

Annual Report 2011



Standard Bank Limited
setting a new standard in banking

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Standard Bank Limited

setting a new standard in banking

Registered Office

Metropolitan Chamber Building (3rd Floor)
122-124 Motijheel Commercial Area
Dhaka-1000, Bangladesh.
Phone : 7175698, 7169134, 9560299, 9558375
Tele. Fax : 7176367, 7169078
E-mail : sblho@bangla.net
Website : www.standardbankbd.com
SWIFT : SDBLBDDH

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

Al-Haj Mohammad Yousuf Chowdhury

Directors

Mr. Kamal Mostafa Chowdhury

Mr. Mohammad Nurul Islam

Mr. Ashok Kumar Saha

Mr. Ferozur Rahman

Mr. Harun Rashid Chowdhury (upto 06. 08. 2011)

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. Harun or Rashid (upto 02. 10. 2011)

Mr. Ferdous Ali Khan

Mr. Moshfeque Mamun Rizvi

ICB represented by the Managing Director Mr. Md. Fayekuzzaman

Mr. Shaikh Mesbauddin

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. S.A.M. Hossain	Chairman
Mr. Kamal Mostafa Chowdhury	Member
Mr. Md. Nurul Islam	Member
Mr. Ferozur Rahman	Member
Mr. Md. Ferdous Ali Khan	Member
Mr. Sheikh Mesba Uddin	Member
Mr. S.A. Farooqui, Managing Director	Ex-officio Member
Mr. A.F.M. Nizamul Islam Chowdhury	Secretary

Audit Committee

Mr. S.S. Nizamuddin Ahemd	Chairman
Mr. Md. Zahedul Hoque	Member
Mr. Mushfeque Mamun Rizvi	Member
Mr. Md. Fayekuzzaman, MD, ICB	Member
Mr. A.F.M. Nizamul Islam Chowdhury	Secretary

Green Banking Committee

Mr. Mohammed Abdul Aziz	Chairman
Mr. Ashok Kumar Saha	Member
Al-haj Mohammed Shamsul Alam	Member
Mr. Abdul Ahad	Member
Mr. S.A. Farooqui, Managing Director	Ex-Officio Member
Mr. Syed Mohammad Masum	Secretary

Shariah Supervisory Committee

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

Board of Directors



Ln. Kazi Akramuddin Ahmed
Chairman



Al-Haj Md. Yousuf Chowdhury
Vice Chairman



Kamal Mostafa Chowdhury
Director



Mohammad Nurul Islam
Director



Ashok Kumar Saha
Director



Ferozur Rahman
Director



Harun Rashid Chowdhury
Director (upto 06. 08. 2011)



Md. Monzurul Alam
Director



S. A. M. Hossain
Director



Mohammed Abdul Aziz
Director



Al-Haj Md. Shamsul Alam
Director



Abdul Ahad
Director



Md. Zahedul Haque
Director



Harun-Or-Rashid
Director (upto 02. 10. 2011)



Ferdous Ali Khan
Director



Moshfeque Mamun Rizvi
Director



Md. Fayekuzzaman
Director



Shaikh Mesba Uddin
Director



S. S. Nizamuddin Ahmed
Independent Director



S. A. Farooqui
Managing Director & CEO

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. M. Ziaul Hasan Barrister-at-Law M/s. Hasan & 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 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. Alauddin Al Azad

Deputy Managing Director

Mr. Md. Abul Hossain

Deputy Managing Director

Group Company Secretary

Mr. A F M Nizamul Islam Chowdhury

Executive Vice President

Mr. Mufakkkharul Islam

Mr. Syed Mohammad Masum

Mr. Md. Nazrul Islam

Sr. Vice President

Mrs. Syeda Khaleda Begum

Ms. Haider Nurun Naher

Mr. A.M.M. Lasker

Mr. Sheikh Abu Ahmed

Mr. Kazi Md. Talha

Mr. Md. Nurus Safa

Mr. Mohammad Ali

Mr. Naim Md. Abdur Rashid

Mr. Muhammad Sakhawatur Rahman

Mr. Mohammad Abdul Wali

Vice President

Mr. H A Z M Mahegir

Mr. Md. Gaznafar Ali

Mr. Nasir Ahmed

Mr. Syed Anisur Rahman

Mr. Mohammad Abdul Qaium Khan

Mr. Md. Abu Sayed

Mr. Md. Nurul Islam

Mr. A.H.M. Manzur Quader Khan

Mr. Md. Saiful Islam Khan

Sr. Asst. Vice President

Mr. Md. Sanauallah

Mr. Md. Zakirul Islam

Mr. Md. Rezaul Karim

Mr. Kazi Zahirul Haque

Mrs. Arjoomand Begum

Mr. S.M. Mizanur Rahman

Mr. Md. Golam Mostafa

Mr. Md. Suruj Ali

Mr. Md. Shahabuddin Chisti

Mr. Muhammad Ali

Mr. A F M Quamrul Hasan

Mr. Probir Kumar Bhowmick

Ms. Quamrun Nahar Hasmi

Asst. Vice President

Mrs. Rebeka Sultana

Mr. Haradhan Chandra Chakraborty

Mr. Md. Mabzulul Bari

Mr. Md. Zahangir Alam

Mr. Md. Shafiqul Hassan

Mr. T M Nurul Islam Talukder

Mr. Syed Mosnoon Ali

Mrs. Rubina Khan

Mr. Md. Tajul Islam Chowdhury

Mr. Rahim Khan

Mr. Md. Emdadul Hassan

Mr. Md. Rafiqul Islam

Mr. Md. Ibrahim Khalil

Mr. Mamun Abdur Raschid

Mr. S. M. Nazrul Islam

Mr. Humayun Kabir

Mr. Sheikh Lutfar Rahman

Mr. A.K.M. Manjur Alam

Mr. Kazi Mohidur Rahman

Mr. Md. Abu Hena Nazimuddin

Mr. Md. Mahbubur Razzak

Mr. Md. Ekramul Haque

Mr. Md. Zakir Hossain

Mr. Prabir Ranjan Das

Mr. Md. Abdus Salam

Mr. Md. Nurul Islam

Mr. Ashek Abedin

Mr. Kanchan Kumar Dey

Mr. Md. Anwar Hossain

Mr. Md. Nayeem Chowdhury

Mr. Md. Farhad Hussain

Mr. Parvez Mahfuz

Mr. Md. Golam Mawla

Md. Abdul Mannan

Mr. Md. Saiful Islam

Mr. Mesbah Ul Alam

Mr. Mohammad Shohrab Hossain

Mr. Mohammad Faisal

Mr. Md. Ataur Rahman

Mr. Munshi Golam Rahman

Mr. Md. Rezaul Hoque

Mr. S. M. Amir Hossain

Mr. Masudur Rahman

Mr. Md. Alhaj Ullah

Group Corporate Structure

SBL Group

In Bangladesh



Standard Bank Limited



Standard Bank Islami Wing



SBL Capital Management Limited

Overseas



Standard Exchange (UK) Limited



Standard Co. (USA) Inc. U/A/N Standard Express



Standard Express (Jamaica)



Standard Express (Ozon Park)



Standard Express (Brooklyn)

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
Human Resources Division
Financial Administration Division
Credit Division
Loom Recovery Division
Credit Administration Division (Recovery Unit)
System & Operation Division
Risk Management Division
General Banking Division
Corporate Banking Division
Treasury Division
Information Technology Division
Brand & Corporate Affairs Division

Head Office (Annex Building)

28, Bengal Centre (8th Floor)
Standard Bank Ltd. Training Institute
Internal Control & Compliance Division
SME & Retail Credit Division
Agricultural & Rural Credit Division
Development & Marketing Division

Head Office (Annex Building)

Tapa Complex
169, Shahid Syed Nazrul Islam Sarani,
Bijoy Nagar, Dhaka

International Division
Card Division
Islami Banking Wing
Anti Money Laundering Department

Subsidiary Company 100% owned by Standard Bank Limited

1. SBL Capital Management Limited
2. Standard Exchange Co. (UK) Ltd.
3. Standard Co. (USA) Inc. (Standard Express)
4. Standard Express

Branch Network

DHAKA ZONE

- 1. Principal Branch**
Metropolitan Chamber Building (Ground floor),
122-124, Motijheel C/A., Dhaka-1000.
9560299, 9558375, 9559044, 9570893, 01711-425402
- 2. Gulshan Branch**
Shazad Palace, 32, North C/A, Gulshan-2, Dhaka-1212.
9881015, 9885164, 8852679, 8861232, 01914-743359,
01911-334997
- 3. Topkhana Road Branch**
36 Topkhana Road (1st floor), Dhaka-1000.
7168796, 9571413, 01713-062699, 01717000538
- 4. Dhanmondi Branch**
House # 4, Road # 27(Old), 16(New), Dhanmondi R/A,
Dhaka-1205. 9145737, 8156621, 01818-069351
- 5. Imamgonj Branch**
Bellal Market, 79, Moulvi Bazar, Dhaka-1100.
7316820, 7342525, 7311243, 01711-648615, 01711307180
- 6. Uttara Model Town Branch**
Plot #113/C, Road-7, Sector-4, Uttara Model Town,
Dhaka. 8955171, 8955172, 011-99-812113,01819022644
- 7. Foreign Exchange Branch**
81, Motijheel C/A., (1st floor), Dhaka-1000.
9571933, 7160787, 01755-500237,01722242869
- 8. Panthapath Branch**
77, Bir Uttam C.R. Dutta Road, Free School Street,
Hatirpool, Dhaka. 9667801, 9666521, 01730015104
- 9. Gulshan-1 Branch**
Uday Tower, 57/A Gulshan Avenue, Gulshan-1, Dhaka.
8811641, 8827850, 9862111, 01711-675320
- 10. Banani Branch**
Plot # 106, Road-11, Block-C, Banani, Dhaka.
9889545, 8829022, 01726-176601
- 11. Mirpur Branch**
Northern Lions R.P. Tower, Plot-4, Block-D, Mirpur-2,
(Near Sony Hall) Dhaka.
9014060, 9014059, 01922-538509, 01711850130
- 12. Nawabpur Road Branch**
Shahi Bhaban (1st floor), 106, BCC Road
Thatari Bazar, Dhaka, 9512139-40, 01727-579630
- 13. Green Road Branch**
Castle Green (1st floor), 142 Green Road, Dhaka.
9102770-1, 01713-049030, 01712-522138
- 14. Pragoti Sharani Branch**
Kazi Hazi Ahmed Plaza, KA-70, Pragati Sharani (1st
floor)Kuril, Badda, Dhaka-1229
8410225-7, 01819-262898, 01715366786
- 15. Ring Road Branch**
Probal Tower, 45-49 Ring Road (1st floor)
Adabor-Shamoly, Dhaka.
01715-077946, 01674-992926, 9103413- 4
- 16. Matuail Branch**
Konapara, Momenbagh More, Matuail, Demra, Dhaka
7546147, 01924-954141, 01924827106
- 17. Mohammadpur Branch**
Manama Turag, 14/23 Shahjahan Road, Block-A,
Mohammadpur, Dhaka. 01715364865, 9110630, 9110705
- 18. Malibagh Branch**
Faith Tower, 476/A, DIT Road, Malibagh, Dhaka.
01819-434858, 9331790, 9331929

Branch Network

19. Nawabgonj Branch

Nawabgonj Adhunik Biponi, Zellaparishad Market, Nawabgonj, Dhaka., 01716339111

20. Munshikhola Branch

Dhaka-Nararongj Road, Pagla, Munshikhola, Dhaka. 7448979, 01713078155

21. Narayangonj Branch

Khan Super Market, 47/9 BB Road, DIT, Narayangonj 7646153, 7647082, 01714-096158, 01915866384

22. Ekuria (Keranigonj) Branch

Hasnabad, Ekuria, Keranigonj, Dhaka. 7761100, 01730904651

23. Dakkhin Khan Branch

298, Dakkhin Khan Bazar, Dakkhin Khan, Dhaka. 8956056, 01912-965887

24. Savar SME/Krishi Branch

66, Bazar Road (1st floor), Savar, Dhaka. 7745991&7745992, 01715-866111

25. Gazipur SME/Krishi Branch

Sahabuddin Complex (1st floor), 168, Joydebpur Bazar, Gazipur. 9264263 & 9264155, 01716-040988

26. Shafipur Branch

Shapna-Joy Tower, Shafipur Bazar, Kaliakoir, Gazipur. 0682251058-9, 01712-248234, 01716-004886

27. Kamarpara Branch

A. R. Complex, 75 Kamarpara, Uttara, Turag, Dhaka. 8981592-1, 01819-289518

Branch to be opened in 2012

28. Mohakhali Branch, Dhaka

29. Kachpur Branch, Narayangonj

30. Askhona Branch, Dhaka

CHITTAGONG ZONE

1. Agrabad Branch

Hossen Chamber (G/F), 105, Agrabad C/A, Chittagong 711808, 713432, 2513857, 2513856, 2512515, 2512598, 2512599, 01711-809177, 01817030246, 01819328491

2. Khatungonj Branch

33, Ramjoy Mohajon Lane, Khatungonj, Chittagong. 610192-3, 639593-4, 2512598, 01819-386887

3. Jubilee Road Branch

6 Noor Ahmed Road, Chittagong 612188, 627811, 610356, 01730015106

4. CDA Avenue Branch (GEC More)

741, East Nasirabad, (1st floor), GEC More, Chittagong 031-2850940-1, 031-610029(fax), 01674558171

5. Ctg. EPZ Branch

Gazi Compl, Airport Rd. EPZ Gate, Chittagong 800168, 800868, 01819-380277, 01819931556

6. Pahartali Branch, Chittagong

Abul Khair Bhaban, 20/44, D.T. Road, CDA Market, Pahartali, Chittagong, 2771931-3, 01819-380278, 01840161063

7. Sadarghat Branch

Harbourage Dream (1st floor), 291, Sadarghat Road, Chittagong. 619950, 619960, 619970(Fax) 01714131383

8. Cox's Bazar Branch

Hefazat Market, 103, Main Road, East Bazar Ghata, Cox's Bazar, 0341-51377-8, 01815602796

9. Bahaddarhat Branch

Manila Tower, Bahaddarhat More, Chittagong 2552512-3, 01817-700484

10. Chowdhuryhat Branch

Fateyabad, Hathazari, Chittagong 683225, 683342, 01819331290

11. Oxygen More Branch

Ali Noor Complex (1st floor), Oxygen More, Chittagong. 01711-111269, 2584461, 2584462

12. Basurhat Branch, Noakhali

Rupali Plaza (1st floor), Bashurhat, Companigonj, Noakhali. 0322356093, 01711-712503

13. Nanglemora SME/Krishi Branch

Nanglemora High School Premises, Hathazari, Chittagong. 01729-094379, 01710-999912, 01711978810

Branch to be opened in 2012

13. Chatteswari, Chittagong

14. Noapara, Chittagong

SYLHET AREA

1. Sylhet Branch

Sylmart Complex, Naya Sarak, East Z. B., Sylhet 0821-710434, 721842, 01716-521725

2. Moulvi Bazar Branch

Kushumbagh Shopping City, Sylhet Road, Moulvibazar Sadar, Moulvibazar 0861-63451-2, 01199-331789, 01726-380979

3. Beani Bazar Branch

Jaman Plaza (1st floor), Beani Bazar, Sylhet 08223-56097-8, 01716-929400

4. Bishwnath SME/Krishi Branch

Hasmat Ali Complex, College Road, Bishwnath, Sylhet. 01818-635454, 0822-456207-8, 01730-015114

5. Goalabazar SME/Krishi Branch

New Plaza, Sylhet Road, Goalabazar, Osmani Nagar, Sylhet. 0824-256189, 01716023769

COMILLA DISTRICT

1. Comilla Branch

4/4 Kaporipotti (1st floor), Comilla. 01726264854, 01913314881, 081-72490

2. Brahmanbaria Branch

Peara Meah Tower, Court Road, Brahmanbaria 01711-245471, 0851-61788, 01553739791

MYMENSINGH DISTRICT

1. Mymensingh Branch

Canada Square Shopping Centre(1st fl.), 27, Rambabu Road, Mymensingh. 091- 63530 & 63532, 01711-462440

2. Bhairab SME/Krishi Branch

595/2 Bangabandhu Soroni (1st floor), Bhairabpur, Bhairab, Kishorgonj. 01818-246542, 09424-72301-2, 01712087900

SOUTH BENGAL AREA

1. Khulna Branch

Chamber Bldg. (G/F), 5, KDA Avenue, Khulna 041-732633, 732655, 01711-896589, 01711432638

2. Bagerhat Branch, Bagerhat

119/2 K. Ali Road (1st floor), Bagerhat. 0468-64202-3, 01715-249880

Branch Network

3. Satkhira Branch

Islam Tower (1st floor), Polashpole, Satkhira.
047162405, 01916-481111

4. Jessore Branch

6/D R.N. Road, Jessore
0421/68394-5, 01714-086575, 01711150073

5. Benapole Branch

Nahar Tower, Benapole Bazar, Benapole
04228-76076, 01711-000708/01715-613615

6. Faridpur Branch

R.K. Plaza (1st floor), 244, Goal Chamot
Hazralota, Faridpur, 0631-61875
01716-346036 & 01911-530685, 0631- 61877

7. Gopalganj Branch

City Square Shopping Mall, College Road, Gopalgno
6681570-1, 01733-808799, 01913-845828

8. Takerhat Bazar Branch

Nosipur, Rajoir, Madaripur
01712-599795, 01712-901592, 01712126690

9. Kotalipara Branch, Gopalganj

K. M. Super Marker, Ghagar Bazar, Kowtalipara
Gopalganj, 6651277, 01719-816944

10. Shibchar Branch

Iman Gomosta Market (1st floor), Shibchar Bazar, Main
Road, Madaripur. 01721-656895, 0662456500

11. Barisal Branch

Mannan Plaza, 84, Sadar Road, Barisal
01712757967, 0431-61273-4

12. Patuakhali Branch

Gazi Plaza (1st floor), 2-3 Sadar Road,
Patuakhali. 044-162359, 01711133083

Branch to be opened in 2012

13. Tongipara Branch, Gopalganj

14. Bhojeswar Branch, Naria

Islami Banking Window

A. Islami Banking Window, Dhaka

36 Topkhana Road, (1st floor), Dhaka-1000.
9513515-6, 01713-062699
01730-015106, 01730-015106,

SBL Capital Management Limited

Chamber Building (G/F)

122-124 Motijheel C/A., Dhaka-1000. 9151484 & 7175698, 7169134, 9558375/301-10, 9515627(Fax).

Overseas Exchange House

1. Standard Exchange Company (UK) Limited

101 While Chapel Road, London E1 1DT, UK
Tel. +44(0)2073770009, Fax: +44(0)2076554456
Cell: +44(0) 7949494486

2. Standard Co.(USA) Inc. (Standard Express)

2.1 Standard Express

Main Branch

37/22 73rd Street, Suite # B2, Jackson Heights,
NY 11372, U.S.A.Tel: +1-646-3318255
E-mail: standardusa@gmail.com,malek_966@yahoo.com

2.2 Standard Express

Jamaica Branch

168-22 Hillside Avenue, Jamaica, NY 11432, USA.Tel:
+1 718-526-2868, Fax: 718-526-2978

NORTH BENGAL AREA

1. Rajshahi Branch

Chand & Shopp. Complex New market, Rajshahi
0721-811981-2, 01718-679425

2. Bogra Branch

Helal Mansion, Sherpur Road, Sutrapur,
Bogra Sadar, Bogra, 0516-7507-8, 01730-300730

3. Rangpur Branch

Shah Jamal Market(1st floor), 11, Station Road, Rangpur
0521-52127, 51795, 01711-068544

4. Dinajpur Branch

Northern Plaza, Gonesh Tola, Dinajpur.
01712-739244, 053-163211 & 163979

5. Kustia Branch

43, N.S. Road (1st floor), Amlapara, Kustia.
071-71298, 01712-613380, 07172458

6. Nilphamari Branch

Chamber Building (1st floor), Haji Mohsin Road,
Nilphamari Bazar, Nilphamari. 01712-370815,
01716369475, 055162591,

7. Syedpur SME/Krishi Branch

Khaled Market (1st floor), Dr. Zhikrul Haq Road, Syedpur,
Nilphamari. 01717-134211 & 0552-671454-5,
01718622967

Branch to be opened in 2012

8. Rohanpur, Chapainawabgonj

9. Gobindajonj, Gaibandha

10. Chapainawabjonj

B. Islami Banking Window, Chittagong

Hossen Chamber (G/F), 105, Agrabad C/A, Chittagong.
711808, 713432, 01711-809177

2.3 Standard Express

Ozon Park Branch

74 19 101 Avenue, Ozon Park NY 11419, USA.
Tel: +1917 300 6048

2.4 Standard Express

Brooklyn Branch

471 McDonald Avenue, Brooklyn, NY 11218, Tel: 347-
627-9666, Fax: 347-627-9667
Email: standardusa@gmail.com

Branch to be opened

2.5 Los Angeles, USA

2.6 Florida, USA

2.7 Astoria Branch, USA

2.8 Bronx Branch, USA

Exchange House to be opened in 2012

3. Sydney, Australia

4. Spain

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 30 September, 2011.

The summary of the rating is presented below:

CRAB has rated Standard Bank Limited as “**A1**” (Pronounced as Single A one) rating in the long term and “**ST-2**” rating in the short term which is stable as before. Commercial Banks rated **A1** in the long term belong to ‘Strong Capacity & High Quality’ Cohort. Banks rated **A1** have strong capacity to meet their financial commitments but are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions. **A1** is judged to be of high quality and is subject to 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.



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

**NOTICE OF THE 13th ANNUAL GENERAL MEETING
OF THE MEMBERS OF STANDARD BANK LIMITED**

Notice is hereby given that the 13th Annual General Meeting of the honorable Shareholders of Standard Bank Ltd. will be held on Thursday the 31st May, 2012 at 11:00 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 2011 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, 2011 as recommended by the Board of Directors.
03. To appoint Auditor(s) of the Company and to fix their remuneration 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,
May 14, 2012

By the order of the Board

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

Notes:

- a. The Board of Directors has recommended 20% stock dividend for the year ended 31st December 2011 subject to approval in the 13th Annual General Meeting.
- b. 10th May, 2012 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 13th 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.



কাজী আকরামউদ্দিন আহমেদ
চেয়ারম্যান

চেয়ারম্যান মহোদয়ের স্বাগত ভাষণ

বিসমিল্লাহির রহমানির রাহিম,

প্রিয় শেয়ার হোল্ডারবন্দ, শ্রদ্ধেয় অতিথিবন্দ, ব্যাংকের সম্মানিত গ্রাহকবন্দ, উপস্থিত ভদ্রমহিলা ও ভদ্র মহোদয়গণ,

আস-সালামু আলাইকুম।

গ্রীষ্মের এই সকালে আমি সম্মানিত শেয়ারহোল্ডার, গ্রাহকবন্দ এবং আগত সুধীবন্দকে ব্যাংকের ১৩তম বার্ষিক সাধারণ সভায় ব্যাংকের সকল সম্মানিত পরিচালক এবং পর্যদের পক্ষ থেকে জানাই আন্তরিক শুভেচ্ছা ও সু-স্বাগতম। আমি আমার কৃতজ্ঞতা ও শ্রদ্ধা নিবেদন করছি তাঁদের প্রতি যাদের অব্যাহত সমর্থন, সক্রিয় সহযোগিতা ও উদ্দীপনা, 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। ২০১১ সনে ব্যাংকের বিভিন্ন কার্যক্রম এবং আগামী দিনে ব্যাংকের সম্ভবনার বিষয়ে প্রতিবেদন আপনাদের সামনে পেশ করার সুযোগ পেয়ে আমি গর্বিত।

সূধী মন্ডলী,

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

আপনারা সকলেই অবগত আছেন যে, বিগত বছর অর্থাৎ ২০১১ সালে বিশ্বমন্দা এবং দ্রব্য মূল্যের অস্থিতিশীলতা ও বাজার উর্ধ্বগতি বিরাজমান ছিল। তার মধ্যেও আমাদের ব্যাংক প্রতিযোগিতামূলক পরিবেশে নিষ্ঠার সাথে কাজ করে এসব সমস্যা সফলভাবে মোকাবেলা করতে সক্ষম হয়েছে এবং ব্যাংকের কার্যক্রমকে সম্মানিত গ্রাহকবন্দের কাছে সহজলভ্য করে তোলে। গ্রাহকদের দ্রুত পরিবর্তনশীল চাহিদা মেটানোর 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 ৪০৬ কোটি টাকা যা ২০১১ সালের ঘোষিত ২০ ভাগ স্টক ডিভিডেন্ড প্রদান সাপেক্ষে ৪৮৭ কোটি টাকায় উপনীত হবে। ঝুঁকির মাপকাঠিতে মূলধনের পর্যাপ্ততা নিরূপন করে প্রয়োজনীয় মূলধন বৃদ্ধির লক্ষ্যে কার্যকর ব্যবস্থা গ্রহণের প্রচেষ্টা অব্যাহত রেখেছি।

উল্লেখ্য যে, স্ট্যান্ডার্ড ব্যাংক লিঃ বর্তমানে দেশে ৬৮টি শাখার মাধ্যমে তার গ্রাহকদেরকে রিয়েলটাইম অন-লাইন ব্যাংকিং সেবা প্রদান করে আসছে। পূঁজি বাজারে অংশগ্রহণ এবং দেশের পূঁজি বাজারকে আরো শক্তিশালী ও গতিশীল করার নিমিত্তে এসবিএল ক্যাপিটাল ম্যানেজমেন্ট নামে ব্যাংকের শতভাগ মালিকানায় একটি আলাদা সাবসিডিয়ারী কোম্পানী গঠন করা হয়েছে। আশা করি চলতি বছরে উক্ত কোম্পানীর কার্যক্রম ঢাকা, চট্টগ্রাম ও অন্যান্য মহানগরীর বিনিয়োগকারীদের দ্বার প্রান্তে নিয়ে যাওয়ার লক্ষ্যে একাধিক শাখা খোলার পরিকল্পনা আমাদের রয়েছে।

ঢাকা ও চট্টগ্রামের দুটি শাখায় ইসলামী ব্যাংকিং উইন্ডোর মাধ্যমে সারাদেশে বিদ্যমান ৬৮টি 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 খ্যাতি সম্পন্ন প্রতিষ্ঠান মানিগ্রামসহ বিভিন্ন এক্সচেঞ্জ হাউজের সাথে চুক্তি সম্পাদন করেছে। ২০১১ সনে আমরা যুক্তরাজ্যের লন্ডনে স্ট্যান্ডার্ড এক্সচেঞ্জ (ইউকে) লিমিটেড এর পাশাপাশি বিদেশে অবস্থানরত ভাইদের দেশের প্রতি যে আর্কষণ লক্ষ্য করেছি তাতে আমরা অনুপ্রানিত হয়ে ব্যাংকের শতভাগ মালিকানায় যুক্তরাষ্ট্রে আরো ৪টি শাখা খুলেছি। পর্যায়ক্রমে বাঙ্গালী অধ্যুষিত বিশ্বের অন্যান্য স্থানে যেমন- অস্ট্রেলিয়া, মধ্যপ্রাচ্যে, কানাডা, ইটালী, মালয়েশিয়া ও সিঙ্গাপুরে আরো এক্সচেঞ্জ হাউস খোলা হবে।

পাশাপাশি বাল্যকাল থেকে সঞ্চয়ের অভ্যাস গড়ে তোলার লক্ষ্যে ছাত্র/ছাত্রীদের স্কুল ব্যাংকিং, শিক্ষা স্কীম এবং শ্রমজীবী ও সাধারণ মানুষের কল্যাণে ওয়ার্কস সেভিংস স্কীম এর মতো জনকল্যাণমুখী ব্যাংকিং কার্যক্রম প্রক্রিয়াধীন এবং শীঘ্রই তা প্রবর্তন করা হবে। দেশের ব্যবসা-বানিজ্যে গতিশীলতা আনয়নের লক্ষ্যে ক্ষুদ্র ও মাঝারী খাতে বিনিয়োগের পরিমাণ বৃদ্ধি করা হয়েছে। দেশের কৃষি, কৃষক তথা আপামর দরিদ্র জনসাধারণের জীবন মান উন্নয়নের লক্ষ্যে কৃষি খাতে বিনিয়োগের পরিমাণ বৃদ্ধি করা হচ্ছে।

চেয়ারম্যান মহোদয়ের স্বাগত ভাষণ

সেবার এই নতুন দিগন্তে 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 খাতের উন্নয়ন অনস্বীকার্য। তাই আমাদের প্রতিটি শাখাকে এসএমই ও কৃষি খাতে অর্থায়নের জন্য নির্দিষ্ট লক্ষ্যমাত্রা নির্ধারণ করে দিয়েছি যাতে করে উক্ত খাতে আমরা আরো উল্লেখযোগ্য অবদান রাখতে সক্ষম হবো।

অনলাইন ব্যাংকিং সার্ভিস প্রবর্তনের পর পরই ব্যাংক ক্রেডিট ও ডেবিট কার্ডের মাধ্যমে সেবার মানকে অত্যাধুনিক করা হয়েছে। ইতিমধ্যে অত্র ব্যাংকের ক্রেডিট কার্ড দেশ-বিদেশের বিভিন্ন স্থানে ব্যবহার করা যায় তৎজন্য অন্যান্য ব্যাংক ও সংস্থার সঙ্গে চুক্তির মাধ্যমে আমরা একটি নেটওয়ার্ক গড়ে তুলেছি এবং আমাদের কার্ড হোল্ডারগন যাতে নিরলস সেবা পেতে পারেন তৎজন্য 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।

এ সকল কার্যক্রম এবং কারিগরি উৎকর্ষতা ও প্রতিযোগিতার পটভূমিতে আমাদের সেবার মান অধিকতর উন্নত হবে, ইনশাআল্লাহ। ব্যাংকের প্রত্যাশা, আধুনিকীকরণের এই প্রক্রিয়া উন্নত গ্রাহক সেবা প্রদানের লক্ষ্যে অর্জনে সহায়ক হবে। এবং দেশে বিদেশে অবস্থানরত সকল গ্রাহককে স্বল্প সময়ে কাঙ্ক্ষিত সেবা প্রদানে সক্ষম হবো।

বিশ্বব্যাপি আর্থিক মন্দা এবং প্রতিযোগিতামূলক পরিবেশের প্রেক্ষাপটে ২০১১ 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। ২০১১ সনে অর্জিত ব্যবসার পরিসংখ্যান নিম্নরূপ:

ব্যাংকের আমানত	৬৩৮৭ কোটি টাকা
ঋণ ও অগ্রীম	৫৫৩৩ কোটি টাকা
বৈদেশিক বাণিজ্য	৯৮৬৭ কোটি টাকা
ব্যাংকের নীট মুনাফা	১৩০ কোটি টাকা
প্রতি শেয়ারে আয়	৩.১৯ টাকা

২০১১ সালে আমরা ৩টি গ্রামীণ ও ৭টি শহরভিত্তিক মোট ১০টি শাখা খুলেছি। চলতি সনে আমরা গ্রামীণ ৫টি ও শহরে ৫টি মোট ১০ টি শাখা খোলার অনুমতি পেয়েছি। ইতোমধ্যে স্থান নির্বাচন ও আনুষ্ঠানিক কার্যক্রমের কাজ সমাপ্ত। ব্যাংকের এই বিভিন্ন সম্প্রসারণ কার্যক্রমকে বাস্তবায়ন করার লক্ষ্যে আমরা শুধু বিগত বছরেই ৭০ জন অভিজ্ঞ কর্মকর্তা-কর্মচারী নিয়োগ দিয়ে মোট লোকবল ১০৪৬ জনে উন্নীত করেছি। চলতি সনে আরও ১০০ অধিক সংখ্যক প্রবেশনকারী সিনিয়র অফিসারসহ আরো ১৫০ জন অভিজ্ঞ কর্মকর্তা-কর্মচারী নিয়োগের পরিকল্পনা আমাদের রয়েছে।

সম্মানিত শেয়ারহোল্ডারগন,

আমাদের অঙ্গীকার এই ব্যাংকটিকে একটি আধুনিক প্রযুক্তিনির্ভর, আদর্শ, প্রগতিশীল ও আন্তর্জাতিক মানের ব্যাংক হিসাবে গড়ে তোলা। আপনারা জেনে খুশি হবেন যে, বিগত 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 নিষ্পন্ন করতে পারছে। অনলাইন এর যে কোন সমস্যা দ্রুত সমাধানের জন্য যে বিজনেস টিম গঠন করা হয়েছিল তা নিরলসভাবে কাজ করে যাচ্ছে। অনলাইন কার্যক্রম যাতে সবসময় নির্ভুল ও আস্থার সাথে পরিচালিত হয় তা আইটি অডিট অনুবিভাগ সব সময় পর্যবেক্ষণ ও নিরীক্ষণ করছে।

প্রিয় শেয়ারহোল্ডারগন,

আমাদের ব্যাংকের, শ্রেণীবিন্যাসকৃত ঋণ বা কু-ঋণের পরিমাণ খুবই কম। সার্বিকভাবে ব্যাংকের এসেট কোয়ালিটি চমৎকার। তবুও আমরা শ্রেণীবিন্যাসকৃত ঋণ সহ সাধারণ ঋণের জন্য প্রতিশ্রুতি যথাযথভাবে ও যথেষ্ট পরিমাণ সংরক্ষণ করেছি। ব্যাংকের শ্রেণীবিন্যাসকৃত ঋণের পরিমাণকে নিয়ন্ত্রণ ও তদারকি করার জন্য প্রধান কার্যালয়ে 'ঋণ আদায় বিভাগ' শাখা খাতকের সঙ্গে নিয়মিত যোগাযোগ করছে। উক্ত বিভাগ প্রতিনিয়ত মনিটরিং ও ফলোআপ করছে, ফলে শ্রেণীবিন্যাসকৃত ঋণের উর্ধ্বগতি

ইতিমধ্যে নিয়ন্ত্রণে রাখা সম্ভব হয়েছে। এটা সম্ভব হয়েছে পর্যদের সম্মানিত পরিচালকবৃন্দের প্রজ্ঞা, ব্যবস্থাপনা কর্তৃপক্ষের বিচক্ষণতা ও ব্যবস্থাপকবৃন্দের বিশ্লেষণাত্মক কার্যক্রমের জন্য। আমি সবাইকে জানাই আন্তরিক ধন্যবাদ।

প্রিয় শেয়ারহোল্ডারবৃন্দ,

আপনারা ইতিমধ্যে অবহিত হয়েছেন যে, আমাদের ২০১১ সালের নীট মুনাফার পরিমাণ ১৩০ কোটি টাকা। ব্যাংকের পরিচালনা পর্যদ বাস্তব অবস্থা পর্যালোচনা পূর্বক ২০% হারে বোনাস শেয়ার লভ্যাংশ হিসাবে প্রদানের সুপারিশ করেছে যা আপনারদের অনুমোদনের জন্য আলোচ্যসূচীতে অন্তর্ভুক্ত করা হয়েছে। গত বছর ২৮% বোনাস শেয়ার প্রদান করা হয় যার ফলশ্রুতিতে পরিশোধিত মূলধন ৪০৬ কোটি টাকায় উন্নীত হয়। তাই ব্যাংকের মূলধন কাঠামো এখন অনেক শক্তিশালী। আমাদের প্রত্যাশা বর্তমানে ব্যাংকের যে আয়ের ধারা আছে তা অব্যাহত থাকলে ইনশাআল্লাহ আমরা ভবিষ্যতে আরো আকর্ষণীয় লভ্যাংশ প্রদান করতে সক্ষম হবো।

প্রিয় শেয়ারহোল্ডারগণ,

অত্র ব্যাংক শুধু মুনাফা অর্জনই করে না। এই মুনাফা অর্জনের পাশাপাশি ব্যাংকের সামাজিক দায়বদ্ধতার নিদর্শণ স্বরূপ ২০১১ সালে আধুনালুগু বিডিআর বা বর্তমানে বিজিবি ট্র্যাডেজিডিতে ক্ষতিগ্রস্থ সেনা অফিসারদের পরিবারের সহায়তা প্রদান, গরীব ও মেধাবী ছাত্র-ছাত্রীদের শিক্ষাবৃত্তি ও শীতাত্ত মানুষের সহায়তায় কঞ্চল বিতরণ ইত্যাদি সামাজিক উন্নয়ন ও জনকল্যাণ মূলক কাজে সরাসরি সম্পৃক্ত হতে পেরে গর্বিত।

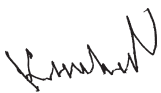
পাশাপাশি পরিবেশ সহায়ক গ্রীণ ব্যাংকিং কার্যক্রমের আওতায় পরিচালকদের সমন্বয়ে একটি উচ্চ ক্ষমতা সম্পন্ন কমিটি গঠনের মাধ্যমে ব্যাংকের গ্রাহকদের মধ্যে পরিবেশ সচেতনতা বৃদ্ধি, বায়োগ্যাস, সৌর বিদ্যুৎ, জ্বালানী ও বিদ্যুৎ সাশ্রয়ী এবং পরিবেশ সহায়ক ব্যবসা ও প্রকল্পে অর্থায়ন জোরদার করা, গ্রীণ মার্কেটিং কার্যক্রম 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 স্ট্যান্ডার্ড ব্যাংক পরিবারের প্রত্যেক সদস্যকে তাদের নিরলস পরিশ্রম ও সেবা প্রদানের জন্য জানাচ্ছি পর্যদের পক্ষ থেকে কৃতজ্ঞতা ও আন্তরিক ধন্যবাদ।

ব্যাংকের পরিচালনা পর্যদ 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। অত্র ব্যাংকের উদ্যোক্তা শেয়ার বা অন্য কোন শেয়ার গ্রুপের বিভাজন নেই। সম্মানিত শেয়ারহোল্ডারগণ ও সম্মানিত গ্রাহকবৃন্দকে তাঁদের সহযোগিতার জন্য সকলকে জানাই আন্তরিক ধন্যবাদ। কৃতজ্ঞতা জ্ঞাপন করছি অর্থ মন্ত্রণালয়, বাংলাদেশ ব্যাংক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ডিএসই, সিএসই, জয়েন্ট ষ্টক কোম্পানী সমূহের রেজিস্ট্রার, সিডিবিএল এবং অন্যান্য সকল প্রতিষ্ঠানের সক্রিয় সহযোগিতার জন্য। আমাদের প্রত্যাশা এসব প্রতিষ্ঠান সমূহ তাদের সহযোগিতা ও সমর্থন ভবিষ্যতেও অব্যাহত রাখবেন।

আল্লাহ হাফেজ



কাজী আকরামউদ্দিন আহমেদ
চেয়ারম্যান, পরিচালনা পর্যদ



S. A. Farooqui
Managing Director & CEO

Message from Managing Director & CEO

We have successfully completed the year 2011 which was indeed a challenging year for the financial sector home and abroad. In Bangladesh the year was a mixed bag of success and challenges. The phenomenal growth in export, bumper harvests and increased revenue collection in the form of tax have made GDP growth ticking to a desired level, while attempts to solve energy crisis with high cost of generation options resulted in fiscal imbalances. Persistent instability in stock market, rapid depreciation of Taka against Dollar, a growing subsidy bill in the budget and difficulties in mobilizing foreign financing appear to cast dark shadow over economic prospects in the current fiscal year. The world economy is still a long way from recovery and huge uncertainty exists over the scope of the emerging world to generate self sustaining growth. The world economic outlook is darker to-day than it appeared before and economists feel recovery will remain feeble and advanced economies will feel the pressure.

Against above background we in Standard Bank Limited have achieved outstanding growth in terms of profit, loans and advances and deposits. We have managed our balance sheet with better ratios and throughout the last year we focused on core banking business. In line with our vision we put in constant efforts to increase the shareholders' value and remain as compliant organization.

In the year 2011, our business continued to grow in all areas of operation. And we have achieved significant progress in terms of our network expansion and increased investments. Despite liquidity crisis in the last quarter of the year under review, we have been able to retain our share in a very competitive market. We believe we are moving in right direction with right strategies. The financial statements of the Bank that are attached herewith in the Annual Report provide us a summary of our activities and truly present Bank's state of health. Some of our key initiatives such as improving the quality of assets, enhancing the value of our Retail, SME, card business and leveraging the technological potential have contributed immensely. The Bank is now well positioned to take full advantage of new business opportunities. In order to reach strategic locations with business potential, we have expanded our network of branches and opened as many as 68 branches. We also strengthened our overseas connections to mobilize remittance. We understand that Islamic Banking has a big market and sizable business opportunities exist in Bangladesh. We have increased number of separate desks for those who are interested in purely shariah based transactions.

During the year 2011, the Bank has made operating profit of Tk 2869 million compared to TK 2771 million in the year 2010 registering a growth of 4%. Total assets have increased from Tk 66596 million to Tk 74953 million which accounts for 13% growth in 12 month period. This indicates that our market share has increased and further proves our ability to compete in a market which is full of challenges. Our growth in deposit and loans and advances is quite significant and it grew by 11.66% and 6.91% respectively. We have exercised due diligence while meeting the requirement of credit because of liquidity crunch. In fact the market remained fiercely competitive. Throughout the year we have moved slowly but carefully and tried to strike a balance between assets and liabilities to remain compliant with Bangladesh Bank. We worked with strong monitoring system for administering credit portfolios and tried to reduce the level of bad and doubtful loans. This has resulted in reduction of provision. Strong recovery drive all over the year has contributed in reducing classified loans to 2.19%.

We have always followed the guidelines of Bangladesh Bank in making adequate provision against all kinds of loans and advances. The Bank stands adequately capitalized and the ratio stands at 11.39% against risk weighted assets. Last year we have carried out analysis of different risk factors and risk absorbing capacity to examine Bank's resilience in terms of capital base.

We have laid strong emphasis in trade related business during the last year. Consequently we improved our import and export business and registered growth in both the areas. We have been very successful in mobilizing inward foreign remittance from abroad. Our own exchange houses in UK and USA have made big contribution in collecting and remitting fund to Bangladesh. Total volume of remittance stands at Tk.1771 million for the year 2011.

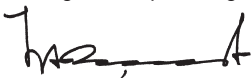
Corporate lending is our main avenue for generating most of the profits. But our focus on Retail, SME and Card business continued. Gradually we have deepened our stake in these areas. While recognizing the importance of agriculture in our GDP, we have never lost sight of our farmers. We have tried to lend to the farmers through various initiatives. Crop financing and agrobased projects received our highest priority. We have undertaken different pilot schemes to alleviate poverty and extend access to Bank's fund for the marginally poor people.

As we look forward, we can see that the Bank is well structured and better positioned to cater to the emerging needs of the market. We want to do business in fully transparent manner after following all ethical standards. Customer's satisfaction is our core strategy and we want to serve them at very competitive price.

We recognize that a bank's greatest asset is its human resources. Every year we recruit best talents from the market in management cadre through competitive examination. We try to retain them by way of offering right compensation package and enough training in different skilled sets. Incentive bonus has been disbursed in line with employee's performance and bank's total profitability.

We live in a society and we strongly believe that we have responsibility to that society. We undertake many welfare activities for the benefit of disadvantage group. We also distribute scholarship and financial help to the meritorious students particularly in urban areas.

Finally I should say we are grateful to our regulators, respected shareholders, Security Exchange Commission, Dhaka and Chittagong Stock Exchange, other stakeholders and valued customers for their continued support. We also express our gratitude to our Board in general and Honourable Chairman in particular who have put in relentless efforts in formulating bank's strategies and providing us with invaluable suggestions on all important matters. May Allah bless us all.



S. A. Farooqui
Managing Director & CEO

View of General Meeting



A partial view of 12th 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 12th Annual General Meeting of the Bank. Hon'ble Shareholders of the Bank are seen.



A partial view of 27th Extra Ordinary General Meeting (EGM) of Standard Bank Ltd., Hon'ble Chairman of the Board Mr. Kazi Akramuddin Ahmed is seen addressing the honourable shareholders.

Directors' Report

Dear Shareholders

As Salamu Alaikum

On behalf of the Board of Directors of Standard Bank Limited, I have the pleasure to present the Annual Report and Financial Statement of the Bank for the year ending on December 31, 2011 along with Auditors' Report at the 13th AGM. A brief overview of World Economy and Bangladesh Economy has also been provided in the report. It would reveal from the report that we have risen to the challenge, with record achievements amidst stiff competition among different Banks.

Global Economy

In 2011, 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 2.5 percent in 2012 against estimated growth of 4.3 percent in 2011. The forecast also indicated that recovery from global recession would not be uniform. Advanced economies would expand just 1.4 percent in 2012, while euro zone might shrink 0.3 percent. 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 \$800 means the country has massive potential for increased affluence.

During the year 2011, Bangladesh economy experienced positive trend with real GDP growth of 6.7 percent compared to 6.1 percent in FY 2010. The momentum was due mainly to export growth, steady remittance, increased output in agriculture and services sector. Industrial sector grew by 8.2 percent, service by 6.6 percent, agriculture by 5.0 percent compared to 6.5 percent, 6.5 percent and 5.2 percent respectively in FY2010. The expansion was broad based and covered most of the important sectors. Exports grew at 41.7 percent in FY2011 compared to 4.2 percent growth in 2010. Imports also grew at 41.8 percent in FY2011 compared to 5.5 percent growth in FY2010. At current market price, total GDP of Bangladesh in FY2011 was estimated at Taka 7875 billion compared to Taka 6924 billion

Directors' Report

in FY2010 which represents a growth of 13.4 percent. In FY2011, the country's real per capita GDP increased by 5.3 percent.

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 7percent 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 2012 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 2011. 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



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed is seen presiding over the 180th meeting of the Board of Directors.



Mr. S.S Nizamuddin Ahmed, Chairman Audit Committee is seen presiding over the 34th. meeting of the Audit Committee.

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. The Bank utilizes the existing skilled manpower and also brings in the best talents through a prudent recruitment policy in the right direction to fulfill the mission and vision of the bank. Proper recruitment policy lays the solid foundation for establishment of an institution at the initial stage and sustainable growth in future. 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 the executives and officers.

Total number of Executives, Officers and Staff in the bank is 1046 as on December end 2011. Out of them male employees and female employees are 889 and 157 respectively. They are relentlessly

Directors' Report

working in a team with a vision to serve the bank with devotion and dedication to uphold its glorious image.

Training Research and Planning

The training institute of the Bank has been set up with a view to develop human resources (work force) and to equip them with required knowledge and skills to perform their jobs in a befitting manner. Training is regarded as a major catalyst for bringing about required changes in human behaviour. To bring about such changes for job performance, proper attitude and values are very critical and challenging task. Today, we live in a knowledge based society where training is an exposure for learning. In 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 tremendous changes due to the emergence of free market economy, unprecedented innovations of information technology and E-Commerce.

Accordingly, the Training Institute is responsible for planning and designing training courses, developing appropriate contents, training materials, tools and techniques for imparting training effectively. And it prepares course calendar for the year to conduct training courses on the basis of organizational needs and outlook. Setting an example of excellence and standard in banking in Bangladesh is our management objective. That dream has been set to be taken by our heart by each and every employee of the Bank. All officials sincerely believe in it and start accomplishing the same.



Mr. S.A.M Hossain, Chairman Executive Committee is seen presiding over the 90th Meeting of the Executive Committee.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen presiding over the 2nd. Meeting of the Board of Directors of SBL Capital Management Limited.

The Institute also undertakes Research & Planning for analytical review of bank's operational achievement and performances and sets strategy to sustain and improve the same by building up public image and prestige.

To make our bank a leading bank in Bangladesh, massive expansion program has been undertaken consequent upon which a large number of personnel of all categories such as, direct officers, Assistant-officers and cashiers have been recruited. Total number of new recruits would be about two hundred for whom training institute has designed special training courses with specific training needs such as 1) Foundation Course on Banking Law & Practices for probationary Officers, 2) General Banking for Assistant Officers, 3) General Banking with emphasis on Functions of cash Department, 4) Bankers Advances for credit officers, 5) Foreign Trade & Foreign Exchange, 6) Risk Management in Banking and 7) Project Appraisal, Financing and Management etc vis-a-vis arrangement of workshops on different banking issues / topics.

The designed courses aim to increase professional knowledge and skills, develop proper service attitude, motivation and mindset to help adopt appropriate technology to achieve excellence in job functions.

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 etc. During 2011, SBL IT had done following projects successfully.

Directors' Report

(i) Electronic Fund Transfer through BEFTN

Standard bank is one of the first few banks to go live successfully during the implementation period of BEFTN. After that, now the customers have the opportunity to transfer their fund safely and within the shortest possible time. This paperless payment system has also brought in significant changes in the interbank fund transfer mechanism which will translate increased efficiency to manage the bank's payables. It can be mentioned here that SBL already launched the distribution of inward foreign remittance through BEFTN besides transferring dividend warrant to the shareholders.

(ii) SBL Kiosk (Bills pay) System

SBL Kiosk Banking is a banking service offered to customers within the branch. This service offers customers the flexibility to conduct their banking transactions via Kiosk during branch business hours. After overwhelming responses at Mirpur branch, SBL will deploy more units in different branches (Kotalipara, Ring Road, Matuail, Ekorla & Progati Sharani Branch) for introducing smooth payments of DESCO, WASA, BTCL, GAS bills, Credit Card bills etc for the customers.

(iii) E-Recruitment

SBL is implementing E-recruitment System where online advertisement and application submission will be done through Internet. The system will provide a significant improvement in our recruitment functions by eliminating many of our manual processes such as multi posting and management activities till final selection. For the year 2011, major recruitment of Probationary Senior Officers has been done by the above system which also incorporates with CV-Bank data base that can help the bank to hire professional executives from time to time.



The Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen presiding over the 1st Meeting of the Shariah Supervisory Committee of Standard Bank Limited.



Mr. Mohammed Abdul Aziz, Chairman Green Banking Committee is seen presiding over the 2nd. Meeting of the Green Banking Committee.

(iv) AGM Attendance Management

As part of its ongoing effort to improve the shareholders services, SBL has opted for the use of an electronic registration for its Annual General Meeting. The software incorporates with shareholders attendance management with BO or Proxy Accounts in quickest possible time.

(v) CIB online system

SBL IT recently developed a CIB Online System as per requirement of Bangladesh Bank (BB) to create a disciplined environment for borrowing; the automated CIB service provides credit related information for prospective and existing borrowers. With this improved and efficient system, risk management will be more effective. Now we can furnish credit information from CIB database 24 by 7 round the year; and BB can also access credit reports from CIB online.

(vi) Export-Import Module Implementation:

We have implemented Export-Import Module in most of the AD branches by which we will be able to reconcile all transactions in respective currencies and make the system more centrally controlled.

(vii) SWIFT Version 6.0:

We upgraded the old version of SWIFT Alliance Messenger with recent Version 6.0.

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

In the year 2011, we inaugurated 10 new branches and also opened two own ATM Booths at different locations where we deployed new PCs and structured communication network with redundant link.

Directors' Report

(ix) SBL I-Banking

We already started technology based innovative banking services like Internet banking (soft launched). By using our secured I-Banking service anyone can check his/her account balance and print statement quite easily from anywhere around the world using internet.

(x) 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 the total cost of ownership.

Green banking Initiative by SBL IT:

For introducing the E-services like I-Banking, E-recruitment 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 website which provided up-to-date and detailed information about Standard Bank Limited and its wide range of products and services. The users can 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 are in practice instead of paper memos.



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed is seen presiding over the 184th meeting of the Board of Directors of Standard Bank Ltd.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen amongst the Directors on the Annual Manager's Conference-2011 of Standard Bank Limited on the ceremony of awarding crest to the successful Branch Managers

Finally we can say, with the success of our automation, we will be able to develop new products and new delivery channels, to reach new customers and create the opportunity for greater value addition. Our IT objective is to achieve maximum use of tried and tested technology, keeping on improving our offer to the customers. 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

Plastic money is no longer a new phenomenon in Bangladesh. With due encouragement from Bangladesh Bank, most of the banks are slowly moving to alternative channels to avoid cash in financial transactions across the counter. Credit card is one through which our customers can simply pay for goods and services without involving cash. Thus it has become a primary product in our banking services as a mode of payment.

Standard Bank has always focused on customers' emerging needs and introduction of credit card is a step towards catering to such requirement. Against this background, the Bank has taken associate membership of Visa International through NCCBL. Visa is a global player in the payment industry and controls 60% of total market share in the world.

With Visa's license we have successfully launched VISA credit card for local and international usage. Since August 2010, our issued cards are being accepted across the world on line real time basis with authorization from our card centre.

At this point we shall give below a summary of our performance for the year 2011.

Directors' Report

No of Cards issued	1041
Total outstanding in credit card	Tk. 5.33cr
Total income	Tk.116.41lac
Interest income	Tk. 86.11lac
Interchange fee	Tk. 6.93lac
Cash advance fee	Tk. 6.93lac
Card fee	Tk. 6.84lac
Late payment	Tk. 7.77lac
Excess limit	Tk. 1.56lac

Card business is a number game. The larger the card base bigger will be our profit volume. But we are yet to create minimum base that is required to run the business profitably. Since it is purely a retail business, scope for income is huge if risk is managed properly.

Our main focus is to increase the card base so that we can be at a decent level with our competitors. We would expect that all our borrowers should avail our card facility against their submitted collateral. This will minimize our risk and at the same time our borrowers need not approach other banks for this product. We may also mention here that our network of branches is our main outlet and through which we can rope in customers for corporate and retail business including card.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen amongst the Directors on the Half yearly Manager's Conference-2011 of Standard Bank Limited.



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed together with the President of FBCCI Mr. A.K Azad and others are seen at the counter of Standard Bank Ltd. in the 5th.FBCCI SME FAIR-2011 at Bangabandhu International Conference Center.

Last but not the least we have introduced a few features to make our card attractive to our customers and some more like cheque facility and balance transfer are already in pipe line. Alert service against transactions and billing information are being delivered through SMS via mobile phones.

ATM/Debit card

Customer satisfaction is the cornerstone of our business strategy. In order to provide banking services regardless of time and location, we have introduced our own Standard Bank Debit card. We have also installed 5 ATMs at our branches and another 10 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. DBBL and Brac Bank have already installed over 2500 ATMs which are available for our customers 24hours a day and 7 days a week. In addition we have agreement with Q-cash network of more than 50 ATMs.

We give below a snapshot of our performance in Debit card

No of cards issued	= 7,958
No of transactions in our own ATMs	= 14,652
No of transactions in DBBL	= 25,454
No of transactions in Brac	= 4,930
Total amount withdrawn from our own ATM	= Tk. 91,610,500.00
Total amount withdrawn from DBBL	= Tk. 151,920,000.00
Total amount withdrawn from Brac	= Tk. 34,594,200.00

Directors' Report

We need to increase our card base for the debit card so that our customers are encouraged to use ATMs rather than cash counters. This will create extra capacity for us at branch level.

Performance of SBL Capital Management Limited (SCML)

After the formation of SBL Capital Management Limited (SCML), the Merchant Banking Subsidiary of the Bank, all operations of the erstwhile Merchant Banking Wing (MBW) were taken over by this new Subsidiary Company with effect from January 2011. The Authorized Capital and Paid up Capital of SCML was Tk. 500.00 Crore (Taka Five Hundred Crore) and Tk. 150.00 Crore (Taka One Hundred Fifty Crore) respectively.

Due to bearish market the ruling market price as well as trade volume registered significant fall in 2011 and as a result the volume of operation as well as the operating profit of SCML was much low in comparison to that of 2010. A number of factors were responsible for this downside of the market namely, (a) lack of confidence (b) short term profit motive of a large group of investors (c) fund constraint of banking sector due to various reasons (d) tied up of huge individual and institutional funds for placement shares (e) reluctance of a few institutional investors i. e. insurance sector, mutual funds etc. to increase exposure in capital market (f) delayed declaration by the regulatory bodies on single party exposure limit in capital market by subsidiary companies (g) lack of coordination in action amongst the regulatory bodies regarding incentives declared by the govt. as well as clarification regarding declared incentives (h) unscrupulous actions by a section of directors of a number of listed companies (i.e. disposal of shares without maintaining the minimum required number of shares for retaining the directorship in the company) were important.

In order to bring back stability in the capital market, the regulatory bodies announced a three stage package namely (a) short term: for immediate implementation (b) medium term: within 3 months and (c) long term: within 4-6 months time frames. The measures declared are in the process of implementation phase by phase. We have been anxiously waiting to see the outcome of these measures. We expect a better market scenario in future.

Islami banking

For clients full satisfaction Vis-à-vis our sponsors', 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. We are following and 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. 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)

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, we are providing all of the above products, services and 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.

Capital Management

Capital:

In order to strengthen the Bank's capital structure so that CAR (Capital Adequacy Ratio) is remained at appropriate level so as to lay a strong foundation for sustainable, fast, and healthy development of businesses of the bank.

The Bank maintains some key principles for its capital management to operate smooth banking activities. These principles are to 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.

Overall Capital position as on 30.12.2011 as follows:

- 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 stood at Tk. 406.13 crore in 2011.
- The Statutory Reserve stood at Tk. 199.52 crore.
- The total equity capital & reserve of the Bank at the end of the 2011 was Tk. 687.05 crore.

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.695.64 crore which is increased by Tk. 37.96 crore from previous year. MCR needed to be covered 50% from Tier-1 Capital. It includes the equity such as Paid-up Capital, Reserve & Retained Earnings.

Directors' Report

Besides Tier-II, another part of the Capital Structure stood at Tk.74.57 crore at the end of 2011 which includes General Provision on unclassified loans & advances. Total Capital increased by Tk. 133.13 crore during the year 2011.

Capital Adequacy Ratio is measured by the ratio of the total Capital to the Risk weighted asset. Capital Adequacy Ratio (CAR) has stood at 11.39% at the end of 2011, where CAR requirement was 10%.

Capital Planning:

The Bank has a specific Risk based Capital Planning policy. 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's objectives on capital planning are to:

- maintain sufficient capital resources to meet minimum regulatory capital requirements set by Bangladesh 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 business 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.

In future the Bank has a plan to enhance both the authorized capital & paid-up capital of the Bank to cope with financial growth and regulatory requirement. Besides the Bank continued to distribute stock dividend to enhance core capital in Tier-I. In the EGM it was also resolved that Bank will enrich its Tier-II capital for Tk. 200.00 crore by issuing debt instrument (Subordinate Bond) from capital market.

Risk Management

Risk management is the core issue in operating structure of a Bank. The Bank seeks to limit adverse variations in earnings and capital by managing risk exposures within agreed levels of risk appetite.

Effective risk management is fundamental to the business activities of the Bank. While the Bank remains committed to increasing shareholders value by developing and increasing business within bank's pre-determined risk appetite, The Bank is also careful about achieving objectives in line with the interests of all stakeholders.

The Bank seeks to achieve an appropriate balance between risk and reward in the business, and continues to build and enhance the risk management capabilities that assist in delivering bank's growth plans in a controlled environment.

The Bank's risk management processes have been proved effective, despite a tough economic environment. The Management remained closely involved in all risk management initiatives, which have focused particularly on preserving appropriate levels of asset quality, liquidity and capital by effectively managing the portfolios in terms of risk worthiness.

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. The Bank needs to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions.

The Bank identifies the key point in effective revenue and receivables management and intelligently and efficiently manages customer credit lines. In order to minimize exposure to bad debt, over-reserving, and bankruptcies, The Bank is very much watchful to observe insight into customer financial strength, credit score history and changing payment patterns. Likewise, the ability to penetrate new markets and customers hinges on the ability to quickly and easily make well informed credit decisions and set appropriate lines of credit.

Early Alert System:

The Bank has ensured an efficient Early Alert System by addressing potential weaknesses of material nature of slow and sticky accounts. It ensures monitoring, supervision and close attention by management. If these weaknesses are left uncorrected, they may result in deterioration of the repayment prospects for the asset or in the Bank's credit position at some future date with a likely prospect of being downgraded in Credit Grading within the next twelve months.

Early identification, prompt reporting and proactive management of Early Alert Accounts are prime credit responsibilities of all levels and this issue is undertaken on a continuous basis.

Limit and Restrict the NPLs:

To manage the total credit portfolios the Bank closely monitor past due account, default account and other sticky accounts.

Taking into consideration of potential future changes in economic conditions when assessing individual credits and their credit portfolios, the Bank has assessed their credit risk exposures under stressful conditions.

Special Monitoring on Top large borrowers:

As the Bank has some potential large borrowers having different types of facilities, where the portfolios are concentrated into some limited entities, specific process to intensively monitor those accounts is regularly followed.

Monitoring the value of mortgaged collateral:

Most of the collateral held in the Bank are Lands, Buildings and Real Estate. It is very much important to monitor the fall of value of Real Estate so that total coverage always kept below the exposure limit.

Watch on Negative shift in the NPLs categories:

It is a regular course of action of credit administration to uphold the Asset Quality of total credit portfolios. The Bank has taken some extra measures to keep its Non Performing Loans (NPL) at minimum.

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Focus on particular sector concentration:

As the economy of the country concentrated on RMG sector, the Bank's credit has a major share on Garments and Textiles. Accordingly the Bank is very much aware on its involvements in this particular sector, efforts are taken to limit its risk derived from any adverse impact on this sector.

Liquidity risk:

During the year of 2011 it was widely rumored in financial sector that the banks have been suffering Liquidity Risk. Despite contraction of Monetary Policy, the Bank has efficiently managed its liquidity position in line with central bank's constraint.

However, the Bank is aware that Liquidity risk arises when the bank, despite being solvent, cannot maintain or generate sufficient cash resources to meet its payment obligations as they fall due, or can only do so at materially disadvantageous terms.

The Bank's objective of liquidity management is to ensure adequate liquidity without affecting the profitability. In tune with this, the Bank ensures adequate liquidity at all times through systematic fund planning, maintenance of liquid investments and focusing on more stable funding sources.

Market risk:

The 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 the 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. The Bank has been very much conscious on price volatility during 2011 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, the Bank has maintained a Comprehensive and effective Operational Risk Management Policy.

Standard Internal Control System and Risk based Branch inspection process are in place. Besides Core Banking Database Management System and a separate Disaster Recovery centre is established to limit all possible risk in business operation.

Risk appetite & Business Appetite:

Risk appetite is the maximum level of residual risk that the bank is preparing to accept to deliver its business objectives. The bank has developed a robust framework that is used to articulate risk appetite throughout the bank and to external stakeholders.

The Bank tries to establish its parameters for risk appetite by:

- Providing strategic leadership and guidance from Senior Management;
- Reviewing and approving annual budgets and forecasts, under both normal and stressed conditions, for the bank and
- Regularly reviewing and monitoring its risk performance in quarterly basis.

The Bank's Board fixed the Yearly Business Targets and Budget, which delegates the determination of risk appetite to the senior management, where it has to ensure that risk appetite is in line with bank's strategy and the bank's desired balance between risk and reward.

Market Disclosure:

Standard Bank Limited has developed a Market Disclosure framework in line with Risk Based Capital Adequacy guideline of Bangladesh Bank to be published in public annually. The framework comprises the following components:

(1) Scope of Application (2) Capital Structure (3) Capital Adequacy (4) Credit Risk (5) Equities: disclosures for banking book positions (6) Interest rate risk in the Banking Book (IRRBB) (7) Market Risk (8) Operational Risk.

A detail of Market Disclosures on Risk Based Capital (Basel-II) as on 30.12.2011 is shown below:

Calculation of Risk Based Capital Adequacy (Basel II):

The adoption of Basel II has boosted good Risk Management practices and good corporate governance in banks. The objective of risk management is not to prohibit or prevent risk taking activity,

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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 the 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:

Disclosures on Risk Based Capital (Basel-II) as on 30.12.2011

(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.

(a) Scope of Application

Qualitative Disclosure	(a)	Regulatory capital will be categorized into three tiers: Tier 1, Tier 2, and Tier 3. Tier 1 capital: Tier 1 capital called 'Core Capital' comprises of highest quality of capital elements that consists of : 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 Tier 2 capital: Tier 2 capital called 'Supplementary Capital' and consists of: a) General provision (on & off Balance sheet) b) Revaluation reserves • Revaluation reserve for fixed assets • Revaluation reserve for securities 4 • Revaluation reserve for equity instrument c) All other preference shares d) Subordinated debt 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). The calculation of Tier 1 capital, Tier 2 capital, and Tier 3 capital shall be subject to the following conditions: a) The amount of Tier 2 capital is not exceeded the limited to 100% of Tier 1 capital.
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	406.13	406.13
1.2	Statutory Reserve	199.52	199.52
1.3	Non-repayable Share premium account		
1.4	General Reserve		
1.5	Retained Earnings	89.99	81.40
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 1.8) 695.64	687.05	
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 Shee texposure)	74.57	74.57
2.2	Assets Revaluation Reserves up to 50%		
2.3	Revaluation Reserves for Securities up to 50%		
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)	74.57	74.57
3	Total Eligible Capital (Tier-1+Tier-2)(1.20+2.10)	770.21	761.62

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(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	632.38	631.28
	(c)	Capital Requirement for Market Risk	3.94	27.98
	(d)	Capital Requirement for Operational Risk	36.88	38.06
	(e)	<p>Total & Tier-1 Capital Ratio:</p> <ul style="list-style-type: none"> • For the consolidated group: <ul style="list-style-type: none"> ♦ Total CAR 10.92% ♦ Tier-1 CAR 9.85% • For stand alone: <ul style="list-style-type: none"> ♦ Total CAR 11.39% ♦ Tier-1 CAR 10.28% 		

(d) Credit Risk

Qualitative Disclosure	(a)	<ul style="list-style-type: none"> ♦ Definition of past due and impaired (for accounting purposes): A customer will be considered to be past due once a repayment becomes overdue. 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. Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment will be treated as past due/overdue from the following day of the expiry date. This loan will be classified as Sub-standard if it remains past due/overdue for 6 months or beyond but less than 9 months, as 'Doubtful' if for 9 months or beyond but less than 12 months and as 'Bad-Debt' if for 12months or beyond. Any Demand Loan if not repaid/rescheduled within the fixed expiry date for repayment will be treated as past due/overdue from the following day of the expiry date. This Loan will be classified as Sub-standard if it remains past due/overdue for 6 months or beyond but not over 9 months from the date of claim by the bank or from the date of creation of the forced loan; likewise the loan will be classified as "Doubtful" and
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	<p>Bad/loss if remains past due/overdue for 9 months or beyond but not over 12 months and for 12 months and beyond respectively.</p> <p>In case any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the due date, the amount of unpaid installment(s) will be termed as `defaulted installment`-</p> <p>In case of Fixed Term Loans, which are repayable within maximum five years of time: -</p> <p>If the amount of `defaulted installment` is equal to or more than the amount of installment(s) due within 6 months, the entire loan will be classified as ``Sub-standard".</p> <p>If the amount of 'defaulted installment' is equal to or more than the amount of installment(s) due within 12 months, the entire loan will be classified as "Doubtful.</p> <p>If the amount of 'defaulted installment' is equal to or more than the amount of installment(s) due within 18 months, the entire loan will be classified as "Bad -Loss."</p> <p>In case of Fixed Term Loans, which are repayable in more than five years of time: -</p> <p>If the amount of `defaulted installment` is equal to or more than the amount of installment(s) due within 12 months, the entire loan will be classified as 'Sub-standard.'</p> <p>If the amount of `defaulted installment ` is equal to or more than the amount of installment(s) due within 18 months, the entire loan will be classified as 'Doubtful'.</p> <p>If the amount of 'defaulted installment 'is equal to or more than the amount of installment(s) due within 24 months, the entire loan will be classified as 'Bad-Debt'.</p> <p>♦ Description of approaches followed for specific and general allowances and statistical methods</p> <p>As per relevant Bangladesh bank guidelines, 1% to 5% provision is maintained against good/ standard loans, 5% provision is maintained against SMA loans, 20% provision is maintained against sub - standard loans, 50% provision is maintained against doubtful loans and 100% provision is maintained against bad / loss loans after deducting value of eligible security, if any, as per Bangladesh Bank guidelines. All interest is suspended /discontinued if the loan is identified as SMA or classified as sub -standard, doubtful or bad /loss.</p> <p>♦ Discussion of the Bank's credit risk management policy</p> <p>The Board approves the credit policy keeping in view relevant Bangladesh Bank guidelines to ensure best practice in credit risk management and maintain quality of assets, Authorities are properly delegated ensuring check and balance in credit operation at every stage i,e screening , assessing risk, identification, management and mitigation of credit risk as well as monitoring, supervision and recovery of loans with provision for early monitoring, supervision and recovery of loans with provision for early warning system. The credit risk management division is independently operated for dedicated credit risk management, separate credit administration division for ensuring perfection of security coverage and credit monitoring and recovery division for monitoring and recovery of irregular loans.</p> <p>Besides, Internal control & compliance division independently assess quality of loans and compliance status of loans at least once in a year. Adequate provision is maintained against classified loans as per Bangladesh Bank guidelines. Status of loan portfolios is being regularly reported to the Board /Executive Committee.</p>
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Quantitative Disclosure	(b)	Total gross credit risk exposures broken down by major types of credit exposure: SOD/Quard against TDR Loans (General including Bai-Muajjal) Cash Credit/Murabaha House Building Loans Staff Loans Transport Loans LTR PAD Packing Credit (PC) Demand Loan Lease Finance/Izara Syndicate/Club Finance Visa Credit Card SME/SE CCS/Hire Purchase Bills purchased & discounted (Local & Foreign) Total	Tk. in Crore 1121.45 1367.77 845.93 139.20 17.39 72.10 939.85 253.84 49.43 20.45 82.31 128.48 5.33 318.96 13.27 158.90 5534.68
	(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure: Urban: Dhaka Region Chittagong Region Sylhet Region Rajshahi Region Khulna Region Rangpur Region Barisal Region Total Rural: Dhaka Region Chittagong Region Sylhet Region Rajshahi Region Rangpur Region Barisal Region Khulna Region Outside Bangladesh Total Grand Total (urban+rural)	Tk. in Crore 3496.56 1612.29 25.96 54.07 207.49 31.33 10.86 5438.56 59.54 10.67 7.88 3.43 14.60 96.12 5175.77
	(d)	Industry or counterparty types distribution of exposures broken down by major types of credit exposure: Commercial Lending Export financing House Building loan	Tk. in Crore 1670.38 254.96 94.95

		Consumers credit scheme Small & Medium Enterprise Special program loan Others Industrial loans: Agricultural Industries Textile Industries Food & Allied Industries Pharmaceuticals Industries Leather , Chemical & Cosmetics etc Cement & Ceramic Industries Service Industries Transport & Communication Industries Others	18.78 318.95 16.31 284.47 17.30 1086.87 88.77 48.23 11.98 117.63 336.52 287.41 845.42
	(e)	Residual contractual maturity breakdown of the whole portfolio broken down by major types of credit exposure: Payable On demand Up to one month Over one month but not more than three months Over three months but less than one year Over one year but less than five years Above five years	Tk. in Crore - 255.83 571.75 2640.74 1733.89 332.47
	(f)	By major industry or counterparty type : Amount of impaired loans and if available, past due loans, provided separately Corporate SME Consumer Financing Others Specific and general provisions; and Charges for specific allowances and charge-offs during the period	In Crore Taka 42.50 0.33 0.03 78.36 111.98 -
	(g)	Gross Non performing Assets (NPAs) Non performing Assets (NPAs) to Outstanding Loans & advances Movement of Non Performing Assets (NPAs) Opening balance Additions Reductions Closing balance Movement of specific provisions for NPAs Opening balance Provisions made during the period Write-off Write-back of excess provisions Closing balance	121.12 2.19% 101.67 41.90 22.45 121.12 51.19 25.22 22.45 - 53.96

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(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.</p> <p>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> <p style="text-align: right;">Tk. Crore</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Quoted shares</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Unquoted shares</td> <td style="text-align: right;">200.91</td> </tr> </table>	Quoted shares	-	Unquoted shares	200.91
Quoted shares	-					
Unquoted shares	200.91					
	(c)	<p>The cumulative realized gain (losses) arising from sales and liquidations in the reporting period.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Realized gain (losses) from equity investments</td> <td style="text-align: right;">3.96</td> </tr> </table>	Realized gain (losses) from equity investments	3.96		
Realized gain (losses) from equity investments	3.96					
	(d)	<p>Total unrealized gains (losses) – Total latent revaluation gains (losses) - Any amounts of the above included in Tier 2 Capita</p>				
	(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 -	Minor	Moderate	Major
		Increase in Interest Rate:			
		Magnitude of Shock	1.00%	2.00%	3.00%
		Net Interest Income impact			
		<12 Months	-27.23	-54.46	-81.69
		Capital after shock	742.98	10.99	715.75
		CAR after shock (%)	10.58	688.52	10.18
		Change in CAR after shock (%)	-0.40	-0.81	-1.21
		Repricing Impact			
		Change in the value of the bond portfolio	-1.84	-3.69	-5.53
		Capital after shock	741.14	10.96	712.06
		CAR after shock (%)	10.53	682.99	10.10
		Change in CAR after shock (%)	-0.03	-0.05	-0.08
		Overall change in CAR (NII & repricing impact, %)	-0.43	-0.86	-1.29

(g) Market Risk

Qualitative Disclosure	(a)	Views of BOD on trading/investment activities:
		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.
		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.
		The Board will have to approve all policies related to market risk, sets limits and reviews compliance on a regular basis.
		Method used to measure Market Risk:
		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.
		Market Risk Management System:
		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.
		Policies and Processes for mitigating market risk:
		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.

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Quantitative Disclosure	(b)	The capital requirement for:	Solo	Consolidated
		Interest rate risk	0.76	0.76
		Equity position risk	3.00	24.04
		Foreign exchange risk	3.18	3.18
		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.</p> <p>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		36.88

Solo Basis (Only Bank)		(Taka in Crore)		
SI	Quarter end	Total Capital	CAR	Buffer Capital
01	March-2011	651.25	10.44	90.04
02	June-2011	659.33	10.24	80.01
03	Sep-2011	710.03	10.85	55.89
04	Dec-2011	770.21	11.39	94.00

Consolidated Basis (With Subsidiaries)		(Taka in Crore)		
SI	Quarter end	Total Capital	CAR	Buffer Capital
01	March-2011	652.66	10.21	77.34
02	June-2011	665.12	10.09	72.04
03	Sep-2011	705.90	10.55	36.83
04	Dec-2011	761.62	10.92	64.30

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.

The 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 of Minor Level
March-2011	10.44	9.72	-0.72
June-2011	10.09	9.05	-1.05
Sep-2011	10.55	9.12	-1.43
Dec-2011	11.39	10.20	-1.19

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.

Status of Basel-II Implementation

The 'International Convergence of Capital Measurement and Capital Standards', which is well known as 'Basel II' is designed to help banks adopt a more comprehensive, sophisticated and risk-sensitive approach for calculating Capital of a Bank.

Directors' Report

To survive with the international best practices and to make the bank's capital more risk sensitive as well as more shock resilient, 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' (Revised regulatory capital framework in line with Basel II) was introduced from January 01, 2009 as parallel run with existing method (Ref: BRPD Circular No. 10, dated November 25, 2002). At the end of parallel run period, Basel II regime has been started and the guidelines on RBCA has fully come into force from January 01, 2010 with its subsequent supplements/revisions.

The Basel-II comprises the following three pillars:

Managing, Controlling and Mitigating Risk under Pillar-1:

Under the requirement of pillar-1 Banks needed to calculate MCR (Minimum Capital Requirement) in terms of its risk profile; against Credit, Market and Operational Risk and must hold minimum regulatory capital inherent with Banking Business.

- 1) To mitigate and minimize risk weighted asset in Banking Book, Standard Bank Ltd., has been pursuing to conducting Credit Rating most of its Corporate Client by External Credit Rating Agency. The Bank has taken necessary steps to rearrange its Credit Portfolios with more fixed weighted asset group like Agro based, Micro & Rural Credit, SME, Retail, and Consumer. The Bank has also successfully restricted its NPL.
- 2) In addressing Market Risk, The Bank orders to diversify portfolio of Foreign Exchanges, The Bank is very much vigilant in taking sufficient step in placement of fund in different Currencies and different locations,



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed is found addressing the Inaugural Ceremony of Standard Co (USA) Inc. U/A/N "Standard Express" Jackson Heights, New York, USA.

- 3) In order to keep the bank from any operational Risk derived from People, System and Process Standard Bank Limited has taken numbers of step to strengthening Internal Control System, Information Technology in all its business operational areas.

Internal Supervision and Higher management oversight under Pillar-2:

A high profiled SRP team has been in force to oversee all of its operational activities from top of the Management. The bank also has a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining capital at an adequate level.

- 1) The Board of Directors' meeting held on 24.06.2010 resolved and approved the issue regarding constitution of SRP team for conducting dialogue with BB's SREP team. The SRP team is assigned to conduct dialogue to be held between the bank and Bangladesh Bank's SREP (Supervisory Review Evaluation Process) team.
- 2) Under the Stress Test model and guideline of Bangladesh Bank, The Bank has conducted stress test in every quarter end and presented the result at the SRP team.
- 3) In order to follow ICCAP model of Bangladesh Bank, the Bank has made a capital planning for Seven years and duly submitted to Bangladesh Bank.

The SRP team comprises of the following members representing Senior Management & different cross-functional divisions:

Sl	Designated Person	Position in Committee
1	Managing Director	Chairman
2	Additional Managing Director	Member
3	Deputy Managing Director	Member
4	Head of Risk management	Member
5	Head of FAD	Member

Market Disclosure Framework under Pillar-3:

Market Discipline is to complement the minimum capital requirements and the supervisory review process. It aims to establish more transparent and disciplined financial market.

The Board of Directors approved and resolved the Disclosure Framework under Risk Based Capital Adequacy guideline of Bangladesh Bank.

The framework is opened for public in Banks website WWW.standardbankbd.com. Besides this is being published in major daily newspapers in every quarter end, which covers the following components:

- 1) Asset
- 2) Credit Risk on Banking Book
- 3) Market Risk in Trading Book
- 4) Operational Risk
- 5) Specific Provisions
- 6) Regulatory Capital
- 7) Capital Adequacy

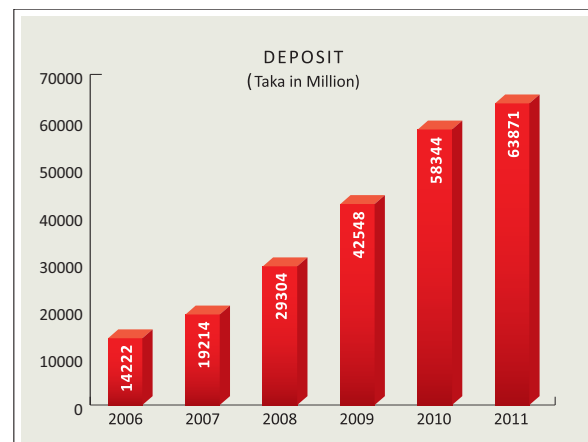
Directors' Report

The progress of Basel-II Implementation is done as follows:

SI	Particular	Reference/Method	Remarks
1	Action Plan to implement Basel II	Ref. Board resolution no. SBL/bd/137/BM/69/1496 Date 25/11/2008	Done
2	Establishing Basel-II Implementation Unit	Ref. SBL/HO/Basel- II/2008/1302 date 20/10/2008	Complied
3	Pillar-1: Minimum Capital Requirement (MCR) Reporting Credit Risk Operational Risk Market Risk	First Risk Based Capital Adequacy Assessed on 31/02/2009, And it is being duly submitted to BB regularly.	Complied
4	Pillar-2: Supervisory Review Process (SRP) and Formation of SRP Team	Ref. Board resolution no. SBL/bd/162BM/51/1265 Date 27/06/2010	Complied
5	Stress Testing	First time Stress Testing conducted on 30/06/2010, And it is being duly submitted to BB regularly.	Complied
6	Pillar-3: Market Disclosure- A disclosure framework (Qualitative & Quantitative)	Ref. Board resolution no. SBL/bd/162BM/51/1265 Date 27/06/2010	Complied

Deposits

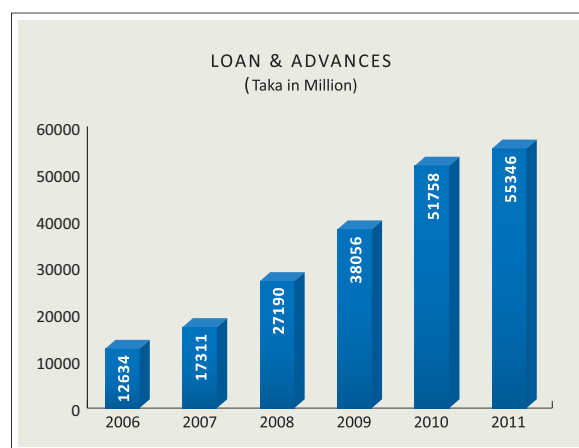
SBL always tried to give the highest return on the deposits from the customers. The deposits of SBL reached the level of Tk. 6387.06 crore during 2011 from Tk.5,834.44 crore of previous year. The growth rate is 9.47%. Cost of deposit for the year stood at 9.81% compared to the previous year's cost of 7.83%. 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.

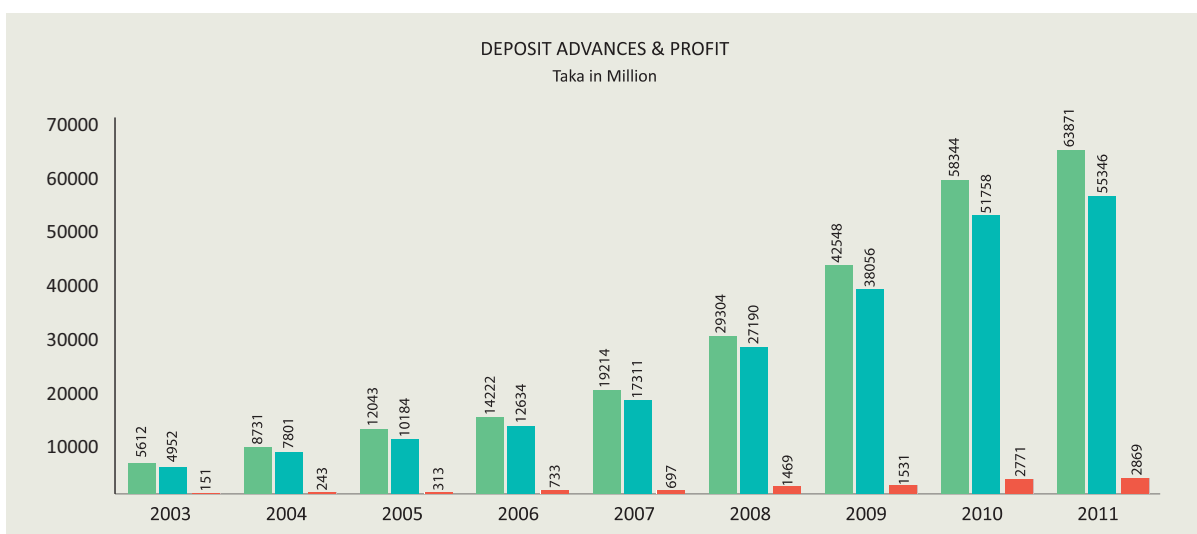
Loan and Advances

Total loans and advances figure of the Bank has increased to Tk.55,346.84 million as on December 31, 2011 in comparison to Tk.51,757.69 million as on December 31, 2010, which indicates an increase of 6.93% 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.550.00 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, the Bank has been actively participating in the syndication arrangements. Total participation at the end of year 2010 it was Tk.1,168.72 million which stood Tk.1400.00 million at the end of year 2011. This includes power generation, telecommunication, airlines, pharmaceuticals, textiles etc.



Directors' Report

Because of careful and continuous effort in operation of credit, it has been possible to arrest the nonperforming loan within 2.18% i.e TK.1,206.86 million as on December 31, 2011 out of total loan of Tk.55,346.50 million.

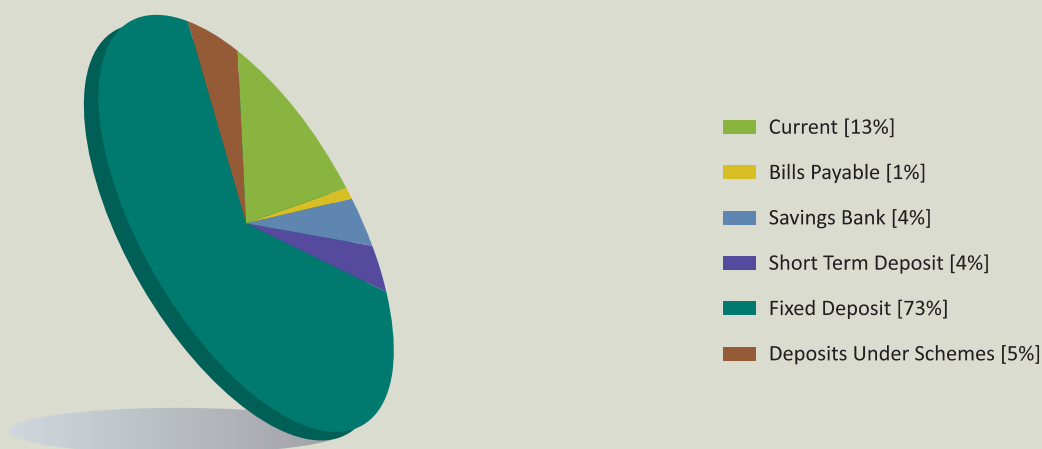
The Bank is very much aware of this marginal increasing trend of NPL and recovery effort has been geared up to reduce the non performing loan amount. A separate recovery unit has been formed with experienced employees, monitoring system has been strengthened and careful and due steps are being taken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

Analysis of Deposits

(Figure in million Taka)

Particulars	2006	2007	2008	2009	2010	2011
Current	1,700	3,173	4,385	4,947	7,219	8,045
Bills Payable	156	343	329	453	646	741
Savings Bank	573	854	1,085	1,773	2,456	2,579
Short Term Deposits	594	933	1,224	1,722	1,804	2,285
Fixed Deposits	10,573	12,965	20,912	31,706	43,988	46,657
Deposits Under Schemes	626	946	1,369	1,947	2,232	3,564
Total	14,222	19,214	29,304	42,548	58,345	63,871

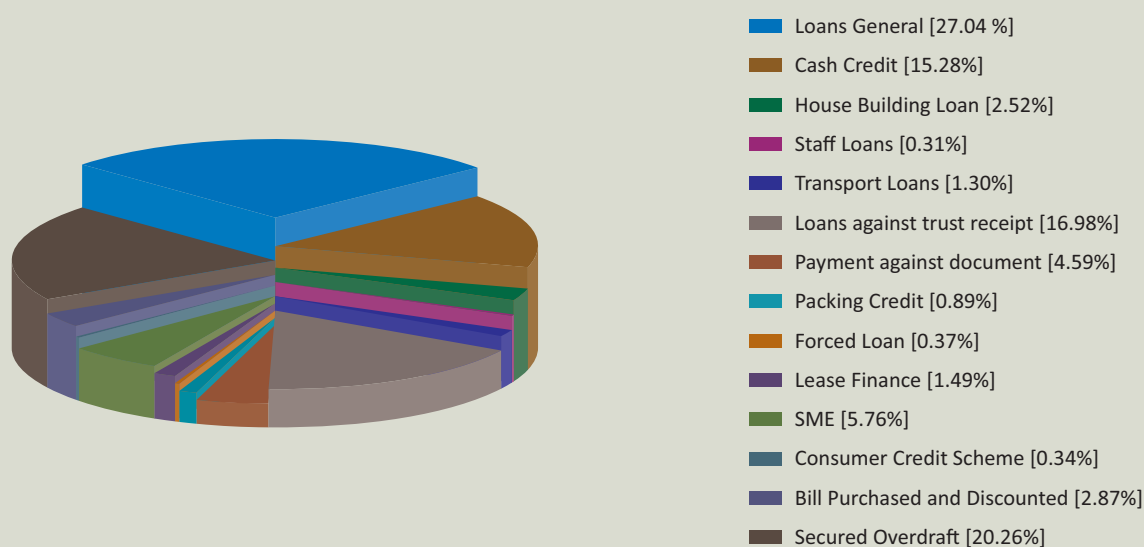
DEPOSIT PORTFOLIO MIX



Analysis of Loans and advances

Particulars	2006	2007	2008	2009	2010	2011
Secured overdraft	1,662	1,917	3,411	4,965	8,405	11,215
Loans General	1,862	3,223	4,597	9,092	13,552	14,964
Cash credit	3,635	4,303	5,617	6,946	8,814	8,459
House Building loans	195	444	720	946	1,404	1,392
Staff Loans	1	25	48	180	233	173
Transport Loans	92	223	441	551	717	721
Loans against trust receipt	2,600	3,234	5,573	7,529	7,843	9,398
Payment against document	980	1,854	3,043	3,114	3,234	2,538
Packing credit	211	269	567	655	1,056	494
Forced Loan	-	55	55	80	74	205
Lease Finance	156	288	627	810	793	823
SME	623	802	1,206	1,834	3,396	3,190
Consumer Credit Scheme	40	54	65	23	53	186
Bills purchased and discounted	577	619	1,220	1,332	2,184	1,588
Total	12,634	17,310	27,190	38,057	51,758	55,346

LOAN PORTFOLIO MIX



Directors' Report

Credit Administration Division (CAD)

The function of Credit Administration 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 staying under the umbrella of CAD. For effective implementation of CRM guideline policy usually the Bank 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 credit guide line of credit policy

b) Post sanction to disbursement activities:

After sanction of loans and advances the followup activities are done 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 borrower are the main function at 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 make scrutiny of the security documentation as per terms and conditions of sanction advice to protect Bank's interest from the legal point of view.

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

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

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 the Bank can avoid many of its adverse situation which may occur in future. In other words the activities of CAD are reducing the probability of NPL. Mentionable that increasing trend of NPL is the major problem of banking sector in Bangladesh.

For allowing disbursement of loans and advances, CAD observes the following factors:

1. Scrutiny of documentation before disbursement:

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

2. Monitoring before disbursement:

- (a) Classification status (b) Overdue liability (c) Nature of transactions (d) Equity investment

3. Disbursement in central software:

- (a) Open the new loans and advances in regular and one time limit (b) Modification in renewed and enhanced loans and advances (c) Unlocked & locked of GL head

Recovery

Standard Bank Limited emerged as a Private Commercial Bank of Bangladesh on 3rd June, 1999. Meanwhile twelve and half years have passed and the Bank has expanded its wing, i.e. 68 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 31.12.2011 is Tk.63869.92 million and Loans and advances is Tk.55332.04 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 new division called Recovery Division has been set up.

Recovery Division from its inception has been following up the classified loans, slow and sticky, overdue and Special Mentioned Account(SMA) loans through 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 (2.19% i.e. Tk.1211.22 million) has become non performing loan as on December, 2011 out of total loans and advances of Tk.55332.04 million. Last year (2010) this percentage was 1.96%. During the year 2011 an amount of total Tk.861.85 million was newly classified and an amount of classified loan Tk.667.30 million was reduced by recovery in the form of cash Tk.148.50 million, rescheduling loans and advances of Tk.270.90 million, writing-off loans and advances of Tk.246.80 million and waiving of interest Tk.1.10 million. The percentage of recovery of classified loan is 35.52%. The bank is aware of the increasing trend of NPL and effective recovery efforts have been geared up to reduce the non performing loans. The 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.

Retail Banking

SMALL & MEDIUM ENTERPRISE FINANCING:

Small & Medium Enterprises (SME) play a very important role in the economic activities of a country, so for Bangladesh as well. Globally, it is now recognized that there is an emergent need of development of SMEs. The small enterprises are vital for economy and a main driver for the growth engine. This sector is also considered to play key role behind employment generation, increased productivity and creation of new wealth, as well as, distribution thereof. SME is also regarded as a major weapon to fight poverty. Thus, as a financial institution, we increased focus on availability of micro finance to the SMEs through improved banking system. Bangladesh Bank has also provided necessary instructions and guidelines for banks to be more enthusiastic in diverting the loan portfolio towards financing SMEs. Under the leadership of the Governor, Bangladesh Bank arranged "Road Show" from Teknaf to Tetulia for creating awareness among the Small & Medium Entrepreneurs with

Directors' Report

participation of banks where Standard Bank Limited also took part in it. Bangladesh Bank views SME financing as a priority sector and accordingly, it received similar attention from us..

In line with the policy guidelines of Bangladesh Bank, Standard Bank Limited has taken all necessary steps including establishment of SME Division at Head Office, to extend credit facilities to the SMEs. For the purpose, the bank has opened seven SME / Agricultural Branches upto the year 2011 and more branches in the coming year to support SME activities while all other branches of the bank are playing active role in this regard.

Global Comparative Business Performance on SME Financing as on 31.12.2011:

Enterprise	Disbursement during		Growth Rate 2011	(Fig in Crore)		Achievement (%) 2011
	the year			No. of	Yearly	
	2010	2011		Beneficiary 2011	Target 2011	
Small	128.17	168.72	31.63%	849	220	76.69%
Medium	153.67	86.00	- 44.03%	86	330	25.98%
Total	281.84	254.72	- 9.62%	935	550	46.26%

Women Entrepreneur Desk:

Standard Bank Limited is dealing with the women entrepreneurs with special attention and a special desk for the women entrepreneurs is maintained to help them in all respects to ensure proper and easy banking facilities.

Refinance Agreement with Bangladesh Bank:

Refinance Agreement was signed with Bangladesh Bank on 06.04.2010. During the year 2011, we have received Tk.1.53 Crore refinance from Bangladesh Bank for lending women entrepreneur.

Events on SMEs participated by Standard Bank Limited:

- 1) 5th FBCCI SME FAIR-2011 (December 20-24, 2011) at Bangabandhu International Conference Center.
- 2) BANK-NASIB SME SAIKAT UTSOB (November 12-14, 2011) at Cox's Bazar.
- 3) Banker-Entrepreneur Conference-2011(28-05-2011) at Gopalganj.
- 4) Monipur Mohila Tati Shomabesh-2011 (15.04.2011) at MoulviBazar, Sylhet.
- 5) Light Engineering Fair-2011 (01.04.2011) at Bogra.
- 6) Agro based Industry, SME Finance & Entrepreneurs Fair -2011 (12.03.2011) at Rangpur.
- 7) SME Fair organized by SME Foundation (15-16th Feb, 2011) at Chittagong.
- 8) Road Show- (Teknaf-Tetulia).

Agriculture & Rural credit Division:

Bangladesh, by nature, is an agriculture based country leading to scope of employment and earning livelihood of major part of its population activities. This calls for channelising financial resource availability to the farmers and other rural entrepreneurs in order to fund the requirements to undertake farming and other rural activities effectively. For the development of this sector, Government of Bangladesh, through its multiple windows, is also providing all possible support to agricultural activities, particularly for increase of food production in order to ease pressure on import of food items.



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

In line with the above, Bangladesh Bank has also set policies to finance agricultural and rural activities through the banking institutions under different packages and incentive programs. All these have resulted in a favorable impact on the sector. Agricultural production had substantially helped the economy to perform well and to sustain against the effects of global crises.

As a financial market player, Standard Bank Limited is very much concerned with the needs of financing agricultural and rural economic activities and accordingly designed its policy for lending in the sector. In giving thrust to this sector and in line with Bangladesh Bank policy guidelines, a target of loan disbursement of Taka 105 crore has been set through the network of branches for the Financial Year (FY) 2011-2012. Bangladesh Bank has set a target Taka 13800.00 crore as a whole for the FY 2011-2012. for such lending globally in Bangladesh. The bank has developed different categorized financing program such as crop, fishery & livestock, Poverty Alleviation Program (Adarsha Gram Prokalpo), financing certain specified crop (pulses, maize, oilseeds, spices etc.) under subsidized / low interest rate, etc. The Bank also arranged to impart necessary training for officials to build field level orientation and capacity to deal with the issues efficiently including employment of officials to work in this sector.

Combined Village Development Program for Poverty Alleviation

In order to improve socio economic conditions, the living standard of rural poor and as a part of bank's commitment to social responsibilities, Standard Bank has extended its credit facilities to people of two remote villages namely "Kurpala" under Kotalipara Upazilla and "Tungipara" under Tungipara Upazilla under Combined Village Development Program for Poverty Alleviation (Adarsha Gram Prokalpo) after conducting necessary survey study in those areas. During the current year, the Bank has disbursed 85 nos. of loans amounting to Taka 15.68 lacs in 2nd phase through its Kotalipara and Gopalganj

Directors' Report

branch which was 88 nos. of loans amounting to Taka 12.22 lacs in 1st phase last year. Expansion of such program taking one village in one district is under active consideration.

Area Approach/ Cluster Policy:

In line with Bangladesh Bank policy guidelines, Standard Bank Limited has taken due initiatives to extend finance to area based activities. The Bank extends financial facilities for flower cultivation, fish cultivation, beef fattening in some selected area of Sharsha, Benapole and Jhikargacha upozilla of Jessore district. An amount of Taka 70.00 lac has been disbursed in the current year under this Project while it was Taka 27.00 lac in the previous year. Taka 28.00 crore was disbursed in agriculture and rural sector during the FY 2010-2011 and Taka 14.00 crore has been disbursed during the 1st half year of FY 2011-2012 through our branch network and MFIs. Endeavor is in place to continue disbursement in this sector for the remaining period of the FY 2011-2012.

Solar Panel, Bio-Gas, Effluent Treatment Plant Financing under Refinance Agreement with Bangladesh Bank:

A Refinance agreement between Bangladesh Bank & Standard Bank Limited has been signed on 05th October 2011 to promote and support financing for Solar Panel , Bio-Gas , and Effluent Treatment Plant (ETP) . The Bank has already financed some borrowers for installation of Solar Panel amounting to Taka 4.88 lacs against which the bank received refinance from Bangladesh Bank.

Investment

Treasury mainly focuses on Statutory Liquidity Ratio (SLR). SBL Treasury usually maintains its Investment portfolio mainly for maintaining SLR and to some extent for the prudent fund management. The Portfolio mostly consisted of 91 Day, 182 Day and 364 Day Government Treasury Bills. Also there



Hon'ble Minister for Health & Family Welfare Dr.A.F.M Ruhul Huq is found opening Satkhira Branch. The Chairman Mr. Kazi Akramuddin Ahmed and other Directors of the Bank also seen at the opening ceremony.



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

are a couple of 5 Years Bangladesh Government Treasury Bonds in Bank's holding. Diversified Investment portfolio also reflects distribution of liquidity performance. In the year 2011, the size of Investment portfolio raised at Tk.739.85 Crore against Tk. 652.81 Crore in the year 2010 showing an increase of 13.33%. Within the portfolio of 2011, 94.32% are in the HFT (Held for Trading) mode and the rest 5.68% 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 is contributing in country's national economy by successfully handling foreign exchange business offering a broad spectrum of Trade Finance Products through its 17 Authorized Dealer (AD) including International Division. We are planning to apply for AD licenses in favour of our CEPZ Branch, CDA Avenue Branch and Mirpur Branch in near future to undertake foreign exchange business .

Import

During the Year 2011, the import volume of the bank stood at USD 670.39 million equivalent to BDT 50,497.18 million while it was USD 782.51 million equivalent to BDT 54,777.71 in the Year 2010 indicating a decrease of 7.81% despite recent worldwide economic recession.

Directors' Report

Export

During the Year 2011, total export volume stood at USD 614.96 million equivalent to BDT 45,355.92 million. Export volume increased with a growth rate of 8.26% over the previous Year 2010 with export volume of USD 612.87 million equivalent to BDT 41,894.20 million.

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 Correspondents

Quality and Quantity of Foreign Exchange Business depends on efficient correspondent banking 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 a continued process for us. Now the bank has correspondent banking network with 316 renowned banks around the world alongwith RMA (Relationship Management Application) under SWIFT covering all of their branches abroad. During the year 2011, we have made RMA arrangement under SWIFT with 22 local banks.

The bank is enjoying credit line of substantial amount from most of the renowned banks where Standard Chartered Bank, Mashreqbank psc, HSBC Bank Ltd, The Bank of Nova Scotia, Commerzbank Germany, Wachovia Bank, AB Bank Mumbai, AB International Finance Hong Kong, HBZ Finance Hong Kong and Banca UBAE of 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.



Accompanying the Directors Mr. Kazi Akramuddin Ahmed, Chairman of the Bank is seen opening Oxygen Mour Branch, Chittagong.



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

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. 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.

Total Inward Remittance

Foreign Remittance Business of the bank stood at USD 44.67 million equivalent to BDT 3,338.06 million during the Year 2011, which is higher by 90.92% compared to previous year 2010. The same for 2010 was USD 25.08 million equivalent to BDT 1,748.43 million.

Remittance received from Exchange Companies

During the year 2011, we have received USD 37.59 million equivalent to BDT 2,826.54 million through different exchange companies; where USD 25.62 million equivalent to BDT 1,926.55 million from Standard Exchange Co. (UK) Ltd and USD 7.83 million equivalent to BDT 588.89 million from Standard Co. (USA) Inc. In 2010, remittance received from all exchange companies was USD 13.37 million equivalent to BDT 1,043.78

Other remittance

The bank received remittance from other sources amounting to USD 7.08 million equivalent to BDT 511.52 in the year 2011 while it was USD 11.71 million equivalent to BDT 704.65 million in 2010.

Directors' Report

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 with 4 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 Australian Financial Service Authority. We have also planned for opening Exchange Companies in Italy and Spain. As such, Bangladeshi expatriates living there will be able to remit money with ease, comfort and confidence.

Treasury

SBL Treasury is an important and unique banking unit and it is one of the best earning sources of the Bank at 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 2011 total income from the Treasury was Tk.89.34 Crore from which Tk.35.90 Crore earned from the Foreign Exchange Transactions and Tk.53.44 Crore earned from the Local Currency Transactions in the money market.



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



Mr. Kazi Akramuddin Ahmed Hon'ble Chairman of the Bank is seen observing the functional system of the ATM booth of the Bank at Mirpur, Dhaka.

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 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.

Directors' Report

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 2011 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 2011, opened 10 (Ten) new branches including 03 (Tree) Rural Branches with the total number of branches coming at 68 (Sixty 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 20 (Twenty) new branches both urban and rural areas in the year 2012 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



Agreement of signing ceremony between standard Bank Ltd. and AAA Consultant & Financial Advisors Ltd.



Signing Ceremony of Agreement between Standard Bank Limited and Dutch- Bangla Bank limited

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

The primary objectives of internal control system are to help the Bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with applicable laws and regulations. The Bank has set up 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 any deficiency/lapse is found in the reports and 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.

Directors' Report

Each year the Internal Control & Compliance Division sets out an audit plan (internal) for the year 2011 which is approved by the Managing Director as well as Audit committee of the Board. In the year 2011 Internal Control & Compliance Division conducted comprehensive audit on 39 (Thirty Nine) branches and 06 (Six) Divisions at Head Office of the Bank. In the same year, the internal audit team carried out 10 Surprise Inspection on different branches. Five special audits on different issues were conducted in the year 2011. Moreover Internal Control & Compliance Division of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

At the end of the year a summary report on audit findings and corrective action taken, is placed in a meeting of the Audit Committee of the Board for information and necessary advice/suggestions. To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was convened in 2011 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.

Besides that 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 2010.

Besides above, Bangladesh Bank Inspection teams conducted inspection on 40 (Forty) branches and 09 (Nine) Divisions of Head Office during the year 2011 which included Comprehensive Inspection,



Hon'ble Chairman Mr. Kazi Akramuddin Ahmed is found delivering speech in the inaugural ceremony on Banking Foundation Course for Probationary Senior Officer conducted by Standard Bank Limited Training Institute.



Hon'ble Prime Minister , Jananetri Sheikh Hasina is found receiving cheque for Tk.1.00 crore of Standard Bank's Contribution to Shishu Hospital . The Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen with the Hon'ble Prime Minister.

Inspection on Foreign Exchange Transaction and Core Risk Inspection on Anti Money Laundering Activities, Credit Risk Management, Information Technology and Internal Control & Compliance. Details are as under:

Nature of Inspection	Head Office/ Division	Branches
Comprehensive Inspection	1	16
Comprehensive Inspection on Foreign Trade & Foreign Exchange Transaction	1	9
Surprise Inspection		2
Special Inspection on Branch		1
Special Inspection on CF	1	1
Special Inspection on ICT Security	1	1
Special Inspection on ICC	1	1
Special Inspection on ICT	1	1
Special Inspection on CRM	1	1
Special Inspection on ALM	1	
Anti Money Laundering	1	7
Total	9	40

All the reports have been complied within prescribed deadline.

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

Directors' Report

Anti Money Laundering

The Bank has amended its Anti Money Laundering (AML) Guidelines in 2011 to determine the AML strategies with latest national and global standard. Bank's Central Compliance Unit (CCU) regarding AML is headed by Chief Anti Money Laundering Compliance Officer (CAMLCO) to ensure proper implementation of its AML program.

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

Risk based approach is used in addressing AML issues. The Bank also follows standard Customer Due Diligence (CDD) and / or Expanded Due Diligence (EDD) process in accordance with domestic regulatory framework and International Standard Best Practices. Besides, the Bank also ensures Due Diligence in all subsidiaries and correspondences home and abroad.

In order to adhere to national and International standard of AML functions, The 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, the 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).

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



Mr. Harun Rashid Chowdhury, Chairman Executive Committee is seen presiding over the 84th Meeting of the Executive Committee.



The customers are seen getting services at the counter of our principal Branch, Dhaka.

In recruitment process, the Bank has been screening all job applications in line with AML guidelines. To educate officials at all levels the Bank follows pragmatic training and staff development program with its Training Institute, external training, Online Training, and in-house awareness procedures. Besides, The Bank has been continuing customer awareness program in its all service delivery points.

In Risk Based approach the bank has to ensure to classify all its customers relating to their business style. A Risk Based Self Assessment process is being used to assess and profile the Risk by the Branch for review of their AML work plan. The Bank ensures all internal and external reporting requirements as per regulatory framework.

The Bank has been maintaining a particular Record keeping Policy in line with domestic legal and regulatory framework, apart from maintaining international standard best practices.

Standard bank Limited has undertaken strong commitment to pursue strictly AML, so that the organization is capable of keeping 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 2011 by the shareholders in their 12th 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 18 members of high academic caliber and excellent professional knowledge, experience and skills

Directors' Report

together with the Managing Director as Ex-officio Director. During the year 2011 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 2011.

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.Md. Zahedul Hoque	Director	Member
3	Mr. Moshfeque Mamun Rizvi	Director	Member
4	Mr. Md. Fayekuzzaman	Director	Member
5.	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 6 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 the Committee	Educational Qualification
1.	Mr. S.S. Nizamuddin Ahmed	Director	Chairman	M. Com
2	Mr.Md. Zahedul Hoque	Director	Member	MBA
3	Mr. Moshfeque Mamun Rizvi	Director	Member	Bar-at-law
4	Mr. Md. Fayekuzzaman	Director	Member	B.Com(Hons) M.Com.
5	Mr. A.F.M Nizamul Islam Chowdhury	Group Company Secretary	Member Secretary	B.A, L.LB

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

During the year 2011, the Audit Committee conducted 6 (six) meetings wherein following audit & inspection reports and financial statements were discussed:

1. Audit report of External Auditors for the year 2010.
2. Compliance Report of Bangladesh Bank's Comprehensive Inspection as on 31.12.2009
3. Un- audited Financial Statements as on 31.03.2011, 30.06.2011 of the Bank.
5. Yearly Certificate of the Management (MANCOM) for the year-2010.
6. Revised Annual Audit plan-2011.
7. Strengthening Internal Control & Compliance Division by posting experienced & prudent Banker.
8. Statement of classified loans & advances.
9. Statement of slow, sticky, overdue & SMA loans & advances.
10. Statement of re-scheduled / time extended loans & advances.
11. Statement of term loan created / converted from LTR a/cs.

The Audit Committee discussed agendum thoroughly and provided following instructions and guidelines to the Management for compliance:

*The Management shall assign responsibility of recovery of classified loans to individual Officer/ Executive and Recovery Division will monitor & follow up till final adjustment/settlement of the loan.

* To identify the weak area of the loan and to closely monitor and supervise all the overdue & classified loan a/cs.

*To assess business position of the borrower and to physically verify the collateral security.

*To negotiate / settle the suits already filed against the borrower outside the court ,where applicable.

* To maintain Suit Register henceforth by all the branches properly.

* To closely monitor & provide guidelines for boosting income at each Branch for achieving monthly target.

*To minimize the expenditure as far possible so as to keep the expenses controlled as far as possible.

*To obtain approval for appointment of a Chief Finance Officer (CFO) from the Board & ensure compliance.

*To conduct risk based internal audit and surprise inspection on the basis of Departmental control functions check list as per ICC guidelines.

* To draw an Annual Audit Plan for ICCD in accordance with the Terms of Reference.

Directors' Report

*To set up a separate IT Audit Wing under ICC Division for conducting audit in order to ensure proper implementation of all procedures, norms & practices regarding IT works and ensure compliance there of.

* To place a memo to Audit Committee as to ensure compliance of Bangladesh Bank 's circular specially ICCD , Anti- Money Laundering, Risk Management, IT etc.

* To ensure capacity build up of Audit Division as to enable them for smooth auditing the branches in accordance with risk factors.

* IT department may be audited, if required by the outside agency to ensure safety, security & smooth functioning of the department and the Bank.

* To take initiative for expansion of Islamic Banking at home as well as by opening counter in abroad where the Bank has Exchange houses.

* To draw action plan to collect low cost , no cost deposit by opening new a/cs as well as branches at remittance based area.

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.

In consideration of above stated situation and the 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 and formed Green Banking Committee of Board of Directors comprising of Mr. Mohammed Abdul Aziz as Chairman of the Committee alongwith Director Mr. Ashok Kumar Shaha, Director Al-haj Mohammed Shamsul Alam, Director Mr. Abdul Ahad and Managing Director & CEO Mr. S.A. Farooqui as members of the Committee.

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 / adopt resolutions towards effective implementation of the Action Plan. In the year 2011, two meeting of the Green Committee of the Board of Directors were held where agenda of Apprising on Bangladesh Policy Guidelines on Green Banking, Apprising on adaptation and approval for implementation of Green Banking Policy Guidelines, Report on implementation of Green Banking Policy Guidelines, Report on one day workshop on Green Banking, report submitted to Bangladesh Bank, Report on Employees Awareness, In-House Environment Management, Progress report on implementation of Phase – I of Green Banking Policy Guidelines, Report on Green Finance, Progress on Green Branch & Green Products, etc were placed and discussed advising the Management of the bank to ensure proper and timely implementation of the issues.

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, eco financing, etc.

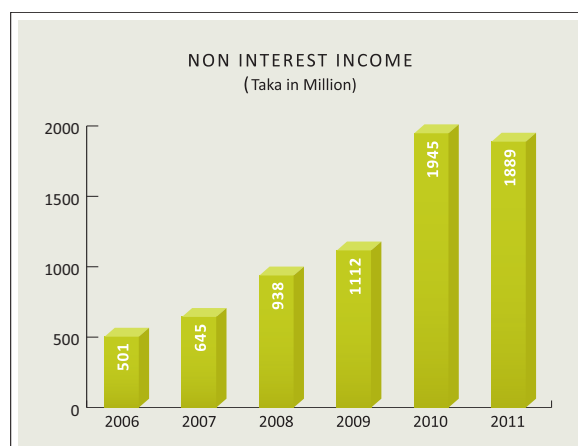
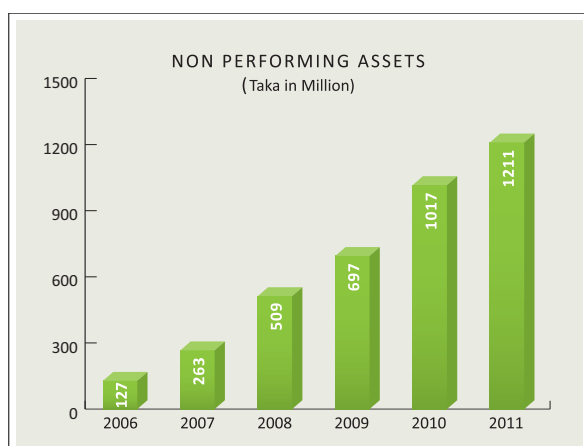
Shariah Supervisory Committee

The first meeting of the Shariah Supervisory committee was held on 21.04.2011 at the Board room of the Bank.

The agenda of the meeting were:

- 1) Selection of Member Secretary of the Shariah Supervisory committee
- 2) Formation of Shariah Secretariat
- 3) Shariah Audit in Islami Banking
- 4) Performance & Products of Islami Banking
- 5) Miscellaneous

Islami Banking Wing has placed 5(five) memos in the meeting for kind approval.



Directors' Report

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 2010, Standard Bank has spent Tk.38.79 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.



Hon'ble Chairman of the Bank Mr. Kazi Akramuddin Ahmed is seen handing over key of a Pick up donated to "Bangabandhu Memorial Trust"

We give below some of our CSR activities undertaken during the year 2011:

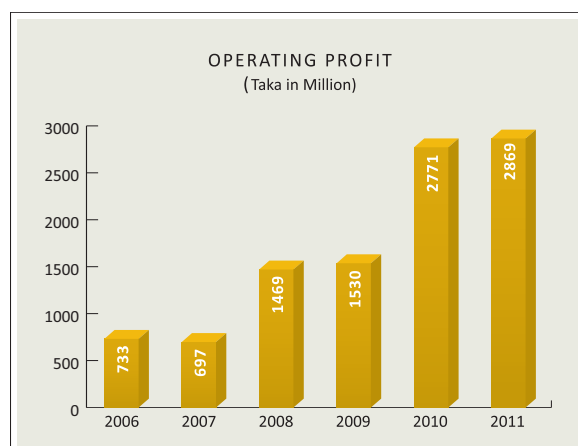
Description of initiatives	Amount in BDT
i. Education	1,20,000.00
ii. Health	9,45,500.00
iii. Others	93,62,151.00
Total	1,04,27,651.00

Operating and Net Profit

Standard Bank Limited generated an operating profit of Tk. 286.89 crore in 2011 compared to Tk.277.08 crore in 2010 making a growth of 4%. After all provisions including general provisions on unclassified loans, profit before tax stood at Tk. 234.97 crore. Earning per share (EPS) is Tk. 3.19 in 2011.

Dividend

The Board of Directors recommended 20% stock dividend subject to the approval of the Hon'ble Shareholders for the year ended 31st December 2011 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 2011. 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 co-operation towards the overall growth and development of the bank during the year 2011. The directors have expressed their deepest sense of gratitude and thanks to the valued clients, patrons and well-wishers 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

Ln. Kazi Akramuddin Ahmed
Chairman

Project Financed by Standard Bank Ltd.



Inside view of Radial Group financed by SBL, Gulshan Branch, Dhaka.



A view of Afil Bricks Ltd. financed by SBL, Banani Branch, Dhaka



Inside view of SAAD MUSA Group financed by SBL, Khatungonj Branch, Chittagong.



A view of M/S. Incontrade Ltd. financed by SBL Agrabad Branch, Chittagong



Inside view of Maven Design Ltd. financed by SBL, Principal Branch, Dhaka .



Outside view of Showrab Poultry, Dairy & Fish project financed by SBL, Agrabad Branch, Chittagong.

Project Financed by Standard Bank Ltd.



A view of M/S. Incontrade Ltd. financed by SBL Agrabad Branch, Chittagong



Inside view of SAAD MUSA Group financed by SBL ,Khatungoj Branch, Chittagong.



Inside view of Shangu Valley Cold Storage Industries Limited financed by SBL , Jubilee Road Branch, Chittagong.



Outside view of Shangu Valley Cold Storage Industries Limited financed by SBL , Jubilee Road Branch, Chittagong.



Inside view of Paramount Textile Ltd. financed by SBL, Gulshan-1 Branch, Dhaka.



Inside view of Deganta Sweaters Ltd. financed by SBL, Gulshan Branch, Dhaka.



A view of team of senior Management of Standard Bank Limited.



A view of team of Management Committee of Standard Bank Limited.

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
<p>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.</p>	
<p>(ii) The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information system (MIS). The board shall get these programs incorporated in its annual work plan.</p>	Complied
<p>(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.</p>	Complied
<p>(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.</p>	Complied
<p>(f) Formation of supporting committees: For decision on urgent matters an executive committee, whatever name called, may be formed with the directors. There shall be no committee or sub-committee of the board other than the executive committee and the audit committee. No alternate director shall be included in these committees.</p>	Complied
<p>(g) Appointment of CEO: The board shall appoint a competent CEO for the bank with the approval of the Bangladesh Bank.</p>	Complied
<p>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.</p>	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 the attendance of Directors:

Sl.	Name of Directors	Designation	No. of Meeting held	No. of Meeting attend	Remarks
1	Mr. Kazi Akramuddin Ahmed	Chairman	14	14	-
2	Mr. Kamal Mostafa Chowdhury	Director	14	14	-
3	Mr. Mohammed Nurul Islam	Director	14	12	2 days leave was granted by the Board
4	Mr. Ashok Kumar Saha	Director	14	12	2 days leave was granted by the Board
5	Mr. Ferozur Rahman	Director	14	10	4 days leave was granted by the Board
6	Mr. Harun Rashid Chowdhury	Director	14	5	Relieved from Directorship vide Bangladesh Bank letter No. বিআরপিডি/(আর-২)৬৫১/৯(২)গ/২০১১ dated 09.08.2011 with effect from 07.08.2011
7	Mr. Md. Monzurul Alam	Director	14	6	8 days leave was granted by the Board
8	Mr. S.A.M. Hossain	Director	14	13	1 day leave was granted by the Board
9	Mr. Mohammed Abdul Aziz	Director	14	14	-
10	Al-haj Mohammed Shamsul Alam	Director	14	14	-
11	Mr. Abdul Ahad	Director	14	14	-
12	Mr. Md. Zahedul Hoque	Director	14	12	2 days leave was granted by the Board
13	Mr. Ferdous Ali Khan	Director	14	14	-
14	Mr. Harun Or Rashid	Director	14	3	Relieved from Directorship vide Bangladesh Bank letter No. বিআরপিডি/(আর-২)৬৫১/৯(৩১)গ/২০১১ dated 05.10.2011 with effect from 03.10.2011
15	Al-haj Mohd. Yousuf Chowdhury	Vice-Chairman	14	10	4 days leave was granted by the Board
16	Mr. Moshfeque Mamun Rizvi	Director	14	12	2 days leave was granted by the Board
17	Mr. Md. Fayekuzzaman, MD, ICB	Director	14	12	2 days leave was granted by the Board
18	Mr. Shaikh Mesba Uddin	Director	14	11	3 days leave was granted by the Board
19	Mr. S.S. Nizamuddin Ahmed	Ind. Director	14	14	-
20	Mr. S.A. Farooqui	Managing Director Ex-officio Director	14	14	-

SL.	Name of Directors	Designation	Percentage of share as on 31.12. 2011
1	Mr. Kazi Akramuddin Ahmed	Chairman	2.35%
2	Mr.Kamal Mostafa Chowdhury	Director	2.41%
3	Mr. Mohammad Nurul Islam	Director	1.37%
4	Mr. Ashok Kumar Shaha	Director	0.99%
5	Mr. Ferozur Rahman	Director	1.64%
6	Mr. Md. Monzurul Alam	Director	1.57%
7	Mr. S.A.M. Hossain	Director	2.72%
8	Mr. Mohammed Abdul Aziz	Director	2.83%
9	Al-Haj Mohammed Shamsul Alam	Director	2.60%
10	Mr. Abdul Ahad	Director	3.41%
11	Mr. Md. Zahedul Hoque	Director	0.59%
12	Mr. Ferdous Ali Khan	Director	1.36%
13	Al-Haj Mohd. Yousuf Chowdhury	Vice Chairman	1.63%
14	Mr. Moshfeque Mamun Rizvi	Director	0.44%
18	Investment Corporation of Bangladesh represented (ICB) by it's Managing Director Mr. Md. Fayekuzzaman	Director	7.28%
19	Mr. Shaikh Mesbauddin	Director	0.94%
20	Mr. Sahazada Syed Nizamuddin Ahmed	Indipendent Director	0.03%

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

Chief Financial Officer & his spouse and minor children	N/A
Group Company Secretary & his spouse and minor children	0.01%
Head of Internal Audit & his spouse and minor children	0.0031%

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

1) Mr. Md. Nazmus Salehin	AMD	Nil
2) Md. Alauddin Al Azad	DMD-1	Nil
3) Mr. Md. Abul Hossain	DMD-2	Nil
v) Shareholder(s) holding 10% or more voting interest in the company as at 31.12.2011		Nil

Annexure-II

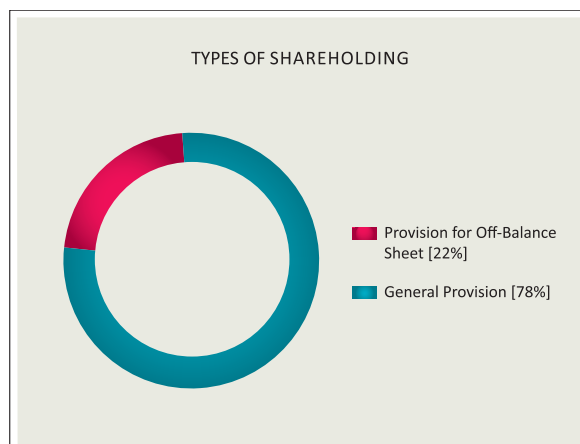
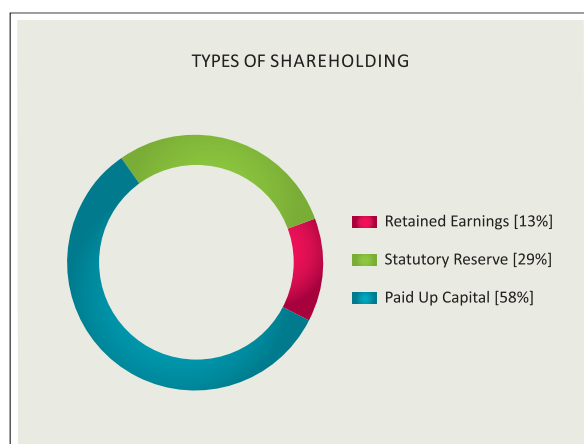
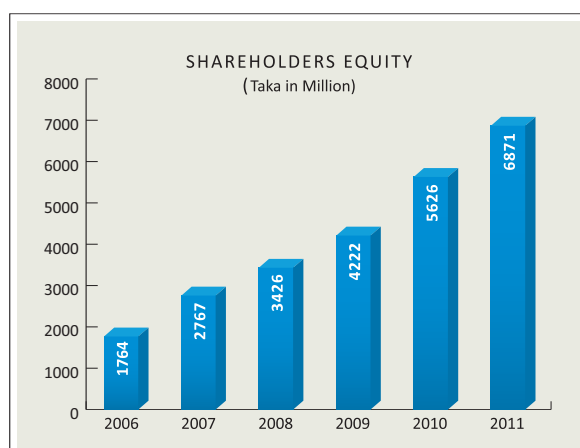
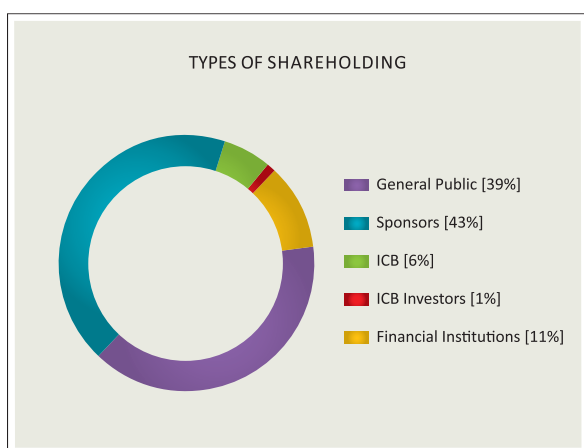
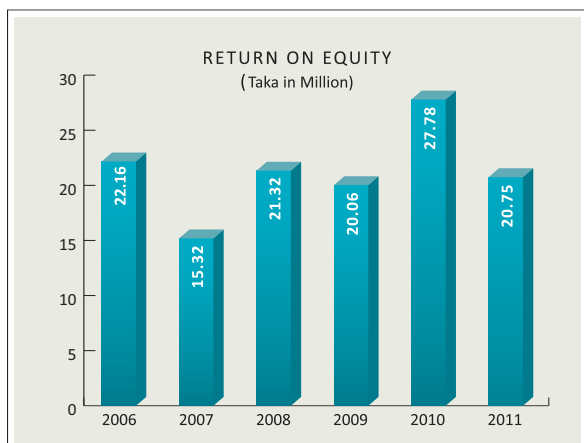
Status of compliance with the conditions imposed by the Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/Admin/02-08 dated 20 th February 2006:

Conditions	Compliance status	
	Complied	Non-complied
1.0 Board of Directors & its reports		
1.1 The members of the Board should not be less than 5 (five) and more than 20(Twenty)	✓	
1.2 Appointment of Independent Non-shareholder Director		
i) Independent Director : at least 1/10 th i.e. minimum one	✓	
ii) Appointment of Independent Director by elected Directors	✓	
1.3 Chairman of the Board and Chief Executive Officer be different person with different roles and responsibilities	✓	
1.4 Director's Report to include declarations on		
a. Fairness of Financial Statements	✓	
b. Maintenance of proper books of accounts	✓	
c. Consistent application of Accounting Policies in preparation of Financial Statements	✓	
d. Observance of Bangladesh Accounting Standards (BAS)	✓	
e. Soundness and efficiency of Internal Control	✓	
f. Ability to continue as a going concern	✓	
g. Significant deviations in operating results from last year	✓	
h. Presentation of key operating and financial data for at least last three years	✓	
I. Declaration of Dividend	✓	
j. Number of Board Meeting held during the year and attendance by each Directors	✓	
k. Shareholding pattern	✓	
2.0 Appointment of CFO, Company Secretary etc.		
2.1 Appoinment of CFO,Company Secretary and Head of Internal Audit and defining their responsibilities	✓	
2.1 Attendance of CFO and Company Secretary in the Board of Directors meeting	✓	

Annexure-III

Conditions	Compliance Status
3.0 Formation of Audit Committee & Its reporting	
3.1 (i) Number of members of Audit Committee	5
(ii) Inclusion of Independent Directors in the Audit Committee	Yes
(iii) Fill the casual vacancy in Audit Committee	Yes
3.2 (i) Chairman of the Board Audit Committee	Mr. S. S. Nizam Uddin Ahmed
(ii) Qualification and experience of Audit Committee Chairman	M.Com. and Rtd. MD of NCB & also PCBs
3.3.1 (i) Reporting by Audit Committee on its activities to the Board	Furnished reports to the Board
(ii) Report to the Board by the Audit Committee on conflict of interest etc.	N/A
3.3.2 Report by Audit Committee on the qualified point to the SEC	Audit Committee usually furnished reports to the Board
3.4 Report to the shareholders in the event of findings of certain occurrences under condition 3.3.1 (ii) above	Audit Committee reports only to the Board
4.0 Statutory Auditors not to engage in :	
(i) Appraisal or valuation services	No
(ii) Financial information systems design and implementation	Yes
(iii) Book Keeping or other services related to financial statements	Yes
(iv) Broker-dealer services	No
(v) Actuarial services	No
(vi) Internal audit services	Yes
(vii) Any other services that the Audit Committee determines	Yes, on recovery of outstanding stuck up loan

Shareholders Information Graphical Presentation



5 Years Financial Highlights

(Figure in million Taka)

	2007	2008	2009	2010	2011
Income Statement					
Interest Income	2,153	3,227	4,434	5,850	8,192
Interest Expenses	1,745	2,253	3,351	4,126	6,024
Net Interest Income	408	974	1,083	1,724	2,168
Non-Interest Income	645	938	1,112	1,945	1,888
Non-Interest Expense	356	443	664	898	1,188
Net Non-Interest Income	289	495	448	1,047	701
Profit before Provision & Tax	697	1,469	1,531	2,771	2,869
Provision for Loans & Assets	84	385	246	394	519
Profit after provision before Tax	613	1,084	1,285	2,376	2,350
Provision for Tax (Including Deferred Tax)	266	427	520	1,007	1,053
Profit after Tax	347	657	765	1,369	1,297
Balance Sheet					
Authorised Capital	3,000	3,000	8,800	8,800	15,000
Paid-up Capital	1,967	2,203	2,644	3,173	4,061
Shareholders' Equity (Capital & Reserve)	2,767	3,426	4,222	5,625	6,871
Borrowings	-	-	-	-	250
Deposits	19,214	29,305	42,556	58,344	63,871
Other Liabilities	969	1,480	2,224	2,627	3,962
Liquid Assets	4,715	6,291	9,686	13,637	17,343
Money At Call & On Short Notice	20	20	630	300	1,900
Loans & Advances	17,311	27,190	38,056	51,758	55,332
Investments	2,014	3,218	5,340	7,624	9,534
Fixed Assets	94	115	179	379	510
Other Assets	829	614	1,081	823	1,768
Total Assets(excluding off-balance sheet items)	22,949	34,210	49,001	66,596	74,953
Off-Balance Sheet exposure	9,806	13,423	13,860	22,168	17,104
Other Business					
Import Business	26,155	35,689	40,411	56,167	50,497
Export Business	17,788	25,072	29,177	41,919	45,356
Foreign Remittance	411	830	697	1,044	2,815
Capital Measures					
Total Risk Weighted assets	16,083	24,780	34,939	61,763	67,629
Core Capital(Tier I)	2,767	3,423	4,208	5,577	6,956
Supplementary Capital(Tier II)	226	399	531	794	746
Total capital	2,993	3,822	4,739	6,371	7,702
Tier I Capital Ratio	17.20%	13.81%	12.04%	9.03%	10.29%
Tier II Capital Ratio	1.41%	1.61%	1.52%	1.29%	1.10%
Total Capital Ratio	18.61%	15.42%	13.56%	10.32%	11.39%

	2007	2008	2009	2010	2011
Credit Quality					
Volume of Non-performing loans	263	509	697	1,017	1,211
% of NPLs to Total Loans & Advances	1.52%	1.87%	1.83%	1.96%	2.19%
Provision for Unclassified Loans	180	282	391	559	580
Provision for Classified Loans	61	245	365	512	540
Provision for Off-Balance Sheet Items	44	115	130	211	166
Share Information					
Number of Share Outstanding	20	22	26	32	406
Earning per Share(Taka)	17.62	24.83	3.37	43.15	3.19
Book Value per Share(Taka)	100.00	100.00	100.00	100.00	10.00
Market price per Share(Taka)	329.00	227.25	332.25	646.00	30.20
Price Earning Ratio(Times)	19	8	99	15	9
Dividend per Share:					
Cash Dividend (%)	0	0	0	0	0
Bonus Share (%)	12%	20%	20%	28%	20%
Rights Share Issue	2:1	0	0	0	0
Operating Performance Ratio					
Net Interest Margin on average earning assets	2.33%	3.72%	3.27%	3.80%	3.68%
Net Non-Interest Margin on average earning assets	1.65%	1.89%	1.35%	2.31%	1.19%
Credit / Deposit Ratio(%)	90%	93%	89%	89%	87%
Return on Equity(ROE) %	15.32%	21.22%	20.01%	27.81%	20.75%
Return on Assets(ROA)%	1.74%	1.95%	1.84%	2.06%	1.73%
Yield on average advance (%)	14.38%	14.50%	13.59%	13.03%	15.30%
Total cost of Fund					
Cost of Deposit(%)	9.67%	9.29%	9.33%	7.83%	9.98%
Administrative cost (%)	1.99%	1.69%	1.57%	1.61%	1.62%
Other Information					
Number of Branches					
Urban	23	25	32	42	47
Rural	6	7	9	10	14
Number of SME & Agriculture Branches					
		3	6	6	7
Number of Employees	610	734	821	1018	1049
Number of Shareholders	15,723	22,034	26	32	406
Number of Foreign Correspondents	22	21	21	22	22
Average earning assets	17,493	26,194	33,087	45,317	58,998
Average Total assets	19,905	28,580	41,606	57,799	70,775
Average Deposits	16,718	24,260	35,931	50,450	61,108
Average Advance	14,973	22,251	32,623	44,907	53,545
Average Equity	2,266	3,096	3,824	4,924	6,248

Auditors' Report

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, 2011, 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 the 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.

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

Opinion

- There has been inadequate provision for loan & advances, details of which has been disclosed at note 12.2 of the annexed financial statements.
- Further, there also exists a shortfall in respect of provision for income tax upto assessment year 2009-2010 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 paragraphs 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 31 December, 2011 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, 2011 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 except stated above at opinion para, 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 4,700 man-hours.

Dated, Dhaka
April 24, 2012

Khan Wahab Shafique Rahman
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, 2011

Standard Bank Limited

Consolidated Balance Sheet as at 31st December, 2011

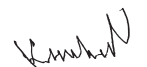
Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
PROPERTY & ASSETS			
CASH	3(a)	5,094,232,541	4,738,482,154
Cash in Hand (including foreign currencies)		513,951,929	351,093,652
Balance with Bangladesh Bank & it's agent Bank (including Foreign Currencies)		4,580,280,612	4,387,388,502
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4(a)	814,783,082	974,534,555
In Bangladesh		340,969,803	212,186,357
Outside Bangladesh		473,813,280	762,348,198
MONEY AT CALL AND ON SHORT NOTICE	05	1,900,000,000	300,000,000
INVESTMENTS	6(a)	9,533,665,711	7,623,836,970
Government		7,399,758,779	6,528,758,390
Others		2,133,906,932	1,095,078,580
LOANS AND ADVANCES / INVESTMENTS	7(a)	55,332,044,249	51,757,689,073
Loans, Cash Credits, Over Draft etc./ Investments		53,743,073,721	49,573,605,198
Bills Purchased and Discounted		1,588,970,528	2,184,083,875
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8(a)	510,247,469	378,692,232
OTHER ASSETS	9(a)	1,768,087,087	822,776,643
NON-BANKING ASSETS		-	-
TOTAL ASSETS		74,953,060,139	66,596,011,627
LIABILITIES & CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	250,000,000	-
DEPOSITS AND OTHER ACCOUNTS	11(a)	63,870,621,033	58,344,441,292
Current / Al-Wadeeah Deposits & Other Deposits		8,045,192,533	7,218,704,574
Bills Payable		740,461,550	645,871,688
Savings Bank / Mudaraba Savings Deposits		2,578,525,447	2,456,147,283
Short Term Deposits / Mudaraba Short Term Deposits		2,285,335,472	1,804,483,845
Fixed Deposits / Mudaraba Term Deposits		46,656,825,656	43,987,607,133
Deposits Under Schemes / Mudaraba Deposit Schemes		3,564,280,375	2,231,626,769
OTHER LIABILITIES	12(a)	3,961,861,834	2,626,514,473
TOTAL LIABILITIES		68,082,482,867	60,970,955,765
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	4,061,320,361	3,172,906,532
Statutory Reserve	14(a)	1,995,155,875	1,512,356,645
General Reserve	15	-	-
Revaluation Reserve on Investment	15(b)	78,016	48,388,942
Bonus Share		-	-
Surplus in Profit and Loss Account/ Retained earnings	16(a)	813,973,020	891,403,743
TOTAL SHAREHOLDERS' EQUITY		6,870,527,272	5,625,055,862
Minority Interest		50,000	-
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		74,953,060,139	66,596,011,627

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited


Consolidated Balance Sheet as at 31st December, 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES	17(a)		
Acceptances and Endorsements		6,492,115,917	10,315,488,412
Letters of Guarantee		2,842,140,213	2,680,917,550
Irrevocable Letters of Credit		7,217,929,342	8,146,602,051
Bills for Collection		551,633,424	672,950,762
Other Contingent Liabilities		-	352,378,207
TOTAL		17,103,818,896	22,168,336,982

OTHER COMMITMENTS

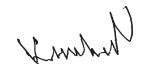
Documentary credits and short term trade-related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
TOTAL OFF - BALANCE SHEET ITEMS	17,103,818,896	22,168,336,982

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Consolidated Profit & Loss Account for the year ended 31st December, 2011

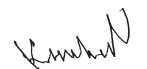
Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
Interest Income / Profit on Investment	18.3(a)	8,192,098,633	5,849,984,579
Interest / Profit paid on Deposits & Borrowings etc.	19(a)	6,023,905,930	4,126,218,727
Net Interest / Net Profit on Investments		2,168,192,703	1,723,765,852
Investment Income	20(a)	630,567,427	1,011,527,081
Commission, Exchange Earnings & Brokerage	21(a)	1,087,917,647	752,339,450
Other Operating Income	22(a)	169,933,767	181,397,079
TOTAL OPERATING INCOME (A)		4,056,611,544	3,669,029,462
Salary & Allowances	23(a)	668,660,976	542,307,765
Rent, Taxes, Insurance, Electricity etc.	24(a)	158,570,286	95,037,555
Legal Expenses	25(a)	1,829,442	1,691,418
Postage, Stamp, Telecommunication etc.	26(a)	24,589,079	20,123,320
Stationery, Printing, Advertisement etc.	27(a)	69,886,517	39,079,108
Managing Director's Salary & Fees	28	6,605,000	5,700,000
Directors' Fee & Other Benefits	29(a)	6,103,075	6,156,789
Audit Fees	30(a)	1,022,255	571,185
Charges on Loan Losses	31	-	-
Depreciation and Repair of Bank's Assets	32(a)	92,212,435	61,284,997
Other Expenses	33(a)	158,282,455	126,248,790
TOTAL OPERATING EXPENSES (B)		1,187,761,520	898,200,927
Profit / (Loss) Before Provision (C) = (A - B)		2,868,850,025	2,770,828,535
Specific Provision	34(a)	184,700,969	146,450,268
General Provision		43,231,226	167,214,561
Provision for Off-Balance Sheet Items		-	80,726,356
Provision for diminution in value of investments		291,191,197	-
Other Provision		-	-
Total Provisions (D)		519,123,392	394,391,185
Total Profit / (Loss) Before Taxes (E) = (C - D)		2,349,726,633	2,376,437,350
Provision for Taxation	35(a)	1,053,217,989	1,007,368,197
Current Tax		1,044,758,867	1,010,904,881
Deferred Tax		8,459,122	(3,536,684)
Net Profit / (Loss) After Taxation		1,296,508,644	1,369,069,153
Retained earnings brought forward from previous year	16.1(a)	263,606	1,007,353
Net Profit available for distribution		1,296,772,250	1,370,076,506
Appropriations :			
Statutory Reserve	14(a)	482,799,230	478,672,763
Proposed Bonus Shares		-	-
Retained Earnings carried forward		813,973,020	891,403,743
Earning per Share (EPS)	36(a)	3.19	3.37

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Consolidated Cash Flow Statement for the year ended 31st December, 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
A) CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in Cash		8,427,192,884	5,665,221,290
Interest payments in Cash		(5,197,735,702)	(3,890,207,822)
Dividend receipts		50,508,420	8,993,783
Income from Investment		580,059,007	1,002,533,298
Fee and commission receipts in Cash		452,969,713	401,775,426
Recoveries on loans previously written off		-	-
Cash Payments to employees		(675,265,976)	(506,722,399)
Cash Payments to suppliers		(69,886,517)	(38,864,894)
Income taxes paid		(1,116,659,111)	(576,015,810)
Receipts from other operating activities	37 (a)	169,933,767	181,388,517
Payments for other operating activities	38 (a)	(372,068,390)	(304,517,687)
Cash generated from operating activities before changes in operating assets and liabilities		2,249,048,095	1,943,583,702
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		(1,042,856,471)	(452,148,664)
Loans and advances to other banks		-	-
Loans and advances to customers		(3,798,814,612)	(13,701,935,926)
Other assets	39 (a)	(73,823,166)	(149,488,355)
Deposits from other banks		50,000,000	-
Deposits from customers		4,650,009,513	15,560,314,330
Other liabilities account of customers		-	-
Trading liabilities		250,000,000	-
Other liabilities	40 (a)	(29,279,561)	157,796,762
Net cash flow from operating activities (A)		2,254,283,798	3,358,121,849
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(193,865,214)	(242,008,380)
Sale of property, plant & equipment		3,248,412	-
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(190,616,802)	(242,008,380)
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)		2,063,666,996	3,116,113,469
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		634,947,934	348,655,863
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		12,510,081,456	9,045,312,124
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		15,208,696,386	12,510,081,456
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		513,951,929	351,093,652
Balance with Bangladesh Bank and it's agent bank(s) (including foreign currencies)		4,580,280,612	4,404,083,802
Balance with other Banks and financial institutions Note-4 (c)		814,783,082	974,534,555
Money at Call and on Short Notice		1,900,000,000	300,000,000
Govt. Security/Reverse repo		7,398,372,663	6,479,734,147
Prize Bonds		1,308,100	635,300
		15,208,696,386	12,510,081,456

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Consolidated Statement of Changes in Equity for the year ended 31st December, 2011

(Figure in BDT)

Particulars	Paid up Capital	Statutory Reserve	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 1-1-2011	3,172,906,532	1,512,356,645	48,388,942	891,403,743	5,625,055,862
Changes in accounting policy	-	-	-	-	-
Restated Balance	3,172,906,532	1,512,356,645	48,388,942	891,403,743	5,625,055,862
Surplus/Deficit on revaluation of properties	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	(48,388,942)	-	(48,388,942)
Surplus/Deficit on revaluation of investment	-	-	78,016	-	78,016
Currency translation difference	-	-	-	(2,726,308)	(2,726,308)
Net gains and losses not recongnised in the income statement	-	-	-	-	-
Adjustment of last year	-	-	-	-	-
Net profit for the period	-	-	-	1,296,508,644	1,296,508,644
Dividends (Bonus shares)	888,413,829	-	-	(888,413,829)	-
Issue of Right Shares	-	-	-	-	-
Appropriation made during the year	-	482,799,230	-	(482,799,230)	-
Balance as on 31.12.2011	4,061,320,361	1,995,155,875	78,016	813,973,020	6,870,527,272
Balance as on 31.12.2010	3,172,906,532	1,512,356,644	48,388,942	891,403,743	5,625,055,861

These financial statements should be read in conjunction with annexed notes.



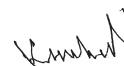
Managing Director



Director



Vice Chairman



Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Balance Sheet for the year ended 31st December, 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
PROPERTY & ASSETS			
CASH	03	5,080,044,426	4,734,694,279
Cash in Hand (including foreign currencies)		499,763,814	347,305,777
Balance with Bangladesh Bank & it's agent Bank (including Foreign Currencies)		4,580,280,612	4,387,388,502
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	04	564,740,841	966,758,103
In Bangladesh		147,960,161	212,186,357
Outside Bangladesh		416,780,681	754,571,746
MONEY AT CALL AND ON SHORT NOTICE	05	1,900,000,000	300,000,000
INVESTMENTS	06	9,608,926,692	7,660,158,345
Government		7,399,758,779	6,528,758,390
Others		2,209,167,913	1,131,399,955
LOANS AND ADVANCES / INVESTMENTS	07	55,346,841,200	51,757,689,073
Loans, Cash Credits, Over Draft etc./ Investments		53,757,870,672	49,573,605,198
Bills Purchased and Discounted		1,588,970,528	2,184,083,875
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	08	489,547,211	373,937,653
OTHER ASSETS	09	1,714,258,723	819,700,643
NON-BANKING ASSETS		-	-
TOTAL ASSETS		74,704,359,093	66,612,938,096
LIABILITIES & CAPITAL			
Liabilities			
Borrowings from other banks, financial Institutions and agents	10	250,000,000	-
DEPOSITS AND OTHER ACCOUNTS	11	63,830,315,523	58,344,441,292
Current / Al-Wadeeah Deposits & Other Deposits		8,004,887,023	7,218,704,574
Bills Payable		740,461,550	645,871,688
Savings Bank / Mudaraba Savings Deposits		2,578,525,447	2,456,147,283
Short Term Deposits / Mudaraba Short Term Deposits		2,285,335,472	1,804,483,845
Fixed Deposits / Mudaraba Term Deposits		46,656,825,656	43,987,607,133
Deposits Under Schemes / Mudaraba Deposit Schemes		3,564,280,375	2,231,626,769
OTHER LIABILITIES	12	3,667,603,430	2,626,514,473
TOTAL LIABILITIES		67,747,918,953	60,970,955,765
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	4,061,320,361	3,172,906,532
Statutory Reserve	14	1,995,155,875	1,512,356,645
General Reserve	15	-	-
Revaluation Reserve on Investment	15(a)	78,016	48,388,942
Bonus Share		-	-
Surplus in Profit and Loss Account/ Retained earnings	16	899,885,888	908,330,212
TOTAL SHAREHOLDERS' EQUITY		6,956,440,140	5,641,982,331
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		74,704,359,093	66,612,938,096

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Balance Sheet for the year ended 31st December, 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010

OFF-BALANCE SHEET ITEMS

CONTINGENT LIABILITIES

Acceptances and Endorsements	17.1	6,492,115,917	10,315,488,412
Letters of Guarantee	17.2	2,842,140,213	2,680,917,550
Irrevocable Letters of Credit	17.3	7,217,929,342	8,146,602,051
Bills for Collection	17.4	551,633,424	672,950,762
Other Contingent Liabilities	17.5	-	352,378,207
TOTAL		17,103,818,896	22,168,336,982

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	-	-

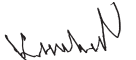
TOTAL OFF - BALANCE SHEET ITEMS	17,103,818,896	22,168,336,982
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These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Profit & Loss Account for the year ended 31st December, 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
Interest Income / Profit on Investment	18	8,099,284,291	5,849,984,579
Interest / Profit paid on Deposits & Borrowings etc.	19	6,023,905,930	4,126,218,727
Net Interest / Net Profit on Investments		2,075,378,361	1,723,765,852
Investment Income	20	486,061,663	1,011,527,081
Commission, Exchange Earnings & Brokerage	21	1,041,635,430	740,844,608
Other Operating Income	22	163,756,733	181,388,517
TOTAL OPERATING INCOME (A)		3,766,832,187	3,657,526,058
Salary & Allowances	23	642,003,909	532,563,989
Rent, Taxes, Insurance, Electricity etc.	24	143,642,566	90,194,298
Legal Expenses	25	1,829,442	1,691,418
Postage, Stamp, Telecommunication etc.	26	24,159,467	19,928,590
Stationery, Printing, Advertisement etc.	27	66,648,212	38,722,354
Managing Director's Salary & Fees	28	6,605,000	5,700,000
Directors' Fee & Other benefits	29	5,752,859	6,156,789
Audit Fees	30	450,000	300,000
Charges on loan losses	31	-	-
Depreciation and Repair of Bank's Assets	32	88,869,412	60,330,114
Other Expenses	33	144,942,976	122,995,004
TOTAL OPERATING EXPENSES (B)		1,124,903,843	878,582,556
Profit / (Loss) Before Provision (C) = (A - B)		2,641,928,345	2,778,943,502
Specific Provision	34	184,700,969	160,925,587
General Provision		43,231,226	152,739,242
Provision for Off-Balance Sheet Items		-	80,726,356
Provision for diminution in value of investments		-	-
Total Provisions (D)		227,932,195	394,391,185
Total Profit / (Loss) Before Taxes (E) = (C - D)		2,413,996,150	2,384,552,317
Provision for Taxation	35	1,051,227,415	1,007,368,197
Current Tax		1,042,768,293	1,010,904,881
Deferred Tax		8,459,122	(3,536,684)
Net Profit / (Loss) After Taxation		1,362,768,735	1,377,184,120
Retained earnings brought forward	16.1	19,916,383	8,056,555
Net Profit available for distribution		1,382,685,118	1,385,240,675
Appropriations			
Statutory Reserve		482,799,230	476,910,463
Proposed Bonus Shares		-	-
Retained Earnings carried forward		899,885,888	908,330,212
Earning per Share (EPS)	36	3.36	3.39

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012



KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Cash Flow Statement for the year ended 31st December, 2011

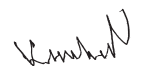
Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
A) CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in Cash		8,334,378,542	5,665,221,290
Interest payments in Cash		(5,197,735,702)	(3,890,207,822)
Dividend receipts		12,775,351	8,993,783
Income from Investment		473,286,312	1,002,533,298
Fee and commission receipts in Cash		406,687,496	390,280,577
Recoveries on loans previously written off		-	-
Cash Payments to employees		(648,608,909)	(497,167,356)
Cash Payments to suppliers		(66,648,212)	(38,722,354)
Income taxes paid		(1,109,633,912)	(576,015,810)
Receipts from other operating activities	37	163,756,733	181,388,517
Payments for other operating activities	38	(340,984,097)	(295,546,214)
Cash generated from operating activities before changes in operating assets and liabilities		2,027,273,602	1,950,757,909
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		(1,067,171,353)	(460,842,409)
Loans and advances to other banks		-	-
Loans and advances to customers		(3,813,611,563)	(13,701,935,926)
Other assets	39	(22,873,608)	(150,089,477)
Deposits from other banks		50,000,000	-
Deposits from customers		4,609,704,003	15,560,314,330
Other liabilities account of customers		-	-
Trading liabilities		250,000,000	-
Other liabilities	40	(44,180,918)	157,796,762
Net cash flow from operating activities (A)		1,989,140,163	3,356,001,189
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(181,387,608)	(243,084,802)
Sale of property, plant & equipment		3,248,412	-
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(178,139,196)	(243,084,802)
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)		1,811,000,967	3,112,916,387
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		634,947,934	348,655,863
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		12,498,517,129	9,036,944,879
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		14,944,466,030	12,498,517,129
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		499,763,814	347,305,777
Balance with Bangladesh Bank and it's agent bank(s) (including foreign currencies)		4,580,280,612	4,404,083,802
Balance with other Banks and financial institutions Note-4(c)		564,740,841	966,758,103
Money at Call and on Short Notice		1,900,000,000	300,000,000
Govt. Security/Reverse repo		7,398,372,663	6,479,734,147
Prize Bonds		1,308,100	635,300
		14,944,466,030	12,498,517,129

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants


Standard Bank Limited

Statement of Changes in Equity for the year ended 31st December, 2011

(Figure in BDT)

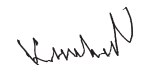
Particulars	Paid up Capital	Statutory Reserve	General Reserve	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 1-1-2011	3,172,906,532	1,512,356,645	-	48,388,942	908,330,212	5,641,982,331
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	3,172,906,532	1,512,356,645	-	48,388,942	908,330,212	5,641,982,331
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	-	(48,388,942)	-	(48,388,942)
Surplus/Deficit on revaluation of investment	-	-	-	78,016	-	78,016
Currency translation difference	-	-	-	-	-	-
Net gains and losses not recognised in the income statement	-	-	-	-	-	-
Adjustment of last year	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,362,768,735	1,362,768,735
Dividends (Bonus shares)	888,413,829	-	-	-	(888,413,829)	-
Issue of Right Shares	-	-	-	-	-	-
Appropriation made during the year	-	482,799,230	-	-	(482,799,230)	-
Balance as on 31.12.2011	4,061,320,361	1,995,155,875	-	78,016	899,885,888	6,956,440,140
Balance as on 31.12.2010	3,172,906,532	1,512,356,645	-	48,388,942	908,330,212	5,641,982,331

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012



KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Liquidity Statement (Asset and Liability Maturity Analysis) for the year ended 31st December, 2011

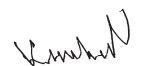
Particulars	Upto 01 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
Assets:						
Cash in hand	499,763,814	-	-	-	-	499,763,814
Balance with Bangladesh Bank	194,258,000	-	-	-	4,386,022,612	4,580,280,612
Balance with other banks and financial institutions	445,745,153	13,000,000	105,995,688	-	-	564,740,841
Money at call & on short notice	1,900,000,000	-	-	-	-	1,900,000,000
Investments	1,308,100	-	5,170,486,824	2,227,963,855	2,209,167,913	9,608,926,692
Loans and Advances	2,558,297,009	5,717,509,110	26,407,448,358	17,338,900,843	3,324,685,881	55,346,841,200
Fixed assets including premises, furniture and fixtures	-	-	-	-	489,547,211	489,547,211
Other assets	94,301	101,508,960	787,823,640	824,831,822	-	1,714,258,723
Non-banking assets	-	-	-	-	-	-
Total Assets	5,599,466,377	5,832,018,070	32,471,754,510	20,391,696,519	10,409,423,616	74,704,359,093
Liabilities						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	250,000,000	-	-	-	-	250,000,000
Deposits	3,638,965,253	4,302,167,986	31,673,776,733	18,019,500,916	6,195,904,635	63,830,315,523
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	580,189,145	13,411,787	92,120,268	1,070,385,025	1,911,497,205	3,667,603,430
Total Liabilities	4,469,154,398	4,315,579,773	31,765,897,001	19,089,885,941	8,107,401,840	67,747,918,953
Net Liquidity Gap	1,130,311,979	1,516,438,297	705,857,510	1,301,810,578	2,302,021,776	6,956,440,140

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


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Notes to the Financial Statements for the year ended 31st December, 2011

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 68 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 Securities and Exchange Commission (SEC) vide its certificate no. SEC/Reg/MB/SUB/13/2010/529, dated January 05, 2011 Under the 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 on 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 present "Standard Express (USA) Ltd. The company was incorporated on 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.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation Financial Statements

The Financial statements of the Bank are made upto 31 st December 2011 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.”

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 2011.

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, 2011.

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 1989, 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.
- 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 accredited, 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 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%
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 Sub-standard 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 Bank's 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 2011 of the accounting profit made by the Bank after considering some of the Taxable add backs of income and disallowances of expenditures.

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 2011 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 Bank's 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 Bank's credit control staff.

The Bank's 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.

Interest rate risk is the Bank's 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 Bank's 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 rests 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 31st December, 2011

		Amount in Taka	
		2011	2010
3. CASH			
3.1 Cash in hand			
In local Currency		480,804,145	317,716,755
In Foreign Currency		18,959,669	29,589,022
Total		499,763,814	347,305,777
3.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)			
In local Currency		4,101,578,071	3,487,359,809
In Foreign Currency		380,513,147	753,953,728
		4,482,091,218	4,241,313,537
Sonali Bank as agent of Bangladesh Bank			
Local currency		98,189,394	146,074,965
		4,580,280,612	4,387,388,502
Total		5,080,044,426	4,734,694,279
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		3,653,439,000	3,197,300,000
Actual Reserve maintained		3,847,697,000	3,487,359,809
Surplus/(Deficit)		194,258,000	290,059,809
b) Statutory Liquidity Requirement (SLR) 19% of average Demand and Time Liabilities:			
Required Reserve (including CRR)		11,569,224,000	10,124,784,000
Actual Reserve maintained (including CRR)		11,845,330,971	10,509,498,941
Surplus/(Deficit)		276,106,971	384,714,941
Total Required Reserve		11,569,224,000	10,124,784,000
Total of actual reserve held		11,845,330,971	10,509,498,941
Total Surplus		276,106,971	384,714,941
3.4 Held for Statutory Liquidity Ratio			
Cash in hand		499,763,814	347,305,777
Balance with Bangladesh Bank and its agent bank(s)		3,945,886,394	3,633,434,774
Government Securities		6,433,182,808	6,066,949,897
Government bonds		966,497,955	461,808,493
		11,845,330,971	10,509,498,941
Less: Repo from Held for Trading (Treasury Bill & Bond)		-	-
		11,845,330,971	10,509,498,941
3(a) Consolidated cash			
ai Cash in hand			
Standard Bank Limited (note-3.1)		499,763,814	347,305,777
Standard Exchange Co.(UK) Ltd.		398,280	3,787,875
Standard Express (USA) Ltd.		13,789,835	-
SBL Capital Mgt. Ltd.		-	-
		513,951,929	351,093,652

		Amount in Taka	
		2011	2010
iii	Balance with Bangladesh Bank and its agent bank(s)		
	Standard Bank Limited (note-3.2)	4,580,280,612	4,387,388,502
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express (USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
		4,580,280,612	4,387,388,502
		5,094,232,541	4,738,482,154
4.	Balance with other Bank and financial institutions		
	In Bangladesh (note 4.1)	147,960,161	212,186,357
	Outside Bangladesh (note 4.2)	416,780,681	754,571,746
		564,740,841	966,758,103
4.1	In Bangladesh		
	Current Deposits	-	-
	Short Term Deposit (STD)		
	Basic Bank Limited	30,209	1,805,733
	Prime Bank Limited	670	670
	IFIC Bank Limited	495	51,834
	National Bank Limited	7,318	7,318
	Agrani Bank Limited	5,826,328	3,009,292
	Janata Bank Limited	11,167,179	11,250,549
	The City Bank Limited	75,412	79,046
	Eastern Bank Limited	7,991	50,240
	SBL Principal Branch	-	45,236,481
	Dutch Bangla Bank	1,404,333	411,593
	Trust Bank Ltd.	814,026	483,751
	Standard Chartered Bank	8,451,491	1,737,928
	BRAC Bank Ltd	542,025	-
	UCBL	(64,716)	-
	Conventional Settlement A/C	701,712	-
	Premier Bank Limited	-	590
		28,964,473	64,125,025
	Savings Deposit	-	-
	Fixed Deposits		
	Hajj Finance Company Ltd.	68,741,095	39,755,000
	SIBL	13,000,000	-
	Lankabangla Finance Ltd.	-	50,000,000
	Al-Arafa Islami Bank Ltd.	10,000,000	33,306,332
	Islami Banking Window (Topkhana)	27,254,593	25,000,000
		118,995,688	148,061,332
		147,960,161	212,186,357
4.2	Outside Bangladesh (Nostro Accounts)		
	In Current account		
	Interest Bearing		
	Standard Chartered Bank, New York	13,786,949	80,986,907
	Mashreq Bank Psc, New York	31,290,281	91,963,758
	HSBC Bank, New York	76,331,254	224,361,493
	Wachovia Bank , N.A., New York	5,029,255	23,345,803
	Citi Bank, N.A., New York	68,678,245	136,302,974
	ICICI Bank Ltd., Mumbai, India	2,409,157	13,530,155
	A.B. Bank LTD. MUMBAI	13,619,736	10,038,936

	Amount in Taka	
	2011	2010
Non Interest Bearing		
HSBC, Mumbai, India	4,336,852	3,567,089
AXIS Bank Limited, Kolkata	70,287	60,753
Standard Chartered Bank Ltd., Mumbai, India	16,254,135	6,656,094
Standard Chartered Bank Ltd., Frankfurt	3,574,176	3,984,589
Standard Chartered Bank Ltd., Tokyo	1,585,547	1,030,056
ICICI Bank Ltd., Hongkong	482,072	9,335,312
Nepal Bangladesh Bank Ltd, Kathmundu	752,834	268,665
HSBC Bank, Karachi, Pakistan	3,700,412	5,623,436
Bhutan National Bank, Bhutan	106,466	17,737
Commerz Bank, Frankfurt	14,806,532	13,197,477
Habib American Bank Ltd.	143,568,343	114,875,329
Mashreq Bank ,London	968,925	103,556
HSBC Bank Plc, London, UK	15,049,223	14,888,964
Wachovia Bank ,London	380,000	-
HSBC Bank Australia Ltd, Sydney, Australia	-	432,663
	416,780,681	754,571,746
Total	564,740,841	966,758,103

(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	445,745,153	818,696,771
Over 1 month but not more than 3 months	23,000,000	33,306,332
Over 3 months but not more than 1 year	95,995,688	114,755,000
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	564,740,841	966,758,103

4(a) Consolidated Balance with other banks and financial institutions

In Bangladesh

Standard Bank Limited (note-4.1)	147,960,161	212,186,357
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	193,009,642	-
	340,969,803	212,186,357

Outside Bangladesh

Standard Bank Limited (note-4.2)	416,780,681	754,571,746
Standard Exchange Co.(UK) Ltd.	12,445,150	7,776,452
Standard Express(USA) Ltd.	44,587,449	-
SBL Capital Mgt. Ltd.	-	-
	473,813,280	762,348,198
	814,783,082	974,534,555

4(b) Net Balance with other banks and financial institutions

Balance with other banks and financial institutions(note-4)	564,740,841	300,000,000
Add: Lending to other banks and financial institutions(note-05)	1,900,000,000	-
Less: Borrowing from other banks and financial institutions(note-10)	250,000,000	-
	2,214,740,841	1,266,758,103

		Amount in Taka	
		2011	2010
4(c) Consolidated Net Balance with other banks and financial institutions			
Balance with other banks and financial institutions(note-4b)		2,214,740,841	1,266,758,103
Less: Borrowing from other banks and financial institutions		-	-
		2,214,740,841	1,266,758,103
5. Money at Call and on Short Notice			
Banking Company			
Dhaka Bank Limited		-	30,000,000
Agrani Bank Limited		150,000,000	-
Sonali Bank Limited		200,000,000	-
Mutual Trust Bank Limited		200,000,000	70,000,000
Jamuna Bank Ltd.		800,000,000	-
AB Bank Ltd.		50,000,000	-
National Bank Of Pakistan		-	50,000,000
		1,400,000,000	150,000,000
Non-Banking Financial Institutions			
ICB		450,000,000	150,000,000
Int'l Leasing		50,000,000	-
		500,000,000	150,000,000
Total		1,900,000,000	300,000,000
5.1 Maturity grouping of Money at Call and Placements:			
Payable on demand		1,900,000,000	300,000,000
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		-	-
		1,900,000,000	300,000,000
6. Investments			
i) Investment classified as per Bangladesh Bank Circular:			
Held for trading (HFT)		6,978,263,679	5,981,005,000
Held to maturity (HTM)		420,187,000	547,118,090
Subordinated Bonds		200,000,000	100,000,000
Other Securities		2,010,476,013	1,032,035,255
		9,608,926,692	7,660,158,345
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		3,770,191,824	445,048,000
112 days Treasury Bills		-	-
182 days Treasury Bills		1,400,295,000	735,598,000
364 days Treasury Bills		1,262,774,000	4,886,303,897
2 years Treasury Bills		-	-
5 years Treasury Bills		-	-
		6,433,260,824	6,066,949,897
		6,433,260,824	6,066,949,897

	Amount in Taka	
	2011	2010
b) Government bonds		
Prize bonds	1,308,100	635,300
5 years Government bonds	965,189,855	461,173,193
	966,497,955	461,808,493
Total Government Investment	7,399,758,779	6,528,758,390
c) Subordinated Bonds		
Dhaka Bank Ltd	50,000,000	50,000,000
Trust Bank Ltd.	100,000,000	-
National Bank Ltd	50,000,000	50,000,000
	200,000,000	100,000,000
d) Other Investments		
Quoted Shares (Note-6.3)	-	893,142,871
Unquoted Shares (Note-6.3)	2,009,167,913	138,257,084
	2,009,167,913	1,031,399,955
Total other Investment	2,209,167,913	1,131,399,955
Total Investment	9,608,926,692	7,660,158,345
6.1 Maturity grouping of Investments :		
On demand	1,308,100	937,427,455
Up to 1 month	-	-
Over 1 month but not more than 3 months	-	445,048,000
Over 3 months but not more than 1 year	5,170,486,824	735,598,000
Over 1 year but not more than 5 years	2,227,963,855	4,886,303,897
Over 5 years	2,209,167,913	639,085,693
	9,608,926,692	7,643,463,045
6.2 Government Bond		
5 years Government Bond	965,189,855	461,173,193
	965,189,855	461,173,193
6.3 Investment in shares		
Quoted Shares		
Aftab Auto Ltd	-	100,000,019
Atlas Bangladesh	-	287
BSRM Steels Ltd	-	34,232,495
BD Com Preference Share	-	1,500,000
Dhaka Bank Limited	-	9,051,744
Fareast Islamic life insurance	-	27,350,688
Fu-wang Food	-	540,181
Grameen Phone Ltd	-	130,070,325
Grameen Mutual Fund-2	-	9,931,220
Green Delta Mutual Fund	-	3,316,038
Global Insurance	-	5,656,542
ICB AMCL 2nd NRB Mutual Fund	-	69,792,096
ICB AMCL 2nd Mutual Fund	-	6,981,332
ICB Islamic Bank Ltd.	-	13,765,133
IFIC Bank 1st Mutual Fund	-	8,585,880
Islami Insurance Bd. Ltd.	-	5,996,932
Jamuna Bank Ltd.	-	2,478,865

	Amount in Taka	
	2011	2010
Jamuna Oil Co. Ltd.	-	49,155,197
Janata Bank 1 st Mutual Fund	-	4,167,338
Khulna Power Company Ltd	-	34,234,511
Lanka Bangla Finance	-	24,092,210
Mercantile Bank Ltd.	-	133
Meghna Life Insurance Ltd.	-	15,593,688
Meghna Petroleum	-	16,124,203
Midas Finance	-	24,459,577
M I Cement Factory Ltd.	-	3,007,505
National Housing Finance	-	16,704,830
Nitol Insurance	-	9,741,520
Prime Bank Ltd.	-	16,532,117
Prime Finance	-	11,717,964
Prime Islami Life Ins. Co.	-	22,374,892
Paramount Insurance	-	4,697,007
Phonenix Finance 1st Mutual Fund	-	3,913,354
Popular life 1st Mutual Fund	-	10,009,000
Prime Bank 1st Mutual Fund	-	2,712,658
Pragati Insurance	-	37,760,113
RAK Ceramics BD Ltd	-	8,448
Reneta Limited	-	19,264
Summit Power Ltd.	-	57,492,381
Summit Power (Preference Share) Ltd.	-	1,000,000
Standard Insurance	-	16,318,487
Trust Bank 1st Mutual Fund	-	2,697,199
Titas Gas	-	59,140,841
Union Capital	-	2,411,333
United Airways(BD) Ltd.	-	17,807,324

-	893,142,871
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Unquoted Shares

Central Depository Bangladesh Limited (CDBL)	156,548,164	8,833,340
Preference share of SUPCL & SPPCL	77,912,500	94,607,800
First Bangladesh Fixed Income Fund	150,000,000	-
Market Stabilization Fund	5,000,000	-
SWIFT	1,198,135	1,198,135
Standard Exchange Co.(UK) Ltd.	43,283,624	33,617,809
Standard Express(USA) Ltd.	75,275,490	-
SBL Capital Mgt. Ltd.	1,499,950,000	-

2,009,167,913	138,257,084
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6(a) Consolidated Investments

Government

Standard Bank Limited (note-6)	7,399,758,779	6,528,758,390
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-

7,399,758,779	6,528,758,390
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Others

Standard Bank Limited (note-6)	2,209,167,913	1,131,399,955
Standard Bank Limited (Share Capital to SCML)	(1,499,950,000)	-
Standard Exchange Co.(UK) Ltd.	(43,283,624)	(36,321,375)
Standard Express(USA) Ltd.	(75,275,490)	-
SBL Capital Mgt. Ltd.	1,543,248,133	-

2,133,906,932	1,095,078,580
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9,533,665,711	7,623,836,970
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	Amount in Taka	
	2011	2010
7. Loan and advances/Investments		
As per classification into the following broad categories:		
i) Loans, cash credits, overdrafts, etc.		
Inside Bangladesh		
Secured overdraft/Quard against TDR	11,214,521,013	8,404,599,361
Loans (General) (Including Bai-Muajjal)	13,677,749,739	12,383,350,261
Cash credit/ Murabaha	8,459,299,002	8,814,386,973
House Building loans	1,392,030,162	1,403,691,599
Staff Loans	173,909,936	233,365,004
Transport Loans	721,000,423	716,811,223
Loans against trust receipt	9,398,528,663	7,842,811,953
Payment against document	2,538,397,989	3,233,821,393
Packing credit	494,349,231	1,055,703,883
Demand Loan	204,534,183	74,478,320
Lease Finance / Izara	823,109,007	792,835,726
Syndicate/Club Finance	1,284,782,967	1,168,721,489
VISA Credit Card	53,310,439	-
SME/SE	3,189,611,458	3,395,742,480
Consumer Credit Scheme/Hire purchase	132,736,460	53,285,533
	53,757,870,672	49,573,605,198
Outside Bangladesh	-	-
	53,757,870,672	49,573,605,198
ii) Bills purchased and discounted		
Payable inside Bangladesh		
Inland bills purchased	935,580,451	1,805,640,798
Payable outside Bangladesh		
Foreign bills purchased and discounted	653,390,077	378,443,077
	1,588,970,528	2,184,083,875
Total	55,346,841,200	51,757,689,073
7.1 Net loans and advances/Investments		
Loans and advances/Investments(note-7)	55,346,841,200	51,757,689,073
Less:		
Non-performing loans and advances/Investments(note-7.9)	1,211,228,000	1,016,670,868
Interest suspense (note-12.4)	103,380,412	111,029,237
Provision for loans and advances/Investments(note-12.2)	1,119,840,995	1,070,460,006
	2,434,449,407	2,198,160,111
	52,912,391,793	49,559,528,962
7.2 Residual maturity grouping of loans and advances/Investments including bills purchased and discounted		
Up to 1 month	2,558,297,009	4,832,772,333
Over 1 month but not more than 3 months	5,717,509,110	20,291,804,700
Over 3 months but not more than 1 year	26,407,448,358	8,615,315,150
Over 1 year but not more than 5 years	17,338,900,843	11,606,853,200
Over 5 years	3,324,685,881	6,410,943,690
	55,346,841,200	51,757,689,073

		Amount in Taka	
		2011	2010
7.3	Loans and advances/Investments under the following broad categories		
	Loans	34,084,050,657	32,354,618,864
	Cash Credit	8,459,299,002	8,814,386,973
	Overdraft	11,214,521,013	8,404,599,361
		53,757,870,672	49,573,605,198
	Bills purchased and discounted	1,588,970,528	2,184,083,875
		55,346,841,200	51,757,689,073
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)	100,846,000	150,730,000
b)	Loans and advances/Investments to Chief Executive and other senior executives (including staff)	256,744,000	239,640,000
c)	Loans and advances/Investments to customers group :		
	i) Commercial lending	16,703,800,000	11,205,125,715
	ii) Export financing	2,549,600,000	3,191,500,000
	iii) House building loan	949,495,000	1,474,609,000
	iv) Consumers Credit Scheme	187,800,000	121,077,805
	v) Small and medium enterprise	3,189,500,000	3,395,742,480
	vi) Special program loan	163,100,000	331,900,000
	vii) Other Loans and advances/Investments	2,844,700,000	3,218,700,000
		26,587,995,000	22,938,655,000
d)	Industrial Loans/Investments		
	i) Agricultural Industries	173,000,000	357,800,000
	ii) Textile Industries	10,868,700,000	10,287,789,073
	iii) Food and allied Industries	887,700,000	775,300,000
	iv) Pharmaceuticals Industries	482,256,000	469,800,000
	v) Leather, Chemical and Cosmetics etc	119,800,000	144,200,000
	vi) Cement and Ceramic Industries	1,176,324,000	1,129,875,000
	vii) Service Industries	3,365,219,000	3,281,900,000
	viii) Transport and Communication Industries	2,874,100,000	2,483,700,000
	ix) Other Industries	8,454,157,200	9,498,300,000
		28,401,256,200	28,428,664,073
	Total Loans and advances/Investments	55,346,841,200	51,757,689,073
7.5	Geographical Location-wise Loans and advances/Investments		
	Urban		
	Dhaka Region	34,965,629,673	32,507,229,872
	Chittagong Region	16,122,939,456	15,037,980,488
	Sylhet Region	259,636,446	231,390,774
	Rajshahi Region	540,652,901	347,952,022
	Khulna Region	2,074,946,570	2,115,845,009
	Rangpur Region	313,268,993	280,974,702
	Barisal Region	108,555,240	41,503,397
		54,385,629,279	50,562,876,264
	Rural		
	Dhaka Region	595,427,016	953,235,009
	Chittagong Region	106,685,240	90,898,065
	Sylhet Region	78,777,151	22,092,914
	Rajshahi Region	-	-
	Rangpur Region	34,310,067	3,538,203
	Barisal Region	-	-
	Khulna Region	146,012,447	125,048,618
		961,211,921	1,194,812,809
	Outside Bangladesh	-	-
	Total	55,346,841,200	51,757,689,073

7.7 Details of pledged collaterals

Collateral of movable/immovable assets
 Export documents
 Fixed deposit receipts (FDR)
 Personal guarantee
 Other securities

Amount in Taka	
2011	2010
36,251,780,684	33,900,912,000
1,487,657,132	1,391,185,000
2,928,680,115	2,738,760,000
12,462,973,443	11,654,770,000
2,215,749,825	2,072,062,073
55,346,841,200	51,757,689,073

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 770.21 crore as at 31st December, 2011 (Taka 637.08 Crore in 2010)

Number of Clients
 Amount of outstanding advances/Investments /Investments
 Amount of classified advances/Investments/Investments
 Measures taken for recovery

41	64
2781.23 Crore	3430.30 Crore
-	-
Not applicable	Not applicable

Name of Clients	Outstanding as on 31.12.11		(Total Taka in Crore)	
	Funded	Non-Funded	2011	2010
Meghna Group	-	-	-	-
Concord Group	43.41	11.91	55.32	44.85
Radiance Group	-	-	-	28.13
Cosmos Group	8.92	27.00	35.92	74.33
Keya Group	51.06	5.54	56.60	43.20
Nitol Group	57.09	6.40	63.49	63.00
Chaity Group	84.05	52.64	136.69	226.23
Ambia Group	52.21	0.40	52.61	125.90
Bashundhara Group	45.63	42.75	88.38	58.11
Opex Group	1.71	5.94	7.65	-
Navana Group	54.84	48.29	103.13	60.3
Gemcon Group	23.13	8.01	31.14	33.65
Meghna Group of Industries	-	-	-	2.31
Anwar Group	64.95	13.60	78.55	78.28
Intramex Group	49.83	16.48	66.31	96.12
Paradise Group	86.58	31.54	118.12	55.37
Metro Group	28.58	7.72	36.30	39.66
Zyta Apparels Ltd.				
TS Transformer Ltd. & TSCO Power Ltd.	17.28	51.05	68.33	57.99
Seven Circle (Bgh) Ltd. & Link3 Technologies Ltd.	-	-	-	16.98
Lakhsma Fashion Ltd.				
Sam Ree Dyeing (BD) Ltd. & Cellular Mobile (Pvt.) Ltd.	17.76	49.75	67.51	90.05
Rose Sweaters Ltd. Unit – I & II				
Scarlet Knitwears Ltd.	31.11	19.95	51.06	89.40
MAM Garments Ltd. & Nazrul Islam Mazumder	59.87	8.90	68.77	103.55
Nasir Tobacc Ind. Ltd.	-	2.25	2.25	16.20

Name of Clients	Outstanding as on 31.12.11		(Total Taka in Crore)	
	Funded	Non-Funded	2011	2010
ZAARA Composite Textiles Ltd.	-	-	-	62.32
Libas Textile Limited	10.09	44.06	54.15	39.21
Bang Jin Padding & Quilting Ltd., & B. J. Geo Textile Ltd.	50.42	13.04	63.46	74.21
Shezads Ltd. & Shezads Designwear Ltd.	35.17	2.87	38.04	43.73
KDS Garment Ind. Ltd.	-	-	-	50.74
Sinha Group	54.11	171.95	226.06	77.93
Super Knitting & Dyeing Mills Ltd.	-	-	-	61.58
Super Thread Ltd.	-	-	-	36.08
Habib Group	15.84	-	15.84	16.36
Incontrade Ltd.	70.69	0.69	71.38	72.56
Shah Cement Industries Ltd.	15.10	-	15.10	15.25
Abdul Monem Group	-	-	-	19.54
Mostafa Group	-	-	-	34.07
Glory Group	-	-	-	56.79
Premier Cement Mills Ltd, Roknoor Corporation, Rokonoor Navigation Ltd, Jahangir & Others , M/s Seacom, Premier Power Generation Ltd.	53.77	40.41	94.18	68.76
M/S Nur-E- Alahee & Brothers Pvt Ltd.	-	2.53	2.53	-
Ocean Paradise Ltd.	92.15	-	92.15	87.51
Rangs Properties Ltd.	-	-	-	54.47
Bengal Trading	-	-	-	43.70
Mir Akter Hossain Ltd.	-	-	-	33.87
Masud & Brothers	-	-	-	31.07
Masud Trading Co.	-	-	-	44.9
Best Fried Chicken	3.79	-	3.79	-
City Group	26.04	21.82	47.86	-
Bengal Synthetic Fibers Ltd.	-	-	-	29.65
Saad Musa Group	83.05	54.93	137.98	107.95
Paramount Group	-	-	-	63.55
Anwer Khan Modern Hospital Ltd.	-	-	-	48.96
M/s Friends Traders	57.43	9.30	66.73	42.86
Partex Rotor Spinning Mills Ltd.	29.29	-	29.29	38.80
S R Synthetic Fibers Ltd.	-	-	-	29.17
Nuruzzaman Khan Joni Textile Mills Ltd.	11.50	17.31	28.81	83.38
Parisha Trade International ATCO International	50.15	28.67	78.82	51.38
Everway Yarn Dyeing Industries Ltd.	51.23	84.71	135.94	112.95
Computer Source Ltd.	26.27	35.09	61.36	48.80
Madina Group	47.44	15.00	62.44	58.02
S.S Engineering & Construction group	66.23	26.45	92.68	50.68
M/s Baly Yarn Dyeing Ltd.	4.80	88.56	93.36	94.37
M/s IRIS Fabrics Ltd.	27.28	53.87	81.15	65.26
Total	1,659.85	1,121.38	2,781.23	3,430.30

7.9 Particulars of loans and advances/Investments

	Amount in Taka	
	2011	2010
i) Loans/Investments considered good in respect of which the Bank is fully secured	30,125,370,854	32,408,114,687
ii) Loans/Investments considered good against which the bank holds no security other than the debtors' personal guarantee	12,564,012,343	12,185,622,762
iii) Loans/Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	12,657,458,003	7,163,951,624
iv) Loans/Investments adversely classified; provision not maintained there against	-	-
	<u>55,346,841,200</u>	<u>51,757,689,073</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	<u>256,744,000</u>	<u>239,640,000</u>
vi) 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	<u>100,846,000</u>	<u>150,730,000</u>
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.	<u>191,300,930</u>	<u>256,701,504</u>
viii) 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	<u>115,972,900</u>	<u>173,339,500</u>
ix) Due from banking companies	-	-
x) Total amount of Classified advances/Investments on which interest is not credited to income	<u>1,211,228,000</u>	<u>1,016,670,868</u>
a) Movement of Classified Loans and advances/Investments		
Opening Balance	1,016,670,868	696,521,000
Increase/(decrease) during the year	194,557,132	320,149,868
	<u>1,211,228,000</u>	<u>1,016,670,868</u>
b) Provision kept against loan classified as bad debts	<u>539,616,000</u>	<u>511,928,268</u>
c) Interest credited to interest suspense Account (note-12.4)	<u>103,380,412</u>	<u>111,029,237</u>
xi) Cumulative amount of written off loans/Investments		
Opening Balance	70,521,567	70,521,567
Amount written off during the year	268,980,118	-
	<u>339,501,685</u>	<u>70,521,567</u>
Amount realized against loan/Investments previously written off	-	-
The amount of written off / classified loans/Investments for which law suits have been filed	<u>1,541,581,799</u>	<u>716,937,495</u>

Amount in Taka	
2011	2010

7.10 Classification of loans and advances/Investments

Unclassified:

Standard including staff loans/Investments
Special Mention Account (SMA)

54,135,613,200 **50,741,018,205**

54,133,006,200	50,309,541,825
2,607,000	431,476,380

Classified:

Sub standard
Doubtful
Bad/Loss

1,211,228,000 **1,016,670,868**

766,000	372,000
1,678,000	302,691,000
1,208,784,000	713,607,868

55,346,841,200 **51,757,689,073**

7.11 Particulars of required provision for loan and advances/Investments

Status	Base for Provision	Rate %	Provision Maintained	
General Provision				
Unclassified loans/Investments (excluding SMA)	54,133,006,200	*Various	580,189,145	536,957,919
Special Mentioned Account	717,000	-	35,850	21,573,819
			580,224,995	558,531,738

* 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 %	Provision Maintained	
Classified-specific provision				
Sub Standard	190,000	20	38,000	74,400
Doubtful	1,190,000	50	595,000	88,267,000
Bad/Loss	538,983,000	100	538,983,000	423,586,868
			539,616,000	511,928,268
Required provision for loans and advances/Investments			1,119,840,995	1,070,460,006
Total Provision maintained (note-12.2)			1,119,840,995	1,070,460,006
Excess/(Short) provision at 31 December			-	-

7.12 Particulars of required provision on Off-Balance Sheet Exposures

Status	Base for Provision	Rate %	Provision Maintained	
Acceptance and endorsements less margin	6,492,115,917		64,921,159	103,154,884
Letter of guarantee less margin	2,842,140,213	1%	28,421,402	26,809,176
Letter of credit less margin	7,217,929,342		72,179,293	81,466,021
Required provision of Off-Balance Sheet Exposures			165,521,855	211,430,081
Total provision maintained (note-12.3)			165,521,855	211,430,081
Excess/(short) provision at 31 December			-	-

	Amount in Taka	
	2011	2010
7.13 Suits filed by the bank (Branch wise details)		
Principal Branch	90,005,000	107,158,890
Topkhana Branch	40,138,000	5,400,000
Khulna Branch	683,317,905	144,644,351
Gulshan Branch	19,900,000	39,876,000
Sylhet Branch	16,989,912	16,989,727
Uttara Branch	113,045,436	73,705,448
Rajshahi Branch	6,198,699	6,198,699
Khatungonj Branch	230,286,712	230,286,380
Jubilee Road Branch	149,467,076	
Cox's Bazar Branch	392,806	
Imamgonj Branch	142,373,253	40,208,000
Panthapath Branch	49,467,000	52,470,000
	1,541,581,799	716,937,495
7(a) Consolidated Loans and advances/Investments		
Standard Bank Limited (note-7i)	53,757,870,672	49,573,605,198
Standard Bank Limited (Loan to SCML)	(1,389,726,044)	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	1,374,929,093	-
	53,743,073,721	49,573,605,198
Consolidated bills purchased and discounted		
Standard Bank Limited (note-7ii)	1,588,970,528	2,184,083,875
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	1,588,970,528	2,184,083,875
	55,332,044,249	51,757,689,073
7.14 Bills purchased and discounted		
Payable in Bangladesh	935,580,451	1,805,640,798
Payable outside Bangladesh	653,390,077	378,443,077
	1,588,970,528	2,184,083,875
7.15 Maturity grouping of bills purchased and discounted		
Payable within one month	-	-
Over 1 month but less than 3 months	653,390,077	378,443,077
Over 3 months but less than 6 months	935,580,451	1,805,640,798
6 months or more	-	-
	1,588,970,528	2,184,083,875
8. Fixed assets including premises, furniture and fixture		
Land and Building	138,273,959	101,513,499
Furniture & Fixture	203,137,815	135,357,432
Office Appliance	249,606,120	188,350,920
Software	33,682,585	29,198,586
Bank's Vehicle	56,704,053	48,844,899
Total cost	681,404,532	503,265,336
Less: Accumulated Depreciation	191,857,322	129,327,683
Net book value at the end of the year (See Annexure-C for details)	489,547,211	373,937,653
8(a) Consolidated fixed assets including premises, furniture and fixture		
Standard Bank Limited (note-8)	489,547,211	373,937,653
Standard Exchange Co.(UK) Ltd.	4,744,869	4,754,579
Standard Express(USA) Ltd.	8,876,006	-
SBL Capital Mgt. Ltd.	7,079,383	-
	510,247,469	378,692,232

		Amount in Taka	
		2011	2010
9. Other assets			
	Stock of Stationery	12,908,009	12,302,127
	Stamps in hand	471,503	602,540
	Suspenses A/c (note-9.1)	75,710,036	105,268,535
	Advance Deposit	909,331	1,382,831
	Branch adjustments accounts (note-12.8)	76,007,109	-
	Sundry Assets (note-9.2)	1,548,252,735	700,144,610
		1,714,258,723	819,700,643
9.1	Suspense account includes amount paid against opening of proposed branches, advances against TA/DA, suspense others etc.		
9.2 Sundry Assets			
	Advance Rent	114,083,954	116,648,540
	Interest Receivable (note - 9.4)	41,931,290	277,025,541
	Dividend Receivable	2,783,171	-
	Prepaid expenses	21,404,699	35,953,068
	Advance Tax (note-9.3)	1,364,776,741	257,968,269
	Excise duty adjustment on FDR	3,112,190	2,434,220
	Demand Draft without advice	160,690	10,114,972
		1,548,252,735	700,144,610
9.3 Advance Tax			
	Advance Corporate Tax	1,329,308,999	239,588,951
	Advance Income tax on L/C Commission	23,618,158	12,121,242
	Advance Income tax on Tr.Bill	-	-
	Advance Income tax on Share dividend	3,430,788	1,061,835
	Advance Income tax on Interest Balance with other banks	8,418,796	5,196,241
		1,364,776,741	257,968,269
9.4 Interest Receivable			
	Amount represents interest receivable on Loan and advances/Investments, Treasury bills and other receivables etc.		
9(a) Consolidated other assets			
	Standard Bank Limited (note-9)	1,714,258,723	819,700,643
	Standard Exchange Co.(UK) Ltd.	2,178,773	3,076,000
	Standard Express(USA) Ltd.	5,455,940	-
	SBL Capital Mgt. Ltd.	46,193,651	-
		1,768,087,087	822,776,643
10. Borrowings from other banks, financial institutions and agents			
	In Bangladesh (note-10.1)	250,000,000	-
	Outside Bangladesh	-	-
		250,000,000	-
10.1 In Bangladesh			
	City Bank N A	250,000,000	-
		250,000,000	-
	Other Borrowings	-	-
		250,000,000	-
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	-

		Amount in Taka	
		2011	2010
11. Deposits and other deposits			
	Deposits from banks (note-11.1)	850,000,000	800,000,000
	Deposits from customers (note.11.3)	62,980,315,523	57,544,441,292
		63,830,315,523	58,344,441,292
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	850,000,000	800,000,000
		850,000,000	800,000,000
11.2 Deposits from banks (Fixed Deposits)			
	National Bank Limited	100,000,000	-
	Jamuna Bank Limited	500,000,000	-
	Trust Bank Limited	250,000,000	800,000,000
		850,000,000	800,000,000
11.3 Customer Deposits			
	i) Current deposits and other Deposits	8,004,887,023	7,218,704,574
	Current / Al-wadeeah current deposits	2,329,072,879	2,665,065,359
	Foreign Currency deposits	1,516,430,174	1,227,621,122
	Sundry deposits (note - 11.4)	4,159,383,970	3,326,018,093
	i) Bills payable	740,461,550	645,871,688
	Pay orders issued	673,421,393	556,793,217
	Pay slips issued	600	600
	Demand draft	67,039,557	89,077,871
	iii) Savings bank Deposits/Mudaraba savings deposits	2,578,525,447	2,456,147,283
	iv) Term Deposits/Fixed Deposits	51,656,441,503	47,223,717,747
	Fixed deposits/Mudaraba Fixed Deposits (Excluding Bank Deposit)	45,806,825,656	43,187,607,133
	Short term deposits	2,285,335,472	1,804,483,845
	Deposits Under Schemes	3,564,280,375	2,231,626,769
	Total	62,980,315,523	57,544,441,292
11.4 Sundry deposits			
	Sundry creditors	96,660,246	35,010,443
	Foreign currency held against back to back L/C	-	302,356,944
	Margin on Letter of Guarantee	241,336,860	205,488,066
	Margin on Letter of Credit	408,648,467	466,218,596
	Margin on FDBP/IBP/Export bills etc.	90,809,876	421,843,858
	Sales proceeds of PSP/BSP etc.	6,770,000	4,301,980
	Risk Fund	4,135,402	3,098,852
	Service charge	993,498	687,601
	Security Money	3,520,162	2,388,938
	SBL Employees Provident Fund	4,651	17,293
	SBL Employees W. Fund	2,649,043	1,000,000
	SBL Foundation	15,000,000	10,000,000
	Gratuity	50,000,000	-
	Interest payable on deposits	2,109,673,559	1,283,503,331
	VAT, Excise Duty and Income Tax	278,114,732	171,583,470
	Reserve for unforeseen losses	6,500,000	-
	Others	844,567,474	418,518,721
		4,159,383,970	3,326,018,093
11.5 Maturity analysis of inter-bank deposits			
	Repayable on demand	-	-
	Up to 1 month	-	-
	Over 1 month but within 3 months	850,000,000	800,000,000
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		850,000,000	800,000,000

		Amount in Taka	
		2011	2010
11.6 Maturity analysis (Deposits received from other than banks)			
Repayable on demand		1,164,536,440	4,538,558,169
Up to 1 month		2,474,428,814	4,228,284,366
Over 1 month but within 3 months		3,452,167,986	19,632,673,188
Over 3 months but within 1 year		31,673,776,733	8,509,115,743
Over 1 year but within 5 years		18,019,500,916	14,429,228,549
Over 5 years but within 10 years		6,195,904,635	6,206,581,277
Over 10 years		-	-
		62,980,315,523	57,544,441,292
11.7 Maturity analysis (Bills payable)			
Repayable on demand		740,461,550	645,871,688
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		-	-
		740,461,550	645,871,688
11.8 Payable on Demand and Time Deposits			
a) Demand Deposits			
Savings Deposits/Mudaraba Savings deposits (10%)		2,329,072,879	2,665,065,359
Foreign Currency Deposits (non interest/profit bearing)		257,852,545	245,614,728
Sundry deposits		1,516,430,174	1,227,621,122
Bills payable		4,159,383,970	3,326,018,093
		740,461,550	645,871,688
		9,003,201,118	8,110,190,990
b) Time Deposits			
Savings deposits/Mudaraba savings deposits (90%)		2,320,672,902	2,210,532,555
Fixed deposits/Mudaraba Term Deposits		46,656,825,656	43,987,607,133
Short term deposits/Mudaraba short term deposits		2,285,335,472	1,804,483,845
Deposits under schemes		3,564,280,375	2,231,626,769
Foreign currency deposits (interest/profit bearing)		-	-
		54,827,114,405	50,234,250,302
		63,830,315,523	58,344,441,292
11.9 Fixed Deposits- Maturity wise Grouping (including Bank Deposit)			
Repayable within 01 month		2,106,333,500	851,651,545
Repayable over 1 month but within 03 months		3,159,500,250	28,432,673,188
Repayable over 3 months but within 1 year		23,631,873,500	14,509,115,743
Repayable over 1 year but within 5 years		14,555,912,406	182,585,380
Repayable over 5 years but within 10 years		3,203,206,000	11,581,277
Unclaimed Deposits for 10 years and above		-	-
		46,656,825,656	43,987,607,133
11.10 Deposits Under Schemes			
Standard Bank Regular Deposit Programme(SRDP)		570,840,324	416,657,526
Double Income Plus (DI+)		1,973,832,953	1,165,053,695
Standard Bank Regular Income Programme(SRIP)		217,804,933	85,867,471
Savings scheme for Tk.10.00 lac		349,420,980	256,934,476
Savings scheme for Tk.5.20 lac		422,030,782	301,041,531
Marriage SB Insurance Scheme		741,416	727,951
SBL Lakhopati Plus Programme		9,724,197	115,500
SBL Millionaire Plus Programme		19,684,790	434,600
Life secured Deposit Insurance Programme(LSDIP)		200,000	4,794,019
		3,564,280,375	2,231,626,769

	Amount in Taka	
	2011	2010
11(a) Consolidated deposits and other deposits		
Current deposits and other deposits	8,045,192,533	7,218,704,574
Standard Bank Limited (note-11.3i)	8,004,887,023	7,218,704,574
Standard Exchange Co.(UK) Ltd.	447,209	-
Standard Express(USA) Ltd.	2,379,067	-
SBL Capital Mgt. Ltd.	37,479,234	-
Bills payable	740,461,550	645,871,688
Standard Bank Limited (note-11.3ii)	740,461,550	645,871,688
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
Savings bank/Mudaraba savings deposits	2,578,525,447	2,456,147,283
Standard Bank Limited (note-11.3iii)	2,578,525,447	2,456,147,283
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
Short Term Deposits	2,285,335,472	1,804,483,845
Standard Bank Limited (note-11.3iv)	2,285,335,472	1,804,483,845
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
Term/Fixed deposits	46,656,825,656	43,987,607,133
Standard Bank Limited (note-11.3iv) (including Bank Deposit)	46,656,825,656	43,987,607,133
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
Deposits under schemes	3,564,280,375	2,231,626,769
Standard Bank Limited (note-11.3iv)	3,564,280,375	2,231,626,769
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	63,870,621,033	58,344,441,292
12. OTHER LIABILITIES		
Provision for Taxation (note-12.2i)	2,102,817,046	1,060,056,253
Deferred Tax (note-12.1a)	19,324,859	10,865,737
Accrued Expenses	13,411,787	10,126,489
General Provision for Unclassified Loans (note-12.2i)	580,189,145	536,957,919
General Provision for SMA (note-12.2ii)	35,850	21,573,819
Specific provision for Classified loans (note-12.2iii)	539,616,000	511,928,268
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)	165,521,850	211,430,080
Interest Suspense Account (note-12.4)	103,380,412	111,029,237
Provision for Nostro A/c	42,575	42,575
Provision for Bonus	80,000,000	68,388,100
Provision for LFC	9,182,359	3,628,004
Branch adjustment	-	67,014,125
Dividend suspense A/c	-	40,997
Re-Finance from Bangladesh Bank	16,241,072	4,300,000
Profit receivable on Bai Murabaha/Bai Muajjal	2,735,430	1,171,589
Standard Exchange U.K	2,937,909	-
Settlement of Central Clearing Account	-	24,977,290
Foreign Currency translation gains (note-12.9)	27,291,905	-
Islamic Settlement Account	-	(21,891,240)
Total	3,667,603,430	2,626,514,473

	Amount in Taka	
	2011	2010
12.1 Provision for Taxation		
Opening Balance	1,060,056,253	1,200,337,821
Addition during the year	1,042,768,293	1,010,904,881
	2,102,824,546	2,211,242,702
Adjustment during the year	7,500	1,151,186,449
Closing Balance	2,102,817,046	1,060,056,253

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

12.1(a)Deferred Tax :

i) Written down value of fixed assets

Carrying amount at balance sheet	489,547,211	373,937,653
Tax base	444,076,953	348,371,212
Taxable Temporary Difference	45,470,258	25,566,441

ii) Employees benefit

Carrying amount at balance sheet	-	-
Tax base	-	-
Taxable Temporary Difference	-	-
Total temporary difference	45,470,258	25,566,441
Tax Rate	42.50%	42.50%
Deferred Tax asset/(Liability)	(19,324,859)	(10,865,737)

Opening Balance	10,865,737	14,402,421
Addition during the year	8,459,122	(3,536,684)
	19,324,859	10,865,737

Adjustment during the year	-	-
Closing Balance	19,324,859	10,865,737

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	536,957,919	384,218,677
Additional provision for the year	43,231,226	152,739,242
Provision held at the end of the year	580,189,145	536,957,919

ii) The movement in general provision on Special Mention Account (SMA) loans:

Provision held at the beginning of the year	21,573,819	7,098,500
Amount transferred to provision for bad & doubtful debts	(21,537,969)	-
Additional provision for the year	-	14,475,319
Provision held at the end of the year	35,850	21,573,819

iii) The movement in specific provision for bad and doubtful debts:

Provision held at the beginning of the year	511,928,268	365,478,000
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	184,700,969	146,450,268
Provision held at the end of the year	539,616,000	511,928,268

Total	1,119,840,995	1,070,460,006
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As per interim instruction of Bangladesh Bank vide letter no.DBI-1(Private)/111/2012-616, dated 17.04.2012 there has been a provision shortfall against loan & advances of Tk. 89.39 Crore . Against this shortfall, the Bangladesh bank vide its said letter suggested that Tk.10 crore have to be provided in the financial statements for the year ended 31st December,2011, which have already been complied with. Further,the Bangladesh Bank has also instructed that the remaining shortfall on the basis of final report ,if any, shall have to be provided within 30th June 2012.

		Amount in Taka		
		2011	2010	
12.3 The movement in General provision for Off Balance Sheet Items:				
Provision held at the beginning of the year		211,430,080	130,703,724	
Amount transferred to provision for bad & doubtful debts		(45,908,230)		
Additional provision for the year		-	80,726,356	
Provision held at the end of the year		165,521,850	211,430,080	
12.4 Interest Suspense Account				
Balance at the beginning of the year		111,029,237	67,480,183	
Amount transferred to "Interest Suspense A/c" during the year	+	13,238,265	43,549,054	
Amount recovered in "Interest Suspense A/c" during the year	(-)	-	-	
Amount written off during the year	(-)	(20,887,090)	-	
Balance at the end of the year		103,380,412	111,029,237	
12.5 Exchange Equalization				
Balance at the beginning of the year		-	1,908,168	
Transferred to Profit and loss account		-	(1,908,168)	
		-	-	
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.		291,191,197	-	
		295,966,428	4,775,231	
12(a) Consolidated other liabilities				
Standard Bank Limited (note-12)		3,667,603,430	2,626,514,473	
Standard Exchange Co.(UK) Ltd.		-	-	
Standard Express(USA) Ltd.		-	-	
SBL Capital Mgt. Ltd.		294,258,404	-	
		3,961,861,834	2,626,514,473	
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 31.12.2011 Tk. 130,145,000 as follows:				
	Number of Un-responded entries		Un-responded Entries (Amount-Tk.)	
	Dr.	Cr.	Dr.	Dr.
Less than 3 months	51	34	33,286,000	23,143,000
3 months to less than 6 months	37	2	94,848,000	2,875,000
6 months to less than 9 months	11	12	31,704,000	11,898,000
9 months to less than 12 months	6	4	13,275,000	7,173,000
12 months and more	10	5	2,134,000	11,000
	115	57	175,247,000	45,100,000
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			27,291,905	-
Standard Exchange Co.(UK) Ltd.			9,665,815	-
Standard Express(USA) Ltd.			17,626,090	-

Amount in Taka	
2011	2010

Less: Foreign Currency translation loss

Standard Exchange Co.(UK) Ltd.
Standard Express(USA) Ltd.

-	-
-	-
-	-

13. Share Capital

13.1 Authorized Capital

15,00,000,000 ordinary shares of Tk.10/- each

15,000,000,000 **8,800,000,000**

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
274,554,443 ordinary shares of Taka 10/- each issued as bonus shares	2,745,544,361	1,857,130,532
65,577,600 ordinary shares of Taka 10/- each issued as Right shares in 2007	655,776,000	655,776,000
	4,061,320,361	3,172,906,532

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 in Taka		01.01.11	31.12.2011
	01.01.2011	31.12.2011	%	%
Sponsors/Promoters	132,213,750	174,028,920	41.67%	42.85%
Investment Corporation of Bangladesh	16,647,470	25,021,180	5.25%	6.16%
ICB Investor's A/c	3,826,530	3,996,910	1.21%	0.98%
Financial Institutions	47,733,950	45,862,272	15.04%	11.29%
General Public	116,868,953	157,222,754	36.83%	38.71%
Total	317,290,653	406,132,036	100.00%	100.00%

13.6 Classification of Shareholders by holding as on 31st December, 2011

Shareholding range	Number of Share holders	No. of shares	Percentage(%)
01-500	12381	2,558,902	0.63%
501-5,000	21146	35,631,322	8.77%
5,001-10,000	2461	17,439,925	4.29%
10,001-20,000	1128	15,890,685	3.91%
20,001-30,000	303	7,488,450	1.84%
30,001-40,000	139	4,910,810	1.21%
40,001-50,000	95	4,316,000	1.06%
50,001-100,000	181	12,832,240	3.16%
100,001-10,00,000	250	74,649,120	18.38%
10,00,001 to 100,00,000	52	156,509,482	38.54%
100,00,001 and over	6	73,905,100	18.20%
	38142	406,132,036	100.00%

In terms of section 13(2) of the Bank Companies Act 1991 and Bangladesh Bank BRPD circular No.01, 14 and 10, dated January 08, 1996, November 16, 1996 and November 25, 2002 respectively, required capital of the Bank based on risk weighted assets at the close of business on 31 December 2011 was Tk. 6762,93,00,000/- as against available Core Capital of Tk.695,63,62,124/- and Supplementary Capital of Taka 74,57,85,853/- making a total of Taka.770,21,47,977/- thereby showing a surplus capital/equity of Taka 93,92,17,977/- at that date. Details are given below:

	Amount in Taka	
	2011	2010
15(b) Consolidated revaluation gain/loss on investment		
Standard Bank Limited	78,016	48,388,942
Gain on revaluation of investment at Standard Exchange Co.UK	-	-
	78,016	48,388,942
16. Retained earnings/movement of profit and loss account		
Balance on 1 January	908,330,212	516,874,255
Add: Net Profit after tax for the year	1,362,768,735	1,377,184,120
Add: Transferred from General Reserve	-	20,000,000
Less: Transferred to statutory Reserve	(482,799,230)	(476,910,463)
Less: Issue of bonus shares	(888,413,829)	(528,817,700)
Balance at 31 December	899,885,888	908,330,212
16(a) Consolidated retained earnings/movement of profit and loss account		
Balance on 1 January	891,403,743	509,825,053
Add: Net Profit after tax for the year	1,296,508,644	1,369,069,153
Add: Transferred from General Reserve	-	20,000,000
Less: Transferred to statutory Reserve	(482,799,230)	(478,672,763)
Less: Foreign Currency translation loss	(2,726,308)	-
Less: Issue of bonus shares	(888,413,829)	(528,817,700)
Balance at 31 December	813,973,020	891,403,743
16.1 Retained Earnings carried forward from previous year		
Balance on 1 January	908,330,212	516,874,255
Add: Transferred from General Reserve	-	20,000,000
Less: Issue of bonus shares	(888,413,829)	(528,817,700)
Balance at 31 December	19,916,383	8,056,555
16.1(a) Consolidated Retained Earnings carried forward from previous year		
Balance on 1 January	891,403,743	509,825,053
Add: Transferred from General Reserve	-	20,000,000
Less: Foreign Currency translation loss	(2,726,308)	-
Less: Issue of bonus shares	(888,413,829)	(528,817,700)
Balance at 31 December	263,606	1,007,353
17. CONTINGENT LIABILITIES		
17.1 Acceptances and Endorsements		
Back to Back L/C (Foreign)	1,218,496,532	1,333,015,932
Back to Back L/C (Local)	5,275,592,381	9,280,501,704
Back to Back L/C (EPZ)	-	27,565,000
	6,494,088,913	10,641,082,636
Less: Margin	1,972,996	325,594,224
	6,492,115,917	10,315,488,412
17.2 Letter of Guarantee		
Letter of Guarantee (Local)	3,053,027,774	2,866,406,826
Letter of Guarantee (Foreign)	12,455,000	7,363,000
Shipping guarantees	-	12,635,790
	3,065,482,774	2,886,405,616
Less: Margin	223,342,561	205,488,066
	2,842,140,213	2,680,917,550
Money for which the Bank is contingently liable in respect of guarantees given favoring:		
Directors	-	-
Government	-	-
Banks and other financial institutions	-	-
Others	3,065,482,774	2,886,405,616
	3,065,482,774	2,886,405,616
Less: Margin	223,342,561	205,488,066
	2,842,140,213	2,680,917,550
17.3 Irrevocable Letter of Credit		
Letter of Credit (sight)	3,923,299,581	5,284,863,753
Letter of Credit (Cash)	3,203,771,301	2,545,637,989
Letter of Credit (Inland)	476,769,640	725,857,625
Letter of Credit (Others)	22,737,287	33,224,000
	7,626,577,809	8,589,583,367
Less: Margin	408,648,467	442,981,316
	7,217,929,342	8,146,602,051

17.4 Bill for Collection		
Inward local bill for collection	296,443,803	566,772,519
Inward Foreign bill for collection	3,920,000	23,428,000
Outward local bill for collection	185,954,000	414,875,000
Outward Foreign bill for collection	154,152,501	89,719,101
	640,470,304	1,094,794,620
Less: Margin	88,836,880	421,843,858
	551,633,424	672,950,762
17.5 Other Contingent Liabilities	-	352,378,207
	-	352,378,207
	17,103,818,896	22,168,336,982
17(a) Consolidated contingent liabilities		
Acceptances and endorsements		
Standard Bank Limited (note-17.1)	6,492,115,917	10,315,488,412
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	6,492,115,917	10,315,488,412
Letters of guarantee		
Standard Bank Limited (note-17.2)	2,842,140,213	2,680,917,550
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	2,842,140,213	2,680,917,550
Irrevocable Letters of Credit		
Standard Bank Limited (note-17.3)	7,217,929,342	8,146,602,051
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	7,217,929,342	8,146,602,051
Bills for Collection		
Standard Bank Limited (note-17.4)	551,633,424	672,950,762
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	551,633,424	672,950,762
Other Contingent liabilities		
Standard Bank Limited (note-17.5)	-	352,378,207
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	-	352,378,207
18 Income Statement		
Income		
Interest/ profit, discount and similar income (note-18.1)	8,099,284,291	5,849,984,579
Dividend income (note-20)	12,775,351	8,993,783
Fees, commission and brokerage (note-21)	406,687,496	392,188,745
Gains Less Losses arising from dealing in securities (note-20)	39,570,000	544,379,739
Gains Less Losses arising from Investment securities (note-20)	433,716,312	458,153,559
Gains Less Losses arising from dealing in Foreign Currencies (Note-21.2)	634,947,934	348,655,863
Income from non banking assets	-	-
Other operating income (note-22)	163,756,733	181,388,517
Profit less losses on interest rate changes	-	-
Total	9,790,738,117	7,783,744,785
Expenses		
Interest/profit paid on deposit, Borrowings etc.(note-19)	6,023,905,930	4,126,218,727
Losses on loans and advances/Investments	-	-
Administrative Expenses (note-18.2)	917,034,478	713,592,510
Other operating expenses (note-33)	144,942,976	122,995,004
Depreciation on Banking assets (note-32)	62,926,389	41,995,042
Total	7,148,809,773	5,004,801,283
Operating Profit before Provision	2,641,928,345	2,778,943,502

18(a) Consolidated Income Statement

Income		
Standard Bank Limited (note-18)	9,790,738,117	7,783,744,785
Standard Exchange Co.(UK) Ltd.	26,040,816	8,089,904
Standard Express(USA) Ltd.	13,969,857	-
SBL Capital Mgt. Ltd.	249,768,684	-
Total	10,080,517,474	7,791,834,689
Expenses		
Standard Bank Limited (note-18)	7,148,809,773	5,004,801,283
Standard Exchange Co.(UK) Ltd.	30,351,799	14,635,648
Standard Express(USA) Ltd.	18,915,186	-
SBL Capital Mgt. Ltd.	13,590,692	-
Total	7,211,667,450	5,019,436,931
Consolidated Operating Profit before Provision		
	2,868,850,025	2,772,397,758
18.1 Interest/profit, Discount and similar income		
Interest/profit received from Loans and advances/Investments (note-18.3)	7,918,787,404	5,731,218,176
Interest/profit received from FC clearing Account	1,276,314	1,269,255
Interest/profit received from Bank and other financial institutions	179,220,573	117,497,148
	8,099,284,291	5,849,984,579
18.2 Administrative Expenses		
Salary and allowances (note-23)	642,003,909	532,563,989
Rent, Taxes, Insurance, Electricity etc.(note-24)	143,642,566	90,194,298
Legal expenses (note-25)	1,829,442	1,691,418
Postage, stamp, telecommunication etc.(note-26)	24,159,467	19,928,590
Stationery, Printings, advertisement etc.(note-27)	66,648,212	38,722,354
Managing Director's salary and fees (note-28)	6,605,000	5,700,000
Directors' fees (note-29)	5,752,859	6,156,789
Auditor's fees(note 30)	450,000	300,000
Repair of Bank's assets (note-32)	25,943,023	18,335,072
	917,034,478	713,592,510
18.3 Interest/profit received from Loans and advances/Investments		
Loan (General)/Musharaka	1,855,671,390	1,591,762,002
Transport Loan	118,860,045	92,003,340
Loans against trust receipts	1,455,409,040	950,101,183
Packing credit	74,979,126	81,687,814
House Building Loan	226,359,020	176,830,434
Lease finance/Izara	134,488,709	114,787,909
Syndicate Finance	140,597,371	138,390,112
Payment against documents	410,241,102	515,897,113
Cash Credit/Bai-Muajjal	1,305,969,730	1,008,089,760
Secured Overdraft	1,398,651,690	830,712,534
Consumer credit scheme/Hire purchase	28,772,779	14,246,007
Other loans and advances/Investments	768,787,402	216,709,968
Total interest on loans and advances/Investments	7,918,787,404	5,731,218,176
Interest / profit received from FC clearing account	1,276,314	1,269,255
Interest/profit received from Bank and other Financial Institution	64,916,476	53,044,744
Interest on Call Loans	114,304,097	64,452,404
	8,099,284,291	5,849,984,579
18.3(a) Consolidated interest income/profit on investment		
Standard Bank Limited (note-18.3)	8,099,284,291	5,849,984,579
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	609,456	-
SBL Capital Mgt. Ltd.	92,204,886	-
	8,192,098,633	5,849,984,579
19. Interest/profit paid on deposits, borrowings, etc.		
Interest/Profit paid on deposits	5,961,536,444	4,078,817,894
Interest paid on borrowings	62,369,486	47,400,833
	6,023,905,930	4,126,218,727

19(a) Consolidated interest / profit paid on Deposits, borrowings, etc.		
Standard Bank Limited (note-19)	6,023,905,930	4,126,218,727
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	6,023,905,930	4,126,218,727
20. Income from Investment		
Dividend on shares	12,775,351	8,993,783
Gain on shares	39,570,000	544,379,739
Income from Merchant Banking Wings	-	206,281,434
Interest/profit received from Subordinated Bond	16,971,687	-
Interest on treasury bills	416,744,625	251,872,125
	486,061,663	1,011,527,081
20(a) Consolidated Income from Investment		
Standard Bank Limited (note -20)	486,061,663	1,011,527,081
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	144,505,764	-
	630,567,427	1,011,527,081
21. Commission, Exchange and Brokerage		
Commission /Fees (note-21.1)	406,687,496	392,187,695
Exchange earnings (note-21.2)	634,947,934	348,655,863
Brokerage	-	1,050
	1,041,635,430	740,844,608
21.1 Commission		
Commission on L/Cs	279,044,394	289,712,551
Commission on L/Gs	62,394,682	47,843,590
Commission on accepted bills	53,614,974	41,320,767
Commission on OBC,IBC, etc.	737,833	935,933
Commission on PO,DD,TT,TC etc.	7,573,341	8,046,257
Other Commission	3,322,272	4,328,597
	406,687,496	392,187,695
Brokerage	-	1,050
	406,687,496	392,188,745
21.2 Exchange		
Gains arising from Dealing Securities	-	-
Less: Losses	-	-
Gains arising from Investment Securities	-	-
Less: Losses	-	-
Gains arising from Foreign Trade Business	634,947,934	348,655,863
Less: Losses	-	-
	634,947,934	348,655,863
21(a) Consolidated Commission, Exchange and Brokerage		
Standard Bank Limited (note-21)	1,041,635,430	740,844,608
Standard Exchange Co.(UK) Ltd.	26,040,816	11,494,842
Standard Express(USA) Ltd.	13,360,401	-
SBL Capital Mgt. Ltd.	6,881,000	-
	1,087,917,647	752,339,450
22. Other operating income		
SWIFT & Telex charge recoveries	21,301,497	22,862,372
Postage charge recoveries	20,281,663	22,211,740
Service charges	38,958,929	33,256,502
FCC recoveries	58,500	50,000
Rebate on nostro a/c	28,666,233	24,407,919
Handling charges on EDF	5,821,256	1,934,156
Locker charges	316,856	373,473
LC advising charges	2,356,041	2,324,342
Loan processing/documentation fees	2,178,192	2,803,586
Capital Gain on Sale of Assets	1,920,058	4,761,523
Service charges agst CIB/Clearing return	40,730	204,794
VISA Card Fees	3,011,889	602,490
On line Charges	1,704,438	-
Miscellaneous earnings	37,140,451	65,595,620
	163,756,733	181,388,517

22(a) Consolidated other operating income		
Standard Bank Limited (note-22)	163,756,733	181,388,517
Standard Exchange Co.(UK) Ltd.	-	8,562
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	6,177,034	-
	169,933,767	181,397,079
23. Salaries and allowances		
Basic salary	223,228,836	184,053,433
Allowances (note-23.1)	259,310,853	224,271,862
Bonus & ex-gratia	130,491,997	94,319,974
Bank's contribution to provident fund	17,612,967	15,631,124
Casual wages	11,359,256	14,287,596
	642,003,909	532,563,989
23.1 Allowances		
House rent allowances	91,203,729	80,551,654
Conveyance allowances	11,468,887	10,630,068
Entertainment allowances	193,629	370,163
House maintenance & utility	41,948,150	39,502,893
Medical allowances	42,128,004	39,089,204
Risk allowances	856,078	624,381
Technical allowances	34,950	35,400
Washing allowances	1,705,933	1,383,269
Charge allowances	602,250	363,968
Leave Fare Compensation	12,831,155	10,172,958
Gratuity	52,353,157	40,495,000
Leave Encashment	3,572,781	601,633
Extra allowances	412,150	451,271
	259,310,853	224,271,862
23(a) Consolidated salaries and allowances		
Standard Bank Limited (note-23)	642,003,909	532,563,989
Standard Exchange Co.(UK) Ltd.	11,579,243	9,743,776
Standard Express(USA) Ltd.	7,589,896	-
SBL Capital Mgt. Ltd.	7,487,928	-
	668,660,976	542,307,765
24. Rent, Taxes, Insurance, electricity, etc.		
Rent- Office	78,670,718	53,440,006
Rent- Godown	417,400	410,000
Rates and taxes	8,970,090	1,011,328
Insurance	36,714,819	20,084,739
Utilities	18,869,539	15,248,225
	143,642,566	90,194,298
24(a) Consolidated Rent, Taxes, Insurance, electricity, etc.		
Standard Bank Limited (note-24)	143,642,566	90,194,298
Standard Exchange Co.(UK) Ltd.	6,543,664	4,843,257
Standard Express(USA) Ltd.	6,242,692	-
SBL Capital Mgt. Ltd.	2,141,364	-
	158,570,286	95,037,555
25. Legal expenses		
Legal fees & charges	1,809,947	1,620,498
Stamp & notary public expenses	19,495	70,920
	1,829,442	1,691,418
25(a) Consolidated Legal expenses		
Standard Bank Limited (note-25)	1,829,442	1,691,418
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
	1,829,442	1,691,418

26. Postage, Stamps, Telecommunication etc.		
Postage	13,621,513	11,468,471
Telegram, telex, fax and e-mail	458,815	591,893
Telephone, Mobile (office & residence)	4,589,608	4,006,184
SWIFT /Reuters charges	5,489,531	3,862,042
	24,159,467	19,928,590
26(a) Consolidated Postage, Stamps, Telecommunication etc.		
Standard Bank Limited (note-26)	24,159,467	19,928,590
Standard Exchange Co.(UK) Ltd.	211,279	194,730
Standard Express(USA) Ltd.	168,111	-
SBL Capital Mgt. Ltd.	50,222	-
	24,589,079	20,123,320
27. Stationery, Printing, Advertisement etc.		
Printing stationery	4,601,115	2,768,755
Security stationery	2,560,070	1,160,570
Petty stationery	6,284,868	4,453,299
ATM Debit Card	8,400	305,714
Computer stationery	6,299,864	4,832,734
Publicity and advertisement	46,893,895	25,201,282
	66,648,212	38,722,354
27(a) Consolidated Stationery, Printing, Advertisement etc.		
Standard Bank Limited (note-27)	66,648,212	38,722,354
Standard Exchange Co.(UK) Ltd.	168,948	356,754
Standard Express(USA) Ltd.	1,850,688	-
SBL Capital Mgt. Ltd.	1,218,669	-
	69,886,517	39,079,108
28. Managing Director's salary and fees		
Basic salary	1,950,000	1,800,000
House rent allowance	1,350,000	1,200,000
Medical Allowances	225,000	180,000
House maintenance & utility	900,000	780,000
Bonus	1,250,000	900,000
Leave Fare Compensation	930,000	840,000
	6,605,000	5,700,000
29. Directors' fees & meeting expenses		
Directors' fees	1,519,000	2,067,850
Travelling and haltage	3,110,143	3,367,824
Refreshment and dinner	1,123,716	721,115
(Each Director is paid Tk.5,000/- per meeting per attendance)	5,752,859	6,156,789
29(a) Consolidated Directors' fees & meeting expenses		
Standard Bank Limited (note-29)	5,752,859	6,156,789
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	350,216	-
	6,103,075	6,156,789
30. Consolidated Auditors fees		
Standard Bank Limited	450,000	300,000
Standard Exchange Co.(UK) Ltd.	435,755	271,185
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	136,500	-
	1,022,255	571,185
31. Charges on loan losses		
Loan-written off	-	-
Interest waived	-	-
	-	-

32. Depreciation and repair of Banks assets**Depreciation on Fixed Assets**

Land and Building	2,116,723	39,028
Furniture & fixture	15,847,493	8,778,421
Office appliance & equipment	19,331,916	13,503,350
Computer	11,619,670	7,382,798
Software	6,810,733	6,703,219
Motor vehicle	7,199,854	5,588,226

62,926,389	41,995,042
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Repair, Renovation & Maintenance of Bank's Assets

Office furniture	444,859	926,541
Office appliance & equipment	4,492,011	3,484,250
Computer & Software	11,368,380	7,876,239
Motor vehicle	9,637,773	6,048,042

25,943,023	18,335,072
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88,869,412	60,330,114
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32(a) Consolidated depreciation and repair of Banks' assets

Standard Bank Limited (note-32)	88,869,412	60,330,114
Standard Exchange Co.(UK) Ltd.	1,293,942	954,883
Standard Express(USA) Ltd.	1,026,308	-
SBL Capital Mgt. Ltd.	1,022,773	-

92,212,435	61,284,997
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33. OTHER EXPENSES

Entertainment (office)	11,793,666	10,081,485
Donation & subscription	2,010,410	4,265,910
Travelling	4,374,228	4,006,218
Software Expenses	-	-
Branch /Subsidiary company opening expenses	3,804,139	5,209,309
Training and seminar expenses	1,398,018	1,013,375
Newspaper and periodicals	756,168	490,750
Petrol, oil and lubricants	14,197,774	10,192,462
Car expenses	9,614,784	7,943,747
Photocopy expenses	1,420,599	1,378,081
Staff uniform and liveries	874,320	530,008
Cleaning and washing	614,107	518,172
Premises up keeping	1,102,002	654,520
Local conveyance	3,791,189	3,142,455
Business development	2,059,125	863,222
Freight and cartage	18,850	53,433
Cook and servant	606,510	446,194
Annual General Meeting	14,469,876	9,301,078
IPO expenses/Right shares issue	-	2,748,104
Bank charges and commission paid	5,157,103	805,979
Loss on Sale of Assets	198,382	-
On Line (ABB) expenses	268,067	194,510
Managers Conference exp	1,488,585	966,055
Performance award	633,000	515,000
SBL welfare fund	1,000,000	1,000,000
Generator expenses	3,535,242	2,498,296
Connectivity fees	9,771,129	6,861,867
CDBL Charges	31,911	22,935,029
Visa Card Process charges	1,550,019	2,484,870
Dhaka Stock Exchange	1,532,621	1,754,249
Chittagong Stock Exchange	1,532,621	1,754,249
Registered Joint Stock Company	1,201,500	1,203,000
Corporate Social Responsibility (CSR)	34,579,318	9,930,667
ATM Charge	-	19,500
MTM Revaluation loss	2,252,556	-
SBL Foundation	4,000,000	5,000,000
Green Banking	1,000,000	-
Miscellaneous	2,305,157	2,233,210

144,942,976	122,995,004
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33(a) Consolidated other expenses		
Standard Bank Limited (note-33)	144,942,976	122,995,004
Standard Exchange Co.(UK) Ltd.	10,118,968	3,253,786
Standard Express(USA) Ltd.	2,037,491	-
SBL Capital Mgt. Ltd.	1,183,020	-
	158,282,455	126,248,790
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	184,700,969	146,450,268
Provision for SMA loans and advances/investments	-	14,475,319
Provision for unclassified loans & advances/Investments	43,231,226	152,739,242
Provision for off balance sheet exposure	-	80,726,356
Provision for diminution in value of investments(34.1)	-	-
	227,932,195	394,391,185
34.1 Provision for diminution in value of investments		
Dealing Securities		
Quoted	-	-
Unquoted	-	-
Investment Securities		
Quoted	-	-
Unquoted	-	-
Total	-	-
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	291,191,197	-
Standard Bank Limited (note-34.1)	-	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	291,191,197	-
	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	184,700,969	394,391,185
Provision for SMA loans and advances/investments-SBL	-	-
Provision for unclassified loans & advances/Investments -SBL	43,231,226	-
Provision for off balance sheet exposure-SBL	-	-
Provision for diminution in value of investments-SCML	291,191,197	-
	519,123,392	394,391,185
35 Tax expenses		
Current tax	1,042,768,293	1,010,904,881
Deferred tax	8,459,122	(3,536,684)
	1,051,227,415	1,007,368,197

Income Tax assessments till 2008-09 (Income year - 2007) have been finally settled. The Income Tax Assessments for the year 2009-2010(Income year -2008) is pending before Taxes Appellate Tribunal. The Income tax return for the years 2010-2011 & 2011-2012 have been submitted under section 82BB and pending for assessment. Income Tax has been provided @ 42.50% on the net profit earned by the Bank for the year 2010& 2011.As per assessment orders there exist shortfall in the provision for income tax against which no provision has been made considering Appeals which are pending at different levels of Income Tax Authorities. 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 -2007	2000-2001 2008-2009	1,272,632,916	1,412,286,158	(139,653,242)	Finally settled
2008	2009-2010	415,000,000	649,845,712	(234,845,712)	Under Section 82BB(3)/83 (2)Pending Before tribunal
2009	2010-2011	540,000,000	-	-	Under Section 82BB Assessment Pending
2010	2011-2012	1,010,904,881	-	-	Under Section 82BB Assessment Pending
2011	2012-2013	-	-	-	Return will be submitted
		3,238,537,797	2,062,131,870	(374,498,954)	

a) It is mentioned here that provision for income tax amounting to Taka 40,000,000 has been made during the year against shortfall provision of income tax amount of Tk. 139,653,242 for the years 1999-2007 as stated in the year-wise tax schedule, the remaining shortfall shall be provided in the year 2012 and 2013.

b) The additional shortfall provision Tk. 234,845,712 for the assessment year 2009-2010, 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.

1,042,768,293	1,010,904,881
-	-
-	-
1,990,574	-
1,044,758,867	1,010,904,881

Deferred tax

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

8,459,122	(3,536,684)
-	-
-	-
-	-
8,459,122	(3,536,684)

36 Earning per share (EPS)

Net profit after tax
Number of Ordinary Share

1,362,768,735	1,377,184,120
406,132,036	406,132,036
3.36	3.39

Earning Per Share *

* Earning per share calculated dividing basic earning during the year by number of shares outstanding as on reporting date complying with the provision of BAS-33. Previous year's figures have been adjusted for the issue of 88,84,138 bonus shares (for 2010).

36(a) Consolidated earning per share (EPS)

Net profit after tax
Number of Ordinary Share

1,296,508,644	1,369,069,153
406,132,036	406,132,036
3.19	3.37

Earning Per Share *

* Earning per share calculated dividing basic earning during the year by number of shares outstanding as on reporting date complying with the provision of BAS-33. Previous year's figures have been adjusted for the issue of 88,84,138 bonus shares (for 2010).

37	Received from other operating activities		
	Telex charge recoveries	21,301,497	22,862,372
	Postage charge recoveries	20,281,663	22,211,740
	Incidental charges	41,137,121	33,256,502
	FCC recoveries	58,500	50,000
	Rebate on nostro a/c	28,666,233	24,407,919
	Handling charges on EDF	5,821,256	1,934,156
	Locker charges	316,856	373,473
	LC advising charges	2,356,041	2,324,342
	SWIFT recoveries	-	2,803,586
	Capital Gain on Sale of Assets	1,920,058	4,761,523
	Service charges agst CIB	40,730	204,794
	Visa card fees	3,011,889	602,490
	Miscellaneous earnings	38,844,889	65,595,620
		163,756,733	181,388,517
37(a)	Consolidated Received from other operating activities		
	Standard Bank Limited (note-37)	163,756,733	181,388,517
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	6,177,034	-
		169,933,767	181,388,517
38	Payments for other operating activities		
	Rent, taxes, insurance, lighting etc.	143,642,566	90,194,298
	Legal expenses	1,829,442	1,691,418
	Postage, stamp, telecommunication etc	24,159,467	19,928,590
	Directors' fee & meeting expenses	5,752,859	6,156,789
	Audit fee	450,000	300,000
	Repair of Bank's assets	25,943,023	18,335,072
	Other expenses	139,206,740	158,940,047
		340,984,097	295,546,214
38(a)	Consolidated Payments for other operating activities		
	Standard Bank Limited (note-38)	340,984,097	295,546,214
	Standard Exchange Co.(UK) Ltd.	18,167,853	-
	Standard Express(USA) Ltd.	8,448,294	-
	SBL Capital Mgt. Ltd.	4,468,146	-
		372,068,390	295,546,214
39	Changes in other assets		
	Stock of stationery	605,882	2,433,922
	Stamps in hand	(131,037)	155,621
	Suspenses A/c	(29,558,499)	32,392,059
	Advance deposit	(473,500)	506,219
	Branch adjustments accounts	76,036,858	(3,369,597)
	Advance rent	(2,564,586)	80,876,981
	Dividend Receivable	2,783,171	-
	Prepaid expenses	(14,548,369)	24,760,370
	Excise Duty adjustment on FDR	677,970	2,434,220
	Demand draft without advice	(9,954,282)	9,899,682
		22,873,608	150,089,477
39(a)	Consolidated Changes in other assets		
	Standard Bank Limited (note-39)	22,873,608	150,089,477
	Standard Exchange Co.(UK) Ltd.	(897,227)	-
	Standard Express(USA) Ltd.	5,455,940	-
	SBL Capital Mgt. Ltd.	46,390,845	-
		73,823,166	150,089,477
40	Changes in other liabilities		
	Dividend suspense	(40,995)	40,995
	Standard Exchange UK	2,937,909	2,631,443
	Interest suspense account	(7,648,825)	43,549,054
	Branch adjustment	(67,014,125)	67,014,125
	Provision for bonus	11,611,900	28,388,100
	Bangladesh Bank Re-Finance	11,941,072	4,300,000
	Settlement of Central Clearing with conventional	(24,977,290)	24,977,290
	Loss of Ex.House UK	-	8,811,503
	Profit receivable	1,563,841	1,171,589
	Islamic Settlement A/C	21,891,240	(21,891,240)
	Provision for LFC	5,554,355	(1,196,097)
	Provision for gratuity	-	-
		(44,180,918)	157,796,762
	Total		

40(a) Consolidated Changes in other liabilities

Standard Bank Limited (note-40)	(44,180,918)	157,796,762
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	14,901,357	-
	(29,279,561)	157,796,762

41 Expenditure Incurred for employees

Number of employees at 31st December 2011 was 1049 (2010: 1018) who were in receipt of remuneration for that year which in the aggregate was not less than TK 36,000.00. and those employed for a part of that year who were in receipt of remuneration of not less than Tk.6,500.00.

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. Md. Zahedul Hoque	Director	Member	M.B.A
3	Mr. Moshfeque Mamun Rizvi	Director	Member	Bar-at-law
4	Mr. Md. Fayekuzzaman	Director	Member	B.Com(Hons) M.Com
5	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 2011, the Audit Committee conducted 6 (six) meetings wherein following audit & inspection reports and financial statements were discussed:

- 1 Audit report of External Auditors for the year 2010.
- 2 Compliance Report of Bangladesh Bank's comprehensive Inspection as on 31.12.2009.
- 3 Un-audited Financial Statements as on 31.03.2011, 30.06.2011 of the Bank.
- 4 Yearly Certificate of the Management (MANCOM) for the year-2010.
- 5 Revised Annual Audit plan-2011.
- 6 Strengthening Internal Control & Compliance Division by posting experienced & prudent banker.
- 7 Statement of Classified loans & advances.
- 8 Statement of slow -sticky , overdue & SMA loans & advances.
- 9 Statement of re-scheduled /time extended loans & advances.
- 10 Statement of term loan created /converted from LTR A/cs.

The Audit Committee discussed agendum thoroughly and provided following instructions and guidelines to the Management for compliance:

- *The Management shall assign responsibility of recovery of classified loans to individual Officer/ Executive and Recovery Division will monitor & follow up till final adjustment / settlement of the loan;
- * To identify the weak area of the loan and to closely monitor and supervise all the overdue & classified loan A/c;s;
- * To assess of business position of the borrower and to physically verify the collateral security;
- * To negotiate /settle the suits already filed against the borrower outside the court, where applicable;
- * To maintain suit register henceforth by all the branches properly;
- * To closely monitor & provide guidelines for boosting income at each Branch for achieving monthly target;
- * To minimize the expenditure as far possible so as keep the expenses controlled as far as possible;
- * To obtain approval for appointment of a Chief Finance Officer (CFO) from the Board & ensure compliance;
- * To conduct risk based internal audit and surprise inspection on the basis of Departmental control functions check list as per ICC guidelines;
- * To draw an Annual Audit plan for ICCD in accordance with the terms of reference;
- * To set up a separate IT Audit Wing under ICC Division for conducting audit in order to ensure proper implementation of all precedures ,norms & practices regarding IT works and ensure compliance there of;
- * To place a memo to Audit Committee as to ensure compliance of Bangladesh Bank's circular specially ICCD ,Anti-Money Laundering , Risk Management IT etc;
- * To ensure capacity build up of Audit Division as to enable them for smooth auditing the branches in accordance with risk factors;
- * IT department may be audited , if required by the outside agency to ensure safety , security & smooth functioning of the department and the bank;

*To take initiative for expansion of Islamic Banking at home as well as by opening counter in abroad where the bank has Exchange houses.

* To draw action plan to collect low cost, no cost deposit by opening new a/cs as well as branches at remittance area.

43

Related party disclosures

i) Particulars of Directors of the Bank as on 31st December 2011

SI. No.	Name of the Persons	Designation	Present Address	% of Shares as on 31.12.11
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, Firingi Bazar, Chittagong	2.41%
3	Mr. Mohammad Nurul Islam	Director	952/B Osman Manzil (1st Floor), asadgonj Chittagong	1.37%
4	Mr. Ashok Kumar Shaha	Director	29/B Ghatforhadbeg, Chittagong	0.99%
5	Mr. Ferozur Rahman	Director	My Heart,8/10 Sukrabad Dhaka-1209	1.64%
6	Mr. Harun Rashid Chowdhury Relived from Directorship on 07.08. 2011		Director Atashi Appt. 109, Elephant Road, Boro Mogbazar, Dhaka	0.86%
7	Mr. Mohammad Monzurul Alam	Director	218,DT Road Dewanhat Chittagong-4000	1.57%
8	Mr. Serajul Anwar Mohammad Hossain	Director	Victor Electronics, 400 Bipani Bitan (3rd Floor) Chittagong-4000	2.72%
9	Mr.Mohammed Abdul Aziz	Director	168, Fakirapool Motijheel, Dhaka-1000	2.83%
10	Al-Haj Mohd. Shamsul Alam	Director	Radiovision, 398, Biponi Bitan Chittagong-4000	2.60%
11	Mr.Md. Abdul Ahad	Director	New Apan Jewelers 31/B Baitul Mokarram (1st Fl) Dhaka-1000	3.41%
12	Mr. Mohammad Zahedul Hoque	Director	284, Khatungonj Chittagong	0.59%
13	Mr. Ferdous Ali Khan	Director	GA/6, Zahan Mansion (2nd Fl) 29,Mirpur Road, Dhaka	1.36%
14	Mr. Harun or Rashid Relived from Directorship on 03.10.2011	Director	1403, Sk. Mujib Road Faruk Chamber (2nd Floor) Agrabad, Chittagong-4000	3.97%
15	Al-Haj Moammed Yousuf Chowdhury	Vice Chairman	8/B, O.R. Nizam Road Panclish R/A, Panclish Chittagong-4000	1.63%
16	Mr. Moshfeque Mamun Rizvi	Director	51, Park Road, Baridhara Dhaka	0.44%
17	Investment Corporation of Bangladesh represented by Mr. Md.Fayekuzzaman	Managing Director, Investment Corporation of Bangladesh	Head Office 8 Rajuk Avenue (14th Floor) Dhaka	7.28%
18	Mr. Shaikh Mesbauddin	Director	House # 93, Road # 2 Block# A, Niketon Gulshan-1, Dhaka-1212.	0.94%
19	Mr. Sahazada Syed Nizamuddin Ahmed	Independent Director	House # 1, Road # 2/A (Banani Chairman Bari) Banani, Dhaka.	0.03%
20	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 4700 hours to complete the audit as per Bangladesh Auditing Standards. They have audited 15 (fifteen) 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, 2011 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 its 191st meetings decided to recommend payment of 20% stock (Twenty percent) dividend i.e., 1(one) bonus share against 5(five) shares for the year 2011. The total amount of dividend is Taka 81,22,64,072.

Standard Bank Limited


Balance Sheet of Islami Banking Window for the year ended 31 December 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
PROPERTY & ASSETS			
CASH		23,311,657	17,375,211
Cash in Hand (including foreign currencies)		3,365,715	2,097,425
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		19,945,942	15,277,786
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		80,902,765	8,677,615
In Bangladesh		80,902,765	8,677,615
Outside Bangladesh		-	-
MONEY AT CALL AND ON SHORT NOTICE		-	-
INVESTMENTS		-	73,061,332
Government		-	-
Others		-	73,061,332
INVESTMENTS		63,243,776	38,964,670
General Investment		63,243,776	38,964,670
Bills Purchased and Discounted		-	-
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE		53,821	-
OTHER ASSETS		4,616,416	1,512,774
NON-BANKING ASSETS		-	-
TOTAL ASSETS		172,128,435	139,591,602
LIABILITIES & CAPITAL			
Liabilities		-	-
Borrowings from other banks, financial institutions and agents		-	-
DEPOSITS AND OTHER ACCOUNTS		166,196,397	114,513,966
Current / Al-Wadeeah Deposits & Other Deposits		10,331,360	5,588,801
Bills Payable		281,528	2,890,435
Savings Bank / Mudaraba Savings Deposits		22,494,045	12,647,758
Short Term Deposits / Mudaraba Short Term Deposits		305,195	214,628
Fixed Deposits / Mudaraba Term Deposits		130,827,486	92,427,505
Deposits Under Schemes / Mudaraba Deposit Schemes		1,956,783	744,839
OTHER LIABILITIES		3,797,430	26,148,880
Total profit/(loss) before taxes		2,134,608	(1,071,244)
TOTAL LIABILITIES		172,128,435	139,591,602
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


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012



KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Standard Bank Limited

Profit and Loss Account of Islami Banking Window for the year ended 31 December 2011

Particulars	Notes	Amount in Taka	
		31.12.2011	31.12.2010
Interest Income / Profit on Investment		5,660,688	2,400,625
Interest / Profit paid on Deposits & Borrowings etc.		10,083,657	5,880,698
Net Interest / Net Profit on Investments		(4,422,969)	(3,480,073)
Investment Income		9,824,763	4,640,902
Commission, Exchange Earnings & Brokerage		17,699	17,064
Other Operating Income		412,235	260,993
TOTAL OPERATING INCOME (A)		5,831,728	1,438,886
Salary & Allowances		2,626,820	2,492,000
Rent, Taxes, Insurance, Electricity etc.		-	-
Legal Expenses		-	-
Postage, Stamp, Telecommunication etc.		-	-
Stationery, Printing, Advertisement etc.		10,310	4,530
Managing Director's salary & fees		-	-
Directors' Fee & Other benefits		-	-
Audit Fees		-	-
Charges on loan losses		-	-
Depreciation and Repair of Bank's Assets		4,360	-
Other Expenses		31,630	13,600
TOTAL OPERATING EXPENSES (B)		2,673,120	2,510,130
Profit / (Loss) Before Provision (C) = (A - B)		3,158,608	(1,071,244)
Specific Provision		-	-
General Provision		1,024,000	-
Provision for Off-Balance Sheet items		-	-
Provision for diminution in value of investments		-	-
Other Provision		-	-
Total Provisions (D)		1,024,000	-
Total Profit / (Loss) Before Taxes (E)=(C - D)		2,134,608	(1,071,244)

These financial statements should be read in conjunction with annexed notes.


Managing Director


Director


Vice Chairman


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Balance Sheet of SBL Capital Management Limited

For the year ended 31 December 2011

Particulars	Notes	Amount in Taka
		31.12.2011
PROPERTY & ASSETS		
Non-Current Assets		
Property, Plant & Equipment	03	7,079,383
Investment in securities	04	1,543,248,133
Preliminary and pre-operational expenses	07	-
Total non-current assets (A)		1,550,327,516
Current Assets		
Advance and prepayment		-
Margin loan to clients	05	1,374,929,093
Accounts receivable	06	39,116,502
Advance Income Tax	07	7,005,199
Other Assets	08	71,950
Cash & Cash equivalents	02	193,009,642
Total current assets(B)		1,614,132,387
TOTAL ASSETS (A+B)		3,164,459,903
EQUITY AND LIABILITIES		
Capital and Reserve		
Share capital	10	1,500,000,000
Retained earnings	11	(57,003,780)
Total equity		1,442,996,220
Current Liabilities		
Loan from Standard Bank Limited	12	1,389,726,044
Accounts Payable	13	800,000
Provision for expenses	14	276,633
Sundry Deposit	15	37,254,964
Liability for withholding	16	224,270
Provision for investment in securities	27	291,191,197
Provision for Corporate Income Tax	28	1,990,574
Total Current Liabilities		1,721,463,683
TOTAL EQUITY AND LIABILITIES		3,164,459,903

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.

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Income statement of SBL Capital Management Limited

For the period ended December 2011

Particulars	Notes	Amount in Taka
		31.12.2011
INCOME		
Interest Income		229,582,692
Transaction /Settlement fee		35,246,058
Management fee		43,004,497
Gain on sale of shares		28,522,140
Dividend on investment in shares		37,733,069
Underwriting commission		6,881,000
Bank interest on STD accounts		10,968,352
Documentation fees		29,500
Other income	17	6,147,534
Total Income(A)		398,114,842
Expenditure		
Interest expense	18	148,346,158
Settlement and others fees		-
Salary & allowances	19	7,487,928
Rent, Taxes, Insurance, Electricity etc.	20	2,141,364
Legal Expenses		-
Postage, Stamp, Telecommunication etc.	21	50,222
Stationery, Printing, Advertisement etc.	22	1,218,669
Directors' Fee & Other benefits	23	350,216
Audit Fees	24	136,500
Depreciation and Repair of Bank's Assets	25	1,022,773
Other Expenses	26	1,183,021
Total Expenditure(B)		161,936,851
Profit before provision(C)=(A-B)		236,177,991
Less: Provision for diminution in value of investments		291,191,197
Profit/(Loss) before tax		(55,013,206)
Less: Provision for corporate income tax		1,990,574
Profit/Loss after tax, carried forward		(57,003,780)
Earnings per share		(4.0%)


Chief Executive Officer


Director


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

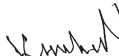
Cash Flow of SBL Capital Management Limited

For the period ended December 2011

Particulars	Notes	Amount in Taka
		31.12.2011
A) Cash flow from operating activities:		
Net Profit before tax		(55,013,206)
Add: Non cash transaction		291,692,101
Provision for expenses		276,633
Liability for withholding		224,270
Provision for investment in securities		291,191,197
Depreciation		-
Add: Increase in accounts payable		38,054,964
Less: Increase in accounts receivable		(39,116,502)
Less: Increase in other assets		(71,950)
Less: Advance Income Tax		(7,005,199)
Net cash flow from operating activities		228,540,207
B) Cash flow from investing activities :		
Investment in securities		(1,543,248,133)
Purchase of premises and fixed asset		(7,079,383)
Loan to client		(1,374,929,093)
Advance to others		-
Net cash flow from investing Activities		(2,925,256,609)
C) Cash Flow from Financing Activities:		
Issue of share capital		1,500,000,000
Loan from SBL		1,389,726,044
Net cash flow from financing activities		2,889,726,044
D) Net Increase in cash and cash equivalents(A+B+C)		193,009,642
E) Opening cash and cash equivalents		-
Closing cash and cash equivalents (D+E)		193,009,642
Cash & Cash equivalents		
Name of the Bank		
Standard Bank Limited		193,009,642
		193,009,642


Chief Executive Officer


Director


Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Statement of Changes in Equity

SBL Capital Management Limited for the period ended December 2011

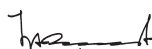
(Figure in BDT)

Particulars	Share capital	Share money deposit	Retained earnings	Total
Balance as on 1-1-2011	1,500,000,000		-	1,500,000,000
Net profit for the period	-	-	(57,003,780)	(57,003,780)
Balance as on 31-12-2011	1,500,000,000	-	(57,003,780)	1,442,996,220

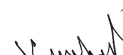
These financial statements should be read in conjunction with annexed notes.



Chief Executive Officer



Director



Chairman

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

Dated, Dhaka
April 24, 2012


KHAN WAHAB SHAFIQUE RAHMAN & CO.
Chartered Accountants

Notes to the Financial statements

SBL Capital Management Limited for the period ended December 2011

1 Company and its Activities

1.1 SBL Capital Management Limited is a subsidiary of Standard Bank Limited incorporated as a public limited company on 20th October 2010 with the Register of Joint Stock Companies, Dhaka vide certificate of incorporation No. C-87663/10, dated 20 October 2010 which has commenced its business on the same date. The functions of it were separated from Standard Bank Limited by forming a subsidiary company in terms of Bangladesh Bank BRPD circular No.12, dated 14 October 2009. Securities and Exchange Commission (SEC) thereafter issued a full fledged merchant Banking license 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.

1.2 Principal Activities

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.

1.3 Significant Accounting Policies

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 notices:

- (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

1.4 Reporting period

The Reporting period of the Company from 9th January 2011 to 31st December 2011.

1.5 Statement of Cash Flows

Statement of cash flow is prepared in accordance with the Bangladesh Accounting Standard (BAS)-7: "Cash Flow statement" and the cash flows from operating activities have been presented under indirect method.

1.6 Property, Plant and Equipmnet

Depreciation is charged using reducing balance method as per Bangladesh Accounting Standard (BAS) 16: "Property Plant & Equipment". The rates of depreciation used to write-off the amount of assets are as follows

Category of Assets	Rate of Depreciation
Furniture & Fixture	10%
Office equipment	20%
Renovation & Decoration	10%
Software	20%

1.7 Advance, Deposit & Repayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory, etc.

Deposits are measured at payment value and prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to Statement of Comprehensive Income.

1.8 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.

1.9 Investments

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

1.9.1 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. Unrealized gain is not recognized in the statement of income. Provision for diminution in value of investment is provided in the financial statements where the total market price is below than the total cost of investment.

1.10 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

1.11 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

1.12 Borrowing funds

Borrowing funds include borrowings from Standard Bank Limited, which is stated in the statement of financial position at amounts payable.

1.13 Provision for current taxation

Provision for current income tax has been made @ 37.50% on business income as prescribed in the Finance Act -2010 on the accounting profit made by the company as per income tax laws in compliance with BAS-12: "Income Taxes". Rates of Tax on other categories of income applicable for the company are stated in note 16.

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 recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the date of statement of financial position. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the statement of income as per BAS-12: "Income Taxes".

1.15 Provision for liabilities

A provision is recognized 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".

1.16 Interest Income

In terms of the provisions of BAS-18 "Revenue", interest income is recognized on an accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified in terms of Bangladesh Bank's guidelines. It is then kept in a memorandum account called, "interest suspense". Interest on classified advances is accounted for on a cash receipt basis.

1.17 Investment Income

Interest income on investment is recognized on an accrual basis. Capital gains on investments in shares are also included in investment income. Capital gains are recognized when these are realized.

1.18 Fees and Commission income

Fees and commission income arising on services provided by the Company are recognized on an accrual basis.

1.19 Dividend income on shares

Dividend on shares is recognized during the period in which it is declared and ascertained, i.e., established as the right of shareholders.

Amount in Taka
31.12.2011

2	Cash & Bank Balances	
	Cash in hand	-
	Bank Balance with SBL Principal Branch (Note: 2.01)	193,009,642
	Sub total	193,009,642
2.01	SBL Principal Branch	
	SBL Capital Mgt. Ltd. Investors (A/C:1807)	188,877,355
	SBL Capital Mgt. Ltd. (A/C:1808)	1,782,154
	SBL Capital Mgt. Ltd. Own Portfolio (A/C:1810)	2,350,133
	Sub total	193,009,642
3.0	Property, Plant and Equipment	
	Cost	
	Opening Balance	7,206,791
	Add: Purchase	895,365
	Less: Disposals	-
	Closing Balance (A)	8,102,156
	Depreciation	
	Opening balance	-
	Add: Charge for the period (B)	1,022,773
	Closing Balance	-
		1,022,773
	Written down value (A-B)	7,079,383
	Details are shown in Annexure-A	
4.0	Investments	
	Government securities	-
	Other investments (Note: 4.01)	1,543,248,133
		1,543,248,133

4.01	Particular	Number	Cost value 31.12.11
	Investment in secondary share market (Note:4.01.01) (Right application & Unsubscribed take up portion)	2	26,180,675
	Investment in secondary share market (Note: 4.01.02)	62	1,517,067,458
	Total		1,543,248,133

SI	Name of the Company	Cost price (Taka)	Market value as at 31.12.11 (Taka)
1	Aftab Automobiles	111,011,365.10	119,196,000.00
2	Agrani Ins. Co. Ltd.	3,158,180.50	2,705,150.00
3	Asia Pacific Ins. Co. Ltd	4,736,664.69	4,230,000.00
4	BD Fin & Inv Co. Ltd.	10,695,984.14	5,024,000.00
5	BGIC	1,470,537.21	1,479,000.00
6	BSRM Steel Limited	49,981,266.35	35,610,000.00
7	Dhaka Bank Ltd.	33,337,124.19	31,150,000.00
8	Fareast Islami Life	40,832,891.77	24,834,600.00
9	Fidelity Assets SCL	6,234,720.99	5,750,000.00
10	First Janata Bank MF	4,047,151.78	3,560,000.00
11	Global Insurance Ltd	25,210,583.16	17,620,300.00
12	Grameen MFO:Scheme 2	14,756,618.92	8,464,500.00
13	Grameenphone Ltd.	136,746,605.27	89,107,500.00
14	Green Delta MF	4,140,756.44	2,720,000.00
15	IAMCL 2nd NRB MF	75,982,907.14	49,632,564.00
16	ICB AMCL 2nd MF	9,727,203.05	5,785,000.00
17	ICB Islamic Bank Ltd	15,933,499.47	9,050,000.00
18	IFIC Bank 1st MF	9,990,745.65	5,600,000.00
19	Int. Leasing and FSL	4,972,152.31	4,258,800.00
20	Islami Bank BD Ltd.	39,917,890.60	40,875,000.00
21	Islami Insurance	1,387,932.60	1,323,000.00
22	Islamic Finance Inv	9,188,716.50	5,848,000.00
23	Jamuna Bank Limited	33,039,272.56	31,912,500.00
24	Jamuna Oil Co. Ltd	64,605,410.82	48,921,600.00
25	Khulna Power Co. Ltd	46,113,146.62	26,999,980.80
26	Lafarge Surma Cement	14,987,647.48	15,711,024.00
27	LankaBangla Finance	40,477,826.06	26,942,660.00
28	M. I. Cement	5,468.40	7,293.00
29	Marico Bangladesh Limited	1,373,424.84	1,168,500.00
30	Meghna Life Ins. Co.	8,724,446.51	8,406,000.00
31	Meghna Petroleum Ltd	20,074,659.76	15,980,895.00
32	Mercantile Bank Ltd	4,591,762.66	5,220,000.00
33	Mercantile Insurance	6,645,462.76	6,204,800.00
34	MIDAS Financing Ltd.	34,725,669.10	16,840,600.00
35	MJL Bangladesh Ltd.	8,242,882.69	7,492,500.00
36	National Bank Ltd.	31,947,842.79	33,400,000.00
37	National Housing	12,220,440.42	11,196,900.00
38	NCCBL	6,523,421.06	6,688,000.00
39	Nitol Insurance	11,606,393.89	7,252,000.00
40	ONE Bank Ltd.	7,007,462.56	7,155,000.00
41	Peoples Leasing	10,714,348.43	7,276,500.00
42	Phoenix Fin. 1st MF	2,608,902.61	1,480,000.00
43	Popular Life 1st MF	10,942,139.00	7,590,000.00
44	Power Grid Co. of BD	7,003,834.25	6,300,000.00
45	Pragati Ins Ltd.	41,114,389.62	22,852,000.00
46	Prime Bank Limited	64,666,304.07	60,075,000.00
47	Prime Bank 1st ICB MF	3,095,700.06	2,095,950.00
48	Prime Finance	33,663,563.56	14,760,000.00
49	Prime Islami Life	35,790,528.59	20,910,000.00
50	Pubali Bank Ltd.	14,104,109.86	15,120,000.00
51	Renata Limited	12,328.87	24,100.00
52	Social Islami Bank Ltd.	18,421,298.76	18,340,000.00
53	Square Pharma	37,590,589.66	46,234,500.00
54	Standard Insurance	14,231,459.19	10,969,645.39
55	Summit Power Ltd.	74,535,689.77	53,374,932.00
56	The Premier Bank Ltd	8,089,459.86	7,700,000.00
57	Titas Gas T&D Co Ltd	93,457,891.85	98,628,400.00
58	Trust Bank 1st MF	2,697,199.00	1,780,000.00
59	UCBL	47,145,399.88	41,046,500.00
60	Union Capital Ltd	5,529,146.06	3,751,000.00
61	United Airways	44,666,557.80	53,033,741.50
62	Uttara Bank Limited	6,793,153.12	7,391,000.00
	Total	1,543,248,132.71	1,252,056,935.69

		Amount in Taka	
		31.12.2011	
4.01.01	Sector wise investment in secondary share market: (Right application & Unsubscribed take up portion)		
	Non Banking Financial institution		-
	Manufacturing company		1,306,400
	Service oriented company		24,874,275
	Sub total		26,180,675
4.01.02	Sector wise investment in Secondary share market:		
	Banking Company		331,518,003
	Non Banking Financial institutions		149,967,405
	Insurance Companies		194,909,472
	Investment Company		144,224,045
	Fuel and Power		312,727,117
	Manufacturing company and others		383,721,417
	Sub total		1,517,067,458
5	Margin Loan to Clients		
	Portfolio Margin Loan		1,374,929,093
	Sub total		1,374,929,093
6	Accounts Receivable		
	Receivable from Brokers for Investors Portfolio		22,646,906
	Receivable from Brokers for Own Portfolio		2,132,522
	Dividend Receivable		10,076,074
	Underwriting commission receivable		4,261,000
	Sub total		39,116,502
7	Advance Income Tax		
	Advance tax on Interest income		1,096,835
	Advance tax on dividend income & Others		5,908,364
	Sub total		7,005,199
8	Other Assets		
	Printed stationery		71,950
	Sub total		71,950
10	Share Capital		
10.01	Authorized Capital		
	50,000,000 ordinary shares of TK. 100/- each		5,000,000,000
10.02	Issued,Subscribed and Paid Up Capital		
	15,000,000 Ordinary Shares of TK. 100 each		1,500,000,000
	Less: Un-Paid Capital		-
	Total		1,500,000,000
10.03	Pattern of shareholdings		
	Name	Nos. of Shares	Amount(TK)
	Mr.Kazi Akramuddin Ahmed	50	5,000
	Mr. Ferdous Ali Khan	50	5,000
	Mr. S. A. M. Hossain	50	5,000
	Mr. Md. Fayekuzzaman	50	5,000
	Mr. Tazmeem Mostafa Chowdhury	50	5,000
	Mr. Dr. Mohammed Rezaul Islam	50	5,000
	Mr.Sheikh Omar Faruque	50	5,000
	Mr. Md. Nizamul Alam	50	5,000
	Mr. Md.Shahedul Alam	50	5,000
	Mr. Mufakhkharul Islam	50	5,000
	Standard Bank Limited	14,999,500	1,499,950,000
	Total	15,000,000	1,500,000,000

Amount in Taka
31.12.2011

11	Retained earnings	
	Opening Balance as on 1st January 2011	-
	Less: Issuance of bonous shares	-
	Add: Profit / loss for the period	(57,003,780)
	Sub total	(57,003,780)
12	Short term loan	1,389,726,044
	The above loan, Loan (General) was taken from Standard Bank Limited bearing interest @ 14% per annum on quarterly basis vide reference No.SBL/HO/CR/LMT -1/2011/1576 dated 24.04.2011.	
13	Accounts Payable	800,000
	Merchant Bank 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 another 50% which would be made after successful operation of Accounting Software.	
14	Provision for expenses	
	Provision for CDBL charges	76,633
	Provision for Misc. Exp	200,000
	Sub total	276,633
15	Sundry deposit	
	Portfolio deposit Account (Investors)	37,239,964
	Unidentified entries	15,000
	Sub total	37,254,964
16	Liability for withholding	
	Withholding VAT	13,320
	LFC	210,950
	Sub total	224,270
17	Other Income	
	Commission earned	1,602,534
	Charge for Investment Certificate	82,400
	Account Closing Charge	42,600
	Sharing Infrastructure Charge	4,420,000
	Sub total	6,147,534
18	Interest expenses	
	Interest paid to loan from standard bank Ltd	148,346,158
	Sub total	148,346,158
19	Salaries and allowances	
	Salaries (basic)	3,089,200
	House rent allowance	1,227,100
	Utility	377,400
	House Maintenance	377,400
	Medical allowance	743,997
	Conveyance allowance	162,567
	Provident fund (Bank contribution)	245,420
	Leave fare compensation (LFC)	210,950
	Festival Bonus	433,500
	Washing allowance	11,900
	Car Maintenance	30,000
	Driver Salary	273,336
	Casual Wages	203,158
	Car Fuel	102,000
	Sub total	7,487,928

		Amount in Taka
		31.12.2011
20	Rent, Taxes, Insurance, Electricity etc.	
	Rent for Office Premises	1,873,040
	Electricity	104,856
	Water & Sewerage	55,432
	City Corporation Tax	29,036
	Rent for pot plant	79,000
	Sub total	2,141,364
21	Postage, Stamp, Telecommunication Etc.	
	Postage and courier	21,100
	Telephone bill	8,622
	Mobile bill	20,500
	Sub total	50,222
22	Stationery, Printing, Advertisement etc.	
	Printing & Stationery	288,631
	Computer, Printer & Networking Accessories	196,860
	Advertisement & Publicity	733,178
	Sub total	1,218,669
23	Director's fees and Others	
	Director's fees	145,000
	Director's entertainment	89,216
	Director's traveling	116,000
	Sub total	350,216
24	Audit & Consultancy	
	Audit fees	57,500
	Consultancy fees	10,000
	Professional fees	69,000
	Sub total	136,500
25	Depreciation & Repair of Bank's Assets:	
	Depreciation on Office equipment	249,689
	Depreciation on computer, printer and ups	222,566
	Depreciation on Office renovation	408,880
	Depreciation on furniture & fixture	20,038
	Software	121,600
	Sub Total	1,022,773
26	Other Expenses:	
	Travelling & Conveyance expenses	13,765
	Entertainment expenses (office)	121,064
	Photocopy and photograph	5,389
	Training & Recruitment expenses	21,000
	Uniform & Leverage	11,403
	Drinking water bill	27,160
	CDBL charges	602,144
	CDBL certificate renewal fees	4,000
	BO account maintenance fee	800
	Membership subscription-BMBA	75,000
	Miscellaneous expense for Board Meeting	16,432
	Maintenance, repair, renovation	41,160
	Paper & Periodicals	9,203
	Cable connection bill	3,000
	Accrued Misc. Expense	200,000
	Other charges (Excise duty, MICR cheque book)	31,500
	Sub total	1,183,020
27	Provision for diminution in value of Investment	
	Opening balance	-
	Add: Provision made during the period	291,191,197
	Closing balance	291,191,197
28	Provision for Corporate Income Tax	
	Provision for minimum Tax @ 0.50% on gross receipts for the year 2011.	1,990,574

Standard Bank Limited

Balance with other Bank-outside Bangladesh (Nostro Accounts) as at 31st December 2011

(Annexure-A)

Name of the Bank	Currency Name	31.12.2011			30.12.2010		
		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	168,435.68	81.85	13,786,948.87	1,144,696.12	70.75	80,986,907.08
Mashreq Bank Psc, New York	USD	382,274.55	81.85	31,290,280.51	1,299,846.61	70.75	91,963,757.70
HSBC Bank, New York	USD	932,541.84	81.85	76,331,253.98	3,171,200.63	70.75	224,361,493.21
Wachovia Bank , N.A., New York	USD	61,442.60	81.85	5,029,254.99	329,977.42	70.75	23,345,803.47
Citi Bank, N.A., New York	USD	839,044.74	81.85	68,678,245.20	1,926,551.97	70.75	136,302,973.91
ICICI Bank Ltd., Mumbai, India	ACU	29,432.76	81.85	2,409,156.76	191,239.75	70.75	13,530,154.94
A.B. Bank LTD., MUMBAI	ACU	166,392.83	81.85	13,619,735.67	141,893.69	70.75	10,038,936.00
Non Interest Bearing							
HSBC, Mumbai, India	ACU	52,983.49	81.85	4,336,852.31	50,418.43	70.75	3,567,088.80
AXIS Bank Limited, Kolkata	ACU	858.70	81.85	70,287.09	858.70	70.75	60,752.77
Standard Chartered Bank Ltd., Mumbai, India	ACU	198,577.39	81.85	16,254,135.25	94,079.47	70.75	6,656,094.28
Standard Chartered Bank Ltd., Frankfurt	EURO	33,749.40	105.90	3,574,176.21	42,597.93	93.54	3,984,589.07
Standard Chartered Bank Ltd., Tokyo	JPY	1,509,470.00	1.05	1,585,547.29	1,189,167.00	0.87	1,030,056.46
ICICI Bank Ltd., Hongkong	USD	5,889.49	81.85	482,071.84	131,948.43	70.75	9,335,311.84
Nepal Bangladesh Bank Ltd, Kathmundu	ACU	9,197.40	81.85	752,833.86	3,797.40	70.75	268,664.91
HSBC Bank, Karachi, Pakistan	ACU	45,208.07	81.85	3,700,411.63	79,483.53	70.75	5,623,435.90
Bhutan National Bank, Bhutan	ACU	1,300.70	81.85	106,466.07	250.70	70.75	17,736.95
Commer Bank, Frankfurt	EURO	139,811.68	105.90	14,806,532.27	141,089.88	93.54	13,197,476.83
Habib American Bank Ltd.	USD	1,753,979.92	81.85	143,568,342.99	1,623,686.45	70.75	114,875,329.23
Mashreq Bank, London	GBP	7,661.73	126.46	968,924.59	944.45	109.65	103,556.11
HSBC Bank Plc, London, UK	GBP	119,001.09	126.46	15,049,222.94	135,789.98	109.65	14,888,963.94
HSBC Bank Australia Ltd, Sydney, Australia	AUD	4,600.83	82.59	380,000.49	6,012.82	71.96	432,662.68
Total				416,780,680.82			754,571,746.09

Standard Bank Limited

Fixed assets including premises, furniture and fixtures

Annexure-“C”

Description	Cost			Depreciation				Written down value at 31st December 2011
	Balance at 1st January 2011	Addition during the year	Adjustment for disposal	Balance at 31st December 2011	Balance at 1st January 2011	Addition during the year	Adjustment for disposal	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land and Building	101,513,499	36,760,460	-	138,273,959	39,028	2,116,723	-	2,155,751
Furniture & Fixture	135,357,432	68,383,795	603,412	203,137,815	32,143,869	15,847,493	-	47,991,362
Office Appliances	188,350,920	61,255,200	-	249,606,120	64,349,623	30,951,586	-	95,301,209
Software	29,198,586	4,483,999	-	33,682,585	6,703,219	6,810,733	-	13,513,952
Bank Vehicle	48,844,899	10,504,154	2,645,000	56,704,053	26,091,944	7,199,854	396,750	32,895,048
Total 31.12.2011	503,265,336	181,387,608	3,248,412	681,404,532	129,327,683	62,926,389	396,750	191,857,322
Total 31.12.2010	260,702,710	243,084,802	522,176	503,265,336	87,332,641	41,995,042	-	129,327,683

Standard Bank Limited

Loan and advances to Directors/Sponsors and their related concern as on 31.12. 2011

Annexure-"D"

Figure in Lac

Sl. No.	Name of the Directors / Sponsors	Status with Bank	Name of Firms/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)	200.00	12.86	UC	Regular
2	Mr. Alhaj Md. Yousuf Chowdhury	Vice Chairman	M/s. Lucky Traders	CC(H)	228.00	137.00	UC	Regular
3	Mr. Ferdous Ali Khan	Director	M/s. Ferdous Tailors & Fabrics	CC(H)	35.00	20.88	UC	Regular
4	Mr. Kamal Mostafa Chowdhury	Director	M/s. Raja Corporation	SOD(Gen)	382.00	102.93	UC	Regular
5	Mr. Al-haj Md. Shamsul Alam	Director	M/s. Radio Vision	CC(H)	230.00	120.38	UC	Regular
6	Mr. Mohammad Nurul Islam	Director	M/s. Md. Nurul Islam	CC(H)	233.00	169.33	UC	Regular
7	Mr. Ferojur Rahman	Director	M/s. Olio Enterprise	CC(H)	200.00	1.54	UC	Regular
8	Mr. Alhaj Md. Manjur Alam	Director	M/s. Manjur Alam	CC(H)	250.00	225.32	UC	Regular
9	Mr. S. A. M. Hossain	Director	M/s. Samira Trade International	CC(H)	160.00	158.24	UC	Regular
10	Mr. Mohammad Zahedul Haque	Director	M/S. NILZ Fashion	CC(H)	60.00	59.98	UC	Regular
	Total				1978.00	1008.46		

Standard Bank Limited

Name of the Directors/Sponsors and the entities in which they have interest as at 31st December 2011

Sl. No.	Name and 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 Bazaar, 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 952/B Osman Manzil, (18th Floor) Asadgonj, Chittagong	Director	Moon International M/S Md. Nurul Islam Isratts Agro-Corp & Dairy Ltd. M/S Asia Enterprise	Proprietor Proprietor Chairman Proprietor	100% 100% 20% 100%	
4	Mr. Ashok Kumar Saha 29/B Ghatforhadbeg, Chittagong	Director	N.G. Saha Steel Inds. (Pvt.) Ltd. NGS Cement Inds Ltd. NGS Steel Inds. Ltd. Uttam 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 Peacock M/s. Olio Enterprise	Director Director Director Proprietor	16% 21.75% 65% 100%	
6	Mr. Harun Rashid Chowdhury (Relived from Directorship on 07. 08. 2011) Atashi Appt., 109, Elephant Road Boro Moghbazar, Dhaka-1217	Director	Tread Linkers Ltd. Imperial knitting Ind. Ltd. (Unit-1) Casendra Yarn Dying Ind. Ltd. M/S Harun Rashid Chowdhury	Director Shareholder Chairman Proprietor	22.22% 20.32% 50.00% 100.00%	

Standard Bank Limited

Name of the Directors/Sponsors and the entities in which they have interest as at 31st December 2011

Sl. No.	Name and 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
7	Mr. Md. Monzurul Alam 218, D. T. Road, Dewanhata, 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. Golden Iron Works Ltd. M/s. 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 Managing Director Managing Director Managing Director Managing Director Managing Director Proprietor Managing Director Managing Director Managing Director Managing Director Chairman	36714 shares 219725 shares 124163 shares 101000 shares 101000 shares 9500 shares 218525 shares 100% 4000 shares 5000 shares 5000 shares 303557 shares 10000 shares	
8	Mr. S. A. M. Hossain Victor Electronics 400, Biponi Bitan (3rd Floor) Chittagong	Director	Victor Electronics Samira Electronics Samira Trade Intl. Eastern Metal Ind. Chittagong Ltd.	Proprietor Proprietor Proprietor Director	100% 100% 100% 12.50%	
9	Mr. Mohammed Abdul Aziz 268, Fakira pool, Motijheel, Dhaka	Director	Diamond Commercial Agency Ruma Products Moonlux Composite Knit Garment Ltd.	Proprietor Proprietor Director	100% 100% 27%	
10	Mr. Al-Haj Mohammed Shamsul Alam M/S Radio Vision 398, Biponi Bitan 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%	

Standard Bank Limited

Name of the Directors/Sponsors and the entities in which they have interest as at 31st December 2011

Sl. No.	Name and 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
11	Mr. Md. Abdul Ahad New Apan Jewelers 31/B, Baitul Mokarram, Dhaka	Director	New Apan Jewelers	Proprietor	100%	
12	Mr. Md. Zahedul Hoque 284/285, Khatungonj 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% 80%	
13	Mr. Ferdous Ali Khan House # 27, Lake Drive Road, Sector # 7, Uttara Model Town, Dhaka	Director	Ferdous Tailors & Fabrics	Proprietor	100%	
14	Mr. Harun Or Rashid (Relieved from Directorship on 03.10. 2011) 1403, Sk. Mujib Road Farook Chamber (3rd Fl) Agrabad, Chittagong	Director	Chittagong Ispat H Steel Re-Rolling Mills Rubaya Vegitable Oil Industries Ltd. National Iron & Steel Industries Ltd. Amanat Steel H Steel	Proprietor Proprietor Managing Director Managing Director Proprietor Proprietor	100% 100% 70% 60% 100% 100%	
15	Mr. Al-haj Md. Yousuf Chowdhury 8/B, O.R. Nizam Road Panchlaish R/A, Chittagong.	Vice Chairman	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%	
16	Mr. Moshfeque Mamun Rizvi 51, Park Road, Baridhara, Dhaka	Director	Desh General Insurance Company	Director	10600 shares	

Standard Bank Limited

Name of the Directors/Sponsors and the entities in which they have interest as at 31st December 2011

Sl. No.	Name and 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
17	Investment Corporation of Bangladesh, representing by the Managing Director Mr. Md. Fayekuzzaman Investment Corporation of Bangladesh (ICB), Head Office, 8, Rajuk Avenue(14th Floor), Dhaka.	Director	Not Applicable			
18	Mr. Shaikh Mesbauddin House # 93, Road # 2, Block # A Niketon, Gulshan-1, Dhaka-1212	Director	M. I. Z. Enterprise	Proprietor	100%	
19	Mr. S. S. Nizamuddin Ahmed House # 1, Road # 2/A, Banani Chairman Bari, Dhaka-1213	Director	Not Applicable			
20	Mr. S. A. Farooqui, Managing Director Standard Bank Ltd. Chamber Building (3rd Floor) 122-124, Motijheel C/A, Dhaka.	Ex-Officio Director	Not Applicable			

Standard Bank Limited

Name of Directors and their Shareholdings as at 31st December 2011

Sl. No.	Name of the Directors	Status	Opening Share balance as on 01.01.2011	Closing Share balance as on 31.12.2011
1	Mr. Kazi Akramuddin Ahmed	Chairman	7471300 Shares of Tk. 10/- Each Tk. 7,47,13,000	9563260 Shares of Tk. 10/- Each Tk. 9,56,32,600/-
2	Mr.Kamal Mostafa Chowdhury	Director	7654820 Shares of Tk. 10/- Each Tk. 7,65,48,200	9798160 Shares of Tk. 10/- Each Tk. 9,79,81,600/-
3	Mr. Mohammad Nurul Islam	Director	4665080 Shares of Tk. 10/- Each Tk. 4,66,50,800	5571300 Shares of Tk. 10/- Each Tk. 5,57,13,000/-
4	Mr. Ashok Kumar Saha	Director	3161800 Shares of Tk. 10/- Each Tk. 3,16,18,000	4047100 Shares of Tk. 10/- Each Tk. 4,04,71,000/-
5	Mr. Ferozur Rahman	Director	5205190 Shares of Tk. 10/- Each Tk. 5,20,51,900	6662640 Shares of Tk. 10/- Each Tk. 6,66,26,400/-
6	Mr. Harun Rashid Chowdhury Relived from Directorship on 07. 08. 2011	Director	2968210 Shares of Tk. 10/- Each Tk. 2,96,82,100	3499300 Shares of Tk. 10/- Each Tk. 3,49,93,000
7	Mr. Mohammad Monzurul Alam	Director	5009880 Shares of Tk. 10/- Each Tk. 5,00,98,800	6412640 Shares of Tk. 10/- Each Tk. 6,41,26,400/-
8	Mr. Serajul Anowar Mohammad Hossain	Director	8640100 Shares of Tk. 10/- Each Tk. 8,64,01,000	11059320 Shares of Tk. 10/- Each Tk. 11,05,93,200/-
9	Mr. Mohammed Abdul Aziz	Director	8980960 Shares of Tk. 10/- Each Tk. 8,98,09,600	11495620 Shares of Tk. 10/- Each Tk. 11,49,56,200/-
10	Mr. Al-Haj Mohammed Shamsul Alam	Director	8274000 Shares of Tk. 10/- Each Tk. 8,27,40,000	10590720 Shares of Tk. 10/- Each Tk. 10,59,07,200/-
11	Mr. Abdul Ahad	Director	10833480 Shares of Tk. 10/- Each Tk. 10,83,34,800	13866850 Shares of Tk. 10/- Each Tk. 13,86,68,500/-
12	Mr. Mohammad Zahedul Hoque	Director	1875100 Shares of Tk. 10/- Each Tk. 1,87,51,000	2400120 Shares of Tk. 10/- Each Tk. 2,40,01,200/-
13	Mr. Ferdous Ali Khan	Director	4336000 Shares of Tk. 10/- Each Tk. 4,33,60,000	5550080 Shares of Tk. 10/- Each Tk. 5,55,00,800/-
14	Mr. Harun or Rashid Relived from Directorship on 03. 10. 2011	Director	12600770 Shares of Tk. 10/- Each Tk. 12,60,07,700	16128980 Shares of Tk. 10/- Each Tk. 16,12,89,800/-

Standard Bank Limited

Name of Directors and their Shareholdings as at 31st December 2011

Sl. No.	Name of the Directors	Status	Opening Share balance as on 01.01.2011	Closing Share balance as on 31.12.2011
15	Mr. Al-Haj Moammad Yousuf Chowdhury	Vice Chairman	5178360 Shares of Tk. 10/- Each Tk. 5,17,83,600	6628300 Shares of Tk. 10/- Each Tk. 6,62,83,000/-
16	Mr. Moshfeque Mamun Rizvi	Director	1419350 Shares of Tk. 10/- Each Tk. 1,41,93,500	1816760 Shares of Tk. 10/- Each Tk. 1,81,67,600/-
17	Investment Corporation of Bangladesh to be represented by Mr. Md. Fayekuzzaman, Managing Director	Director	20474000 Shares of Tk. 10/- Each Tk.20,47,40,000	29589950 Shares of Tk. 10/- Each Tk.29,58,99,500/-
18	Mr. Shaikh Mesbauddin	Director	3000000 Shares of Tk. 10/- Each Tk. 3,00,00,000	3840000 Shares of Tk. 10/- Each Tk. 3,84,00,000/-
19	Mr. Sahazada Syed Nizamuddin Ahmed	Independent Director	96130 Shares of Tk. 10/- Each Tk. 9,61,300	123040 Shares of Tk. 10/- Each Tk. 12,30,400/-
20	Mr. S. A. Farooqui	Ex-Officio Director	Nil	Nil

Standard Bank Limited

Highlights

Sl. No.	Particulars	31.12.2011	31.12.2010
01.	Paid up capital	4,061,320,361	3,172,906,532
02.	Total capital	7,702,147,977	6,370,823,208
03.	Capital surplus/(deficit)	939,217,977	812,117,209
04.	Total assets	74,953,060,139	66,596,011,627
05.	Total deposits	63,870,621,033	58,344,441,292
06.	Total loans and advances	55,332,044,249	51,757,689,073
07.	Total contingent liabilities and commitments	17,103,818,896	22,168,336,982
08.	Credit deposit ratio	87%	89%
09.	Percentage of classified loans against total loans and advances	2.19%	1.96%
10.	Profit after tax and provision	1,296,508,644	1,369,069,153
11.	Amount of classified loans during the year	1,211,228,000	1,016,670,868
12.	Provisions kept against classified loan	539,616,000	511,928,268
13.	Provision surplus/(deficit)	-	-
14.	Cost of fund	11.60%	9.44%
15.	Interest earning assets	66,097,752,219	51,898,851,958
16.	Non-interest earning assets	8,855,307,920	14,697,159,668
17.	Return on investment (ROI)	7%	16%
18.	Return on assets (ROA)	2%	2%
19.	Incomes from investment	630,567,427	1,011,527,081
20.	Earning per share (Taka)	3.19	3.37
21.	Net income per share (Taka)	3.19	3.37
22.	Price earning ratio (times)	9	15

Standard Exchange Company (UK) Limited

Financial Statements for the year ended

31st December 2011

Registration No: 06851946

Standard Exchange Company (UK) Limited

Financial Statements for the year ended 31st December 2011

Company Information

Incorporated	19th March 2009
Registration Number	06851946
Ownership	100% owned by Standard Bank Ltd Bangladesh
Directors	Mr Kazi Akram Uddin Ahmed Appointed 19/03/2009 Mr Saleh Ahmed Farooqui Appointed 15/07/2009
Chief Executive Officer	Mr Mahmudul Alam Appointed 20/07/2009
Registered Office	101 Whitechapel Road London E1 1DT
Banker	Barclays Bank PLC 1 Churchill Road London E14 5HP
Accountants	Jahan & Co. Chartered Management Accountants 22 Osborn Street London E1 6TD

Standard Exchange Company (UK) Limited

Directors' Report for the year ended 31st December 2011

Directors present their report and the financial statements for the year ended 31st December 2011.

Principal Activity

The principal activity of the company in the period under review was that of Money Remittance.

Directors

K A U Ahmed and S A Farooqui have held office for the whole year ended 2011 to the date of this report.

Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

Directors Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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 directors recommend that Jahan & Co , Chartered Management Accountants, remain in the office. 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.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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



Mr S A Farooqui
Director



Mr K A U Ahmed
Director

7th March 2012

Standard Exchange Company (UK) Limited

Accountants' Report on the Financial Statements for the year ended 31st December 2011

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the draft accounts of the above mentioned company for the period ended 31st December 2011 as set out on pages 4 to 7 from the company's accounting records and from information and explanations you have given us.

As a practising member 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. Our work has been undertaken solely to prepare for your approval the accounts of the company and state those matters that we have agreed to state to the of Director of the company, as a body, in this report, in accordance with the requirements of the CIMA Guidance as detailed on their website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that the company 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 the company.

We have not been instructed to carry out an audit or any other type of assurance engagement of the financial statements, verified the accuracy or completeness of the accounting records or information and explanations supplied, and that we do not express any opinion on the financial statements.



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

7th March 2012

Standard Exchange Company (UK) Limited

Profit and Loss Account for the year ended 31st December 2011

	Notes	2011 £	2010 £
INCOME			
Commission		153,707	87,074
Exchange Gain		55,454	20,124
Total Income		209,161	107,198
Administrative Expenses		(243,787)	(182,956)
Operating Profit/(Loss)	3	(34,626)	(75,758)
Profit/ (Loss) on Ordinary Activities before Taxation		(34,626)	(75,758)
Tax on Profit on Ordinary Activities		-	-
Profit / (Loss) on Ordinary Activities after Taxation		(34,626)	(75,758)
Dividends		-	-
Retained Profit/(Loss) for the year		(34,626)	(75,758)
Retained Profit /(Loss) Brought Forward		(157,852)	(82,094)
Retained Profit/(Loss) Carried Forward		<u>(192,478)</u>	<u>(157,852)</u>

Standard Exchange Company (UK) Limited

Balance Sheet as at 31st December 2011

	Notes	2011		2010	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	6		38,111		44,340
<u>Current Assets</u>					
Debtors		17,500		28,686	
Cash at Bank and in hand		103,159		107,846	
		120,659		136,532	
<u>Creditors</u>					
Amounts falling due within one year	7	(51,248)		(38,725)	
Net Current Assets (Liabilities)			69,411		97,808
<u>Total Assets less Current Liabilities</u>			107,522		142,148
<u>Creditors</u>					
Amounts falling due after more than one year			-		-
			107,522		142,148
<u>Capital and Reserves</u>					
Called up Share Capital	8		300,000		300,000
Profit & Loss Account			(192,478)		(157,852)
<u>Shareholders' Fund</u>			107,522		142,148

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 Exchange Company (UK) Limited Balance Sheet (continued)

Director's statements required by section 415 for the year ended 31st December 2011


"In approving these financial statements, as the director of the company we hereby confirm that:

- a) For the year ended 31st December 2011 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 section 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



Mr S A Farooqui
Director



Mr K A U Ahmed
Director

7th March 2012

Standard Exchange Company (UK) Limited

Notes to the Accounts for the year ended 31st December 2011

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 Premium was amortised over 15 years on a straight line basis.
- ii) Tangible Assets has been depreciated at 20% on reducing balance method.

2 Income

Total income comprises the value of commissions earned and exchange gains.

3 Operating Profit/(Loss)

Operating profit/(Loss) is stated after charging:

	<u>2011</u>	<u>2010</u>
	£	£
Depreciation	7164	8425
Accountant's Fees	3500	1000
	<u>10664</u>	<u>9425</u>

4 Salary and Wages

Total Salary and wages	91724	89485
	<u>91724</u>	<u>89485</u>

5 Taxation

UK current period taxation	<u>-</u>	<u>-</u>
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Standard Exchange Company (UK) Limited

Notes to the Accounts for the year ended 31st December 2011

6.

<u>Fixed Asset</u>	<u>Land & Building</u> £	<u>Fixture & Fittings</u> £	<u>Plant & Machinery</u> £	<u>Total</u> £
Cost				
At 1st January 2011	17733.00	28501.00	16767.00	63001.00
Additions	0.00	236.74	697.38	934.12
Disposals	0.00	0.00	0.00	0.00
At 31st December 2011	<u>17733.00</u>	<u>28737.74</u>	<u>17464.38</u>	<u>63935.12</u>
Depreciation				
At 1st January 2011	2364.40	10260.40	6036.31	18661.11
Additions	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00
Charge for year	1182.20	3695.47	2285.61	7163.28
At 31st December 2011	<u>3546.60</u>	<u>13955.87</u>	<u>8321.92</u>	<u>25824.39</u>
NBV at 31st December 2010	<u>14186.40</u>	<u>14781.87</u>	<u>9142.46</u>	<u>38110.73</u>
NBV at 31st December 2009	<u>15368.60</u>	<u>18240.60</u>	<u>10730.69</u>	<u>44340.89</u>

7. <u>Creditors: Amounts falling due within one year</u>	2011	2010
	£	£
Jahan & Co	1500	1500
Salaries & Wages	2092	0
Rent	-	716
Payable to Parent Company	47656	36356
HMRC (PAYE) Telephone, Fax & Internet	-	0
Customer Deposit	-	13
	-	140
	<u>51248</u>	<u>38725</u>

8. <u>Share Capital</u>		
Opening Share Capital	300000	18200
Add: Allotment this year	-	281800
Share Capital at Balance Sheet date	<u>300000</u>	<u>300000</u>

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

10 Other Financial Commitments

Lease Commitment: 15 Years Lease starting from 27th August 2009 with annual rental of £ 35,000

11 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 Exchange Company (UK) Limited

Detailed Profit and Loss Accounts for the year ended 31st December 2011

	2011		2010	
	£	£	£	£
Turnover				
Commission	153,707		87,074	
Exchange Gains	55,454		20,124	
		<u>209,161</u>		<u>107,198</u>
Administrative expenses				
Salaries & Wages Including NIC	91,724		89,485	
Staff Cost	207		1,384	
Relocation Allowance	-		-	
Rent, Rates & Taxes	48,352		42,640	
Utility Bills	1,210		752	
Insurance-Fire & Theft	2,997		1,775	
Telephone, Fax & Internet	1,697		1,816	
Travel & Subsistence	3,642		464	
Repairs and Maintenance	3,229		480	
Printing, Postage & Stationery	1,327		2,487	
Fees & Subscription	1,182		1,039	
Security services	1,074		1,256	
Cleaning	766		724	
Bank Charges & Commission	65,825		26,860	
Legal Expenses	-		-	
Publicity & Advertisement	30		840	
Parties & Dinner	3,500		-	
Auditors & Other Professional Fees	3,500		2,529	
Depreciation & Amortisation	7,164		8,425	
Appreciation Account	6,361		-	
		(243,787)		(182,956)
Net profit for the period		<u><u>(34,626)</u></u>		<u><u>(75,758)</u></u>

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

Financial Statements for the year ended

31st December 2011

Employer Identification Number: 27-2112554

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

Financial Statements for the year ended 31st December 2011

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 2011

Directors present their report and the financial statements for the year ended 31st December, 2011.

Principal Activity

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

Directors

Kazi Akram Uddin Ahmed and Saleh Ahmed Farooqui have held office for the whole year ended 2011 to the date of this report. Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

Directors Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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 directors recommend that KM Haque, CPA, P.C., remain in the office. The directors' statements required by section 415 of the company's Act 2006 are shown on the following page which forms part of this balance sheet.

This report is prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

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

March 7,2012

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

Certified Public Accountant • Taxes • Audits • Accounting • Consulting • Other Business Services

To
The Board of Directors and Shareholders of
Standard Co. (USA), Inc.
DBA: Standard Express
37-22 73 street,
Jackson Heights NY -11372

We have audited the accompanying balance sheet of Standard Co.(USA),Inc.. as of December 31, 2011, and the related statements of income and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes the assessing the accounting principles used and significant estimates made by management, as well as evaluating the 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 of December 31, 2011, and the results of its operations and its cash flows for the year than ended in conformity with generally accepted accounting principles in the United States of America.

Jackson Heights, New York
March 07, 2012

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

Balance Sheet as at 31st December 2011

	Notes	2011 USD
<u>Fixed Assets</u>		
Tangible Assets	6	109,310.42
<u>Current Assets</u>		
Rent Deposits		21,690.00
Pre-Paid Expense		3,022.00
Deferred Expense-Preliminary Expense		42,479.38
Cash at Bank and in hand		718,932.06
		<u>895,433.86</u>
<u>Creditors</u>		
<u>Amounts falling due within one year</u>	7	<u>-136,336.91</u>
<u>Net Current Assets (Liabilities)</u>		<u>649,786.53</u>
<u>Total Assets less Current Liabilities</u>		759,096.95
<u>Creditors</u>		
<u>Amounts falling due after more than one year</u>		<u><u>0</u></u>
<u>Capital and Reserves</u>		
Paid up Capital	8	820,000.00
Profit & Loss Account		<u>-60,903.05</u>
<u>Shareholders' Equity</u>		<u><u>759,096.95</u></u>

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.

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 Balance Sheet (continued)

Director's statements required by section 415 for the year ended 31st December 2011

"In approving these financial statements, as the director of the company we hereby confirm that:

- a) For the year ended 31st December 2011 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 73 street,
Jackson Heights NY -11372

March 7, 2012

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

Profit and Loss Account for the year ended 31st December 2011

Rate 1 USD=TK. 81.20

Notes	2011 USD
INCOME	
Commission	33,069.00
Exchange Gain	131,467.96
Interest Income	7,505.62
Total Income	172,042.58
Total Administrative Expenses (Appendix-1)	232,945.63
Operating Profit/(Loss)	-60,903.05
Profit/(Loss) on Ordinary Activities Before Tax	-60,903.05
Tax on profit on ordinary Activities	
Profity(Loss) on Ordinary Activities After Tax	-60,903.05
Dividends	-
Retained profit/(Loss) for the year	-60,903.05
Retained profit/(Loss) Brought forward	-60,903.05
Appropriation Accounts	0
Retained profit/(Loss) Carried Forward	-60,903.05

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 2011

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 Dollars = 81.20 Taka during the reporting period.

3. Operating Profit/(Loss)

USD

Operating profit/(Loss) is stated after charging:

Depreciation	9,605.02
Amortization Expense	3,034.24
	12,639.26
4. Salary and Wages	
Total Salary and wages	92,900.00
	92,900.00

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

•Taxes •Audits •Accounting • Consulting • Other Business Services

6. Fixed Asset	Land & Building USD	Fixture & Fittings USD	Plant & Machinery USD
Cost			
At 1st January 2011	0	0	0
Additions	0	65,680.00	53,235.44
Disposals	0	0	0
At 31st December 2011	0	65,680.00	53,235.44
Depreciation			
At 1st January 2011	0	0	0
Additions			
Disposals	0	0	0
Charge for year		3117.90	6,487.12
At 31st December 2011		3117.90	6,487.12
NBV at 31st December 2010		62,562.10	46,748.32
7. Creditors: Amounts falling due within one year			2011 USD
Salaries & Wages			0
Rent			0
Payable to Parent Company			107,038.05
Account Payable			29,298.86
Telephone, Fax & Internet			-
Customer Deposit			-
			136,336.91
8. Paid up Capital			
Opening Share Capital			820,000.00
Net profit for the period			-60,903.05
Share Capital at Balance Sheet date			759,096.95

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

10. Other Financial Commitments

Lease Commitment of Head office: 10 Years Lease starting from 1st April with annual rental of \$38400

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

•Taxes •Audits •Accounting • Consulting • Other Business Services

11. 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.

12. Administrative expenses	USD
Advertisement & publicity	12,045.00
Amortization Expense	3,034.24
Armored Service	2,207-99
Assessment Fees to NYSBD	8,621.00
Bank Service Charges	6,734-00
Cleaning	400.00
Depreciation	9,605.02
Meal & Entertainment	958.65
Miscellaneous Expense	3,546.88
Office Expense	781.56
Office Supply	8,290.17
Payroll-Salary	92,900.00
Petty Cash Expense	7,530.73
Postage & Delivery	94.29
Printing	1,675-00
Rent	62,275.00
Security Expense	571-62
Software Lease	2,210.00
Telephone & internet	1,976.04
Travel	1,504.00
Utilities	5,984-44
Total:	232,945.63

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Detailed Profit and Loss Accounts for the year ended 31st December 2011

	USD	Appendix 1 USD
Turnover		
Commission	33,069.00	
Exchange Gains-Standard Bank	127,481.59	
Exchange Gains-Uttara Bank	3,986.37	
Interest Income	7,505.62	
		172,042.58
Administrative expenses		
Advertisement & publicity	12,045.00	
Amortization Expense	3,034.24	
Armored Service	2,207.99	
Assessment Fees to NYSBD	8,621.00	
Bank Service Charges	6,734.00	
Cleaning	400.00	
Depreciation	9,605.02	
Meal & Entertainment	958.65	
Miscellaneous Expense	3,546.88	
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Security Expense	571.62	
Software Lease	2,210.00	
Telephone & internet	1,976.04	
Travel	1,504.00	
Utilities	5,984.44	
		232,945.63
Net profit for the period		-60,903.05

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