad	Director	1,38,66,850 Shares of Tk. 10/- Each Tk. 13,86,68,500/-	1,66,40,220 Shares of Tk. 10/- Each Tk. 16,64,02,200/-
11	Mr. Mohammad Zahedul Hoque	Director	24,00,120 Shares of Tk. 10/- Each Tk. 2,40,01,200/-	1,11,20,803 Shares of Tk. 10/- Each Tk. 11,12,08,030/-
12	Mr. Ferdous Ali Khan Relieved from Directorship on 04.07.2012	Director	55,50,080 Shares of Tk. 10/- Each Tk. 5,55,00,800/-	97,47,596 Shares of Tk. 10/- Each Tk. 9,74,75,960/-
13	Al-Haj Mohammad Yousuf Chowdhury	Director	66,28,300 Shares of Tk. 10/- Each Tk. 6,62,83,000/-	97,47,360 Shares of Tk. 10/- Each Tk. 9,74,73,600/-
14	Mr. Moshfeque Mamun Rizvi Relieved from Directorship on 04.07.2012	Director	18,16,760 Shares of Tk. 10/- Each Tk. 1,81,67,600/-	16,30,112 Shares of Tk. 10/- Each Tk. 1,63,01,120/-
15	Investment Corporation of Bangladesh (ICB) represented by it's Managing Director Mr. Md. Fayekuzzaman	Director	2,95,89,950 Shares of Tk. 10/- Each Tk. 29,58,99,500/-	3,56,09,403 Shares of Tk. 10/- Each Tk. 35,60,94,030/-
16	Mr. Shaikh Mesbauddin Relieved from Directorship on 04.07.2012	Director	38,40,000 Shares of Tk. 10/- Each Tk. 3,84,00,000/-	46,08,000 Shares of Tk. 10/- Each Tk. 4,60,80,000/-
17	Mr. Sahazada Syed Nizamuddin Ahmed	Independent Director	1,23,040 Shares of Tk. 10/- Each Tk. 12,30,400/-	1,47,648 Shares of Tk. 10/- Each Tk. 14,76,480/-
18	Mr. S. A. Farooqui	Ex-Officio Director	Nil	Nil

STANDARD BANK LIMITED

Highlights

Sl. No.	Particulars	31.12.2012	31.12.2011
01.	Paid up capital	4,873,584,430	4,061,320,361
02.	Total capital	9,022,656,100	7,702,147,977
03.	Capital surplus/(deficit)	1,021,046,100	939,217,977
04.	Total assets	94,369,883,502	74,953,080,139
05.	Total deposits	76,112,082,501	63,820,621,033
06.	Total loans and advances	61,527,715,535	55,332,044,249
07.	Total contingent liabilities and commitments	19,787,807,193	17,103,818,896
08.	Credit deposit ratio	80.84%	86.70%
09.	Percentage of classified loans against total loans and advances	2.50%	2.19%
10.	Profit after tax and provision	1,331,251,447	1,296,508,644
11.	Amount of classified loans during the year	1,538,699,860	1,211,228,000
12.	Provisions kept against classified loan	850,736,202	539,616,000
13.	Provision surplus/(deficit)	12	-
14.	Cost of fund	12.72%	11.60%
15.	Interest earning assets	82,665,176,058	66,487,109,785
16.	Non-interest earning assets	11,704,707,443	8,465,950,353
17.	Return on investment (ROI)	7.31%	7.35%
18.	Return on assets (ROA)	1.57%	1.83%
19.	Incomes from investment	990,778,896	630,567,427
20.	Earning per share (Taka)	2.73	2.66
21.	Price earning ratio (times)	7.03	11.35

Standard Exchange Company (UK) Limited

Financial Statements for the year ended

31st December 2012

Registered in England & Wales

Registration No: 06851946

Standard Exchange Co. (UK) Limited

Financial Statements for the year ended 31st December 2012

Company Information

Ownership	100% owned by Standard Bank Ltd, Bangladesh
Directors	Mr Kazi Akram Uddin Ahmed Mr Saleh Ahmed Farooqui
Registered Officer	101, Whitechapel Road London E1 1DT
Company Number	6851946
Banker	BARKLAYS BANK PLC.
Accountants	Jahan & Co. Chartered Management Accountants 22 Osborn Street London E1 6TD

Standard Exchange Co. (UK) Limited

Directors' Report for the year ended 31st December 2012

The directors present their report and accounts for the year ended 31 December 2012

Principal Activities

The principal activity of the company in the year under review was MONEY REMITTANCE & BUREAU DE CHANGE.

Directors : The directors who served during the year and their interests in the share capital of the company were as follows:

	2012 No.	2011 No.
Mr. Kazi Akram Uddin Ahmed	0	0
Mr. Saleh ahmed Farooqui	0	0

Directors Responsibilities

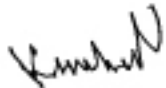
The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

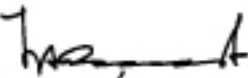
The Financial Statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period.

The Report of the directors has been prepared in accordance with the special provisions within part 15 of the Companies Act 2006.

This report was approved by the board on 11 January 2013



Mr. Kazi Akram Uddin ahmed
Director



S. A. Farooqui
Director

Standard Exchange Company (UK) Limited

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE FINANCIAL STATEMENTS OF STANDARD EXCHANGE COMPANY (UK) LIMITED, FOR THE YEAR ENDED 31ST DECEMBER 2012

In order to assist you to fulfill your duties under the Companies Act 2006, we have prepared for your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LIMITED for the year ended 31 December 2012 as set out on pages 167-172 from the company's accounting records and from information and explanations you have given us.

As a practising members of the Chartered Institute of Management Accountants (CIMA), we are subject to its ethical and other professional requirements which are detailed on their website.

This report is made solely to the Board of Directors of STANDARD EXCHANGE COMPANY (UK) LIMITED, as a body, in accordance with the terms of our engagement letter dated. Our work has been undertaken solely to prepare for your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LIMITED and state those matters that we have agreed to state to the Board of Directors of STANDARD EXCHANGE COMPANY (UK) LIMITED as a body, in this report, in accordance with the requirements the Chartered Institute of Management Accounts (CIMA) as detailed on their website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than STANDARD EXCHANGE COMPANY (UK) LIMITED and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that STANDARD EXCHANGE COMPANY (UK) LIMITED has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profitability of STANDARD EXCHANGE COMPANY (UK) LIMITED. You consider that STANDARD EXCHANGE COMPANY (UK) LIMITED is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of STANDARD EXCHANGE COMPANY (UK) LIMITED, verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Jahan & Co.
Chartered Management Accountants
22 Osborn Street
London E1 6TD

11 January 2013

Standard Exchange Company (UK) Limited

Profit and Loss Account for the year ended 31st December 2012

	Notes	2012 £	2011 £
Turnover		138,386	209,161
Gross Profit		138,386	209,161
Distribution costs		(3,157)	(7,380)
Administrative expenses	3	(221,109)	(236,407)
Operating Loss		(85,880)	(34,626)
Loss on Ordinary Activities Bdfore Taxation		(85,880)	(34,626)
Loss on Ordinary Activities After Taxation		(85,880)	(34,626)
Loss for the Financial Year		(85,880)	(34,626)

Standard Exchange Company (UK) Limited

Balance Sheet as at 31st December 2012

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	5		32,500		38,111
Current Assets					
Debtors (amounts falling due within one year)	6	8,909		17,500	
Cash at Bank and in hand		145,261		103,159	
		<u>154,170</u>		<u>120,659</u>	
Creditors					
Amounts falling due within one year	7	<u>(165,028)</u>		<u>(51,248)</u>	
Net Current Assets (Liabilities)			(10,858)		69,411
Total Assets less Current Liabilities			<u>21,642</u>		<u>107,522</u>
Capital and Reserves					
Called up Share Capital	8		300,000		300,000
Profit & Loss Account	9		(278,358)		(192,478)
Shareholders' Fund			<u>21,642</u>		<u>107,522</u>

Standard Exchange Company (UK) Limited Balance Sheet (continued)

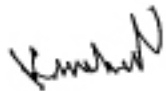
Director's Statements required by section 415 for the year ended 31st December 2012

For the year ending 31 December 2012 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

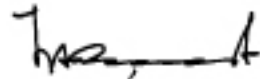
The members have not required the company to obtain an audit in accordance with section 476 of the companies Act 2006. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 11 January 2013 and signed on their behalf by



Kazi Akram Uddin Ahmed
Director



Saleh Ahmed Farooqui
Director



Mahmudul Alam
CEO

Standard Exchange Company (UK) Limited

Notes to the Accounts for the year ended 31st December 2012

1 Accounting Policies

1a Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1b Cash Flow

The Company is exempt from including a statement of cash flows in its accounts in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008)

1c Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Short Leasehold Properties	straight line 15 Years%
Plant and Machinery	reducing balance 20%
Fixtures and Fittings	reducing balance 20%

1d. Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

2. Turnover

The turnover and pre-tax result is attributable to Money Remittance & Bureau De Change.

	2012 £	2011 £
Remittance Commission	120,900	153,707
Bureau De Change Gain	17,486	55,454
	138,386	209,161

3. Operating Profit

	2012 £	2011 £
Operating Profit is started after charging:		
Depreciation	6055	7163

4. TAX on Ordinary Activities

2012 £	2011 £

Standard Exchange Company (UK) Limited

Notes to the Accounts for the year ended 31st December 2012

5. TANGIBLE FIXED ASSETS

	Short Leasehold Properties	Plant and Machinery	Fixtures and Fittings	Total
	£	£	£	£
Cost				
At 1 January 2012	17,733	17,465	28,738	63,936
Additions	-	324	120	444
At 31 December 2012	<u>17,733</u>	<u>17,789</u>	<u>28,858</u>	<u>64,380</u>
Depreciation				
At 1 January 2012	3,546	8,323	13,956	25,825
for the Year	<u>1,182</u>	<u>1,893</u>	<u>2,980</u>	<u>6,055</u>
At 31 December 2012	<u>4,728</u>	<u>10,216</u>	<u>16,936</u>	<u>31,880</u>
Net Book Amounts				
At 31 December 2012	<u>13,005</u>	<u>7,573</u>	<u>11,922</u>	<u>32,500</u>
At 31 December 2011	14,187	9,142	14,782	38,111

6. DEBTORS

	2012 £	2011 £
Amounts falling due within one year: other debtors	8,909	17,500
	<u>8,909</u>	<u>17,500</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Other debtors	165,028	51,248
	<u>165,028</u>	<u>51,248</u>

8. SHARE CAPITAL

	2012 £	2011 £
Allotted, issued and fully paid: 300000 Ordinary share of £ 1 Each	300000	300000
	<u>300000</u>	<u>300000</u>

9. PROFIT AND LOSS RESERVE

	2012 £	2011 £
Opening balance		
Loss for the Year	(192,478)	(157,852)
	<u>(85,880)</u>	<u>(34,626)</u>
	<u>(278,358)</u>	<u>(192,478)</u>

10. TRANSACTION WITH DIRECTORS

No Transaction were undertaken between the directors and the company.

11. CONTROLLING PARTY

The company is 100% subsidiary of Standard Bank Limited (Bangladesh) and the parent company has full control over the management of the business.

Standard Exchange Company (UK) Limited

Trading and profit and loss account for the Year ended 31 December 2012

	2012	2011
	£	£
Turnover		
Cost of Sales:	138,386	209,161
Gross Profit	<u>138,386</u>	<u>209,161</u>
	<u>138,386</u>	<u>209,161</u>
Less:		
distribution costs	3,157	7,380
administrative expenses	<u>221,109</u>	<u>236,407</u>
	<u>224,266</u>	<u>243,787</u>
	(85,880)	(34,626)
	(85,880)	(34,626)
	(192,478)	(157,852)
	<u>(278,358)</u>	<u>(192,478)</u>

This page does not form part of the Company's Statutory Accounts and is prepared for the information of the Directors only.

Standard Exchange Company (UK) Limited

Profit and loss account summaries for the year ended 31 December 2012

	2012 £	2011 £
Distribution Costs:		
Advertising and sales promotion	50	30
Marketing	-	3,500
Traves & subsistence	1,019	3,642
Staff entertaining	<u>2,088</u>	<u>208</u>
	<u>3,157</u>	<u>7,380</u>
 Administrative Expenses:		
Rent, rates & building insurance	44,741	48,352
Appreciation account	0	6,361
Water, gas & electricity	1706	1,210
Cleaning	653	766
Repairs and renewals	1362	3,229
Salaries & Wages including NIC	83084	91,724
Accountancy fees	3000	-
Professional fees	2384	3,500
Insurance	1869	2,997
Printing	0	300
Printing, Postage, Stationaery & office supplies	499	1,327
Computer Expenses	450	-
Telephone, internet & fax	917	1,697
Fees & subscriptions	327	882
Security services	907	1,074
Bank charges & commisions	73,155	65,825
 Depreciation and Amortisation:		
Deprecciation of short leasehold properties	1,182	1,182
Deprecciation of plant and machinery	1,893	2,286
Deprecciation of fixtures and fittings	<u>2,980</u>	<u>3,695</u>
	<u>221,109</u>	<u>236,407</u>

This page does not form part of the company Statutory Accounts and is prepared for the information of the directors only.

Standard Exchange Company (UK) Limited

2706624992 Corporation Tax computation for the period 01/01/2012-31/12/2012

Loss as per accounts		£
Adds:		(85,880)
Depreciation & Asset Disposal	<u>6,056</u>	<u>6,056</u>
Less:		
Trading Loss		<u>(79,824)</u>

Capital Allowances

01/01/2012-31/12/2012	General Pool
Pool b/f	63,935
Additions	6055
Disposals	<u>0</u>
	69,990
Wda	(0%) <u>0</u>
wdv	<u>69,990</u>

Corporation tax chargeable

Net trading and professional profits	.00
Bank building society or other interest and profits	.00
Income from UK land and buildings	.00
Annual profits and gains not falling under any other heading	.00
Profits before charges and reliefs	<u>.00</u>
Profits chargeable to corporation tax	.00
Total	
Tax	
Tax payable	<u>.00</u>

Memo: Summary of trading losses

Trading Loss	79,824
Trading Loss Remaining	<u>79,824</u>
Losses brought forward	<u>103,221</u>
Losses carried forward	<u><u>183,045</u></u>

Standard Co (USA) Inc. D/B/A: Standard Express

Financial Statements for the year ended
31st December 2012

Employer Identification Number: 27-2112554

Standard Co (USA) Inc. D/B/A: Standard Express

Financial Statements for the year ended 31st December 2012

Company Information

Incorporated	1 February, 2010
Registration Number	27-2112554
Ownership	100% share owned by Standard Bank Ltd, Bangladesh
Directors	Mr Kazi Akram Uddin Ahmed Appointed 1 Feb, 2010 Mr Saleh Ahmed Farooqui Appointed 1 Feb, 2010
Chief Executive Officer	Mohammed Malek Appointed 1Feb, 2010
Registered Office	37-22 73rd Street #2B Jackson Heights, NY 11372
Branch Office	1. Main Branch 37-22 73 rd Street, #2B Jackson Heights, NY 11372 2.Jamaica Branch 168-22 Hillside Avenue Jamaica, NY -11432 3.Ozone Park Office 74-19 101 Avenue Ozone Park, NY 11416
Banker	Habib American Bank, 99 Madison Ave, NY 10016
Banker Accountants	Taxguru.com Corp, 8 School House Way, Dix Hills, NY 11746
Auditors	K.M. Haque CPA, PC. 70-44 Boardway, Jackson Heights NY 11372

Standard Co (USA) Inc. D/B/A: Standard Express

Directors' Report for the year ended 31st December 2012

Directors present their report and the financial statements for the year ended 31st December, 2012.

Principal Activity

The principal activity of the company in the period under review was that of money transfer.

Directors:

Kazi Akram Uddin Ahmed, Saleh Ahmed Farooqui and Mohammed A Malek have held office for the whole year ended 2012 to the date of this report

Directors Responsibilities:

The directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare financial statements on going concern basis

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy of the financial position of the company at any time and ensure that the financial statements comply with the International Accounting Standard (IAS) and Generally Accepted Accounting Principles (GAAP). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

Reporting Accountants:

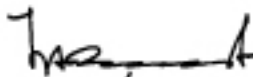
The financial statements have been prepared by the in-house accountant of the company in accordance with International Financial Reporting Standards and Generally Accepted Accounting Principles (GAAP).

These financial statements have been audited and certified by KM haque, CPA appointed by the management.

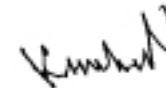
This report was approved by the Management and signed on its behalf by:



Chief Executive Officer
Standard Co (USA) Inc,
D/B/A: Standard Express
37-22 73 street,
Jackson Heights NY -11372



S. A. Farooqui
Director
STANDARD EXPRESS
New York, U.S.A



Kazi Akram Uddin Ahmed
Chairman
STANDARD EXPRESS
New York, U.S.A

March 7,2012

Standard Co (USA) Inc. D/B/A: Standard Express

To
The Board of Directors and Shareholders of
Standard Co. (USA), Inc.
DBA: Standard Express
37-22, 73rd Street, 2(Z, Kabir Tower)
Jackson Heights, NY -11372

We have audited the accompanying balance sheet of STANDARD Co.(USA),Inc. as of December 31, 2012, and the related statements of income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. These 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 overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Standard Co (USA),Inc. as at December 31, 2012, and the results of its operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Jackson Heights, New York
January 26, 2013

K.M. Haque CPA, P.C.

K.M. HAQUE, CPA, P.C.

Certified Public Accountant

70-44 Broadway Jackson Heights,
NY 11372 (718) 478-7071

Standard Co. (USA) Inc. D/B/A. Stanndard Express

Balance Sheet as at 31st December 2012

	Notes	2012		2011	
		\$	BDT	\$	BDT
FIXED ASSETS					
Tangible Assets	6	144,526.48	11,504,308	109,310.42	8,876,006
Current Assets					
Rent Deposits		29,790.00	2,371,284	21,690.00	1,761,228
Pre-paid Expense		2,157.75	171,757	3,022.00	245,386
Deffered Expense-Preliminary Expense		39,445.14	3,139,833	42,479.38	3,449,326
Cash at Bank and in hand		783,454.55	62,362,982	718,932.06	58,377,283
		854,847.44	68,045,856	786,123.44	63,833,223
Creditors					
Amounts falling due within one year	7	393,789.59	31,345,651	136,336.91	11,070,557
Net Current Assets (Liabilities)		461,057.85	36,700,205	649,786.53	52,762,666
Total Assets less Current Liabilities.		605,584.33	48,204,513	759,096.95	61,638,672
Creditors					
Amounts falling due after more than one year		-	-	-	-
		-	-	-	-
Capital and Reserves					
Paid up Capital	8	759,096.95	60,424,117	820,000.00	66,584,000
Profit & Loss Account		-153,512.62	-12,219,605	-60,903.05	-4,945,328
Shareholders' Equity		605,584.33	48,204,513	759,096.95	61,638,672

The directors' statements required by section 415 of the Companies Act 2006 are shown on the following page which forms part of this balance sheet.

Standard Co (USA) Inc. D/B/A: Standard Express Balance Sheet (continued)
Director's statements required by section 415 for the year ended 31st December 2012

"In approving these financial statements, as the director of the company we hereby confirm that:

- a) For the year ended 31st December 2012 the Company was entitled to exemption from audit under section 477 (2) of the Companies Act 2006 relating to small companies regime.
- b) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- c) We acknowledge our responsibilities for:
 - i. Ensuring that the company keeps accounting records which comply with section 386, and
 - ii. Preparing accounts which gives a true and fair view for the state of affairs of the company as at the end of the financial year and of its profit or loss for the year ended in accordance with the requirements of 393 and which otherwise comply with the requirements of the Companies Act relating to accounts so far as applicable to the company."
- d) These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Management and signed on its behalf by



Chief Executive Officer
Standard Co (USA) Inc,
D/B/A: Standard Express
37-22, 73rd Street, # 2B
Jackson Heights NY -11372

January 26, 2012

Standard Co (USA) Inc. D/B/A: Standard Express

Profit and Loss Account for the year ended 31st December 2012

Rate 1 USD=TK. 81.2000 2011

Rate 1 USD=TK. 79.6000 2012

	2012		2011	
	USD	BDT	USD	BDT
INCOME				
Commission	123,251.31	9,810,804	33,069.00	2,685,203
Exchange Gain	231,182.11	18,402,096	131,467.96	10,675,198
Interest Income	5,597.89	445,592	7,505.62	609,456
Total Income	360,031.31	28,658,492	172,042.58	13,969,857
Total Administrative Expenses	513,543.93	40,878,097	232,945.63	18,915,185
Operating Profit/(Loss) (Note-12)	(153,512.62)	(12,219,605)	(60,903.05)	(4,945,328)
Profit/(Loss) on Ordinary Activities Before Tax	(153,512.62)	(12,219,605)	(60,903.05)	(4,945,328)
Tax on profit on ordinary Activities				
Profit (Loss) on Ordinary Activities After Tax	(153,512.62)	(12,219,605)	(60,903.05)	(4,945,328)
Dividends	-	-	-	-
Retained profit/(Loss) for the Period	(153,512.62)	(12,219,605)	(60,903.05)	(4,945,328)
Retained profit/(Loss) Brought forward	(60,903.05)	(4,847,883)	(60,903.05)	(4,945,328)
Appropriation Accounts				
Retained profit/(Loss) Carried Forward	(214,415.67)	(17,067,487)	(60,903.05)	(4,945,328)

Notes

*K. M. Haque CPA, P.C.***K.M. HAQUE, CPA, P.C.**

Certified Public Accountant

70-44 Broadway Jackson Heights,

NY 11372 (718) 478-7071

Standard Co (USA) Inc. D/B/A: Standard Express

Notes to the Accounts for the year ended 31st December 2012

1. Accounting Policies

(a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

(b) Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements"

(c) Depreciation

i. Leasehold Improvement has been depreciated over 10 years on a straight line basis.

ii. Tangible Assets has been depreciated over 5 years on straight line basis.

2. Income

Total income comprises the value of commissions earned, exchange gains and interest earned on Habib American Bank CD Accounts. US Dollars have been converted into Bangladesh Taka @ 1 US Dollar = 79.60 Taka during the reporting period and BDT 81.20 for the year 2011.

3. Operating Profit/(Loss)

	Jan-Dec 2012		Jan-Dec 2011	
	USD	BDT	USD	BDT
Operating profit/(Loss) is stated after charging:				
Depreciation	21,000.73	1,671,658	9,605.02	779,928
Amortization Expense	3,034.24	241,526	3,034.24	246,380
	<u>24,034.97</u>	<u>1,913,184</u>	<u>12,639.26</u>	<u>1,026,308</u>

4. Salary and Wages

Total Salary and wages	191,549.00	15,247,300	92,900.00	7,543,480
	<u>191,549.00</u>	<u>15,247,300</u>	<u>92,900.00</u>	<u>7,543,480</u>

5. Taxation

USA current period taxation

K. M. Haque CPA, P.C.

K.M. HAQUE, CPA, P.C.

Certified Public Accountant

70-44 Broadway Jackson Heights,

NY 11372 (718) 478-7071

Standard Co (USA) Inc. D/B/A: Standard Express

Notes to the Accounts for the year ended 31st December 2012

6.

Fixed Asset	Land & Building USD	Fixture & Fittings USD	Plant & Machinery USD	Total	
				USD	BDT
Cost					
At 1st January 2012	-	65,680.00	53,235.44	118,915.44	9,655,924
Additions	-	45,016.40	11,200.41	56,216.81	4,474,858
Disposals	-	-	-	-	-
At 31st December 2012	-	110,696.40	64,435.85	175,132.25	14,130,782
Depreciation					
At 1st January 2012	-	3,117.90	6,487.12	9,605.02	784,560
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Charge for this period Jan-Dec 2012	-	9,334.32	11,666.41	21,000.73	1,671,658
At 31st December 2012	-	12,452.22	18,153.53	30,605.75	2,436,218
NBV at 31st December 2012	-	98,244.18	46,282.32	144,526.50	11,694,564
NBV at 31st December 2011	-	-	-	-	-

7.

Creditors: Amounts falling due within one year	Jan-Dec 2012		Jan-Dec 2011	
	USD	BDT	USD	BDT
Accounts Payable	2,983.87	237,516	29,298.86	2,379,067
Salaries & Wages Payable	16,384.26	1,304,187	-	-
Rent	-	-	-	-
Payable to Parent Company	348,796.75	27,764,221	107,038.05	8,691,490
Payroll withholding and Tax payable	3,027.71	241,006	-	-
Remittance Payable	22,597.00	1,798,721	-	-
	393,789.59	21,345,651	136,336.91	11,070,557

8.

Paid up Capital				
Opening Share Capital	759,096.95	60,424,117	820,000.00	66,584,000
Net Profit for the period	(153,512.62)	(12,219,605)	(60,903.05)	(4,945,328)
Share Capital at Balance Sheet date	605,584.33	48,204,513	759,096.95	61,638,672

9

Ultimate Parent Company

The parent company is Standard Bank Limited (SBL) was incorporated as a Public Limited Company on May 11, 1999 under the Companies Act, 1994 in Bangladesh. All information and Financial statements of its parent company can be found at www.standardbankbd.com

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Other Financial Commitments

Lease Commitment: 10 Years Lease starting from 1st April with annual rental of £ 38,400

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Related Party Disclosures

The company is exempt from making disclosures of transactions with group companies because it is a 100% subsidiary and its results are included in financial statements which are publicly available.

Standard Co (USA) Inc. D/B/A: Standard Express

•Taxes •Audits •Accounting • Consulting • Other Business Services

12. Administrative expenses	Jan-Dec 2012		Jan-Dec 2011	
	USD	BDT	USD	BDT
Advertisement & publicity	11,550.00	919,380	12,045.00	978,054
Amortization Expense	3,034.24	241,526	3,034.24	246,380
Armored Service	9,442.73	751,641	2,207.99	179,289
Assessment Fees to NYSBD	18,132.87	1,443,376	8,621.00	700,025
Bank Service Charges	26,225.89	2,087,581	6,734.00	546,801
Cleaning	3,327.00	264,829	400.00	32,480
Depreciation	21,000.73	1,671,658	9,605.02	779,928
Director's Honorium	1,000.00	79,600	-	-
Hotel and Accomodation	800.87	63,749	-	-
Festival Bonus	2,000.00	159,200	-	-
Incidental Loss	1,431.00	113,908	-	-
Insurance Expense	4,799.99	382,079	-	-
Meal & Entertainment	848.95	67,576	958.65	77,842
Miscellaneous Expense	-	-	3,546.88	288,007
Office Expense	1,328.25	105,729	781.56	63,463
Office Supply	15,897.31	1,265,426	8,290.17	673,162
Payroll-Salary	191,549.00	15,247,300	92,900.00	7,543,480
Petty Cash Expense	5,944.18	473,157	7,530.73	611,495
Postage & Delivery	-	-	94.29	7,656
Payroll-Taxex IRS	12,324.15	981,002	-	-
Payroll-Taxex NYS	2,533.62	201,676	-	-
Payroll-Taxex MTA	123.76	9,851	-	-
Printing & Design	1,492.00	118,763	1,675.00	136,010
Professional Fees	30,287.25	2,410,865	-	-
Promotional and Flier Distribution	2,235.00	177,906	-	-
Rent	117,866.64	9,382,185	62,275.00	5,056,730
Security Expense	4,176.38	332,440	571.62	46,416
Software Lease	2,652.00	211,099	2,210.00	179,452
Telephone & internet	8,444.08	672,149	1,976.04	160,454
Taxes-Corporation	1,266.00	100,774	-	-
Travel & Conveyance	5,421.41	431,544	1,504.00	122,125
Repair & maintance	1,457.92	116,050	-	-
Utilities	4,950.71	394,077	5,984.44	485,937
Total:	513,543.93	40,878,097	232,945.63	18,915,185

K. M. Haque CPA, P.C.

K.M. HAQUE, CPA, P.C.Certified Public Accountant
70-44 Broadway Jackson Heights,
NY 11372 (718) 478-7071

Standard Co (USA) Inc. D/B/A: Standard Express

Detailed Profit and Loss Accounts for the year ended 31st December 2012

	USD	Jan-Dec 2012 USD	USD	Appendix 1 Jan-Dec 2011 USD
Turnover				
Commission	123,251.31		33,069.00	
Exchange Gains-Standard Bank	215,547.30		127,481.59	
Exchange Agrani Bank	5,345.23		-	
Exchange Gains-Uttara Bank	8,293.06		3,986.37	
Exchange Dutch Bangla Bank	1,996.52		-	
Interest Income	5,597.89		7,505.62	
Administrative expenses		360,031.31		172,042.58
Advertisement & publicity	11,550.00		12,045.00	
Amortization Expense	3,034.24		3,034.24	
Armored Service	9,442.73		2,207.99	
Assessment Fees to NYSBD	18,132.87		8,621	
Bank Service Charges	26,225.89		6,734.00	
Cleaning	3,327.00		400.00	
Depreciation	21,000.73		9,605.02	
Director Honorium	1,000.00		-	
Hotel & Accommodation	800.87		-	
Festival bonus	2,000.00		-	
Incidental Loss	1,431.00		-	
Insurance Expense	4,799.99		-	
Meal & Entertainment	848.95		958.65	
Miscellaneous Expense			3,546.88	
Office Expense	1,328.25		781.56	
Office Supply	15,897.31		8,290.17	
Payroll-Salary	191,549.00		92,900.00	
Petty Cash Expense	5,944.18		7,530.73	
Postage & Delivery			94.29	
Payroll-Taxes IRS	12,324.15		-	
Payroll-Taxes-NYS	2,533.62		-	
Payroll-MTA	123.76		-	
Printing & Design	1,492.00		1,675.00	
professional Fees	30,287.25		-	
Promotional and Flier Distribution	2,235.00		-	
Rent	117,866.64		62,275.00	
Security Expense	4,176.38		571.62	
Software Lease	2,652.00		2,210.00	
Taxes-corporation	1,266.00		-	
Telephone & internet	8,444.08		1,976.04	
Travel & Conveyance	5,421.41		1,504.00	
Repair & Maintenance	1,457.92		-	
Utilities	4,950.78		5,984.44	
Net profit for the period		<u>513,543.93</u>		<u>232,945.63</u>
		<u>153,512.62</u>		<u>(60,903.05)</u>

K. M. Haque CPA, P.C.

K.M. HAQUE, CPA, P.C.

Certified Public Accountant
70-44 Broadway Jackson Heights,
NY 11372 (718) 478-7071



Standard Bank Limited

Registered Office

Metropolitan Chamber Building (3rd Floor)
122-124, Motijheel C/A, Dhaka-1000

PROXY FORM

I/We.....

of.....

being member of STANDARD BANK LIMITED, hereby appoint.....

of

as my/our proxy to attend and vote for me/us on my/our behalf at the 14th Annual General Meeting of the Company to be held on Monday, the 15th April 2013 at 10:30 A.M. and or at any adjournment thereof.

As witness my hand this..... day of 2013.

(Signature of the Shareholder)

(Signature of Proxy)

Registered BO/Folio No.

No. of Shares held :

STAMP
Tk. 10/-

Note : A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his behalf. The Proxy Form duly completed must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.



Standard Bank Limited

Registered Office

Metropolitan Chamber Building (3rd Floor)
122-124, Motijheel C/A, Dhaka-1000

Note: Please complete the attendance slip and hand it over at the entrance of the hall.

ATTENDANCE SLIP

I hereby record my attendance at the 14th Annual General Meeting of the Company being held on Monday, the 15th April 2013 at 10:30 A.M. at Bashundhara Convention Centre-2 Baridhara, Dhaka, Bangladesh.

Name of Member/Proxy.....

Registered BO/Folio No.

Signature