Annual Report 2014





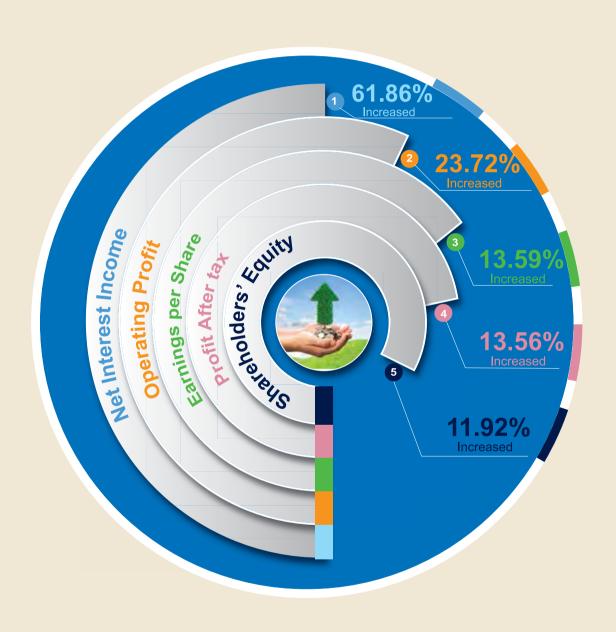


Fostering Sustainable Growth

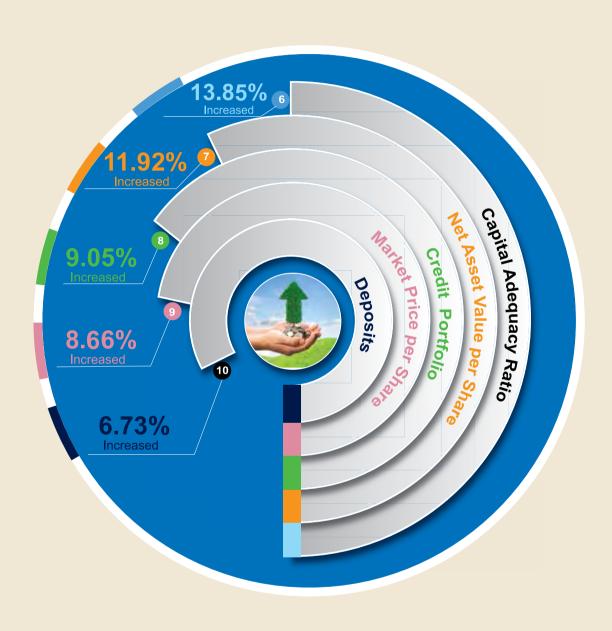
Our Bank is committed to making sustainable growth in all business indicators. We have been achieving significant business growth over the last 19 years in different barometers of success. Our diversified, innovative and forward-looking business strategies have contributed to this success. The key elements of our target-oriented and sustainable growth strategies for today and beyond are:

- Visionary leadership
- Strategic planning and its effective implementation
- Differentiating products and services
- Effective cost control measures
- Technological innovation
- Exploiting full potentials
- Capturing better market share of business
- Disciplined operation to thwart business loss
- Strict maintenance of quality of assets

Key Performance Indicators



Key Performance Indicators





Southeast Bank Limited is a second-generation bank that was established in 1995 with a dream and a vision to become a pioneer banking institution of the country and contribute significantly to the growth of the national economy. The Bank's journey began when it was incorporated as a Public Limited Company on March 12, 1995. The Registrar of Joint Stock Companies and Firms issued the Certificate of Commencement of Business of the Bank on the same date. The Southeast Bank received its Banking License from the Bangladesh Bank on March 23, 1995. The Bank's 1st branch was opened by Late M. Saifur Rahman, the then Honourable Finance Minister of the Government of the People's Republic of Bangladesh as the Chief Guest at the commercial hub of the country at 1, Dilkusha Commercial Area, Dhaka on May 25, 1995.

In its arduous journey since, Southeast Bank has succeeded in realizing the dreams of those who established it. Today it is one of the country's leading banks in the private sector contributing significantly to the national economy. The Authorized Capital of the Bank today is BDT 15,000 million. Its Paid-Up-Capital and Reserve reached BDT 27,462.09 million as on December 31, 2014. The Bank had 2221 Staff of whom 190 were Executives, 1590 were Officers and 441 were other Staff as on December 31, 2014.

The Southeast Bank was established by leading business personalities and eminent industrialists of the country with stakes in various segments of the national economy. They established the Bank with a vision to bring efficient and professional banking service to the people and the business community of Bangladesh to help the national economy grow. The incumbent Chairman of the Bank is Mr. Alamgir Kabir, FCA, a professional Chartered Accountant. The Bank's Managing Director is Mr. Shahid Hossain, a young and eminent banker of the country with 31 years experience in banking to his credit.

The Bank's operations are built upon unequivocal emphasis on effective corporate governance. The objective is to create, promote and build long-term company value. The Bank's first and the highest priority is to provide effective services and maximum satisfaction to the customers. The ethos of harmony and co-operation is widely practiced in the Bank. We take pride in the fact that the public and private face of the Bank is one and identical. We believe that transparency in decision-making, monitoring mechanism and full disclosure to shareholders and regulatory authorities are essential aspects of Bank's corporate governance and that they create an intense pressure to rationalize Bank's services and search for new competitive advantages. We work ceaselessly within these parameters.

A team of efficient professionals manages the Bank. They create and generate an environment of trust and discipline that encourages everybody in the Bank to work together for achieving the objectices of the Bank. The culture of maintaining congenial work-environment in the Bank has further enabled the staff to benchmark themselves better against management expectations. A commitment to quality and excellence in service is the hallmark of their identity.

Southeast Bank has become a synonym of quality banking services and products. It has a diverse array of products and services tailored carefully to cater to the needs of all segments of customers. Our operational strategies are structured to address the special and often complex needs of the customers. In the growth graph, the Bank has generated profit of BDT 3,836.94 million after provision and income tax in the year 2014. The curve keeps soaring upward everyday making it one of the leading and most successful banking institutions in Bangladesh with a total asset base of BDT 236,608.40 million as on December 31, 2014.



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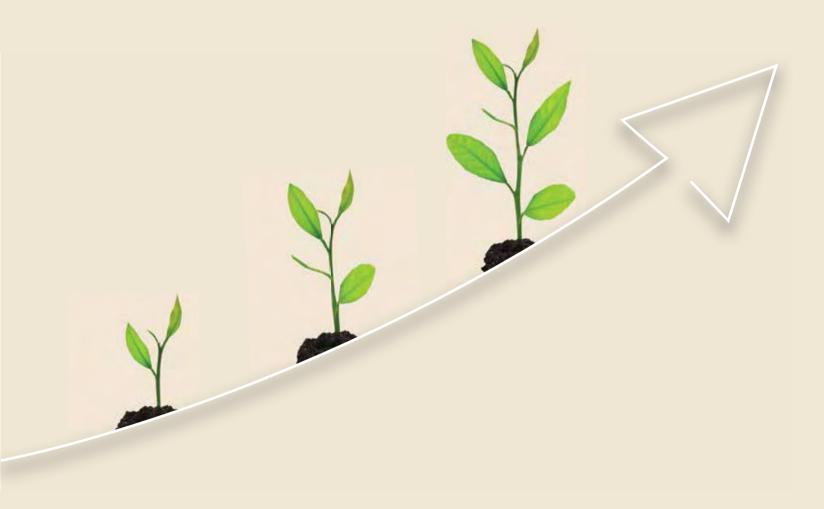
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Corporate Philosophy and Performance





Letter of Transmittal

All Shareholders of Southeast Bank Limited
Bangladesh Bank
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)

Annual Report of Southeast Bank Limited for the Year -2014

Dear Sirs:

Thank you for supporting us in the preceding years.

It is our immense pleasure to lay before you the Bank's Annual Report-2014 along with the Audited Financial Statements (consolidated and separate) as at and for the year ended 31st December, 2014. Annual Report-2014 of the Bank comprises Balance Sheet, Profit and Loss Accounts, Statement of Changes in Equity, Cash Flow Statement along with Notes to the Accounts.

Information given in our Annual Report-2014 are complete, full and in line with Bangladesh Accounting Standard and International Accounting Standard. We hope that the report will be of use to you today and tomorrow.

Best regards,

Yours sincerely,

Muhammad Shahjahan

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Company Secretary Date: 12 March, 2015

Standard Disclosure Index

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Corporate Profile

Name of the Company : Southeast Bank Limited

Legal Status : Public Limited Company

Date of Incorporation : March 12, 1995

Registered Office : Eunoos Trade Centre

52-53, Dilkusha C/A (Level 2,3 & 16), Dhaka-1000

Chairman : Alamgir Kabir, FCA

Vice Chairman : Ragib Ali

Managing Director : Shahid Hossain

Company Secretary : Muhammad Shahjahan

Line of Business : Banking (both Conventional and Islamic Banking)

Authorized Capital : BDT 15,000 million

Paid Up Capital : BDT 9,169.50 million

Date of Opening of First Branch : May 25, 1995

Year of Initial Public Officer : 1999

Stock Exchange Listing : April 10, 2000 (DSE) and April 24, 2000 (CSE)

Company Auditors : Howladar Yunus & Co. and Syful Shamsul Alam & Co.

Tax Consultant : Akhter Zamil & Co.

Legal Advisors : The Legal Edge

Credit Rating Information and Services Limited (CRISL)

Validity of the Credit Rating : Up to June 22, 2015

No. of Foreign Correspondents : 791

Phone : 9571115 (Hunting)

Fax : 9550086, 9550093 & 9563102

SWIFT : SEBDBDDHXXX

E-mail : info@southeastbank.com.bd

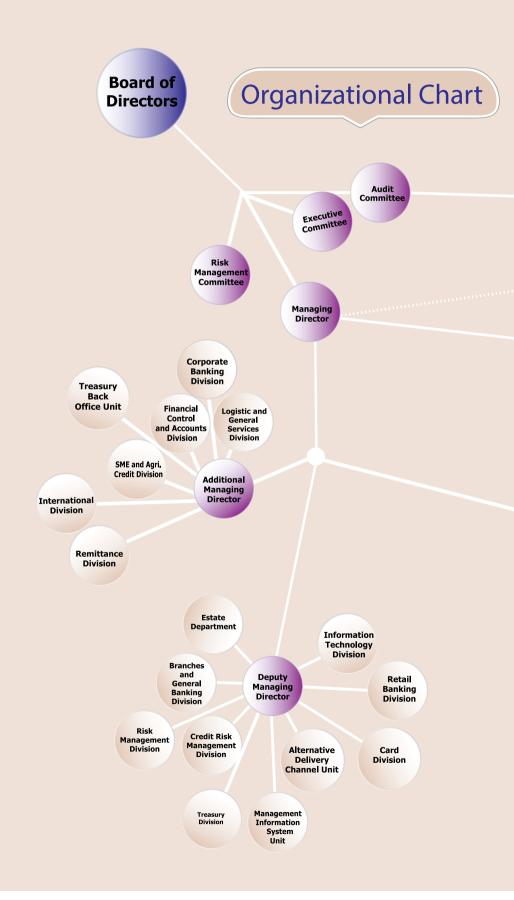
Website : http://www.southeastbank.com.bd

Name of the Bank's Subsidiary Companies : Southeast Bank Capital Services Limited

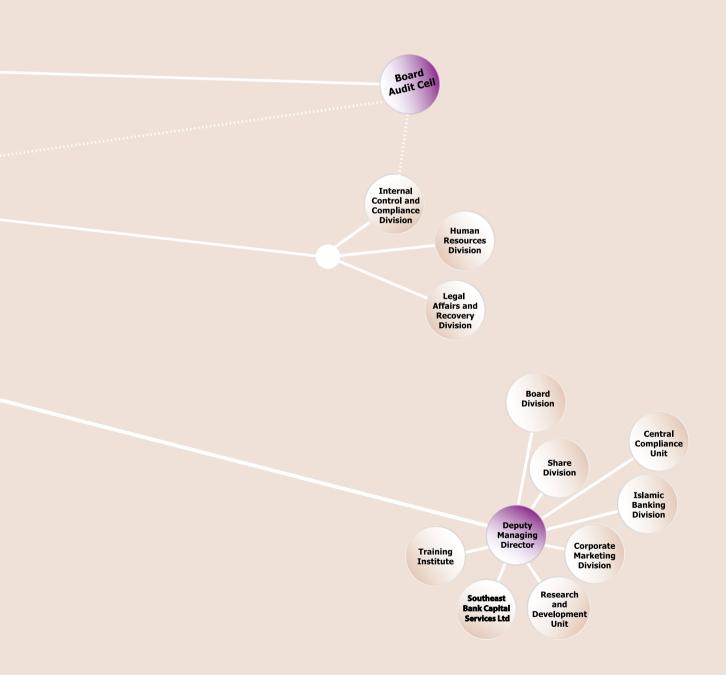
Southeast Financial Services (UK) Limited

Southeast Financial Services (Australia) Pty Limited

Southeast Exchange Company (South Africa) Pty Limited







Recognitions that inspire us



Shahid Hossain, Managing Director of the Bank, is seen receiving 'Certificate of Merit, Award from Finance Minister AMA Muhith for best presented Annual Report and Financial Statements of the Bank for the year – 2013. Institute of Chartered Accountants of Bangladesh (ICAB) introduced the Award for best published Accounts and Report, of different companies.



Muhammad Shahjahan, Deputy Manging Director of the Bank, is seen receiving 'Certificate of Merit' Award from Finance Minister AMA Muhith for Bank's best presented Annual Report and Financial Statements for the year - 2013. The Institute of Cost and Management Accountants of Bangladesh (ICMAB) introduced the Best Corporate Award for companies in different sectors.



Our Vision

To be a premier banking institution in Bangladesh and contribute significantly to the national economy.

Our Missions

- High quality financial services with state of the art technology
- Fast customer service
- Sustainable growth strategy
- High Ethical standards in business
- Steady return on shareholders' equity
- Innovative banking at a competitive price
- Attraction and retention of quality human resource
- Commitment to Corporate Social Responsibility

Our Core Values

Our values serve as a compass for our action and describe our direction

- Integrity
- Respect
- Fairness
- Harmony
- Team Spirit
- Courtesy
- Commitment
- Service Excellence
- Insight and Spirit
- Enthusiasm for Work
- Business Ethics

Our Core Strengths

- Professionally strong Board of Directors
- Strong capital base
- Transparent and Quick Decision Making
- Efficient Team of Performers
- Satisfied Customers
- Internal Control
- Skilled Risk Management
- Diversification
- Quality customer service
- Unique corporate culture
- Sharp bifurcation between Board and management functions
- Strong asset base

Our strengths and competencies push us forward.

Our Core Competencies

- Knowledge
- Experience and Expertise
- Customer Orientation / Focus
- Transparency
- Determination
- Zeal for Improvement
- Pursuit of Disciplined Growth Strategies
- Reliability



Ethical Principles

Southeast bank believes that its efforts to become a leading bank in the private sector can only be achieved and sustained by creating effective corporate governance, inculcating professionalism among its staff and strictly adhering to rules and regulations. We believe that our aims and objectives can only be realized fully and sustained over time by adherence to ethics that cannot always be built into sets of rules and regulations. This belief in ethics motivates the bank in its dealings with those with whom it interacts.

A. We adhere to the following Principles in dealing with Customers

- 1. Strictly follow ethical banking practices.
- 2. Provide fair treatment to all customers, depositors, and borrowers, without any discrimination.
- 3. Provide speedy customer service at a very competitive cost.
- 4. Deal with customers in a transparent manner and without any hidden cost.
- 5. Maintain strict secrecy of customer account.
- 6. Provide free financial advice to clients.
- 7. Deal quickly with complaints received from the customers. We endeavour continuously to build relationship of trust and understanding with customers.
- 8. We give very competitive return to the depositors on their investment.
- 9. We listen to our customers and work for improvement of customer service as per their suggestion.
- 10. We never desert our customers in adversity.
- 11. We always keep the promises we make.
- 12. Our rates and charges are competitive.
- 13. Our employees are prohibited from accepting any gifts/donation from customers.

B. We follow the following Principles in dealing with Shareholders

- Adequate disclosure of corporate information and operational results to help them take suitable investment decisions / options.
- 2. Stable Dividend Policy and payment of good dividend.
- 3. Dialogue with them and implementations of their suggestions for improvement
- 4. Equal treatment to all shareholders irrespective of their individual size of shareholding.
- 5. Risks in banking are managed effectively.
- 6. Maintenance of fairness and accuracy of financial reporting and records.
- 7. We prohibit insider trading.

C. We follow the following Principles in dealing with our Regulators

- 1. We are transparent in operations and governance.
- 2. We have a culture of timely compliance of regulatory requirements.
- 3. We give their suggestions and directives great value and implement them for improvement of our corporate governance standard.
- 4. We safeguard information and do not misuse it.

D. We follow the following Principles for our Employees

- 1. We do not discriminate on grounds of religion, sex or race at any stage. We recruit the best on the basis of merit under a rigorous recruitment policy without any biasness or favoritism to anybody.
- 2. We pay competitive compensation package with career echelon for the really deserving employee.
- 3. We care for our employees and respect them
- 4. We have clearly defined duties and responsibilities for every employee. No one is made a scapegoat for undefined responsibilities.
- 5. We have a zero tolerance for any act of dishonesty.
- 6. We provide a congenial work environment.
- 7. We encourage freedom to our employees to give opinion for both qualitative and quantitative improvement of the Bank.
- 8. We take care of their health and safety.
- 9. We protect Bank's assets.
- 10. Our employees avoid conflict of interest.
- 11. Our employees obey code of conduct.
- 12. Professionalism, honesty, integrity and high moral and ethical standards are the creed of our employees.

E. We follow the following Principles in respect of Society

- 1. We believe that the Bank gets business sustenance from the community in which it operates and therefore, it must remain responsive to the community and the society in reciprocity.
- 2. We do not encourage projects which are not environment-friendly for financing by the Bank.
- 3. We provide material support for protection of environment.
- 4. We give aid to the poor, helpless and natural-calamity-hit people.
- 5. We support charitable ventures.
- 6. We give sponsorships to sports, culture, education, health-care and community development ventures.
- 7. We support the women as a community and contribute to women empowerment.
- 8. We are keen to move fast for green banking to protect environment.

F. We follow the following Principles in respect of National Interest.

- 1. We protect national interests.
- 2. We refrain from prohibited business.
- 3. We promote causes of national upliftment.
- 4. We support nation building efforts from our position.



Our Commitments to Clients

Ours is a customer focused modern banking institution in Bangladesh. We deliver unparalleled financial services to Retail, Small and Medium Scale Enterprises (SMEs), Corporate, Institutional, Governmental and individual clients through branch outlets across the country. Our business initiatives center on the emerging demands of the market. Our commitments to the clients are to:

- a) Provide service with high degree of professionalism and use of modern technology.
- b) Create long-term relationship based on mutual trust.
- c) Respond to customer needs with speed and accuracy.
- d) Share their values and beliefs.
- e) Grow as our customers grow.
- f) Provide products and service at competitive pricing.
- g) Ensure safety and security of customers' valuables in trust with us

Overall Strategic Objectives

- Maintaining a high quality assets portfolio to achieve strong and sustainable returns and to continuously build shareholders' value.
- b) Maintaining adequate capital in line with risk appetite of the Bank.
- c) Strengthening trust and partnerships with customers by focusing on the Bank's core values of quality customer service, professionalism, teamwork and integrity.
- d) Hiring professionals with strong background and knowledge through proper selection and where necessary competitive exam and continually developing the skills and expertise of employees and ensuring excellent work environment and high level employee satisfaction.
- e) Strengthening technologies that reduce operational risks and promote the implementation of best practices in the industry.
- f) Developing innovative products and services that attract our targeted customers and market segments.
- g) Exploring new avenues for growth and profitability.
- h) Practicing efficient risk management principles in line with all seven core risk in banking operation including green banking and environmental risk management principles.
- Practicing efficient corporate governance and compliance processes through meeting all regulatory requirements and disclosures in line with national and international best banking practices and ensuring best internal control monitoring practices.
- j) Upholding Bank's brand image as a customer friendly bank through efficient and prompt customer service, product diversification with a view to establishing long term profitable relationship with our customers.
- k) Serving the society as part of our Corporate Social Responsibility (CSR) and abiding by all banking rules and regulations including paying taxes to the national exchequer.
- Extending banking services to the un-banked people for financial inclusion meeting socio-economic requirements.

Priorities followed in 2014

The Bank followed the following strategic priorities and action plans during 2014:

- Excellence in Banking operations through maintaining strong fundamentals of Capital Adequacy, Business diversification and Exploring non-funded business
- ii. Prudent Asset Management
- iii. Prudent Liability Management
- iv. Excellence in Delivering Customer Service
- v. Effective Risk Management
- vi. Effective IT Framework and System
- vii. Efficient Internal Control and Regulatory Compliance System
- viii. Strong Human Resource Base
- ix. Going green in the future of banking

Strategic Priorities

We are facing increasing challenges and uncertainties in the financial sector. But with our core strengths and foundation to utilize the growth potentials of the economy, we are optimistic to have another successful year to come. Reviewing the performance of 2014, we redesigned our strategic priorities towards achieving our future goals and strategic objectives as under:

- i. Diversifying loan portfolio to avoid excessive concentration to particular sectors as well as to invest funds in productive industries.
- ii. Ensuring effective risk management system with entire phases of activities.
- iii. Ensuring meticulous compliance of disbursement procedure and monitoring and follow up of each loan by the relationship manager (credit) to ensure timely repayment and ensure quality of assets.
- iv. Monitoring and strengthening of recovery drive to bring down the NPL to a minimum level and to maintain asset quality at standard level.
- v. Maintaining strong capital base by expediting borrowers' rating, concentrating on lending portfolio having lower capital charge, strengthening Internal Capital Adequacy Assessment Process (ICAAP).
- vi. Improving deposit mix by maintaining efficient deposit mix, increase share of low cost and no cost deposit in total deposit and increase in non-funded business.
- vii. Improving internal governance through strengthening good corporate cultures, motivation, training and supervision as per KPIs in all levels of management.
- viii. Conducting BPR (Business Process Re-engineering) in different functional areas to improve efficiency and bring in required structural change.
- ix. Developing integrated marketing efforts by creating a customer-orientated culture.
- x. Developing Human Resource Management System to motivate and retain the Human Resources and transform Human Resources to Human Capital through proper training in every aspects of working area.
- xi. Optimizing at all levels of operation by ensuring budgetary control.
- xii. Providing more value added services like mobile banking, priority banking, strengthening of alternative delivery channels and ATM network, mobilizing foreign remittance and encouraging opening of remittance generated beneficiaries accounts.
- xiii. Promoting Islamic banking with Islamic banking mudarabah products under a brand name "Southeast Tijarah" Strengthening of liability marketing team to tap more low cost deposit
- xiv. Ensuring efficient Internal Control and Regulatory Compliance in all level of banking operation.
- xv. Focusing on green banking to reach its long term strategic objectives to be a green.
- xvi. Fostering creativity, innovation and diversity with the view to sustainable business growth.



Our Corporate Philosophy

Our Corporate Philosophy centers around our corporate missions, business domain and management goals. We devote our talent and technology to the creation of value for our all Stakeholders. Everyday our people bring this philosophy to life and to their work. Our philosophy cannot be bound by a few words or issues. Yet we narrate the following:

Customers

Our Company philosophy is simple. It is customer-friendly and fully responsive to customer needs and expectations. We carry out required research, analysis and survey to find out what the customers expect. We leverage technology and expertise to provide best services and convenience to the customers. We spend money on things that matter to them and add value to the Bank in terms of image and profit. That is why our customer base has been steadily expanding over the years.

Human Resource

Our people are smart, professional, well qualified, energetic and sincere. They are passionate about what they do. Since they enjoy their work, it becomes easy for them to work hard. They do not aspire to follow any set model, rather they create model themselves. They completely own what they plan and do.

Communication

Our Philosophy is to reduce lines and layers of communication. We believe in free flow of ideas within the Management Team. The Senior Management Team is also open to ideas suggested by the lower level executives and officers. At the same time, our decision making process is short but quick.

Control Mechanism

Our control mechanism is practiced at all levels. We strive to control the behavior of the employees. Our control mechanism is closely linked to efficiency, quality, innovation and responsiveness to customers.

Quality and Productivity

Our Philosophy is geared towards boosting productivity and maintaining a reliable high quality service standard. In the process of delivery of service, co-ordination is the essence of our business. Our philosophy is to achieve our goals through a combination of budgetary control, pay-for performance, incentive system, unique corporate culture that continuously stresses key values.

Building Future

Our philosophy is to make decisions today to improve performance tomorrow. We know a company which is successful has to continue to be successful. We do not fear our future, we shape it by our corporate conduct.

Impact of our Forward Looking Statements

A forward-looking statement is a statement that contains prediction, projection and possibilities. It relates to future events. It often predicts expected future business and financial performance. It contains words such as 'expect', 'anticipate', 'believe', 'seek', 'will', 'may', 'would', 'presume', 'assure, 'hope', so on and so forth. A forward-looking statement naturally addresses matters that are, to certain degrees, uncertain and may not happen. In most cases, a forward-looking statement is made in respect of company's expected income, earning, business growth, horizonat expansion, cost structure, capital structure, dividends etc. Such an statement is made based on some assumptions about future events which may happen or may not happen.

This Annual Report-2014 of Southeast Bank Limited also contains forward-looking statements. Since there are uncertainties about the occurrence of the future events, those should be treated from that viewpoint in decision-making by the users of the Annual Report.

Milestones in our Journey

Incorporation of SEBL	12.03.1995
Certificate of Commencement of Business	12.03.1995
License Issued by Bangladesh Bank	23.03.1995
Formal Inauguration	25.05.1995
Inauguration of 1st Branch	25.05.1995
Initial Public Offer (IPO) Subscription Opened Subscription Closed	25.11.1999 05.12.1999
Listing with Dhaka Stock Exchange Limited	12.04.2000
Listing with Chittagong Stock Exchange Limited	24.04.2000
Launching of Debit Card	01.09.2001
Formation of SEBL Foundation	12.03.2002
1st Rights Share Issue Subscription Opened Subscription Closed	15.02.2003 15.03.2003
Commencement of Islamic Banking business from Chhagalnaiya Islamic Banking Branch	28.07.2003
License Issued from Bangladesh Bank as Primary Dealer	28.10.2003
Registered as Depository Participant of CDBL	17.02.2004
1st to Demat Shares in CDBL in Banking Sector	16.05.2004
Launching of Credit Card	01.01.2005
2 nd Rights Share Issue Subscription Opened Subscription Closed	15.10.2006 31.10.2006
Introduction of Core Banking Software	14.02.2009
Launching of 1st Off-shore Banking Unit	30.12.2009
Launching of ATM	27.03.2010
3rd Rights Share Issue Subscription Opened Subscription Closed	07.07.2010 29.07.2010
Issuance of Mutual Fund	23.05.2011
Formation of Subsidiary Companies Southeast Bank Capital Services Limited Southeast Financial Services (UK) Limited Southeast Financial Services (Australia) Pty Limited Southeast Exchange Company (South Africa) Pty Limited	23.09.2010 15.09.2011 18.03.2013 15.12.2014
100% Online Banking	17.09.2011
Landmark of 19th years of excellence in banking service	25.05.2014
Obtained permission for issuance of Subordinated Bond for BDT 3,000.00 million to increase Tier-II Captial	11.11.2014
1st Green Award distribution	15.11.2014



Key Events in 2014

	_	
January	:	Bank distributed blankets among cold-hit poor people in Satkhira
February	:	Business Policy and Managers' Conference held and Annual Budget discussed
		Received Relationship Award from Commerzbank AG, Germany in recognition of the bank's excellent cooperation.
March	:	19 th Annual General Meeting held
April	:	Cumulative profit reached BDT 2,608.67 million and deposit reached BDT 192,490.39 million
May	:	Signed a software license and service agreement for card management system with SunGard Ambit (Malaysia) Sdn Bhd
June	:	Half-yearly operating profit recorded BDT 4,013.33 million and total loans and advances reached BDT 141,397.91 million
July	:	Bank donated 2 (two) modern ambulances to Tareque Memorial Hospital as a part of its Corporate Social Responsibilty
August	:	Cumulative profit reached BDT 5,446.07 million and deposit reached BDT 194,592.33 million
September	:	7 th Extra-Ordinary General Meeting (EGM) held for the purpose to issue Non-Convertible Subordinated Bond for BDT 3,000.00 million to increase Bank's Tier-II capital.
		The Authorized Capital of the Bank increased from BDT 10,000.00 million only to BDT 15,000.00 million only.
		Half yearly Managers' Conference held for review of operational performance against budgets.
October	:	Bank attained Principal Membership of Master card
November		Southeast Bank- Financial Express-Policy Research Institute (SEBL-FE-PRI) Green Award Trust honored the Pioneers in Climate Leadership who are engaged actively in saving the environment and pursuing sustainable development course.
		Donated Business Faculty, Dhaka University with a modern Schindler elevator for the Academic Building.
		The Institute of Chartered Accountants of Bangladesh (ICAB) awarded the certificate of Merit for best published accounts and reports in financial sector.
December	:	Two Ladies Branches at Dhanmondi and Moghbazar, opened as 112th and 113th branch of the bank.
		Southeast Exchange Company (South Africa) Pty Ltd. started operation as bank's 4th Subsidiary.

10 Years at a Glance

PARTICULARS	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Authorized Capital	15,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	3,500.00	3,500.00	3,500.00	2,500.00
Paid up Capital	9,169.50	8,732.86	8,732.86	8,317.01	6,930.84	3,422.64	2,852.20	2,281.76	2,112.74	1,056.37
Reserve Fund/ Others	18,292.59	13,074.71	10,864.68	10,683.05	10,265.96	6,504.52	4,804.81	4,186.60	2,828.18	1,180.47
Total Capital (Tier-I+Tier-II)	27,462.09	21,807.57	19,597.54	19,000.06	17,196.80	9,927.16	7,657.01	6,468.36	4,940.92	2,236.84
Deposit	189,472.54	177,519.46	152,901.24	127,178.22	107,253.19	96,669.05	68,714.67	55,474.05	46,056.18	38,258.15
Advance	147,070.81	134,863.82	126,968.97	107,288.56	93,981.20	77,497.57	60,281.26	48,164.60	41,147.28	32,551.09
Investment	56,378.59	57,589.06	39,011.28	29,846.60	18,869.07	21,350.23	12,299.61	8,462.86	6,265.55	5,113.14
Import Business	155,691.00	131,644.82	111,537.50	99,509.01	103,726.70	69,582.92	58,019.77	38,470.34	35,125.12	29,079.30
Export Business	112,137.60	95,220.40	84,464.20	75,982.06	58,158.06	46,724.47	42,178.60	28,771.36	25,874.61	13,511.10
Foreign Remittance	48,740.50	39,299.10	41,455.40	49,544.10	28,082.25	23,779.20	15,221.87	11,040.17	13,479.83	3,507.40
Guarantee Business including ILC	13,603.30	17,226.41	21,506.65	25,673.90	22,781.19	11,916.74	15,078.99	9,008.32	8,656.80	7,975.00
Total Income	27,667.10	26,918.30	23,134.18	19,931.91	16,100.81	13,415.21	10,250.13	8,670.47	6,766.11	4,689.55
Total Expenditure	19,377.34	20,218.11	17,638.99	13,846.24	9,331.55	8,800.55	7,237.55	5,754.27	4,703.45	3,216.11
Operating Profit	8,289.76	6,700.20	5,495.19	6,085.67	6,769.26	4,614.66	3,012.58	2,916.20	2,062.66	1,473.44
Net Profit after Tax and Provision	3,836.94	3,378.82	1,648.72	1,912.19	2,763.93	1,870.19	887.24	1,222.97	909.88	374.20
Fixed Assets	7,913.00	7,795.65	7,677.51	7,373.11	4,463.64	4,323.59	2,685.56	1,708.11	1,300.39	790.62
Total Assets	236,608.40	220,930.85	191,276.30	158,078.59	131,784.27	112,676.98	81,181.53	64,370.69	53,706.12	43,294.81
Earning per Share (Tk.)	4.18	3.68	1.89	2.19	3.77	3.24	3.11	4.28	5.97	3.54
Dividend Cash (%)	15%	16%	15%	15%	10%	-	15%	15%	20%	-
Bonus Shares	-	5% (20:1)	-	5% (20:1)	20% (5:1)	35% (20:7)	20% (5:1)	25% (4:1)	8% (12.5:1)	20% (5:1)
Return on Equity (ROE)	16.51%	16.20%	8.42%	10.47%	19.41%	16.51%	12.06%	19.90%	17.98%	17.64%
Return on Asset (ROA)	1.67%	1.64%	0.95%	1.32%	2.26%	1.66%	1.09%	1.90%	1.66%	0.86%
Non Performaning Loan	3.64%	3.94%	4.47%	3.51%	4.26%	3.73%	4.12%	3.77%	3.97%	4.37%
Capital Adequacy Ratio	12.41%	10.90%	10.87%	11.46%	11.25%	11.72%	11.12%	13.00%	11.50%	6.90%
Number of Correspondent Banks	211	211	183	161	152	146	145	140	138	130
Number of Foreign Correspondents	791	778	691	654	645	589	587	598	536	507
Number of Shareholders	58,169	65,413	64,060	68,039	66,898	22,152	12,536	9,636	8,855	5,750
Number of Employees - Banking	1780	1704	1655	1526	1373	1254	1080	964	845	759
- Non Banking	441	414	355	322	240	148	151	152	153	154
Number of Branches	113	103	94	84	76	56	46	38	31	31

Governance





Board of Directors

Chairman

Alamgir Kabir, FCA

Vice Chairman

Ragib Ali

Directors

M. A. Kashem
Azim Uddin Ahmed
Duluma Ahmed
Jusna Ara Kashem
Md. Akikur Rahman
Rehana Rahman
Sirat Monira
Karnafuli Tea Co. Limited
represented by
Abdul Hye
Dr. Zaidi Sattar
A.H.M. Moazzem Hossain

Managing Director

Shahid Hossain

Advisor

Zakir Ahmed Khan

Company Secretary

Muhammad Shahjahan

Executive Committee

Chairman

Alamgir Kabir, FCA

Members

Ragib Ali M. A. Kashem Azim Uddin Ahmed Shahid Hossain

Audit Committee

Chairman

A.H.M. Moazzem Hossain

Members

Duluma Ahmed Jusna Ara Kashem Sirat Monira Dr. Zaidi Sattar

Risk Management Committee

Chairman

Alamgir Kabir, FCA

Members

Ragib Ali M. A. Kashem Azim Uddin Ahmed A.H.M. Moazzem Hossain

Shariah Supervisory Committee

Chairman

Professor Moulana Mohammad Salah-Uddin

Members

M. Kamaluddin Chowdhury
Moulana Mohammad Kafiluddin
Sarker
Alamgir Kabir, FCA
Ragib Ali
M. A. Kashem
Azim Uddin Ahmed
Dr. Zaidi Sattar
Shahid Hossain



Brief Profile of Directors

Alamgir Kabir, FCA

Chairman

Mr. Alamgir Kabir, FCA was born on December 28, 1947. He did B.Com (Hons.) from Dhaka University and M.Com from Punjab University. He is a professional Chartered Accountant. He has wide experience and profound knowledge in Auditing, Accounting, Bank, Insurance and Financial Institution both at home and abroad.

Mr. Alamgir Kabir has been Chairman of the Board of Directors of the Bank since September 29, 2004. He is also the Chairman of the Executive Committee of the Board of Directors and the Management Committee of the Board of Directors. By virtue of his being the Chairman of the Bank, he is the Chairman of its all subsidiary companies. He is also the Director of Asia Insurance Limited and Independent Director of National Life Insurance Co. Limited.

Mr. Kabir started his career in the year 1969 with Rahman Rahman Huq & Co., Chartered Accountants and continued with EWP Associates, Management Consultants, a sister concern of Rahman Rahman Hug & Co. and stayed there until 1979. In 1972, he was in charge of Audit Team for the first statutory Audit of Accounts of Bangladesh Bank. He moved to Riyadh, Saudi Arabia in 1979 with assignment in Saudi Accounting Bureau, Chartered Accountants, member firms of Coopers & Lybrand, Moores Rowland International and Inbucon International Ltd., Management Consultant from 1979 to 1993. He returned to Bangladesh in 1993 with assignment in Bangladesh Securities and Exchange Commission as Member from 1993 to 1996 and also acted as acting Chairman for a period. During his stay with BSEC, he substantially contributed to the development of the Capital Market of Bangladesh. From 1996 onwards, he has been involved in different capacities in formation and development of Bank, Non-Banking Financial Institution, Insurance and Capital Market related Institutions and others.

From July 1999 to July 2003, Mr. Kabir was founder Advisor of Export Import Bank of Bangladesh Limited of which his brother Late Shahjahan Kabir was the Founder Chairman. Both the brothers were involved in the formation of EXIM Bank and contributed to its rapid growth.

Mr. Kabir belongs to a family whose members are involved with Banks, Insurances and Financial

Institutions. He is member of a number of associations and also associated with many social organizations where he is working very silently for the welfare of the people. Mr. Alamgir Kabir is a widely traveled person across the globe.

Ragib Ali

Vice Chairman

Mr. Ragib Ali was born on October 10, 1938. He was the first Vice Chairman of the Board of Directors of Southeast Bank Limited. He was also a former Chairman of the Bank. From his different positions, he contributed to the growth of the Bank. He is currently Vice Chairman of the Bank. He is also a member of the Executive Committee and the Risk Management Committee of the Board of Directors of the Bank.

As an entrepreneur, he is actively associated with Tea Garden, Insurance, Banking, Newspaper, etc. He was the founder Chairman of Ragib-Rabeya Medical College and Hospital, Sylhet, Rabeya Banu General Hospital, Bishwanath, Sylhet, Leading University, Sylhet and University of Asia Pacific, Dhaka. He was the first Vice Chairman and immediate past Chairman of North South University. He was the founder and President of Ragib Rabeya Degree College, Bishwanath, Sylhet, Ragib Rabeya High School and College, Hobigonj, Haji Rashid Ali High School, Sylhet and Ragib-Rabeya High School, Bishwanath, Sylhet. He was the founder Vice Chairman of Bangladesh General Insurance Co. Ltd. He was the founder President of Moulvibazar Chamber of Commerce and Industry. He is the President of Sylhet Division Development Parishad. He is also the founder President of Ragib Ali Kallayan Trust, Sylhet. He is the life member of Mohammedan Sporting Club, Dhaka. He lavishly contributed to the establishment of Madrashs, Mosques, Temple, Orphanages and construction of Roads, Bridges, Culverts etc. He is an illustrious man by virtue of his philanthropic activities.

He is the Chairman / Managing Director of Sylhet Tea Company Limited, Star Tea Estate Limited, Karnafuli Tea Co. Limited, Rajnagar Tea Co. Limited, Union Syndicate Limited, Ragib Ali Securities Limited and The Daily Sylheter Dak. He is also the Director of Financial Express. He has sponsored a host of sporting events. His direct involvement in the development of tea plantation in Panchagar has brought economic changes in the lives of the farmers of North Bengal.

He received awards and accolades for his excellent record of social services. He is a widely traveled person across the globe.

M. A. Kashem

Director

Mr. M. A. Kashem was born in 1940. He is the First Chairman of Southeast Bank Limited. Currently, he is a Sponsor Director of the Bank. He is also a member of the Executive Committee and the Risk Management Committee of the Board of Directors of the Bank.

Mr. M. A. Kashem, is the former Chairman of North South University Foundation which is the founder of North South University. He is a member of North South University Trustee Board.

Mr. Kashem is the former President of the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI), the apex body of all the business communities of Bangladesh. Currently, he is the Chairman of Arbitration Tribunal of FBCCI. He is the past Chairman of the Association of Private Universities of the country.

He was a member of Board of Trustees of Hamdard Laboratories (WAQF) Bangladesh for 17 (Seventeen) years. He is the Chairman of SAHIC Trust (Society for Assistance to Hearing Impaired Children) the only voluntary organization rendering health-care assistance of the ear, nose and throat to destitute and poor patients.

He is a life member of the Kurmitola Golf Club, Gulshan Club Limited, Bangladesh Diabetic Association, Dhaka, Bangladesh Heart Foundation, Dhaka, Bangladesh Red Crescent Society, National Shooting Club, Gulshan Central Mosjid and Iddgah Society and Shishu Hospital, Chittagong.

He was the Chairman and Managing Director of M/S. Mutulal Jute Spinning Limited. He is the winner of "President Export Trophy Award" for the year 1982-83 and 1983-84 for excellent export performance. He also got "C. R. Das Gold Medal" for excellent contribution in industrial sector in the year 1995. He was given the award of "Highest Tax Payer-2011" by National Board of Revenue (NBR) in Dhaka City Corporation. He was the leader of 20 member FBCCI Trade delegation to Far Eastern Countries in the year 1986. He was also the leader of 5 member Govt. delegations to U.K., U.S.A. and Canada sponsored by UNDP in 1987 and leader of 12 member EPB Govt. of Bangladesh delegation to EEC countries in 1985.

As a philanthropist, Mr. Kashem set up Schools, Madrashas, Mosque, Club etc. and erected dwelling houses for the poor and destitute people of his locality. He has established a foundation named M. Kashem Foundation to foster education to the primary and mid level students of Schools in his locality and the foundation awarded stipends and Scholarships to the meritorious students during the last couple of years. Moreover, he has established a general Hospital of 100 beds in the name of "Tareque Memorial Hospital" at his home district at Chhagalnaiya, Feni.

Azim Uddin Ahmed

Director

Mr. Azim Uddin Ahmed was born on June 30, 1940. He is a graduate from Dhaka University. As a former Chairman of Southeast Bank Limited, he pushed the Bank forward. Currently, he is a Sponsor Director of the Bank. He is also a member of the Executive Committee and the Risk Management Committee of the Board of Directors of the Bank.

Mr. Azim Uddin Ahmed is a well-known business personality of the country. He is the Chairman of Mutual Food Products Limited, Mutual Milk Products Limited and Mutual Trading Co. Ltd. He is also the partner of Mutual Agro-complex, Mutual Departmental Store and Mutual Distribution and Silonia Agencies. Mr. Azim is a member of the Board of Trustees of North South University and Founder life member of North South University Foundation.

Mr. Azim is associated with a number of trade bodies and associations devoted to social work. He is the past President of Rotary Club of Dhaka North and Area Governor of Rotary District. He was the past President of Gulshan Club Ltd. He is the President of Baridhara Society. He served in different capacities in Dhaka Chamber of Commerce and Industry (DCCI), Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) and Bangladesh Indenting Association. He is the current President of Bangladesh Consumer Products Manufacturers and Marketers Association. He represented Bangladesh as a member of Trade Delegation to Europe and many other Govt. and private trade delegations to European, American and Asian countries.

Mr. Azim is also engaged in philanthropic activities. He is the Founder of Azimia Islamia Senior Madrasha, Duluma Azim High School, Fatema Farzana Kindergarten and Purba Silonia Forkania Madrasha. He is a widely traveled person across the globe.

Duluma Ahmed

Director

Mrs. Duluma Ahmed was born on July 7, 1947. She hails from a very respectable Muslim family. She is a Sponsor Director of the Bank and a member of the Audit Committee of the Board of Directors of the Bank. She is associated with business activities. She is the Director of Mutual Food Products Limited, Mutual Milk Products Ltd., Mutual Trading Co. Ltd. She is the partner of Mutual Distribution and Silonia Agencies.

Mrs. Duluma Ahmed is also associated with philanthropic activities. She is the Founder of Duluma Azim High School. She is the patron of Azimia Islamia Senior Madrasha and Fatema Farzana Kindergarten School in Chhagalnaiya. She is a member of Gulshan Ladies Community Club and Inner Wheel Club of Dhaka North. As a social worker, she is lavishly contributing to the poor and the needy section of the society. She traveled many countries of the world.

Jusna Ara Kashem

Director

Mrs. Jusna Ara Kashem was born on December 7, 1951. She is a leading industrialist and business leader of the country. She is a Director of Rose Corner (Pvt.) Limited. She hails from a very respectable Muslim family of Rajshahi. She is a Sponsor Director of the Bank and a member of the Audit Committee of the Board of Directors of the Bank.

Mrs. Jusna Ara Kashem is associated with many humanitarian and philanthropic organizations and is the Vice Chairman of M. Kashem Foundation. This Foundation has setup a 100 bed Hospital namely "Tareque Memorial Hospital" at Chhagalnaiya, Feni. Mrs. Jusna Ara Kashem is very much amiable in nature and a good social worker.

Md. Akikur Rahman

Director

Mr. Md. Akikur Rahman was born on February 15, 1945. He is a Sponsor Director of the Bank. He is a successful businessman. He is the Chairman of RAR Investment Limited of Murad Vill, Nower Road, Dorking Surrey, RH43Y, United Kingdom. He is also the Chairman of Dorking Muslim Community Association of 11/15, Hart Road, Doring, Surrey, RH4 1JS, United Kingdom. He is the Managing Director of RAR Holding Limited, 12-25, Prioy Prangan Tower, 19

Kemal Ataturk Avenue, Banani, Dhaka. He is also the Vice Chairman of International Medical College and Hospital, Gusholia, Tongi, Gazipur, Bangladesh. Mr. Akikur Rahman is associated with Southeast Bank Limited since its inception in 1995 as a Sponsor.

Rehana Rahman

Director

Mrs. Rehana Rahman was born on June 06, 1948 in a respectable Muslim family of Khulna. She is a leading industrialist and a business leader. She is the Managing Director of Bengal Trade Ways Limited and a Director of Drift Packaging Limited. She is a member of the Board of Trustees of North South University Foundation. Formerly, she was the Chairman of North South University Foundation. She was appointed a Sponsor Director of the Bank by the Board of Directors in its 443rd meeting held on August 11, 2014. Her appointment as Director was approved by Bangladesh Bank by Letter dated August 31, 2014.

Mrs. Rehana Rahman is a widely traveled person and a social worker.

Sirat Monira

Director

Mrs. Sirat Monira was born on September 15, 1948. She obtained Master of Social Science (MSS) Degree from Dhaka University. She became a Director of Southeast Bank from 'B' Group i.e. Public Shareholders. She is also a member of Audit Committee of Board of Directors of the Bank. She is a member of Dhaka Ladies Club. She is a philanthropist. She has 26 years experience in business. She widely traveled many countries across the globe.

Abdul Hye

Director

Represents Karnafuli Tea Co. Limited

Mr. Abdul Hye was born on 24th January, 1964. He is on the Board of Directors of Southeast Bank Limited from 'B' Group i.e. Public Shareholders representing Karnafuli Tea Co. Limited. His profession is business. He is a Director of Sylhet Tea Company Limited, Rajnagar Tea Estate Limited and Star Tea Company Limited. He is a member of Dhaka Stock Exchange Limited. He is a social worker and contributed sufficiently to the poor and the needy people of the country. He is a widely traveled person across the globe.

Dr. Zaidi Sattar

Director

Dr. Zaidi Sattar did M.A. and Ph.D in Economics. He was elected Independent Director of the Bank by the shareholders in the Bank's 16th Annual General Meeting held on March 22, 2011. He is a member of the Audit Committee of the Board of Directors of the Bank.

Dr. Sattar started his career as a Lecturer in Economics, Dhaka University in 1968; joined the Civil Service of Pakistan in 1969 and served in various positions in the districts and the Ministries of Bangladesh. In mid-career, he left for the USA for higher studies in Development Economics. After a Ph.D in Economics from Boston University, he joined the faculty of Catholic University of America, Washington D.C., in 1984 and until 1992, taught graduate and undergraduate courses in international trade, development economics and macroeconomics, at the Department of Economics and Business, as Assistant Professor during 1984-87, and Associate Professor during 1988-92. Returning to Bangladesh in June 1992, he served as World Bank Advisor (under Industrial Sector Adjustment Credit II) on tariffs and customs reform to the National Board of Revenue (1992-95) and later as Senior Macroeconomist at the Planning Commission (under a UNDP grant, 1995-96). He joined the World Bank, Dhaka Office in 1996 where he served as Senior Economist, South Asia Region, Poverty Reduction and Economic Management until his retirement in September 2007. Starting March 2008, he was the Vice Chancellor of The Millennium University, Dhaka. Currently, he is the Chairman of Policy Research Institute (PRI).

Dr. Sattar is recognized as a leading expert on trade and tax policy issues in Bangladesh. He frequently offers policy advice to the Government of Bangladesh on trade, industry and macroeconomic policy issues. He frequently lectures on campuses, makes keynote presentations in seminars and workshops, and contributes op-ed pieces in local journals and newspapers.

A. H. M. Moazzem Hossain

Director

Mr. A.H.M. Moazzem Hossain was born on January 01, 1948. He did B.A(Hons) and MA in Economics from Dhaka University. He was appointed Independent Director of the Bank on 24 December, 2012. He is the Chairman of the Audit Committee of the Board of Directors of the Bank. He is also a member of the Risk Management Committee of the Board of Directors of the Bank.

Mr. Moazzem Hossain started his career as a banker with Habib Bank Limited, Pakistan in 1969. He also worked as Economic Investigator, Ministry of Finance, Government of Pakistan in 1970. Later, he joined the Bangladesh Observer, a leading national daily in 1971 and continued there until 1987. He also worked in the New Nation, the United News of Bangladesh (UNB) as Executive Editor, the Daily Star as Economic Editor and in The Telegraph as Deputy Editor. He was also associated with Press Institute of Bangladesh and Bangladesh Sangbad Sangstha. He was a member of the board of directors of Janata Bank, a nationalized commercial bank of the country for five years. He attended a number of seminars and workshops abroad mostly at the invitation of the host country. He traveled many countries across the globe.

Shahid Hossain

Managing Director

Mr. Shahid Hossain was born on March 01, 1955. He did B.A (Hons) M.A in Political Science from the University of Dhaka in 1980. He started his banking career as Probationary Officer in 1983 at National Bank Limited and served in the Bank up to July 1999.

Mr. Hossain joined Southeast Bank Limited as Senior Vice President in July 2003. He was promoted to the rank of Executive Vice President in January 2005 and Senior Executive Vice President in July 2008. He was promoted to the rank of Deputy Managing Director in July 2010 and Additional Managing Director in October 2012. Because of his outstanding contribution to the Bank, he has been appointed Managing Director of the Bank by the Board of Directors. After approval from Bangladesh Bank, he assumed the office of the Managing Director of the Bank with effect from 09.01.2013. He is also a member of the Executive Committee of the Board of Directors of the Bank.

During his long 31 years banking service, Mr. Hossain gained extensive banking experience and developed a wide range of expertise as he worked in different capacities in almost all the areas of banking. He was Manager, Gulf Overseas Exchange Co. Ltd. Seeb Branch, Sultanate of Oman for 3 years (a Joint Venture Exchange Company of National Bank Ltd.) while he was in National Bank Limited.

Mr. Hossain attended numerous seminars, workshops and training programs at home and abroad. He extensively visited many countries including United States of America (USA), United Kingdom (UK), Australia, Singapore, Malaysia, Thailand, China, Saudi Arabia, Oman, Qatar and India.



Management Team

Managing Director

Shahid Hossain

Additional Managing Director

Mohammed Gofran

Deputy Managing Directors

S.M. Mainuddin Chowdhury Muhammad Shahjahan A.K.M. Nurul Alam M. Kamal Hossain

Senior Executive Vice Presidents

Ziaus Shams Chowdhury Pritish Kumar Sarker Nasim Sekander Haradhan Banik Anwar Uddin

Executive Vice Presidents

Md. Shamsul Huda
Md. Mostafa Kamal
Md. Abdul Mannan
Mohammad Mahmud Hasan
A.M.M. Ariful Haque
Kamal Uddin
Khorshed Alam Chowdhury
Syed Nurul Bashar
Md. Abdul Naim
Abdul Batin Chowdhury

Nuruddin Md. Sadeque Hussain Md. Giash Uddin Bhuiyan

Senior Vice Presidents

Mohammed Hafizur Rahman
Nur Hossain Chowdhury
Md. Zakir Hossain
Shafiur Rahman
Md. Shahjahan Sarker
Md. Mosharraf Hossain
Abidur Rahman Chowdhury
Lt Col Md Abdur Rafique, psc (Retd)
Badruddoza Khan
Shah Sarwar Mustafa Abul Ulayee
Shamim Ara Khanom
Abdul Quaium Chowdhury
Mohammed Kamrul Ahsan
S.M. Mainul Kabir
Salah Uddin Ahmed

Vice Presidents

Saiful Islam Chowdhury Md. Bazlur Rashid Khan A.S.M. Azizul Hakim Amjad Hussain Motiur Rob Chowdhury Md. Abul Kalam Howlader Shaikat Sanker Das Md. Zakir Hossain Md. Saydul Islam Amin

Md. Anowarul Kabir

Shameem Us Samad Chowdhury

Nadira Begum

Khandaker Khaled Hassan

Mir Ahmed Bin Islam

Md. Salimuzzaman

Md. Hamidul Haque

Md. Amir Hossain Bhuian

Md. Abdul Mannan

Khondaker Shaheed Hassan

Zabed Ahsan

Md. Abdus Sabur Khan

Sharmina Banu

Md. Mazharul Haque

Md. Muhibbur Rahman

Saber Mostafa Chowdhury

Md. Mashudea Robbani

Mohammad Omar Faruque

Mostofa Meer Khaled Omar

Mamunur Rashid

Md. Minhazur Rahman

Md. Tanim Shakur

Swapon Kumar Hang

Cheif Financial Officer (CFO)

Mohammad Aminul Haque, ACA

Management Committee of the Bank (MANCOM)

SI. No.	Name and Designation	Position in MANCOM
1	Shahid Hossain, MD	Chairman
2	Mohammed Gofran, AMD	Member
3	S. M. Mainuddin Chowdhury, DMD	Member
4	Muhammad Shahjahan, DMD	Member
5	A.K.M Nurul Alam, DMD	Member
6	M. Kamal Hossain, DMD	Member
7	Pritish Kumar Sarker, SEVP	Member
8	Haradhan Banik, SEVP	Member
9	Sk. Md. Golam Mustafa, EVP	Member
10	Md. Shahjahan Sarker, SVP	Member
11	Md. Mosharraf Hossain, SVP	Member
12	Shamim Ara Khanom, SVP	Member
13	Md. Abul Kalam Howlader, VP	Member
14	Khandaker Khaled Hassan, VP	Member
15	Md. Amir Hossain Bhuian, VP	Member
16	Zabed Ahsan, VP	Member
17	Md. Abdus Sabur Khan, VP	Member
18	Mostofa Meer Khaled Omar, VP	Member
19	Lt Cdr (Retd) Wares-UI-Matin, SAVP	Member
20	Donald Rossette, SAVP	Member
21	Mohammad Aminul Haque, SAVP	Member
22	Md. Jahangir Kabir, SAVP	Member
23	Navera Alam, AVP	Member

Sub-Committees of Management Committee

i) Asset Liability Committee (ALCO)

SI. No.	Designation	Position in ALCO
1	The Managing Director	Chairman
2	The Additional Managing Director	Member

3	The Deputy Managing Director(s)	Member
4	Head of Corporate Banking Division	Member
5	Head of Credit Risk Management Division	Member
6	Head of International Division	Member
7	Head of Financial Control & Accounts Division	Member
8	Head of Marketing Division	Member
9	Head of Risk Management Unit	Member
10	Head of Islamic Banking Division	Member
11	Head of Treasury	Member Secretary

ii) Central Compliance Unit (CCU)

SI. No.	Name and Designation	Position in CCU
1	Muhammad Shahjahan, DMD	CAMLCO
2	Haradhan Banik, SEVP	Deputy CAMLCO
3	Shamim Ara Khanom, SVP	Member
4	Khandaker Khaled Hassan, VP	Member
5	Abu Sabed Sayfullah, SAVP	Member
6	Md. Feroj Hoshen, AVP	Member

iii) Committee for Evaluation of the Effectiveness of Management Reporting System

SI. No.	Name and Designation	Position in CEEM
1	Muhammad Shahjahan, DMD	Chairman
2	Haradhan Banik, SEVP	Member
3	Md Shahjahan Sarker, SVP	Member
4	Khandaker Khaled Hassan, VP	Member
5	Zabed Ahsan, VP	Member
6	Muhammad Aminul Haque, SAVP	Member



7	Md Jahangir Kabir, SAVP	Member
8	Md. Feroj Hoshen, AVP	Member
9	Syed Kamal Hossain, EO	Member

iv) Integrity Committee

SI. No.	Name and Designation	Position in IC
1	Muhammad Shahjahan, DMD	Chairman
2	Haradhan Banik, SEVP	Focal Point
3	Md Abul Kalam Howlader, VP	Member
4	Khandaker Khaled Hassan, VP	Member
5	Mohammad Aminul Haque, SAVP	Member
6	Md. Feroj Hoshen, AVP	Member

v) Committee for Evaluation of the Effectiveness of AML/CFT Procedure of SEBL

SI. No.	Name and Designation	Position in the Committee
1	Muhammad Shahjahan, DMD	Chairman
2	Haradhan Banik, SEVP	Member
3	Khandaker Khaled Hassan, VP	Member
4	Shamim Ara Khanam, SVP	Member
5	Mohammad Kawsar Mahmood, SAVP	Member
6	Abu Sabed Sayfullah, SAVP	Member
7	Md. Feroj Hoshen, AVP	Member

vi) Head Office Credit Review Committee (HOCRC-1)

SI. No.	Name and Designation	Position in HOCRC-1
1	Mohammed Gofran, AMD	Chairman
2	Sk. Md. Golam Mustafa, EVP	Member
3	Md. Shaheen Miah, SAVP	Member
4	Pritish Kumar Sarker, SEVP	Member Secretary

vii) Head Office Credit Review Committee (HOCRC-2)

SI. No.	Name and Designation	Position in HOCRC-2
1	Pritish Kumar Sarker, SEVP	Chairman
2	Md. Shaheen Miah, SAVP	Member
3	Sk. Md. Golam Mustafa, EVP	Member Secretary

viii) Procurement Committee

SI. No.	Name and Designation	Position in PC
1	Shahid Hossain, MD	Chairman
2	Mohammed Gofran, AMD	Vice Chairman
3	S. M Mainuddin Chowdhury, DMD	Member
4	Haradhan Banik, SEVP	Member
5	Lt Cdr (Retd) Wares-UI- Matin, SAVP	Member
6	Md. Waliur Rahman, SPO	Member Secretary

ix) Supervisors of the Allotted Branches

SI. No.	Name and Designation
140.	
1	Mohammed Gofran, AMD
2	S.M. Mainuddin Chowdhury, DMD
3	Muhammad Shahjahan, DMD
4	Pritish Kumar Sarker, SEVP
5	Haradhan Banik, SEVP
6	Sk. Md. Golam Mustafa, EVP
7	Md. Shahjahan Sarker, SVP
8	Md. Mosharraf Hossain, SVP
9	Shamim Ara Khanom, SVP
10	Zabed Ahsan, VP
11	Md. Amir Hossain Bhuian, VP
12	Mostofa Meer Khaled Omar, VP

13	Md. Minhazur Rahman, VP	
14	Joya Hussain, SAVP	
15	Md. Shaheen Miah, SAVP	
16	Muhammad Wahidur Rahman Patwary, SAVP	
17	Md. Jahangir Kabir, SAVP	
18	Kazi Abu Taher, AVP	
19	Syed Abu Naser, AVP	
20	Mohammed Showkat Hayat Khan, AVP	
21	Mohammad Kamruzzaman, AVP	
The Managing Director chairs the meeting of the Supervisors.		

x) IT Steering Committee

SI. No.	Name and Designation	Position in the Committee
1	S. M. Mainuddin Chowdhury, DMD	Chairman
2	Pritish Kumar Sarker, SEVP	Member
3	Haradhan Banik, SEVP	Member
4	Sk. Md. Golam Mustafa, EVP	Member
5	Khandaker Khaled Hassan, VP	Member
6	A. K. M. Monirul Islam, SAVP	Member
7	Kazi Md. Ehasanuzzaman SAVP	Member
8	Mohammad Aminul Haque SAVP	Member
9	Md. Jahangir Kabir SAVP	Member
10	Md. Shamim Reza SAVP	Member

xi) Taskforce for Recovery of Written-Off Loans

SI. No.	Name and Designation	Position in the Committee
1	S.M. Mainuddin Chowdhury, DMD	Head of Taskforce
2	Pritish Kumar Sarker, SEVP	Member
3	Lt Col Md Abdur Rafique, psc (Retd), SVP	Member
4	Head of Respective Branch	Member
5	One Representative of ICCD	Member
6	Md. Mosharraf Hossain, SVP	Member Secretary
7	Md. Aktaruzzaman, PO	Member

xii) Taskforce for Recovery of Classified Loans

SI. No.	Name and Designation	Position in the Committee
1	Mohammed Gofran, AMD	Head of Taskforce
2	S.M. Mainuddin Chowdhury, DMD	Member
3	Pritish Kumar Sarker, SEVP	Member
4	Md. Shahjahan Sarker, SVP	Member
5	Head of Respective Branch	Member
6	Md. Mosharraf Hossain, SVP	Member Secretary



Alamgir Kabir, FCA

Group Chairman's Report

Bismillahir Rahmanir Rahim

Dear Shareholders:

I express my sincere thanks to you, my respected Shareholders, for your continuing interest in and support for our beloved institution, Southeast Bank Limited. I heartily welcome you to the 20th Annual General Meeting of the Shareholders of the Bank. I have reviewed the performance of the Bank in the year under review to chalk out our next year's program. It gives me immense pleasure to be able to present before you a report about the performance of

the Bank in 2014 and the prospect for the next year. While presenting the operational results of 2013, I forecasted a better performance of the Bank in 2014. And today, I stand vindicated as our performance in 2014 in different indicators had been better than that of the last year.

02. Healthy Management Team

Our executive team is healthy and fully committed to the goals we set for them. They have the level of trust that permits true debate and constructive dialogue to occur. Inner politics that thwarts team-building is the executive team. A regular communication rhythm is there in the Bank so that information can move through the organization freely, accurately and speedily. Apart from setting annual goal, we set monthly targets and see its finish-line every month. We do not make everyone accountable, because it makes a mess. We hold each team accountable and keep the Team Leader in focus. Our employees are free to give inputs identifying obstacles and opportunities. Such feedback especially from frontline employees is treated with due importance since they are closer to actions for the benefit of our customers. The identified obstacles are eliminated by the team leader to keep team members strongly motivated. Besides, each team member is made aware of his annual Key Performance Indicators (KPIs) and their priorities on a weekly basis. They are made known of their achievement in the previous week. Our people love to know their score and they play their part in a competitive environment. Our people have easy access to the overall performance of the Bank so they know that they are having impact both individually and together as teams. This sends a message to them that they are not alone and unaided.

weeded with the support of all stakeholders including

03. Our Business Excellence

Our Business excellence is the systematic use of quality management principles and tools in business management. It is aimed at improving performance based on the principles of customer focus, shareholder value and process management. We work for continuous and breakthrough improvement, avoid avoidable expenditures and decide major issues based on facts and circumstances.

Our business excellence is a basis for our Bank's cultural advancement. We encourage the use of best practices in all areas of operational and management areas for improvement. Through the scale, we identify our strong and weak areas of management and operational practices. The tool of benchmarking is used by us to identity the gap to be filled in. Our link and adherence to business excellence, best practices and benchmarking are fundamental to our success. We define our business pursuits and measure the availability of required resources to operate business, optimize improvement and monitor the process from the beginning to the end. New technology, new material, new innovation and product improvement make us more efficient, more productive and more connected. The success of our business is the result of nurturing our each employee's character and abilities, and realization of each group's full potential.

04. Operational Result Review

Bank's total asset increased by 7.10 percent in line with the Bank's policy of maintaining comfortable liquidity. Liquid assets to total assets stood at 10.74 percent at the end of 2014. During the year, great focus was put on liability management. It resulted in significant reduction of cost of Deposits and it reached 8.32 percent at year end. In the depositmix of the Bank, the cost-free and low-cost deposit reached 28 percent from 27 percent of 2013. The total deposit of the Bank including Islamic Banking Deposits increased by 6.73 percent over that of last year. It led to a Loan to Deposit Ratio of 77.62 percent. Investment Income, fee and other income during the year 2014 had a good growth of 9.27 percent over those of 2013. The good contribution of fee and other income to Bank's total income is a clear testimony of Bank's strength. The Bank's operating profit increased to BDT 8,289.76 million in 2014 from BDT 6,700.20 million in 2013.

05. Crises Management and Business Continuity System

Crises may arise from natural disasters and computer system failure. Such situation may extend beyond the purview of core risk management. Southeast Bank has basic policy for crises management. It has also established a system for it. These policies and systems are intended to ensure the continuation of the business activities and early restoration of functions by taking quick actions and other measures to minimize risk. As per policy, Bank' Disaster Recovery Site has been put in place at a suitable location for early restoration of functions.

When any such crisis happens, the Management is delegated with the authority to allocate resources and take suitable actions. The management is, however, required to submit report of countering any crisis management to the Board of Director of the Bank.

Our Business Continuity System targets to achieve :

- Security of the lives and personal safety of customers, employees and others on a top priority basis,
- Contribution to the maintenance of the livelihood and economic activities of customers,
- Restraining the impact of the disaster on the monetary settlement system by taking measures to restore functions at the earliest,
- Maintenance of the soundness of our operations and
- Creation of necessary infrastructure and allocation of resources to ensure efficacy of the System.

06. Code of Conduct for Directors

The Board of Directors of the Bank in its 410th meeting held on December 24, 2012, among other things, approved the Code of Conduct for the Directors of the Bank. The Directors are sincere in abiding by the Code of Conduct. There had not been any breach of the Code of Conduct by the Directors during the year 2014.

07. Corporate Governance

In Southeast Bank, we strive to realize excellent Corporate Governance to meet the expectations that the stakeholders and the society have in us. We pursue soundness and user-friendliness in our business dealings. We have increased management transparency and objectivity. Our corporate governance policies are aimed at ensuring compliance of legal and regulatory requirements, independence of the Board of Directors in policy matters and supervision, and freedom of the management in efficient administration of the Bank. The Board acts to ensure that the Bank is responsibly managed for the long term benefit of the shareholders, employees, customers, community, society and the environment in which it operates.

We give utmost priority to effective internal control, full disclosure to the shareholders and regulatory bodies, integrity in performance and accountability. The Board of Directors of the Bank consists of 13 (thirteen) Directors including the Managing Director. Of them, 8 (eight) are Sponsor Directors, 2 (two) are Directors elected by the public shareholders and 2 (two) are Independent Directors. This combination of Directors helps take decisions through meaningful discussions. We abide by all the Corporate Governance requirements of our Central Bank and those of Bangladesh Securities and Exchange Commission.

08. Treasury Operations

The country experienced slower investment demand in 2014 resulting in substantial amount of surplus liquidity in the banking industry. In such a situation our treasury team resorted to holistic approach covering the control of cash flow and income volatility. Apart from maintenance of CRR and SLR efficiently as regulatory requirement, the Treasury Team is also assigned with measuring and minimizing the risks associated with Bank's fund management. It encompasses foreign exchange exposure, liquidity, interest rate, asset-liability management, etc.

The country's Foreign Exchange Market was stable throughout the year. The Foreign Exchange Desk of our Treasury Team handled total USD 791.92 million in the year which is 20.45 percent higher than what it was in 2013. On the other hand, the Money Market Desk of the Team also efficiently managed Bank's fund and opted for best of investment options to ensure fair and profitable return to the Bank.

9. Our Service Excellence Guidelines

Whatever we do in Southeast Bank is driven by an unyielding passion for excellence. Our pursuit of excellence in business operation is the systematic use of quality management principles and tools. We lay special emphasis on positioning, proficiency, partnering and process to achieve the desired level of excellence. For us, success in excellence is not a destination, it is a journey. A comprehensive Service Excellence Guidelines covering our people, process, premises and professionalism have been formulated and put in practice after Board's approval. Everybody in the Bank is working towards something. We don't leave things to chance.

10. Green Award

Corporate citizenship to us means thinking long term and working to integrate social and environmental considerations into how we run our business. We want to inspire the individuals and organizations who are actively working to preserve environment. With that end in view, the Board of Directors of the Bank in its 395th meeting held on March 14, 2012, decided to give "Green Awards" to institutions and Women Entrepreneurs for really making significant contribution to the preservation of environment. The award was named, 'Southeast Bank- Financial Express – Policy Research Institute Green Award'.

The Green Awards for the year 2014 were distributed amongst the recipients in a ceremonious way in a City Hotel on November 15, 2014. The recipients are (1) Chittagong Waste Treatment Plants Limited (2) German Development Cooperation-GIZ. Chittagong Waste Treatment Plans Limited manages the Central Effluent Treatment Plants of Chittagong Export Processing Zone (CEPZ). German Development Cooperation-GIZ manages Solar Powered Drinking Water Supply in the coastal areas of Bangladesh under sustainable energy development (SED) program.

11. Information about Foundation and Subsidiary Companies as on 31st December, 2014

Southeast Bank has the following Foundation and Subsidiary Companies to carry on related activities and business operations at home and abroad.

SI No	Name of the Foundation / Subsidiary	Country of incorporation	Bank's Ownership	Year of opening	Purpose
1.	Southeast Bank Foundation	Bangladesh	-	2002	To carry on charitable activities in an organized and sustainable manner.
2.	Southeast Bank Capital Services Limited	Bangladesh	98.99%	2010	To carry on merchant banking operations.
3.	Southeast Financial Services (UK) Limited	United Kingdom	100%	2011	To collect remittance from Bangladeshi expatriates for their beneficiaries in Bangladesh.
4.	Southeast Financial Services (Australia) Pty Limited	Australia	100%	2013	To collect remittance from Bangladeshi expatriates for their beneficiaries in Bangladesh.
5.	Southeast Exchange Company (South Africa) Pty Limited	South Africa	100%	2014	To collect remittance from Bangladeshi expatriates for their beneficiaries in Bangladesh.

12. Risk Management

We invested a lot of time, money and energy into developing and utilizing risk management practices as part of Bank's management discipline. It is indispensable for us. It provides a realistic and immediately applicable framework for us to adopt Risk Management practices for understanding, quantifying and managing risk at every stage and for every portfolio component. We stress on risk command and control practices.

13. Our Response to Capital Adequacy Requirement

Capital adequacy requirements are framework aimed at securing the soundness of the company through enhancement of Capital. This framework has three dimensions namely:

- taking steps for maintaining a sufficient level of Capital,
- taking steps for proper capital assessment, and
- taking steps for accurate calculation of capital adequacy ratio.

14. Issuance of Sub-ordinated Bond

In accordance with our policies about capital management, we move forward with initiatives to enhance the level of capital requirement of the Bank. To be true to the commitment, the Board of Directors of the Bank in its 442nd meeting held on

July 23, 2014 approved Bank's issuance of unsecured Subordinated Bond for BDT 3.00 billion. As required, the shareholders of the Bank also approved issuance of the Subordinated Bond in its 7th Extra-Ordinary General Meeting held on September 18, 2014. We got the fund in our books of accounts after regulatory approval and it increased Bank's Tier-II Capital significantly in 2014.

15. Customer Service

Customer service is the heart of our banking business. It is one of the ways to keep customers coming back to us. Our customer service includes responding to customers' questions and complaints in a thorough and timely manner. It also encompasses interacting with customers through face-to-face dialogue, telephone, mail, fax and e-mail. We provide quick, defect-free and convenient service at a least cost. Our front-desk people are friendly, quick and knowledgeable. Our people command good communication and listening skill, and problem solving abilities. Our Heads of Branches are especially skilled in soothing an irrate customer. We listen to a customer not to reply, but to respond with a positive tone and attitude. We focus on moving our business forward by satisfying our customers and making them long-term and loyal. They get many good things to say about our business and activity. It is they who drive our business and success. We encourage esteemed customers to provide us with their feedback on our service quality through a standardized questionnaire.



16. Our People

Southeast Bank Limited has a rich brand value. It also matters when our employees make a heart-felt connection with our customers. Our branding simplifies the abilities of our customers to distinguish our products from a wide range of offerings.

Our employees are our living brand ambassadors. Their enthusiasm about the brand make the consumers zealous about our products and services. Our employees' awareness make our company stronger and more valuable. They just do not give lip-service to our brand, they establish life-long relationship with our customers. Resultantly, the Bank grows with the growth of our clients. Their conscious efforts of doing good to the Bank leads to its better and sustainable tomorrow. To our employees, today is the best day in their lives and their tomorrow begins today. They are mostly focused on protecting, improving and enhancing the capability of the Bank. Since our Bank is made up of talented people with right values, it is natural and likely that it will outperform every year.

17. Award and Accolades

Southeast Bank greatly weighs good Corporate Governance and operational excellence. These are our fundamental requirements in our aspiration to remain ahead. We do have strategy, intent and ability to take the Bank forward. Our Annual Report contains enough disclosures. We also publish Financial Statements complying with all applicable Accounting Standards. In recognition, the Institute of Chartered Accountants of Bangladesh (ICAB) conferred upon us the Certificate of Merit for our published accounts and reports for a number of years including for the year 2012 and 2013 consecutively. The Institute of Cost and Management Accountants of Bangladesh also conferred upon us the certificate of Merit for our published accounts of reports for the year 2013.

18. Bank's Dividend Policy and Shareholders

Southeast Bank is deeply committed to creating shareholder wealth continuously. The Bank has the legacy of giving good dividend to the shareholders for the last many years. We are determined to pursue this stable dividend policy depending on Bank's earnings. We firmly believe that the key element in maintaining shareholders' confidence is to deliver good business

performance consistently. Because of Bank's good fundamentals and stable dividend policy, the investors reposed their trust in the Bank. Consequently, the number of shareholders of the Bank stood at 58,169 as on December 31, 2014.

19. Our IT Platform

We are convinced that we cannot ensure management dynamism, higher productivity, improved operational efficiency, enhanced Shareholder value and regulators' compliance without a full-blown IT infrastructure. The Bank has made considerable investment in IT to further strengthen its ICT infrastructure and Core Banking Software. It has already established its own Data Center (DC) at Head Office, 52-53 Dilkusha C/A, Dhaka and Disaster Recovery Site (DRS) at Uttara, Dhaka with proper Intrusion Prevention System (IPS) and Firewalls including a Demilitarized Zone (DMZ). Real time data replication and synchronization between DC and DRS have been initiated through dark fiber optic cable to ensure availability of data and information in case any natural or man-made disaster strikes.

The bank has also invested in hardware and software through implementation of security products, like Web Application Firewall, Web Gateway, and Data Loss Prevention System (DLP). This will secure its internal network and system infrastructure by way of giving protection to information that flows to and from the internet and restrict sensitive Banking information sharing to the outside world. SMS Alert Banking Service has been introduced as a deterrent measure against fraudulent transaction attempts. Currently, 88 ATM Booths with 96 ATMs are in place for customer service across the country. The Bank is also going to launch Mobile Financial Service (MFS) shortly.

20. Bank's Corporate Social Responsibility

We protect wildlife habitual, curb effects of climate change and improve conditions for families and communities. We support charitable ventures, relief operations and environment protecting efforts. We also support and contribute to education, art, sports, culture and health-care. We aid the poor and the needy people of the society. We help the autistic and intellectually disabled children. We also carry on energy and resource saving activities within the Bank. By our acts and commitment to the society, we won the reputation that the people of the country feel and acknowledge the significance and reasons for our existence as a corporate citizen. In the year 2014, Southeast Bank spent total BDT 92.28 million in its CSR related activities.

21. Outlook

The economy of Bangladesh is going from strength to strength. It is now well-balanced and in good shape. In such an economy, we see a paradigm shifts in Banking Industry. It is towards technology and inclusiveness. Due to our long presence and successful journey over the last nineteen years, we have been able to deepen our relationship with our customers. We had another good year and expect the momentum to continue also into 2015. Capturing greater share of business is a key execution priority for the year 2015.

The year 2015 is a year full of energy and opportunities. Before the year started, there had been group discussions among team members and interaction between Head Office and Branches to portray strategy for the new year and to accomplish what is needed to achieve targeted goals. Our annual strategies are formulated within the framework of medium-term, multi-year strategies through mutual reviews and Board's approval. Every unit is helped in determining their new year's goals which will lead them to their preferred future.

In respect of goals for achievement, our Board of Directors is the dreamer and our employees are the doers. Business goals are meaningless without a reason, a purpose and a vision for achievement. We remind our employees why they should do what they do. We motivate them to continue to accomplish. In return, we promise them of adding meaning to their lives. The combination of compensation and recognition is key to pushing the company forward and even ahead of financial goals. The path of their duty is the way to their glory.

Our courage and action to fulfill our vision and missions come from our passion, not from position. As the dreamer, the Board gives the ideas and the management assembles a team to bring those ideas to life. This is our way of creating a successful business venture. We do not venture to execute a business transaction if we do not gain anything for doing that business. Based on our strategic positioning and growth initiatives we have put, we are optimistic that the year 2015 will be yet another year of producing good operational results in different indicators.

22. Acknowledgement

I am thankful to the Almighty Allah for the business success of the bank in 2014 amid competitive and unfavorable business environment. I also take the opportunity to thank the Directors of the Bank for their support and input during the year under review. Their collective wisdom substantially contributed to our success. I also thank our Management and the members of the staff under the leadership of the Managing Director for their loyalty, support and relentless efforts for Bank's qualitative and quantitative improvements. I respect their zeal to work hard to reach newer heights of success. I conclude by conveying my very sincere and special thanks to our respected shareholders, valued customers, patrons, well-wishers, the Government of the People's Republic of Bangladesh, Bangladesh Bank, Registrar of Joint Stock Companies and Firms, the Bangladesh Securities and Exchange Commission, the Dhaka Stock Exchange Limited, the Chittagong Stock Exchange Limited and all others concerned who have supported us and extended to us their valued co-operation. We look forward to their continued support, co-operation and guidance that are our constant source of encouragement in the days ahead. We renew to them our promise to remain disciplined, compliant and result-oriented in all our endeavors and in return seek their co-operation.

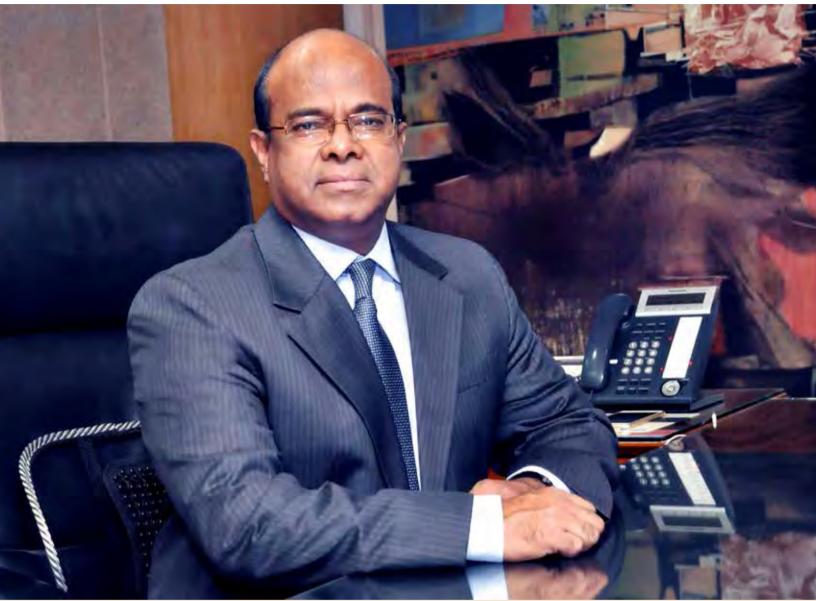
May the Almighty Allah in His infinite mercy bestow upon us compassion and blessings.

Allah Hafiz

With warm regards,

Sincerely yours,

Alamgir Kabir, FCA Group Chairman



Shahid Hossain

From the Desk of the Managing Director

By the blessing of Almighty Allah, in 2014 Southeast Bank demonstrated improvements in key financial indicators and developed strong fundamentals along with a healthy capital base. It will further strengthen position of the bank in the industry. Considering the daunting challenges and the adverse market conditions in the macro-economic environment, it is indeed gratifying to note that Southeast Bank could keep up the growth momentum and posted encouraging results.

Economic Challenges

The economy of our country has been passing through a challenging time for the last couple of years. It faced the problem of prolonged political unrest. The Bank operated in an environment of subdued growth caused by sluggish economic and unhealthy political conditions throughout the year. Predictably, stock market remained volatile and taming inflation was a major challenge in the economy. The rattled economy left its indelible marks on the industries and

services and the banking industry could not escape its immediate consequences.

Performance Highlights

Southeast Bank reaffirmed its position as a consistent performer and delivered healthy results in this year also. It's the balanced blend of growth and quality which helped the bank confidently navigate through tough macro-economic headwinds and record growth with improved asset quality. The bank's healthy performance is reflected in all the key parameters.

The operating profit reached BDT 8,289.76 million for the first time in the Bank's history, up by 23.72 percent. The overall advances and deposits of the bank rose by 9.05 percent and 6.73 percent respectively at the end of 2014. With added focus on deposit mix, low/ no cost deposits of the Bank improve to 28 percent as on December 31, 2014.

Most importantly, Net Interest Margin (NIM) increased by over 46 basis points from 3.64 percent in 2013 to 4.10 percent in 2014. We also witnessed a rise in number of Saving accounts. By dint of whole-hearted efforts, we could minimize the NPL at 3.64 percent through cash recovery, rescheduling and write-off of loans as per the guidelines of Bangladesh Bank. Return on Assets (RoA) stood at 1.67 percent, and Earning Per share(EPS) stood at BDT 4.18.

Special Initiatives in 2014

Southeast Bank undertook several initiatives with a view to further strengthening the fundamentals of the Bank, fostering business growth and improving customer satisfaction. For example:

- The Bank issued Subordinated Bond for BDT. 3,000.00 million with 7 years maturity to increase Tire-II capital base of the Bank.
- Two (02) exclusive Ladies Branches were opened in the capital city to inspire woman entrepreneurs. It is a milestone for the bank.
- Introduction of Biometric Fingerprint based attendance system further strengthened organizational discipline.

- A Code of Conduct and Ethical guidelines for the employees of the Bank was introduced to create a distinct organizational culture in the Bank.
- A service excellence guide was introduced to improve the quality of service and uphold the image of the Bank.
- Migration of version of core banking software with enriched features increased internal efficiency of operations and augmented control over various functions through streamlined processes.
- Maintenance of staff records were streamlined under "HRMS" (Human Resources Management Software) through which personnel data would be accessed for the quick disposal of staffrelated matters by the controlling Division.
- An agreement was signed with MasterCard; world's fastest payments processing network.
- A bank-led model for providing mobile financial services with the brand name of 'TeleCash' was developed and it was formally launched.

Productivity

- The operating profit per employee of the Bank only during the period stood at BDT 3.70 Million and per branch touched almost BDT 72.74 million.
- Income per employee of the Bank stood at BDT
 12.41 million during the year.
- In addition, we could also keep the operating expenditure at minimum. It helped keeping our cost to income ratio as low as 28.64 percent, one of the best in the Industry.

Excellence in Customer Services

Southeast Bank shares with its customers a long and enduring relationship that is built over the years on trust. We are committed for bringing to our esteemed customers the best of banking services, products and a tradition of excellence. Taking forward the innovation in customer service, we have added a



number of delivery channels and online services which makes service delivery more efficient, effective and error-free.

Expansion of Networks

In the year 2014, we opened 10 new branches including two exclusive ladies branches. Now, our customers are served through an extensive network comprising 113 state-of-the-art branches spread across all the Divisions of Bangladesh. In 2015, we have plan to open 10 more branches.

Growing Efficiency Through Technology

Southeast Bank adopted customer friendly modern technology to provide safe and convenient banking facilities to its customers. The Bank's Core Banking Solution (CBS) "Bank Ultimus" has recently been upgraded with enhanced security and dynamic features to ensure more faster, reliable and smooth real time online banking services for the benefit of its users.

Management of Special Assets

Bank's Non-Performing Loans (NPL) remained under control at 3.64 percent at the end of 2014 in a challenging environment. The rise of Non-performing loans (NPL) of the Bank was not an isolated case in the banking industry. Despite the hike in Non-performing Loans in the industry, the level of Non-performing Loans of the bank in percentage terms was far better than the industry average.

Our Best Assets

We are proud of our employees and strive to provide them an enabling working environment that seeks to bring out the best in them and reward them with excellent progressive careers. We offer competitive compensation package and merit-based reward system. We have an encouraging promotion policy under which promotion is given to the deserving officers and executives each year. We respect the dignity of every individual and support human rights. The Bank follows a comprehensive and unbiased procedure to acquire new talents from different reputed Universities across the country. During the year, the Bank recruited total 211 employees. As on

December 31, 2014, the Bank had 2221 personnel on its payrolls. To augment the existing manpower in line with the Bank's healthy and sustained growth and expansion of network, the Bank has continued its initiatives of major talent acquisition and retention policies in 2015.

Responsible Banking

Southeast Bank has continued to adopt the policy of paying back to the society by increasing its activities under Corporate Social Responsibility. To achieve this objective and to raise quality of life of the distressed people and under privileged sections of the society, the bank through its subsidiary "Southeast Bank Foundation", has undertaken various welfare and social activities like distribution of school bags to poor students, blanket for the poor and needy, Computers and News papers to different schools, Ambulances to the Hospitals, donation to Prime ministers relief fund, City Corporation, Hospitals and Schools, aid in Medical treatment etc. It has continued to focus on the areas of quality education and established "Southeast Bank Green School" (an English Medium School) at Mohammadpur for the children of people having moderate earnings. Side by side, the scholarship program of Southeast Bank Foundation benefited around 373 meritorious students coming from lowincome families in 2014.

Southeast Bank is in the process of partnering with Global Climate Partnership Fund (GCPF) aiming to mitigate climate change through a reduction of greenhouse gas emissions.

Future in Focus

Despite a challenging macroeconomic environment in 2014, we continued to deliver consistent results through maintaining quality and business excellence. This enabled us to achieve satisfactory results and add significant value to our shareholder wealth.

The outlook for the economy of the country in 2015 appears challenging in the face of prevailing situation in the country. However, the evolving dynamics of foreign exchange business, global and local liquidity are likely to shape the country's economic as well as

banking industries' growth trajectory. In the above backdrop, with the ultimate objectives to equip the Bank with more strength and ability through improvements in key parameters, the Management has taken the following strategic decisions:

- To continue to pursue the policy of vigorous credit monitoring and recovery.
- To improve the Bank's deposit-mix through procurement of more low and no cost deposits.
- To diversify business in different areas instead of concentration in some particular areas.
- To improve the quality of our service and products further.
- To increase fee -based income more.
- To further enhance our business, network, technological convenience, capital base and quality of human resource.
- To strengthen supervision of branches by the top Management team through arranging meetings on regular basis to know the challenges of banking in those particular branches.

- To control avoidable costs.
- To increase SME, Agri-credit and retail credit portfolio.
- To expand ATM networks for providing smooth services to the customers.
- To provide more training to the officials in different levels of banking at home and abroad to make them efficient and to equip them with modern technologies of Banking.

I am confident that the hard work of our team and support of the entire stakeholders will take Southeast Bank to greater heights of banking excellence in the days ahead.

And

Shahid HossainManaging Director

Board's Report



Board's Report

Bismillahar Rahmanir Rahim

Dear Shareholders:

The Board of Directors of Southeast Bank Limited takes this opportunity to welcome you all to the 20th Annual General Meeting of the Shareholders and has immense pleasure to present before you the 20th Annual Report of the Bank together with the Auditors' Report for the year ended December, 2014.

01. Global Economic Review and Prospects in 2015

The World economy continued to develop at a rate of 2.6 percent in 2014 (World Bank; Global Economic Report). Economic upturn was hindered by some new challenges, including a number of unexpected shocks, such as the sensitive geopolitical tensions in different parts of the world. Most economies have seen a shift in gross domestic product (GDP) growth to a visibly lower path compared to pre-crisis levels. The global economy is expected to expand at a slightly faster but still only moderate pace, with world gross product projected to grow by 3.1 and 3.3 percent in 2015 and 2016, respectively (United Nations Report). IMF also reduced its forecast for 2015 global growth to 3.2 percent. It projects 3.1 percent growth for the U.S. next year, 1.3 percent in the euro area, and 0.8 percent for Japan. China's projected 7.1 percent growth, high compared with other nations, would be the country's lowest in 15 years.

Despite some setbacks in early 2014, the recovery is underway in high-income economies and is expected to support the growth in developing countries. The growth in developing countries remained flat at 4.8 percent in 2014 but it is expected to pick up to about 5.5 percent, broadly in line with its average over the pre-crisis decade. East Asia and Pacific region continue to exhibit the strongest growth, though it is expected to remain flat in 2015 at about 7 percent as China rebalances growth toward a more sustainable path. Buoyed by strengthening economies in highincome countries, growth in South Asia is expected to be around 6 percent in 2015 and 2016. Commodity prices are projected to stay soft in 2015. The decline in oil price has significant macroeconomic, financial and policy implications. If the price of oil sustains in the long-run, it will support activity and reduce inflationary, external and fiscal pressures in oil importing countries.

02. Bangladesh Economy in 2014 and Economic Trends

Despite uncertainties, Bangladesh economy has registered a steady growth of over 6% in the last couple of years. The political pandemonium in 2013 created hesitant business environment for setting up new industries resulting in decreased investment demand which led to excess liquidity in the banking system. However, economy started to get momentum during the year under review.

The economy achieved a respectable 6.12% growth rate against all odds, which was 6.00% during 2013. There was a breath of fresh air as inflation was at a comfortable level. Point to Point inflation in December 2014 was 6.11% (lowest in 25 months) whereas in December 2013 it was 7.35%. The country's overall import increased by 11.36% to US\$16.20 billion during July-November of FY 15 mainly due to higher import of fuel oils and capital machinery. Export earnings in the first half of fiscal 2014-15 stood at US\$14.91 billion, a slight improvement by 1.56% year-on-year. The country's overall remittance inflow increased by 7.90% to US\$ 14.92 billion in 2014 in comparison to US\$ 13.83 billion in 2013. Country's Trade Balance in July-August of FY 2014-15 showed a negative US\$999 million, which was negative US\$790 million in the corresponding period of the previous year, according to the central bank statistics. On the other hand the Current Account Balance shows a negative US\$1,261 million but a large financial account surplus resulted in a positive \$1,246 million in the overall balances in Jul-Oct 2014 period. The foreign currency reserve stood at \$22.30 billion in December 2014, a record until now. Credit to private sector registered 12.27% growth against the target of 14.50% in the FY2013-14. NPL, the much talked about issue in the banking sector, was 4.27% in September 2014 compared to 2.01% in December 2013.

Early macroeconomic indicators in FY2015 suggest that whilst positive trends are recorded in terms of declining inflation, stable exchange rate, higher foreign exchange reserves and remittance growth; a number of alarming fault lines are emerging due to political disturbances which could affect the economic growth



projections. For stimulating private sector investment and achieving macroeconomic impetus, a conducive political environment, infrastructural development and proper address of energy deficiencies will be essential.

03. An Overview of the Bank

Southeast Bank Limited, a second generation private Bank, emerged in 1995 amid liberalization of global economies. Currently, its Authorized Capital is BDT 15,000.00 million and its capital and reserve reached BDT 27,462.09 million as of December 31, 2014. Its vision is to stand out as a premier banking institution in Bangladesh and contribute significantly to the national economy.

The Bank, in the meantime, successfully completed 20th year of banking operations recording significant growth in performance indicators. In 2014, the Bank earned an after tax profit of BDT 3,836.94 million. The deposit of the Bank grew by 6.73 percent to BDT 189,472.54 million and loans and advances by 9.05 percent to BDT 147,070.81 million compared to those of 2013.

Operational excellence coupled with qualitative improvements continued to be of paramount importance to the Bank. At present, the Bank has 113 branches and 2 Off-Shore Units across the country. Plans have been drawn to raise another 10 branches in 2015. Our journey towards greater operational success continues with increased energy and enthusiasm.

As we face the stiff challenges ahead on the way to further improving the profitability of the Bank, we rely on our skilled and experienced workforce. Our strengths are our close and cordial partnership with customers, our firmly anchored presence in the country's strategic places of commercial and business importance and global reach through our correspondent Banks for expansion of foreign trade, foreign exchange and remittance business. Our product-basket encompasses Real Time Online Branch Banking, Islamic Banking, Merchant Banking, Dual Currency Visa Platinum Credit Card, Visa Travel Card, ATMs, Education Loan Scheme, Double Benefit Scheme, Consumer Loan, Millionaire Deposit Scheme, SME Banking, Corporate Banking, Syndicate Loan, Monthly Savings Scheme, Monthly Income Scheme, Pension Saving Scheme, Multi-Millionaire Gold Deposit Scheme, Mohor Saving Scheme, Zakat Account, Cash Wakfh Account, Wage Earner Pension Scheme, SMS Banking etc. in addition to our traditional credit and foreign trade related products and services.

High quality customer service through the integration of the latest and state of the art banking technology and products is our tool to achieve success. Customers are our first priority. We are trying hard to provide a system of one stop shopping for customers by providing a spectrum of services. Our employees have mastered new technology, enhanced their product knowledge and honed their skill to help customers meet their financial goals. We want to be the best at helping customers become financially better off by providing free advice, innovative leadingedge financial solutions, choice and convenience. Whether our customers are individuals, small businessmen, or commercial clients, we aim to deliver the best customer service by meeting their unique and different needs in a professional, ethical, friendly and knowledgeable manner.

We are pledge-bound to turn Southeast Bank Limited into a modern banking institution, dynamic in actions, progressive in programs, honest in dealings, just in judgment, futuristic in attitude, fair in approaches and devoted to high quality service to customers. Our charted plans are aimed at boosting modern management, advanced technology, good profitability, sound financial strength and fair image of the Bank. We are firmly committed to transparent, responsible and accountable corporate governance with the participation of our strong and most capable team of professionals and under the prized policy directives and guidance of the Board of Directors of the Bank.

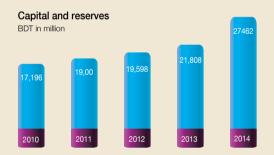
Southeast Bank Limited carries out its business activities keeping in mind its core values, norms of business, commitment to clients, society and the environment at large. Southeast Bank Limited in all its activities and operations tries to establish the Green Banking practice and attain a sustainable growth. The Bank in its all endeavors wants to assure its shareholders a steady and competitive return on their investment in line with the best among peer institutions.

04. Capital and Reserves

The Authorized Capital of the Bank was BDT.15,000.00 million and paid-up capital was BDT.9,169.50 million as of December 31,2014. The Capital and Reserves (Tier-1 Capital and Tier-II Capital) stood at BDT 27,462.09 million as compared to BDT. 21,807.57 million in last year showing an increase of 25.93 percent.

Capital and Reserve of the Bank as of December 31, 2014 are as follows:

	BDT in Million
Core Capital (Tier-I)	
Paid up capital	9,169.50
Share premium	-
Statutory reserve	7,792.81
General reserve	247.65
Non-controlling interest in subsidiary	10.18
Retained earnings	2,662.14
Total Core Capital	19,882.28
Supplementary Capital (Tier-II)	
Provision for Unclassified Advances	1,334.72
General provision on off-balance sheet items	909.65
Asset revaluation reserve	2,101.41
Revaluation reserve of Government securities	234.03
Sub-ordinate Bond	3,000.00
Total Supplementary Capital	7,579.81
Total Capital	27,462.09



05. Capital Adequacy Ratio (CAR)

SEBL maintained capital adequacy ratio of 12.41% of the risk-weighted assets as on December 31, 2014 as against the minimum capital requirement of 10 percent as set by Bangladesh Bank under Basel-II reporting through Bangladesh Bank Circular No.10 dated March 10, 2010.

Capital adequacy ratio Percentage



06. Capital Market Scenario

In our country's Securities transactions, DSE is the home to 274 listed companies, 40 Mutual Funds and 8 Debentures. Its total market capitalization at the end of the year 2014 reached BDT. 3,259.25 billion compared to BDT. 2,647.80 billion of the previous year. It is up by 23.09 percent. At the end of year 2014, DSEX, the bench mark price index, closed at 4,864.96 points compared to 4,266.55 points of the previous year. The index gained 598.41 points or 14.03 percent in 2014. Total 18 companies offered parts of their shares to the public through Initial Public Offering (IPO) in the year 2014. The total value of offered shares reached BDT.12,636.20 million and the number of shares offered for all IPOs were traded in the DSE in 2014. The number of BO Account holders reached 3,137,532 in 2014 from 2,795,839 of 2013. It showed a growth of 12.22 percent.

07. Southeast Bank Shares and Shareholders

All characteristics of our shares such as Price Earning Ratio, Dividend Yield, Net Asset Value, Net Operating Cash Flow Per Share, Value of Traded Shares, Positive Earning Per Share, Continuous presence in the Sock Exchanges as 'A' category shares, Regular declaration of good rate of dividend, Large number of Shareholders, Higher percentage of Market Capitalization in terms of Paid-up-Capital etc. indicate strong fundamentals of our shares. Total number of Bank's Shareholders was 58,169 as on 31st December, 2014.

a) Positive Earning Per Share (EPS)

The total Paid-Up Shares of the Bank stood at 916,950,176 at the end of the year 2014. Since our listing with the Stock Exchanges of the country, the number of issued shares increased by 2,956.50 percent. We are generating substantial amount of profit through operational excellence over the years and allocated good rate of dividend against outstanding shares of the company. Our EPS was BDT. 4.18 in 2014 which was BDT 3.68 in 2013. It shows a growth of 13.59 percent.

b) Satisfactory Net Asset Value (NAV)

Our Company's Net Asset Value per share is always positive reflecting higher assets compared to liabilities. For our better NAV, a large number of investors subscribed to our shares. The Net Asset Value per Share of the Bank was 26.77 in 2014 as against 23.92 in 2013. It shows a growth of 11.92 percent.



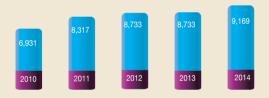
c) Authorized Capital and Paid-Up Capital

Our Authorized capital and issued share capital have considerably increased since our inception in 1995. At present our Authorized Capital is BDT. 15,000.00 million and our Paid-Up Capital is BDT. 9,169.50 million. The Bank's year-wise Authorized Capital and Paid-Up-Capital since 2010 is shown below:

Year	Authorized Captial (BDT in million)	Paid Up Capital (BDT in million)
2014	15,000.00	9,169.50
2013	10,000.00	8,732.86
2012	10,000.00	8,732.86
2011	10,000.00	8,317.01
2010	10,000.00	6,930.84

Paid up capital

BDT in million



d) Declaration of Dividend

Our Board of Directors declared dividend out of profit to company's shareholders at a good rate in the preceding years. Therefore, shareholders of our Bank received satisfactory dividend. The Board of Directors declared 15 percent Cash Dividend for the year 2014.

e) Characteristics of Shares of Southeast Bank at a Glance

- Traded in both the bourses of the country as an 'A' Category Share since listing.
- Large number of Shareholders.
- Good and satisfactory rate of dividend.
- Positive Earning Per Share (EPS).
- Good Net Asset Value per share (NAV).

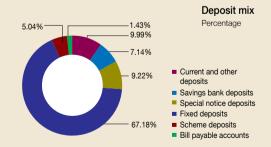
08. Deposits

The Bank mobilized total deposits of BDT 189,472.54 million as of 31st December, 2014 as compared to BDT 177,519.46 million in 2013. Competitive interest rates, attractive deposit products, deposit mobilization efforts of the bank employees and confidence reposed by the customers in the Bank contributed to the notable growth in deposits.

Deposits BDT in million 177,519 189,473

The Bank introduced a number of attractive deposit schemes to cater to the requirement of small and medium savers. This improved not only the quantum of deposits but also brought about qualitative changes in deposit structure. The deposit mix of the Bank as on December 31, 2014 was as follows:

Particulars	BDT. in Million	Share in Total Deposits
a) Current and Other Deposits	18,935.05	9.99%
b) Savings bank/Mudaraba savings bank deposits	13,531.82	7.14%
c) Short Notice Deposits / Mudaraba short notice deposits	17,476.86	9.22%
e) Fixed Deposits or Term Deposits	127,279.52	67.18%
d) Fund under different Deposit Schemes	9,547.83	5.04%
e) Bill Payable Accounts	2,701.46	1.43%
Total	189,472.54	100.00%



09. Credit Policy

The Credit Policy of Southeast Bank Limited is formulated addressing appropriate credit risk environment, sound credit-approval process, suitable credit administration, measurement and monitoring process and adequate control over credit risk.

The credit policy of the Bank for the year 2014 was based on judicious mix of different economic purposes with a definite objective to diversify the credit portfolio. The aim of the annual credit plan was to avoid undue concentration in any client segment, economic sector or geographical location. The Bank expanded its credit portfolio in 2014 by providing credit to creditworthy clients for productive purposes.

The overall Credit Policy of Southeast Bank Limited is devised in accordance with Bangladesh Bank's guidelines to ensure that effective credit risk management practices are followed, which will contribute towards the achievement of the overall business objectives of the Bank while ensuring compliance with the regulatory framework set out by the regulators.

Based on the policy guidelines given by the Board of Directors catering to the ongoing and changed requirements of the entrepreneurs and the economy, the Management of the Bank periodically updates the Credit Policy in line with policy-parameters of the Central Bank with due approval of the Board of Directors.

10. Loans and Advances

Our Bank exerted its all out effort in an effective and endless manner for continual progression of loans and advances that sustained in 2014. It resembles the effort taken in the preceding years. In the year 2014, bank's endeavor was to include quality customers in its clientele base through more affordable financing in new ventures as well as retaining and nourishing old customers. This endeavor helped the bank to maintain its growth & sustainable development like previous years. Despite the ups and downs in the economy, aggregated loans and advances of our bank registered a significant growth of 9.05% over the previous year and mounted to BDT. 147,070.81 million as on 31 December compared to BDT.134,863.82 million of the last year.

Loans and advances

BDT in million



Throughout the year, bank concentrated on enriching its portfolio basket through investing/financing in new and diversified fields like SME & Agri sector to maximize profits keeping the inherent risk at a minimum level. This attempt served the bank's aim of maintaining sustainable growth & expansion in the industry.

11. Guarantee Business

The Bank issued quarantees amounting BDT. 13,603.30 million during 2014 favoring different Govt. Authorities, Ministries, Autonomous Bodies, Corporations, Private Companies, Individuals and Multinational Companies, etc. on behalf of the valued clients of the Bank.

12. Retail Banking Strategy

Southeast Bank is very competitive in offering its services to the retail customers. Our retail loan products are well accepted by the customers. As a result, retail loan portfolio increased by 71% during 2014 with very insignificant NPL. Retail liability marketing team is contributing greatly in mobilizing funds, specially no cost, low cost and demand deposits demonstrating 15% growth over the previous year.

Despite being a late entrant in the retail market, the Bank's retail activity is thriving because of quality service. Southeast bank is in the pursuit of building a profitable and sustainable retail loan portfolio through prudent selection of customer. Moreover in the coming years Southeast Retail Banking Division is determined to create positive impact on lowering the cost of fund of the bank through reshaping fund structure.

13. Syndication / Club Finance

The Bank is acting as one of the Lead Arrangers as well as participants in the Banking industry of the country for development / operation of projects under Syndication/Club Financing Arrangement. So far, the Bank arranged a good number of Syndication deal covering a total facility of BDT 3,323.10 million. Apart from that, Bank's participation in different Syndication/club finance arrangement was for BDT. 6,564.89 million till 2014. Despite constrained investment atmosphere during 2014, the Bank could disburse BDT. 223.08 million under Syndication arrangement.

14. Corporate Finance

Southeast Bank Limited has a comprehensive range of financing tools available for managing the cash and other liquid assets of its Corporate Clients in order to bring their business plans to fruition. Southeast



Bank Limited has always been a preferred name to the corporate firms for our tailor-made comprehensive and innovative banking solutions. In the year 2014, the Bank continued to provide best banking services to large-cap and mid-cap corporates including financial institutions through its full range of integrated banking products and services taking into account clients' risk profiles and specific needs.

15. Export Development Fund (EDF)

The export sector in Bangladesh has grown up significantly making a major contribution to the national economy and is playing an important role in earning foreign currency. To facilitate the manufacturer-exporters in the procurement of inputs easily through opening L/C / BTB L/C at sight payment basis using EDF, Bangladesh Bank established EDF in 1989.

Our Authorized Dealer branches have been getting refinance in US Dollar from the EDF, Bangladesh Bank, through International Division, Head Office against their foreign currency loans to manufacturer-exporters for input procurements. The outstanding EDF loan of the Bank as on 31 December 2014 was USD 58.74 million and the amount is expected to increase further during 2015 in conformity with the growing export business of the bank.

16. Loan Classification and Provisioning

Loan Classification is a process of categorizing the loans based on their quality, performance and risk associated with them which indicates the health of the overall credit portfolio. The Bank Management always focuses on post disbursement strong monitoring and follow-up activities to arrest the loans from being classified. Southeast Bank classifies its loan portfolio and maintains required provisions there against as per guidelines of Bangladesh Bank given from time to time. The Bank endeavours its best to reduce the existing classified loans by way of cash recovery, rescheduling in some deserving cases and writing-off the loans complying with the rules and regulations of Bangladesh Bank. Despite sluggish economic condition of the country, the Bank could maintain the percentage of classified loans at 3.64% as on December 31, 2014. On the other hand, in 2014 the Bank kept provisions of BDT 4,917.87 million for classified, unclassified loans and off-balance-sheet items against required provisions of BDT 4,154.73 million.

17. Credit Monitoring, Early Alert and Management of Non-Performing Loans

Credit monitoring is a continuous process to examine and supervise individual credit exposures as well as

portfolio health of the bank starting just after the disbursement of any loan. To avoid deterioration of asset quality, the bank broadens the scope of the supervision system with a very sophisticated and rigorous monitoring system which includes delegating the responsibilities among the executives/officers based on the status of credit portfolio.

Credit Administration Department along with the concerned officers of branches monitors credit quality, identifies problem and takes initiatives to resolve the deficiencies using inclusive credit monitoring system. In this system, the credit officers/ relationship officers of Corporate Banking Division monitor the loans and advances on a regular basis up to their status of Special Mentioned Account (SMA) and disseminate information to the Credit Administration Department (CAD) of CRM Division. Side by side, the Legal Affairs and Recovery Division monitors the non-performing written-off loans. Credit Administration and Department in this process also acts as intermediary and advises the branches as well as Legal Affairs and Recovery Division for effective actions. The CAD also directly contacts the borrowers who fail to meet covenants as well as regular repayments at the very early stages and takes corrective measures to prevent a loan account from turning into non-performing. It follows early alert system by reporting all the past dues/weakly performing loans to the senior management on monthly basis and forwards the same to Corporate Banking Division and respective branches for necessary action. Early alerts are raised for financial deterioration, management weakness, irregular repayments, breach of covenants, eroding position in the industry etc.

Our credit monitoring involves:

Past due principal or interest payments, past due trade bills, account expenses and breach of loan covenants;

Loan terms and conditions are monitored; financial statements are received on a regular basis.

During 2014 the Bank could contain the NPLs at 3.64% by way of strict monitoring, cash recovery, regularization through rescheduling under the framework of Bangladesh Bank guideline.

18. Recovery of Classified and Written-off Loans

The Legal Affairs and Recovery Division at Head Office along with the branches monitor the non-performing and written-off loans of the bank. The Division focused on keeping credit portfolio performing to the maximum extent. It identifies the root causes for becoming the loans bad and takes recovery measures including legal actions accordingly. It strongly follows

up the court cases through the bank's panel lawyers for early disposal of the cases. Side by side, special efforts are taken to sell out the mortgaged properties at a competitive price for recovery of the loans. Moreover, two high powered Task Forces for recovery of "Classified Loans" and "Written-off Loans" are there to critically review the bad loans. Upon review, the Taskforces give necessary guidelines for recovery of classified and written-off loans.

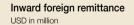
Due to all out efforts, total cash recovery against written-off loans in 2014 was BDT 19.37 million, of which BDT 2.34 million had been adjusted against the legal/other expenses and the net cash recovery stood at BDT 17.03 million. At the same time, the Bank recovered BDT 574.08 million classified loans. During the year 2014, total suits valuing BDT 1,485.50 million were disposed of.

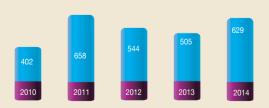
19. Investment Scenario

The investment portfolio of the Bank in 2014 was BDT 56,378.59 million against BDT 57,589.06 million in the previous year. The portfolio of investment included Government Treasury Bills, Prize Bonds, Shares of Public Limited Companies etc. The Bank has always given emphasis on investment of Funds in high yield areas simultaneously maintaining Statutory Liquidity Requirements (SLR) as fixed by Bangladesh Bank time to time.

20. Inward Foreign Remittance

Southeast Bank Limited has emerged as a leading Bank in collecting the hard earned foreign currency of our expatriates to the country through banking channel. In the year 2014, Bank collected USD 629 million as foreign remittance which is nearly 3.80% of the country's total remittance earnings.



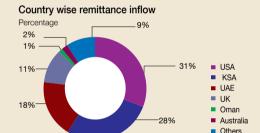


As a sign of innovation, remittances are being distributed through mobile banking system under the name Tele-Cash through which one million registered customers are getting instant remittance

services at their doorsteps within ten minutes from any corner of the country without any hassles. This service will accommodate faster transfer of money to the hands of beneficiaries than any other existing means with more transparency. Once the money is delivered to the beneficiary, an SMS will be generated automatically informing all concerned that the money has been safely delivered even beyond the traditional banking hours.

Meanwhile, the third Exchange House of the Bank namely "Southeast Exchange Company (South Africa) Pty Limited has started its operation in South Africa after successful functioning of Bank's own Exchange Houses in the United Kingdom and Australia.

Southeast Bank is a popular name not only at home but also abroad for its excellence in foreign remittance services.



21. Asset Liability Committee (ALCO)

Asset / Liability Committee (ALCO) is a senior level committee with the decision making capacity and responsibility to review, discuss and direct the financial policy, position, and risk exposures. ALCO is typically responsible for establishing, documenting and enforcing all policies that involve asset and liability management, such as liquidity, interest rate, and foreign exchange risk. As per Bangladesh Bank guideline, our bank has a fully functional Asset Liability Committee (ALCO) consisting of the Managing Director as the Chairman of the committee, Additional Managing Director, Deputy Managing Directors and strategically important Divisional Heads of Head Office. The meeting of the Asset Liability Committee is held every month.

22. Information Technology (IT)

Innovations in bank by leveraging various technologies benefit not just the customers, but all the stakeholders in the banking sector. The bank recognizes this fact



and has made considerable investment in IT to further strengthen its ICT infrastructure and Core Banking Software for timely and smooth delivery of banking services to its clients as well as to ensure security and availability of Bank's Data and information. The Bank has already established its own Data Center (DC) at Head Office and Disaster Recovery Site (DRS) at Uttara with proper Intrusion Prevention System (IPS) and Firewalls. Data replication and synchronization between DC and DRS has been initiated through dark fiber optic cable to ensure availability of data / information in case any natural or man-made disaster strikes. The Bank has also deployed Web Gateway and Web Application Firewall to further strengthen its system infrastructure. This has secured its internal network and server system by way of giving protection of information that flows to and from the internet. SMS Alert Banking service has been introduced as a deterrent against fraudulent transaction attempts.

23. Alternative Delivery Channel (ADC)

Simple, effortless and convenient banking based on technology is the main objective leveraging technology while providing retail banking service. The main focus is to increase usage of electronic banking service across all segments through offering various products and services, specially using the platform of ATM, Internet Banking and Mobile Financial Service (MFS).

ATM Channel: The Bank has launched 94 ATM booths across the country and issued a substantial number of debit cards to its customers. However, the expansion of ATM channel at suitable locations across the country is an ongoing process. The Bank is also sharing ATM Networks of other banks, such as OMNIBUS and connected to other commercial banks in Bangladesh through National Payment Switch (NPSB), a project of Bangladesh Bank.

Internet Banking: The bank has further extended its service range through internet banking during the year. Implementation of Two Factor Authentication (2-FA) System for internet banking has enabled its clients to perform fund transfer, utility bill / tuition fee payment in a secured manner. Internet banking service for Islamic Banking clients has also been introduced.

Mobile Financial Service (MFS): Mobile banking has gained popularity among the un-banked people of the country within a very short span of time due to its easy access. Bangladesh Bank is giving emphasize to bring un-banked populations under the banking channel through mobile banking service. Provision of banking

and other related financial services such as cashin, cash-out, person to person (P2P) fund transfer, merchant payment (P2B), payment of utility bills (P2B), disbursement of salaries (B2P), disbursement of foreign remittance (B2P), disbursement of money to the beneficiaries of government allowances (G2P), balance inquiry, mini statement generation, airtime top-up etc. can now be provided with the use of mobile phones. SEBL has already adopted a bank-led model for providing mobile financial service with the brand name of 'TeleCash' which is now under implementation stage. The core objective of "TeleCash" is to achieve customer satisfaction by ensuring instant secure transaction and simultaneously establish a trusted channel for parking low and no cost deposits.

24. Internal Control and Compliance:

The Board of Directors of Southeast Bank Group maintains a sound system of internal control to safeguard shareholders' investment and assets of the Group. The Board through its Audit Committee also conducts an annual review and evaluation of the effectiveness of the System of Internal Control of the Group. This review covers all controls, including financial, operational and compliance controls and risk management. The system of internal controls embedded in the operations of the Southeast Bank Group is a part of its culture and it is functioning satisfactorily. This system is capable of responding quickly to evolving risks to the business arising from factors inside the Group and to changes in the business environment. It also includes the procedures for reporting any significant control failures or weaknesses immediately to appropriate levels of management.

25. Budget and Budgetary Control

The Bank follows bottom up planning approach in the preparation of annual budget and initially invites draft proposals on different budgetary items including deposits, advances, profitability, and other businesses from the Branches. The draft budget estimates are then scrutinized and analyzed by the Head Office Management after discussion with the Head of the respective Branch and reviewed/finalized in the "Business Policy and Managers' Conference". Bank's budget is implemented after approval in the meeting of the Board of Directors. The Management of the bank puts constant efforts throughout the year to achieve the budgetary target. It quarterly reviews the variances and the progress towards achieving the budgetary goals.

26. Performance of Selected Liability Products as on 31st December, 2014

Both Traditional and Islamic Banking

Type of Accounts	No. of Account	Deposit Volume BDT in million
CD	69,746	8,408.91
SND	7,384	17,476.86
SB	282,309	13,531.82
FDR	79,236	111,934.74

Traditional Banking

•			
Type of Accounts	No. of Account	Deposit Volume BDT in million	
MDS	4,818	1,626.70	
DBS	15,133	11,048.32	
MGDS	662	206.13	
PSS	56,607	4,651.90	
WPSS	1,005	64.79	
MIS	463	383.35	
MSS	29,121	1,715.95	
ESS	35	1.40	
SDBS	930	452.87	

Islamic Banking

Type of Accounts	No. of Account	Deposit Volume BDT in million
MMDS	306	105.09
MDBS	1,686	863.83
MMGDS	37	10.97
MPSS	5,741	532.77
MWPSS	121	15.06
MMIS	99	77.71
MMSS	2,117	133.14
ESS	122	4.99
SDBS	77	25.28
Hajj Sanchaya	10	0.77

27. Analysis of Income and Expenditure Statements

A brief analysis on Bank's income and expenditure in 2014 is given below:

Interest Income

The interest income of the bank for the year 2014 was BDT. 19,233.90 million as against BDT.19,200.64 million in the previous year, thus recording a growth of 0.17 percent. The income generated mainly from Loans and Advances remained the main contributor.

Interest Expenses

Total Interest Expenses in 2014 was BDT 16,049.91

million as against BDT. 17,233.51 million in 2013, posting a decrease of 6.87 percent.

Net Interest Income

The net interest income of the Bank for the year 2014 stood at BDT. 3,183.99 million against BDT. 1,967.13 million in the previous year.

Investment Income

In 2014, Bank's income from investment was BDT. 5,274.27 million as compared to BDT.4,782.65 million in the previous year. Investment income consists of interest earned on treasury bills and bonds and dividend received from shares.

Other Income

In the year under review, commission, exchange and brokerage earnings increased to BDT. 2,666.73 million from BDT. 2,440.37 million in 2013. This was due to enhanced trade related fee based activity.

Operating Expenses

Operating expenses in the year 2013 was BDT.2,984.60 million which stood BDT 3,327.43 million in 2014 resulting an increase of 11.49 percent.

Provision against Loans and Others

In the year under review, provision against loans and others kept BDT 1,529.10 million as compared to BDT. 621.37 million in 2013.

28. Assets Portfolio

As on 31st December, 2014, the total assets of the Bank stood at BDT236,608.40 million. The break-up of the total assets are given below:

	Particulars	BDT in million
a)	Cash and Cash Equivalent	21,772.03
b)	Investments	56,378.59
c)	Loans and Advances	147,070.81
d)	Fixed Assets	7,913.00
e)	Other Assets	3,473.97
	Total:	236,608.40

29. Adoption of IAS & IFRS

Institute of Chartered Accountants of Bangladesh (ICAB) adopted the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). Securities & Exchange Commission (SEC) and Bangladesh Bank also mandated the implementation of IAS & IFRS. These standards and reporting system have also been complied by our Bank in preparation of the Financial Statements.



30. Total Lending for the last 5 Years

Southeast Bank Limited plays a vital role to accelerate the economic activities of the country by extending loans & advances in agriculture, establishment of large industry, Medium and Small industries/ enterprises, foreign trades etc since its inception in 1995. In this process the Bank has diversified its credit portfolio by financing substantial amount of loans in SMEs, Garments, Textile & Spinning, Steel & Engineering, Paper & Paper Products, Food & Food Processing, Wholesale & Retail Trading sectors etc In the recent years the Bank emphasize on lending to SMEs & export oriented industries. In 2014 the bank disbursed loans and advances for BDT 183,500.70 million and recovered BDT. 171,289.90 million as a result the total lending of the Bank stood at Tk. 147,070.81 million (consolidated) as on 31st December, 2014 registering a growth of 9.05% over previous year. Bank's total lending and its growth rate for the last five years are given below:

Year	Loan BDT in million	Growth
2014	147,070.81	9.05%
2013	134,863.82	6.21%
2012	126,968.97	18.34%
2011	107,288.56	14.16%
2010	93,981.20	21.27%

31. Growth of Operating Profit for Last 5 yearS

The Bank has earned operating profit of BDT.8,289.76 million in 2014 which comprises net interest income, income from investment, commission, exchange etc. Operating profit in 2013 was BDT.6,700.20 million. The operating profit for the last 5 years are given below:

Year	Amount BDT in million
2014	8,289.76
2013	6,700.20
2012	5,495.19
2011	6,085.66
2010	6,769.26

32. Operating Income for last 5 years

The operating income of the Bank stood at BDT.11,617.19 million during this year while it was BDT.9,684.80 million 2013. The operating income of the last 5 years are given below:

Year	Amount BDT in million
2014	11,617.19
2013	9,684.80
2012	7,831.62
2011	8,168.46
2010	8,507.00

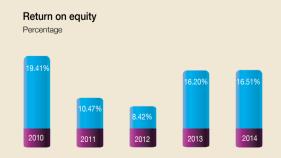
Operating income BDT in million 8,507 8,168 7,832 9,685 2010 2011 2012 2013 2014

33. Return on Equity for last 5 years

During the year, Return on Equity (ROE) of the Bank is 16.51percent while it was 16.20 percent in the previous year. The Return of Equity for the last five years are given below:

Year	Return on Equity
2014	16.51%
2013	16.20%
2012	8.42%
2011	10.47%
2010	19.41%





34. Provision for Income Tax

The provision for income tax both current tax and deferred tax of the Bank is BDT 2,923.72 million for the year 2014 while it was BDT. 2,700.00 million in the previous year.

35. Profit before Tax and Provision

The Bank earned profit of BDT.8,289.76 million during the year before making any provision for bad and doubtful debt, provision for off -balance sheet exposures, taxes etc. including general provision on unclassified loans and advances as against BDT. 6,700.20 million in the year 2013.

36. Net Profit after Provision and Income Tax

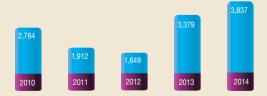
The Bank earned net profit BDT. 3,836.94 million during the year 2014 after making specific provision for classified loans, general provision for unclassified loans and off-balance sheet exposure, and taxes etc. It was BDT. 3,378.82 million in the year 2013.

37. Net Profit for last 5 years

Net Profit after tax and provision was BDT 3,836.94 million during the year 2014 which was BDT.3,378.82 million in last year. Net Profit for the last 5 years is given below:

Year	Amount BDT in millions
2014	3,836.94
2013	3,378.82
2012	1,648.72
2011	1,912.19
2010	2,763.93

Net profit after provision and tax BDT in million



38. Statutory Reserve

The Bank transferred to statutory reserve BDT 1,347.99 million as 20 percent of the profit after provisions before tax and dividend during the year

as per Section 24 of the Bank Company Act, 1991. The total amount of statutory reserve stood at BDT 7,792.81 million as on 31st December, 2014.

39. Southeast Bank Capital Services Limited

The Bank has a subsidiary company to operate the merchant banking business - Southeast Bank Capital Services Limited (SEBCSL). The company was incorporated as a public limited company with the Registrar of Joint Stock Companies and Firms under Company Act 1994 with an initial paid-up capital of BDT 1,000 million and authorized capital BDT 3,000 million.

During the year, net operating profit of the company amounted BDT 23.69 million whereas the Net Loss after Tax stood at BDT 29.41 million. The company acted as co-issue manager in two right share issues and underwrote shares of 5 companies in their Initial Public Offerings (IPO) and Rights Issues. The Company's own portfolio investment in the capital market also increased remarkably. It is expected that the Company will earn good return from its investments and good profit in 2015.

40. Islamic Banking

Islamic banking emerged in response to both religious and economic needs. Islam calls for avoiding any transaction based on Riba (Interest).

Southeast Bank Limited is a full-house Bank which, in addition to conventional banking, caters Islamic banking services complying with the principles of Islamic Shariah. The Islamic banking operations are completely separate from the conventional banking and separate accounting system for Islamic banking branches is being maintained.

Bank started its Islamic banking operation in 2003. Out of 113 Branches of the Bank, 05 (five) branches are designated Islamic banking branches. To further streamline Islamic banking operations of the Bank, the Bank has already approved strategic business plans for expansion of Islamic banking operations. The strategic business plan branded the bank's Islamic banking services as Southeast Tijarah.

Bank has constituted a Shariah Supervisory Committee with experienced and knowledgeable persons in Islamic jurisprudence to advise and provide guidance on Islamic banking operations.

Under the guidance of Bank's Shariah Supervisory Committee, the Bank designed all deposits and investment products and services of the Islamic banking branches and formulated policy guidelines and



working procedure. The Bank obtained membership of the Central Shariah Board of Islamic Banks of Bangladesh and the Islamic Banks' Consultative Forum. It has also been maintaining close relationship with Islamic Banks in Bangladesh and abroad.

As on December 31, 2014, the deposit and investment of Islamic banking branches were BDT. 19,715.28 million and BDT. 8,969.54 million which registered growth of 3.23 percent and 8.72 percent respectively over 2013. During the period 2014, total import and export business handled by the Islamic banking branches were BDT 4,102.91 million and BDT 8,201.00 million respectively. Non Performing Investment of Islamic branches were 15.76 percent of their total investment in 2014. The performance of the Islamic banking branches during the year 2014 is also reflected in its Balance Sheet and Profit and Loss Account as are included in this report.

41. Credit Card

Since inception, the bank has made a steady growth in credit card business. Alike past years, 2014 has also been a successful year with substantial advancement in business. In the year 2014, card business made a growth of 17.94 percent in net profit, 13.91 percent in card base and 10.16 percent on outstanding balance over the position of last year.

In 2014, Card Division took multiple initiatives for expansion of its business operations. Online application facility for credit card and online fund transfer facility have already been introduced. Another global payment card brand namely 'MasterCard' will be introduced in the first quarter of 2015. At the same time, the migration process to own HOST from Third Party Operations is progressing satisfactorily. More significant initiatives have also been taken such as: VISA ATM Acquiring, e-Commerce Acquiring, introduction of EMV Credit and Debit Cards, Expansion of ATM Network.

We believe that opportunities ahead of us are even greater than what we have had.

42. Classification Status of Credit Portfolio

Southeast Bank Limited strictly follows the rules and regulation of Bangladesh Bank regarding loan classification and provisioning. The classified loan position of the bank as on 31st December, 2014 stood at BDT 5,387.74 million which was 3.64% of total loans and advance of the bank. The status of unclassified and classified loan details of the bank was as follows:

Status	Amount BDT in million	Percentage
a. Un-classified Loans		
Standard	138,737.72	93.77
Special Mention Account	3,831.09	2.59
Sub-Total	142,568.81	96.36
b. Classified Loans		
Sub-standard	432.58	0.29
Doubtful	642.33	0.43
Bad/Loss	4,312.83	2.92
Sub-Total	5,387.74	3.64
Grand Total	147,956.55	100

43. Branch Expansion Program

Southeast Bank Limited has a well structured and strong network of branches in Bangladesh. As on December 2014, the total number of branches were 113 (one hundred and thirteen). Among them, 61 (sixty one) branches were urban, 37 (thirty seven) branches were rural, 15 (fifteen) branches were operating as SME / Krishi Branches and 5 (five) branches were operating as Islamic Branches. The Bank has 02 (two) Off-Shore Banking Units (OBU) at Dhaka EPZ and at Chittagong EPZ. To facilitate and promote the female entrepreneurs, SEBL inaugurated 02 (two) ladies' branches in Dhaka during the year 2014. To expand the geographical outreach and cover more strategic locations of business importance, SEBL has applied to Bangladesh Bank for opening 10 more branches in 2015.

44. Implementation Status of Basel Accord

Basel framework

The Bank has successfully implemented the Basel II Capital Framework in line with Bangladesh Bank guidelines. It entered into Basel-II regime in 2010 setting a framework of minimum capital requirements for banks – covering credit, market and operational risk; supervisory review of bank's assessment of capital adequacy and disclosure requirements. Recently, the central bank has come up with the third edition of Basel framework to be implemented from January 2015. The new capital accord, Basel III introduces capital conservation buffer which increases regulatory capital requirement under pillar I, to be raised by 2019 in phases in addition to requirement in other two pillars of Basel II. These three pillars are:

Pillar-I measures the minimum capital requirement against bank's credit, market and operational risk;

Pillar-II assesses the adequate capital requirement and

Pillar-III discloses the risk related to assets and capital adequacy.

Implementation status

The Bank was fully compliant with Basel-II requirements during the year 2014 and the Capital Adequacy Ratio (CAR) was 12.41 percent as of December 31, 2014. Its total capital increased to BDT 27,462.09 million in 2014 from BDT 21,807.57 million of 2013. The increased capital base resulted in satisfactory capital adequacy and other ratios. The Bank followed standardized approach to calculate credit risk, standardized rule based approach for market risk and basic indicator approach for operational risk. The Bank discloses its quantitative and qualitative information on a yearly basis under pillar-III of Basel accord to make more transparent and disciplined financial disclosures.

The Bank's capital is well managed in terms of both the quality and quantity and to further strengthen its capital base it has issued seven (07) years Non-Convertible Subordinated Bond for BDT 3,000.00 million in December 2014.

45. Supervisory Review Process

The Piller-II "Supervisory Review Process", is one of the three mutually reinforcing pillars of Basel-II. It is designed to ensure that banks have adequate capital to support all risks in their business and to encourage banks to develop and use better risk management techniques in monitoring and managing those risks.

The framework identifies 04 key principles of supervisory review:

Principle 1

"Banks should have a process for assessing their overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital levels". This process is referred to as the Internal Capital Adequacy Assessment Process (ICAAP).

Principle 2

SRP reviews and evaluates banks internal capital adequacy assessments and ensures compliance with regulatory capital requirements.

Principle 3

The Bank has to operate above the minimum regulatory capital ratios and should have the ability to hold capital in excess of the minimum.

Principle 4

The central bank may intervene at an early stage to prevent capital from falling below the minimum levels and take remedial actions if capital is not maintained or restored.

A Pillar-II risk is any risk factor to which the Bank might be exposed that is not included in Pillar-I. In the Framework, Pillar-II risk factors are divided into three broad categories:

The first category covers components of the Pillar-I inherent risks that are not fully captured by the Pillar-I processes. The second category covers inherent risk types that are not addressed by Pillar-I. The third category addresses risks arising from external factors such as business cycle effects and the macroeconomic environment.

The ICAAP is the part of the Pillar-II assessment undertaken by the banks. It allows the Bank to assess the level of capital that adequately supports all relevant current and future risk in its business. Another aspect of this Pillar is SRP-SREP (Supervisory Review and Supervisory Review Evaluation Process) team dialogue. The SRP team comprises the top management of the Bank and the SREP team comprises officials of Bangladesh Bank. The objective of the dialogue is to determine the adequate level of capital needed for the Bank. Stress Testing is a tool used under Pillar-II to identify possible events or changes in the market condition that could adversely affect the bank's performance.

SEBL assessed its additional capital requirement under pillar-II of Basel-II considering residual risk, concentration risk, and interest rate risk in the banking book, liquidity risk, reputation risk, strategic risk etc and submitted the statement on ICAAP to Bangladesh Bank. SEBL has been conducting Stress Testing on its financials on quarterly basis and reporting the outcomes to Bangladesh Bank, as a part of pillar-II of Basel-II.

46. Corporate Governance

One of the basic policies of the Bank is to strengthen its corporate governance status by establishing responsible management system and strengthening supervision. Efforts are also being geared up to improve the transparency and accountability of the management. While putting efforts to achieve corporate objectives, Southeast Bank gives top priority to establishing appropriate corporate governance standard at all levels and in all units.



47. Declaration to comply with certain provision as contained in Bangladesh Securities and Exchange Commission (BSEC) Notification dated August 07, 2012.

The following disclosures are made in compliance of certain provisions contained in the BSEC Notification dated August 7, 2012.

- a. The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- b. All transactions have been recorded in the accounting records and are reflected in the financial statements. Accounting books have been properly maintained in the Bank.
- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d. Bangladesh Accounting Standards (BAS)/ Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh have been followed except as outlined in Note No.2.1 in the financial statements.
- e. The system of internal control in the Bank is sound in design and has been effectively implemented and monitored.
- f. There are no doubts upon the Bank's ability to continue as a going concern.

48. Declaration of Dividend

The Bank gives utmost importance on the principles of sharing good achievements with respected shareholders of the Bank. Accordingly, the Board of Directors in its 458th Meeting held on March 03, 2015 recommended 15 percent Cash Dividend for distribution amongst the shareholders for the year-2014.

49. Corporate Social Responsibility

Southeast Bank manages its business in a responsible way and contributes to the society and environment in which it operates. A report on Corporate Social Responsibility of the Bank in 2014 is included in this Annual Report.

50 Our Contribution to the National Exchequer as tax for the last 5 years

The Bank's contribution to the National Exchequer was BDT. 2,573.77 million during the year 2013 and

our contributions to the National Exchequer for the last 5 years are given below:

Year	Amount BDT in million
2013	2,573.77
2012	2,069.85
2011	1,802.80
2010	1,783.38
2009	1,550.77

51. Acknowledgement

The Board expresses gratitude to the Almighty Allah for the success of the Bank in 2014. The Board extends thanks to the valued customers, patrons and well-wishers for their continued support and cooperation to the Bank. The Board also appreciates the dedicated services of the Senior Management Team, all Executives and other employees of the Bank. The Board offers thanks to the Government of Bangladesh, Bangladesh Bank, Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited for their appreciable support and co-operation to the Bank. The Board also expresses its appreciation to Syful Shamsul Alam & Co. and Howladar Younus & Co., the Auditors of the Bank, for their efforts for timely completion of Audit. The Board of Directors also thanks both the print and electronic media personnel for giving media coverage to Bank's different activities and events.

Finally, the Board thanks the respected Shareholders and assures them that it will continue to add to the Shareholders' wealth through further strengthening and development of the Bank in which they have placed their trust and confidence.

Sincerely

On behalf of the Board of Directors.

Alamgir Kabir, FCA

Chairman

পরিচালনা পর্ষদের প্রতিবেদন

বিসমিল্লাহির রাহ্মানির রাহিম

সুপ্রিয় শেয়ারহোল্ডারবৃন্দ ঃ

সাউথইস্ট ব্যাংকের পরিচালনা পর্ষদ ব্যাংকের ২০০ম বার্ষিক সাধারণ সভায় আপনাদের সাদর সম্ভাষণ জানাচ্ছে এবং নিরীক্ষকের প্রতিবেদনসহ ৩১শে ডিসেম্বর ২০১৪ ইং তারিখে সমাপ্ত হিসাব বছরের জন্য ব্যাংকের ২০০ম বার্ষিক প্রতিবেদন আপনাদের সম্মুখে উপস্থাপন করতে পেরে অত্যন্ত আনন্দবোধ করছে।

০১. বিশ্ব অর্থনীতি পর্যালোচনা ও ২০১৫ সালের সম্ভাবনা

২০১৪ সালে বিশ্ব অর্থনীতির প্রবৃদ্ধির হার ছিল ২.৬০ শতাংশ। কিছু নতুন চ্যালেঞ্জ যুক্ত হওয়ায় যেমন নতুন কিছু ভূরাজনৈতিক টানা পোড়েনের কবলে বিশ্ব অর্থনীতির অপেক্ষাকৃত উচ্চতর প্রবৃদ্ধি বাধাগ্রস্থ হয়েছে। বেশীর ভাগ অর্থনীতিই প্রাক বিশ্বমন্দাকালীন অর্থনৈতিক অগ্রগতির চেয়ে শ্রথগতিতে হেঁটেছে। ২০১৫ ও ২০১৬ সালে এ প্রবৃদ্ধির হার সামান্য তুরান্বিত হয়ে ৩.১০ শতাংশ ও ৩.২০ শতাংশে দাঁড়াতে পারে (জাতিসংঘ প্রতিবেদন)। আই এম এফ এর প্রক্ষেপণও ৩.২০ শতাংশ। আই এম এফ এর প্রক্ষেপণও ৩.২০ শতাংশ। আই এম এফ এর প্রক্ষেপণও ৩.২০ শতাংশ। আই এম এফ এর মতে যুক্তরাষ্ট্রের প্রবৃদ্ধি ৩.১০ শতাংশ, ইউরো অঞ্চলের প্রবৃদ্ধি মাত্র ১.৩০ শতাংশ, জাপানে ০.৮০ শতাংশ আর চীনে পনের বছরের মধ্যে সর্বনিম্ন ৭.১০ শতাংশ প্রবৃদ্ধি হতে পারে।

কিছু বাধা থাকলেও উচ্চ আয়ের দেশসমূহের অর্থনৈতিক পুনরুদ্ধার হচ্ছে যা উন্নয়নশীল বিশ্বের প্রবৃদ্ধির জন্যও সহায়ক হবে। ২০১৪ সালে উন্নয়নশীল দেশে প্রবৃদ্ধির হার ছিল ৪.৮ শতাংশ। ২০১৫ সালে এ হার বৃদ্ধি পেয়ে ৫.৫০ শতাংশ হবে যা প্রাক সংকটকালীন প্রবৃদ্ধির গড়ের সমান। অঞ্চল ভেদে সম্ভাবনার মাত্রার তফাৎ রয়েছে যেমন: পূর্ব এশিয়া ও প্রশান্ত মহাসাগরীয় অঞ্চলে উচ্চ প্রবৃদ্ধি বজায় থাকবে যদিও গণ চীনের ক্ষেত্রে তা নিমুমুখী।

দক্ষিণ এশিয়াতে গড় প্রবৃদ্ধি ৬.০০ শতাংশের মতই থাকবে যা ২০১৬ সালে বৃদ্ধি পেতে পারে বিশেষত ভারতে অর্থনৈতিক সংস্কার কার্যক্রম চলার কারণে।

এ বছর পণ্য মূল্য সহনশীল থাকবে। জ্বালানি তেলের মূল্য হ্রাস সামষ্টিক অর্থনীতিতে প্রভাব ফেলবে। তেল আমদানি নির্ভর দেশসমূহের মূল্যক্ষীতি, বৈদেশিক মুদ্রার চাহিদা এবং সরকারি বাজেটে এর অনুকল প্রভাব থাকবে।

০২. ২০১৪ সালের বাংলাদেশ অর্থনীতির পর্যালোচনা এবং অর্থনৈতিক সম্ভাবনা

রাজনৈতিক অনিশ্চয়তা ও অস্থিরতা সত্ত্বেও বাংলাদেশের অর্থনীতি অবিচলিতভাবে ৬ শতাংশ হারে প্রবৃদ্ধি অর্জন করেছে। ২০১৩ সালের রাজনৈতিক কোন্দল এমন একটি সংশয়পূর্ণ পরিবেশ সৃষ্টি করেছে যার ফলশ্রুতিতে নতুন শিল্প গড়ে উঠছে না, যা ব্যাংকিং খাতে অতিরিক্ত তারল্য সৃষ্টি করছে। সামষ্টিক অর্থনীতির সূচকগুলোর ইতিবাচক ধারা অব্যাহত থাকায় দেশের অর্থনীতি ২০১৪ সালের শেষ দিকে উদ্দীপ্ত হতে শুরু করেছে।

আমাদের অর্থনীতি ২০১৪ সালে সম্মানজনক ৬.১২ শতাংশ প্রবৃদ্ধি অর্জন করেছে যা ২০১৩ সালে ছিল ৬ শতাংশ। মুদ্রাস্ফীতি স্বাভাবিক মাত্রায় থাকায় একটু স্বস্তিদায়ক পরিবেশ বিরাজমান ছিল। ডিসেম্বর ২০১৪ সালে পয়েন্ট টু পয়েন্ট মুদ্রাস্ফীতি ছিল ৬.১১ শতাংশ যেখানে ডিসেম্বর ২০১৩ সালে ছিল ৭.৩৫ শতাংশ। অর্থবছর ২০১৪-১৫ সালের জুলাই-নভেম্বর সময়ে আমদানি বেড়েছে ১১.৩৬ শতাংশ এবং তা মার্কিন ডলার ১৬.২০ বিলিয়নে পৌছেছে যা অধিক পরিমাণে জ্গালানী তেল এবং মূলধনী যন্ত্রপাতি আমদানির ফলে হয়েছে। রপ্তানি আয় অর্থবছর ২০১৪-১৫ সালের মাঝামাঝিতে এসে মার্কিন ডলার ১৪.৯১ বিলিয়ন এ উপনীত হয়েছে যার প্রবৃদ্ধির হার পূর্বের বছরের একই সময়ের তুলনায় ১.৫৬ শতাংশ। দেশের সার্বিক রেমিটেন্সের প্রবৃদ্ধির হার ২০১৪ সালে ছিল ৭.৯০ শতাংশ এবং সর্বমোট ১৪.৯২ বিলিয়ন মার্কিন ডলার পক্ষান্তরে ২০১৩ সালে ছিল ১৩.৮৩ বিলিয়ন ডলার। কেন্দ্রীয় ব্যাংকের পরিসংখ্যান অনুযায়ী জুলাই-আগষ্ট ২০১৪-১৫ অর্থবছরে দেশের বাণিজ্যিক ভারসাম্য ছিল ৯৯৯ মিলিয়ন মার্কিন ডলার যা পূর্ববর্তী বছরের একই সময় ছিল ৭৯০ মিলিয়ন মার্কিন ডলার। অন্যদিকে চলতি হিসাবের ব্যালেন্স ছিল ঋণাত্মক ১.২৬১ মিলিয়ন মার্কিন ডলার কিন্তু বিপুল পরিমান আর্থিক খাতের হিসাবের ধনাত্রক ব্যালেন্সের कातर्प সার্বিকভাবে ১,২৪৬ মিলিয়ন ডলার উদ্বত ছিল। বৈদেশিক মুদ্রার রিজার্ভ ডিসেম্বর ২০১৪ সালে ছিল রেকর্ড পরিমাণ ২২.৩০ বিলিয়ন মার্কিন ডলার। ব্যক্তি খাতে ঋণ প্রবাহের হার ২০১৩-১৪ অর্থ বছরে ১৪.৫০ শতাংশ লক্ষ্যের

প্রেক্ষিতে ছিল ১২.২৭ শতাংশ। ব্যাংকিং খাতে সেপ্টেম্বর ২০১৪ সালে শ্রেণীকৃত ঋণের পরিমাণ ছিল ৪.২৭ শতাংশ যা ডিসেম্বর ২০১৩ সালে ছিল ২.০১ শতাংশ।

যদিও মুদ্রাক্ষীতি, বিনিময় হার, বৈদেশিক মুদ্রার রিজার্ভ এবং রেমিট্যান্স প্রবৃদ্ধি সবই সামষ্টিক অর্থনীতির প্রারম্ভিক নির্দেশনার পরিপ্রেক্ষিতে আমাদের অনুকূলে ছিল, কিছু বিপদাশঙ্কাপূর্ণ বিষয় সামষ্টিক অর্থনৈতিক স্থিতিশীলতাকে বিঘ্ন করতে পারে। ব্যক্তি খাতের বিনিয়োগ উদ্দীপিত করা এবং অর্থনৈতিক প্রাণচাঞ্চল্য ফিরিয়ে আনার জন্য একটি সহায়ক রাজনৈতিক পরিবেশ, অবকাঠামোগত উন্নয়ন এবং যথাযথ জ্বালানী ব্যবস্থাপনার বিষয়গুলো বিনিয়োগকারীদের আস্তা ও ব্যবসায় বান্ধব পরিবেশ তৈরী করতে পারে।

০৩. এক নজরে ব্যাংকের পরিচিতি

সাউথইস্ট ব্যাংক লিমিটেড দ্বিতীয় প্রজন্মের একটি বেসরকারী ব্যাংক হিসাবে উদার বিশ্ব অর্থনীতির যুগে ১৯৯৫ সালে প্রতিষ্ঠিত হয়েছে। বর্তমানে এ ব্যাংকের অনুমোদিত মূলধন ১৫,০০০ মিলিয়ন টাকা এবং ৩১শে ডিসেম্বর, ২০১৪ তারিখে সর্বমোট মূলধন এবং সঞ্চিতির পরিমাণ দাঁড়িয়েছে ২৭,৪৬২.০৯ মিলিয়ন টাকায়। বাংলাদেশের নেতৃস্থানীয় ব্যাংক হিসাবে প্রতিষ্ঠা লাভ করা এবং জাতীয় অর্থনীতিতে তাৎপর্যপূর্ণ অবদান রাখা এর লক্ষ্য।

ইতোমধ্যে ব্যাংক সকল কার্যসূচকে প্রবৃদ্ধি অর্জন পূর্বক ২০ বছর ব্যাংকিং কার্যক্রম সফলতার সাথে পরিচালনা করেছে। ২০১৪ সালে ব্যাংকের কর পরবর্তী মুনাফার পরিমাণ ছিল ৩,৮৩৬.৯৪ মিলিয়ন টাকা। আলোচ্য বছরে ব্যাংকের আমানত ২০১৩ এর তুলনায় ৬.৭৩ শতাংশ বৃদ্ধি পেয়ে ১৮৯,৪৭২.৫৪ মিলিয়ন টাকায় এবং অগ্রীম ৯.০৫ শতাংশ বৃদ্ধি পেয়ে ১৪৭,০৭০.৮১ মিলিয়ন টাকায় উন্নীত হয়েছে।

সার্বিক কার্যক্রমের উৎকর্ষতার আলোকে ব্যাংক পরিচালনা এবং গুণগত উত্তরণ ব্যাংকের নিকট সর্বাধিক গুরুত্বপূর্ণ বিষয়। বর্তমানে সারাদেশ জুড়ে ব্যাংকের ১১৩ টি শাখা যার মধ্যে ১৫টি এসএমই/ কৃষি শাখা এবং ২টি অফ-শোর ব্যাংকিং ইউনিট রয়েছে। ভবিষ্যতে আরও ১০টি শাখা খোলার পরিকল্পনা রয়েছে। কঠিন বাধা সত্ত্বেও, উৎসাহ-উদ্দীপনা এবং কর্মোদ্যমের সাথে অধিকতর সাফল্য অর্জনে আমাদের প্রচেষ্টা অব্যাহত রয়েছে। মুনাফা অর্জনের তীব্র প্রতিযোগিতা মোকাবেলায় আমরা আমাদের দক্ষ ও অভিজ্ঞ জনশক্তির উপর নির্ভর করি। আমাদের শক্তি হচ্ছে গ্রাহকদের সাথে ঘনিষ্ঠ ও হৃদ্যতাপূর্ণ অংশীদারিত্ব, দেশের ব্যবসায়িক ও

বাণিজ্যিকভাবে গুরুত্বপূর্ণ স্থানসমূহে আমাদের দৃঢ় অবস্থান এবং বৈদেশিক বাণিজ্য বৃদ্ধিকল্পে আন্তর্জাতিকভাবে খ্যাত ব্যাংকের সাথে করেসপনন্ডেন্ট ব্যাংকিং সম্পর্ক। প্রচলিত ঋণ ও বৈদেশিক বাণিজ্য সংক্রান্ত সেবাসমূহ ছাড়াও আমাদের অন্যান্য সেবা পণ্যগুলো হচ্ছে Real Time On-Line Any Branch Banking, ইসলামী ব্যাংকিং, বিনিয়োগ ব্যাংকিং, দৈত মুদ্রার ভিসা ক্রেডিট কার্ড, এটিএম, শিক্ষা ঋণ প্রকল্প, ভোক্তা ঋণ, এসএমই ব্যাংকিং, কর্পোরেট ব্যাংকিং, সিভিকেট ঋণ, দ্বিগুণ বৃদ্ধি সঞ্চয় প্রকল্প, মাসিক সঞ্চয় প্রকল্প, মাসিক মুনাফা প্রকল্প, পেনশন সঞ্চয় প্রকল্প, মালিট মিলিয়নেয়ার গোল্ড ডিপোজিট স্কীম, মোহর সঞ্চয়ী হিসাব, যাকাত হিসাব, নগদ ওয়াকফ্ হিসাব, ওয়েজ আর্নার পেনশন স্কিম এবং এস,এম,এস ব্যাংকিং ইত্যাদি।

অত্যাধুনিক এবং পরীক্ষিত ব্যাংকিং প্রযুক্তি এবং সেবা পণ্যসমূহের সমন্বিত ব্যবহারের মাধ্যমে উন্নততর গ্রাহক সেবাই হচ্ছে আমাদের সফলতার মূল চাবিকাঠি। গ্রাহকরাই হচ্ছে আমাদের প্রধান অগ্রাধিকার। আমরা কঠোর পরিশ্রমের মাধ্যমে চেষ্টা করে থাকি গ্রাহকদের একটি কাউন্টার থেকে সম্পূর্ণ ব্যাংকিং সেবা পৌছে দিতে। গ্রাহকদের আর্থিক চাহিদাসমূহ পূরণে আমাদের কর্মীবাহিনী নতুন প্রযুক্তি আত্মস্থ করেছে, তাদের সেবাপণ্যের জ্ঞান বৃদ্ধি করেছে এবং তাদের দক্ষতায় নতুন মাত্রা যোগ করেছে। গ্রাহকদের প্রয়োজনীয় পরামর্শ প্রদান এবং সৃষ্টিশীল আর্থিক চাহিদার পছন্দনীয় এবং স্বাচ্ছন্দ্যপূর্ণ সমাধান প্রদাণের মাধ্যমে আমরা শ্রেষ্ঠত্ব অর্জনে বিশ্বাসী। আমরা পেশাগত, ন্যায়ভিত্তিক, বন্ধুসুলভ এবং জ্ঞান-নির্ভর আচরণের মাধ্যমে বাণিজ্যিক, ক্ষুদ্র ব্যবসায়ী ও ব্যক্তিসহ সকল ধরনের গ্রাহকদের সর্বোত্তম গ্রাহক সেবা প্রদাণ করে থাকি।

সাউথইস্ট ব্যাংককে একটি আধুনিক ব্যাংকিং প্রতিষ্ঠানে রূপান্তরিত করতে আমরা সংকল্পবদ্ধ। আমরা আশাবাদী এ ব্যাংকটি হবে কর্মে তৎপর, কর্মসূচীতে প্রগতিশীল, লেনদেনে সত্যাশ্রাী, বিচারবিবেচনায় ন্যায়পরায়ণ, মননে ভবিষ্যতমুখী, দৃষ্টিভঙ্গীতে নিরপেক্ষ এবং গ্রাহকসেবায় নিবেদিত। আমাদের পরিকল্পনাসমূহ ব্যাংকের আধুনিক ব্যবস্থাপনা, উন্নত প্রযুক্তির ব্যবহার, অধিকতর মুনাফা অর্জন এবং সুদৃঢ় আর্থিক ভিত্তি ও ব্যাংকের উচ্চ সুনাম সৃষ্টির লক্ষ্যে প্রণীত। ব্যাংকের পরিচালনা পর্যদের মূল্যবান দিক-নির্দেশনা ও তত্ত্বাবধানে এবং আমাদের দক্ষ জনশক্তির সার্বিক সহযোগিতায় আমরা স্বচ্ছ ও দায়িত্বশীল কোম্পানী ব্যবস্থাপনায় অঙ্গীকারাবদ্ধ।

সাউথইস্ট ব্যাংক লিমিটেড বিদ্যমান মূল্যবোধ ও চলমান

ধারার সাথে তাল রেখে এবং বৃহৎ আর্থিক প্রতিষ্ঠানের সামাজিক ও পরিবেশের প্রতি দায়িত্ব ও গুরুত্বের প্রতি সম্মান রেখে বাণিজ্যিক কার্যক্রম পরিচালনা করে থাকে। গ্রীন ব্যাংকিং এর দিকে ব্যাংক দ্রুত অগ্রসর হচ্ছে। ব্যাংক শেয়ারহোল্ডারবৃন্দকে তুলনামূলকভাবে প্রতিযোগিতামূলক লভ্যাংশ দেওয়ার নিশ্চয়তা দিতে আগ্রহী।

০৪. মূলধন ও রিজার্ভ

ব্যাংকের অনুমোদিত মূলধনের পরিমাণ হচ্ছে ১৫,০০০ মিলিয়ন টাকা এবং ৩১ শে ডিসেম্বর, ২০১৪ ইং পর্যন্ত ব্যাংকের পরিশোধিত মূলধন ছিল ৯,১৬৯.৫০ মিলিয়ন টাকা । আলোচ্য বছরে ব্যাংকের মূলধন ও রির্জাভের (টায়ার-১ এবং টায়ার-২ মূলধন) পরিমাণ ছিল ২৭,৪৬২.০৯ মিলিয়ন টাকা যা পূর্ববতী বছরে ছিল ২১,৮০৭.৫৭ মিলিয়ন টাকা, এ ক্ষেত্রে প্রবৃদ্ধির হার ২৫.৯৩ শতাংশ।

৩১ ডিসেম্বর, ২০১৪ তারিখে ব্যাংকের মূলধন তহবিল ও রিজার্ভের পরিমাণ নিমুরূপ:

(ক)	মূল মূলধন (টায়ার-১ মূলধন)	মিলিয়ন টাকায়
	পরিশোধিত মূলধন	৯,১৬৯.৫০
	শেয়ার প্রিমিয়াম হিসাব	-
	সংবিধিবদ্ধ রিজার্ভ	৭,৭৯২.৮১
	সাধারণ রিজার্ভ	২৪৭.৬৫
	সাবসিডিয়ারিতে মাইনরিটি ইন্টারেস্ট	۵۰.۵۶
	সংরক্ষিত আয়	২,৬৬২.১৪
	মোট মূলধন	১৯,৮৮২.২৮

(খ)	বাড়তি মূলধন (টায়ার-২ মূলধন)	
	সাব-অর্ডিনেটেড বন্ড	೨,೦೦೦.೦೦
	অশ্রেনীকৃত ঋণের জন্য সংস্থান	১,৩৩৪.৭২
	সম্ভাব্য দায়ের উপর সংস্থান	গ্ৰভ. ক০ক
	সম্পদ পুনঃমূল্যায়ন রিজার্ভ	२,১०১.৪১
	সরকারিসিকিউরিটির পুনঃমূল্যায়ন জনিত রিজার্ভ	২৩৪.০৩
	মোট বাড়তি মূলধন	৭,৫৭৯.৮১
	মোট মূলধন ও রিজার্ভ (ক+খ)	২৭,৪৬২.০৯

০৫. মূলধন পর্যাপ্ততার হার

ব্যাংকের মূলধন ভিত্তিকে শক্তিশালী করা এবং ব্যাসেল-২ নীতিমালা বাস্তবায়নের জন্য ব্যাংকগুলোকে বাংলাদেশ ব্যাংকের বিভিন্ন সময়ে নির্দিষ্ট করে দেয়া ন্যুনতম মূলধন পর্যাপ্ততা বজায় রাখতে হয়। ডিসেম্বর ৩১, ২০১৪ অনুযায়ী সাউথইস্ট ব্যাংকের মূলধন পর্যাপ্ততার হার ছিল ঝুঁকি সমন্বিত সম্পদের ১২.৪১ শতাংশ যদিও বাংলাদেশ ব্যাংকের সার্কুলার নং-১০ তারিখ মার্চ ১০, ২০১০ অনুযায়ী নূন্যতম মলধন পর্যাপ্ততার হার ১০ শতাংশ।

০৬. ২০১৪ সালে পুঁজিবাজারের সার্বিক চিত্র

দেশের অন্যতম পুঁজিবাজার ঢাকা স্টক একচেঞ্জ লিমিটেড এ ২৭৪টি কোম্পানির শেয়ার, ৪০টি মিউচুয়াল ফান্ড এবং ৮টি ডিবেঞ্চার প্রতিনিয়ত লেনদেন হচ্ছে। ২০১৪ সালে ডিএসই মোট বাজার মূলধনের পরিমাণ ছিল ৩.২৫৯.২৫ বিলিয়ন টাকা. বিগত সালে যা ছিল ২.৬৪৭.৮০ বিলিয়ন টাকা। এসময় বাজার মূলধন শতকরা ২৩.০৯ ভাগ বৃদ্ধি পেয়েছে। ২০১৪ সালের শেষে পুঁজিবাজারের অন্যতম সূচক ডিএসই এক্স ৪.৮৬৪.৯৬ পয়েন্টে উপনীত হয়. গত বছর শেষে যা ছিল ৪,২৬৬.৫৫ পয়েন্ট। ২০১৪ সালে সূচক ৫৯৮.১৪ পয়েন্ট অথবা শতকরা ১৪.০৩ ভাগ বৃদ্ধি পায়। এ সালে মোট ১৮টি কোম্পানী পুঁজিবাজারে তাদের মূলধনের অংশ অর্ন্তভুক্তির জন্য প্রাথমিক গন প্রস্তাব (আইপিও) পেশ করে। গন প্রস্তাবকৃত শেয়ারের মৃল্যমান ১২,৬৩৬.২০ মিলিয়ন টাকা এবং এ সকল শেয়ার ২০১৪ সালেই পুঁজিবাজারে লেনদেন এর জন্য অন্তর্ভুক্ত হয়েছে। ২০১৪ সালে মোট বিও হিসাবের সংখ্যা দাঁড়ায় ৩,১৩৭,৫৩২ যা ২০১৩ সালে ছিল ২,৭৯৫,৮৩৯। বিও হিসাব খোলার সংখ্যা বৃদ্ধির হার শতকরা ১২.২২ ভাগ।

০৭. সাউথইস্ট ব্যাংকের শেয়ার এবং তার মালিকানা

সাউথইস্ট ব্যাংকের শেয়ারের গুণগত দিকগুলো যেমনং শেয়ারের মূল্যের বিপরীতে আয়ের অনুপাত, লভ্যাংশ ঘোষণার হার, শেয়ারের নীট সম্পদ মূল্য, শেয়ার প্রতি নীট ব্যবসায়িক নগদ প্রবাহ, লেনদেন হওয়া শেয়ারের মোট মূল্য, শেয়ার প্রতি ধনাত্বক আয়, পুঁজিবাজারে সার্বক্ষনিকভাবে 'এ' শ্রেণীভুক্ত শেয়ার হিসেবে অবস্থান, অব্যাহতভাবে উচ্চ হারে লভ্যাংশ ঘোষণা, বিপুল সংখ্যাক শেয়ারহোল্ডার, পরিশোধিত মূলধন অনুযায়ী মোট বাজার মূলধনের একটি বড় অংশের যোগান প্রভৃতি এ শেয়ারকে শক্তিশালী মৌলভিত্তি সম্পন্ন শেয়ারে হিসেবে প্রমাণ করে। ২০১৪ সালের ৩১শে ডিসেম্বর তারিখে ব্যাংকের মোট শেয়ারহোল্ডারের সংখ্যা দাঁড়ায় ৫৮.১৬৯ জনে।

ক) শেয়ারপ্রতি ধনাতৃক আয়

২০১৪ সালের শেষে ব্যাংকের পরিশোধিত শেয়ারের সংখ্যা দাঁড়ায় ৯১৬,৯৫০,১৭৬। দেশের পুঁজিবাজারে তালিকাভূক্ত হওয়ার পর থেকে এ পর্যন্ত ইস্যুকৃত শেয়ার ২,৯৫৬.৫০ শতাংশ বৃদ্ধি পেয়েছে। ব্যাংকিং ব্যবসা পরিচালনার মাধ্যমে সারা বছর আমরা উল্লেখযোগ্য পরিমাণ মুনাফা অর্জন করেছি এবং তা থেকে ইস্যুকৃত শেয়ারের বিপরীতে ভাল হারে লভ্যংশ বন্টন করে আসছি। ২০১৪ সালে ব্যাংকের শেয়ার প্রতি আয় ছিল ৪.১৮ টাকা, ২০১৩ সালে যার পরিমাণ ছিল শেয়ার প্রতি ৩.৬৮ টাকা।

খ) সম্ভোষজনক নীট সম্পদ মূল্য

কোম্পানীর মোট দায়ের তুলনায় অধিক সম্পদ, আমাদের শেয়ার প্রতি নীট সম্পদ মূল্যের ক্ষেত্রে একটি ইতিবাচক ভূমিকা রাখে। এর ফলে বিপুল সংখ্যক শেয়ারহোল্ডার আমাদের শেয়ারে বিনিয়োগ করে। ২০১৪ সালে আমাদের শেয়ার প্রতি নীট সম্পদ মূল্য ছিল ২৬.৭৭ টাকা যা ২০১৩ সালে ছিল ২৩.৯২ টাকা।

গ) অনুমোদিত ও পরিশোধিত মূলধন

১৯৯৫ সালে প্রতিষ্ঠার পর থেকে আমাদের কোম্পানীর অনুমোদিত এবং পরিশোধিত মূলধন পর্যায়ক্রমে বৃদ্ধি পেয়েছে। বর্তমানে আমাদের অনুমোদিত মূলধন ১৫,০০০ মিলিয়ন টাকা এবং পরিশোধিত মূলধন ৯,১৬৯.৫০ মিলিয়ন টাকা। ২০১০ সাল থেকে ব্যাংকের অনুমোদিত এবং পরিশোধিত মূলধনের তালিকা নিম্নে দেওয়া হল:

বছর	অনুমোদিত মূলধন (মিলিয়ন টাকা)	পরিশোধিত মূলধন (মিলিয়ন টাকা)
২০১৪	\$6,000.00	৯,১৬৯.৫০
২০১৩	\$0,000.00	৮,৭৩২.৮৬
২০১২	\$0,000.00	৮,৭৩২.৮৬
२० ১ ১	\$0,000.00	৮,७১৭.०১
২০১০	\$0,000.00	৬,৯৩০.৮৪

ঘ) লভ্যাংশ ঘোষণা

ব্যাংকের পরিচালনা পর্ষদ বিগত বছরগুলোতে অর্জিত মুনাফা থেকে উচ্চহারে লভ্যাংশ ঘোষণা করে আসছে। সে কারণে আমাদের ব্যাংকের শেয়ারহোল্ডারগন শেয়ার প্রতি সন্তোষজনক লভ্যাংশ পেয়ে থাকেন। ২০১৪ সালে পরিচালনা পর্ষদ শেয়ারহোল্ডারদের জন্য ১৫ শতাংশ নগদ লভ্যাংশ ঘোষণা করে।

৬) এক নজরে সাউথইস্ট ব্যাংকের শেয়ারের শক্তিশালী বৈশিষ্ট্যসমূহ

- তালিকাভুক্তির পর থেকে 'এ' শ্রেণীভূক্ত শেয়ার হিসেবে দেশের উভয় পুঁজিবাজারেই লেনদেন হচ্ছে ।
- বিপল সংখ্যাক শেয়ারহোল্ডার ।
- ভাল ও সন্তোষজনক লভ্যাংশের হার ।
- ধনাতৃক শেয়ারপ্রতি আয় ।
- শেয়ারপ্রতি ভাল নীট সম্পদ মূল্য।

০৮. আমানত

ব্যাংক ৩১ ডিসেম্বর ২০১৪ পর্যন্ত ১৮৯,৪৭২.৫৪ মিলিয়ন টাকা আমানত সংগ্রহ করেছে যা ২০১৩ সালে ছিল ১৭৭,৫১৯.৪৬ মিলিয়ন টাকা। প্রতিযোগিতামূলক সুদের হার, আকর্ষণীয় আমানত প্রকল্প, ব্যাংকের আমানত সংগ্রহের কার্যকর প্রচেষ্টা এবং ব্যাংকের উপর গ্রাহকের আস্থা আমানতের এ উল্লেখযোগ্য অগ্রগতিতে অবদান রেখেছে। ব্যাংক ক্ষুদ্র ও মাঝারি সঞ্চয়কারীদের জন্য বেশ কিছু আকর্ষণীয় সঞ্চয় প্রকল্প চালু করেছে। সঞ্চয় প্রকল্পসমূহ শুধু আমানতের পরিমাণ বৃদ্ধি করেনি, আমানতের গুণগত মানেরও পরিবর্তন ঘটিয়েছে। ৩১ ডিসেম্বর, ২০১৪ তারিখে ব্যাংকের আমানত মিশ্রণ ছিল নিমুরূপ:

বিবরণ	মিলিয়ন টাকায়	%
চলতি ও অন্যান্য আমানত	১৮,৯৩৫.০৫	৯.৯৯
সঞ্চয়ী আমানত/ মুদারাবা সঞ্চয়ী আমানত	১৩,৫৩১.৮২	۹.১8
স্বল্প মেয়াদী আমানত/মুদারাবা স্বল্প মেয়াদী আমানত	১৭,৪৭৬.৮৬	৯.২২
স্থায়ী বা মেয়াদী আমানত	১২৭,২৭৯.৫২	৬৭.১৮
বিভিন্ন প্রকল্পের আওতায় সংগৃহীত আমানত	৯,৫৪৭.৮৩	6.08
প্রদেয় বিলের হিসাব খাতে	২,৭০১.৪৬	٥8.٤
মোট	১৮৯,৪৭২.৫৪	\$00.00

০৯, ঋণ নীতিমালা

যথাযথ ঋণ ঝুঁকি পর্যালোচনা, স্বচ্ছ ঋণ অনুমোদন প্রক্রিয়া, উপযুক্ত ঋণ ব্যবস্থাপনা এবং নিয়মিত ঋণ তদারকি ব্যবস্থার উপর ভিত্তি করে সাউথইস্ট ব্যাংকের ঋণ নীতিমালা প্রণয়ন করা হয়।

অর্থনীতির বিভিন্ন খাতের সুসমন্বয়ের মাধ্যমে ২০১৪ সালের ঋণ নীতিমালা নির্ধারণ করা হয়েছিল যাতে করে কোন সুনির্দিষ্ট খাতে ঋণ কেন্দ্রীভূত না হয়। বার্ষিক ঋণ বিতরণ পরিকল্পনার লক্ষ্য ছিল কোন একটি নির্দিষ্ট গ্রাহক শ্রেণী, অর্থনৈতিক খাত অথবা ভৌগলিক অবস্থানে ঋণের অসমীচীন কেন্দ্রীভূত হবার প্রবণতা এড়ানো। ২০১৪ সালে ব্যাংক যোগ্য ঋণ গ্রহীতাদের মধ্যে উৎপাদনশীল খাতে ঋণ বিতরণের মাধ্যমে ঋণ প্রবাহ সম্প্রসারণ করেছে।

ব্যাংকের সামগ্রিক ঋণ নীতিমালা বাংলাদেশ ব্যাংকের পরামর্শ ও নির্দেশাবলীর আলোকে প্রস্তুত করা হয় যাতে করে কাঙ্খিত ঋণ ঝুঁকি ব্যবস্থাপনা নিশ্চিত করা যায়। ঋণ নীতিমালার মূখ্য উদ্দেশ্য কেন্দ্রীয় ব্যাংক ও অন্যান্য নিয়ন্ত্রক সংস্থা কর্তৃক নির্ধারিত নিয়ম কানুন পরিপালন করে ব্যাংকের সার্বিক ব্যবসায়িক লক্ষ্য অর্জন করা।

উদ্যোক্তা ও অর্থনীতির চলমান ও ক্রম পরিবর্তনশীল প্রয়োজনীয়তা, পরিচালনা পর্ষদের নীতিগত নির্দেশনা/ পরামর্শ এবং কেন্দ্রীয় ব্যাংকের নীতিমালার সাথে সংগতি রেখে ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ নিয়মিতভাবে ঋণ নীতিমালা হালনাগাদ করে থাকে।

১০. ঋণ ও অগ্রিম

পূর্ববর্তী বছরগুলোর ন্যায় ২০১৪ সালেও ঋণ কার্যক্রমে ব্যাংকের কার্যকরী ও সীমাহীন প্রচেষ্টায় ঋণ ও অগ্রিমের ক্ষেত্রে নিরবিচ্ছিন্ন প্রবৃদ্ধি হয়েছে। ২০১৪ সালে ব্যাংকের প্রচেষ্টা ছিল নতুন, চলমান ও পুরাতন ব্যবসায়ের ক্ষেত্রে কার্যকরী ও অধিক সহনীয় (কম খরচে) অর্থায়নের মাধ্যমে মানসমত গ্রাহক ভিত্তি তৈরী করা। এই প্রচেষ্টা আগের বছরগুলোর ন্যায় ব্যাংকের প্রবৃদ্ধি ও টেকসই উন্নয়নকে ধরে রাখতে সাহায্য করেছে। ২০১৪ সালে অর্থনৈতিক ও রাজনৈতিক উত্থান পতন সত্ত্বেও ৩১শে ডিসেম্বর তারিখে ব্যাংকের সমন্বিত ঋণ ও অগ্রিমের পরিমাণ আগের বছরের তুলনায় ১৩৪,৮৬৩.৮২ মিলিয়ন টাকা থেকে ১৪৭,০৭০.৮১ মিলিয়ন টাকায় উন্নীত হয় যার প্রবৃদ্ধির হার দাড়ায় ৯.০৫ শতাংশ। সারা বছর জুড়ে নতুন ও বিশেষায়িত ক্ষেত্রে বিশেষভাবে ক্ষুদ্র ও মাঝারি শিল্পে এবং কৃষিক্ষেত্রে অর্থায়নের

মাধ্যমে ব্যাংক একটি উন্নত পোর্টফোলিও গঠনে মনোযোগী ছিল। এই প্রচেষ্টাই ব্যাংকিং খাতে এর টেকসই প্রবৃদ্ধি ও উন্নতির লক্ষ্য অর্জনে সহায়তা করেছে।

১১ গ্যারান্টি ব্যবসা

ব্যাংক ২০১৩ সালে ১৭,২২৬.৪১ মিলিয়ন টাকার বিপরীতে ২০১৪ সালে মোট ১৩,৬০৩.৩০ মিলিয়ন টাকার গ্যারান্টি ইস্যু করে। ব্যাংকের সন্মানিত গ্রাহকদের আবেদনক্রমে বিভিন্ন সরকারী কর্তৃপক্ষ, মন্ত্রণালয়, স্বায়ত্বশাসিত প্রতিষ্ঠান, কর্পোরেশন, ব্যক্তিবর্গ, বেসরকারি কোম্পানীসমূহ এবং বহুজাতিক কোম্পানীসহ বিভিন্ন প্রতিষ্ঠানের অনুকূলে গ্যারান্টি ইস্যু করা হয়।

১২. রিটেইল ব্যাংকিং

সাউথইস্ট ব্যাংক অত্যন্ত দক্ষতার সাথে রিটেইল গ্রাহকদের সেবা দিয়ে আসছে, যা ইতিমধ্যেই গ্রাহকগণ কর্তৃক সমাদৃত হয়েছে। যার ফলে রিটেইল ঋণের ব্যাপ্তি শুধুমাত্র ২০১৪ সালেই ৭১ শতাংশ বৃদ্ধি পেয়েছে যেখানে শ্রেণীকৃত ঋণের পরিমাণ ছিল খুবই নগণ্য। রিটেইল আমানত সংগ্রহকারী দল গতবছর উল্লেখযোগ্য পরিমাণ আমানত সংগ্রহ করেছে যা গত বছরের তুলনায় ১৫ শতাংশ প্রবৃদ্ধি পেয়েছে।

রিটেইল ব্যবসায় বিলম্বে প্রবেশের পরও মানসম্মত সেবা প্রদানের মাধ্যমে যথাযথ গ্রাহক নির্বাচন করে সাউথইস্ট ব্যাংক সন্তোষজনক অবস্থান করে নিয়েছে। অধিকন্তু, আগামী দিনগুলোতে সাউথইস্ট ব্যাংক রিটেইল ব্যাংকিং এর মাধ্যমে আমানত বৃদ্ধির লক্ষ্যে প্রতিনিয়ত কাজ করে যাচ্ছে।

১৩. সিভিকেশন/ ক্লাব অর্থায়ন

সিভিকেশন মূলতঃ অনেকগুলো ব্যাংক সম্মিলিতভাবে একই জামানতের বিপরীতে একটি নির্দিষ্ট প্রকল্পে অর্থায়নকে বুঝায়। সাউথইস্ট ব্যাংক সিভিকেশন/ ক্লাব অর্থায়নের মাধ্যমে বিভিন্ন প্রকল্প বাস্তবায়নের ক্ষেত্রে মূখ্য আয়োজক এবং অংশগ্রহণকারী হিসেবে গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে। ব্যাংক এ পর্যন্ত বেশ কিছু প্রকল্পে মূখ্য আয়োজক হিসেবে মোট ৩,৩২৩.১০ মিলিয়ন টাকা অর্থায়ন করেছে এবং ২০১৪ সাল পর্যন্ত বিভিন্ন প্রকল্পে সিভিকেশন/ ক্লাব অর্থায়নের মাধ্যমে মোট ৬,৫৬৪.৮৯ মিলিয়ন টাকা বিনিয়োগ করেছে। বিগত বছরে বিনিয়োগের সীমাবদ্ধতা সত্ত্বেও ব্যাংক সিভিকেশনের আওতায় ২২৩.০৮ মিলিয়ন টাকা বিতরণ করেছে।

১৪. কর্পোরেট গ্রাহক অর্থায়ন

কর্পোরেট গ্রাহকদের নগদ অর্থ ও সম্পদের সুষ্ঠু ব্যবস্থাপনার জন্য সাউথইস্ট ব্যাংক লিমিটেডের রয়েছে বহুবিধ ব্যাংকিং সেবা যা গ্রাহকদের ব্যবসায়িক পরিকল্পনাকে বাস্তবে রূপদান করে। গ্রাহক সেবার উন্নত মান ও সুবিন্যস্ত প্রোডাক্ট সমাহারের জন্য সাউথইস্ট ব্যাংক লিমিটেড সবসময় কর্পোরেট গ্রাহকদের কাছে সুবিদিত। বরাবরের মত ২০১৪ সালেও ব্যাংক গ্রাহকদের চাহিদা ও ঝুঁকি যথাযথ বিশ্লোষণ করে সর্বোচ্চ গ্রাহক সেবার মনোভাব নিয়ে আর্থিক প্রতিষ্ঠানসহ বড় ও মাঝারি সব ধরনের কর্পোরেট গ্রাহকদের সেবা প্রদান করেছে।

১৫. রপ্তানি উন্নয়ন তহবিল (ইডিএফ)

বাংলাদেশের রপ্তানিখাত ক্রমশঃ উল্লেখযোগ্যহারে প্রবৃদ্ধি অর্জনের মাধ্যমে জাতীয় অর্থনীতির একটি গুরুত্বপূর্ণ অংশ হিসেবে পরিগণিত হয়েছে এবং বৈদেশিক মুদ্রা অর্জনে গুরুত্বপূর্ণ অবদান রাখছে। উৎপাদক-রপ্তানিকারকরা যাতে নগদ পরিশোধের ভিত্তিতে ঋণপত্রের মাধ্যমে (এলসি/বিটিবি এলসি) সহজে রপ্তানি উপকরণ সংগ্রহ করতে পারে, বাংলাদেশ ব্যাংক সে লক্ষ্যে ১৯৮৯ সালে ইডিএফ পদ্ধতি চালু করে।

উৎপাদক-রপ্তানিকারকদের অনুকূলে বৈদেশিক মুদ্রায় প্রদত্ত ঋণের বিপরীতে ব্যাংকের অনুমোদিত ডিলার শাখাগুলো প্রধান কার্যালয়ের আর্দ্তজাতিক বিভাগের মাধ্যমে পুনঃ অর্থায়ন সুবিধা পেয়ে থাকে। ৩১শে ডিসেম্বর, ২০১৪ তারিখে ব্যাংকের ইডিএফ ঋণের স্থিতি ছিল ৫১.৩৪ মিলিয়ন মার্কিন ডলার। ২০১৫ সালে রপ্তানি বৃদ্ধির পাশাপাশি ইডিএফ ঋণের পরিমাণও বৃদ্ধি পাবে বলে আশা করা যায়।

১৬. ঋণ শ্রেণীকরণ ও সংস্থান সংরক্ষণ

ঋণ শ্রেণীকরণ প্রক্রিয়ার মাধ্যমে বিতরণকৃত ঋণ সমূহের গুণগত মান এবং ঝুঁকি অনুসারে ঋণসমূহ বিভিন্ন ধাপে বিন্যাস করা হয় যাতে ঋণ সমূহের সার্বিক মান প্রকাশ পায়। সাউথইস্ট ব্যাংক কর্তৃপক্ষ ঋণ বিতরণ পরবর্তী সময়ে সর্বদা সতর্কভাবে পর্যবক্ষণ কার্যক্রম অব্যাহত রাখে যার মাধ্যমে ঋণ সমূহকে মন্দ ঋণে পর্যবসিত হওয়া থেকে বিরত রাখতে সক্ষম হয়। বাংলাদেশ ব্যাংক এর নীতিমালা অনুসারে সাউথ ইস্ট ব্যাংক ঋণ শ্রেণীকরণ এবং তার বিপরীতে প্রয়োজনীয় সংস্থান সংরক্ষণ করে থাকে। ব্যাংকের শাখা পর্যায়ের পাশাপাশি প্রধান কার্যালয়ের সংশ্লিষ্ট কর্মকর্তাদের সর্বোচ্চ প্রচেষ্টার মাধ্যমে ঋণ আদায় ও পুনঃতফসিলিকরণ এবং ক্ষেত্র

বিশেষে স্বল্প সময়ে আদায় অযোগ্য ঋণ সমূহ বাংলাদেশ ব্যাংকের বিধি বিধান পরিপালন সাপেক্ষে অবলোপন করে শ্রেণীকৃত ঋণ হ্রাস করে থাকে। সাউথইস্ট ব্যাংক সর্বোচ্চ প্রচেষ্টার মাধ্যমে ডিসেম্বর ২০১৪ পর্যন্ত শ্রেণীকৃত ঋণের পরিমাণ মোট ঋণের ৩.৬৪ শতাংশ রাখতে সমর্থ হয়েছে। অন্যদিকে ২০১৪ সালে ব্যাংক শ্রেণীকৃত, অশ্রেণীকৃত এবং অফ ব্যালেসশীট আইটেমের জন্য প্রয়োজনীয় সংস্থান সংরক্ষণ স্বরূপ টাকা ৪,১৫৪.৭৩ মিলিয়ন এর বিপরীতেটাকা ৪,৯১৭.৮৭ মিলিয়ন সংস্থান সংরক্ষণ করেছে।

১৭. ঋণ পর্যবেক্ষণ, আগাম সতর্কতা ও অসন্তোষজনক ঋণ সমূহের ব্যবস্থাপনা ঃ

ঋণ পর্যবেক্ষণ একটি চলমান প্রক্রিয়া। ঋণ বিতরণের সাথে সাথে এই প্রক্রিয়ার অংশ হিসাবে ঋণের সার্বিক অবস্থার পরীক্ষা ও তদারকি করা হয়। একইসাথে আর্থিক অবস্থার অবনতি রোধকল্পে ব্যাংক কর্তৃক নিবিড় পর্যবেক্ষণ ও তদারকি ব্যবস্থার আওতায় ঋণ সমূহের শ্রেণীমান অনুযায়ী তদারকি কার্যক্রম এক্সিকিউটিভ/ অফিসারগণের মধ্যে দায়িত্ব ভাগ করে দেয়া হয়।

ক্রেডিট এ্যাডমিনিস্ট্রেশন ডিপার্টমেন্ট শাখা পর্যায়ে সংশিষ্ট কর্মকর্তাগণের সাথে সমন্বিতভাবে প্রদত্ত ঋণের গুণগত মান পর্যবেক্ষণ, বিদ্যমান সমস্যা চিহ্নিতকরণ এবং তা সমাধানে কার্যকরী ভূমিকা রাখেন। কর্পোরেট ব্যাংকিং ডিভিশনের ক্রেডিট অফিসার/রিলেশনশীপ অফিসারগণ নিয়মিতভাবে প্রদত্ত ঋণের মধ্যে স্পেশাল মেনশন একাউন্টে ঋণ সমূহের অবস্থা পর্যবেক্ষণ করে তা ক্রেডিট এ্যাডমিনিষ্ট্রেশন ডিপার্টমেন্টকে অবহিত করে এবং লিগ্যাল এ্যাফেয়ার্স ও রিকভারী ডিভিশন বিরুপ শ্রেণীকৃত ঋণ ও অবলোপনকৃত ঋণ সমূহ পর্যবেক্ষণ করে। ক্রেডিট এ্যাডমিনিষ্ট্রেশন ডিপার্টমেন্ট নিয়মিত প্রক্রিয়ার অংশ হিসেবে শাখা সমূহের কার্যকরী পদক্ষেপ নেয়ার পরামর্শ প্রদান করে। যে সকল ঋণ গ্রহীতা নিয়মিত ঋণ পরিশোধে ও ঋণের শর্তসমূহ প্রতিপালনে ব্যর্থ হয় ক্রেডিট এ্যাডমিনিস্ট্রেশন ডিপার্টমেন্ট তাদের সাথে যোগাযোগ রক্ষা করে এবং সকল ক্রটি বিচ্যুতি সংশোধন করে মন্দ ঋণে পর্যবসিত হওয়া থেকে বিরত রাখে। আগাম সতর্কতা নীতি হিসেবে সকল ধরনের বকেয়া ঋণ মাসিক ভিত্তিতে ব্যাংকের উর্দ্ধতন কর্মকর্তাদের অবহিতকরণ সাপেক্ষে কর্পোরেট ব্যাংকিং ডিভিশন ও সংশিষ্ট শাখায় প্রয়োজনীয় পদক্ষেপ নেয়ার জন্য পাঠানো হয়। আর্থিক অবনতি রোধ, প্রাতিষ্ঠানিক দুর্বলতা, অনিয়মিত ঋণ পরিশোধ, ঋণের শর্তাবলী ভঙ্গ, ঋণ গ্রহীতার সংশিষ্ট শিল্পখাত অবনমন ইত্যাদি কারণে আগাম সতর্কতা জানানো হয়। ঋণ পর্যবেক্ষণের মধ্যে নিম্নোক্ত কার্যক্রম উল্লেখ যোগ্য:

- ◆ বকেয়া ঋণের আসল ও সুদ আদায়, বকেয়া বাণিজ্যিক বিল, হিসাবের খরচ এবং এর শর্তাবলী পরিপালণ নিশ্চিতকরা।
- ৠণ শর্তাবলী পর্যবেক্ষণ, আর্থিক বিবরণী গ্রহণ ও বিশ্লেষণ করা।

২০১৪ সালে ব্যাংক কঠোর পর্যবেক্ষণ এবং বাংলাদেশ ব্যাংকের নিয়মানুযায়ী ঋণ আদায় ও পুনঃতফসিলিকরণের আওতায় নিয়মিতকরণের মাধ্যমে মন্দ ঋণ ৩.৬৪% এ সীমিত রাখতে সমর্থ হয়েছে।

১৮. শ্রেণীকৃত এবং অবলোপনকৃত ঋণের বিপরীতে আদায়

শ্রেণীকত এবং অবলোপনকত ঋণ আদায় ব্যাংকের প্রবৃদ্ধি অর্জনে গুরুত্বপূর্ণ ভূমিকা পালন করে থাকে। উক্ত ঋণ আদায় কার্যক্রম আরো বেগবান ও জোরদার করার লক্ষ্যে ব্যাংকের প্রধান কার্যালয় ও শাখা পর্যায়ে নানামুখী পদক্ষেপ গ্রহণ করা হয়ে থাকে। বিরূপ মানে শ্রেণীকৃত হওয়ার কারণ নির্ণয়পূর্বক প্রধান কার্যালয়ের লিগ্যাল অ্যাফেয়ার্স এন্ড রিকভারী ডিভিশন তা আদায়ের জন্য নানামুখী কার্যক্রম গ্রহণ করে থাকে। এতদ্যতীত গ্রাহকের বিরুদ্ধে দায়েরকৃত মামলাসমূহ দ্রুত নিষ্পত্তির লক্ষ্যে ব্যাংকের প্যানেলভুক্ত আইনজীবীর পাশাপাশি প্রয়োজনে দেশের খ্যাতনামা আইনজীবী নিয়োগ দেয়া হয়। তাছাড়া ব্যাংকের বন্ধকীকৃত/সার্টিফিকেট প্রাপ্ত সম্পত্তি নিলামের মাধ্যমে উপযুক্ত ক্রেতার নিকট উপযুক্ত মূল্যে বিক্রয়ের মাধ্যমে মন্দ ঋণ আদায়ের প্রক্রিয়া অব্যাহত আছে। শ্রেণীকৃত ও অবলোপনকৃত ঋণ আদায়ের লক্ষ্যে গঠিত উচ্চক্ষমতাসম্পন্ন দুটি টাস্কফোর্স এ সকল ঋণ আদায় কার্যক্রম নিবিড়ভাবে তদারকি করছে এবং প্রয়োজনীয় দিক নির্দেশনা প্রদান করছে।

এ সকল গৃহীত পদক্ষেপসমূহের মিলিত প্রভাবে ২০১৪ সালে শ্রেণীকৃত ঋণের বিপরীতে ৫৭৪.০৮ মিলিয়ন টাকা এবং অবলোপনকৃত ঋণের বিপরীতে আইন খরচ বাবদ ২.৩৪ মিলিয়ন টাকা সহ মোট ১৯.৩৭ মিলিয়ন টাকা নগদ আদায় হয়েছে। এতদ্ব্যতীত একই সময়ে মোট ১,৪৮৫.৫০ মিলিয়ন টাকার মামলা নিম্পত্তি করা হয়েছে।

১৯. বিনিয়োগ

২০১৪ সালে সাউথইস্ট ব্যাংকের বিনিয়োগের পরিমাণ ছিল ৫৬,৩৭৮.৫৯ মিলিয়ন টাকা যা ২০১৩ সালে ছিল ৫৭.৫৮৯.০৬ মিলিয়ন টাকা। বিনিয়োগের উপাদান ছিল ট্রেজারি বিল ও বন্ড, প্রাইজবন্ড, তালিকাভুক্ত ও অতালিকাভুক্ত কোম্পানীর শেয়ার।

২০. বৈদেশিক রেমিটেন্স আহরণ

বৈধভাবে প্রবাসীদের ঘামঝরা অর্থ স্বদেশে প্রেরণে সাউথইস্ট ব্যাংক অত্যন্ত গুরুত্বপূর্ণ অবদান রাখছে। বিগত ২০১৪ সালে ব্যাংকটি ৬২৯ মিলিয়ন মার্কিন ডলারের সমপরিমাণ বৈদেশিক মুদ্রা প্রবাসী আয় হিসেবে আনয়ন করেছে, যা দেশের ব্যাংকিং শিল্পের মোট রেমিটেন্সের শতকরা প্রায় ৩.৮০ ভাগ।

প্রবাসীদের সেবায় আধুনিকতার বাস্তব স্বাক্ষর রাখতে ব্যাংকটি সদা তৎপর রয়েছে। এ লক্ষ্যে মোবাইল ফোনের মাধ্যমে বৈদেশিক রেমিটেন্স নিরাপদে প্রাপকের হাতের মুঠোয় পৌছে দিতে টেলিক্যাশ নামে নতুন সেবা চালু করেছে। টেলিক্যাশের মাধ্যমে সহজে, দ্রুত ও নিরাপদে প্রবাসীদের সেবা নিশ্চিতকরণে ব্যাংকটি একধাপ এগিয়ে থাকলো। এ ছাড়া এসএমএস নোটিফিকেশনের মাধ্যমে প্রেরক ও প্রাপক উভয়কে লেনদেন সম্পাদনের তথ্যটি সুনিশ্চিত করে তাদের দুশ্চিস্তা লাঘব করে থাকে।

এছাড়া প্রবাসে কর্মস্থল থেকে সহজে, দ্রুত ও নিরাপদে অর্থ প্রেরণ নিশ্চিতকরণে ব্যাংকটি প্রবাসী নিবিড় (যেমন: যুক্তরাজ্য, অস্ট্রেলিয়া এবং সাউথ আফ্রিকা) দেশগুলোতে নিজস্ব মালিকানায় এক্সচেঞ্জ কোম্পানি প্রতিষ্ঠা করেছে, যা ব্যাংকটির দেশ ও মানুষের সেবায় নিজেকে সম্পৃক্তকরণে একটি স্বার্থক প্রয়াস।

প্রযুক্তির উৎকর্ষ, গ্রাহক বান্ধব সেবা প্রচলন ও কর্মকর্তাদের সমুজ্জল আন্তরিকতা সাউথইস্ট ব্যাংককে আজ দেশ ও বিদেশে স্বতন্ত্র মর্যাদায় অধিষ্ঠিত করেছে।

২১. সম্পদ ও দায় কমিটি (ALCO)

সম্পদ ও দায় কমিটি সিদ্ধান্ত গ্রহণে সক্ষম একটি উচ্চ পর্যায়ের কমিটি যার দায়িত্ব হল আর্থিক নীতি, অর্থনৈতিক অবস্থা এবং ঝুঁকি সংক্রান্ত বিষয়াবলী পর্যালোচনা করে যথাযথ দিক নির্দেশনা করা। ALCO সম্পদ ও দায় ব্যবস্থাপনা সংক্রান্ত বিষয়াবলী যেমন: তারল্য, সুদ হার ঝুঁকি ও বৈদেশিক মুদার বিনিময় হার ঝুঁকি ইত্যাদি নীতি প্রণয়ন, পর্যবেক্ষণ ও বাস্তবায়নে দায়িত্বশীল একটি কমিটি। বাংলাদেশ ব্যাংকের নীতিমালা অনুযায়ী পরিপূর্ণভাবে কার্যকরী কমিটি রয়েছে যার সভাপতি হচ্ছেন আমাদের ব্যাংকের ব্যবস্থাপনা পরিচালক; তাছাড়া অতিরিক্ত ব্যবস্থাপনা পরিচালক, উপ-ব্যবস্থাপনা পরিচালক এবং প্রধান কার্যালয়ের কৌশলগতভাবে গুরুত্বপূর্ণ

বিভাগের প্রধান ব্যক্তিগণও এই কমিটির সদস্য। সম্পদ ও দায় কমিটির সভা প্রতি মাসে অনুষ্ঠিত হয়।

২২. তথ্য প্রযুক্তি

প্রযুক্তির সঠিক প্রয়োগের মাধ্যমে ব্যাংকিং সেবায় গুণগত মান বৃদ্ধিতে শুধুমাত্র গ্রাহকগণই উপকৃত হন তা নয়, এই খাতের সকল অংশীদারগণই উপকৃত হচ্ছেন। এই সত্য উপলব্ধি করেই ব্যাংক এর প্রযুক্তির অবকাঠামোকে ও কোর ব্যাংকিং সফটওয়্যারকে অধিকতর জোরদার করার জন্য তথ্য প্রযুক্তিতে উল্লেখযোগ্য পরিমাণে বিনিয়োগ করেছে যাতে ব্যাংকের গ্রাহকগণ সময়মতো কাঙ্খিত সেবা পেতে পারেন এবং ব্যাংকের তথ্য-উপাত্তের নিশ্চয়তা বিধান করা যায়।এ লক্ষ্যে ব্যাংক ইতোমধ্যে প্রধান কার্যালয়ে তার নিজস্ব ডেটা সেন্টার এবং উত্তরায় শাখা কার্যালয়ে বিকল্প ডেটা সেন্টার স্থাপন করেছে। প্রধান ডেটা সেন্টার এবং বিকল্প ডেটা সেন্টারের মধ্যে স্থাপিত ফাইবার অপটিক কেবল এর মাধ্যমে ডেটা রেপ্লিকেশন চালু করা হয়েছে যাতে যে কোন ধরনের দুর্যোগে সর্বদা ব্যাংকের তথ্য-উপাত্তের প্রাপ্যতা নিশ্চিত করা যায়। ইন্টারনেটে তথ্য আদান প্রদানের জন্য ব্যাংকের অভ্যন্তরীণ নেটওয়ার্ক এবং সিস্টেম সমূহের নিরাপত্তা বিধানের লক্ষ্যে, সিকিউরিটি সলিউশান যেমন: Web Application Firewall, Web Gateway বাস্তবায়ন করা হয়েছে। এ ছাড়াও এসএমএস ব্যাংকিং সেবা চালু করা হয়েছে যা প্রতারণা মূলক লেনদেন প্রতিরোধে সহায়ক ভূমিকা পালন করে।

২৩. অল্টারনেটিভ ডেলিভারি চ্যানেল

প্রযুক্তি ভিত্তিক ঝামেলাহীন ও সুবিধাজনক ব্যাংকিং সেবা অন্যান্য ডেলিভারি চ্যানেল গুলোর মাধ্যমে প্রদানই হচ্ছে ব্যাংকের অন্যতম লক্ষ্য। এটিএম, ইন্টারনেট এবং মোবাইল ব্যাংকিং এর মাধ্যমে ই-ব্যাংকিং এর বিভিন্ন ধরনের সেবা গ্রাহকদের কাছে পৌছে দেওয়াই হচ্ছে মূল উদ্দেশ্য।

এ বছর ব্যাংক সারাদেশে ৯৪টি নিজস্ব এটিএম বুথ স্থাপন করেছে এবং উল্লেখযোগ্য সংখ্যক ডেবিট কার্ড কাস্টমারদেরকে প্রদান করেছে। পরবর্তী বছর গুলোতেও ব্যাংক সারা দেশব্যাপী এটিএম বুথ স্থাপনের কাজ আরও সম্প্রাসারণ করবে। ব্যাংকের নিজস্ব এটিএম নেটওয়ার্ক অমনিবাস নেটওয়ার্ক এবং বাংলাদেশ ব্যাংকের ন্যাশনাল পেমেন্ট সুইচ (NPSB) এর মাধ্যমে অন্যান্য কমার্শিয়াল ব্যাংক গুলোর এটিএম নেটওয়ার্কের সাথে যুক্ত আছে। যার ফলে এক ব্যাংকের গ্রাহকগণ অন্য ব্যাংকের এটিএম সেবা নিতে পারে। এ বছর ব্যাংকের সেবার পরিধি ইন্টারনেট ব্যংকিং এর মাধ্যমে আরও বৃদ্ধি করা হয়েছে। ইন্টারনেট ব্যাংকিং এর মাধ্যমে যে কোন প্রকার লেনদেন যেমন: তহবিল স্থানান্তর, ইউটিলিটি বিল এবং স্টুডেন্টস টিউশন ফি পরিশোধ ইত্যাদি লেনদেনে আরও নিরাপত্তা নিশ্চিত করার লক্ষ্যে Two Factor Authentication System (2FA) চালু করা হয়েছে। ইসলামিক ব্যাংকিং এর গ্রাহকদেরকেও এই সেবার আওতায় নিয়ে আসা হয়েছে।

সহজে টাকা পয়সা লেনদেন করতে পারার কারণে মোবাইল ব্যাংকিং আমাদের দেশের ব্যাংকিং সেবার আওতার বাইরের জনগণের কাছে স্বল্প সময়ে খুব জনপ্রিয়তা পেয়েছে। এ কারণে মোবাইল ব্যাংকিং সেবার মাধ্যমে ব্যাংকিং সেবার বাইরের একটা বৃহৎ জনগোষ্ঠিকে এই সেবার আওতায় নিয়ে আসার জন্য বাংলাদেশ ব্যাংক বিশেষ গুরুত্ব দিচ্ছে। ব্যাংকিং সেবার উপযোগী মোবাইল ব্যাংকিং সলিউশন ব্যাংক বাস্তবায়ন করছে এবং যার ব্যান্ড নাম দেয়া হয়েছে "টেলিক্যাশ"। মোবাইল ব্যাংকিং সেবা প্রদানের মাধ্যমে গ্রাহকদের সম্ভুষ্টি অর্জনই ব্যাংকের প্রধান লক্ষ্য।

২৪. অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন

গ্রুপের সম্পত্তি ও শেয়ারহোল্ডারগণের বিনিয়োগের নিরাপত্তা প্রদানের লক্ষ্যে সাউথইস্ট ব্যাংক গ্রুৎপর পরিচালনা পর্ষদ কর্তৃক একটি কার্যকর নিয়ন্ত্রণ ব্যবস্থা নিশ্চিত করা হয়। বাৎসরিক ভিত্তিতে পর্ষদ কর্তৃক তাদের অডিট কমিটির মাধ্যমে গ্রুপের অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থার কার্যকারিতা পর্যবেক্ষণ ও মূল্যায়ন করা হয়। আর্থিক পরিচালনাগত এবং পরিপালন নিয়ন্ত্রণ ও ঝুঁকি ব্যবস্থাপনাসহ সকল নিয়ন্ত্রণকৌশলকে উক্ত পর্যবেক্ষণের আওতায় আনা হয়। সাউথইস্ট ব্যাংক গ্রুপের দৈনন্দিন কার্যক্রমে স্থাপিত অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা এ গ্রুপের সংস্কৃতিরই একটি অংশ এবং তা সন্তোষজনকভাবে কার্যকর রয়েছে। উক্ত ব্যবস্থা গ্রুপের অন্তর্গত উপাদান থেকে উদ্ভূত অগ্রসরমান ব্যবসায়িক ঝুঁকি ও ব্যবসায়িক পরিবেশে পরিবর্তনসমূহের প্রতি দ্রুত সাড়া দিতে সক্ষম। উক্ত নিয়ন্ত্রণ ব্যবস্থা যেকোন উল্লেখযোগ্য নিয়ন্ত্রণ ব্যর্থতা বা দুর্বলতা ব্যবস্থাপনার উপযুক্ত স্তরে তাৎক্ষণিকভাবে রিপোটিং এর প্রক্রিয়াসমূহকেও অন্তর্ভুক্ত করে।

২৫. বাজেট এবং বাজেট নিয়ন্ত্রণ

ব্যাংক কর্তৃপক্ষ উর্ধ্বমূখী পরিকল্পনা অনুসরণ (bottom up planning approach) করে বিভিন্ন শাখাসমূহ থেকে বাজেটের খাতসমূহের (যেমন আমানত, অগ্রিম, লাভ, ব্যবসা

ইত্যাদি) প্রাথমিক প্রস্তাবনা আহবান করে। প্রধান কার্যালয়ের ব্যবস্থাপনা কর্তৃপক্ষ শাখা সমূহের উপাত্ত সমূহ সমন্বয় করে বাৎসরিক বাজেটের খসড়া তৈরী করে ব্যবসায়িক নীতি ও ব্যবস্থাপক সম্মেলনে আলোচনার মাধ্যমে বাজেট তৈরী সম্পন্ন করে। ব্যাংকের পরিচালনা পর্যদের অনুমোদনের পর বাজেট বাস্তবায়নের জন্য প্রেরণ করা হয়।ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষ ত্রেমাসিক ভিত্তিতে বাজেটের বিপরীতে বিভিন্ন লক্ষ্য মাত্রা অর্জন সমূহ বিশদ ভাবে পর্যালোচনা করা হয় যাতে করে বাজেটের লক্ষ্যসমূহ অর্জিত হয়।

২৬ . ৩১শে ডিসেম্বর, ২০১৪ পর্যন্ত ব্যাংকের কিছু নির্বাচিত সঞ্চয়ী হিসাবের বিবরণী:

সনাতন এবং ইসলামী ব্যাংকিং উভয়

হিসাবের নাম	হিসাবের সংখ্যা	সঞ্চয়ের পরিমাণ (টাকা) মিলিয়ন
সিডি	৬৯,৭৪৬	४,८०४.७३
এসএনডি	9,068	১৭,৪৭৬.৮৬
এসবি	২৮২,৩০৯	১৩,৫৩১.৮২
এফডিআর	৭৯,২৩৬	\$\$,808.98

সনাতন ব্যাংকিং

হিসাবের নাম	হিসাবের সংখ্যা	সঞ্চয়ের পরিমাণ (টাকা) মিলিয়ন
এমডিএস	8,535	১,৬২৬.৭০
ডিবিএস	১৫,১৩৩	১১,০৪৮.৩২
এমজিডিএস	৬৬২	২০৬.১৩
পিএসএস	৫৬,৬০৭	8,৬৫১.৯০
ডবিউপিএসএস	3,00€	৬৪.৭৯
এমআইএস	860	৩৮৩.৩৫
এমএসএস	২৯,১২১	১,৭১৫.৯৫
ইএসএস	৩৫	\$.80
এসডিবিএস	৯৩০	8৫২.৭৮

ইসলামী ব্যাংকিং

হিসাবের নাম	হিসাবের সংখ্যা	সঞ্চয়ের পরিমাণ (টাকা) মিলিয়ন
এমএমডিএস	৩০৬	४०.७०८
এমডিবিএস	১,৬৮৬	৮৬৩.৮৩
এমএমজিডিএস	৩৭	১০.৯৭
এমপিএসএস	৫, 98ኔ	৫৩২.৭৭
এমডাব্লিউপিএসএস	১২১	১৫.০৬
এমএমআইএস	১ ৯	۹۹.۹۵
এমএমএসএস	২,১১৭	300.38
ইএসএস	১২২	8.৯৯
এমএসডিবিএস	99	২৫.২৮
হজ্ব সঞ্চয়	30	0.99

২৭. আয় ও ব্যয়ের খাতওয়ারী বিশ্লেষণ

২০১৪ সালের ব্যাংকের আয় ও ব্যয়ের উপর একটি সংক্ষিপ্ত বিশ্লেষণ নিম্নে দেয়া হলোঃ

সুদ থেকে আয়

২০১৪ সালে সাউথইস্ট ব্যাংকের সুদ থেকে আয়ের পরিমাণ ছিল ১৯,২৩৩.৯০ মিলিয়ন টাকা, যা ২০১৩ সালে ছিল ১৯,২০০.৬৪ মিলিয়ন টাকা, প্রবৃদ্ধির হার ০.১৭ শতাংশ। এ প্রবৃদ্ধির নেপথ্যে রয়েছে ব্যাংক থেকে দেয়া ঋণ ও অগ্রিম।

সুদ প্রদানের জন্য ব্যয়

আলোচ্য বছরে সুদের জন্য ব্যয় ছিল ১৬,০৪৯.৯১ মিলিয়ন টাকা যা ২০১৩ সালে ছিল ১৭,২৩৩.৫১ মিলিয়ন টাকা, ক্রাসের হার ৬.৮৭ শতাংশ।

নীট সুদ আয়

ব্যাংকের নীট সুদ আয় ২০১৪ সালে দাঁড়ায় ৩,১৮৩.৯৯ মিলিয়ন টাকা যা গত বছর ছিল ১,৯৬৭.১৩ মিলিয়ন টাকা।

বিনিয়োগ থেকে আয়

২০১৪ সালে সাউথইস্ট ব্যাংকের বিনিয়োগ থেকে আয়ের পরিমাণ ছিল ৫,২৭৪.২৭ মিলিয়ন টাকা যা ২০১৩ সালে ছিল ৪,৭৮২.৬৫ মিলিয়ন টাকা। বিনিয়োগ থেকে আয়ের উপাদান ছিল ট্রেজারী বিল ও বন্ডের উপর সুদ, মূলধনী আয় এবং পুনঃমূল্যায়ন আয়, শেয়ারের লভ্যাংশ এবং শেয়ার বিক্রয়লব্ধ আয়।



অন্যান্য আয়

আলোচ্য ২০১৪ সালে কমিশন, বিনিময় এবং দালালি থেকে আয় হয়েছে ২,৬৬৬.৭৩ মিলিয়ন টাকা, যা গত ২০১৩ সালে ছিল ২,৪৪০.৩৭ মিলিয়ন টাকা। মূলতঃ বর্ধিত ব্যবসা এবং ফি-ভিত্তিক কর্মকান্ড থেকে এ আয় এসেছে।

পরিচালন ব্যয়

২০১৩ সালে ব্যাংকের মোট পরিচালন ব্যয় ছিল ২,৯৮৪.৬০ মিলিয়ন টাকা যা শতকরা ১১.৪৯ ভাগ বেড়ে ২০১৪ সালে হয়েছে ৩.৩২৭.৪৩ মিলিয়ন টাকা।

ঋণ ও অন্যান্যের বিপরীতে সঞ্চিতি

এ বছর ব্যাংক ঋণ ও অন্যান্যের বিপরীতে সঞ্চিতি রেখেছে ১,৫২৯.১০ মিলিয়ন টাকা যা ২০১৩ সালে ছিল ৬২১.৩৭ মিলিয়ন টাকা।

২৮. সম্পদের পোর্টফলিও

৩১ ডিসেম্বর ২০১৪ তারিখে ব্যাংকের মোট সম্পদের পরিমাণ ছিল ২৩৬,৬০৮.৪০ মিলিয়ন টাকা। ব্যাংকের মোট সম্পদের মিশ্রণ ছিল নিয়ুরুপ:

বিবরণ	মিলিয়ন টাকায়
নগদ ও নগদের সমতুল্য	২১,৭৭২.০৩
বিনিয়োগ	৫৬,৩৭৮.৫৯
ঋণও অগ্রিম	\$ 89,090. b\$
স্থায়ী সম্পদ	٩,৯ ১৩ .००
অন্যান্য সম্পদ	৩,৪৭৩.৯৭
মোট সম্পদ	২৩৬,৬০৮.৪০

২৯. আই.এ.এস এবং আই.এফ.আর.এস. এর প্রয়োগ প্রসংগে

ইন্টারন্যাশনাল একাউন্টিং স্ট্যন্ডার্ড (আই.এ.এস) এবং ইন্টারন্যাশনাল ফাইন্যানশিয়াল রিপোটিং সিস্টেম (আই. এফ.আর.এস), ইন্সটিটিউট অব চার্টাড একাউন্টটেন্টস অব বাংলাদেশ(আইসিএবি) কর্তৃক গৃহীত হয়েছে। এস.ই.সি এবং বাংলাদেশ ব্যাংক ও আই.এ.এস এবং আই.এফ.আর. এস প্রয়োগ বাধ্যতামূলক করেছে। আমরা আমাদের আর্থিক বিবরণী প্রস্তুত করার ক্ষেত্রে উপরোক্ত নীতিমালা ও পদ্ধতি পরিপালন করেছি।

৩০, বিগত ৫ বছরের ঋণ বিতরণ কার্যক্রম

সাউথইস্ট ব্যাংক লিমিটেড ঋণ সম্প্রসারণ নীতির আওতায় ১৯৯৫ সাল থেকে বাংলাদেশের বৃহৎ শিল্প, কৃষি, ক্ষুদ্র ও মাঝারি শিল্প এবং আমদানি রপ্তানি বাণিজ্য ইত্যাদি বিকাশে সহায়তা করার মাধ্যমে অর্থনৈতিক গতিশীলতায় গুরুতুপূর্ণ অবদান রেখে চলেছে। এই প্রক্রিয়ার অংশ হিসেবে ব্যাংক কর্তপক্ষ ক্রেডিট পোর্টফলিও বহুমুখীকরণের আওতায় ধান পার্ট, আলু, পান, মসলাজাতীয় চাষাবাদ, ক্ষদ্র ও মাঝারি শিল্প, বস্ত্র খাত, কাগজ শিল্প, খাদ্য রূপান্তর, লৌহ শিল্প, পাইকারী ও খচরা ইত্যাদি খাতে অর্থায়ন করে। বিগত বছরগুলোতে ব্যাংক ক্ষুদ্র ও মাঝারি শিল্প এবং রপ্তানি শিল্পে গুরুত্বসহকারে অর্থায়ন করে আসছে। ব্যাংক ২০১৪ সালে মোট ঋণ বিতরণ করেছে ১৮৩.৫০০.৭০ মিলিয়ন টাকা এবং আদায় হয়েছে ১৭১.২৮৯.৯০ মিলিয়ন টাকা। ফলশ্রুতিতে বছর শেষে সামগ্রিক ঋণের স্থিতি দাঁড়িয়েছে সর্বমোট ১৪৭,০৭০.৮১ মিলিয়ন টাকা যেখানে পূর্ববর্তী বছরের তুলনায় প্রবৃদ্ধি হয়েছে ৯.০৫ শতাংশ। বিগত পাঁচ বছরে ব্যাংকের সর্বমোট ঋণ এবং প্রবৃদ্ধি নিম্নে প্রদত্ত হলঃ

বছর	ঋণ (মিলিয়ন টাকা)	প্রবৃদ্ধির হার
२०५8	\$89,090.5\$	৯.০৫%
2030	১৩৪,৮৬৩.৮২	৬.২১%
२०১२	১২৬,৯৬৮.৯৭	Sb.08%
२०১১	১০৭,২৮৮.৫৬	১৪.১৬%
২০১০	৯৩,৯৮১.২০	২১.২৭%

৩১. পরিচালন মুনাফায় বিগত পাঁচ বছরে প্রবৃদ্ধি

এ বছর ব্যাংক ৮,২৮৯.৭৬ মিলিয়ন টাকা পরিচালন মুনাফা অর্জন করে। ২০১৩ সনে ব্যাংকের পরিচালন মুনাফা ছিল ৬,৭০০.২০ মিলিয়ন টাকা। ব্যাংকের বিগত পাঁচ বৎসরের পরিচালন মুনাফার পরিমাণ নিমুরূপ:

বছর	মিলিয়ন টাকায়
२० ১ 8	৮,২৮৯.৭৬
২০১৩	৬,৭০০.২০
२० ১ २	ራረ. ୬ ሬ 8,୬
50??	৬,০৮৫.৬৬
২০১০	৬,৭৬৯.২৭

৩২ বিগত পাঁচ বছরের পরিচালন আয়

২০১৪ সালে পরিচালন আয় ছিল ১১,৬১৭.১৯ মিলিয়ন টাকা যার মধ্যে ছিল নীট সুদ আয়, বিনিয়োগ হতে আয়, কমিশন, এক্সচেঞ্জ ও দালালি এবং অন্যান্য আয়। ২০১৩ সালে পরিচালন আয় ছিল ৯,৬৮৪.৮০ মিলিয়ন টাকা। ব্যাংকের বিগত পাঁচ বৎসরের পরিচালন আয় নিমুরূপ:

বছর	মিলিয়ন টাকায়
२० ১ 8	১১,৬১ ৭.১৯
২০১৩	৯,৬৮৪.৮০
२०১२	৭,৮৩১.৬২
50??	৮,১৬৮.৪৬
2030	৮,৫০৭.০০

৩৩. বিগত পাঁচ বছরে ইক্যুইটির উপর আয় হার

ব্যাংকের ইক্যুইটির উপর আয় আলোচ্য বছরে হয়েছে ১৬.৫১ শতাংশ যা গত বছর ছিল ১৬.২০ শতাংশ। ব্যাংকের বিগত পাঁচ বছরে ইক্যুইটির উপর আয়ের হার নিমুরূপ:

বছর	শতকরা হার
২০১৪	১৬.৫১%
২০১৩	১ ৬.২০%
২০১২	৮.৪২%
২০ ১১	\$0.89%
২০১০	\$\$.8\$%

৩৪. কর সঞ্চিতি

২০১৪ সালে কর সঞ্চিতি (চলতি এবং বিলম্বিত) রাখা হয়েছে ২,৯২৩.৭২ মিলিয়ন টাকা যা পূর্ববতী বছরে ছিল ২,৭০০.০০ মিলিয়ন টাকা।

৩৫. সংস্থান ও কর পূর্ববর্তী মুনাফা

এ বছর ব্যাংকের সংস্থান ও করপূর্ববর্তী মুনাফা ছিল ৮,২৮৯.৭৬ মিলিয়ন টাকা। যা ২০১৩ সনে ছিল ৬,৭০০.২০ মিলিয়ন টাকা।

৩৬. সংস্থান ও কর পরবর্তী মুনাফা

এ বছর ব্যাংকের কর পরবর্তী মুনাফা ৩,৮৩৬.৯৪ মিলিয়ন টাকা। যা ২০১৩ সনে ছিল ৩.৩৭৮.৮২ মিলিয়ন টাকা।

৩৭. নীট মুনাফায় বিগত পাঁচ বছরের প্রবৃদ্ধি

২০১৪ সালে সঞ্চিতি এবং করের পরে মুনাফা হয়েছে ৩,৮৩৬.৯৪ মিলিয়ন টাকা যা গত বছরে ছিল ৩,৩৭৮.৮২ মিলিয়ন টাকা। গত ৫ বছরের নীট মুনাফার চিত্র ছিল নিমুরূপ:

বছর	মিলিয়ন টাকায়
২০১৪	৩,৮৩৬.৯৪
২০১৩	৩,৩৭৮.৮২
২০১২	১,৬৪৮.৭২
২০১১	১,৯১২.১৯
२०১०	২,৭৬৩.৯৩

৩৮. সংরক্ষিত তহবিল

ব্যাংক কোম্পানী এ্যাষ্ট ১৯৯১ এ ২৪ ধারা অনুযায়ী আয়কর পূর্ব মুনাফার উপর ২০ শতাংশ অর্থাৎ ১,৩৪৭.৯৯ মিলিয়ন টাকা সংরক্ষিত তহবিলে স্থানান্তর করা হয়েছে। উল্লেখ্য, ৩১শে ডিসেম্বরে, ২০১৪ তারিখে মোট সংরক্ষিত তহবিলের পরিমাণ দাঁড়িয়েছে ৭,৭৯২.৮১ মিলিয়ন টাকা।

৩৯. সাউথইস্ট ব্যাংক ক্যাপিটাল সার্ভিসেস লিমিটেড

মার্চেন্ট ব্যাংকিং ব্যবসা পরিচালনার জন্য ব্যাংকের একটি সাবসিডিয়ারি কোম্পানী হলো সাউথইস্ট ব্যাংক ক্যাপিটাল সার্ভিসেস লিমিটেড। কোম্পানী আইন ১৯৯৪ অনুযায়ী এই কোম্পানীটি রেজিস্ট্রার অফ জয়েন্ট স্টক কোম্পানীতে পাবলিক লিমিটেড কোম্পানী হিসেবে নিবন্ধিত হয় যার পরিশোধিত মূলধন ১,০০০ মিলিয়ন টাকা এবং অনুমোদিত মূলধন ৩,০০০ মিলিয়ন টাকা।

চলতি অর্থ বছরে কোম্পানীর মোট পরিচালন মুনাফার পরিমাণ ছিল ২৩.৬৯ মিলিয়ন টাকা যার কর পরবর্তী নীট ক্ষতি দাঁড়ায় ২৯.৪১ মিলিয়ন টাকায়। এই কোম্পানী কোইস্যু ম্যানেজার হিসেবে দুটি রাইট শেয়ার ইস্যু এবং আন্ডার-রাইটার হিসেবে পাঁচটি পাবলিক ও রাইট শেয়ার ইস্যুতে কাজ সুসম্পন্ন করেছে। পুঁজিবাজারে এই কোম্পানীর নিজস্ব বিনিয়োগ (পোর্টফোলিও) উল্লেখযোগ্য হারে বৃদ্ধি পাচ্ছে। আশা করা যায় ২০১৫ সালে এই কোম্পানী তাদের বিনিয়োগ হতে আশানুরূপ মুনাফা অর্জনে সক্ষম হবে।

৪০. ইসলামী ব্যাংকিং

ইসলামী ব্যাংকিং এর উদ্ভব হয়েছে মূলত ধর্মীয় অনুভূতি ও অর্থনৈতিক প্রয়োজনে। ইসলাম সকল ধরনের সুদযুক্ত লেনদেন নিষিদ্ধ করেছে।

সাউথইস্ট ব্যাংক লিমিটেড ব্যক্তি মালিকানাধীন ব্যাংকসমূহের মধ্যে নেতৃস্থানীয় ব্যাংক। এ ব্যাংক সনাতন ব্যাংকিং সেবার সাথে সাথে পৃথকভাবে ইসলামী ব্যাংকিং সেবাও ইসলামিক শরীয়াহ্ মূলনীতির ভিত্তিতে প্রদান করছে। ইসলামিক ব্যাংকিং শাখাগুলোর কার্যক্রম সম্পূর্ণরূপে সনাতন ব্যাংকিং কার্যক্রম থেকে ভিন্ন। ব্যাংক ইসলামিক ব্যাংকিং হিসাবসমূহ সম্পূর্ণ আলাদাভাবে সংরক্ষণ করে থাকে।

ব্যাংক ২০০৩ সালে ইসলামী ব্যাংকিং কার্যক্রম শুরু করে। ব্যাংক এর মোট ১১৩ টি শাখার মধ্যে ০৫ টি ইসলামিক ব্যাংকিং শাখার মাধ্যমে এ সেবা প্রদান করছে। ইসলামী ব্যাংকিং কার্যক্রম সম্প্রসারণের লক্ষ্যে ব্যাংকের পরিচালনা পর্যদ Strategic Business Plan অনুমোদন করেছে। এ Strategic Business Plan এর মাধ্যমে সনাতন ব্যাংকিং শাখা সমূহে ইসলামী ব্যাংকিং সার্ভিস ডেক্স এর প্রবর্তন করা হয়েছে। উক্ত Strategic Business Plan এর আওতায় সকল ইসলামী ব্যাংকিং সেবা সমূহকে সাউথইস্ট তিজারাহ্ নামে অভিহিত করা হয়।

ইসলামিক ব্যাংকিং কার্যক্রম পরিচালনার জন্য ব্যাংকে দেশের শীর্ষস্থানীয় ইসলামিক চিন্তাবিদ এবং ইসলামিক ব্যাংকার নিয়ে একটি শরীয়াহ্ সুপারভাইজারি কমিটি রয়েছে।

উক্ত শরীয়াহ সুপারভাইজারি কমিটির তত্ত্বাবধানে ব্যাংক সকল প্রকার আমানত, বিনিয়োগ স্কীমসমূহ এবং নীতিমালা প্রণয়ন ও দিকনির্দেশনা দিয়ে থাকে । ব্যাংক ইসলামিক ব্যাংক সমূহের কেন্দ্রীয় শরীয়াহ্ বোর্ড এবং ইসলামিক ব্যাংক সমূহের কনসালটেটিভ ফোরামের সদস্য। ব্যাংক দেশ-বিদেশের অন্যান্য ইসলামিক ব্যাংক সমূহের সাথে সুসম্পর্ক বহাল রেখে কাজ করে থাকে।

ডিসেম্বর ৩১, ২০১৪ ইং তারিখে সমাপ্ত হিসাব অনুসারে ইসলামিক ব্যাংকিং শাখা সমূহের আমানত ও বিনিয়োগের পরিমাণ ছিল যথাক্রমে ১৯,৭১৫.২৮ মিলিয়ন টাকা এবং ৮,৯৬৯.৫৪ মিলিয়ন টাকা এবং ২০১৩ সালের তুলনায় প্রবৃদ্ধির হার যথাক্রমে ৩.২৩ % এবং ৮.৭২ %। আলোচ্য বছরে ব্যাংকের ইসলামী ব্যাংকিং শাখাগুলোর মোট আমদানি ও রপ্তানি ব্যবসার পরিমাণ ছিল যথাক্রমে ৪,১০২.৯১ মিলিয়ন এবং ৮,২০১.০০ মিলিয়ন টাকা যা পূর্ববর্তী বছরের তুলনায় উল্লেখযোগ্য হারে বৃদ্ধি পেয়েছে। ২০১৪ সালে ইসলামী ব্যাংকিং শাখা সমূহের মোট খেলাপি ঋণের পরিমাণ ছিল ১৫.৭৬%। ডিসেম্বর ৩১, ২০১৪ইং তারিখে ইসলামিক ব্যাংকিং শাখা সমূহের উদ্ভূপত্র ও আয় ব্যয়ের হিসাব এ প্রতিবেদনে সরিবেশিত হল।

8১. ক্রেডিট কার্ড

২০০৫ সাল হতে সাউথইস্ট ব্যাংক এর কার্ড ব্যবসা ধারাবাহিকভাবে উন্নতি করছে। পূর্বের মত ২০১৪ সালও টেকসই ব্যবসায়িক উন্নতির ক্ষেত্রে একটি সাফল্যমন্ডিত বছর। ২০১৪ সালে নীট লাভের ক্ষেত্রে শতকরা প্রবৃদ্ধি ১৭.৯৪ ভাগ, কার্ড সংখ্যার ক্ষেত্রে প্রবৃদ্ধি ১৩.৯১ ভাগ এবং ঋণ বিতরণে প্রবৃদ্ধি ১০.১৬ ভাগ।

২০১৪ সালে কার্ডডিভিশন ব্যবসায়িক কার্যক্রম সম্প্রসারণের জন্য বহুমুখী উদ্যোগ গ্রহণ করেছে। অন-লাইন Card Application গ্রহণ এবং ফান্ড ট্রাঙ্গফার সুবিধা ইতিমধ্যে আরম্ভ করা হয়েছে। আরও একটি বিশ্বব্যাপী পরিচিত কার্ড ব্র্যান্ড 'MasterCard' ২০১৫ সালের প্রথম প্রান্তিকেই চালু করা হবে। একই সাথে 3rd Party'র (Card Management System) পরিচালনা কার্যক্রম হতে নিজস্ব তত্ত্বাবধানে CMS পরিচালিত হবে, যা কার্যকর ভাবে এগিয়ে চলছে। আমাদের ATM গুলিতে Visa Card গ্রহণ করার সুবিধা, ই-কমার্স অ্যাকুয়ারিং, EMV ক্রেডিট কার্ড এবং ATM নেটওয়্রাক সম্প্রসারণেও তাৎপর্যপূর্ণ উদ্যোগ গ্রহণ করা হয়েছে।

আমরা বিশ্বাস করি আমাদের কার্যক্রম আরও এগিয়ে যাওয়ার জন্য অনেক সম্ভাবনা রয়েছে ।

৪২. ঋণ শ্রেণীকরণ

সাউথইস্ট ব্যাংক লিমিটেড বাংলাদেশ ব্যাংকের ঋণ শ্রেণীবিন্যাসকরণ এবং এর বিপরীতে প্রয়োজনীয় সংস্থান সংরক্ষণ সম্পর্কিত নীতিমালা কঠোরভাবে পরিপালন করে থাকে। ব্যাংকের বিতরণ করা সর্বমোট ঋণের মধ্যে ৩১শে ডিসেম্বর ২০১৪ পর্যন্ত শ্রেণীকৃত ঋণের পরিমাণ ৫,৩৮৭.৭৪ মিলিয়ন টাকা যা বিতরণকৃত ঋণের ৩.৬৪ শতাংশ। ব্যাংকের অশ্রেণীকৃত ও শ্রেণীকৃত ঋণের অবস্থা নিম্নে প্রদত্ত হল:

বিবরণ	পরিমাণ (মিলিয়ন টাকা)	শতকরা হার
ক. অশ্ৰেণীকৃত ঋণ		
০১. নিয়মিত	১৩৮,৭৩৭.৭২	৯৩.৭৭
০২. স্পেশাল মেনশন একাউন্ট	৩,৮৩১.০৯	২.৫৯
উপমোট	১ 8২,৫৬৮.৮১	৯৬.৩৬
খ. শ্ৰেণীকৃত ঋণ		
০১. নিমুমান	8৩২.৫৮	০.২৯
০২. সন্দেহজনক / অনিশ্চিত	৬৪২.৩৩	0.80
০৩. মন্দ ঋণ	8,932.50	২.৯২
উপমোট	৫,৩৮৭.৭৪	৩.৬৪
সর্বমোট (ক+খ)	১ 8৭,৯৫৬.৫৫	\$00

৪৩. শাখা সম্প্রসারণ কর্মসূচী

সাউথইস্ট ব্যাংক লিমিটেড তাদের সুগঠিত ও বিস্তৃত শাখার মাধ্যমে ব্যাংকিং কার্যক্রম পরিচালনা করছে। ২০১৪ সালের ডিসেম্বর পর্যন্ত ব্যাংকের শাখার সংখ্যা ১১৩টি। এর মধ্যে ৬১টি শহরকেন্দ্রীক শাখা, ৩৭টি পল্লী-শাখা, ১৫টি এসএমই/কৃষি শাখা এবং ৫টি শাখা ইসলামী শরিরাহ্ মোতাবেক পরিচালিত হচ্ছে যা দেশের গুরুত্বপূর্ণ ব্যবসাকেন্দ্র সমূহে বিস্তৃত আছে। ঢাকা ও চট্টগ্রামে অবস্থিত দেশের রপ্তানি প্রক্রিয়াজাতকরণ এলাকায় ব্যাংকের ২টি অফ্-শোর ব্যাংকিং ইউনিট রয়েছে। মহিলা উদ্যোক্তাদের উৎসাহিত করা এবং ব্যবসায়িক সুবিধার জন্য সাউথইস্ট ব্যাংক লিমিটেড ২০১৪ সালে ২ (দুই) টি বিশেষায়িত মহিলা শাখার কার্যক্রম শুরুত্বর ব্যাংকিং সুবিধা বিস্তৃতিকল্পে সাউথইস্ট ব্যাংক লিমিটেড বাংলাদেশ ব্যাংকের অনুমোদন সাপেক্ষে ২০১৫ সালে ১০টি নতুন শাখা খোলার পরিকল্পনা গ্রহণ করেছে।

88. ব্যাসেল নীতিমালা বাস্তবায়ন

ব্যাসেল নীতিমালা

ব্যাংক কেন্দ্রীয় ব্যাংকের নির্দেশনা অনুসারে সফলভাবে ব্যাসেল-২ নীতিমালা বাস্তবায়ন করেছে। ব্যাসেল নীতিমালার তিনটি স্তম্ভ-

স্তম্ভ-১: ঋণ, বাজার ও পরিচালন ঝুঁকির বিপরীতে ন্যূনতম মূলধনের পরিমাণ নির্ধারণ

স্তম্ভ-২: পর্যাপ্ত মূলধনের পরিমাণ নির্ধারণ এবং

স্তম্ভ-৩: সম্পদের ঝুঁকি এবং মূলধন পর্যাপ্ততার তথ্য প্রকাশ ।

ব্যাংক ২০১০ সালে ব্যাসেল-২ নীতিমালা গ্রহণ করে এবং স্কম্ভ-১ এর আওতায় ঋণ, বাজার এবং পরিচালন ঝুঁকির বিপরীতে ন্যূনতম মূলধন নির্ণয় করা শুরু করে। অন্যদিকে স্কম্ভ-২ এবং স্কম্ভ-৩ এর আওতায় যথাক্রমে তদারকি পর্যালোচনা এবং ঝুঁকি ও মূলধন পর্যাপ্ততার তথ্য প্রকাশ করে থাকে। সম্প্রতি কেন্দ্রীয় ব্যাংক ব্যাসেল-৩ নীতিমালা প্রকাশ করেছে, যা ২০১৫ সাল থেকে বাস্তবায়িত হবে। ব্যাসেল-৩ নীতিমালা অনুযায়ী ব্যাংক স্কম্ভ-১ এর অধীনে প্রয়োজনীয় মূলধনের অতিরিক্ত আপদকালীন মূলধন সংরক্ষণ করতে হবে, যা ২০১৯ সাল পর্যন্ত ধাপে ধাপে বৃদ্ধি পাবে।

বাস্তবায়ন

৩১শে ডিসেম্বর, ২০১৪ অনুযায়ী মূলধন পর্যাপ্ততার হার ছিল ১২.৪১%। ব্যাংকের মোট মূলধন, ডিসেম্বর ৩১, ২০১৩ অনুযায়ী ২১,৮০৭.৫৭ মিলিয়ন টাকা থেকে ২০১৪ এর ৩১শে ডিসেম্বর ২৭,৪৬২.০৯ মিলিয়ন টাকায় উন্নীত হয়েছে। বর্ধিত মূলধন ব্যাংকের মূলধন পর্যাপ্ততার হার এবং অন্যান্য হার সংরক্ষণে সাহায্য করছে। ব্যাংক ঋণ ঝুঁকি নিরুপণের জন্য নির্দিষ্ট প্রমিতকরণ নীতি, বাজার ঝুঁকি নিরুপণের জন্য নির্দিষ্ট মান প্রমিতকরণ নীতি এবং পরিচালন ঝুঁকি নিরুপণের জন্য মৌলিক সূচক নীতি অনুসরণ করেছে। স্তম্ভ-৩ এর আওতায় ব্যাংক বর্তমানে তার গুণবাচক এবং সংখ্যাবাচক উভয় প্রকার তথ্যাদি প্রকাশ করছে, যা একটি স্বচ্ছ ও সুশৃঙ্খল অর্থবাজার প্রতিষ্ঠায় সহায়ক।

ব্যাংকের মূলধন কাঠামো আরও শক্তিশালী করার লক্ষ্যে ব্যাংক ২০১৪ সালের ডিসেম্বরে ৩,০০০ (তিন হাজার) মিলিয়ন টাকার ৭ বছর মেয়াদী নন-কনভারটেবল সাবঅর্ডিনেটেড বন্ড ইস্যু করেছে। ব্যাসেল-৩ এর দুটি গুরুত্বপূর্ণ অংশ ১. লিভারেজ এবং ২. লিকুইডিটি স্ট্যাভার্ডস ব্যাংকের ঝুঁকি ব্যবস্থাপনা কৌশল ও রীতিতে অন্তর্ভূক্ত করা হচ্ছে।

৪৫. তদারকি পর্যালোচনা পদ্ধতি

ব্যাসেল-২ মূলধন নীতিমালার তিনটি স্তম্ভের অন্যতম 'তদারকি পর্যালোচনা পদ্ধতি'। ব্যাংকের সব ধরনের ঝুঁকি মোকাবেলায় পর্যাপ্ত মূলধন নিশ্চিত করা এবং ঝুঁকি মোকাবেলা ও ব্যবস্থাপনায় উন্নত কৌশল প্রয়োগ করাই তদারকি পর্যালোচনার উদ্দেশ্য।

তদারকি পর্যালোচনার চারটি প্রধান নীতিমালা হল:

প্রথম : ব্যাংকগুলো তাদের সামগ্রিক ঝুঁকির সাথে সঙ্গতিপূর্ণ পর্যাপ্ত মূলধন নির্ধারণে একটি প্রক্রিয়া তৈরী করবে এবং তাদের মূলধনকে নির্দিষ্ট মাত্রায় ধরে রাখার জন্য সঠিক কৌশল ব্যবহার করবে। षिতীয় : ব্যাংকগুলি তাদের অভ্যন্তরীণ মূলধন পর্যাপ্ততা নির্ধারণের পদ্ধতি এবং কেন্দ্রীয় ব্যাংক কর্তৃক নির্ধারিত মূলধনের সংস্থান করতে ব্যবহৃত কৌশলের পর্যালোচনা এবং মূল্যায়ন করবে।

তৃতীয় : ব্যাংকগুলি কেন্দ্রীয় ব্যাংক কর্তৃক নির্ধারিত নীতিমালার আলোকে ন্যূনতম মূলধনের বেশী মূলধন নিয়ে ব্যবসা পরিচালনা করবে এবং ন্যূনতম মূলধনের অতিরিক্ত মূলধন সংরক্ষণের সক্ষমতা গড়ে তুলবে।

চতুর্থ: ব্যাংকের মূলধন ন্যূনতম পর্যায়ের নীচে নামার আগেই কেন্দ্রীয় ব্যাংক হস্তক্ষেপ করবে এবং প্রয়োজনীয় ব্যবস্থা গ্রহণ করবে।

তদারকি পর্যালোচনা পদ্ধতিতে তিন ধরনের ঝুঁকি নির্ধারণ করা হয়। প্রথম বিভাগ সেই সকল ঝুঁকিসমূহকে নির্ণয় করে, যেগুলি প্রথম স্তম্ভের সহজাত ঝুঁকি হিসাবে সম্পূর্ণরূপে প্রথম স্তম্ভের আওতায় অন্তর্ভুক্ত হয়নি। দ্বিতীয় বিভাগে যেগুলি প্রথম স্তম্ভের আওতায় অনুপস্থিত সেই সকল ঝুঁকিসমূহকে অন্তর্ভুক্ত করে। তৃতীয় বিভাগে ব্যবসায় চক্র হতে উদ্ভূত সঙ্কট, সামষ্টিক অর্থনৈতিক পরিবেশ দ্বারা সৃষ্ট ঝুঁকি ইত্যাদি নিরূপণ করা হয়।

এই স্তম্ভের একটি গুরুত্বপূর্ণ দিক হল, 'তদারকি পর্যালোচনা ব্যবস্থা ও তদারকি পর্যালোচনা মূল্যায়ন ব্যবস্থার উপর মত বিনিময় সভা'। এই মত বিনিময় সভায় তদারকি পর্যালোচনা ব্যবস্থাপনা দল গঠিত হবে ব্যাংকের উচ্চপদস্থ কর্মকর্তাদের সমন্বয়ে এবং তদারকি পর্যালোচনা মূল্যায়ন ব্যবস্থাপনা দল গঠিত হবে বাংলাদেশ ব্যাংকের প্রতিনিধিদের দ্বারা। এই সভার লক্ষ্য হল, আলোচনার মাধ্যমে ব্যাংকের পর্যাপ্ত মূলধনের পরিমাণ নির্ধারণ করা। তদারকি পর্যালোচনা পদ্ধতির একটি গুরুত্বপূর্ণ উপাদান হল স্ট্রেস টেস্টিং যার মাধ্যমে সম্ভাব্য ঘটনা সমূহকে অথবা বাজার পরিস্থিতির পরিবর্তন হতে সৃষ্ট উপাদান সমূহের সাথে ব্যাংকের টিকে থাকার সক্ষমতা মূল্যায়ন করা হয়।

ব্যাংক ব্যাসেল-২ মূলধন কাঠামোর দ্বিতীয় স্তম্ভের আওতায় নিম্নোক্ত ঝুঁকি সমূহকে বিবেচনায় নিয়ে তার পর্যাপ্ত মূলধনের পরিমাণ নির্ধারণ করেছে: রেসিডুয়াল রিস্ক, কসেন্ট্রেশান রিস্ক, ইন্টারেস্ট রেট রিস্ক ইন দা ব্যাংকিং বুক, লিকুইডিটি রিস্ক, রেপুটেশনাল রিস্ক, স্ট্র্যাটেজিক রিস্ক ইত্যাদি এবং বাংলাদেশ ব্যাংকে যথাযথ বিবরণ সহকারে দাখিল করেছে। ব্যাংক তার ত্রেমাসিক আর্থিক বিবরণীর ভিত্তিতে স্ট্রেস টেস্টিং সম্পাদন করে থাকে এবং ব্যাসেল-২ মূলধন কাঠামোর দ্বিতীয় স্তম্ভের আওতায় তার ফলাফল সমূহকে বাংলাদেশ ব্যাংকে দাখিল করে।

৪৬. কোম্পানী সুশাসন

দায়িত্বশীল ব্যবস্থাপনা ও সুদৃঢ় তদারকি ব্যবস্থার মাধ্যমে প্রশাসনিক সুশাসন আরও জোরদার করা ব্যাংকের মূলনীতিগুলোর অন্যতম । ব্যাংক ব্যবস্থাপনায় স্বচ্ছতা এবং দায়বদ্ধতা বৃদ্ধির নিমিত্তে প্রয়োজনীয় পদক্ষেপ গ্রহণ করা হয়েছে । লক্ষ্য অর্জনে ব্যাংক সকল স্তরে প্রশাসনিক সুশাসন নিশ্চিত করাকে সর্বোচ্চ অগ্রাধিকার দিয়ে থাকে।

২০১২ সালের ৭ই আগষ্ট তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক জারিকৃত প্রজ্ঞাপন নং এইসি/ সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪ এ প্রণীত বিধানাবলী বাস্তবায়নে ব্যাংক প্রয়োজনীয় ব্যবস্থা গ্রহণ করছে।

8৭. বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) ৭ই আগষ্ট, ২০১২ ইং তারিখের বিজ্ঞপ্তির কতিপয় বিধিবিধানের পরিপালন সংক্রান্ত ঘোষণা।

- ক) ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক প্রস্তুতকৃত আর্থিক বিবরণীসমূহ ব্যাংকের অবস্থা, এর কার্যক্রমপ্রসূত ফলাফল, নগদ অর্থপ্রবাহ এবং ইক্যুইটির পরিবর্তন যথাযথ ভাবে প্রতিয়মান হয়েছে।
- খ) এ্যাকাউন্টিং রেকর্ডে সকল লেনদেন অন্তর্ভূক্ত করা হয়েছে এবং সেগুলো আর্থিক বিবরণীতে প্রতীয়মান হয়েছে। ব্যাংকে এ্যাকাউন্টিং সংক্রান্ত হিসাব বই যথাযথ ভাবে রক্ষিত হয়েছে।
- গ) আর্থিক বিবরণী প্রস্তুতকালে যথাযথ এ্যাকাউন্টিং পলিসিগুলো সামঞ্জস্যপূর্ণভাবে অনুসরণ করা হয়েছে এবং এ্যাকাউন্টিং সংক্রান্ত প্রাক্কলন যুক্তিযুক্ত এবং বিচক্ষণ বিবেচনার ফসল।
- ঘ) বাংলাদেশে প্রযোজ্য বাংলাদেশ এ্যাকাউন্টিং ষ্ট্যান্ডার্ড (বি.এ.এস)/বাংলাদেশ ফাইনাঙ্গিয়াল রিপোটিং ষ্ট্যান্ডার্ড (বি.এফ.আর.এস) নোট ২.১ ব্যতীত অন্যত্র যথাযথ ভাবে প্রয়োগ করা হয়েছে।
- ড) ব্যাংকের অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থার ডিজাইন পরিপক্ষ এবং তা কার্যকরভাবে প্রয়োগ করা হয়েছে এবং সেগুলো নজরদারীও করা হচ্ছে।
- চ) ব্যাংকের চলমান প্রতিষ্ঠান হিসেবে (Going concern) অব্যাহত থাকার ব্যাপারে কোন সন্দেহ নেই।

৪৮. লভ্যাংশ

ব্যাংক সর্বদা সম্মানিত শেয়ারহোল্ডারদের সাথে অর্জিত সাফল্য ভাগাভাগি করার উপর গুরুত্ব আরোপ করে। তদানুসারে মার্চ ০৩, ২০১৫ ইং তারিখে অনুষ্ঠিত ব্যাংকের পরিচালনা পর্যদের ৪৫৮তম সভায় শেয়ারহোল্ডারদের মধ্যে বন্টনের জন্য ১৫ শতাংশ নগদ লভ্যাংশ অনুমোদনের জন্য সুপারিশ করা হয়েছে।

৪৯. কোম্পানীর সামাজিক দায়িত্ব

সাউথইস্ট ব্যাংক দায়িত্বশীলতার সাথে ব্যবসা পরিচালনা করে থাকে এবং সমাজ ও পরিবেশের প্রতি এর অবদান রেখে চলেছে। ২০১৪ সালে কোম্পানীর সামাজিক দায়বদ্ধতার উপর একটি প্রতিবেদন অত্র বার্ষিক প্রতিবেদনে সংযুক্ত করা আছে ।

৫০, জাতীয় কোষাগারে আয়কর হিসাবে জমা

ব্যাংক ২০১৩ সালে জাতীয় কোষাগারে আয়কর হিসেবে জমা দিয়েছে ২,৫৭৩.৭৭ মিলিয়ন টাকা। ব্যাংকের বিগত পাঁচ বৎসরের জাতীয় কোষাগারে আয়কর হিসাবে জমার পরিমাণ নিমুক্লপ:

বছর	মিলিয়ন টাকায়
২০১৩	২,৫৭৩.৭৭
২০ ১ ২	২,০৬৯.৮৫
50??	3,502.50
২০১০	১,৭৮৩.৩৮
২০০৯	> ,৫৫০.৭৭

৫১. ধন্যবাদ জ্ঞাপন

২০১৪ সনে পরিচালন কর্মকান্ডে প্রভূত সাফল্যের জন্য পরিচালনা পর্যদ মহান আল্লাহ্ পাকের শুকরিয়া আদায় করছে। ব্যাংকের পরিচালনা পর্যদ ব্যাংকের সম্মানিত গ্রাহক, পৃষ্ঠপোষক এবং শুভাকাঙ্খীদের তাদের অব্যাহত সমর্থন ও সহযোগিতার জন্য আন্তরিক কৃতজ্ঞতা প্রকাশ করছে। পরিচালনা পর্যদ ব্যাংকের ব্যবস্থাপনা পরিচালক, নিবেদিতপ্রাণ নির্বাহীগন ও অন্যান্য কর্মকর্তাদেরকে তাদের উৎসর্গীকৃত সেবা প্রদাণের জন্য উচ্ছ্বসিত প্রশংসা করছে। পরিচালনা পর্যদ গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, বাংলাদেশ ব্যাংক, যৌথমূলধনী কোম্পানী ও প্রতিষ্ঠানসমূহের নিবন্ধক,

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম ষ্টক এক্সচেঞ্জকে তাদের প্রশংসনীয় সমর্থন ও সহযোগিতার জন্য ধন্যবাদ জানাচ্ছে। এছাড়া, ব্যাংকের নিরীক্ষক মেসার্স সাইফুল সামসুল আলম এন্ড কোং এবং হাওলাদার ইউনুস এন্ড কোং-কে পরিচালনা পর্যদ নিরীক্ষা ও আর্থিক বিবরণীসমূহ তৈরীর কার্যক্রম সময়মত সম্পন্ন করায় আন্তরিক ধন্যবাদ জানাচ্ছে। সারা বছরব্যাপী ব্যাংকের বিভিন্ন কর্মকান্ড ও অনুষ্ঠান সুন্দরভাবে প্রচার করায় পরিচালনা পর্যদ সংবাদ মাধ্যমের সাথে জড়িত সকল ব্যক্তিবর্গকে আন্তরিক ধন্যবাদ জানাচ্ছে।

সর্বশেষে, পরিচালনা পর্ষদ সম্মানিত শেয়ারহোন্ডারগনকে আন্তরিক ধন্যবাদ জানাচ্ছে এবং এ প্রতিশ্রুতি প্রদান করছে যে, ব্যাংকের ভিত্তি আরও শক্ত এবং উন্নয়নের মাধ্যমে তাদের আর্থিক ভিত্তি বাড়ানোর প্রক্রিয়া অব্যাহত থাকবে যার উপর সম্মানিত শেয়ারহোন্ডারগন আস্থা রাখতে পারেন।

পরিচালনা পর্যদের পক্ষে

আলমগীর কবীর, এফসিএ চেয়ারম্যান

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Major Corporate Events in 2014



Alamgir Kabir, FCA, Chairman, is seen conducting the 7th Extra-Ordinary General Meeting of the shareholders of the Bank on September 18, 2014. In the meeting, the shareholders approved the increase of Bank's Authorized Capital from BDT 10.00 billion to BDT 15.00 billion and issuance of Subordinated Bond for BDT 3.00 billion.



Mastercard Principal Membership License handover ceremony between Southeast Bank Limited and Mastercard Worldwide



Signing Ceremony of Card Management Software license and service agreement between Southeast Bank Limited and Sungard (Malaysia) SND, BHD.



Southeast Bank singned a Memorandum of Understanding (MoU) with Hajj Agencies Association of Bangladesh to offer Hajj related banking services to the intending hajj pilgrims. The agreement was signed by Shahid Hossain, Managing Director and Ibrahim Bahar, President of Hajj Agencies Association of Bangladesh (HAAB).



Southeast Bank Limited signed an agreement with Dhaka Electricity Supply Company (DESCO) for on-line colletion of electricity bills.



Research and Training Institute of the Bank conducted a training program for the newly recruited 'Probationary and Trainee Officers'. Shahid Hossain, Managing Director, is seen delivering the inaugural speech in the program.



Report of the Audit Committee

The Audit Committee is an important functional Committee of the Board of Directors of the Bank. It is assigned with oversight of financial reporting, disclosure, regulatory compliance and disciplined banking operation complying with the rules and norms of banking.

Feature and Composition

The Audit Committee was re-constituted by the Board of Directors in its 430th meeting held on December 24, 2013 after enactment of the Bank Company (Amendment) Act-2013 and issuance of BRPD Circular No.11 dated October 27, 2013 by Bangladesh Bank. The membership and attendance of the members of the Audit Committee in its meetings held in 2014 are given below:

Sl. No.	Members	Position	Meetings held	Attendance	Remarks
1	Mr. A.H.M. Moazzem Hossain (Independent Director)	Chairman	5	5	The member who could not
2	Mrs. Duluma Ahmed	Member	5	4	attend any meeting of the Audit Committee was granted leave of
3	Mrs. Jusna Ara Kashem	Member	5	4	absence.
4	Mrs. Sirat Monira	Member	5	4	
5	Dr. Zaidi Sattar (Independent Director)	Member	5	3	

On invitation, Senior Executives of the Bank including the Managing Director, Chief Financial Officer (CFO), Head of Internal Control and Compliance and Head of Bank's Risk Management Unit attended the meetings to meet instant queries of the Audit Committee to make its decisions fact-based.

Terms of Reference of the Audit Committee

- Mr. A.H.M. Moazzem Hossain, in his capacity as the Independent Director, shall be the Chairman of the Audit Committee.
- Presence of 03 (three) members shall form quorum.
- iii. The tenure of office of the Audit Committee shall be for 3 years.
- iv. The Company Secretary shall act as Secretary to the Audit Committee.
- v. The terms of reference of the Audit Committee shall also be as specified in the BRPD Circular No.11 dated October 27, 2013 of Bangladesh Bank and provisions contained in Notification No.SEC/CMRRCD/2006-158/134/Admin 144 dated 07 August, 2012, of Bangladesh Securities and Exchange Commission (BSEC).
- vi. Mr. Zakir Ahmed Khan, Advisor of the Bank, shall remain present in every meeting of the Audit Committee as far as possible and shall give his advice and suggestions for improvement of Bank's operations and strict compliance of rules of both the Bank and its regulators.

Charter of the Audit Committee

The Audit Committee is constituted by the Board of Directors for the primary purpose of assisting the Board in:

- Overseeing the integrity of the company's financial statement.
- Overseeing the improvement of corporate governance standard of the company.
- Overseeing the Company's system of disclosure, internal controls and procedure.
- Overseeing Bank's internal control over financial reporting.
- Overseeing Bank's compliance with ethical standards adopted by the company.
- Making reports and recommendations to the Board.

Roles and Responsibilities

The role of Audit Committee is to assist the Board in discharging its duties and responsibilities for financial reporting, corporate governance, internal control, green banking, and environmental and climate change risks. The added roles of the Audit Committee include, but not limited to, the following:

- i) Overseeing the financial reporting process.
- ii) Monitoring choice of accounting policies and

- principles.
- iii) Monitoring Internal Control Risk management process.
- iv) Overseeing hiring and performance of external auditors.
- v) Reviewing the annual financial statements before submission to the Board for approval.
- Reviewing the quarterly and half yearly financial statements before submission to the Board for approval.
- vii) Reviewing the adequacy of internal audit functions.
- viii) Reviewing statement of significant party transactions submitted by the management.
- ix) Reviewing Management Letters/ Letter of Internal Control Weakness issued by Statutory Auditors.
- Reviewing the raising of fund through Repeat Public Offering/Rights Issue and its use and application.
- xi) Monitoring internal control process.
- xii) Maintaining oversight on regulatory compliance, ethics and whistleblower hotlines
- xiii) Reviewing Audit Committee's own terms of reference.

Reporting of the Audit Committee

The Audit Committee reported its findings and observations to the Board of Directors. It is also required to report to the Bangladesh Securities and Exchange Commission about anything which has material impact on the financial condition and result of operation of the Bank. But such reporting was not necessitated in 2014 as nothing which has/had material impact on the financial condition and results of operation had occurred in the Bank during the year 2014.

Deliberations of the Audit Committee in 2014

During the year 2014, the Audit Committee carried out its regular functions on areas pertaining to its responsibilities. The issues it discussed and the decisions it took for improvement of operational performance of the Bank are listed below:

- Self-Assessment of Anti-Fraud Internal Controls of the Bank were reviewed by the Audit Committee and suitable decisions were given.
- The Inspection plan of the Bank for the year 2014 was approved.
- iii) Position of classified, re-scheduled and written-

- off loans of the Bank was discussed. The Audit Committee advised to bring down classified loans by recovery and regularization. It also advised for recovery of written-off loans and regularization of re-scheduled loans.
- iv) The Committee studied the status of collaterals held against classified loans and gave its decisions for improving and strengthening the same, as and when necessary.
- v) The Audit Committee minutely examined the Risk Based Inspection Reports on Bank's Branches and gave decisions that it considered appropriate under the given circumstances.
- vi) The Audit Committee thoroughly reviewed the findings of the Inspection Team of the Bangladesh Bank and the audit reports of ICCD and instructed management to take appropriate actions to prevent repetition of lapses identified in the audit / inspection reports.
- vii) The Committee studied and examined the total position of the Bank as per requirement of Bangladesh Bank and gave appropriate decisions.
- viii) The Audit Committee examined the certificate of the Management Committee regarding the effectiveness of Internal Control, Policy, Practice and Procedures.
- ix) The Audit Committee reviewed periodic recovery positions of the Bank against classified, rescheduled and written-off loans and gave

- suitable decisions.
- x) The Audit Committee periodically examined position of classified loans and provision requirement thereagainst. Accordingly, it gave suitable decisions.
- xi) The Audit Committee reviewed the status of the Bank in Green Banking Initiatives.

Report to the Board

All findings and decisions of the Audit Committee were reported to the Board and the Board closely reviewed them

Minutes of Audit Committee to Bangladesh Bank

The minutes of meetings of the Audit Committee were sent to Bangladesh Bank for their information.

Reporting to the Regulatory Authorities

There had not been any occurrence in the Bank that required reporting to the relevant authorities by the Bank's Audit Committee.

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A.H.M. Moazzem Hossain

Chairman Audit Committee



Report of the Risk Management Committee

The Bank Company (Amendment) Act-2013, inter alia, provided for constitution of a Risk Management Committee of the Board of Directors of every Bank. Bangladesh Bank issued BRPD Circular No.11 dated October 27, 2013 delineating, among other things, the composition and functions of the Risk Management Committee especially in the areas of Bank's core risk-related issues.

Feature and Composition

The Board of Directors of the Bank in its 430th meeting held on December 24, 2013 constituted the Risk Management Committee comprising the following Directors of the Bank. One Independent Director was included in the Committee. The membership of the Risk Management Committee of the Board of Directors of the Bank and members attendance in its meetings in 2014 are given below:

SI. No.	Members	Position	Meetings held	Attendance	Remarks
1	Mr. Alamgir Kabir, FCA	Chairman	4	4	Members who could not attend
2	Mr. Ragib Ali	Member	4	3	any meeting were granted leave of absence.
3	Mr. M. A. Kasehm	Member	4	3	or absence.
4	Mr. Azim Uddin Ahmed	Member	4	4	
5	Mr. A.H.M. Moazzem Hossain	Member	4	3	

Structure of the Risk Management Committee

- The Chairman of the Board of Directors of the Bank shall be the chairman of the Risk Management Committee.
- ii. Presence of 3 (three) members in a meeting of the Committee shall form quorum.
- The Company Secretary of the Bank shall act as the Secretary to the Risk Management Committee.

Functions of the Risk Management Committee

The broad functional areas of the Risk Management Committee are the following:

- i. Risk assessment and risk control strategy.
- ii. Review of Risk Policy and its approval.
- Review of the information kept by the Management of the Bank and approval of reporting system.
- iv. Overseeing the overall implementation of Risk Management Policy of the Bank.
- v. Reporting its decisions and recommendations to the Board.
- vi. Overseeing the implementation of related guidelines issued by the regulatory bodies from time to time.

Reporting of the Risk Management Committee

As required, the Risk Management Committee reported its decisions and recommendations to the Board of Directors for review.

Deliberation of the Risk Management Committee in 2014

During the year 2014, the Risk Management Committee carried out its functions in areas relating to its responsibilities. The issues it discussed and the decisions it took for improvement of risk management scenario in the Bank are enumerated below:

- Reviewed the Capital Adequacy Ratio of the Bank from time to time against minimum requirement.
- Periodically reviewed the duration gaps of Bank's assets and liabilities and advised the management for their prudent management.
- iii. Advised the management to obtain additional

- securities from the large borrowers on best effort basis to reduce charge on Bank's capital.
- iv. Advised for diversification of Bank's loan portfolio as far as possible and practicable.
- The existing good corporate and SME borrowers be persuaded for their credit rating to reduce charge on Bank's capital.
- vi. The functional areas of Risk Management Division shall not be limited to assessing and monitoring the core and associated risks. The Division will also work for mitigation of risks by way of engaging its workforce for recovery of classified, re-scheduled and written-off loans.
- vii. The planning as framed for reduction of Bank's exposure in the capital market by July 21, 2016 be monitored for timely achievement.
- viii. The management was advised to create new quality assets for continuity of Bank's profitability.
- ix. The large loans of the Bank be closely and regularly monitored to ensure that they continue to be performing.
- x. The credit rating of already rated borrower companies be renewed after discussing with the concerned borrowers.
- The Heads of Branches be asked to diversity their loans and manage related risks efficiently.
- xii. The Non-Performing Loans of the bank be constantly monitored to bring them back to performing status.
- xiii. Loans exposure to large borrowers shall be reduced. It shall not be increased unless sufficiently covered by additional collaterals.
- xiv. The Heads of Branches be asked to exercise added due diligence in assessing credit proposals.
- xv. The emphasis of the Bank shall be on diversifying its loan portfolio gradually by allowing new credit facilities in new sector and new areas.
- xvi. Off-Balance Sheet items of the Bank be handled with more care and caution.
- xvii. The Management of the Bank shall take necessary steps to prepare the Bank for Compliance with Basel-III framework which is going to be implemented from 2015 to 2019

within the guidelines of Bangladesh Bank.

- xviii. The officials who have not yet received formal training on AML and CFT procedures be imparted the training on a priority basis.
- xix. Branches be advised to exercise due diligence while completing KYC formalities, monitor more closely the transactions of High-Risk Customers and exercise due diligence in obtaining transaction profiles of account holders.

Reporting to the Board

The decisions and recommendations of the Risk Management Committee were submitted before the Board of Directors for review and the Board closely reviewed them.

Minutes of the Risk Management Committee to Bangladesh Bank

The minutes of meetings of the Risk Management Committee were submitted to Bangladesh Bank for their information.

Alamgir Kabir, FCA

Chairman

Risk Management Committee



Report on Corporate Governance

01. Conceptual Framework

Southeast Bank operates within the legal framework of the Companies Act-1994 and as a banking company, complies with the provisions of the Bank Company (Amendment) Act-2013. It also complies with the directives and guidelines issued from time to time by Bangladesh Bank and Bangladesh Securities and Exchange Commission. The Bank has responsibly managed and supervised in fulfillment of the objectives of adding value to the shareholder wealth and contributing to the national economy. Our Corporate Governance principles serve the goal of strengthening and consolidating company position with sustained growth objectives in materializing the trust placed in the company by the shareholders, clients, employees and the general public. Fair practice, accountability, transparency, compliance, value creation and corporate social responsibility are the pillars of our corporate governance. The Bank's corporate governance structure comprises the Shareholders, the Board, Bank Management, Regulatory Authorities, Independent External Auditors and Employees.

02. Our Stakeholders

Our Stakeholders are individuals or groups that have an interest, claim or stake in the Company, in what we do and in how well we perform. All our Stakeholders are in an exchange relationship with us. Each of them supplies us with important resources and in exchange each expects that its interest is satisfied.

03. Rotation and Retirement of Directors

In terms of Article 105 (i) of the Articles of Association of the Bank, one-third of the Directors for the time being or if their number is not three or multiples of three (3) then the number nearest to one third (1/3rd) shall retire in rotation from office. The following four (4) Directors will retire in the 20th Annual General Meeting. They are eligible to re-election in the 20th Annual General Meeting.

- i) Mr. Alamgir Kabir, FCA
- ii) Mr. Azim Uddin Ahmed
- iii) Mrs. Jusna Ara Kashem
- iv) Mr. A.H.M. Moazzem Hossain

The brief resume of the above Directors in compliance of Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 of Bangladesh Securities and Exchange Commission (BSEC) is stated in the Directors' Profile in the Annual Report. Other information about them as required as per the aforesaid Notification is given below.

Name	Expertise	Memberships	Directors in
1. Mr. Alamgir Kabir, FCA	Chartered Accountant	Executive Committee and Risk Management Committee	i) Asia Insurance Limited ii) National Life Insurance Co. Ltd.
2. Mr. Azim Uddin Ahmed	Banking activities	Executive Committee and Risk Management Committee	i) Mutual Food Products Ltd. ii) Mutual Milk Products Ltd. iii) Mutual Trading Co. Ltd.
3. Mrs. Jusna Ara Kashem	Banking activities	Audit Committee	i) Rose Corner (Pvt.) Ltd.
4. Mr. A.H.M. Moazzem Hossain	Economist & Financial Journalist	Audit Committee and Risk Management Committee	-

04. Non-Executive Directors

The Managing Director is the only Executive Director on the Board of Directors of the Bank. All other Directors including the Chairman and the Vice Chairman are the Non-Executive Directors.

05. Independent Directors

In compliance with the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) and the provisions contained in Bank Company (Amendment) Act-2013 and the guidelines given by Bangladesh Bank in BRPD Circular No.11 dated 27 October, 2013, the Bank appointed 2 (two) Independent Directors observing all required formalities.

06. Board meetings and attendance

SI. No.	Name of the Directors	Total no. of meetings from 01.01.2014 to 31.12.2014	Total attendance	Remarks
1	Alamgir Kabir, FCA	23	23	a. The Directors who
2	Ragib Ali	23	18	could not attend any meeting were granted
3	M. A. Kashem	23	18	leave of absence
4	Azim Uddin Ahmed	23	20	b. Mrs. Rehana Rahman
5	Duluma Ahmed	23	20	was appointed Director
6	Jusna Ara Kashem	23	16	with effect from 31 August, 2014
7	Md. Akikur Rahman	23	08	
8	Rehana Rahman	23	08	
9	Sirat Monira	23	18	
10	Abdul Hye representing Karnafuli Tea Co. Ltd	23	03	
11	Dr. Zaidi Sattar Independent Director	23	14	
12	A.H.M. Moazzem Hossain Independent Director	23	21	
13	Shahid Hossain Managing Director	23	21	



07. Ownership Composition

As on 31 December 2014, the Directors of Southeast Bank Limited held 18.12% of total shares whereas Financial Institutions and General Public are holding 23.13% and 58.74% shares respectively.

CL No.	31-12-2014		31-12-2013		
SI. No.	Composition	No. of Shares Held	% to Total Shares	No. of Shares Held	% to Total Shares
1	Directors	166,186,868	18.12%	140,612,121	16.10%
2	General Public	538,628,627	58.74%	486,505,737	55.71%
3	Financial Institutions	212,134,681	23.13%	246,168,024	28.19%
Total		916,950,176	100.00%	873,285,882	100.00%

8) Pattern of Shareholdings

i) Shares held by Parent/Subsidiary/Associated Companies and other related Parties

NIL

ii) Ownership of Company's Securities by the Members of Board of Directors.

SI. No.	Name of the Directors	No. of Shares	Value in Tk.	Percentage
1.	Alamgir Kabir, FCA	18,344,672	183,446,720	2.00%
2.	Ragib Ali	27,901,291	279,012,910	3.04%
3.	M. A. Kashem	20,182,060	201,820,600	2.20%
4.	Azim Uddin Ahmed	25,365,735	253,657,350	2.77%
5.	Duluma Ahmed	19,082,742	190,827,420	2.08%
6.	Jusna Ara Kashem	18,339,525	183,395,250	2.00%
7.	Md. Akikur Rahman	18,343,731	183,437,310	2.00%
8.	Rehana Rahman	18,344,145	183,441,450	2.00%
9.	Sirat Monira	120,547	1,205,470	0.01%
10.	Karnafuli Tea Co. Limited	162,420	1,624,200	0.02%
11.	Dr. Zaidi Sattar, Independent Director	-	-	-
12.	A.H.M. Moazzem Hossain, Independent Director	-	ì	-
13.	Shahid Hossain, Managing Director	-	-	-
	Total Shares :	166,186,868	1,661,868,680	18.12%

iii) Shares held by Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children.

SI. No.		Designation	Shareholdings as on 31.12.2014
1	a)	Shahid Hossain, Chief Executive Officer	Nil
	b)	Spouse / Minor Children of CEO	Nil
2	a)	Muhammad Shahjahan, Company Secretary	Nil
	b)	Spouse / Minor Children of Company Secretary	Nil
3	a)	Mohammad Aminul Haque, ACA, Chief Financial Officer	Nil
	b)	Spouse / Minor Children of Chief Financial Officer	Nil
4	a)	Haradhan Banik, Head of Internal Audit	Nil
	b)	Spouse / Minor Children of the Head of Internal Audit	Nil

iv) Shares held by top five salaried Executives in the regular services of the Bank.

SI. No.	Designation	Shareholdings as on 31.12.2014
1.	S. M. Mainuddin Chowdhury Deputy Managing Director	Nil
2.	Muhammad Shahjahan Deputy Managing Director	Nil
3.	AKM Nurul Alam Deputy Managing Director	Nil
4.	M. Kamal Hossain Deputy Managing Director	Nil
5.	Nasim Sekander Senior Executive Vice President	Nil

v) List of Shareholders holdings 10% and above shares in the Paid-Up-Capital of the Bank.

NIL

09. Role of the Chairman and that of the Managing Director (CEO)

The Chairman of the Bank is elected from amongst the Directors after every Annual General Meeting in obedience to the Articles of Association of the Bank. The Managing Director (CEO) of the Bank is appointed by the Board. Bangladesh Bank's approval is obtained for the appointment. The functional areas of the Chairman and that of the Managing Director are sharply bifurcated within the rules of Bangladesh Bank. But they work in cohesion for the disciplined operation and growth of the Bank.

10. Role and Responsibilities of the Board of Directors

Structure of the Board

The Board of Directors consists of 13 (thirteen) Directors including the Managing Director. The Managing Director is an Executive Director (Ex-Officio). All other 12 (twelve) Directors are non-executive directors. Of the 12 non-executive directors, 8 (eight) are sponsor directors, 2 directors are from the public shareholders and 2 are independent directors.

Role and Responsibilities of the Board

The main role and responsibilities of the Board of Directors as envisaged in the BRPD Circular No.11 dated 27 October, 2013 are the following:

• approving suitable business strategy

- fixation of operational budgets
- approval of financial statements
- review of Bank's operational performance towards achievement of objectives
- approval of policies and operational manuals to establish effective risk management in core banking areas.
- reviewing company's corporate governance standard for further improvement
- determining Bank's corporate social responsibility status and taking steps for its improvement
- developing compliance culture in the Bank
- approving proposals which are beyond the delegated business / financial / administrative powers of the Management
- appointment of the Chief Executive Officer and fixation of his benefits
- purchase or acquire property for the Bank
- providing welfare to the employees
- making donation for any charitable ventures
- devising annual work plan for goals and monitoring its pace of achievement.
- analyzing reasons for success or failure of Bank's annual budget achievement
- periodical review of Bank's operational budget achievement
- taking risk management initiatives
- review of sufficiency and requirement for internal control efforts of the Bank
- reviewing Bank's human resource policy
- Bank's financial management and its periodical review
- approving policies or taking Policy decisions for improvement of operation and compliance culture in the Bank.

11. Responsibilities of the Chairman of the Board

The chairman discharges his responsibilities within the purview of the provisions contained in BRPD Circular No.11 dated 27 October, 2013. His main responsibilities are to:

⇒ Give leadership for Bank's disciplined growth and operation.



- ⇒ Ensure non-intervention of any Director in the routine affairs of the Bank.
- ⇒ Ensure compliance with corporate governance requirements of regulatory bodies.
- Bring policies for Board's deliberations and consideration for Bank's reforms and development.
- ⇒ Determine sense of direction for the Bank, etc.

12. Independence of the Non-Executive Directors

The Non-Executive Directors enjoy full freedom in discharging their responsibility. They sincerely try to attend all meetings of the Board and its any Committee of which they are members. They actively participate in discussion on any agenda for a well thought-out decision.

13. Annual Appraisal of Board's Performance

The shareholders elect the Directors in the Annual General Meeting. The directors are accountable to the shareholders. In the Annual General Meeting (AGM), the shareholders freely speak about the performance of the Bank and make a critical analysis of the performance of the Board of Directors. The Chairman replies to their queries made in the meeting. Their constructive suggestions are noted down and implemented for qualitative improvement of the Bank.

14. Annual Evaluation of Performance of the Managing Director (CEO) of the Bank

The Board of Directors prescribes the roles and responsibilities of the Chief Executive Officer (CEO) of the Bank. His performance is assessed on certain Key Performance Indicators (KPIs). The Board evaluates the performance of the Managing Director in each month when the month-end financial performance of the Bank is placed before the Board for review. Apart from that, the Board seeks MD's reports on various operational aspects periodically to assess the trend of movement of the Bank in various indicators. MD's quality leadership to post better performance is always expected. The performance of the Managing Director is evaluated again annually by the Board based on Bank's operational results mainly in the achievement of operational budgets.

15. Policy on Training of Directors

Most of the Directors of the Bank are on the Board for many years. They have acquired enough knowledge and acumen to lead the Bank well to the path of progress. The latest legislations on the financial sector and directives of the regulatory bodies are made available to them for their instant information in order that they can discharge their responsibility effectively. They also attend various seminars and symposiums mainly on corporate governance organized by different professional bodies.

16. Directors' Knowledge and Expertise in Finance and Accounting

Mr. Alamgir Kabir, FCA, Chairman of the Bank, is a Post-Graduate in commerce. He is also a qualified Chartered Accountant. One Independent Director is a Ph.D in Economics and another Independent Director is a B.A (Hons) and M.A in Economies. He is also a renowned expert in financial journalism. They have enough knowledge and expertise in the field of Accounting and Finance. Most of the other Directors are successful entrepreneurs and leading business personalities. They are well conversant in trade, commerce and industry.

17. Directors' Report in Compliance with Best Practices on Corporate Governance

The status of compliance with corporate governance guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission has been given hereafter. Rahman Rahman Huq, Chartered Accountants, duly certified the Bank's Compliance Status which is re-produced in a page hereafter.

18. Vision, Missions and Strategy of the Bank

The vision, missions statement and the strategy of the Bank have been included in the Annual Report.

19. Board's Committees and their Responsibilities

The Board has constituted following 3(three) Committees:

i. Executive Committee

Composition: In compliance with the provisions contained in BRPD Circular No.11 dated 27 October, 2013, the Board of Directors re-constituted the Executive Committee comprising 5(five) members. To comply with regulatory requirement, no member of the Audit Committee is included as a member of the Executive Committee.

Responsibilities: The Executive Committee is a body to deliberate on generally important issues and matters in the execution of operations of the Bank. The committee performs within the power delegated

to it by the Board of Directors. The resolutions of the Executive Committee are ratified by the Board of Directors. The minutes of the Executive Committee are sent to Bangladesh Bank for their review.

Attendance of members of the Executive Committee in meetings

Names of the members of the Executive Committee	Total no. of meetings from 01.01.2014 to 31.12.2014	Total attendance	Remarks
Alamgir Kabir, FCA	7	7	The
Ragib Ali	7	4	members who could
M. A. Kashem	7	5	not attend
Azim Uddin Ahmed	7	5	any meeting were
Shahid Hossain Managing Director	7	7	granted leave of absence.

ii. Audit Committee

Composition: A 5-member Audit Committee was re-constituted by the Board in compliance with the relevant provisions contained in BRPD Circular No.11 dated 27 October, 2013 of Bangladesh Bank. As per rules, any member of the Executive Committee cannot be the member of the Audit Committee. A report of the Audit Committee is included in this Annual Report.

iii. Risk Management Committee

Composition: A 5-member Risk Management Committee was constituted by the Board in its 430th Meeting held on December 24, 2013. A report of the Risk Management Committee is included in this Annual Report.

20. Remuneration Committee and Activities

The Bank cannot have more than three Committees of the Board of Directors as per law and rules of Bangladesh Bank. For obvious reasons, activities relating to remuneration are done by the Board itself.

21. Benefits provided to the Directors and the Managing Director

In accordance with the guidelines of Bangladesh Bank, the following facilities can only be given to the Directors.

Chairman : An office chamber, one Private Secretary /
Office Assistant, a telephone in office, one
mobile phone for use within the country and
a full time car.

Directors : Fees and other facilities for attending

each meeting of the Board or its any Committee.

Managing: Only those benefits as are agreed upon

Managing: Only those benefits as are agreed upon in his contractual appointment and as are approved by Bangladesh Bank.

22. Establishment and Review of Internal Control System

A report on Establishment and Review of Internal Control System is presented in this Annual Report.

23. Risk Management

The risks related issues of the Bank are looked after by the Risk Management Committee of the Board. A report on Risk Management is included in this Annual Report.

24. Appointment of External Auditors

In the 19th Annual General Meeting of the Shareholders of the Bank, M/S. Syful Shamsul Alam & Co. and M/S. Howladar Yunus & Co., were appointed External Auditors of the Bank for the 2nd term till conclusion of the next Annual General Meeting. They are eligible to re-appointment as per rules. Being satisfied with their performance, the Audit Committee of the Board of Directors of the Bank recommended their reappointment for the third term.

25. Services not provided by External Auditors

M/S. Howladar Yunus & Co. & M/S. Syful Shamsul Alam & Co. are the external auditors of the Bank. The services as are specified in the Securities and Exchange Commission Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 are not obtained from the external auditors.

26. Highlights on Central Bank Inspection

In the year 2014, Southeast Bank Limited (SEBL) received 64 (sixty four) inspection reports including Comprehensive Inspection Report on SEBL Head Office from Bangladesh Bank. SEBL submitted compliances of the said reports to Bangladesh Bank with the approval of the Board. Appropriate actions have been taken for implementation of the recommendations of Bangladesh Bank Inspection Teams.



27. Related Party Transactions

During the year 2014, the Bank concluded business deals with the following organizations in which the directors had interest:

Name of Organization	Relationship	Nature of transaction	
Asia Insurance Ltd.	Common Director	Insurance Coverage	
Bay Leasing and	Common	Lease Payments	
Investment Ltd.	Director	Funded Facilities	
		Non-Funded Facilities	
Southeast Bank Capital	Subsidiary	Share Capital	
Services Ltd.	Company	Interest on Loan	
Southeast Financial Services (UK) Ltd.	Subsidiary Company	Share Capital	
Southeast Financial Services (Australia) Pty Ltd.	Subsidiary Company	Share Capital	
Southeast Exchange Company (South Africa) Pty Ltd.	Subsidiary Company	Share Capital	

28. Ethics and Compliance

Code of Conduct for Directors

The Group Chairman's Report contains the issue.

Code of Conduct for Bank's Employees

Southeast Bank has a Code of Conduct and Ethical Guidelines for Bank's employees which are integral parts of the Service Rules and Regulation for the employees of the Bank. The employees of the Bank comply with the code of conduct and requirements of ethical principles.

29. Communication to Shareholders and other Stakeholders (Disclosure Policy)

The Bank greatly weighs the importance of regular and prompt communication with its shareholders, customers, employees, regulatory authorities, business associates and the members of the public. Media release, reports, half-yearly financial statements, annual reports, disclosure in the Bank's website: www.southeastbank.com.bd and annual financial statements in the press provide enough information about the Bank.

30. Environmental and Social Obligations

Southeast Bank integrates environmental and social obligation into all the business activities with the belief that success is not only measured by financial results. The Bank has a strong stake in

the society through investments and projects which take its banking role one step further. Southeast Bank supports its clients to be conscious about environmental issues. SEBL persuades its customers to avail facilities for renewable energy generation and other environmentally beneficial projects. The Bank has set guideline, namely "Southeast Shobuj Jibon" targeted to efficient use of electricity, water, paper and re-use of equipments. We believe that every small 'GREEN' step taken today would go a long way in building a greener tomorrow.

31. Management Committees and their responsibilities

Ensuring effective corporate governance is one of the top priorities of the Bank management for realizing the objectives advocated in our management philosophy. A clearly defined organizational structure with definite lines of responsibility and delegation of powers to different echelon of the management are in place in the Bank. To streamline functions, the following Committees are actively working in the Bank:

Management Committee (MANCOM)

A Management Committee (MANCOM) is working in the Bank. It is composed of senior members of the Management Team. Its main functions are to address general issues of importance, introduce new products, frame strategies for improvement of operations, evaluate different types of risks, monitor internal control structure and to review effectiveness of the internal control system. To streamline the management functions further and to quicken decision making process based on best analysis and appraisal, the following Sub-Committees were constituted:

- (a) Product Development and Marketing
- (b) Strategic Planning Issues and
- (c) Corporate Governance and Administrative Issues.

The Following Sub-Committees of MANCOM are also functioning in the Bank:

i) Head Office Credit Review Committee (HOCRC)

Two Credit Review Committees have been constituted for appraisal and quick disposal of credit proposals. Credit proposals that do not merit considerations are declined. Credit proposals that merit considerations in the opinion of the Credit Review Committee are presented before the competent authority as per the delegation of business power for approval.

ii) Asset Liability Management Committee (ALCO)

Asset Liability Management Committee consists of the Managing Director, Additional Managing Director, the Deputy Managing Directors and strategically important Divisional Heads of Head Office.

iii) Central Compliance Unit

Anti-Money Laundering (AML) and Combating of Financing of Terrorism (CFT) are getting added importance day by day. All issues relating to AML and CFT are managed and monitored by the Bank with the following structure in place.

CAMLCO and Central
Compliance Unit
(CCU) at Head Office

Head of Branch (HoB) as Branch Anti-Money Laundering Compliance Officer (BAMLCO)

iv) Integrity Committee

As instructed by Bangladesh Bank, a 6-Member Integrity Committee of the Bank headed by a Deputy Managing Director was constituted on November 18, 2013. One Senior Executive Vice President of the Bank is the Focal Point of the Committee. The Committee sits in meeting to discharge its responsibilities effectively.

v) Committee for Evaluation of Management Reporting System

As advised by Bangladesh Bank, a 9- Member Committee for Evaluation of Management Reporting System (MRS) has been constituted in the Bank with a Deputy Managing Director as its head.

vi) Procurement Committee

The procurement policy of Southeast Bank Limited is designed to ensure that the purchase of all goods, services and works required for the satisfactory operation of the Bank is done in a transparent, timely and efficient manner.

vii) Taskforce for recovery of classified and written-off Loans

The increase of non-performing loans (NPLs) and written-off loans has a negative impact on profitability, capital adequacy, asset liability management and over all reputation of the Bank. Therefore, it is essential to strengthen recovery drive to downsize the non-performing / classified loans and written-off loans through cash recovery. From this point of view two taskforces with high level executives / officers were formed / reformed at Head Office in the year 2012 – one is headed by an Additional Managing Director and the other is headed by a Deputy Managing Director.

The taskforces review the recovery progress of classified and written-off loans on monthly basis and provide necessary guidelines to the branches accordingly. The taskforces identify the reasons for becoming the loans non-performing in each and

every individual case and chalk out the strategy of recovery upon discussion meeting / dialogue with the concerned borrowers at Head Office / Branch. The taskforces also review the court cases / suits against the defaulted borrowers and continue follow up with the panel lawyers of the Bank for early disposal of the suits. The members of the taskforces visit client's factory, office, security / mortgaged properties as and when needed. They also place their observations and recommendations to the competent authority for their guidance and next courses of action.

With the combined efforts of the above two taskforces and recovery officers of branches and Head Office Legal Affairs and Recovery Division, the Bank could minimize the NPLs at 3.64 percent as on December 31, 2014 and recover BDT 574.058 million from classified loans and BDT 17.03 million from written-off loans in the year 2014.

viii) IT Steering Committee

An IT Steering Committee has been formed in 2012 comprising 06 (six) senior officials of the Bank for overall supervision of ICT Operations and ICT Projects Management.

ix) Committee for Evaluation of Effectiveness of AML/CFT Procedure

A 7- Member Committee for Evaluation of Effectiveness of AML/CFT Procedure has been functioning in the Bank since 2014.

32. Internal Controls

The Board of Directors of Southeast Bank Group ensures maintenance of a sound system of internal control to safeguard assets. The Board through its Audit Committee conducts an annual review and evaluation of the effectiveness of the system of Internal Control of the Group.



Annexure-A

Status of compliance with the conditions imposed by Bangladesh Securities and Exchange Commission Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No.7.00)

Condition No.	Title		nce Status propriate column)	Remarks
		Complied	Not complied	
1.1	The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty): Provided, however, that in case of banks and non-bank financial institutions, insurance companies and statutory bodies for which separate primary regulators like Bangladesh Bank, Insurance Development and Regulatory Authority, etc. exist, the Boards of those companies shall be constituted as may be prescribed by such primary regulators in so far as those prescriptions are not inconsistent with the aforesaid condition.	J		
1.2(i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
1.2(ii)(a)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	J		
1.2(ii)(b)	who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be	√		
1.2(ii)(c)	considered as family members who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2(ii)(d)	who is not a member, director or officer of any stock exchange;	J		
1.2(ii)(e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	√		
1.2(ii)(f)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	√		
1.2(ii)(g)	who shall not be an independent director in more than 3 (three) listed companies;	1		
1.2(ii)(h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2(ii)(i)	who has not been convicted for a criminal offence involving moral turpitude.	J		
1.2(iii)	the independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	J		Shareholders will approve the appointment in the AGM

1.2(iv)	the post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	N/A	No such event occurred
1.2(v)	the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	1	
1.2(vi)	the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	1	
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	J	
1.3(ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/ University Teacher with Economics or Business Studies or Law background /Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/ professional experiences.	√	
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	N/A	
1.4	The position of the Chairman of the Board and Chief Executive Officer of the company shall be filled by different individuals.	J	
1.5(i)	Industry outlook and possible future developments in the industry.	1	
1.5(ii)	Segment-wise or product-wise performance.	√	Presented in annexure-K
1.5(iii)	Risks and concerns.	√	
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	1	
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.	N/A	
1.5(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	J	Presented in note-68
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	N/A	
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	N/A	
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	N/A	
1.5(x)	Remuneration to directors including independent directors.	√	Presented in note-52
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√ 	
1.5(xii)	Proper books of account of the issuer company have been maintained.	1	
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	J	



1.5(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	1	
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√	
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√	Ours is a going concern
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	1	
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√	
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	N/A	
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	1	
1.5(xxi)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	√	
1.5(xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√	
1.5(xxi)(c)	Executives;	J	
1.5(xxi)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	1	
1.5(xxii)(a)	a brief resume of the director;	√	
1.5(xxii)(b)	nature of his/her expertise in specific functional areas;	1	
1.5(xxii)(c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	√	Presented in annexure-H
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	1	
2.2	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√ 	
3(i)	The company shall have an Audit Committee as a sub- committee of the Board of Directors.	√	
3(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√ .	
	The Audit Committee shall be used ancible to the Deaud	J	
3(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	V	

3.1(ii)	Inclusion of independent Director on the Audit Committee	√	
3.1(iii)	All members of the Audit Committee are "financially literate."	√	
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	J	
3.1(v)	The company secretary shall act as the secretary of the Committee.	√	
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	J	
3.2(i)	Chairman of the Committee	√	
3.2(ii)	Presence of the Chairman of the Audit Committee in the AGM.	√	
3.3(i)	Oversee the financial reporting process.	J	
3.3(ii)	Monitor choice of accounting policies and principles.	J	
3.3(iii)	Monitor Internal Control Risk management process.	J	
3.3(iv)	Oversee hiring and performance of external auditors.	J	
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	√	
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	1	
3.3(vii)	Review the adequacy of internal audit function.	J	
3.3(viii)	Review statement of significant related party transactions submitted by the management.	√	
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√	
3.3(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	N/A	
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	√	
3.4.1(ii)(a)	report on conflicts of interests;	N/A	
3.4.1(ii)(b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	N/A	
3.4.1(ii)(c)	suspected infringement of laws, including securities related laws, rules and regulations;	N/A	
3.4.1(ii)(d)	any other matter which shall be disclosed to the Board of Directors immediately.	N/A	
3.4.2	Reporting to the Authorities	N/A	
3.5	Reporting to the Shareholders and General Investors	√	



4(i)	Appraisal or valuation services or fairness opinions.	√	
4(ii)	Financial information systems design and implementation.	1	
4(iii)	Book-keeping or other services related to the accounting records or financial statements.	1	
4(iv)	Broker-dealer services.	√	
4(v)	Actuarial services.	√	
4(vi)	Internal audit services.	J	
4(vii)	Any other service that the Audit Committee determines.	J	
4(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	J	
5(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	N/A	
5(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	N/A	
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√	
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	J	
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	J	
6(i)(a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	J	
6(i)(b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√	
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	1	
7(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	1	
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	1	
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√	
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	J	

Status of Compliance with BRPD Circular No.11 of 27th October 2013.

Annexure-B

OLM	.		0 "	Annexure-B
SI No.	Partic	ulars	Compliance Status	Remarks
1.	For ap Bank's Eligibil Board Appoir	citution of Board of Directors Depointment of new Directors and removal of Directors, Bangladesh approval to be obtained. Directors, maximum number of Directors on the of Directors. Directors. Directors from one family.	1	
1.1	Sectio applica Directo	intment of New Directors In 15.4 of Bank Company (Amendment) Act-2013 requires that ation for obtaining approval of Bangladesh Bank to appoint new ors should be sent along with some specified declarations and approval a	J	
1.2	Vacan	icy of Office of a Director		
	(a)	Vacancy as per Section 108 (i) of Companies Act 1994 and Vacancy as per Section 17 of Bank Company Act 1991.		No such event
	(b)	i) Bar to become a Director who was removed by operation of Section 17 of Bank Company Act 1991.		No such event
		ii) Bar to transfer share by a Director who was removed by operation of Section 17 of Bank Company Act 1991.		No such event
	С	Removal of Director and dissolution of the Board by Bangladesh Bank.		No such event
1.3		val of Directors and Dissolution of the Board moval of a Director, Bangladesh Bank's approval to be obtained.		No such event
1.4	Appoi	ntment of Alternate Directors		
	(a)	To appoint alternate director in place of original Director, documentary evidence of foreign visit and return of original Director shall be kept in records. Any deviation from this shall be reported to Bangladesh Bank by the Bank's Chief Executive Officer.		No such event
	(b)	Copy of resolution for appointment of Alternate Director by the Board of Directors along with original Director's probable date of return are to be sent to Bangladesh Bank.		No such event
	(c)	Any loan defaulter and anybody who is not eligible to be appointed as Director under Bank Company Act or Companies Act or any other law or rules shall not be appointed as Alternate Director.		No such event
	(d)	(d) No Alternate Director shall be appointed as a member of any committee of the Board of Directors.		There is no Alternate Director on the Board of SEBL
	(e)	No credit facilities to Alternate Director or to entities where he has interest shall be allowed. All requirements of Law, Rules and Directives applicable to a Directors are also equally applicable to an Alternate Director		No such event
2.	No rec	sitor Director quirement for appointment of Depositor Director. The tenure of office of t Depositor Directors shall be determined by the Board.	J	



3.	Partic	ulars of Directors		
	(a)	Updated list of Directors;	√	
	(b)	Distribution of list of Directors to the scheduled Banks and NBFIs	√	
	(c)	Updated profile of Directors in the website.	√	
4.	Board Manag	onsibility and Power of the Board of Directors of Directors is responsible for policy framing and implementation, Risk gement, Internal Control, Internal Audit and ensuring compliance of al Audit objections etc.	J	
4.1	Respo	onsibility and Powers of the Board of Directors		
	(a)	Work Plan and Strategic Management		
		i) Board shall determine Bank's goals and objectives and devise strategies and work plan. Progress towards achievement of work plan shall be reviewed quarterly by the Board.	1	
		ii) Board of Directors shall include its analytical/critical review of Bank's achievement and its failures in the Bank's Annual Report. It shall also inform the shareholders about the Bank' future work plan and strategies. KPI(s) of CEO and two grades below the CEO shall be determined and evaluated b the Board of Directors.		
	(b)	Credit and Risk Management		
		i) Board of Directors shall approve re-schedule & write off of credit within existing Laws and Rules & Regulations. Board shall delegate power to approve credit/investment. All policies relating to credit evaluation, sanction, recovery, re-schedule and write-off shall be approved by the Board.		
		ii) Board of Directors to review Risk Management Policy on quarterly basis		
		Implementation of guidelines of Bangladesh Bank about major risks shall also be monitored by the Board.		
	(c)	Management of Internal Control Board of Directors shall closely monitor Internal Control System in order to maintain qualitative standard of Credit/Investment. Board of Directors shall review on quarterly basis the reports of the Audit Committee submitted before it regarding compliance status of suggestions and recommendation of inspection report of Internal Audit, External Auditors and Inspection Team of Bangladesh Bank.	J	
	(d)	Human Resource Management and Development of Human Resource	√ .	
		All policies and Service Rules relating to Human Resources of the Bank shall be approved by the Board. The appointment promotion transfer and disciplinary action.	√	
		The appointment, promotion, transfer and disciplinary action against an executive up to two grades below the CEO shall made/taken by the Board.	√	

		ii)	Board of Directors shall give special emphasis on Training for enhancement of capability of Bank's Executives and Officers for accurate assessment of Credit/Investment proposals.	√	
			Modern electronic and information technology and Management Information System (MIS) shall be stressed up and included in the annual work-plan.	J	
		iii)	Board of Directors shall devise Code of Ethics for all grades of Executives and Officers and it should be meticulously complied with by all Executives and Officers.	V	
			Board of Directors shall promote high ethical standard for the purpose of developing a culture of compliance in the Bank.	J	
	(e)	Financ	cial Management		
		i)	Bank's Annual Budget and Statutory Financial Statements shall be prepared with the approval of the Board of Directors. Bank's Income, Expenditure, Liquidity, Expired / Unrecovered Loans, Capital Base and Capital Adequacy, Provision, classified loans etc must be reviewed by the Board on quarterly basis.	V	
		ii)	Purchase and Procurement Policy shall be devised by the Board of Directors.	V	
			Delegation of powers in this behalf shall be approved by the Board.	V	
			Board's prior approval shall be required to purchase Land, Building, Establishment, construction, Vehicle etc on business consideration.	J	
		iii)	Board of Directors shall review whether Asset-Liability Committee (ALCO) is formed and functioning observing the directives of Bangladesh Bank.	J	
	(f)	Board suitable	ntment of Chief Executive Officer of Director shall appoint a honest, skilled, experienced and a e person as Chief Executive Officer. Appointment of CEO shall e Bangladesh Bank's approval.	V	
	(g)	Board	's added Duty shall ensure proper execution and compliance of any duty upon it by Bangladesh Bank.	V	
4.2	One meetin	neeting o		√.	
			one meeting of the Board shall be held in a quarter.	√ .	
4.3	Respo		es of Chairman of Board of Directors		
	(a)		nan's area of activities.	√	
	(b)		y visit a branch or Bank's financial project.	√.	
			y order for an enquiry, if required.	√	
		не та	y take actions through the CEO with the approval of the Board.	V	



	(c)	An Office Room, a personal Secretary / Assistant, one Peon / MLSS, Telephone at the office, one Mobile Phone and a vehicle may be provided to the chairman with the approval of Board.	J	
5.	Every Comm	itution of Supporting Committee Bank Company shall constitute one Executive Committee, one Audit ittee and one Risk Management Committee consisting of members of ard of Directors.	J	
5.1	In orde	tive Committee er to resolve urgent matters and day to day or / routine work during I of meeting of Board of Directors, it shall constitute an Executive iittee.	J	
	(a)	Structure	\checkmark	
	(b)	Eligibility of the Members of the Executive Committee	\checkmark	
	(c)	Responsibilities and Duties of the Executive Committee	\checkmark	
	(d)	Calling Meeting of the Executive Committee	\checkmark	
5.2		Audit Committee Audit Committee to be constituted to carry out supervisory role on presentation of Financial Reports, Internal Control System, Auditing System, compliance of existing Laws and Rules and Regulations of regulators.	V	
	(a)	Structure	\checkmark	
	(b)	Qualification of Members of Audit Committee	V	
	(c)	Duties and Responsibilities of the Audit Committee	V	
		(A) Internal Control	\checkmark	
		(B) Publication of Financial Reports	V	
		(C) Internal Audit	J	
		(D) External Audit	V	
		(E) Compliance of existing Laws and Rules	V	
		(F) Miscellaneous Work	V	
	(d)	Calling Meeting of the Audit Committee	V	
5.3	Risk Management Committee Risk Management Committee shall be formed in order to play an effective role in lowering possible risks in respect of implementation of strategies and work-plan formulated by Board of Directors. Risk Management Committee shall analyze the policy / system of lowering risks properly by the management and maintenance of required capital against Risks and Provision for Reserve for Credit Risk, Foreign Exchange Risk, Internal Control and Compliance Risk, Money Laundering Risk, Information and Communication Technology Risk, Operation Risk, Interest Rate Risk, Liquidity Risks shall be looked after by the Risk Management Committee etc.		J	
	(a)	Structure	V	

	(b)	Qualific	cation of Committee Members	J	
	(c)	Responsibilities and Duties of the Risk Management Committee		√	
		(A)	Risk Identification and Control Strategy	1	
		(B)	Preparation of Organizational Structures	J	
		(C)	Review of Risk Management Policy and approval	1	
		(D)	Preparation of Information and Reporting System	J	
		(E)	Supervision of Implementation of Overall Risk Management Policy	√	
		(F)	Miscellaneous Work	J	
	(d)	Calling	Calling Meeting of the Risk Management Committee		
6.	Traini	Training of Directors			
7.	This Circular is issued to implement Section 15, 15 Kha and 15 Ga of Bank Company (Amended) Act, 2013.			√	
8.	Enforcement of the Circular.				Noted



Status of compliance with the conditions imposed by Bangladesh Bank BRPD Circular Letter No. 19 dated 27 October 2013 on Contractual appointment of Advisor and Consultant

Annexure-C

SI	Particulars	Compliance	Remarks
No.		Status	
А	Rules and regulations for appointment of an Advisor		
1	Experience and Suitability	Complied	
2	Responsibilities of the Advisor: The roles and responsibilities of the Advisor are defined specifically. The Advisor can advise the Board of Directors or CEO only on those matters specified in the appointment letter.	Complied	
3	Prior approval from Bangladesh Bank	Complied	
4	Remuneration and other facilities of Advisor	Complied	
5	Tenure of Advisor: The tenure of the Advisor shall be maximum 01(one) year which is renewable.	Complied	
6	Appointment of Former-executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible to become an Advisor in the same bank immediately after their retirement or resignation.	Complied	
В	Rules and regulations for appointment of a Consultant		
1	Terms of reference of Consultant: Consultant can be appointed for specialized tasks like tax, law and legal procedures, engineering and technical works, information technology, etc.	Complied	
2	Responsibilities of a Consultant: The responsibilities or terms of reference of a Consultant are specified. He does not involve in any activities beyond his terms of references.	Complied	
3	Appointment of a Consultant: A Consultant can be appointed with the approval of the BoD. After such appointment the bank shall send the Consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately.	Complied	
4	Tenure of a Consultant: The tenure of a Consultant should be consistent with the terms of reference but would not exceed 02 (two) years.	Complied	
5	Remuneration/honorarium of a Consultant	Complied	
6	Appointment of Former-executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible to appointment as a Consultant in the same bank immediately after their retirement or resignation.	Complied	

Certificate of Rahman Rahman Huq, Chartered Accountants, about compliance of Corporate Governance Guidlines of Bangladesh Securities and Exchange Commission (BSEC).



Rahman Rahman Huq **Chartered Accountants** 9 Mohakhali C/A (11th & 12 Floors) **Dhaka 1212**

Bangladesh

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Certificate on **Compliance with Conditions of Corporate Governance Guidelines** to the Shareholders of Southeast Bank Limited

We were engaged by Southeast Bank Limited (the "Company") to provide certification whether the Company has complied with the conditions of corporate governance guidelines issued by the Bangladesh Securities and Exchange Commission in its notification number SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 (the "conditions of corporate governance guidelines") for the year ended 31 December 2014.

The Company's responsibilities

Those charged with governance and management of the Company are responsible for complying with the conditions of corporate governance guidelines. Those charged with the governance of the Company are also responsible for stating in the director's report whether the Company has complied with the conditions of corporate governance guidelines.

Our responsibilities

Our responsibility is to examine the Company's status of compliance with the conditions of corporate governance guidelines and to certify thereon in the form of an independent assurance conclusion based on the evidence obtained. For the purpose of the engagement, we comply with ethical requirements, including independence requirements, and plan and perform our procedures to obtain assurance whether the Company has complied with the conditions of corporate governance guidelines.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the Company has complied with the conditions of corporate governance guidelines for the year ended 31 December 2014.

Dhaka, 3 March 2015

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Credit Rating on the Bank

Name of the Rating Company	Particulars	Long Term	Short Term	Remarks
	Entity Rating	AA- Double A minus (High Safety)	ST-2 High Grade	Based on Audited Financial Statements as
Credit Rating Information and Services Limited		Banks rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.	High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.	of December 31, 2013 and is valid up to June 22, 2015 for long term
Reporting Date: June 23, 2014				

The task of the Credit Rating of the Bank for the year 2014 has been assigned to Credit Rating Information and Services Limited (CRISL). They have not yet finalized the report. Their report shall be disclosed in print media and to the regulators as soon as it is received.

Credit Rating of the 7-Year Non-convertible Subordinated Bond

As per provisions of the Credit-Rating Companies Rules 1996, no issue of debt-security shall be made by an issuer unless the issue is rated by a credit rating company. The Credit Rating of the Bond has been done by Credit Rating Information and Services (CRISL) based on the financial statements dated 30 June 2014.

Particulars	Long term	
Issue Rating (Unsecured Subordinated Bond)	A+ (Indicative)	
Issue Rating	Long Term : AA-; Short Term : ST-2	
Date of Declaration of Rating	25-Sep-14	
Rating Validity	Six Months	

CEO/ CFO'S Declaration to the Board regarding Integrity of Financial Statements

Date: February 26, 2015

The Board of Directors

Southeast Bank Limited Eunoos Trade Centre 52-53 Dilkusha C/A Dhaka-1000.

Sub: CEO/ CFO'S Declaration to the Board regarding integrity of financial statements

We submit the following in our capacity of the Managing Director (CEO) and the Chief Financial Officer (CFO) of the Bank.

In accordance with the notification of Bangladesh Securities and Exchange Commission No.SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August, 2012, we solemnly declare that:

- i) We have reviewed the financial statements for the year 2014 and to the best of our knowledge and belief:
- a) these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) these statements together present a true and fair picture of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) To the best of our knowledge and belief, there is no transaction entered into the books of the bank during the year 2014 which is fraudulent, illegal or violative of the Bank's code of conduct.

Mohammad Aminul Haque, ACA

Chief Financial Officer

Shahid Hossain Managing Director



Certificate of Management Committee (MANCOM) regarding the Effectiveness of Internal Control Policy, Practice and Procedure

Bank's management has a responsibility to design and maintain an adequate and effective system of internal controls and procedures. According to standard practice and guidelines of Bangladesh Bank, management of the Bank is also required to review annually the overall effectiveness of the bank's internal control system that covers material matters by identifying control objective and reviewing significant policies and procedures.

The MANCOM of the Bank received an updated "Review Report on the Risk Management of Internal Control & Compliance of the Bank". This Report includes the internal control measurement and different issues on risk management of Internal Control & Compliance, e.g Appropriateness & Effectiveness of Internal Control Environment; Internal Control Objective; Internal Control Policy Guidelines; Organization Structure; Process Guidelines and Internal Control Process of the Bank. The Committee also reviewed the key points of Bangladesh Bank's last Inspection Report on ICC of the Bank along with the bank's compliance thereof.

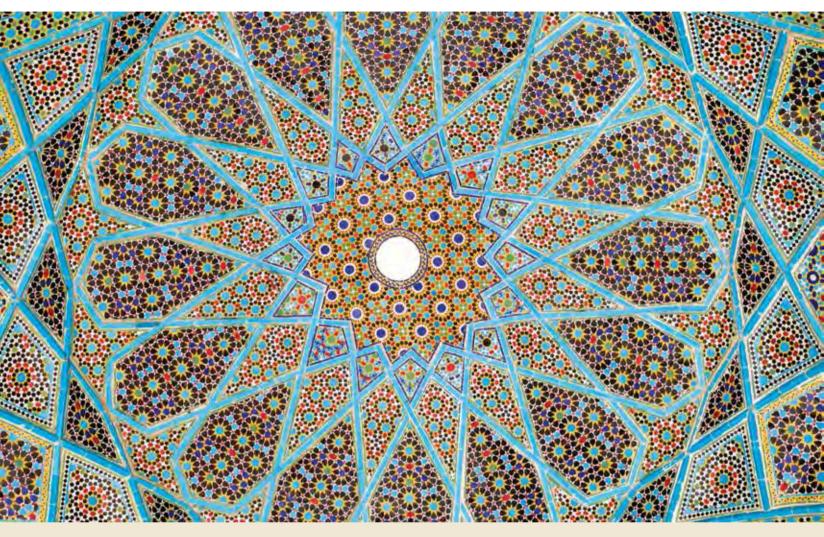
During the review/evaluation, the MANCOM gives emphasis on the adequacy and effectiveness of the control activities across the Bank, implementation of prescribed policies & procedure and compliance with all the relevant laws, regulations, policies and procedures. The MANCOM also reviews whether the Bank's control system contributes to strengthening the overall risk management framework; provides comfort to Bank stakeholders that internal controls over financial reporting adhere to the highest standard; provides evidence that management has met its accountability to design and maintain strong internal control system in the Bank; etc.

The Management Committee is satisfied that Internal Control Policy, Practice & Procedure of the Bank are effective and these provide a reasonable assurance in achieving objectives of the Bank with the standards, i.e., (i) reliability of the financial information; (ii) effectiveness and efficiency of operations; (iii) compliance with applicable laws and regulations; (iv) adherence to management policies; (v) safeguarding of Bank's Assets; (vi) prevention and detection of fraud and errors; and (vii) accuracy and completeness of the accounting records.

Mohammed Gofran

Additional Managing Director

Shahid Hossain
Managing Director



Report of the Bank's Shariah Supervisory Committee

Bismillahir Rahmanir Rahim

All Praise be to Allah Subhanahu Wa Ta'ala and peace be on the noblest of messengers, our holy Prophet Mohammad (SM), his kindred and companions.

The basis of the Shariah is wisdom and welfare of the people in this world as well as the Hereafter. This welfare lies in complete justice, mercy and well-being and wisdom. Anything that departs from justice to oppression, from mercy to harshness, welfare to misery and wisdom to ignorance has no place in Islamic Shariah.

In the year 2013, Southeast Bank Limited catered Islamic banking services through the following 05 (five) designated Islamic banking branches:

01	Chhagolnaiya Branch, Feni	:	Mir Shopping Complex, Chhagalnaiya, Feni	
02	Cox's Bazar Branch, Cox's Bazar	:	Asha Shopping Complex, 430-431 Bazar Ghata, Cox's Bazar	
03	Bandar Bazar Branch, Sylhet	:	Karimullah Market, Bandar Bazar, Sylhet.	
04	Motijheel Branch, Dhaka	:	125, Motijheel C/A, Motijheel, Dhaka.	
05	CDA Avenue Branch, Chittagong	:	Ali Villa, 1640/1861 (new), CDA Avenue, Asian Highway, East Nasirabad, Chittagong	



The Bank constituted a Shariah Supervisory Committee to oversee the Shariah compliance in Bank's Islamic Banking. The following veterans versed in Islamic jurisprudence are the Faquih Members on the Shariah Supervisory Committee:

- Professor Moulana Mohammad Salah-Uddin Chairman Khateeb, Baitul Mukaram National Mosque, Dhaka and former Principal, Madrasha-e-Alia, Dhaka.
- 2 Mr. M. Kamaluddin Chowdhury Member Former Managing Director of Islami Bank Bangladesh Ltd. and Shahjalal Islami Bank
 I td
- Moulana Mohammad Kafiluddin Sarker Member Principal, Dhaka Nesaria Kamil Madrasa and Katib, Aminbagh Jame Mosque

The Shariah Supervisory Committee reviewed different operational issues including those referred by the Management of the Bank. It gave necessary guidelines and counseling.

We report the following to the Shareholders in respect of Islamic banking operation of the Bank.

- During the Year 2014, Shariah Supervisory Committee of Southeast Bank Limited held 3(three) formal meetings.
- The Shariah Supervisory Committee stressed upon frequent inspection of the Islamic banking branches. The Management of the Bank confirmed that all the Islamic Banking Branches were inspected in 2014 and Islamic banking branches complied with the Shariah Principles and requirements.
- No deviation of any Shariah law was reported to the Shariah Supervisory Committee.
- The accounts of Islamic banking operations of Southeast Bank Limited have been kept separate from conventional banking ones.

- The Shariah Supervisory Committee advised to extend the Islamic Banking Service Desk to all the newly opened Branches including the proposed Ladies Branches of the Bank.
- The Shariah Supervisory Committee approved the Branding of Islamic Banking products within one folder named "Tijarah". The Committee also advised that the folder containing the salient features of Bank's Islamic Banking Products be supplied to the Islamic Banking Branches.
- The people that work in Bank's Islamic Banking branches as well as Islamic Banking Division at Head Office are sufficiently trained to offer best Islamic banking services complying Shariah principles.
- The Shariah Supervisory Committee advised to continue frequent training programs on Islamic Banking to develop quality human resources for Islamic Banking Service Desks.

May Allah give us tawfique to achieve His satisfaction through implementation of Shariah in every sphere of our life including those applicable to banking transactions. Ameen.

Prof. Moulana Mohammad Salah-Uddin

Misalchunder

Chairman

Shariah Supervisory Committee







Statement from the Chief Risk Officer

Deregulation and globalization of financial services, together with the growing sophistication of financial technology, are making banking activities more diversified and complex. As a consequence, it has become more important than ever for banks to manage various types of risk effectively including the risks like market, credit, liquidity, operations and computer systems risk.

The key to effective risk management, however, is not necessarily to minimize all these various types of risks. For example, lending operations have the inherent risk of possible loan losses (credit risk), but by taking risk, banks are able to charge a premium for their risk-taking activities and earn profits. Risk is, therefore, a source of profits. In managing various types of risk, it is essential to divide them into two basic types, based on their inherent characteristics, namely risks that should be taken and risks that should be minimized.

In implementing risk management activities, different departments in charge of various types of risk are required to respond appropriately and work constantly to upgrade their capabilities. In addition, it is essential as a whole to measure and manage risk volumes accurately from a centralized perspective.

The Bank endeavors to measure the various types of risk from a centralized perspective and restrains the total volume of business within the limits of its capital. Also, by putting appropriate risk controls in place and through the development of an integrated risk management system, profit is maximized.

In its risk management activities, the Bank uses various risk indicators and measures of risk, and accurately monitors the level of profit generated by various risk- taking activities. With the aim of bringing further improvements in its capabilities to allocate risk effectively, the Bank is making its systems more sophisticated.

Moreover, the Bank monitors risk at all levels throughout its operations and has established units to manage various types of risk. The Risk Management Division has been established to supervise risk from a Bank wide perspective, and committees have been formed that include members of management to take responsibility for various forms of risk with the goals of strengthening risk management and control. Operational risk level is monitored on a regular basis through internal as well as external agencies and appropriate measures are taken accordingly and this is an ongoing process.

S. M. Mainuddin Chowdhury DMD and Chief Risk Officer

Effective risk and capital management remains fundamental to the business activities of the bank and its subsidiaries. Risks are controlled at individual exposure level as well as in aggregate within and across all the business lines, legal entities, and risk types. Capital is managed using regulatory and adequate/economic capital metrics at both business line and legal entity level.

The group's major business lines are:

- Personal & Small and Medium Enterprises(SME) Banking
- o Corporate Banking

In course of operations, the Bank invariably faces different types of risks that may have a potentially negative effect on the business. One of the main risks arising from operations of the Bank is lending/credit risk. In addition to lending or credit risk, the Bank faces other types of risks relating to liquidity, market,

operational, concentration, legal, reputation risk etc. Risk management in bank's operation includes:

- 1. Risk identification
- 2. Measurement and assessment
- 3. Planning and controlling
- Monitoring.

Bank's approach to risk management serves the following goals:

- Retaining trust and confidence of both depositors and investors through achieving an optimal balance of risk and return
- Preserving the bank's status as the cornerstone of the domestic economy, pursuing high corporate governance and ethical standards
- Building a resilient bank, able to effectively manage its portfolio of assets and withstand external shocks and economic turbulence.

The key elements of risk management system are presented below:

Risk Management Structure	Three separate committees of Board: i) Executive Committee, ii) Audit Committee and iii) Risk Management Committee, are responsible for risk management and operations of the bank.		
	Audit Committee of the Board The audit committee assists the Board in fulfilling its oversight responsibilities. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.		
	Risk Management Committee of the Board Board Risk Management Committee is responsible for mitigating risks arising from strategies and poli formulated by the Board.		
	Management Committee (MANCOM) is the apex forum that consists of senior management. Asset Liability Committee (ALCO), strategic committees, product committee are other major committees.		
Policies	Risk Management Policies and Procedures for major risk areas like credit, market, operational, and investment are in place.		
Internal Control and Compliance	The Bank has independent audit and compliance functions. Robust Internal control points are established and managed by a professional team		
Risk Management Division	Prepare risk reports and place recommendations to the Chief Risk Officer(CRO) and Board of Directors		

Risk Management Committees and reporting line:





The Risk management of the bank has risk oversight for the following core risk areas:

- 1. Credit Risk Management
- 2. Asset-Liability Risk Management
- 3. Foreign Exchange Risk Management
- 4. Internal Control and Compliance Risk Management
- 5. Money Laundering Risk Management
- 6. Information and Communication Technology Risk Management

Apart from the core risks mentioned above the Environmental risk is one of the major risks that has been considered as an integral part of credit risk. The bank's risk management processes, policies and mitigations of the core risks along with Environmental risk are described below:

1. Credit Risk

The Bank follows the procedures as per policy guidelines of the Bangladesh Bank and other regulatory authorities. It focuses on different investment segments by following separate policies with clearly defined units for exposure and risk management aspects. The Board of Directors sets the risk absorbing capacity which is defined through strategic business plan as well as the credit policy guidelines. Credit policy guidelines lay down the roles and responsibilities, risk appetite, key processes, reporting framework etc. Corporate credit is managed through rating of individual borrowers and their transaction pattern along with their exposures in risky assets.

The credit approval process is structured and standardized along with an established procedure of comprehensive credit appraisal. Approval of credit or material change to a credit facility requires recommendation of the credit review committee and approval of appropriate authority (based on individual delegation). Internal risk calculation and grading remains the base of the credit assessment process which provides standardization and objectivity to the process. The sanctioning process including the delegation of powers varies with the level of approval authority. Ceiling for individual borrowing is determined by the internal risk grading system and concentration risk to a particular sector is also considered while approving credit. The Bank continuously monitors the portfolio concentrations by segment, borrower, groups, industry, and geography. Credit portfolio is monitored at frequent intervals which generate early alert report based on financial performances of

individual borrowers/sectors/groups. Credit review committee reviews, analyzes, and determines industry credit ceiling and account management strategy for the sector. The risk management committee from time to time reviews the impact of the stress scenarios to identify the provisioning requirements, rating downgrades or drop in the asset values in case of secured exposures in the portfolio.

Credit risk Management objectives are to:

- i. Set up a standard credit approval process to minimize the credit risk.
- Identify, assess and measure credit risk clearly and accurately to mitigate those risk factors.
- iii. Ensure that risk return objectives are met.
- Maintain an appropriate credit administration and monitoring process.
- Ensure compliance of all regulatory rules and regulations.

2. Asset-Liability Risk Management

Asset-Liability Risk Management process involves analysis, evaluation, acceptance, and management of certain risks or combination of risks. The Asset Liability Management (ALM) is a key Financial and Risk Management discipline which mainly focuses on the following types of risks:

- Risks arising from liquidity mismatch or Liquidity Risk;
- Risks arising from movement in interest rates or Interest Rate Risk; and
- Risks arising from movement in exchange rates or Foreign Currency Risks.

Liquidity Risk

Risk Management Systems

Information on cash flow, the market environment, and other matters related to liquidity risk is reported to the Treasury Division, which is in overall charge of managing the cash flow. Reports on the overall cash flow are made periodically to the Executive Committee.

In the event that a sudden change in the market funding environment leads to the emergence of a possible liquidity shortage, the Bank has prepared contingency plans to respond flexibly and quickly according to the seriousness of the emergency. We measure liquidity risk by preparing liquidity profile of assets and liabilities in different time buckets as per Bangladesh Bank guideline. This statement helps

measure the extent of liquidity deficit or surplus that the bank faces in different time periods. Liquidity risk is managed by holding High Quality Liquid Assets (HQLA) maintaining presence in the inter-bank market by regular borrowing and lending, maintaining credibility and good reputation with the depositors / lenders to make sure that liabilities matured are promptly renewed.

Basel-III liquidity impact

The Bank will be required to comply with the Liquidity Coverage Ratio (LCR) from 2015. LCR is a metric designed by the Bangladesh Bank to measure the bank's ability to manage a sustained outflow of customer funds over the course of 30 days. The ratio is 'high quality liquid assets divided by net cash outflows' and the Bank is expected to achieve a result of greater than 100% once LCR is fully implemented.

From 2015, the Bank will also be required to comply with the Net Stable Funding Ratio (NSFR), a metric designed to ensure that the majority of term assets are funded by stable sources, such as capital and term borrowings.

The Bank continues to promote product segmentation and development to comply with the LCR and NSFR requirements.

Market Risk

Unit engaged with market transactions conduct their operations within the various limits that have been assigned to them and approved by the Board. The results of operations and profit/loss are reported on a periodic basis to the Management and Board.

Unit carrying out transactions (the front offices) and unit in charge of monitoring operations (the back offices) are separate. In addition, there is a mid-office formed to monitor the front office. Moreover, another unit within the Inspection Department is responsible for carrying out strict examinations of the conduct and management of market-related operations.

Interest Rate Risk

The Bank measures Interest Rate Risk (IRR) through Gap Analysis of Rate Sensitive Assets and Liabilities to estimate the probable impact on Net Interest Income (NII) of the bank. Where rate sensitive assets are more than rate sensitive liabilities (i.e. positive gap), an increase in interest rate will impact the NII positively and vice versa.

Another gauge to measure IRR is Duration Gap analysis which is used to predict the likely impact

of interest rate movements on the net worth of the bank. By changing the durations of investment assets or appropriate swap strategies we try to obtain the desired impact of interest rate movements on the Balance Sheet of the Bank.

Equity Price Risk

The Bank invests in the scripts having good fundamentals. It monitors and reviews the investment portfolio on a regular basis and keep provision against unrealized losses as per the rules of regulatory authority.

3. Foreign Exchange Risk Management

Foreign Exchange risk has the plausible impacts on profitability and capital of the Bank due to fluctuations in exchange rates. This may also arise from the failure of counterpart to settle their obligation in due time. The Bank is exposed to foreign exchange risks typically from the following sources:

- Import and export business transactions.
- Inward and outward remittance.
- Interbank transaction in foreign exchange.

The Bank has formulated a Foreign Exchange Risk Management manual as per the guidelines given by Bangladesh Bank to measure, monitor, and control different foreign exchange risks. Apart from this manual, the Bank also applies other standard tools to minimize foreign exchange risks. Some of which are given below:

- Maintaining Net Open Position (NOP) within the limit set by Bangladesh Bank.
- Setting counterparty limit which includes forward, placement, SWAP limits for foreign exchange transactions.
- Setting limits for the foreign exchange dealers (intraday open position limit, stop loss limit, per deal limit, trigger limit).
- Reconciling Nostro Accounts periodically as per the instruction of Bangladesh Bank.
- Calculating VaR (Value at Risk) that measure the highest possible loss of holding of foreign currency.

The Bank prudently managed the foreign exchange position during the year 2014, and was able to earn a considerable amount of profit through making import payment on behalf of the customers' L/C (Letter of Credit) commitments, participating in interbank transactions, and speculative trading.

4. Internal Control and Compliance Risk Management

With a view to achieving the broad objectives of



the Bank, Internal Control and Compliance system has been strengthened to manage and control its operations in a sound and prudent manner.

The Bank reviews work programs periodically and undertakes various control mechanisms accordingly. The following are the instruments to establish a controlled and compliant environment in the Bank.

- Departmental Control Function Checklist
- Quarterly Operation Report
- · Loan Documentation Checklist
- MANCOM Certificate
- · Annual Summary Report
- Annual Health Report

Three separate units: i) Compliance Unit, ii) Monitoring Unit and iii) Audit & Inspection Unit of Internal Control and Compliance Division (ICCD) are independently performing their responsibilities to ensure safe and compliant operations.

The audit and inspection team has a strong monitoring function over the branches and divisions of Head Office and conducts onsite inspections to verify whether there exists any noncompliant issue. The central bank also carries out both onsite and offsite inspections and sends comprehensive reports with the instructions to comply with the observations. The audit and inspection reports from the internal and external teams are presented in the Audit Committee of the Board and measures are taken according to decisions of the committee.

5. Money Laundering Risk Management

The Bank is committed to establishing exemplary Anti Money Laundering (AML) and combating the Financing of Terrorism (CFT) procedures/practices and ensuring prevention of money laundering, terrorist financing or any other illicit business. The international standards and Bangladesh Bank guidelines have already been adopted to fight against ML and TF.

The main elements of AML & CFT Compliance Policy/ Program are Customer Due Diligence (CDD) Process, Transaction Monitoring, Suspicious Transaction/ Activity Reporting Process, Record Maintenance, Correspondent Banking, Screening of Sanction List, Self-Assessment & Independent Testing Procedure, Training & Awareness Building, Periodical Reporting/ Returns, etc. The CDD process is implemented through several tools and techniques e.g. Know Your Customer (KYC) Procedure, Know Your Employee (KYE) Procedure, Customer Acceptance Policy, Customer Identification Process, etc,

The AML & CFT Compliance Policy/Program of the Bank is also followed by all its subsidiaries to comply with the legal and regulatory requirements and obligations in home and abroad. The AML & CFT Compliance Policy/Program of the Bank is reviewed, evaluated, updated, and improved in line with the changes to the bank's activities, legal and regulatory requirements.

6. Information and Communication Technology (ICT) Risk Management

Tthe Bank adopted emerging technologies exponentially to meet the ever changing needs of the market place. At the same time the Bank continuously strives to manage the ICT risks according to the ICT Risk Management Policy, procedures and regulations adopted by the Bank to define and analyze the risks and then put the right control and practice at the right place.

During the last couple of years, the Bank introduced most modern technological protection and control system, like DLP for Data Loss Prevention, Websense for protection from external intruders, F5 for protection from web application and many more. Throughout the vear 2014, the Bank committed resources to enhance protection of its customer information, prioritizing projects that were aimed at augmenting the data/ network security framework. For the purposes, the Bank has implemented SMS/E-mail alert service for all types of transactions. The Bank conducted Penetration test and vulnerability assessment of its internal and external services by its own Certified Ethical Hacker (CEH), certified resources and reputed third-party vendors. In addition, the Bank continues to provide trainings to employees to increase awareness of ICT risk so that ability to identify existing gaps and the effectiveness of control elements be achieved.

There have been operational changes in the card management system to comply with Payment Card Industry-Data Security Standard (PCI-DSS), the best in class of Plastic Cards. Card Center is also involved in various system improvements to provide faster and more reliable services to the customers by way of emplementing high-end hardware systems and Database.

The Bank has up-to-date Business Continuity (BCP) and Disaster Recovery Plans (DRP) to ensure that business runs effectively in the event of most unforeseen disasters ensuring that systems and procedures are resilient and ready to meet "emergency situations."

Environmental Risk Management

From 2011 to 2014, some extensive reforms of environmental regulation have been initiated to generate effective and sustainable business growth. Our initial focus has been threefold: first, integration of environmental, social, and ethical criterion into the decision making process by developing policy framework. Second, paying particular attention to direct and indirect impacts on the environment that arise from bank's finance and investment activities. In addition, the Bank has to set clear objectives to reduce the environmental impacts of its day-to-day operation. Third, to encourage and recognize the achievement of those who have made remarkable contribution to create green environment by their operation, business, and research.

The Bank pays close attention to the environmental impacts to the projects, companies, and individual customers that it finances. We encourage energy efficient technology and use of renewable, low carbon energy sources. As part of green financing, the Bank has extended a total of taka 17,761.76 million as of December end, 2014. In order to insure environment friendly investment, all credit proposals were subjected to attach Environmental Risk Rating (EnvRR). The Bank has completed EnvRR for about 650 clients, who avail an aggregate facilities worth of taka 14,478.23 million. To reduce the carbon footprint of its own day-to-day business activities, the Bank has set guidelines namely "Southeast Sobuj Jibon" to create awareness among the employees of the Bank. Green Banking Department arranged several day long training-workshop programs to familiarize Green Banking concepts with its employees. Furthermore, the year 2014 was a cornerstone for the Bank in respect of green banking initiatives. This year the Bank launched, "Green Award" for the first time of its history. The Bank in association with the Financial Express and Policy Research Institute has launched green initiatives by introducing Green Award to protect and promote environment. As we believe that environmental risk management means taking responsible decision in context of environmental, social, and ethical considerations, we have our environmental risk management guidelines and a professional, dedicated team functioning within the Bank to uphold the culture of taking responsible decision.

Operational Risk

Basic Policy

Operational risk is inherent in the handling of

customer transactions. Errors, unethical conduct, and certain other circumstances may lead to losses. Typical examples are disparities between actual cash and cash balances and customer complaints concerning transactions. Accurate and rapid fulfillment of transactions requested by customers is the foundation of trust in the bank's services, and, as banking activities become more diversified, proper management of these activities to lessen and minimize operational risk is essential.

Risk Management Systems

The Bank has established the Internal Control and Compliance Division to be in overall charge of operational risk management. The department's activities include improving operating procedures and implementing systems upgrades as well as supervising branch operations and providing specific guidance. In addition, this division conducts examinations and provides guidance to prevent operational problems before they occur at all the bank's offices, including overseas offices.

Capital Management

The bank has successfully maintained its capital position, meeting or exceeding all target ratios as per the Basel capital framework. The bank spent significant time and effort in 2014 to ensure that it will be Basel III compliant from January 2015 according to the road map of Bangladesh Bank. These actions included:

- o Setting internal capital adequacy target ratios for five years starting from 2015
- Participation in the quantitative impact assessments and Basel III parallel run tests
- o Issuance of subordinated debt to strengthen the Tier-2 capital of the Bank
- Interpretation of the Basel-III capital framework in Bangladesh and assessing the impact on the Bank
- Revised capital allocations to business in line with the revised capital adequacy target
- o Incorporation of the Basel -III interpretations into the bank's capital forecasts
- Enhancements to regulatory reporting system



Qualitative and Quantitative disclosures Under Pillar- III of Risk Based Capital Adequacy (Basel-II) December 31, 2014

Market discipline has long been recognized as a key objective of the Risk Based Capital Adequacy Basel-II. The provision of meaningful information about common key risk metrics to market participants is a fundamental tenet of a sound banking system. It reduces information asymmetry and helps promote comparability of banks' risk profiles within and across jurisdictions. Pillar 3 of the Basel framework aims to promote market discipline through regulatory disclosure requirements. The following detailed qualitative and quantitative disclosures are prepared in accordance with Guidelines on Risk Based Capital Adequacy (Basel-II) by Bangladesh Bank.

The reports will enable market participants to assess more effectively key information relating to a bank's regulatory capital and risk exposures in order to instill confidence about a bank's exposure to risk and overall regulatory capital adequacy.

A) Scope of Application

Qualitative Disclosures

- The name of the top corporate entity to which this framework applies: Southeast Bank Limited.
- The quantitative disclosures are made on the basis of consolidated audited financial statements of the bank and its subsidiaries as at and for the year ended December 31, 2014 prepared under relevant international accounting and financial reporting standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and related circulars/instructions issued by Bangladesh Bank from time to time. In preparing consolidated financial statements, the bank and its subsidiaries' financial statements are combined on a line by line basis by adding together like items of assets, liabilities, equity, income and expenses. However all intra group balances, transactions, profits and losses are eliminated in full.

c) Southeast Bank Limited has four subsidiaries and the descriptions are given below.

Southeast Bank Capital Services Limited

- Date of Incorporation September 23, 2010
- Date of Commencement: September 23, 2010
- Authorised capital: Tk. 3000 million
- Paid up Capital : Tk. 1000 million
- Ownership interest in capital: Tk. 989.90 million (98.90%)

Southeast Bank Financial Services (UK) Limited

- Date of Incorporation February 22, 2011
- Date of Commencement: September 26, 2011
- Paid up Capital: Tk. 38.49 million
- Ownership interest in capital: 100%

Southeast Bank Financial Services (Australia) Pty Limited

- Date of Incorporation March 18, 2013
- Date of Commencement: March 18, 2013
- Paid up Capital: Tk. 25.03 million
- Ownership interest in capital: 100%

Southeast Bank Financial Services (South Africa) Pty Limited

- Date of Incorporation March 15, 2014
- Date of Commencement: March 15, 2014
- Paid up Capital: Tk. 50.10 million
- Ownership interest in capital: 100%

The BRPD circular 02 dated 16 January 2014 regarding 'Single Borrower Exposure Limit' is being applied by the Bank in determining maximum amount of finance to the subsidiaries of the Bank. As on year end 2014, the bank had a credit line to Southeast Capital Services Ltd of BDT 3240.53 million.

Quantitative Disclosure

d) Southeast Bank Ltd has four subsidiaries: Southeast Bank Capital Services Limited, Southeast Financial Services (UK) Limited, Southeast Financial services (Australia) Pty Limited and Southeast Exchange Company (South Africa) Pty Limited.

Assets and liabilities of these subsidiaries are consolidated with the financials of the parent company. There is no capital deficiency in the financial year 2014.

B) Capital Structure

Qualitative Disclosures

 a) The regulatory capital under Basel-II is composed of (I) Tier-1 (Core Capital) and (II) Tier-2 (Supplementary Capital).

Tier-1 capital is the core measure of a bank's financial strength. It consists of highest quality capital items which are stable in nature and allows a bank to absorb losses on an ongoing basis. It includes paid-up capital, statutory reserve, general reserve, retained earnings,

minority interest in subsidiaries.

Tier-2 capital lacks some of the characteristics of the core capital but also bears loss absorbing capacity to a certain extent. General provision, revaluation reserves etc are part of Tier-2 capital.

Tier-1 capital of the bank as of December 31, 2014 is Tk. 19,882.29 million which is 72.40% of total eligible capital and out of total Tier-1 capital 46.12% is paid up and 39.19% is statutory reserve. Tier-2 capital is Tk. 7,579.80 million which is 27.60% of total eligible capital and the major contributors are subordinated debt 39.58% and general provision 29.61%.

Capital requirement rules

The calculation of Tier 1 capital, Tier 2 capital, and Tier 3 capital shall be subject to the following conditions:

- i. The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.
- ii. 50% of revaluation reserves for fixed assets and securities eligible for Tier 2 capital.
- iii. 10% of revaluation reserves for equity instruments eligible for Tier 2 capital.
- iv. Subordinated debt shall be limited to a maximum of 30% of the amount of Tier 1 capital.



v. A minimum of about 28.5% of market risk needs to be supported by Tier 1 capital. Supporting of Market Risk from Tier 3 capital shall be limited up to maximum of 250% of a bank's Tier 1 capital that is available after meeting credit risk capital requirement.

Quantitative Disclosures

BDT in million

	ni in milik		
	Consolidated	Solo	
b) Tier-1(Core capital)			
Paid-up capital	9,169.50	9,169.50	
Non- repayable share premium account	-	-	
Statutory reserve	7,792.81	7,792.81	
General reserve	247.65	247.65	
Retained earnings	2,662.14	2,638.52	
Minority interest in subsidiaries	10.18	-	
Non cumulative irredeemable preference shares	-	-	
Dividend equalization account	-	-	
i) Total Tier-1 capital	19,882.29	19,848.49	
c) Tier-2 (Supplementary capital)	-	-	
General provision(unclassified loans, SMA, off balance sheet)	2,244.37	2,244.37	
Asset revaluation reserves up to 50%	2,101.40	2,101.40	
Revaluation reserves for securities up to 50%	234.03	234.03	
Revaluation reserves for equity instruments up to 10%	-	-	
All other preference shares	-	-	
Subordinated debt	3,000.00	3,000.00	
ii)Total Tier-2 capital	7,579.80	7,579.80	
d) Other deductions from capital	-	-	
iii))Total eligible capital(i+ii)	27,462.09	27,428.29	

C) Capital Adequacy

Qualitative Disclosures

 The bank is presently following Standardized Approach for assessing and mitigating Credit Risk, Standardized Rule Based Approach for quantifying Market Risk and Basic Indicator Approach for Operational Risk to calculate Minimum Capital requirement (MCR) under pillar-I of Basel-II framework as per the guidelines of Bangladesh Bank.

Quantitative Disclosures

BDT in million

	Capital Adequacy	Consolidated	Solo
b)	Capital requirement for Credit Risk	19,100.51	19,298.80
c)	Capital requirement for Market Risk	1,504.94	1,165.93
d)	Capital requirement for Operational Risk	1,519.49	1,503.36
	Minimum capital requirement (MCR)	22,124.93	21,968.09
	Total capital maintained	27,462.09	27,428.29
	Capital surplus over MCR	5,337.16	5,460.202
e)	Capital Adequacy Ratio (CAR)	12.41%	12.49%
	Capital Adequacy Ratio (CAR) with Tier-1	8.99%	9.04%

D) Credit Risk

Oualitative Disclosures

a) Credit risk is the potential loss that may arise from a borrower's failure to repay a loan or meet its obligation in accordance with agreed term.

Credit approval

Bank's credit policy has been prepared in line with Bangladesh Bank guidelines illustrating the approval process and delegation of authority. The approval process segregates relationship management, credit marketing from the approval authority. The approval authorities are delegated to different levels of management, executive committee of the Board and Board of Directors. Board of Directors of the bank has the highest level of authority to approve any credit proposal and delegate such authority to the competent authority (EC, MD, DMD, Branch Manager). The Corporate Banking Division receives the proposals from the branches and thereafter scrutinized, analyzed and processed in conformity with Credit Risk Management(CRM) guidelines of Bangladesh Bank and forward the memorandum embodying their recommendations to the CRM division for scrutiny and to ensure that all regulatory procedures/rules and regulations etc. are complied with. After exercising

due diligence by CRM, they convey their observations to Corporate Banking/Islamic Banking/SME and Agri Credit Division for submitting the proposals to Head Office Credit Review Committee (HOCRC) and finally forward it to the competent authority for approval.

Credit Administration

The bank accomplishes documentations and makes disbursements with utmost care to reduce the potential credit risk. The disbursement authority is given to the branches within approved limit after the completion of necessary documentation. This task of complition of documentation is done by credit administration department under the CRM dividion of the Bank. Furthermore, the bank constantly monitors clients' repayment behaviors, fulfillment of conditions given before disbursement and compliance of covenants in post disbursement period.

Credit Monitoring

The loan portfolio with classification status is reviewed periodically and brought to the notice of Board of Directors of the Bank and senior level management regarding down gradation, overdue, special mention account (SMA), classified and rescheduled portfolio along with early alert list for their information and guidance. The Branches are communicated through letters and circulars for implementation of efficient credit risk management in a proper manner including adherence to the Bank's and Bangladesh Bank's rules and regulations. They have also been advised to follow the guidelines of comprehensive recovery/collection procedures and systems to keep the sound wealth of credit portfolio of the bank.

Credit Assessment and Grading

Know Your Client (KYC) is the first step to analyze any credit proposal. Banker-Customer relationship is established through opening of CD/SB accounts of the customers. Proper introduction, photographs of the account holders/ signatories, passports etc., and all other required papers as per Bank's policy are obtained during account opening. Physical verification of customer address is done prior to credit appraisal. At least three Cs, i.e., Character, Capital and Capacity of the customers are confirmed. Credit Appraisals include the details of amount and type of loan(s) proposed, purpose of loan (s), result of financial analysis, Ioan Structure (Tenor, Covenants, Repayment Schedule, Interest), security arrangements. The above are minimum components to appraise a credit and there are other analyses depending on the credit nature.

The Bank follows the CRG manual of Bangladesh Bank circulated on December 11, 2005 through BRPD circular no. 18. Borrowers are assigned risk grades based on the qualitative and quantitative factors of their business. There are 08 grades based on the marks obtained in qualitative and quantitative factors. The grades and factors are:

GRADING	SHORT NAME	Marks	NUMBER
Superior	SUP	85-100	1
Good	GD	75-84	2
Acceptable	ACCPT	65-74	3
Marginal/Watch list	MG/WL	55-64	4
Special Mention	SM	45-54	5
Sub standard	SS	35-44	6
Doubtful	DF	25-34	7
Bad & Loss	BL	<25	8

Quantitative and Quantitative factors/ principal risk components	Weight
Financial Risk	50%
Business/Industry Risk	18%
Management Risk	12%
Security Risk	10%
Relationship Risk	10%

Credit Risk Mitigation

Potential credit risks are mitigated by taking primary and collateral securities. There are other risk mitigants like netting agreements, credit insurance and other guarantees. The legal certainty and enforceability of the mitigants are verified by the professionals of the respected fields. Collateral types which are eligible for risk mitigation include: cash; residential, commercial and industrial property; fixed assets such as motor vehicles, plant and machinery; marketable securities; commodities; bank guarantees; and letters of credit. Collaterals are physically verified by the officials of the branches and Head Office. At the same time these are also valued by independent third party surveyor in accordance with the credit policy and procedures.

Past Due and Impaired Credit

A claim that has not been paid as of its due date is termed as past due claim. Payment may be for repayment/renewal/rescheduling or as an installment of a loan. For loan classification and maintenance of specific and general provision Bank follows BRPD circular no-14 and 19 of 2012, 05 of 2013, and 16 of 2014 and advices by Bangladesh Bank from time to time.



Approaches followed for specific and general allowances:

Particulars Short Term		Consumer Financing			SMEF	Loans to	All other
	Agri Credit Other than HF LP HF, LP		LP		BHs/MBs/SDs	Credit	
Standard	2.5%	5%	2%	2%	0.25%	2%	1%
SMA	-	5%	2%	2%	0.25%	2%	1%
SS	5%	20%	20%	20%	20%	20%	20%
DF	5%	50%	50%	50%	50%	50%	50%
B/L	100%	100%	100%	100%	100%	100%	100%

NB: CF=CONSUMER FINANCING, HF=HOUSING FINANCE, LP=LOANS FOR PROFESSIONALS TO SET UP BUSINESS, SMA=SPECIAL MENTION ACCOUNT, SS=SUBSTANDARD, DF=DOUBTFUL, B/L=BAD/LOSS, BHs/ MBs,/SDs= LOANS TO BROKERAGE HOUSES/MERCHANT BANKS/STOCK DEALERS.

Base for Provision

For the following types of eligible collaterals, provision is maintained at the stated rates mentioned above on the base for provision. Base for provision is calculated deducting interest suspense and the value of eligible collateral from outstanding classified loans.

- Deposit with the same bank under lien against the loan
- ii. Government bond/savings certificate under lien,
- iii. Guarantee given by Government or Bangladesh Bank.

For all other eligible collaterals, the provision will be maintained at the stated rates mentioned above on the balance calculated as the greater of the following two amounts:

- Outstanding balance of the classified loan less the amount of Interest Suspense and the value of eligible collateral; and
- ii. 15% of the outstanding balance of the loan.

Eligible Collateral

The following collateral is included as eligible collateral in determining base for provision:

- 100% of deposit under lien against the loan
- 100% of the value of government bond/savings certificate under lien
- 100% of the value of guarantee given by

Government or Bangladesh Bank

- 100% of the market value of gold or gold ornaments pledged with the bank.
- 50% of the market value of easily marketable commodities kept under control of the bank
- Maximum 50% of the market value of land and building mortgaged with the bank
- 50% of the average market value for last 06 months or 50% of the face value, whichever is less, of the shares traded in stock exchange.

Subjective Judgment

Considering the nature and performance of a loan, the bank can also classify a particular loan on the basis of subjective judgment taking into consideration the factors such as uncertainty or doubt of repayment, continuous loss of capital, adverse situation, decrease of value of securities, legal suit etc. However, regardless of all rules and regulations the central bank can classify any loan on the basis of their subjective judgment as well as can instruct the bank to make additional provision on non-performing loans.

Quantitative Disclosures

 Total gross credit risk exposures broken down by major types of credit exposure

Total gross credit risk exposures by major types: Bangladesh Bank guidelines on Basel II, stipulated to segregate bank's asset portfolio into different categories, and the below table shows our gross exposure in each asset category.

BDT in million

	Particulars	Consolidated	Solo
а	Cash	15,457.47	15,457.47
b	Claims on Bangladesh Government and Bangladesh Bank	50,185.30	50,185.30
С	Claims on Banks & NBFIs	10,754.77	10,708.17
d	Claims on Corporate	92,520.77	92,520.77
е	Claims on SME	26,578.44	26,578.44
f	Claims under Credit Risk Mitigation	8,337.37	8,337.37
g	Claims categorized as retail portfolio (excluding SME, Consumer finance and Staff loan) up to 1 crore	1,430.38	1,430.38
h	Consumer finance	1,089.99	1,089.99
i	Claims fully secured by residential property	485.25	485.25
j	Claims fully secured by commercial real estate	2,416.07	2,416.07
k	1.Past Due Claims (Risk weights are to be assigned net of specific provision):		
	Where specific provisions are less than 20 per cent of the outstanding amount of the past due claim;	1,704.79	1,704.79
	Where specific provisions are no less than 20 per cent of the outstanding amount of the past due claim.	700.99	700.99
	Where specific provisions are more than 50 per cent of the outstanding amount of the past due claim.	291.14	291.14
	2. Claims fully secured against residential property that are past due for more than 90 days and/or impaired specific provision held thereagainst is less than 20% of outstanding amount	17.33	17.33
	3. Loans and claims fully secured against residential property that are past due by 90 days and /or impaired and specific provision held thereagainst is more than 20% of outstanding amount	-	-
I	Capital Market Exposure	2,354.87	3,240.53

m	Unlisted equity investments and regulatory capital	214.99	1,269.98
	instruments issued by other	214.55	1,200.00
	banks(other than those		
	deducted from capital) held in		
	banking book		
n	Investments in premises,		
	plant and equipment and all other fixed assets	7,913.00	7,761.17
	other fixed assets		
0	Claims on all fixed assets		
	under operating lease	-	-
р	All other assets	-	-
	i)Claims on GoB & BB	1,025.80	1,025.80
	ii)Staff Ioan	179.61	179.61
	iv) Claims on Offshore		
	Banking Unit	-	-
	v)Others	2,448.17	2,166.41
	Total	226,106.51	227,566.97

c) Geographical distribution of exposures

BDT in million

Region Based	Dhaka	102,512.52
	Chittagong	36,993.87
	Rajshahi	2,681.46
	Sylhet	3,646.72
	Khulna	1,359.94
	Rangpur	680.13
	Barisal	81.92
	Total	147,956.55
Country Based:	Domestic	147,956.55
	Overseas	

d) Major Industry wise distribution of exposures (Industrial Loan)

BDT in million

Textile and Garments Industries including Spinning Industries	32,348.10
Food and allied Industries	5,143.00
Pharmaceutical Industries	1,260.60
Chemical, Fertilizer, etc.	61.70
Cement and Ceramic Industries	2,773.10
Service Industries	2,033.40
Other Industries	20,314.80
Total	63,934.70



e) Residual contractual maturity breakdown of the whole portfolio

BDT in million

On demand	35,257.94
Less than three months	21,550.03
More than three months but less than one year	44,814.54
More than one year but less than five years	37,763.46
More than five years	8,570.59
Total	147,956.55

f) Major Industry type amount of impaired loans

BDT in million

Agriculture	2.30
Large and Medium Scale Industries	1306.42
Small and Cottage Industry	20.50
Exports	11.50
Commercial Lending	2848.60
Finance to NBFIs	0.00
Real Estate	465.29
Retail Banking	20.20
Transport & Communication	0.20
Credit Card	45.60
Others	667.14
Total	5387.74

g) Gross Non Performing Assets (NPAs)

BDT in million

	DD1 II111IIIIO11
Gross Non Performing Assets (NPAs)	
Nonperforming assets to outstanding loans and advances	3.64%
Movement of Non Performing Assets (NPAs):	
Opening balance	5350.24
Additions	6775.70
Reductions	(6738.20)
Closing balance	5387.74
Movement of specific provisions for NPAs:	
Opening balance	2656.72
Provision made during the period	991.04
Write off	(974.27)
Write back of excess provisions	
Closing balance	2673.49

E) Equities: Disclosures for Banking Book Positions

Qualitative Disclosures

a) Banking book positions consist of those assets which are bought for holding until they mature. The bank treats unquoted equities as banking book assets. Unquoted equities are not traded in the bourses or in the secondary market, they are shown in the balance sheet at cost price and no revaluation reserve is created against these equities.

Quantitative Disclosures

b) Values of investments as disclosed in the Balance Sheet:

BDT in million

	Consolidated		S	olo
	Cost Market Price Price		Cost Price	Market Price
Unquoted Share	214.99	214.99	214.99	214.99
Quoted Share	5,978.30	4,362.65	4,125.50	2,667.64

For Banking Book Equity

BDT in million

	Consolidated	Solo
c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period	-	-
d)	-	-
Total unrealized gains(losses)	-	-
Total latent revaluation gains (losses)	-	-
Any amounts of the above included in Tier 2 capital	-	-

e)

BDT in million

	Capital Requirement		
	Consolidated Solo		
Unquoted Share	26.87	26.87	
Quoted Share	872.53	533.53	

As equities do not have any maturity, we have calculated risk weighted assets for unquoted equities on the basis of fixed risk weight which is 125% of investment value. And for quoted share capital charge is 10% for both specific and market risks.

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

Qualitative Disclosures

Interest rate risk affects the bank's financial condition due to adverse movements in interest rates of interest sensitive assets. Changes in interest rates have two types of impact:

i. Earnings perspective: It affects a bank's earnings

- by changing its net interest income and the level of other interest sensitive income and operating expenses.
- Economic value perspective: The economic value of future cash flows changes when interest rate changes.

At present SEBL is following the Bangladesh Bank prescribed format for assessing the economic value due to interest rate shock.

Quantitative Disclosures

i. Earnings perspective

Here, we have used maturity gap method to measure changes in earnings due to changes in interest rates.

BDT in million

Up to 12 Month (Cumulative Gap)	Percentage changes in interest rate	Net interest income and re-pricing impact
	1% increase in interest rate	48.49
	1% decrease in interest rate	(48.49)
4,848.99	2% increase in interest rate	96.98
,	2% decrease in interest rate	(96.98)
	3% increase in interest rate	145.47
	3% decrease in interest rate	(145.47)

G) Market Risk

Qualitative Disclosures

a) View of the Board of Directors on trading/investment activities:

Market risk arises due to changes in the market variables such as interest rates, foreign currency exchange rates, equity prices and commodity prices. The financial instruments that are held with trading intent or to hedge against various risk, are purchased to make profit from spreads between the bid and ask price are subject to market risk. SEBL is exposed to market risk mostly stemming from Government Treasury Bills and Bonds, Shares of listed Public Limited Companies, foreign currency etc.

Methods used to measure Market Risk

There are several methods used to measure market risk and the bank uses those methods which deem fit for a particular scenario. For measuring interest risk from earnings perspective, the bank uses maturity gap analysis, Duration Gap analysis, Sensitivity Analysis and marked to market method and for measuring foreign exchange risk, the bank uses VaR analysis. We use standardized (Rule Based) method for Calculating capital charge against market risks for minimum capital requirement of the Bank under Basel-II.

Market Risk Management System

The Bank has its own Market Risk Management System which includes Asset Liability Risk Management (ALM) and Foreign Exchange Risk Management under the core risk management guidelines.

Asset Liability Management (ALM): The ALM policy specifically deals with liquidity risk management and interest rate risk management framework.

Foreign Exchange Risk Management: Foreign exchange risk arises when the bank is involved in foreign currency transactions. These include foreign currency exchange, placement, investments, loans, borrowings and different contractual agreements. We use different hedging techniques to mitigate foreign exchange risks exposed to the bank.

Policies and processes for mitigating market risk are mentioned below-

- Risk Management and reporting is based on parameters such as Maturity Gap Analysis, Duration Gap Analysis, VaR etc, in line with the global best practices.
- Risk Profiles are analyzed and mitigating strategies/ processes are suggested by the Asset Liability Committee (ALCO).
- Foreign Exchange Net Open Position (NOP) limits (Day limit / Overnight limit), deal-wise trigger limits, Stop-loss limit, Profit / Loss in respect of cross currency trading are properly monitored and exception reporting is regularly carried out.
- Holding of equities is monitored regularly so that the investment remains within the limit as set by Bangladesh Bank.
- Asset Liability Management Committee (ALCO) analyzes market and determines strategies to attain business goals.
- Reconciliation of foreign currency transactions



Ouantitative Disclosures

b) The capital requirements for:

BDT in million

Particulars	Consolidated	Solo
Interest rate risk	443.08	443.08
Equity position risk	872.53	533.53
Foreign exchange risk	189.33	189.33
Commodity risk	0.00	0.00
Total	1504.94	1165.93

H) Operational risk

Qualitative Disclosures

 a) View of the Board of Directors on system to reduce Operational Risk

Operational risk is the risk which may arise directly or indirectly due to failure or breakdown of system, people and process. This definition includes legal risk, but excludes strategic and reputation risk. The bank manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by a periodic process conducted by ICCD, and monitoring external operational risk events, which ensure that the bank stays in line with the international best practices.

Performance Gap of Executives and Staffs

The bank believes that training and knowledge sharing is the best way to reduce knowledge gap. Therefore, it arranges trainings on a regular basis for its employees to develop their expertise. The bank offers competitive pay package to its employees based on performance and merit. It always tries to develop a culture where all employees can apply his/her talent and knowledge to work for the organization with high ethical standards in order to add more value to the company and for the economy.

Policies and processes for mitigating operational risk

The Bank has adopted policies which deal with managing different Operational Risk. Bank strongly follows KYC norms for its customer dealings and other banking operations. The Internal Control and Compliance Division of the Bank, the inspection teams of Bangladesh Bank and External Auditors conduct inspection of different branches and divisions at Head Office of the Bank and submit reports presenting

the findings of the inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports.

Approach for calculating capital charge for operational

The Bank has adopted Basic Indicator Approach (BIA) to compute capital charge against operational risk under Basel-II as per Bangladesh Bank Guidelines.

Quantitative Disclosures

b)

BDT in million

Particulars	Consolidated	Solo
The capital requirements for operational risk	1519.49	1503.36

Calculation of Capital Charge for Operational Risk (Consolidated) Basic Indicator Approach

BDT in million

Year	Gross Income (GI)	Average GI	15% of Average GI
December, 2012	7,833.60		
December, 2013	9,885.20	10,129.91	1,519.49
December, 2014	12,670.92		
Total GI	30,389.72		

An operational view of a Garments Factory financed by the Bank





A partial view of a Yarn Dyeing Plant financed by the Bank

A partial view of a PVC pipe manufacturing plant financed by the Bank







A partial view of a Sugar Mills financed by the Bank

A view of operations of a Pharmaceutical Plant financed by the Bank





A partial view of a modern Porcelain Tableware Manufacturing Plant financed by the Bank

A partial view of Knit Composite Unit financed by the Bank





A partial view of a Paper Mills financed by the Bank









A panaromic view of a Cement Manufacturing Industry financed by the Bank

An operational view of a modern Textile Mills financed by the Bank





A partial operational view of a Printing and Packaging Plant financed by the Bank

A partial view of a 300passenger Aluminum Fast Catamaran Ferry for delivery to Tanzania financed by Southeast Bank Limited





View of a Roof-top Solar Panel financed by Southeast Bank



A Dairy Farm financed by the Bank under Agricultural and Rural Credit Scheme



Environment friendly Bio -Gas plant financed by the Bank under Agricultural and Rural Credit Scheme

Sustainability Report



Report on Sustainability Development

The sustainability report is primarily for institutional investors, customers, non-governmental organizations and others with a particular interest in the bank's approach to sustainability.

Sustainability is about creating long-term value for our shareholders, working in partnership with our clients to make a positive social and economic contribution to the market in which we operate. We believe that our success as a bank is linked intrinsically to the welfare of the society. To achieve this we align our business and sustainability strategies as closely as possible. We believe that sustainability and business go hand in hand.

This sustainability report articulates how we perceive and practice sustainability at SEBL: the way we incorporate sustainability into our business model, both in terms of business opportunities and risk management.

Our strategy for sustainability is rooted into four steps:



Serving Customers

The Customers are at the heart of everything we do. Our core purpose is to serve them as well as our communities. That means structuring SEBL around our customers, simplifying the way we do business and ultimately, gaining customers' trust.

We offer simple, transparent and cost effective products and services which safeguard our customers against risky decisions. Besides conventional banking services, we provide alternative delivery channels like ATM service, internet banking services, online banking, locker service etc.

Serving Society

To meet our responsibilities to society, we manage our direct and indirect operational impacts, and contribute towards more sustainable growth. Ethical conduct is at the heart of this approach and is fundamental to building trust with our customers and society as a whole.

Sustainable Finance

We deal with clients, governments, non-governmental organizations and communities in a way that mitigates the impact which stems from our financing decisions. We encourage and help our clients to align with appropriate industry-wide benchmarks.

Access to Financial Service

We are committed to developing products and services that improve access to finance for people and businesses to support economic development.

Large Enterprises: We finance long term loans to large entreprises for building new projects and industries.

SMEs: We promote the growth of Small and Mediumsized Enterprises (SMEs) across the different market segments.

Microfinance: We support microfinance institutions which are under-banked.

Agribusiness: We provide financing across the supply chain of agribusiness.

Islamic Finance: We provide Shariah based products and services.

Trade: We help people invest across borders and support emerging trade corridors.

Infrastructure: We provide financing and advisory services to support the development of the infrastructure sector.

Government: We act as a trusted adviser and support government in realizing its economic development goals.

Working at SEBL

The Bank believes its human resources are its prime



assets and groom them to excel in every sphere of life. By providing right technical and professional training, the bank keeps its employees up to date with the latest technologies and changes and also helps to perform efficiently.

The Bank rewards high performance and superior delivery, but equally gives emphasis on how those results are achieved.

The Bank also regularly revises total compensation against the industry peers to ensure remuneration remains competitive.

The Bank develops a belief "togetherness" within the organization and helps to feel and behave as one team.

Our values are a vital way in which we transfer our unique culture to life, and we seek to build a team that shares in and actively follows these values in their day-to-day work. As well as we search for people who possess those qualities that make up the values - courageous, responsive, internationally-minded, creative and trustworthy.

This unique culture, built upon strong values and a foundation of teamwork, commitment and performance is a strong competitive advantage of the Bank.

We believe this approach attracts new talent, retains valuable employees and underlines the reputation of the bank as a good employer and a desired destination for work. As a result the bank has emerged as a strong brand in the financial sector and sought-after work place for many.

Supporting Communities

The bank is closely related with the communities where it runs its business. It encourages and engages in programmes that promote social and economic development focusing on health, sports and education. We always extend our hands towards disadvantaged and vulnerable groups of the society.

We aim to make a positive social impact on the communities we operate in, through partnerships, local initiatives and supporting the charitable efforts. Our sponsorship approach also focuses on benefitting the community.

Besides our company-wide community programmes focus on building education and supporting enterprise and employability. There is also a range of activity that is led from within our businesses around the country. To continue these activities every year, the bank keeps aside a substantial amount of money in the form of Corporate Social Responsibility (CSR) for development of society. By supporting these activities, we not only contribute to a sustainable society but also help the long term sustainability of our business.

Moreover, the bank has created a trust in association with Financial Express and Policy Research Institute as part of its Corporate Social Responsibility (CSR) to create awareness in green retention and green business. In 2014 the trust honored the pioneers in Climate Leadership in two categories: A) Pioneer in Climate Leadership in Business and Operation B) Pioneer in Climate Leadership in Community Awareness.



Report on Corporate Social Responsibility

Our CSR activities follow transparent business practices that are based on ethical values, compliance with legal and regulatory requirement and respect for people, communities and the environment. We are responsible for the totality of our impact on people and the planet, beyond making profit. Our corporate social responsibility is about addressing the needs of all the stakeholders in a way that advances its business and makes a positive and meaningful contribution to the society.

Employees

The Bank offers its employees very competitive pay package and bonus that are reviewed on a continuous basis in line with the market dynamics. It provides the employees a safe and congenial work environment. It also offers its employees handsome retirement

benefits by way of Contributory Provident Fund, Gratuity etc.

Customers

Focusing on the need of customers is fundamental to banking business. Southeast bank discharges this vital responsibility by offering financial products and services that truly meet their needs. In discharging this vital responsibility, the Bank always strives to maintain the highest standard of ethics in the conduct of its business.

Shareholders

The Southeast bank is fully committed to protect the interest of its shareholders. It always endeavors to enhance shareholders' value by optimizing financial performance at least cost.

The Bank's Business Associates

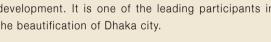
The Bank continuously endeavors to create a long-

lasting win-win relationship with its suppliers and business associates for mutual growth.

Environment

The **Bank** continuously strives to ensure that its operations environmentare friendly and discourages financing projects contrary to it. It has extended its helping hands initiatives

community leaders for environment protection and development. It is one of the leading participants in the beautification of Dhaka city.



Regulators

Southeast Bank firmly believes that it is an imperative

to comply with the relevant laws, rules regulations and all regulatory authorities to be responsible corporate citizen.

Community

a) We take consideration

> the impact of our activities on all groups of people involved and affected by our business operations.

b) Our credit policy has been redesigned to avoid concentration of Bank's credit in major cities and to encourage distribution of credit in priority sectors particularly in Agriculture and SMEs.

Following the tragic incident of brutal killing of valiant Army Officers at the then BDR Headquarters,



Southeast Bank Limited donated BDT 10.00 million to Prime Minister Sheikh Hasina for the flood affected people of the country's northern region. Alamgir Kabir, FCA, chairman and Azim Uddin Ahmed, Director of the Bank are seen handing over the cheque

Southeast Bank pioneered an idea and stood 7 hν (seven) bereaved families the Shaheed Army Officers who embraced martyrdom at the carnage at BDR Headquarters. The contribution for the year 2013 amounting Tk.33,60,000 was given away amongst the recipients

February 25, 2014

though Prime Minister's Office (PMO).

Green Award

Corporate citizenship to us means thinking long term and working to integrate social and environmental considerations into how we run our business. We want to inspire the individuals and organizations who are actively working to preserve environment. With that

> end in view, the Board of Directors of the Bank in its 395th meeting held on March 14, 2012 decided to give Green Awards institutions and Women Entrepreneurs for really making



contribution to the preservation of environment. The award was named, 'Southeast Bank- Financial Express - Policy Research Institute Green Award'. Accordingly, a Green Award Trust has been created comprising the following personalities as trustees:



Southeast Bank-Financial Express-Policy Research Institute Green Award Trust honored the Pioneers in climate leadership on November 15, 2014 at Dhaka. In the program, Bank's star clients were also awarded.

SI.	Name	Background	Status
1.	Mohammed Farashuddin, Ph.D	Chairperson, Board of Trustees, East West University and Former Governor, Bangladesh Bank	Chairman
2.	Yussuf Abdullah Harun, FCA	A renowned business personality and Former President of the FBCCI	Member
3.	Dr. Zaidi Sattar	Chairman, Policy Research Institute	Member
4.	A.H.M. Moazzem Hossain	Editor, The Financial Express	Member
5.	Saadat Husain, Ph.D	Consultant, Southeast Bank Ltd. Former Chairman, PSC Former Cabinet Secretary, Government of Bangladesh	
6.	Zakir Ahmed Khan	Advisor, Southeast Bank Ltd. Former Secretary, Ministry of Finance, Government of Bangladesh	Member
7.	Shahid Hossain	Managing Director, Southeast Bank Ltd.	Member
8.	Ainun Nishat, Ph.D	Former Vice Chancellor, BRAC University	Member
9.	Professor Shahnaz Huq Hussain	Former Dean and Professor, Dept. of Geography and Environment, University of Dhaka	Member
10.	Dr. Quazi Mesbahuddin Ahmed	Former Managing Director, Palli Karma-Sahayak Foundation (PKSF)	Member
11.	Profeesor Ayesha Shireen Rahman	Project Director, Southeast Bank Foundation	Member Secretary

The Green Awards were decided to be given in the following two categories:

Category 1: Pioneer in Climate Leadership in Business and Operation

For : (i) SME (ii) Women Entrepreneurs (iii) Corporate Entities.

Category 2: Pioneer in Climate Leadership in Community Awareness

(i) Pioneer in Climate Leadership in Knowledge Management

For: Research Organization, Educational Institution, Media or Individual

(ii) Pioneer in Climate Leadership in Community Engagement

For: Individuals or Organizations working for poverty reduction and improvement of the

living condition of communities in the environmentally vulnerable areas.

The Green Awards for the year 2014 were distributed amongst the recipients in a ceremonious way in a City Hotel on November 15, 2014. The recipients are (1) Chittagong Waste Treatment Plants Limited under Category-1 and (2) German Development Cooperation-GIZ under Category-2. Chittagong Waste Treatment Plans Limited manages the Central Effluent Treatment Plants of Chittagong Export Processing Zone (CEPZ). German Development Cooperation-GIZ manages Solar Powered Drinking Water Supply in the coastal areas of Bangladesh under sustainable energy development (SED) program.



Southeast Bank limited donated BDT 5,00,000.00 only to Md. Kamrul Ahsan, Asst. Inspector General (AIG), Police Headquaters, Dhaka for his cancer treatment. Shahid Hossain Managing Director is seen handing over the cheque to DMP Commissioner Benazir Ahmed on August 18, 2014



A few CSR related expenditures of the bank are given below:

S/L	Date	Amount of Taka	Recipient Organizations/Individuals	Purpose
1	01.01.2014	200,000.00	Mr.Ismail Miah	For medical treatment
2	01.01.2014	600,000.00	Mr.Md.Monzurul Hasan	For medical treatment
3	15.01.2014	100,000.00	Sammilito Sangskritik Jot	To celebrate the Victorty Day
4	29.01.2014	200,000.00	National Poetry Council	In sponsoring the Jatiyo Kobita Utshab-2014
5	Different dates	4,170,550.00	Poor people	For cold-hit people
6	30.01.2014	1,500,000.00	Bangladesh Academy of Science	In sponsoring National Science Olympiad 2014
7	12.02.2014	850,000.00	Faculty of Business Studies, University of Dhaka	For installation and commissioning of a lift in their Academic Building
8	16.02.2014	1,105,274.00	Mr.Joyonto Kumar Sarkar	For medical treatment
9	24.02.2014	3,360,000.00	Seven Bereaved family members of BDR Carnage	To eke out living
10	24.02.2014	100,000.00	School Banking Conference	In supporting School Banking Conference, Chittagong 2014 organized by Bangladesh Bank
11	03.03.2014	100,000.00	School Banking Conference	In supporting School Banking Conference,Khulna 2014 organized by Bangladesh Bank
12	13.03.2014	200,000.00	Knowledge & Action Network worldwide Trust	To bring out a video documentary
13	31.03.2014	10,000,000.00	Lakoho Konthe Sonar Bangla	To promote national culture and heritage
14	24.04.2014	100,000.00	School Banking Conference	In supporting School Banking Conference, Sylhet 2014 organized by Bangladesh Bank
15	05.05.2014	100,000.00	Bangladesh Itihas Sammilan	To organize a seminar on "1971 and Eastern Indian states:"
16	12.05.2014	300,000.00	Mr.Sirajul Islam Quadri	For medical treatment for his wife
17	15.05.2014	170,000.00	National Heart Foundation Hospital	To give medical service
18	19.06.2014	1,500,000.00	Mr.Muhammad Shajahan	For medical treatment for his wife
19	22.06.2014	1,000,000.00	Tahmina Khanam	For medical treatment of her husband
20	03.08.2014	1,000,000.00	Mr.Md.Aminul Haque	For medical treatment
21	14.08.2014	500,000.00	Mr.Md.Kamrul Ahsan	For medical treatment
22	15.09.2014	100,000.00	School Banking Conference.	In supporting School Banking Conference,Rajshahi 2014 organized by Bangladesh Bank
23	18.09.2014	240,000.00	Mr.Md.Abdul Halim	For medical treatment
24	22.09.2014	100,000.00	Theater	To promote national culture
25	30.09.2014	10,000,000.00	Prime Minister Relief Fund	For the victims of flood affected people of the country.
26	27.10.2014	500,000.00	Mr.Syed Salauddin	For medical treatment
27	24.11.2014	250,000.00	School Bnaking Conference	In supporting School Banking Conference, Sylhet 2014 organized by Bangladesh Bank

Southeast Bank Foundation Scholarship Project

The scholarship program of SEBF, initiated in the

year 2009, targets the meritorious students coming from low income families. It began with two tiers: one for school students and the other for HSC level students. In 2011, this program was



Southeast Bank Foundation distributed scholarships to Higher Secondary level Meritorious students coming from financially hard-up families. Dr. Atiur Rahman, Governor, Bangladesh and Alamgir Kabir, FCA, chairman of Southeast Bank Limited are in the program.

extended to higher education level.

At the school level, the Foundation implements

scholarship program with the assistance of local SEB branches. The number of beneficiaries at school level in the year 2014 was 173. In 2014, the number beneficiaries under scholarship the program at the HSC level was 200.

For students of the Graduation level in the academic session 2011-

2012, scholarships were awarded to 75 graduation level students. Out of them, scholarships 64 students were renewed for the year 2013 -2014 based on their academic performance and fulfillment of prescribed criteria.

session 2012-2013, students In the academic numbering 75 were awarded graduation level scholarships. In the academic session 2013-2014, students numbering 60 were awarded graduation level

> scholarships. Thus, the total number of beneficiaries at the graduation level in the reporting year was 210.

Southeast Bank Green School

Considering the rising need quality education at the beginning stage of life,

the Foundation has undertaken an English Medium

School Project the children families with modest income. The location of the first school-Southeast Bank Green Schoolchosen at was Mohammadpur, Dhaka. The school is centrally located within a number of Housing Societies in the surrounding area. It is housed in

The first session of

the school began

2013. The school

offers classes for

the way till 10th

grade (O'Level) and

British curriculum.

on

children

follows

kindergarten

September

through

edexcel



Southeast Bank Limited handed over 6,000 school Bags valuing BDT 3.00 million for deprived poor school students of the remote chars of north western region of the country. Shahid Hossain, Managing Director of the Bank is seen handing over the Bags to A.K.M Musa, Country Director, Concern Worldwide Bangladesh. Khondakar Ibrahim Khaled chairman, National Char Alliance (NCA) was also present in the program.

two adjacent buildings.



Southeast Bank Foundation donated 2(two) modern ambulances to "Tareque Memorial Hospital, Feni" on July 26,2014.

The school is well-

furnished and tastefully decorated. Currently, it has 10 teachers. The school has created a lot of interest



Southeast Bank Limited donated a modern elevator for the Academic Building of Faculty of Business Studies, University of Dhaka. Dr. A A M S Arefin Siddique, hon'ble Vice Chancllor, University of Dhaka along with Shahid Hossain, Managing Director, Southeast Bank Limited is seen inagurating the Lift.



Southeast Bank Foundation donated a modern Ambulance to Feni Pourashava on November 22, 2014. Shahid Hossain, Managing Director, Southeast Bank Limited is seen handing over the Key of the Ambulance to Nizam Uddin Hazari, M P in presence of Mayor, Feni Pourashava.

among the dwellers of the area. It is expected that in near future, it will come out as an ideal and modern temple of learning. The Foundation has a plan to expand it by opening its branch schools at other suitable locations of Dhaka City.









Southeast Bank Limited distributed blankets among poor cold-hit people in different districts of the country

CSR expenditure under Southeast Bank Foundation for the year 2014

Education

Scholarship Project

Level	Amount (Tk.)
School (class vi-x)	2,202,900
College level	8,769,000
University level	685,000
Total expenditure on Scholarship project	11,656,900
Southeast Bank Green School project	23,548,087
Total expenditure on education	35,204,987

Medical treatment	Amount (Tk.)
Zorina Begum	300,000
Rahela Begum	200,000
Syed Rana Mostafee	1,000,000
Nur Nabi Chowdhury	200,000
Mujahidul Islam	250,000
Mr.Md Minhaj Uddin Ahmed	200,000
Mr.Faizur Rahman Himel	200,000
Total expenditure on Medical treatment	2,350,000

Others	Amount (Tk.)
Donation to family of Late Poet Samsur Rahman	480,000
Newspaper distribution to different schools	132,398
Donation to Southeast Bank-Financial 361,19 Express-Policy research Institute Green Award Trust for Green Award	
Donation for Ambulance to Feni Pourosuva	2,412,629
Donation for distribution of School Bags	2,720,000
Donation to Tareque Memorial Hospital for purchase of Ambulance	4,500,000
Donation for construction of School Building	3,600,000
Donation to Society for the Welfare of Autistic Children	200,000
Total expenditure on others	14,406,223
Grand Total	51,961,210

In 2014, Southeast Bank spent total BDT 92.28 million as donations for education, sports, art, culture, promotion of national heritage, improvement of the condition of autistic children, promotion of women entrepreneurs, health-care, community development, relief operation, winter-clothes for the cold-hit poor people, etc.



Green Banking

Southeast Bank believes that profit should not be earned creating any harm to the nature and environment. Green Banking is a kind of welfare banking for the society at large. The Bank is committed to be green in daily operation and intend to finance in the environment friendly projects. Southeast Bank's approach to environmental sustainability is to integrate green behaviors into our daily work practices, as green products and services. Our effort towards green empowerment is an ongoing process. We are taking a broad approach to transforming our environmental commitments into actionable business practices. Our environmental stewardship is steered by the Audit Committee of the Board of Directors to oversee green banking, environmental risk management functions and climate change issues. A separate Green Banking Unit is established to implement all the steps of the green banking policy of the bank.

Employee Engagement

Southeast Bank is committed to encourage its employees become more responsible consumers of environmental resources both at work and at home. Some major initiatives include:

Save paper save trees

- Print only the pages required
- Preview documents before printing
- Set defaults to print double-sided and print on both sides.
- Increase margin width of the documents
- Use e-mail statements
- Sharing electronic files, voice mail and e-mail instead of paper memos
- Avoid redundant information in Bank's diary.

Conserve Energy. Conserve Natural Resources

- Pay your bill online
- Drive responsibly
- Use CFL lights
- Unplug electronics
- Turn off the tap
- Always use a cloth bag
- Avoid evening banking

Our management decided that they would gradually introduce Solar Panels in our SME/Krishi Branches to use renewable energy sources. The Bank has already installed IP-Phone services which would help reducing the physical communication and thus usage of motor vehicles and in turn reduce carbon emission.

Southeast Green Steps

- Incorporating Environmental Risk Management in Credit Risk Management (CRM)
- Enlarging the portfolio of Green Finance

- Promoting Green Banking ideas through inhouse Green Banking training program
- Allocating fund for Green Banking activities
- Encouraging integrity and professionalism to achieve sustainable business growth introducing "Southeast Bank Code of Ethics"
- Environmental Risk Rating (EnvRR) using Environmental Due Diligence Checklist (EDD).
- Southeast Bank introduced "Green Award" to encourage and recognize those who have made contribution to create green environment.
- Introducing e-statement (against paper statement) and Mobile Banking.
- Enhancement of Internet Banking.

Green Banking can be an avenue to reduce pollution and save the environment aiding sustainable economic development. In the near future Southeast Bank will set their near-term and long-term green goals, develop their green strategies and execute their greening activities in a phased manner.



Environmental Performance

Green Investment	Staff Engagement
Investment in Bio-gas plant	Incorporating Green Office Guide for SEBL staff
Investment in Solar Panel System	Arranging day long Green Banking training session
Investment in HHFK Brick field	To ensure highest level of honesty, integrity and professionalism SEBL introduce "Code of Ethics"
Indirect Green Finance in 17 projects	SEBL Bulletin has been introduced to facilitate intra
Total investment BDT 17,761.76 million as of December 31, 2014	organization communication
Product & Service innovation	Reducing carbon footprint & Utility Management
Mobile Banking : Tele cash	Installation of IP photne to restrict physical movement
Internet Banking	Using energy efficient bulb
E-statement has been introduced to replace	Introducing e-newsletter
paper statement	Online inventory requisition system
Disclosure and Awareness	Contribution to the Community
To recognize green entrepreneur, SEBL introduces Green Award Introducing "Green Slogan" into various	SEBL is proud to make its contribution as part of CSR activities in Health, Education and social welfare sectors, its total donation to those sectors in 2014 was BDT 51.9 milion.
marketing channels	Tillion.
Green Banking Report	

Incorporating environmental risk in Credit Risk Management

Formulation of Environmental Due Diligence (EDD) Checklist

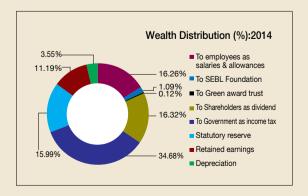
Incorporation of Environmental Risk Rating (EnvRR) in credit proposal EnvRR has been done for 574 clients

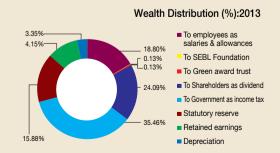
BDT 14,478.23 million has been disbursed to the Environmental Risk Rated clients

Value Added Statement

The value added statement for the Bank shows how the value is created and distributed among different stakeholders of the Bank. Value added to the Bank stood at BDT 8,340.44 million as of December 31, 2014 as against BDT 7,613.30

	, , , , , , , , , , , , , , , , , , , ,	, ,	В	DT in million
Particulars	2014	%	2013	%
	Taka		Taka	
Income from Banking Services:				
Interest and similar income on loan portfolios	19,233.90		19,200.64	
Investment income	5,274.27		4,782.65	
Commission, Exchange and Brokerage	2,666.73		2,440.37	
Other Operating Income	492.20		494.65	
_	27,667.10		26,918.31	
Less: Cost of Services & Supplies			_	
Interest paid on Deposits & Borrowings	16,049.91		17,233.51	
Rent, Taxes, Insurance, Lighting etc.	569.34		491.84	
Legal expenses	0.62		0.90	
Postage, Stamp, Telegram & Telephone	145.63		129.59	
Stationery, Printing, Advertisement	113.72		112.65	
Directors' Fees and Expenses	3.43		1.84	
Audit Fee	1.34		0.83	
Repairs to Bank's property	57.92		50.12	
Other expenses	765.65		662.36	
<u>-</u>	17,707.56		18,683.63	
Value Added by the Banking Services	9,959.54		8,234.68	
Add: Non-banking income	-		-	
Less: Provision for loans and advances/investments				
Specific provision on loan loss	(974.01)		(537.81)	
Transfer to general provisions	(114.45)		(10.00)	
Provision for Off-Balance Sheet Exposures	(96.61)		(101.73)	
Provision for diminution in value of Investment	(329.03)		41.30	
Provision for Other Assets	(15.00)		(13.14)	
-	(1,529.10)		(621.38)	
Value Added =	8,430.44		7,613.30	
Distribution of Value Addition				
Employees-as Salaries and Allowances	1,370.93	16.26%	1,279.27	16.80%
Transfer to SEBL Foundation	160.00	1.90%	10.00	0.13%
Transfer to Green Award Trust	10.00	0.12%	10.00	0.13%
Provider of Capital - as dividend	1,375.43	16.32%	1,833.26	24.09%
Government - as income tax	2,923.72	34.68%	2,700.00	35.46%
Expansion & Growth:	,		,	
Statutory Reserve	1,347.99	15.99%	1,208.72	15.88%
Retained Earnings	943.50	11.19%	761.30	10.00%
Depreciation _	298.87	3.55%	255.21	3.35%
	8,430.44	100.00%	7,613.30	







Economic Value Added Statement

Economic Value Added (EVA) indicates the true economic profit of a company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risks. EVA of the bank stood at BDT 2,012.92 million as of December 31, 2014 as against BDT 936.23 million in 2013.

Economic Value Added			BDT in million
Economic value Added		2014	2013
Particulars			
Total Revenue		27,667.07	26,918.30
Less : Expenses (Interest & Operating)		(19,377.34)	(20,218.11)
Less : Corporate Tax		(2,923.72)	(2,700.00)
Less: Capital Changes		(3,353.12)	(3,063.96)
Economic Value Added		2,012.92	936.23
Capital Changes	=	Required Rate of Return X Total Capital & Reserves	3
Required Rate of Return (12.21%)	=	Weighted average rate of 10 years treasury bond or Premium @ 2% in 2014	@ 10.21%+Risk
		Weighted average rate of 10 years treasury bond of Premium @ 2% in 2013	@ 12.05%+Risk
Total Capital & Reserves	=	Tk. 27,462.09 million in 2014 (BDT 21,807.57 million	n in 2013)
Economic Value Added	=	Total Revenue - (Expenses + Corporate Tax + Capita	al Changes)

Economic value addition BDT in million 4013 2637 1470 1179 2010 2011 2012 2013 2014

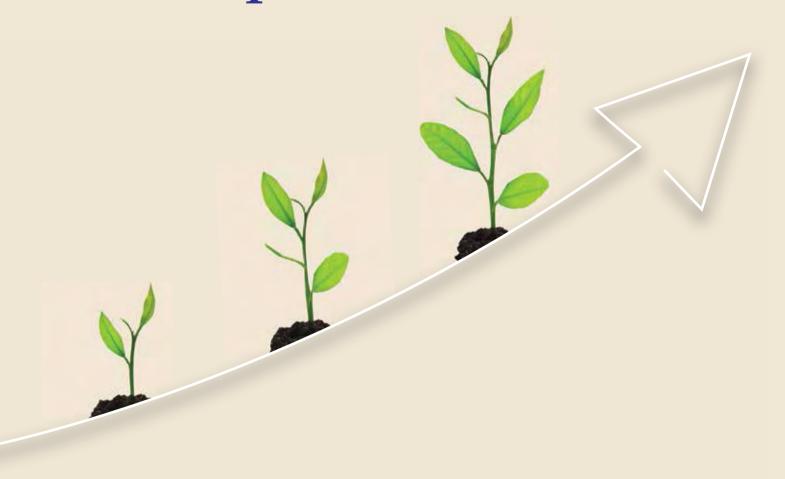
Market Value Added Statement

Market Value Added (MVA) is the difference between the equity market value of a company and the book value of equity invested in the company. A high MVA indicates that the company has created substantial wealth for the shareholders. MVA is equivalent to the present value of all future expected Economic Value Added (EVA). The equity market value of the Bank stood at BDT 17,788.83 million whereas the book value of equity stood at BDT 9,169.50 million, resulting a Market Value Added of BDT 8,665.18 million as of December 31, 2014 as against BDT 6,898.96 million in 2013.

Market Value Added		BDT in million	
Warket value Added		2014	2013
Particulars			
Market Value of Total Equity		17,834.68	15,631.82
Less: Book Value of Equity (share capital)		(9,169.50)	(8,732.86)
Market Value Added		8,665.18	6,898.96
Total Number of Shares outstanding	=	916,950,176	873,285,882
Market Value per Share	=	19.45	17.90
Market Value of Total Equity	=	[Total Number of shares outstanding X Market as on 30.12.14]	value per share
Market Value Added	=	[Market Value of Total Equity] - [Book Value of	Equity]



Management Review and Responsibilities





Our Treasury Management

Treasury Division of Southeast Bank Limited continuously monitors the movement of the market indicators and always tries to address the inherent risk associated with Bank's liquidity, interest rate, asset liability management and overall fund management of the bank both in Local and Foreign Currency. The Treasury Team keeps track of the market direction through different modern business techniques and state of the art technological support. In addition to all these things, our treasury team also complied with all the central bank requirements like maintenance of CRR, SLR in an efficient manner. To tackle with all these issues, our treasury has well-trained officials with sound academic background to provide all kinds of treasury solutions with wide range of related products and services. At SEBL Treasury, we have separate designated desks to ensure the optimum treasury service.

OUR TREASURY SERVICES				
Money Market Desk	Fund and Liquidity Management			
ALM Desk	Overall Asset Liability Management			
Foreign Exchange Desk	Management of Net Open Position and FX Trading (secondary trading, SWAPs)			
Fixed-Income Desk	Auction and Secondary trading of Govt. Securities			
Corporate Service Desk	Portfolio Management Service of Fixed Income Securities			

SEBL Fixed Income Investment Desk

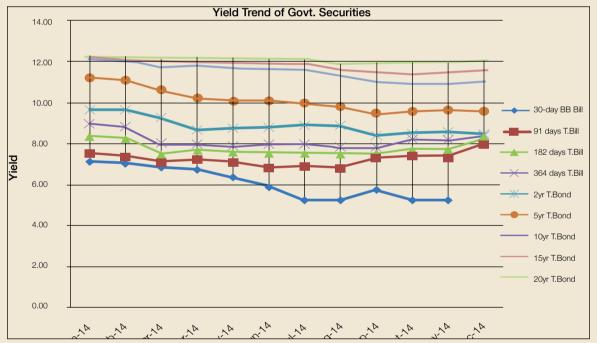
As a primary dealer bank Southeast Bank Limited is dealing with a considerable amount of government securities. To efficiently manage this huge amount of government securities we have a dedicated Fixed Income Investment Desk. Our government securities basically include investment in 91 days, 182 days, 364 days Treasury Bills and 2 yrs, 5 yrs, 10 yrs, 15

yrs, 20 yrs Treasury Bonds that also facilitate us to maintain our SLR requirement and voluntary investment as required. We also actively participate in inter-bank trading of govt. securities and provide necessary services to our valued corporate and individual clients of government securities.

Govt. Securities Market Scenario in 2014

From the beginning of the year almost all the banks were running with huge surplus liquidity in the market. As a result there was huge demand of government securities in the market. In consequence of the above a downward trend in interest rates prevailed throughout the year 2014. The interest rates of both short term and long term government securities have decreased gradually. In this circumstance, the main emphasis of our fixed income investment desk was to maintain adequate risk management for the bank. Our Treasury Division managed the fund effectively and remained very alert to minimize all the associated possible risk in the volatile interest rate and liquidity scenario

It is mention worthy here that Bangladesh Bank has also took part in the secondary market by selling huge amount of government securities. Moreover, the central bank also introduced the re-issuance of govt. treasury bonds of 15 years and 20 Years maturity in December 2014 along with the re-issuance of 10 years maturity.



Source: Bangladesh Bank

As a Primary Dealer bank, SEBL actively participated in each auction of government securities with a higher level of sucess ratio that enabled us to maintain an efficient portfolio of investment in government securities. SEBL Treasury team utilized its excess fund by voluntarily investing in the huge amount of government securities that yielded a very good return for the bank.

Moreover, dedicated fixed income securities management desk of SEBL's treasury ensured the

efficient holding position of government securities for both bank and bank's corporate clients of fixed income securities.

Above all, with the help of strong integration between foreign exchange and money market desks activities, the treasury team maximized profitability of the bank by keeping liquidity and other transactions related risks at a minimum level.

SEBL Money Market Desk

Our Money Market Desk always actively participates in the money market with greater insight maintaining utmost professionalism. With the sharp acumen in investment decision, our bank was able to minimize the interest rate risk, liquidity risk along with ensuring maximum profitability considering the existing market condition.

Money Market Scenario in 2014

Money market was unperturbed throughout the year of 2014. The overall liquidity scenario of the banking sector was easy all through the year. The Call Money Rate ranged from 6% to 8% level. There were substantial amount of Reverse Repo Auction accepted throughout the year by Bangladesh Bank. The Reverse Repo rate with Bangladesh Bank was 5.25%.

Amid political turmoil and uncertainty the credit growth of the banking sector was slow in the year 2014. The private sector credit growth was 13.50 percent in December 2014. So, it is evident that there was sufficient liquidity in the banking sector.

Interest scenario in the market has come down to single digit. The one year tenor FDR rate was 8.50% to 9.00% for most of the banks. To take advantage of the scenario, our bank took necessary strategic investment decisions accordingly.

SEBL Asset Liability Management Desk

Southeast Bank Limited has a dedicated Asset Liability Management (ALM) desk as a part of Integrated Treasury Management, which mainly looks after the liquidity risk and interest rate risk of the Bank. The responsibility of ALM desk is to analyze, evaluate, identify certain risks or combination of risks and take necessary steps to minimize these risks. The key objective of ALM is to manage the Balance Sheet risk of the bank through management of net interest income sensitivity, mitigation of liquidity risk, capital management, undertaking financial hedge positions, internal profitability measurement and regulatory compliance. From the beginning of the year 2014 there was huge surplus liquidity in the market that put most of the bank's treasury division in a favorable position in terms of liquidity. Bangladesh Bank, with

the aim of controlling the inflation rate of the country, took certain measures from time to time throughout the year. In this situation, our bank managed its assets and liabilities more prudently ensuring optimum liquidity with compliance of regulatory requirements against realizing considerable amount of profit by manipulating the risk associated with the market accordingly. To address and mitigate various risks involved in the business, ALM desk of the SEBL Treasury Team prepared ALCO (Asset Liability Committee) paper each month and conducted monthly Asset- Liability meeting where economic outlook and financial fundamentals of the Bank were highlighted. Decisions taken in the ALCO meetings were duly recorded and action plans were implemented by the branches and divisions to optimize Bank's financial performances. As a result, the Bank registered substantial growth in all the performance indicators including operating profit in 2014 by minimizing the liquidity risk and interest rate risk.

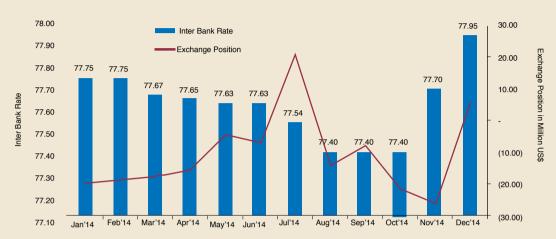
As per Bangladesh Bank guideline, Bank has a fully functional Asset Liability Committee (ALCO) for prudent balance sheet risk management. The committee consists of the Managing Director as the Chairman of the committee, Additional Managing Director, Deputy Managing Directors and strategically important Divisional Heads of Head Office. The meeting of the Asset Liability Committee is held every month. The committee reviews interest rate risk and liquidity risk of the bank and take necessary steps to mitigate them.

Moreover, through continous market analysis, SEBL Treasury team regularly revised bank's deposit rates and updated other scheme products to offer the best available banking products for clients. Regular revision of deposit rates also helped to maintain a steady spread for the bank.

SEBL Foreign Exchange Desk

At SEBL Treasury, the dedicated FX team independently conducts the transactions and the back office of treasury is responsible for settlement of the deals and passing of their entries in the books of accounts that are meticulously observed by Mid Office and regularly inspected by the Internal Control and Compliance team. The exchange rate of USD/

Exchange Position of SEBL in 2014



BDT witnessed a mixed trend in the year 2014. In the first three quarters there was a downward trend in exchange rate and in the last quarter increasing trend was observed in the market. The USD/BDT exchange rate was 77.75 in January 2014 which came down to 77.63 level in June 2014 and at the end of the year it shot up to 77.95 level.

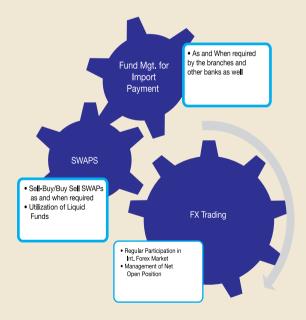
The year 2014 was a gloomy period for our national economy. Countries banking sector experienced low credit growth that slowed down the overall industrialization process and settlement of foreign currency LCs declined drastically.

But at the closing of the year the demand for foreign currency suddenly increased due to some big corporate payments.

Again, due to high inflow of foreign remittance and simultaneously lower trend of import payment obligations, country's foreign exchange reserve crossed the mark of US\$ 22.00 billion in 2014.

Bangladesh Bank increased SEBL's Net Open Position to US \$44.40 million in April 4, 2014 that was US \$ 36.80 million previously. SEBL's Treasury Team was able to manage the foreign exchange position in a profitable way through participating in interbank trading and regular import payments and thus kept the foreign exchange risk at minimal level through carrying out the transactions on behalf of the customers against underlying L/C commitments

and other remittance requirements. Moreover, all foreign exchange transactions are revalued and all Nostro accounts are reconciled periodically as per Bangladesh Bank Guidelines. In general, the policy of the bank is to match foreign currency assets and liabilities so as to strictly maintain overnight limit of our open position given by the central bank. In this situation, the FX desk handled significant amount of Foreign Currencies throughout the year with a reasonable spread through its widespread branch network.





International Business Operations

Over the years, Southeast Bank Limited (SEBL) has emerged as a leading bank in facilitating International Trade and Foreign Exchange transactions of the country. Like other commercial banks, International Trade and Foreign Exchange is one of the important core businesses of SEBL. But the services and solutions offered by SEBL in International Trade and Foreign Exchange made it one step ahead than peers. SEBL serves its International Trade and Foreign Exchange clients through Authorized Dealer (AD) branches. At branch level, foreign trade business operation is handled by Foreign Trade Department of 21 (twenty one) AD branches located at commercially important places of the country. In Head Office, International Division looks after the overall operation of International Trade and Foreign Exchange Business of the Bank.

Business Highlights

Particulars	2014 BDT in million	2013 BDT in million	Growth
Import Business	155,691.00	131,644.82	18.27%
Export Business	112,137.60	95,220.40	17.77%

To adhere to the focus on service, AD branches offer one stop services effectively to export-import clients through a pool of bright and professional officials as well as state of the art information technology infrastructure.

In Head Office, International Division facilitates overall International Trade and Foreign Exchange portfolio through following units:

- Correspondence Banking Unit
- Central Payment Center (CPC) Unit



- Nostro Reconciliation Unit
- Central SWIFT Operation Unit
- Off-shore Banking Unit (OBU)
- Reporting Unit

Our Strategy

Establishing a large network of correspondents worldwide and leveraging the relationship to cater the needs of clients efficiently is one of the core strategies of SEBL in International Trade and Foreign Exchange Business. To facilitate quality trade services to clients, SEBL placed highest emphasis on effective correspondence relationship.

Our Network

As on December 31, 2014
80 Countries
211 Banks
35 Nostro Accounts
791 Correspondents

As building a large network of correspondent banks is one of the core strategic focuses, every year SEBL tries to expand its

relationship with foreign banks and multilateral financial institutions. As on December 31, 2014 SEBL has relationship with 791 correspondents including 211 banks in 80 countries all over the world. SEBL also partners with many financial and development organizations including International Finance Corporation (IFC) and Asian Development Bank (ADB) to serve growing demands of the clients. Currently SEBL is maintaining 35 Nostro Accounts in major currencies including accounts under Asian Clearing Union (ACU) to support its clients. SEBL is also enjoying healthy confirmation lines with more than 50 reputed banks worldwide including non-funded credit facility of over USD 475.00 million as well as funded credit lines.

Central Payment Center (CPC)

International Trade Payment service is fully centralized in Head Office and equipped with a highly professional team of officials with state of the art processing system. The centralized operation of payment facilitates greater efficiency in transactions settlement and fund management. CPC also has a substantial contribution to the income of the Bank.

Nostro Reconciliation

International Division maintains a Nostro Reconciliation Unit for effective management of Nostro Accounts and foreign currency fund. The Nostro Reconciliation

team plays a great role in efficient management of fund and compliance with regulatory standards.

SWIFT Operations

SEBL is a member of SWIFT ALLIANCE since 2000, which is recognized globally as the most effective network for fastest, reliable and secured

As on December 31, 2014 21 AD Branches 02 OBU

financial transactions worldwide. Over the years, SEBL SWIFT team has capitalized its expertise and experience to bring forth many innovative and useful features to enhance overall SWIFT operational capabilities of the Bank.

Currently, SEBL uses web based centralized application, SWIFT Alliance Web Platform (AWP) and all AD branches have access to a wider range of functionalities that SWIFT offers. SEBL is now equipped with uninterrupted, real time communication infrastructure with more than 9,000 Financial Institutions in 210 countries around the world. Services rendered through SWIFT are spearheading both Foreign and Local Trade Finance operations and Foreign Remittance services in a secured and complied manner. SWIFT also plays an important role to generate revenue with minimum use of resources.

Off-shore Banking Unit (OBU)

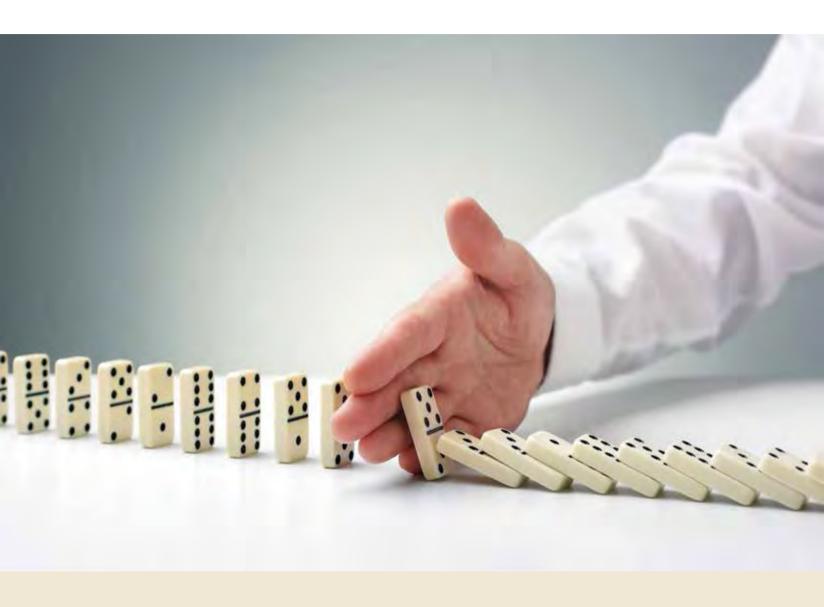
SEBL serves its off-shore banking clients through 02 (two) Off-shore Banking Units (OBUs) since 2010. It operates one Off-shore Banking Unit in Dhaka EPZ and another one is in Chittagong EPZ to serve enterprises of EPZ area and industrial units outside EPZ area.

Off-shore Banking Units of SEBL offer following services to their clients-

- Usance Payable At Sight (UPAS) facility to the Documentary Credit opened by the AD Branches
- Time loans in Foreign Currency
- Term Loan in Foreign Currency
- Full-fledged export-import services

Reporting Unit

Reporting unit of the International Division looks after all sorts of regulatory reporting related to International Trade and Foreign Exchange of the Bank. It has a vital role to ensure compliance and regularity of reporting to central bank and other regulatory bodies.



Risk Management Practices in SEBL

The Board Risk Committee is the principal board committee that oversees the Bank's risk management. It reviews and approves the Bank's overall risk management philosophy; risk management frameworks, major risk policies, and risk models. The Board Audit Committee also oversees the establishment and operation of the risk management systems, and receives regular reviews as to their effectiveness. The Bank's various risk exposures, risk profiles, risk concentrations, and trends are regularly reported to the Board of Directors and senior management for discussion and appropriate action. The Board Risk Committee is supported by Risk Management Division, which has functional responsibility on a regular basis for providing independent risk control and managing credit, market, operational, liquidity, and other key risks. Within the division, the personnel are dedicated to establishing company-wide policies, risk measurement and methodology, as well as monitoring the bank's risk profiles and portfolio concentrations. The bank's risk management and reporting systems are designed to ensure that risks are comprehensively captured in order to support well-considered decision making, and that the relevant risk information is effectively conveyed to the senior management. To ensure the objectivity of the risk management functions, personnel of the division are provided with extensive training and development opportunities. This ensures that new or emerging risks from new products are adequately identified, measured, and managed within existing risk systems and processes. The main responsibility of the Risk Management Division of Southeast Bank Limited includes the following:



- Communicating views to the Board and Senior Management regarding the Risk Management Culture and Risk Concentration all over the bank
- Overseeing the capital management functions in accordance with the Risk Based Capital Adequacy measurement accord i.e. BASEL-II /III
- Developing and overseeing implementation of stress testing
- d) Highlighting the risky portfolios and deficiencies of the bank on timely manner and reporting these analyses to the Managing Director as well as the Board of Directors with specific recommendations and suggestions
- e) Developing overall information system/MIS to support risk management functions of the bank
- f) Designing overall risk management strategy of the bank
- g) Preparing risk management policies and procedures
- Monitoring the prescribed/threshold limits of risk concentration set by the regulator and/or by the bank itself
- Developing, testing, and observing the use of models to measure and monitor the risks
- Determining the most cost-effective way to minimize the risks
- Reviewing the market conditions, identifying the external threats and providing with recommendations for precautionary measures accordingly

Risk Management Division (RMD) at Southeast Bank Limited is responsible to identify and analyze various risks appropriately and timely. In compliance with the Bangladesh Bank guidelines RMD is working independently from all other divisions of the bank. Personnel of RMD are involved in the process of determining any standard or threshold ranges for risk management goals. This divisionis responsible for the followings:

- Collecting all relevant data related to the risk indicators from different models and information system at the earliest
- Assessing the quality, completeness and correctness of data
- Identifying and quantifying the risks and their exposures to material loss

- d) Preparing Risk Management Paper (RMP) in monthly basis
- e) Conducting periodic Stress Testing

BASEL II

Southeast Bank Limited has implemented Bangladesh Bank's guidelines on Risk Based Capital Adequacy (BASEL-II) requirements for banks incorporated in Bangladesh with effect from 1 January 2010. This framework provides a stronger linkage between capital requirements and the level of risks undertaken by bank to enhance its risk management practices and establishes minimum capital requirements to support credit, market, and operational risks. As part of enhanced public disclosures on risk profile and capital adequacy required under the mentioned guidelines.

Stress Testing

Stress Testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of a specific event and/or movement in a set of financial variables. The traditional focus of Stress Testing relates to exceptional but plausible events. In the context of ICAAP under Pillar II of Basel II, banks consider Stress Testing as a diagnostic tool to improve the understanding of its risk profile. Bangladesh Bank has advised banks to conduct quarterly Stress Testing to measure resilience of the Bank. At institutional level, stress testing techniques provide a way to quantify the impact of changes in a number of risk factors on the assets and liabilities portfolio of the institution. Therefore as a part of risk management division we prepare Stress Testing report on quarterly basis to check out four major shocks (interest rate risk, credit risk, equity price risk, liquidity risk) under different magnitude level to ensure optimum allocation of capital across its risk profile. The objectives of stress testing within a bank are as

- Risk identification and control
- Quantifying the resilience towards shock events
- Supporting capital management
- Improving liquidity management

In stress testing different analytical tools are used like sensitivity analysis which assesses the impact on an institution's financial condition of a move in one particular risk factor, scenario test which tends to consider the impact of simultaneous moves in a number of risk factors, and duration GAP analysis which is the analysis of the gap in duration between the bank's Assets and Liabilities. On the other hand, different risk factors are judged using three different

level of shocks: Minor, Moderate and Major. The risk factors are performing loan downgraded to Bad and Losses, Increase in NPL due to default of top large loan borrowers, Negative Shift in NPLs categories, Decrease in the FSV of Collateral, Change in Interest Rate, FEX shock: Currency Depreciation, Equity shock and Liquidity stress.

Risk Management paper

Risk Management Division of SEBL prepares monthly risk management paper under the requirement and guideline of Bangladesh Bank. The paper is developed based on the internal data sources collected from different divisions and departments of Southeast Bank Limited. In the paper, the six key risks (e.g.

credit risk, market risk, liquidity risk, foreign exchange risk, operational risk, ICT risk etc.) of the Bank are reported. Different tools and techniques are applied to analyze and data and then further recommend to the management and board. Horizontal and vertical analyses of monthly and quarterly data are seem to compare the development of each risk parameter. Recommendations are made over the changes of the risk position of a particular risk.



Human Capital

Human Resources and Capacity Building

Southeast Bank considers quality and skilled Human Resources as one of the most valued assets for the Bank to attain organizational objectives and goals. The Bank adopts strategy to attract the best talents and develop their expertise through rigorous training programs and motivates them to perform with utmost professionalism and commitment for the continuous growth and development of the Bank. In the year 2014, the Bank formulated and introduced **Code of Ethics** for the employees to create a distinct organizational culture.

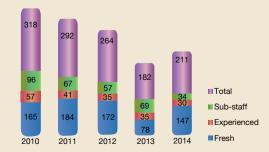
Creation of New Employment Opportunity

Southeast Bank provides employment opportunities for the fresh post graduates from diverse disciplines to meet up the manpower requirement of the Bank. The Bank also creates better employment opportunities for the experienced bankers. As per Bank's Human Resources Planning, a good number of employments will be created in the year 2015 to meet up growing

manpower requirement of the Bank.

In the year 2014, the Bank recruited a total number of 211 employees (fresh entrants 147, experienced bankers 30, sub-staff 34) to strengthen its team of professionals and to support its rapid expansion programs.

Recruitment Status for Last Five Years



Bank's Contribution towards Staff (Health and Safety)

To create a healthy and safe working atmosphere the Bank gives utmost priority by facilitating ambient lighting system, central air-conditioning, pure drinking water, sufficient sanitary facilities, neat and clean office premises etc. Besides, the Bank has fire safety alarms, fire extinguishers and emergency exit in its all premises in order to safeguarding the lives of its employees, customers and stakeholders in the event of any conflagration. Smoking is strictly prohibited in office premises and employees are also strictly forbidden from being under influence of alcohol or any other improper use of drugs.

Manpower Position

The permanent employees of the Bank stood at 2221 as on December 31, 2014 out of which Executives (Assistant Vice President and above) were 190, Officers 1590 and Sub-staff 441.

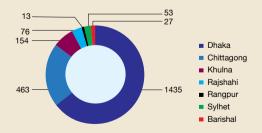
Gender Diversity for Last Five Years

	2010		2011		2012		2013		2014	
Gender	No. of Employees	%								
Male	1293	80.16	1516	82.03	1671	83.13	1732	81.78	1818	81.86
Female	320	19.84	332	17.97	339	16.87	386	18.22	403	18.14
Total	1613		1848		2010		2118		2221	

No. of Employees by Age Group for the Year 2014

Age Group	Male	Female	Total	Percentage
Below 30	326	108	434	19.54
30-39	797	235	1032	46.47
40-49	609	55	664	29.90
50 and	86	5	91	4.09
above				
Total	1818	403	2221	100

Region Wise Manpower Distribution for the Year 2014



Team Building and Creation of Future Leaders

With a view to creating a synergic atmosphere, the Bank is led by a team of proficient, dedicated and diligent professionals who endeavor to gain excellence in day to day Banking operations. The Bank creates future leadership by providing adequate both on-site and off-site training, changing and adding responsibility. The best are sieved out and elevated to demanding positions.

Sustainable Employee Relations and Retention

Southeast Bank pursues a long term warming relationship with the employees by providing competitive compensation package, career progression opportunity, gratuity, contributory provident fund, staff house loan facility, car to the executives under car finance scheme, and leave encashment facility which ultimately ensures very low turnover rate.

Employee Turnover Rate for the Last Five Years





Human Resources Accounting

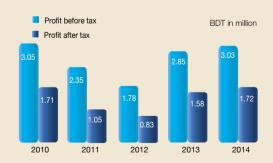
Southeast Bank acknowledges its employees as most valuable asset and continuously develops the capacity of its employees in such a way that creates value for the organization. As per human resources accounting, the Bank considers all kind of expenses made for its employees as investment which will ultimately generate plausible outcome.

As a visionary financial organization, Southeast Bank always tries to make effective investment in human resources development.

An overview of HR is given below (BDT in million)

Particulars	2010	2011	2012	2013	2014
Employee (Person)	1613	1848	2010	2118	2221
Operating cost per employee	1.08	1.22	1.13	1.27	1.49
Training cost per employee (excluding sub-staff)	.0017	.00088	.0015	.00096	.0016
Operating profit per employee	4.19	3.15	2.70	3.25	3.70
Salary cost as % of operating profit	10.79	14.55	18.04	18.22	16.29

Per Employee Productivity



Research and Training Institute (RTI)

In 2014 calendar year, RTI provided training to 2342 officials. In all 86 training and workshop programme were organized during the week days and in addition 21 Saturdays were utilized also for creating opportunities

for the busy branch officials to participate in the programme. On an average 28 participants took part in the 86 programme, conducted by RTI in 2014. In terms of total person-days 3292 Person-days were achieved during the year.

Training was highly concentrated on 8 groups (Senior Officers, Executive Officers, Junior Officers, Prob. Officers Principal Officers, Senior Principal Officers, Asst. Vice President, Trainee Cash Officers) of officials ranging from TCOs to AVPs. Similar trend was noticed in year 2013 too. In the year 2014, a more or less clear trend is visible that high ranking officials with the rank of principal officers up to AVP are increasingly participating in the training unlike previous years. All these trends indicate a positive change towards human resource development and will have a multiplier affect at the branch level for job rotation, develop diversified competency and may improve job satisfaction.

TI developed a built-in mechanism for assessing training needs while participants take a course at the RTI .RTI is using the presence of about 200 participants a month on an average in 7 different programme for assessing their current training on a course for which they have been nominated and who usually attend with some exposure. During the participation they are encouraged and given the opportunity to share their competency problem and other allied problems including systemic issues which are reviewed and developed into a case for training intervention by developing a Training Calendar for 2015. Last year, (2013) RTI started with 69 resource persons (IRP) and by the end of December 2014 this figure surged to 89 indicating increasing professional interest of the IRPs in training. Increasingly this year RTI has used resource persons from branches with hands on experience on some of the issues where branch officials are supposed to excel. Notable feature of the resource persons is that in contrast to last year, they are using effective training techniques, bringing in realistic live cases, data and exercises for the participants.

SEBL has a rich legacy of training since 2005 and over the years it accumulated its strength as a learning organization for the banking sector. With rich legacy, RTI steps into the year 2015 to respond to the opportunities and challenges.



SME, Agri Credit, Financial Inclusion and Green Banking

Small & Medium Enterprises

Small & Medium Enterprises (SMEs) are an important constituent of Bangladesh's economy and have become a thrust area for future growth. A strong SME sector is fundamental to building a resilient and dynamic corporate sector.

At Southeast Bank, we offer a full suite of banking products and solutions to SMEs for meeting their business and growth requirements. Our experience of partnering with SMEs has enabled us to develop nontraditional techniques of assessing credit risk unique to them.

We also offer supply chain financing Solutions and small ticket funding to the channel partners of large corporate clients. We have set up dedicated desks in all our branches catering to SMEs and have planned to introduce specialized teams for SME Finance.

Fiscal 2014 was a challenging period for SMEs due to the moderation in economic activity. We focused on calibrated portfolio growth and reducing concentration levels within the portfolio. We maintained a cautious outlook on some sectors with enhanced monitoring of existing relationships.

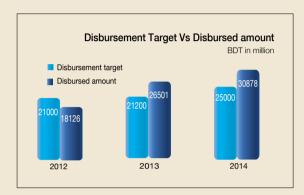
Southeast Bank has always viewed the SME segment as integral to Bangladesh's growth and will continue to partner with SMEs while building a healthy portfolio.

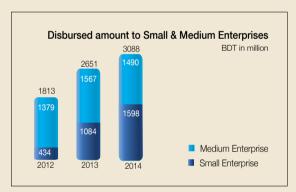
Outstanding SME loan of the Bank as on December 31, 2014 stood at Tk.28946.70 million compared to 21494.05 Million as on December 31, 2013, registering a growth of 34.69%. In 2014, the Bank disbursed Tk 3087.76 Million to 3515 clients through all its branches, which is 16.50% higher than that of 2013.

Our growth is small and Micro Enterprises is very remarkable. We feel that access to finance for



smaller segment of SMEs is very challenging. We have concentrated in financing this segment of the economy for national and bank's business interest. As a result, outstanding credit exposure in small and micro segments the SMEs increased to 46.40% of the toal SME lending.





Rural & Inclusive Banking

Rural Bangladesh is transforming rapidly with expansion in rural consumption, access to mobile telephony and social mobility among others. While agriculture continues to engage around half the country's total workforce, the rural economy has grown to encompass both farm and non-farm sources of livelihood. The Bank's vision is to emerge as an institution for enabling growth and inclusion in the rural economy. To accomplish its vision, the Bank's strategy is to expand in the rural markets, leverage its strengths in technology and deliver relevant products and services to the rural and unbanked population through a multi-channel network.

A key pillar of our strategy is to provide branch banking access to the rural customers. In line with this Philosophy, Majority of our new branches in 2014 were added in the rural and semi-urban Areas. Our Mobile banking initiative is also part of this financial inclusion. In 2014 Bank signed a Refinancing Scheme

with Bangladesh bank to support Tk10.00 account Holders, marginal farmers and micro borrowers.

Agricultural and Rural Credit

Agriculture is the life-blood of the rural economy of Bangladesh. It is directly linked with national food security, poverty alleviation, employment generation and living standard of rural people. Crop, livestock, fisheries, forestry, etc. are integral components of agriculture. Agricultural credit plays an important role for sustainable development of this sector. Therefore, the bank is continuously trying to reach its credit facilities to the unprivileged sections of rural community, comprising the country's small and marginal farmers.

The bank disbursed BDT 760.87 million as agricultural and rural credit in 2014. The loan has been disbursed for crop cultivation, seed production, livestock farming, pisciculture, fish hatchery, tissue culture, bio-gas production and solar home system installation. During the year, the bank's loan disbursement directly to the farmers / agricultural entrepreneurs was BDT 193.06 million and through MFIs was BDT 567.81 million. In 2014, BDT 0.57 million was disbursed for cultivation of zinger at 4% subsidized interest rate. BDT 7.50 million was disbursed for installation of solar home system to 400 households through an MFI and BDT 0.03 million for bio-gas production under "04 cow model". The bank's agricultural and rural credit facility has been made available directly / indirectly to 34,928 farmers/ agricultural entrepreneurs during the year 2014.

Cluster based SME Financing

Under the guidelines of Bangladesh Bank, our Bank adopted a cluster-based financing approach for SMEs with a homogeneous profile in some industries such as Food Processing, indigenous Textile RMG accessories to implement their growth strategy. Bank also offer supply chain financing solutions to the distributors and suppliers of large corporate clients. The success encouraged us to continue the cluster based SME credit approach in upcoming years.

SME Strategy

To concentrate more in SME banking in 2013 Southeast Bank adopted a medium term SME strategy. It is primarily a strategy paper, intended to find the optimal way to approach the Small Enterprise segment.

The following five fundamental areas have been covered in the strategy: (1) SME focus and execution capabilities; (2) market segmentation, products and services; (3) sales culture and delivery channels; (4) credit risk management; and (5) IT and MIS.

In year 2014 as part of implementation of the aforesaid strategy Bank separated SME & Agri. Credit Division from Corporate Banking Division. All SME centric Branches are under the jurisdiction of SME Division. Gradually the divisions will expand vertically and horizontally.

The SME Strategy will streamline a robust Risk management strategy for SME Banking.



Women Entrepreneur Financing

Bangladesh is a highly patriarchal society with gender being a key factor in defining social roles, responsibilities and power relationships within the family and workplace.

We believe that women empowerment can't be achieved without economic freedom of women. With this end in view, Southeast Bank in 2014 disbursed loans and advances of 1,220.00 million to 89 women SME entrepreneurs. Alike previous years, eligible

women entrepreneurs availed of Re-Financing Facilities from Bangladesh Bank and the benefit of preferential interest rate.

The Bank continued to play an active role in developing women entrepreneurs through various activities. In an effort by the Bank to create and develop dynamic and knowledgeable women entrepreneurial community, it sponsored women entrepreneur Fairs arranged by Bangladesh Bank and participated trainings and seminars arranged by various chambers and women organizations.



Success Story of an Woman SME Entrepreneur

Ms.Ruma Yasmin started her trading business of women ornaments & accessories in 2008. In her early years she collected locally made ornaments & accessories and sold them in her small shop at Mirpur Benarashi Palli Dhaka. Her self motivation, professionalism and dedication towards work and little financing support from Southeast Bank has established her as one of the successful Woman entrepreneur in Mirpur. Now she has a large shop in Mirpur and also sold different locally made as well as imported ladies items like ornaments, accessories & dresses with yearly turnover of more than 100.00 lac. She has been receiving Bangladesh Bank's refinancing facilities for women entrepreneurs. Southeast Bank is proud to be part of this glittering success story.



Environment & Green Banking

Economic development and environmental issues are very closely related and it is really a challenging issue to keep balance between these two. The Bank is striving to keep the balance at its level best by following Bangladesh Bank's guidelines on environmental risk management and green banking.

Bank has formulated its own Green Banking Policy and formed Green Banking Unit. The activities of the unit are under the supervision of the Risk Committee of the Board.

Economic development and environmental issues are very closely related and it is really a challenging issue to keep balance between these two. The Bank is striving to keep the balance at its level best by following Bangladesh Bank's guidelines on

environmental risk management and green banking.

Bank is one of the partners of Bangladesh Bank's refinance facilities for renewable energy generation and other environmentally beneficial projects like ETPs, energy efficient kilns and brick fields. In the year 2014 Bank provided refinancing facility 400 Solar Home Systems amounting to total Tk 7.50 million. Bank also finances Bio-gas projects under the refinancing program.

Environmental due diligence checklist to address environmental risk is now integral part of our credit risk analysis. Now all customers who enjoy a certain level of loans are being evaluated on the basis of environmental impact of its specific business operation.

Bank is concentrating on its in-house green activities through the most effective utilization of resources (power, gas, fuel, water, paper etc.). Online Banking, Internet Banking and Mobile Banking, Automated Clearing House and online CIB etc are major areas covered under in-house green initiatives and activities of the Bank. Bank has also concentrated on Green marketing, training and development.

In year 2014 the Bank in collaboration with Policy research institute and The Daily Financial Express formed a Green award trustee Board and introduced a green awards to honor individuals and organizations who are actively working to protect the environment and tackle the risks of climate change through green business, environment-friendly operations, community investment and knowledge management. The Honorable Governor of Bangladesh Bank was present on the first Award distribution program.

Bank is reporting on quarterly basis on its Green Banking activities in the structured reporting format as provided by Bangladesh Bank.

Our Products and Services

CONVENTIONAL BANKING DEPOSIT PRODUCTS

- Savings Account (SB)
- Current Account (CD)
- Short Notice Deposit (SND)
- Fixed Deposit Receipt (FDR)
- Monthly Savings Scheme (MSS)
- Monthly Income Scheme (MIS)
- Pension Savings Scheme (PSS)
- Double Benefit Scheme (DBS)
- Millionaire Deposit Scheme (MDS)
- Multi-Millionaire Gold Deposit Scheme (MGDS)
- Wage Earners Pension Savings Scheme (WEPSS)





ISLAMIC BANKING DEPOSIT PRODUCTS

- Mudaraba Savings Account
- Al-Wadiah Current Deposit Account
- Mudaraba Short Notice Deposit
- Mudaraba Monthly Savings Scheme
- Mudaraba Monthly Income Scheme
- Mudaraba Pension Savings Scheme
- Mudaraba Double Benefit Scheme
- Mudaraba Millionaire Deposit Scheme
- Mudaraba Term Deposit Receipt
- Hajj Sanchay Prokalpo
- Mudaraba Cash Waqf
- Mudaraba Mohor Savings Scheme



TREASURY SERVICES

- Fixed-income Investment Portfolio Service (Individual and Corporate)
- Foreign Exchange Fund Management (Spot, Forwards, SWAPS)
- Treasury Auction Management (Primary Dealer)
- Bank's Liquidity and Fund Management
- Export/Import Fund Management
- Secondary Transaction of Govt. Securities



LOAN PRODUCTS

SME & Agri. Loan

- Southeast Shopan
- Southeast Shikhor
- Southeast Shuprova
- Southeast Shopnil
- Southeast Agri. Loan

Corporate Loan

- Working Capital Finance
- Term Finance
- Project Finance
- Syndication & Club Finance
- Work Order Finance
- Real Estate Finance
- Trade Finance
- Commercial Finance
- Export Finance
- Loan to NBFI
- Off-shore Banking

RETAIL BANKING SERVICES

- SEBL Home Loan
- SEBL Personal Loan
- SEBL Car Loan





Card Services

- SEBL VISA Credit Card
- SEBL Debit Card- My Card
- SEBL VISA Platinum Credit Card
- SEBL My Remit Card
- SEBL Dual Currency VISA Credit Card
- SEBL VISA Virtual Card

VALUE ADDED SERVICES

- Student File
- Locker Service
- Insurance Coverage
 Deposit Scheme
- Senior Citizen Scheme
- Passport Endorsement
- Individual Remittance (Inward & Outward)
- Internet Banking Service



IMPORT SERVICES

Documentary Credit :

Opening Import Documentary Credit (Local & Foreign)

Arranging Add Confirmation through Foreign Correspondent Banks

Arranging Discounting through Foreign Correspondent Banks

■ Post Import Finance :

Trust Receipt (TR)

Time Loans (TL)

Term Loans

Documentary Collection services:

Documentary Collections against Payment (D/P)

Documentary Collections against Acceptance (D/A)

Issuing Shipping Guarantee

EXPORT SERVICES

Advising Export Documentary Credit

- Transferring Export Documentary Credit
- Opening Back- to-Back Documentary Credit (Local & Foreign)
- Foreign Documentary Bills Collection:

Documentary Collections against Payment (D/P)

Documentary Collections against Acceptance (D/A)

Pre-shipment Finance:

Packing Credit

Post-shipment Finance :

Foreign Documentary Bills Purchase (FDBP)

Purchase/Discounting Export Bills (Local)

Export Development Fund (EDF) from

Bangladesh Bank

Cash Incentive from Bangladesh Bank

ADDITIONAL SERVICES PROVIDED BY OFF-SHORE BANKING UNIT

- Usance Payable At Sight (UPAS) facility to the Documentary Credit opened by the AD Branches
- Time loans in Foreign Currency to the AD Branches
- Term Loan in Foreign Currency

Information to Stakeholders





Financial Highlights

BDT in million

Dantiantona		Group			Bank	
Particulars	2014	2013	Change %	2014	2013	Change %
Performance During the Year						
Net Interest Income	3,183.99	1,967.13	61.86%	3,156.13	1,978.74	59.50%
Non Interest Income	8,433.20	7,717.67	9.27%	8,368.58	7,602.08	10.08%
Operating Income	11,617.19	9,684.80	19.95%	11,524.71	9,580.82	20.29%
Operating Profit	8,289.76	6,700.20	23.72%	8,219.68	6,887.22	19.35%
Profit After Tax	3,836.94	3,378.82	13.56%	3,819.95	3,343.61	14.25%
Year End Financial Position						
Loans	147,070.81	134,863.82	9.05%	147,956.55	135,690.09	9.04%
Investments	56,378.59	57,589.06	-2.10%	54,525.79	55,835.69	-2.35%
Deposits	189,472.54	177,519.46	6.73%	189,472.26	177,507.98	6.74%
Shareholders Equity	24,543.21	21,929.15	11.92%	24,519.35	21,916.04	11.88%
Total Assets	236,608.40	220,930.85	7.10%	236,216.15	220,578.18	7.09%
Earnings per share (BDT)	4.18	3.68	13.59%	4.17	3.65	14.25%
Dividend (%)	15%	21%	-28.57%	15%	21%	-28.57%
Price earning ratio (times)	4.65	4.86	-4.58%	4.67	4.91	-4.89%
Net asset value per share (BDT)	26.77	23.92	11.92%	26.74	23.90	11.88%
Market price per share (BDT)	19.45	17.90	8.66%	19.40	17.90	8.38%
Ratios (%)						
Capital adequacy ratio (as per Basel II)	12.41%	10.90%	13.85%	12.49%	10.97%	13.78%
Non performing loans	3.64	3.94	-7.61%	3.64	3.94	-7.61%
Cost to income ratio	28.64%	30.82%	-7.06%	28.68%	28.11%	2.00%

Key Financial Data and Ratios

BDT in million **Particulars** 2014 2013 2012 2011 2010 **BALANCE SHEET MATRIX Authorized Capital** 15,000.00 10,000.00 10,000.00 10,000.00 10,000.00 8,732.86 8,732.60 8,317.01 6,930.84 Paid up Capital 9,169.50 Reserve Fund & Surplus 15,373.71 13,196.29 11,051.52 11,059.29 10,215.15 Total Shareholders' Equity 24,543.21 21,929.15 19.784.12 19,376.30 17,145.99 Deposits 189,472.54 177,519.47 152,901.24 127,178.22 107,253.19 Loans and Advances 147,070.81 134,863.82 126,968.97 107,288.56 93,981.20 Investments 56,378.59 57,589.06 39,011.28 29,846.63 18,869.07 **Fixed Assets** 7,912.99 7,795.65 7,677.51 7,373.11 4,463.64 **Total Assets** 236,608.40 220,930.85 191,276.30 158,078.59 131,784.27 Total Off Balance Sheet Items 92,184.69 82,126.39 71,863.58 58,560.56 58,013.98 Interest Earning Assets 203,449.40 192,452.88 165,980.25 137,135.19 112,850.27 Non-Interest Earning Assets 18,934.00 33,159.00 28,477.97 25,296.05 20,943.40 **INCOME STATEMENT MATRIX** Interest Income 19,233.89 19,200.64 17,394.05 13,886.55 10,275.16 Interest Expenses 16,049.91 17,233.51 15,302.55 11.763.44 7,593.81 Investment Income 5,274.27 4,782.65 3,258.44 3,267.91 3,788.43 Non-Interest Income 3,158.93 2,935.02 2,481.68 2,777.45 2,037.22 Non-Interest Expenses 3,327.43 2,984.60 2,336.44 2,082.79 1,737.74 Total Income 27,667.09 26,918.31 23,134.17 19,931.91 16,100.81 **Total Expenditure** 19,377.34 20,218.11 17,638.99 13,846.23 9,331.55 Operating Profit 8,289.75 6,700.20 5,495.18 6,085.68 6,769.26 Profit before Tax 6,760.66 6,078.82 3,603.84 4,337.24 4,929.41 Net Profit after Tax 3,836.94 3,378.82 1,648.72 1,912.19 2,763.93 CAPITAL MATRIX (As per Basel-II) Risk Weighted Assets 221,249.27 200,098.46 180,327.66 165,854.62 152,758.47 Core Capital (Tier-I) 19,882.29 17.608.48 15,560.00 14.094.46 15,159.20 Supplementary Capital (Tier-II) 7,579.80 4,199.09 4,037.54 3,840.86 3,102.34 **Total Capital** 27,462.09 21,807.57 19,597.54 19,000.06 17,196.80 Capital Surplus/(Deficit) 5,337.16 1,797.72 18,032.77 2,414.59 3,448.54 Tier I Capital ratio 8.99% 8.80% 8.63% 9.14% 9.23% Tier II Capital ratio 3.43% 2.10% 2.24% 2.32% 2.03% Total Capital Adequacy ratio Basel-II 12.41% 10.90% 10.87% 11.46% 11.26% **CREDIT QUALITY** 3,938.49 Classified Loans 5,387.74 5,350.24 5,687.92 3,769.51 972.20 Provision for Unclassified Loans 1,334.72 1,220.28 1,210.28 1,173.69 Provision for Classified Loans 2,673.49 2,656.72 2,326.31 1,222.42 1,862.75 Provision for Contingent Liabilities 909.65 813.04 554.28 554.28 711.31 Percentage of NPLs to total Loans 3.64 3.94 4.47 3.51 4.26 and Advances



					BDT in million
Particulars	2014	2013	2012	2011	2010
FOREIGN EXCHANGE BUSINESS					
Import	155,690.99	131,644.82	111,537.50	99,509.01	103,726.70
Export	112,137.65	95,220.40	84,464.20	75,982.06	58,158.06
Remittance (Inward)	48,740.50	39,299.10	41,455.40	49,544.10	28,082.25
OPERATING PROFIT RATIOS					
Credit Deposit Ratio	78.09%	76.44%	83.21%	84.54%	85.82%
Cost of Deposit	8.32%	10.01%	10.20%	9.58%	7.63%
Administrative Cost	1.69%	1.72%	1.66%	1.70%	1.75%
Yield on Loans and Advances	13.52%	14.96%	15.13%	13.76%	12.08%
Spread	5.20%	4.95%	4.84%	4.18%	4.45%
Return on Assets	1.67%	1.64%	0.95%	1.32%	2.26%
Return on Equity	16.51%	16.20%	8.42%	10.47%	19.41%
Debt Equity Ratio	8.64	9.07	8.60	7.16	6.68
PERFORMANCE RATIOS					
Net Profit per Employee	1.72	1.58	0.83	1.05	1.71
Net Profit per Branch	33.80	32.46	17.66	23.13	36.36
Operating profit as % of Working Funds	3.50%	3.03%	2.89%	3.85%	5.14%
Net Interest income as % of Working Fund	1.35%	0.89%	1.10%	1.34%	2.03%
Efficiency Ratio	28.64%	30.82%	29.83%	25.50%	20.43%
Ratio of Fees Income	22.96%	25.20%	26.22%	27.85%	20.00%
Salary Exp. to total Operating Exp.	40.92%	42.55%	42.51%	41.08%	41.98%
Salary Exp. to Fees Income	51.05%	52.03%	48.37%	38.28%	42.88%
Cost to Income Ratio	28.64%	30.82%	29.83%	25.50%	20.43%
DIVIDEND & RIGHTS ISSUE					
Cash	15%	16%	15%	15%	10%
Stock	0%	5%	0%	5%	20%
Rights Issue	0	0	0	0	Right Issue @1:2
SHARES INFORMATION MATRIX					
No. of Shares Outstanding	916,950,176	873,285,882	873,285,882	831,700,840	831,700,840
Earnings Per Share	4.18	3.68	1.89	2.19	3.77
Number of Shareholders	58,169.00	65,413.00	64,060.00	68,039.00	66,898.00
Market Value Per Share	19.45	17.90	20.00	31.10	59.76
Price Earnings Ratio	4.65	4.68	10.52	12.88	16.00
Net Assets Value Per Share	26.77	25.11	22.65	23.29	23.37
Dividend Cover Ratio	0.36	0.54	0.79	0.87	0.75
OTHER INFORMATION					
Number of Branches	113	103	94	84	76
Number of Islamic Banking Branches	5	5	5	5	5
Number of Employees	2221	2118	2010	1848	1673
Number of Foreign Correspondents Banks	211	211	183	161	152

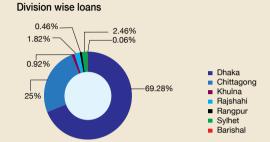
Segment Information

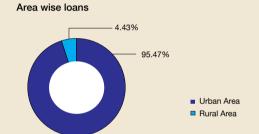
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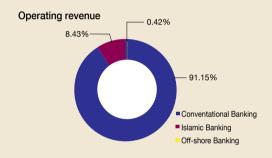
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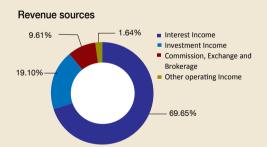
■ Small enterprise financing

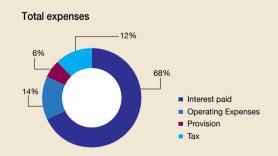
Miscellaneous

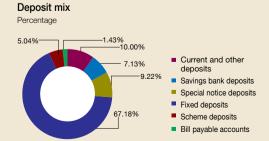


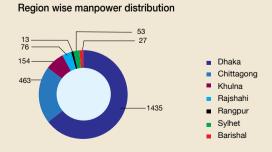






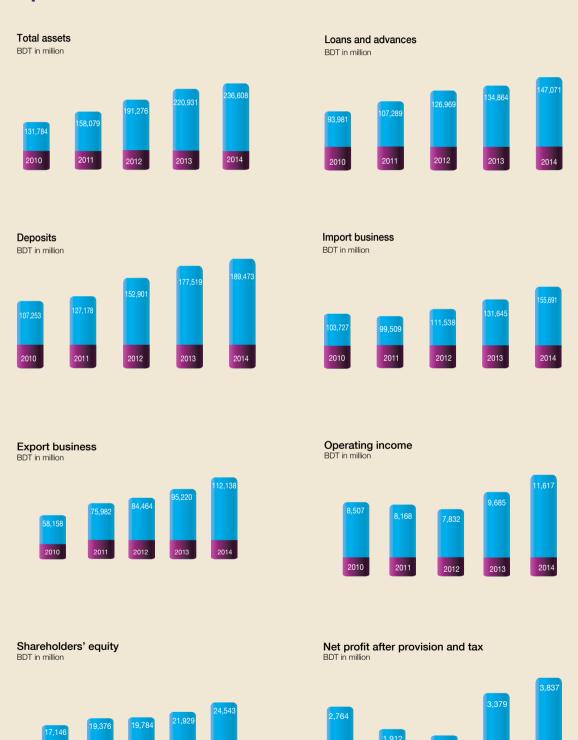




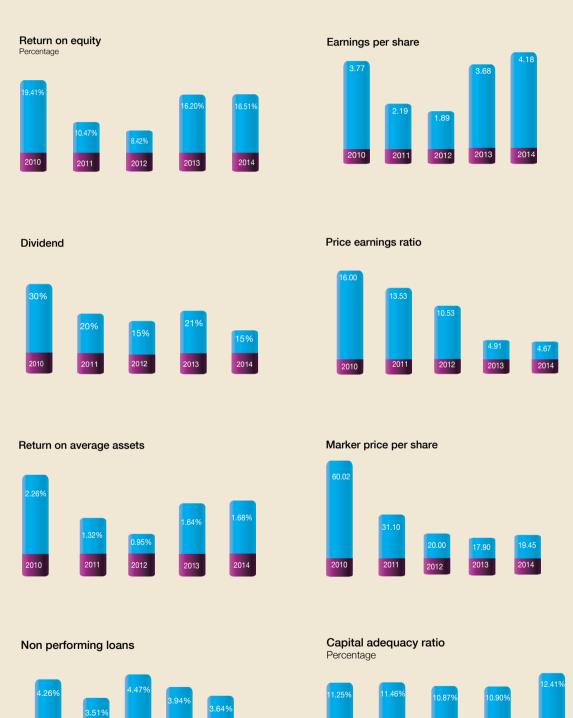




Graphical Presentation



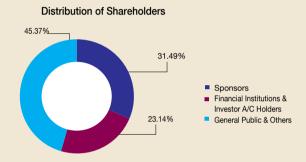
Graphical Presentation





Distribution of Shareholders in 2014

Name of the Category	Number	Percentage
Sponsors	288,765,231	31.49
Financial Institutions & Investor A/C Holders	212,134,681	23.14
General Public & Others	416,050,264	45.37
	916,950,176	100.00



Shares held by the Directors in 2014

SI. No.	Name of Directors	Designation	Shares
1	Mr. Alamgir Kabir, FCA	Chairman	18,344,672
2	Mr. Ragib Ali	Vice Chairman	27,901,291
3	Mr. M. A. Kashem	Director	20,182,060
4	Mr. Azim Uddin Ahmed	Director	25,365,735
6	Mrs. Duluma Ahmed	Director	19,082,742
5	Mrs. Jusna Ara Kashem	Director	18,339,525
7	Mr. Md. Akikur Rahman	Director	18,343,731
8	Mrs. Rehana Rahman	Director	18,344,145
9	Mrs. Sirat Monira	Director	120,547
10	Mr. Abdul Hye (Representing Karnafuli Tea Co. Ltd)	Director	162,420
11	Dr. Zaidi Sattar	Independent Director	-
12	Mr. A.H.M. Moazzem Hossain	Independent Director	-
TOTAL:		166,186,868	

Market Price Information

Month	DSE			CSE			Total Volume
	Month High	Month Low	Total Volume	Month High	Month Low	Total Volume	on DSE & CSE
Jan-14	22.00	19.90	3,681,312	22.20	17.90	2,764,329	6,445,641
Feb-14	23.00	20.00	1,760,471	24.00	21.70	6,274,316	8,034,787
Mar-14	18.00	16.00	860,955	24.80	17.50	4,898,751	5,759,706
Apr-14	22.00	19.70	2,715,527	22.70	17.50	5,238,584	7,954,111
May-14	21.00	18.70	1,242,765	21.70	18.90	2,238,049	3,480,814
Jun-14	20.50	18.00	1,068,680	20.50	18.30	1,430,409	2,499,089
Jul-14	19.10	18.00	583,040	20.10	18.70	527,673	1,110,713
Aug-14	18.00	16.00	861,066	19.40	16.50	1,178,847	2,039,913
Sep-14	19.50	17.10	1,904,596	20.10	17.00	1,786,636	3,691,232
Oct-14	20.70	17.60	4,233,778	21.70	19.10	1,776,877	6,010,655
Nov-14	19.50	17.40	654,955	21.50	18.90	1,576,588	2,231,543
Dec-14	19.60	19.20	1,271,498	20.40	19.00	1,324,839	2,596,337

Stock Details

Particulars	DSE	CSE
Stock Symbol	SOUTHEASTB	SOUTHEASTB
Company Code	11117	22015
Listing Year	2000	2000
Market Category	А	А
Electronic Share	Yes	Yes
Face Value (Taka)	10	10
Total Number of Securities	916,950,176	916,950,176

Availability of information about Southeast Bank Limited

Annual Report 2014 and other information about SEBL may be viewed on SEBL's website www.southeastbank.com.bd. SEBL provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange and Chittagong Stock Exchange for their reference. Investors may read them at their public reference room or library.



Financial Calendar

Thancial Calcinda	
Financial Calendar 2014	
Business Policy and Managers' Conference held and Annual Budget discussed	February 3, 2014
Financial Statements for the year 2013 signed	March 12, 2014
Publication of Financial Statements for the year 2013 in two news papers	March 23, 2014
20 th Annual General Meeting held	March 31, 2014
Final Dividend for 2013 for payment	April 21, 2014
Board approves the increas of Authorized capital of the Bank from BDT 10,000.00 million to BDT 15,000.00 million	August 11, 2014
Extra-Ordinary General Meeting (EGM) held for the purpose to issue Non-Convertible Subordinated Bond for BDT 3,000.00 million to increase Bank's Tier-II capital.	September 17, 2014
Interim Financial Statements	
For the 1st quarter ended March 31, 2014 (unaudited) appoved by the Board of Directors	May 3, 2014
For the 2nd quarter/ Half Year ended June 30, 2014 (unaudited) appoved by the Board of Directors	July 23, 2014
For the 3rd quarter ended September 30, 2014 (unaudited) appoved by the Board of Directors	October 29, 2014
For the 4th quarter/ Year ended December 31, 2014 (audited) approved by the Board of Directors	March 3, 2015
Financial Calendar 2015	
Financial Statements for the year 2014 will be finalized and signed	March 3, 2015
20 th Annual General Meeting will be held	March 29, 2015
Final Dividend for the 2014 proposed to be paid	April 15, 2015
Interim Financial Statements (Proposed)	
For the 1st quarter ended March 31, 2015 (unaudited) appoved by the Board of Directors	April 26, 2015
For the 2nd quarter/ Half Year ended June 30, 2015 (unaudited) appoved by the Board of Directors	July 23, 2015
For the 3rd quarter ended September 30, 2015 (unaudited) appoved by the Board of Directors	October 25, 2015
For the 4th quarter/ Year ended December 31, 2015 (audited) approved by the Board of Directors	February 25, 2016

Governance on Investors' Relation

Southeast Bank Limited is strongly committed to equitable treatment of every shareholder, whether they are major or minority shareholders, institutional investors, or foreign shareholders. To ensure equal treatment of all shareholders, the bank created various mechanisms, such as:

Shareholders who are unable to attend the shareholders' meeting, the bank provides proxy forms which allow shareholders to specify their vote on each agenda. The proxy forms, which are in accordance with the standard format, are sent along with the annual report.

The shareholders' meetings proceed according to the order of the agenda, without adding new and uninformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making a decision. Moreover, there are no changes to the important information in the shareholders' meeting.

The bank sees the importance of the consideration of transactions which may have conflict of interest or may be connected or related transactions, and abides by good corporate governance principles, including the rules and regulations of the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange and the Chittagong Stock Exchange transactions, directors, management and those who are related persons do not participate in the consideration to approve such transactions.

The bank continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

Investors' Inquiries

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

Share Department

Eunoos Trade Centre, Level-2 52-53, Dilkusha C/A,Dhaka-1000

Phone: 9567271

Email: info@southeastbank.com.bd

Glimpses of 19th AGM



Respected Members of the Board of Directors at the 19th Annual General Meeting held on March 31, 2014.

Respected shareholders at the Registration Counters for their registration for the 19th Annual General Meeting held on March 31, 2014.





A partial view of the respected shareholders that attended the 19th Annual General Meeting held on March 31, 2014.



Media Highlights



Southcast Bank inaugurates two Ladies Branch at Dhanmondi and Moghbazar hadary, Beds: Sadrasat Bank Linited species of the Sadrasat Bank Linited Sadrasat Linited Sadra

























Media Highlights











সাউথইষ্ট ব্যাংকের মাষ্টারকার্ডের লাইসেল অর্জন









2 firms get SEBL-FE-PRI Green Award

ান খাত উন্নয়নে অবদান ঃশেরা গ্রাহক বসুদ্ধরা





Independent Auditors' Report and Audited Financial Statements of Southeast Bank Limited for the year ended 31 December 2014

Independent Auditors' Report

to the Shareholders of Southeast Bank Limited

We have audited the accompanying consolidated financial statements of Southeast Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Southeast Bank Limited (the "Bank"), which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2014, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1.1 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also the separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991 as amended and the Bangladesh Bank regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 of the Group and the separate financial statements of the Bank.

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

Opinion

In our opinion, the consolidated financial statements of the Group and also the separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2014, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1.1.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Companies Act 1991 as amended and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
 - i) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in notes 2.1.2 (i, ii, & iii) and 3.2 appeared to be adequate with immaterial control deficiencies as identified in management report.



Howladar Yunus & Co. Chartered Accountants

Syful Shamsul Alam & Co. Chartered Accountants

- ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities other than matters disclosed in note 2.1.2 (iv)
- (c) financial statements of subsidiary companies of the Bank namely Southeast Bank Capital Services Limited has been audited by Pinaki & Company, Chartered Accountants, Southeast Financial Services (UK) Limited has been certified by Johan & Co., Chartered Management Accountants as per rules and regulation of UK and Southeast Financial Services (Australia) Pty Limited has been certified by SolTax Pty Ltd. The financial statements of Southeast Exchange Company (South Africa) Pty Limited are unaudited as on 31 December 2014 as stated in note no 1.8. These accounts have been properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account:
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and Bangladesh Financial Reporting Standards as explained in note 2.1.1 as well as with related guidance, circulars issued by Bangladesh Bank and decision taken in tripartite meeting amongst Inspection Team of Bangladesh Bank, External Auditors and the Management, Southeast Bank Limited held on February 26, 2015.
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 6,400 person hours for the audit of the books and accounts of the Bank.

Howladar Yunus & Co.

Chartered Accountants

Dhaka, 03 March 2015

Place: Dhaka



Svful Shamsul Alam & Co

Chartered Accountants

Consolidated Balance Sheet As at 31 December 2014

		2014	2013
PROPERTY AND ASSETS	Note	Taka	Taka
Cash	4		
In hand (including foreign currencies)	4	1,598,090,832	1,802,673,124
Balance with Bangladesh Bank and its agent banks		1,090,090,002	1,002,070,124
(including foreign currencies)		13,859,383,546	10,955,385,255
(including foreign currencies)		15,457,474,378	12,758,058,379
Balance with other banks and financial institutions	5	10,401,414,010	12,700,000,079
In Bangladesh	Ŭ	4,283,513,456	2,706,540,365
Outside Bangladesh		1,482,742,437	695,514,701
		5,766,255,893	3,402,055,066
Money at call and on short notice	7	548,300,000	1,008,900,000
Investments	8	2 12,000,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Government		50,185,301,263	50,860,905,762
Others		6,193,292,021	6,728,157,682
		56,378,593,284	57,589,063,444
Loans and advances/investments	10	23,212,233,23	,,,,
Loans, cash credit, overdrafts etc./investments		141,778,213,208	129,184,622,142
Bills purchased and discounted		5,292,593,001	5,679,201,782
		147,070,806,209	134,863,823,924
Fixed assets including premises, furniture and fixtures	12	7,912,999,072	7,795,649,125
Other assets	14	3,473,971,663	3,513,304,838
Non - banking assets		-	-
Total assets		236,608,400,499	220,930,854,776
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	16	7,815,918,510	7,921,435,000
Deposits and other accounts	18		
Current/Al-wadeeah current accounts and other accounts	10	18,935,054,107	14,212,909,584
Bills payable		2,701,462,407	1,914,532,727
Savings bank/Mudaraba savings bank deposits		13,531,823,040	14,118,813,852
Fixed deposits/Mudaraba fixed deposits		154,304,204,148	147,273,208,331
Bearer certificates of deposit			
Other deposits		_	-
a compared		189,472,543,702	177,519,464,493
Other liabilities	20	14,766,543,554	13,550,328,772
Total liabilities		212,055,005,766	198,991,228,265
Capital/shareholders' equity		,,,	,,,
Paid up capital	22.2	9,169,501,760	8,732,858,820
Statutory reserve	23	7,792,812,001	6,444,821,277
Revaluation reserve	24	4,670,865,467	4,331,542,622
Other reserve	25	247,650,000	247,650,000
Translation Reserve	26	243,022	(395,234)
Retained earnings	27	2,662,138,895	2,172,669,304
Total shareholders' equity		24,543,211,145	21,929,146,789
Non-controlling interest	29	10,183,588	10,479,722
Total liabilities and shareholders' equity		236,608,400,499	220,930,854,776
• •			



Consolidated Balance Sheet

As at 31 December 2014

		2014	2013
OFF-BALANCE SHEET ITEMS	Note	Taka	Taka
Contingent liabilities			
Acceptances and endorsements	30	30,725,219,938	32,847,491,207
Letters of guarantee		14,253,372,667	16,230,483,458
Irrevocable letters of credit		31,246,712,370	19,925,642,403
Bills for collection		14,739,309,970	12,300,432,174
Other contingent liabilities		1,220,084,000	822,339,000
		92,184,698,945	82,126,388,243
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		-	-
		-	-
		92,184,698,945	82,126,388,243
Total off-balance sheet items including contingent liabilities		92,184,698,945	82,126,388,243

The annexed notes 1 to 69 form an integral part of these financial statements.

As per our report of same date.

Director

Howladar Yunus & Co. **Chartered Accountants**

Chartered Accountants

Managing Director

Suluma Ahmad

Director

Dhaka, 03 March 2015

Consolidated Profit and Loss Account

For the year ended 31 December 2014

		2014	2013
	Note	Taka	Taka
Interest income/profit on investments	32	19,233,896,014	19,200,636,238
Interest income/profit on investments	34		
Interest paid/profit shared on deposits and borrowings etc. Net interest income/net profit on investments	34	(16,049,906,817)	(17,233,506,596)
·	0.0	3,183,989,197	1,967,129,642
Investment income	36	5,274,269,551	4,782,646,596
Commission, exchange and brokerage	38	2,666,728,340	2,440,372,102
Other operating income	40	492,203,311	494,649,962
Total an austinu in come (A)		8,433,201,202	7,717,668,661
Total operating income (A)		11,617,190,399	9,684,798,303
Salaries and allowances	42	1,361,475,988	1,269,817,813
Rent, taxes, insurance, electricity etc.	44	569,336,368	491,842,926
Legal expenses		616,557	902,455
Postage, stamp, telecommunication etc.	46	145,625,581	129,587,869
Stationery, printing, advertisements etc.	48	113,722,006	112,644,350
Managing Director's salary and fees	50	9,450,000	9,450,000
Directors' fees and expenses	51	3,431,148	1,836,722
Auditors' fees	53	1,335,000	830,000
Charges on loan losses		-	-
Depreciation and repair of bank's assets	54	356,794,829	305,331,122
Other expenses	56	765,645,656	662,358,686
Total operating expenses (B)		3,327,433,133	2,984,601,943
Profit before provision (C=A-B)		8,289,757,266	6,700,196,360
Provision for loans and advances/investments	21.1		
General provision		114,445,000	10,000,000
Specific provision		974,009,140	537,805,175
		1,088,454,140	547,805,175
Provision for off-balance sheet items	21.2	96,609,000	101,731,000
Provision for diminution in value of investments	58	329,033,413	(41,303,838)
Other provisions	21.6	15,000,000	13,142,000
Total provision (D)		1,529,096,553	621,374,337
Total profit before taxation (C-D)		6,760,660,713	6,078,822,023
Provision for taxation	60		
Current		2,923,719,173	2,700,000,000
Deferred		-	-
		2,923,719,173	2,700,000,000
Net profit after taxation		3,836,941,540	3,378,822,023
Net profit after tax attributable to:			
Equity holders' of the Bank		3,837,237,674	3,376,083,502
Non-controlling interest		(296,134)	2,738,521
Net profit after taxation		3,836,941,540	3,378,822,023



Consolidated Profit and Loss Account

For the year ended 31 December 2014

		2014	2013
	Note	Taka	Taka
Appropriations			
Statutory reserve	23	1,347,990,724	1,208,721,137
		1,347,990,724	1,208,721,137
Retained surplus during the year		2,488,950,816	2,170,100,886
Earnings per share (par value Taka 10)	66	4.18	3.68

The annexed notes 1 to 69 form an integral part of these financial statements.

Chairman Director

Director

Suluma Ahmad

Managing Director

As per our report of same date.

Howladar Yunus & Co.
Chartered Accountants

Syful Shamsul Alam & Co Chartered Accountants

Dhaka, 03 March 2015

Consolidated Statement of Cash Flows For the year ended 31 December 2014

			2014	2013
A.	Cash flows from operating activities:	_Note_	Taka	Taka
	Interest receipts in cash		23,967,599,516	23,753,348,875
	Interest payments		(16,424,672,935)	(17,014,794,654)
	Dividend receipts		132,287,774	68,526,982
	Fees and commission receipts in cash		2,666,728,340	2,440,372,102
	Recoveries on Loans previously written-off		17,031,792	200,464,825
	Cash payments to employees		(1,370,925,988)	(1,279,267,813)
	Cash payments to suppliers		(268,707,201)	(108,220,053)
	Income taxes paid		(4,808,653,324)	(2,025,351,537)
	Receipts from other operating activities	62	492,203,311	493,790,041
	Payments for other operating activities	64	(1,571,802,139)	(1,326,602,308)
	Operating profit before changes in operating assets and liabilities (i)		2,831,089,146	5,202,266,460
	Increase / (decrease) in operating assets and liabilities			
	Sale of trading securities		2,414,814,607	1,824,362,707
	Purchase of trading securities		(1,598,775,211)	(3,374,574,730)
	Loans & advances to customers		(12,206,982,285)	(7,894,855,241)
	Other Assets		252,350,998	(1,038,732,618)
	Deposits from other banks		(105,516,490)	1,067,488,775
	Deposits from customers		12,327,845,327	24,399,513,994
	Other Liabilities		1,665,194,161	407,916,214
	Cash received from operating assets and liabilities (ii)		2,748,931,106	15,391,119,101
_	Net cash flows from operating activities (A=i+ii)		5,580,020,253	20,593,385,561
B.	Cash Flow from Investing Activities :			
	Proceeds from sale of securities		57,900,737,563	18,076,569,952
	Payments for purchase of securities		(69,765,485,691)	(19,886,943,332)
	Purchase of fixed assets		(372,984,587)	(579,528,881)
	Sale of fixed assets		887,534	43,354,378
_	Net cash flows from investing activities (B)		(12,236,845,180)	(2,346,547,883)
C.	Cash flows from financing activities :		(1.007.0E7.411)	(1,000,000,005)
	Dividends paid		(1,397,257,411)	(1,309,928,825)
	Receipts from issue of loan capital & debt security		-	-
	Payments for redemption of loan capital & debt security Payment against lease obligation		(12 244 010)	(10.074.505)
	Receipts from issue of ordinery shares		(13,344,910)	(12,074,525)
	Net cash used in financing activities (C)		(1,410,602,321)	(1,322,003,350)
D.	Net increase / decrease in cash & cash equivalent (A+B+C)		(8,067,427,249)	16,924,834,329
E.	Effects of exchange rate changes on cash and cash equivalents		485,982	(1,350,347)
F.	Cash and cash equivalents at beginning period		33,484,665,305	16,561,181,323
G.	Cash and cash equivalents at end of period (D+E+F)		25,417,724,038	33,484,665,305
	Cash and cash equivalents at end of the periods represents			
	Cash in hand (including foreign currencies)		1,598,090,832	1,802,673,124
	Balance with Bangladesh Bank and its agent banks (including foreign c	urrencies)	13,859,383,546	10,955,385,255
	Balance with other banks and financial institutions		5,766,255,893	3,402,055,066
	Money at call and on short notice		548,300,000	1,008,900,000
	Treasury bills		3,637,814,967	16,308,143,260
	Bangladesh Bank bill		7 070 000	7.500.000
	Prize bond		7,878,800	7,508,600
			25,417,724,038	33,484,665,305



Southeast Bank Limited and its subsidiaries Consolidated Statement of Changes in Equity

)	2014
	ecember
	310
	ar ended
	the year
	For

Particulars	Paid up capital	Statutory	Revaluation reserve	Other reserves	Translation Reserve	Retained earnings	Total	Non-controlling interest	Total Equity of the Group
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2014	8,732,858,820	6,444,821,277	4,331,542,622	247,650,000	(395,234)	2,172,669,304	21,929,146,789	10,479,722	21,939,626,511
Changes in accounting policy/ Prior year adjustments	,	-	,	1	ı	(6,119,968)	(6,119,968)	-	(6,119,968)
Restated balance	8,732,858,820	6,444,821,277	4,331,542,622	247,650,000	(395,234)	2,166,549,336	21,923,026,821	10,479,722	21,933,506,543
Surplus/deficit on account of revaluation of properties	1	1	1	ı	ı	1	1	1	1
Surplus/deficit on account of revaluation of investments	ı		339,322,845		1	ı	339,322,845		339,322,845
Currency translation difference	1	•	1	1	638,256	242,960	881,216	•	881,216
Net gains and losses not recognized in the income statement		ı	339,322,845	1	638,256	242,960	340,204,061		340,204,061
Net profit for the year	1	•	•	•	1	3,837,237,674	3,837,237,674	(296,134)	3,836,941,540
Cash dividend	1	•	1	1	1	(1,397,257,411)	(1,397,257,411)	•	(1,397,257,411)
Issue of share capital/ Bonus share	436,642,940	1		•	1	(436,642,940)	•		1
Appropriation made during the year							•		
Statutory Reserve	1	1,347,990,724	•	1	1	(1,347,990,724)	•	1	1
Transfer to SEBL Foundation	,	•	•	,	,	(160,000,000)	(160,000,000)	•	(160,000,000)
Balance as at 31 December 2014	9,169,501,760	7,792,812,001	4,670,865,467	247,650,000	243,022	2,662,138,895	24,543,211,145	10,183,588	24,553,394,733
Balance as at 31 December 2013	8,732,858,820	6,444,821,277	4,331,542,622	247,650,000	(395,234)	2,172,669,304	21,929,146,789	10,479,722	21,939,626,510

Balance Sheet As at 31 December 2014

		2014	2013
PROPERTY AND ASSETS	Note	Taka	Taka
Cash	4		
In hand (including foreign currencies)	4	1,598,090,832	1,802,673,124
Balance with Bangladesh Bank and its agent banks		1,000,000,002	1,002,070,12
(including foreign currencies)		13,859,383,546	10,955,385,255
(morading rotalgit durintolog)		15,457,474,378	12,758,058,379
Balance with other banks and financial institutions	6	10,101,111,010	12,100,000,01
In Bangladesh	_	4,283,513,456	2,706,540,36
Outside Bangladesh		1,436,133,394	695,263,59
3		5,719,646,850	3,401,803,96
Money at call and on short notice	7	548,300,000	1,008,900,00
Investments	9		, , ,
Government		50,185,301,263	50,860,905,765
Others		4,340,489,649	4,974,783,57
		54,525,790,912	55,835,689,34
Loans and advances/investments	11		
Loans, cash credit, overdrafts etc./investments		142,663,958,484	130,010,888,05
Bills purchased and discounted		5,292,593,001	5,679,201,782
		147,956,551,485	135,690,089,84
Fixed assets including premises, furniture and fixtures	13	7,761,173,624	7,642,269,469
Other assets	15	4,247,207,922	4,241,364,27
Non - banking assets		-	
Total assets		236,216,145,171	220,578,175,264
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	17	7,751,301,954	7,921,435,000
Deposits and other accounts	19		
Current/Al-wadeeah current accounts and other accounts		18,934,771,357	14,201,428,33
Bills payable		2,701,462,407	1,914,532,72
Savings bank/Mudaraba savings bank deposits		13,531,823,040	14,118,813,85
Fixed deposits/Mudaraba fixed deposits		154,304,204,148	147,273,208,33
Bearer certificates of deposit		-	
Other deposits		-	
		189,472,260,952	177,507,983,239
Other liabilities	21	14,473,229,918	13,232,712,16
Total liabilities		211,696,792,824	198,662,130,40
Capital/shareholders' equity			,
Paid up capital	22.2	9,169,501,760	8,732,858,82
Statutory reserve	23	7,792,812,001	6,444,821,27
Revaluation reserve	24	4,670,865,467	4,331,542,62
Other reserve	25	247,650,000	247,650,00
Translation Reserve		-	
Retained earnings	28	2,638,523,119	2,159,172,14
Total shareholders' equity		24,519,352,347	21,916,044,86



Balance Sheet

As at 31 December 2014

		2014	2013
OFF-BALANCE SHEET ITEMS	Note	Taka	Taka
Contingent liabilities	30		
Acceptances and endorsements		30,725,219,938	32,847,491,207
Letters of guarantee		14,253,372,667	16,230,483,458
Irrevocable letters of credit		31,246,712,370	19,925,642,403
Bills for collection		14,739,309,970	12,300,432,174
Other contingent liabilities		1,220,084,000	822,339,000
		92,184,698,945	82,126,388,243
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		-	-
		-	-
		92,184,698,945	82,126,388,243
Total off-balance sheet items including contingent liabilities		92,184,698,945	82,126,388,243

The annexed notes 1 to 69 form an integral part of these financial statements.

As per our report of same date.

Suluma Ahmod Director

Howladar Yunus & Co. Chartered Accountants

Syful Shamsul Alam & Co Chartered Accountants

Managing Director

Dhaka, 03 March 2015

Profit and Loss Account For the year ended 31 December 2014

Note			2014	2013
Interest paid/profit shared on deposits and borrowings etc. 35		Note	Taka	Taka
Interest paid/profit shared on deposits and borrowings etc. 35	Interest income/profit on investments	33	19.203.013.956	19.217.703.273
Net interest income/net profit on investments 3,156,127,297 1,978,742,892 Investment income 37 5,267,520,937 4,713,188,491 Commission, exchange and brokerage 39 2,648,454,039 2,440,372,102 Other operating income 41 452,603,509 448,519,317 Total operating income (A) 11,524,705,782 9,580,822,803 Salaries and allowances 43 1,338,891,380 1,254,671,130 Rent, taxes, insurance, electricity etc. 45 555,010,586 469,354,246 Legal expenses 530,490 902,455 Postage, stamp, telecommunication etc. 47 144,990,114 129,125,339 Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,596,722 Auditors' fees 1300,000 800,000 Charges on loan losses 5 339,498,066 295,487,479 Other expenses 57 799,117,961 420,382,612	·			
Investment income 37 5,267,520,937 4,713,188,491 Commission, exchange and brokerage 39 2,648,454,039 2,440,372,102 448,519,317 452,003,509 448,519,317 452,003,509 448,519,317 452,003,509 448,519,317 452,003,509 448,519,317 452,003,509 448,519,317 452,003,509 448,519,317 452,003,509 452,003,5				
Other operating income 41 452,603,509 448,519,317 Total operating income (A) 8,368,578,485 7,602,079,911 Total operating income (A) 11,524,705,782 9,580,822,803 Salaries and allowances 43 1,338,891,380 1,254,671,130 Rent, taxes, insurance, electricity etc. 45 555,010,585 469,354,246 Legal expenses 530,490 902,455 Postage, stamp, telecommunication etc. 47 144,980,114 129,125,339 Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,800,791 Provision for loans and advances/investments 21.1 114,445,000 10,000,000	•	37		
Salaries and allowances	Commission, exchange and brokerage	39	2,648,454,039	2,440,372,102
Salaries and allowances 43 1,338,891,380 1,254,671,130 Rent, taxes, insurance, electricity etc. 45 555,010,685 469,354,246 Legal expenses 530,490 902,455 Postage, stamp, telecommunication etc. 47 144,980,114 129,125,339 Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,480,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,488,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 114,445,000 9,480,000 Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in va	Other operating income	41	452,603,509	448,519,317
Salaries and allowances 43 1,338,891,380 1,254,671,130 Rent, taxes, insurance, electricity etc. 45 555,010,585 469,354,246 Legal expenses 530,490 902,455 Postage, stamp, telecommunication etc. 47 144,980,114 129,125,339 Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Other expenses 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items			8,368,578,485	7,602,079,911
Rent, taxes, insurance, electricity etc. 45 555,010,585 469,354,246 Legal expenses 530,490 902,455 Postage, stamp, telecommunication etc. 47 144,980,114 129,125,339 Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Provision for loans and advances/investments 21.1 114,445,000 587,222,012 Provision for loans and advances/investments 21.1 114,445,000 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 2	Total operating income (A)		11,524,705,782	9,580,822,803
Legal expenses	Salaries and allowances	43	1,338,891,380	1,254,671,130
Postage, stamp, telecommunication etc. 47 144,980,114 129,125,339 Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provision (D) 1,479,722,129 84	Rent, taxes, insurance, electricity etc.	45	555,010,585	469,354,246
Stationery, printing, advertisements etc. 49 112,975,290 111,860,807 Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,498,065 295,497,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total profit before taxation (C-D) 6,739,953,620 6,043,605	Legal expenses		530,490	902,455
Managing Director's salary and fees 50 9,450,000 9,450,000 Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for off-balance sheet items 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000	Postage, stamp, telecommunication etc.	47	144,980,114	129,125,339
Directors' fees and expenses 52 3,276,148 1,586,722 Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for off-balance sheet items 21.6 15,000,000 13,142,000 Provision for off-balance sheet items 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total provision (D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred<	Stationery, printing, advertisements etc.	49	112,975,290	111,860,807
Auditors' fees 1,300,000 800,000 Charges on loan losses - - Depreciation and repair of Bank's assets 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 1,088,454,140 547,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Managing Director's salary and fees	50	9,450,000	9,450,000
Charges on loan losses -	Directors' fees and expenses	52	3,276,148	1,586,722
Depreciation and repair of Bank's assets 55 339,498,065 295,487,479 Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 1,088,454,140 547,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Auditors' fees		1,300,000	800,000
Other expenses 57 799,117,961 420,362,612 Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1	Charges on loan losses		-	-
Total operating expenses (B) 3,305,030,033 2,693,600,791 Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 General provision 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Depreciation and repair of Bank's assets	55	339,498,065	295,487,479
Profit before provision (C=A-B) 8,219,675,749 6,887,222,012 Provision for loans and advances/investments 21.1 General provision 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total profit before taxation (D) 1,479,722,129 843,616,327 Total profit before taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Other expenses	57	799,117,961	420,362,612
Provision for loans and advances/investments 21.1 General provision 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000	Total operating expenses (B)		3,305,030,033	2,693,600,791
General provision 114,445,000 10,000,000 Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000	Profit before provision (C=A-B)		8,219,675,749	6,887,222,012
Specific provision 974,009,140 537,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Provision for loans and advances/investments	21.1		
1,088,454,140 547,805,175 Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 Current 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000 C,700,000,000	General provision		114,445,000	10,000,000
Provision for off-balance sheet items 21.2 96,609,000 101,731,000 Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Specific provision		974,009,140	537,805,175
Provision for diminution in value of investments 59 279,658,989 180,938,152 Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 -			1,088,454,140	547,805,175
Other provisions 21.6 15,000,000 13,142,000 Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 2,700,000,000	Provision for off-balance sheet items	21.2	96,609,000	101,731,000
Total provision (D) 1,479,722,129 843,616,327 Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000 - 2,920,000,000 2,700,000,000 - -	Provision for diminution in value of investments	59	279,658,989	180,938,152
Total profit before taxation (C-D) 6,739,953,620 6,043,605,686 Provision for taxation 61 Current 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000	Other provisions	21.6	15,000,000	13,142,000
Provision for taxation 61 Current 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000	Total provision (D)		1,479,722,129	843,616,327
Current 2,920,000,000 2,700,000,000 Deferred 2,920,000,000 2,700,000,000	Total profit before taxation (C-D)		6,739,953,620	6,043,605,686
Deferred	Provision for taxation	61		
2,920,000,000 2,700,000,000	Current		2,920,000,000	2,700,000,000
	Deferred		-	-
Net profit after taxation 3,819,953,620 3,343,605,686			2,920,000,000	2,700,000,000
	Net profit after taxation		3,819,953,620	3,343,605,686



Profit and Loss Account

For the year ended 31 December 2014

		2014	2013
	Note	Taka	Taka
Appropriations			
Statutory reserve	23	1,347,990,724	1,208,721,137
		1,347,990,724	1,208,721,137
Retained surplus during the year	28	2,471,962,896	2,134,884,549
Earnings per share (par value Taka 10)	67	4.17	3.65
O P P P P P P P P P P P P P P P P P P P			

The annexed notes 1 to 69 form an integral part of these financial statements.

As per our report of same date.

Howladar Yunus & Co.
Chartered Accountants

Syful Shamsul Alam & Co Chartered Accountants

Managing Director

Suluma Ahmad

Dhaka, 03 March 2015

Statement of Cash Flows For the year ended 31 December 2014

2014

2013

A.	Cash Flows from operating activities :	Note	Taka	Taka
	Interest receipts in cash		23,936,717,458	23,770,415,910
	Interest payment		(16,421,652,777)	(17,020,248,439)
	Dividend receipts		113,691,907	53,527,990
	Fees and commission receipts in cash		2,648,454,039	2,440,372,102
	Recoveries on Loans previously written-off		17,031,792	200,464,825
	Cash payments to employees		(1,348,341,380)	(1,264,121,130)
	Cash payments to suppliers		(267,960,485)	(107,436,510)
	Income taxes paid		(4,800,434,151)	(2,009,081,745)
	Receipts from other operating activities	63	452,603,509	447,659,396
	Payments for other operating activities	65	(1,538,075,249)	(1,288,922,575)
	Operating profit before changes in operating assets and liabilities (i)		2,792,034,663	5,222,629,824
	Increase / (decrease) in operating assets and liabilities			
	Sale of trading securities		2,144,550,152	1,272,558,943
	Purchase of trading securities		(1,149,267,999)	(2,544,209,212)
	Loans & advances to customers		(12,266,461,644)	(8,422,933,875)
	Other Assets		146,164,583	(870,874,196)
	Deposits from other banks		(170,133,046)	1,067,488,775
	Deposits from customers		12,339,043,832	24,339,314,087
	Other Liabilities		1,682,649,057	284,419,810
	Cash received from operating assets and liabilities (ii)		2,726,544,935	15,125,764,331
	Net cash flows from operating activities (A=i+ii)		5,518,579,598	20,348,394,155
B.	Cash flows from investing activities :			
	Proceeds from sale of securities		57,900,737,563	18,076,569,952
	Payments for purchase of securities		(69,765,485,691)	(19,886,943,822)
	Purchase of fixed assets		(357,401,367)	(318,112,596)
	Sale of fixed assets		630,052	43,354,378
	Net cash flows from investing activities (B)		(12,221,519,443)	(2,085,132,088)
C.	Cash flows from financing activities :			
	Receipts from issue of loan capital & debt security		-	-
	Payments for redemption of loan capital & debt security		-	-
	Dividends paid		(1,397,257,411)	(1,309,928,825)
	Payment against lease obligation		(13,344,910)	(12,074,525)
	Receipts from issue of ordinery shares			
_	Net cash flows from financing activities (C)		(1,410,602,321)	(1,322,003,350)
D.	Net increase / decrease in cash & cash equivalent (A+B+C)		(8,113,542,166)	16,941,258,718
E.	Effects of exchange rate changes on cash and cash equivalents		242,960	(646,870)
F.	Cash and cash equivalents at beginning period		33,484,414,200	16,543,802,352
G.	Cash and cash equivalents at end of period (D+E+F)		25,371,114,994	33,484,414,200
	Cash and cash equivalents at end of the period represents		1 500 000 000	1 000 670 104
	Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent banks (including foreign curre	anian)	1,598,090,832	1,802,673,124
	Balance with bangladesh bank and its agent banks (including loreign curre Balance with other banks and financial institutions	icies)	13,859,383,546	10,955,385,255 3,401,803,962
	Money at call and on short notice		5,719,646,850	1,008,900,000
	Treasury bills		3,637,814,967	16,308,143,260
	Bangladesh Bank bill		3,007,014,907	10,000,140,200
	Prize bond		7,878,800	7,508,600
			25,371,114,994	33,484,414,200



Southeast Bank Limited
Statement of Changes in Equity
For the year ended 31 December 2014

Particulars	Paid up capital	Statutory reserve	Revaluation reserve	Other reserves	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2014	8,732,858,820	6,444,821,277	4,331,542,622	247,650,000	2,159,172,145	21,916,044,865
Changes in accounting policy/ prior year adjustments	-	1	1	1	1,045,468	1,045,468
Restated balance	8,732,858,820	6,444,821,277	4,331,542,622	247,650,000	2,160,217,613	21,917,090,333
Surplus/deficit on account of revaluation of properties	ı	1	I	I	I	1
Surplus/deficit on account of revaluation of investments	ı	ı	339,322,845	I	l	339,322,845
Currency translation differences	-	-	-	-	242,960	242,960
Net gains and losses not recognized in the income statement	-	-	339,322,845	-	242,960	339,565,805
Net profit for the year	ı	ı	1	1	3,819,953,620	3,819,953,620
Cash dividend	ı	ı	1	1	(1,397,257,411)	(1,397,257,411)
Issue of share capital/ Bonus share	436,642,940	ı	ı	1	(436,642,940)	ı
Appropriation made during the year					ı	ı
Statutory Reserve	ı	1,347,990,724	I	I	(1,347,990,724)	ı
Transfer to SEBL Foundation	ı	1	1	1	(160,000,000)	(160,000,000)
Balance as at 31 December 2014	9,169,501,760	7,792,812,001	4,670,865,467	247,650,000	2,638,523,119	24,519,352,347
Balance as at 31 December 2013	8,732,858,820	6,444,821,277	4,331,542,622	247,650,000	2,159,172,145	21,916,044,865

Notes to the Financial Statements

as at and for the year ended 31 December 2014

1. Reporting entity

1.1 Status of the Bank

Southeast Bank Limited (the "Bank") is a scheduled commercial bank in the private sector established under the Bank Companies Act 1991 and incorporated in Bangladesh on March 12, 1995 as a public limited company to carry out banking business in Bangladesh. The registered office of the Bank is located at Eunoos Trade Centre 52-53, Dilkusha Commercial Area (Level 2,3 &16), Dhaka-1000. The consolidated financial statements of the Bank as at and for the year ended 31 December 2014 comprise the Bank and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

1.2 Principal activities of the Bank

The Bank has 113 (2013: 103) branches, with no overseas branch as on 31 December 2014. Out of 113 branches, 5 (2013: 5) branches run on Islamic Shariah, the rest 108 (2013: 98) branches run on commercial conventional basis, of which 15 (2013: 15) SME/agricultural branches are located across the country. The Bank offers services for all commercial banking needs of the customers, which includes deposit banking, loans and advances, export import financing, inland and international remittance facility, etc. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company.

The Bank operates Islamic banking in 5 branches designated for the purpose in complying with the rules of Islamic Shariah the modus operandi.

The Bank has four subsidiaries, one for its merchant banking operation (for details see note 1.5) and other three for its remittance business of which one in United Kingdom (for details see note 1.6), one in Australia (for details see note 1.7) and other one in South Africa (for details see note 1.8).

1.3 Islamic Banking

The Bank obtained the Islamic Banking branches permission vide letter no. BRPD(P)745(22)/2003-2525 dated 28 June 2003, BRPD(P)745(22)/2004-1801 dated 9 May 2004 and BRPD(P)745(22)/2004-3957 dated 13 October 2004. The Islamic banking branches are governed under the rules and regulations of Bangladesh Bank. Separate financial statements of Islamic Banking Branches are shown in Annexure - I, I.1 and I.2.

1.4 Off-Shore Banking

In order to cater the varied financial needs of 100% foreign owned/joint venture industrial units and foreign entities located in Export Processing Zones of the country, the Bank obtained Off-Shore Banking License on 24 June 2008 vide letter no. BRPD(P-3)744(98)/2008-2213 from Bangladesh Bank. Presently the Bank has 2 (2013: 2) off-shore banking units - one at Dhaka Export Processing Zone and the other at Chittagong Export Processing Zone. Off-shore banking unit is governed under the rules and regulations of Bangladesh Bank. Separate financial statements of Off- Shore Banking Units are shown in Annexure - J, J.1, J.2 and J.3.

1.5 Southeast Bank Capital Services Limited

Southeast Bank Capital Services Limited is a subsidiary of Southeast Bank Limited which was incorporated on 23 September 2010 and commenced its operation from 1 December 2010. The Bank transferred its Merchant Banking operation to the newly formed subsidiary company in pursuance of the direction of Bangladesh Bank vide DOS Circular No. 4 dated 15 June 2010. The principal activities of this subsidiary company is to provide quality services to the prospective institutional and individual investors in the capital market. It is decisively providing the following services:

- i) Portfolio Management Services
- ii) Underwriting of Share
- iii) Issue Management Services etc.

Copy of the audited financial statements is attached in Appendix A.



Notes to the Financial Statements as at and for the year ended 31 December 2014

1.6 Southeast Financial Services (UK) Limited

Southeast Financial Services (UK) Limited (the "company") was incorporated as a private limited company with Companies House of England and Wales under registration no. 7539137 on 22 February 2011. The company is a wholly owned subsidiary of Southeast Bank Limited. Earlier on 28 October 2010, Southeast Bank Limited got the approval of Bangladesh Bank to establish a wholly owned subsidiary in the United Kingdom. Southeast Financial Services (UK) Limited obtained Certificate of Registration for Money Laundering Regulation (MLR) on 12 April 2011 from Her Majesty Customs and Excise. The company was granted registration from Financial Services Authority (FSA) on 21 July 2011 as Small Payment Institution (SPI) to carry out Money Service Business (MSB) under Payment Services Regulations 2009. The company commenced its operation of business on 26 September 2011. The registered office is located at 22 New Road, London E1 2AX, United Kingdom.

The principal activities of the company are to carry on the remittance business as well as to undertake and participate in transactions, activities and operations generally carried on or undertaken by Exchange House.

The subsidiary is registered in United Kingdom (UK). Audit of financial statements of this subsidiary is not required as per rules 7 regulations of UK. The financial statements including accountant's report of this subsidiary is attached in appendix B.

1.7 Southeast Financial Services (Australia) Pty Limited

Southeast Financial Services (Australia) Pty Limited (the "company") was incorporated as a private limited company with Australian Business Register (ABR) under registration no. 40160673165 on 08 October 2012. The company is a wholly owned subsidiary of Southeast Bank Limited.

The principal activities of the company are to carry on the remittance business as well as to undertake and participate in transactions, activities and operations generally carried on or undertaken by Exchange House.

The subsidiary is registered in Australia. Audit of financial statements of this subsidiary is not required as per the Corporations Act 2001 of Australia. The financial statements including accountant's report of this subsidiary is attached in appendix C.

1.8 Southeast Exchange Company (South Africa) Pty Ltd

Southeast Exchange Company (South Africa) Pty Limited (the "company") was incorporated as a private limited company with The Companies and Intellectual Property Commission under registration no. 2011/008619/07 on 15 April 2011. The company is a wholly owned subsidiary of Southeast Bank Limited. The principal activities of the company are to carry on the remittance business as well as to undertake and participate in transactions, activities and operations generally carried on or undertaken by Exchange House

The subsidiary is registered in South Africa. As the business starts on 15 December 2014 the Financial Statements of the Company is not Audited/Certified. The financial statements of this Company is attached in appendix D.

2. Basis of preparation

2.1 Statement of compliance

2.1.1 Departures from BFRS

The consolidated financial statements of the Group and the financial statements of the Bank as at and for the year ended 31 December 2014 have been prepared under the historical cost convention except investments and in accordance with the "First Schedule" (section 38) of the Bank Companies Act 1991, as amended by Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations. In case any requirement of provisions and circulars issued by Bangladesh Bank differs with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Group and the Bank have departed from those contradictory requirements of BFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

Notes to the Financial Statements as at and for the year ended 31 December 2014

i) Investment in shares and Securities

BFRS: As per requirements of BAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at costs.

ii) Revaluation gain/loss on Government securities

BFRS: As per requirement of BAS 39 where securities T-bills and T-bonds will fall under the category of "held for trading", any change in the fair value of held for trading assets is recognized through profit and loss account.

Securities T-bills designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit & loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.

iii) Provision on loans and advances

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 05 dated 29 May 2013 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.



Notes to the Financial Statements as at and for the year ended 31 December 2014

v) Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income (OCI) Statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such some disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the accounts.

vii) Repo transactions

BFRS: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expense.

Bangladesh Bank: As per BRPD guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

viii) Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as L/C & L/G will be treated as Off-Balance Sheet items. No liability is recognized for the guarantee except the cash margin.

ix) Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice presented on the face of the balance sheet, and Treasury bills, Prize bonds are shown in Investments.

x) Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD 14, there must exist a face item named Non-banking asset.

Notes to the Financial Statements

as at and for the year ended 31 December 2014

xi) Cash flow statement

BFRS: Cash flow statement can be prepared using either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect method.

xii) Balance with Bangladesh Bank: (CRR)

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiii) Presentation of intangible asset

BFRS: Intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD 14.

xiv) Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement of disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately in face of balance sheet.

xv) Disclosure of appropriation of profit

BFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD 14, an appropriation of profit should be disclosed in the face of profit and loss account.

xvi) Loans and advance net of provision

BFRS: Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD 14, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xvii) Recovery of written off loans

BFRS: As per BAS 1 an entity shall not offset assets and liabilities or income and expenses, unless required or permitted by an BFRS. Again recovery of written off loans should be charged to profit & loss account as per BAS 18.

Bangladesh Bank: As per BRPD 14, recoveries of amount previously written off should be adjusted with the specific provision for loans and advances. (Also refer to note 3.21 Compliance of BFRSs)

The financial statements of the Islamic banking branches have also been prepared as per Bank Companies Act 1991, BFRSs and other prevailing laws and regulations applicable in Bangladesh.

A separate balance sheet and profit and loss account are shown in **Annexure - I and I.1** and the figures appearing in the annexure have been converted into relevant heads of financial statements under conventional banking for consolidation and incorporation in these financial statements.

The consolidated financial statements were authorised for issue by the board of directors on 03 March 2015.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

2.1.2 The Bank's compliance with related pronouncements by Bangladesh Bank:

i) Internal Control

The objective of internal control is to ensure that management has reasonable assurance that (i) operations are effective, efficient and aligned with strategy, (ii) financial reporting and management information is reliable, complete and timely accessible, (iii) the entity is in compliance with applicable laws and regulations as well as its internal policies and ethical values including sustainability, and (iv) assets of the company are safeguarded and frauds & errors are prevented or detected.

Southeast Bank has established an effective internal control system whose primary aim is to ensure the overall control of risks and provide reasonable assurance that the objectives set by the Bank will be met. It has designed to develop a high level risk culture among the personnel of the Bank, establish efficient and qualified operating model of the Bank, ensure reliability of internal and external information including accounting and financial information, secure the Bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The Board of Directors of Southeast Bank, through its Audit Committee, periodically reviews the effectiveness of Bank's internal control system covering all the material controls, including financial, operational and compliance controls, risk management systems, the adequacy of resources, qualifications and experience of staff of the accounting and financial reporting functions. Board Audit Committee reviews the actions taken on internal control issues identified by the Internal & External Auditors and Regulatory Authorities. It has active oversight on the internal audit's independence, scope of work and resources and it also reviews the functions of Internal Control & Compliance Division of Head Office, particularly the scope of the annual audit plan and frequency of the internal audit activities.

ii) Risk Management

The risky nature of Banking business has caused the Central Bank to be much concerned about the risk factors affecting the financial position of the banks. In this connection, every Bank has come forwarded to establish a general framework to defeat risk factors considering the laws of the land. Bangladesh Bank has also undertaken an overall core-risk management project under which every bank is bound on the authoritative covenants to install risk management system.

Southeast Bank Limited has established approved policies in compliance with Central bank's guidelines covering major areas such as (a) Credit risk management (b) Foreign exchange risk management (c) Asset liability management (d) Money laundering prevention (e) Internal control & compliance (f) information and communication technology security risk.

Southeast bank limited has developed a core risks assessment manuals. The purpose of this assessment manual is to inform management about the loopholes of full fledged implementation of Core risks management, improve risk management culture, restructure minimum standards and assist in the ongoing improvement.

In compliance with the requirements of Bangladesh Bank guidelines, risk management unit monthly prepares risk management paper (RMP) and the paper is reviewed in the meeting of Risk Management Division to have their opinion on the issues identified in RMP.

iii) Internal Audit

Internal Audit is the continuous and systematic process of examining and reporting on the activities of an organization undertaken by the specially assigned staff(s). Internal Auditor works as the Eyes & Ears of the management. It may therefore be used to bridge the gap between management & shop floor. It can assure the management that the Internal Controls are adequate and in operations, the policies and systems laid down are being adhered to and accounting records provided by the lower level are correct.

Internal Audit Mechanism is used as an important element to ensure good governance of SEBL. Internal Audit Activity of SEBL is effective and it provides senior management with a number of important services. These include detecting and preventing errors and fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/ guidelines of regulatory authority etc.

Notes to the Financial Statements

as at and for the year ended 31 December 2014

During the year 2014, ICCD conducted inspection on most of the Branches and some of the important Divisions of Head Office of the Bank and submitted reports presenting the findings of the audits/inspections. The bank conducted the risk grading of branches as per Bangladesh Bank guideline. The ICCD plan and perform the audit accordingly. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports. The reports or key points of the Reports have also been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the said Committee for correct functioning of Internal Controls & Compliance.

iv) Fraud and Forgeries

Fraud can happen anywhere. Though, only relatively few major frauds are picked up by the media, huge sums are lost by all kinds of businesses against huge number of smaller frauds. The risks of fraud is increasing day by day as a result of growing globalization, more competitive markets, rapid developments in technology, periods of economic difficulty, etc. Banks by virtue of the nature of activities undertaken and its operating environment are vulnerable to frauds, which take place when aggressive business strategy and process for quick growth is adopted without adequate/ appropriate internal controls or non-adhering of operating standards/ controls. In the recent past, incidence of frauds in the Banking industry has increased which calls for concerted steps in investigating the frauds and identifying the fraudsters for eventual criminal prosecution and internal punitive action.

It will never be possible to eliminate all frauds and no system is completely fraud proof, since many fraudsters are able to bypass control systems put in place. SEBL pays attention on anti-fraud internal controls for prevention of fraud and forgery. SEBL assesses /evaluates the effectiveness of its Anti-Fraud Internal Control measures on quarterly basis as per the items/ areas mentioned in the prescribed checklist of Bangladesh Bank.

During the year 2014, two incidents of fraud were detected by the bank and those were duly reported to Bangladesh Bank. The bank did not incur any liability in this regard. The amount defrauded has been duly recovered.

2.2 Basis of measurement

The financial statements of the Bank have been prepared on the historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marking to market concept with gain crediting revaluation reserve.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' and remasured Government Treasury Bond at present value using amortisation concept
- Investment in shares of listed companies

2.3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka / Tk) which is the Bank's functional currency. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

2.4 Use of estimates and judgments

The preparation of these financial statements in conformity with Bangladesh Bank Circulars and BFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described in notes 3.3.4 and 3.16.

2.5 Reporting period

These financial statements cover one calendar year from 1 January 2014 to 31 December 2014.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

2.6 Cash flow Statement

Cash flow statement has been prepared in accordance with the BRPD Circular No. 14 dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.7 Statement of Changes in Equity

The Statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

2.8 Liquidity Statements

The consolidated and separate liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term which has been given in the Statement.

Consolidated liquidity statements of the Group and the separate liquidity statements of the Bank have been furnished in Annexure-B and Annexure-B.1 respectively.

3. Significant accounting policies

The accounting policy set out below have applied consistently to all periods presented in these consolidated financial statements of the Group and those of the Bank, and have been applied consistently by the group entities.

3.1 Basis of consolidation

The consolidated financial statements include the financial statements of Southeast Bank Limited and its four subsidiaries Southeast Bank Capital Services Limited, Southeast Financial Services (UK) Limited, Southeast Financial Services (Australia) Pty Limited, Southeast Exchange Company (South Africa) Pty Limited, made up to the end of the financial year.

3.1.1 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date – i.e. when control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- a. the fair value of the consideration transferred; plus
- b. the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- d. the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

3.1.2 Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- a. at fair value; or
- b. at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Subsidiaries are the entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.1.3 Transactions eliminated on consolidation

Intra-group balances, and income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currency

3.2.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the closing exchange rate.

Foreign currency differences arising on translation are recognised in profit or loss, except for differences arising on translation of equity investments in respect of which an election has been made to present subsequent changes in fair value in equity.

3.2.2 Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Taka at spot exchange rates at the reporting date. The income and expenses of foreign operations, are translated into Taka at spot exchange rates at the dates of the transactions.

Foreign currency differences are presented in the foreign currency translation reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of the net investment in the foreign operation and presented in the translation reserve in equity.

3.3 Assets and basis of their valuation

3.3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice, investments in treasury bills and prize bond.

3.3.2 Investments

All investment securities are initially recognised at cost, including acquisition charges associated with the investment. Premiums are amortised and discounts are accredited.

Held to Maturity

Investments which have, 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'.

Held for Trading

Investment classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management.

Re-measured bond

As per DOS circular letter no. 2 dated 19 January 2012, Treasury bond held in HFT category by the Primary Dealer (PD) may be re-measured at amortized cost instead of fair value.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

Revaluation

As per the DOS Circular letter no. 5 dated 26 May 2008, HFT securities are revaluated each week using Marking to Market concept and HTM securities are amortised once a year according to Bangladesh Bank

Value of investments has been shown as under:

Government Treasury Bills and Bonds (HFT) At present value (using marking to market concept) Government Treasury Bills and Bonds (HTM) Re-measured Government Treasury Bonds Bangladesh Government Islamic Bond Prize Bond

Unquoted shares

Quoted shares

Details are shown in notes 8 and 9.

At present value (using amortisation concept) At present value (using amortisation concept)

At cost At cost

At cost or book value of the last audited balance

sheet whichever is lower

At cost or market value whichever is lower at

balance sheet date.

3.3.3 Loans, Advances/Investments and provisions for loans and advances/ investments

- Loans and advances of conventional Banking/Investments of Islamic Banking branches are stated in the Balance Sheet on gross value.
- Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank BRPD Circular No. 14 of 23 September 2012, BRPD Circular No. 19 of 27 December 2012, BRPD Circular No. 05 of 29 May 2013 and BRPD circular No. 15 of 23 December 2013. The rates of provision for different classifications are given below:

<u>Particulars</u>	<u>Rate</u>
General provision on: All unclassified loans and advances/investments except followings Small and medium enterprise financing Consumer financing Housing finance and loans for professionals to set up business under consumer financing scheme	1% 0.25% 5%
Loan to BHs/MBs/SDs against shares Special mention account (SMA)	2% 0.25%-5%
Specific provision on: Substandard loans and advances/investments Doubtful loans and advances/investments Bad/loss loans and advances/investments	20% 50% 100%
Provisions for Short term Agricultural and Micro-Credits	
All credits except 'Bad/Loss' (i.e. Doubtful, Substandard, irregular and regular credit)	5%
Bad/Loss	100%

- Loans and advances are written off to the extent that
 - i) there is no realistic prospect of recovery, and
 - ii) against which legal cases are filed and classified as bad/loss as per guidelines of Bangladesh

These write off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write off accounts are maintained and followed up.

Amounts receivable on credit cards are included in advances to customers at the amounts expected to be recovered.

Details are shown in Notes 10 and 11.

Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.3.4 Fixed assets and depreciation

Recognition and measurement

Items of fixed assets excluding land are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost/revaluation.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognised in other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of fixed assets is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of fixed assets are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss on reducing balance method, except motor vehicles which are depreciated on straight line basis, over the estimated useful lives of each part of an item of fixed assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas depreciation on disposed off fixed assets is charged up to the month prior to the disposal. Asset category-wise depreciation rates for the current and comparative years are as follows:

Category of assets	Rate of depreciation
Land	Nil
Building	4%
Furniture and fixtures	10%
Office appliances	20%
Professional and Reference books	30%
Electrical appliances	20%
Computer	20%
ATM Booth	20%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted, if appropriate.

3.3.5 Leased assets - lessee

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Group's statement of financial position/Balance Sheet.

3.4 Liabilities and basis of their valuation

3.4.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes refinance from Bangladesh Bank against agro-based credit, SME Loan etc., interest-bearing borrowings against securities from Bangladesh Bank and call borrowing from other banks. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Notes 16 and 17.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.4.2 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposits, savings deposit and fixed deposit. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in Notes 18 and 19.

3.4.3 Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxation, interest payable, interest suspense, accrued expenses, obligation under finance lease etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance 1984 and internal policy of the Bank. Details are shown in Notes 20 and 21.

3.5 Capital/Shareholders' equity

3.5.1 Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

Details are shown in Note 22.1

3.5.2 Paid up capital

Paid up capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in Note 22.2.

3.5.3 Statutory reserve

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

3.5.4 Revaluation reserve of government securities

Revaluation reserve arises from the revaluation of land and buildings as well as the revaluation of Treasury bills and bonds (HFT & HTM) in accordance with the DOS circular no. 5 dated 26 May 2008 and DOS(SR) 1153/120/2010 dated 8 December 2010. The tax effects on revaluation gain are measured and recognised in the financial statements as per BAS 12: Income Taxes. Details are shown in Note 24.

3.6 Contingent liabilities

A contingent liability is -

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

A present obligation that arises from past events but is not recognised because:

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

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

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

3.7 Revenue recognition

Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.7.1 Interest income (Conventional Banking)

Interest on loans and advances is calculated on daily product basis and accrued at the end of each month, but charged to customers' accounts on quarterly basis. Interest accrued on loans and advances fall under Sub Standards (SS) and Doubtful (DF) category are credited to interest suspense account instead of income account. Interest is not charged on bad and loss loans as per guideline of Bangladesh Bank. Such interest is kept in separate memorandum account. Interest on classified loans and advances is accounted for on a cash receipt basis.

3.7.2 Profit on investment (Islamic Banking)

Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments is transferred to profit suspense account instead of income account.

3.7.3 Investment income

Income on investments is recognised on accrual basis. Investment income includes discount on treasury bills, interest on treasury bonds and fixed deposit with other banks. Capital gain on investments in shares is also included in investment income. Capital gain is recognised when it is realised.

3.7.4 Fees and commission income

The Bank earns fees and commissions from diverse range of services provided to its customers. Fees and commission income is recognised on a realisation basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

3.8 Interest paid on borrowing and other deposits (Conventional banking)

Interest paid and other expenses are recognised on accrual basis.

3.9 Profit shared on deposits (Islamic Banking)

Profit shared to mudaraba deposits is recognised on accrual basis as per provisional rate.

3.10 Dividends

Dividend income is recognised when the right to receive income is established. Usually this is the ex dividend date for equity securities. Dividends are presented in investment income.

3.11 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.12 Employee benefits

3.12.1 Provident Fund

Provident fund benefits are given to the staff of the Bank in accordance with the registered provident fund rules. The commissioner of Income Tax, Large Tax Payers Unit (LTU), Dhaka has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The fund is operated by a Board of Trustees consisting of 6 (six) members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription of the fund. The Bank also contributes equal amount to the fund. Contributions made by the Bank are charged as expense and the bank bears no further liability. Interest earned from the investments is credited to the members' account on half yearly basis. Members are eligible to get both the contribution after 5 (five) years of continuous service from the date of their membership.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.12.2 Gratuity Fund

Gratuity fund benefits are given to the staff of the Bank in accordance with the approved gratuity fund rules. National Board of Revenue has approved the gratuity fund as a recognized gratuity fund with effect from December 2001. The fund is operated by a Board of Trustees consisting of 7 (seven) members of the Bank. Employees are entitled to gratuity benefit after completion of minimum 7 (seven) years of service in the Bank. The amount payable at the date of balance sheet is recognised and accounted for as at that date based on actual rate. The gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year of service. The amount so calculated are transferred to the fund and charged to expenses of the Bank. During the year 2014 the bank conducted actuary valuation of this fund and maintains provision accordingly.

3.12.3 Superannuation Fund

The Bank operates a Superannuation Fund covering all its eligible employees. The Fund is operated by a separate Board of Trustees.

3.12.4 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.12.5 Workers' profit participation fund (WPPF)

As per Bangladesh Labour Act 2006 as amended in 2013 and SRO no. 336/Law/2010, all companies fall within the scope of WPPF are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. The Bank obtained opinion from its legal advisor regarding this issue which stated that the Bank was not required to make provision for WPPF as bank was not within the scope of WPPF. As such the Bank did not make any provision during the year for WPPF.

3.13 Provisions and accrued expenses

In compliance with BAS-37, provisions and accrued expenses are recognized in the consolidated financial statements when the Group/Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.14 Provision for Off-Balance Sheet Exposures

In compliance with Bangladesh Bank guidelines Off-Balance Sheet items are disclosed under contingent liabilities. As per BRPD Circular No.10 dated 18 September 2007 and BRPD Circular No. 14 dated September 23, 2012, the Bank is required to maintain provision @ 1% against Off-Balance Sheet Exposures. Details are shown in note 21.2.

3.15 Provision for Nostro Accounts

According to guideline of Foreign Exchange Policy Department of Bangladesh Bank, Circular No. FEOD (FEMO)/01/2005-677 dated 13 September 2005, Bank is not required to make provision regarding the un-reconciled debit balance as at Balance Sheet date since there was no debit entries more than three month.

3.16 Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity.

3.16.1 Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Details are shown in Note 21.4.1.

Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.16.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to unrealised surplus on revaluation of held to maturity (HTM) securities and land and buildings are recognised directly in revaluation reserve as a part of equity and is subsequently recognised in profit and loss account on maturity of the security and disposal of land and buildings. Details are shown in note 21.4.2.

3.16.3 Tax exposures

In determining the amount of current and deferred tax, the Bank takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Bank to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.17 Impairment of non-financial assets

The carrying amounts of the Group's and the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.18 Earnings per share

The Group and the Bank present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group/Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

Details are shown in Note 66 and 67.

3.19 Reconciliation of inter-bank/inter-branch account

Books of accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries in case of inter-branch transactions as at the reporting date are not material.

3.20 Risk management

Risk is inherent to the banking business and the Bank adds shareholder value by converting opportunities into profit. The Bank evaluates its opportunities in terms of risk-reward relationship. The risks that are taking by the Bank are reasonable, controlled, within its financial resources and credit competence.

At the Bank the risk is managed through a clear organizational structure, risk management and monitoring process that are closely aligned with the activities of the Bank's risk management policy and process as well as in line with the guidelines provided by the country's central bank, Bangladesh Bank.

The Bank's risk management policy and process is composed with all the structure, policies, process and strategies within the Bank so that it does not conflict with other risk management policies.

The essential elements of an effective risk management framework are:

- Clearly defined roles and responsibilities to avoid conflict of interest between business lines.
- b. Developing a risk culture where everyone will understand the impact of risk before taking any
- c. Robust risk management and governance by the board for understanding the risks taken by the Bank for safety and protection of the assets.

The risk management of the Bank covers following six core risk areas:

- i) Credit Risk
- ii) Foreign Exchange Risk
- iii) Asset Liability Management
- iv) Money Laundering Risk
 - Internal Control & Compliance Risk; and
- vi) Information and communication technology

3.20.1 Credit risk

Credit risk is the possibility that a borrower or counter party will fail to repay the borrowed money as per the agreed terms and conditions. Managing Credit risk of the Bank in an efficient manner has become one of the most crucial tasks for the management. Given the fast changing, dynamic global economy, implementation of Basel-II and the increasing pressure of globalization and liberalization it is essential that banks have robust credit risk management policies and procedures that are sensitive and responsive to this changes.

A thorough assessment & due diligence are done before sanction of any credit facility at Credit Risk Management Division (CRM) of the Bank. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facilities and various critical risk factors. The assessment process starts at Branch Credit department by the Officer and ends at Credit Risk Management Division (CRM) in Head Office where it is approved / declined by the competent authority. Credit approval authority has been partially delegated to the individual executives. Proposal beyond their delegation are approved / declined by the Board / Executive Committee (EC) of the Board.

Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.20.2 Foreign Exchange Risk

Foreign exchange risk is the exposure of an institution to the potential impact of movements in foreign exchange rates. The risk is that adverse fluctuations in exchange rates may result in a loss in earnings. As per the guidelines of Bangladesh Bank, Southeast Bank Limited has developed a detailed Foreign Exchange Risk Management policies to minimize different types of risks associated with foreign exchange transactions. The Bank has also developed different strategies to handle foreign exchange risk by setting different types of limits and risk parameters to measure and monitor foreign exchange risk exposure of the Bank.

The foreign exchange desk of treasury division is involved in foreign exchange dealing activities with different counterparts; the treasury back office is engaged in transfer of funds and passing of the transaction entries in the books of accounts, and the mid office is responsible for verification of the deals. All foreign exchange transactions are revalued at market rate as per the directive of Bangladesh Bank. All Nostro Accounts are reconciled on a monthly basis and outstanding entries beyond 30 days are reviewed by the management for its settlement.

3.20.3 Asset Liability Management

Banks are exposed to the several risks such as Liquidity Risk, Interest Rate Risk, Foreign Exchange Risk, Credit Risk and Operational Risk etc. Monitoring and controlling of these risks is vital to the survival of a financial institution. Asset-Liability Management is a tool to oversee whether different balance sheet risks are properly identified, appropriate policies and procedures are well established to control and limit these risks

Asset-Liability Committee (ALCO) reviews country's overall economic position, the Bank's liquidity position, key performance ratios, interest rate risk, deposit and advance growth, cost of deposit & yield on advances, deposit & lending pricing strategy and different forecasted balance sheet risks of the Bank.

3.20.4 Money Laundering Risk

Money laundering is the generic term used to describe the process by which criminals disguise the original ownership and control of the proceeds of criminal conduct by making such proceeds appear to have derived from a legitimate source. If money laundering is done successfully, it allows the criminals to maintain control over their proceeds and ultimately to provide a legitimate cover for their source of income. Money laundering plays a fundamental role in facilitating the ambitions of the drug trafficker, the terrorist, the organized criminal, the insider dealer, the tax evader as well as the many others who need to avoid the attention from the authorities that sudden wealth brings from illegal activities. By engaging in this type of activity it is hoped to place the proceeds beyond the reach of any asset forfeiture laws.

Southeast Bank Ltd (SEBL) has implemented an enterprise-wide AML (Anti-Money Laundering) and CFT (Combating the Financing of Terrorism) compliance program, which covers all the activities of the Bank and is reasonably designed to comply with applicable laws and regulations. It is the policy of SEBL to take all reasonable and appropriate steps to prevent persons engaged in money laundering, fraud, or other financial crime, including the financing of terrorists or terrorist operations, from utilizing SEBL products and services. SEBL makes every effort to remain in full compliance with all applicable AML and CFT laws, rules and standards in the jurisdictions in which it does business.

In order to facilitate compliance with AML and CFT requirements, SEBL has appointed one of its Senior Executives as the CAMLCO (Chief Anti-Money Laundering Compliance Officer) and a team of employees with experience on AML and CFT requirements under law, as well as money laundering detection and prevention, to oversee SEBL AML and CFT program. SEBL has developed and implemented written AML and CFT policies, procedures, internal controls and systems, which include (but are not limited) a customer identification program and procedures; procedures to collect and refresh, as appropriate, customer due diligence information; processes to assess risk; processes and systems to monitor customer transactions and activity; processes and systems to identify and report suspicious activity; and, processes to keep required records. SEBL educates its all employees on AML and CFT requirements and activities and also subjects its AML and CFT program to regular independent testing. SEBL cooperates fully with law enforcement and regulatory investigations and inquiries in identifying the criminals involve in Money Laundering and Terrorist Activities/Financing.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.20.5 Internal Control & Compliance Risk

Internal control is fundamental to the successful operation and day-to-day running of a business and it assists the bank in achieving its business objectives. It encompasses all controls incorporated into the strategic, governance and management processes, covering the bank's entire range of activities and operations, and not just those directly related to financial operations and reporting. Its scope is not confined to those aspects of a business that could broadly be defined as compliance matters, but extends also to the performance aspects of a business.

Southeast Bank Ltd has established a System of Internal Control, which is designed to manage all the risks of failure to a reasonable level, achieve aims and objectives/goals of the Bank and this System provides reasonable assurance of effective & efficient operations covering all controls including financial & operational controls, reliability of the financial information, compliance with applicable laws & regulations, adherence to management policies, safeguarding of Bank's Assets, prevention & detection of fraud & errors, and accuracy & completeness of the accounting records.

The Board of Directors of Southeast Bank Ltd regularly reviews the effectiveness of internal control process through its Audit Committee and Executive Committee and the Audit Committee plays an effective role amongst the Board of Directors, Management, Shareholders, Depositors and develops an efficient, powerful and a safe Banking System. The committee also performs a very important role for publishing Bank's financial statements, developing an appropriate internal control system and maintains an effective communication with internal and external Auditors. It significantly contributes in controlling and monitoring various risks factors that arise from the business activities of the Bank. Board Audit Committee reviews the actions taken on internal control issues identified in the reports prepared by the Internal & External Auditors and Regulatory Authorities. It has active oversight on the internal audit's independence, scope of work and resources and it also reviews the functions of Internal Control & Compliance Division of Head Office, particularly the scope of the annual audit plan and frequency of the internal audit activities.

3.20.6 Information and communication technology

The Bank has already implemented Centralized Core Banking Software (CBS), named BankUltimus and through the CBS, required reports can be generated centrally and daily banking services can be provided in a smarter way. The Bank has also deployed some operational software and service which are in operation, such as: Active Directory, centralized Mail Server, File Storage System and Virus Definition Server, etc. All the Branches are connected with Head Office and are providing online Banking services using Wide Area Network (WAN). The Data Center (DC) of the Bank is located at 52-53, Dilkusha C/A and Disaster Recovery Site (DRS) is at Uttara and these two sites are connected through two dark fiber optic cables. Bank's live data is being replicated and synchronized on a real time basis between DC and DRS using Oracle Data Guard product.

Strengthening the security of system and network infrastructure is an ongoing process and the bank recognizes the ICT security risks. In this direction, the bank took a number of initiatives, and such initiatives were formulation of ICT Risk Management Policy, regular ICT audit by internal and external auditors, formation of ICT risk management review team, etc. In order to identify vulnerabilities and potential security threats of its computing and network system, last year the bank conducted penetration test by a third party security firm, namely Earnest and Yung. They have submitted a report of their findings relating to vulnerabilities and security threats and accordingly assigned team is taking necessary measures to remove those risks.

3.20.7 Environmental Risk Management (ERM)

Environmental Risk is a facilitating element of credit risk arising from environmental issues and applicable across all financing transactions undertaken by the Bank. The responsibilities of Credit Risk Management functions are: i) to be aware of environmental issues confronting the various sectors, ii) to review the completed due-diligence checklist and the environmental risk rating, iii) to integrate environmental risk considerations into the credit risk assessment and iv) to specify financing conditions/covenants, if any, are required.

Environmental risk is assessed by Environmental Due Diligence (EDD) Checklists. It is a set of questionnaire provided by Bangladesh Bank. There are eleven checklists, one for general purpose and ten others for ten specific sectors for environmental risk rating. For a specific sector both General EDD and Specific EDD checklists are applicable and for other than these specific sectors only General EDD checklist is applicable to determine the environmental risk rating (EnvRR). The EnvRR can be High, Moderate or Low depending on the borrower's business activity and the vulnerability of the location of the business activity.

Notes to the Financial Statements as at and for the year ended 31 December 2014

3.21 Compliance of Bangladesh Financial Reporting Standard (BFRS)

Name of the standards	Ref.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	BFRS-1	Not applicable
Share-based Payment	BFRS-2	Not applicable
Business Combinations	BFRS-3	Applied
Insurance Contracts	BFRS-4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	BFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	BFRS-6	Not applicable
Financial Instruments: Disclosures	BFRS-7	Applied with some departure (Note 2.1.1)
Operating Segments	BFRS-8	Applied with some departure (Note 2.1.1)
Consolidated Financial Statements	BFRS-10	Applied
Joint Arrangements	BFRS-11	Not applicable
Disclosure of Interests in other Entities	BFRS-12	Applied
Fair Value Measurement	BFRS-13	Applied
Presentation of Financial Statements	BAS-1	Applied with some departure (Note 2.1.1)
Inventories	BAS-2	Not Applicable
Statement of Cash Flows	BAS-7	Applied with some departure (Note 2.1.1)
Accounting Policies, Changes in Accounting Estimates and Errors	BAS-8	Applied
Events after the Reporting Period	BAS-10	Applied
Construction Contracts	BAS-11	Not Applicable
Income Taxes	BAS-12	Applied
Property, Plant and Equipment	BAS-16	Applied
Leases	BAS-17	Applied
Revenue	BAS-18	Applied
Employee Benefits	BAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	BAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	BAS-21	Applied
Borrowing Costs	BAS-23	Applied
Related Party Disclosures	BAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	BAS-26	Not Applicable
Consolidated and Separate Financial Statements	BAS-27	Applied
Investments in Associates	BAS-28	Not Applicable
Interests in Joint Ventures	BAS-31	Not Applicable
Financial Instruments: Presentation	BAS-32	Applied with some departure (Note 2.1.1)
Earnings per Share	BAS-33	Applied
Interim Financial Reporting	BAS-34	Applied
Impairment of Assets	BAS-36	
Provisions, Contingent Liabilities and Contingent Assets	BAS-37	Applied
Intangible Assets	BAS-38	Applied with some departure (Note 2.1.1)
Financial Instruments: Recognition and Measurement	BAS-39	Applied with some departure (Note 2.1.1)
Investment property	BAS-40	Not Applicable
Agriculture	BAS-41	Not Applicable



Notes to the Financial Statements

as at and for the year ended 31 December 2014

3.22 i. Credit Rating of the Bank

As per the BRPD instruction circular No.6 dated 5 July 2006, the bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the financial statements dated 31 December 2013.

Particulars	Date of Rating	Long term	Short term
	23-Jun-14	AA-	ST-2
Surveillance Rating		On lun 14 double A	double A minus (High Safety)
Outlook			Stable

ii. Credit Rating of the 7 Year Non-convertible Subordinated Bond

As per provisions of the Credit-Rating Companies Rules 1996, no issue of debt-security shall be made by an issuer unless the issue is rated by a credit rating company. The Credit Rating of the Bond has been done by Credit Rating Information and Services Limited (CRISL) based on the financial statements dated 30 June 2014

Particulars	Long term
Issue Rating (Unsecured Subordinated Bond)	A+ (Indicative)
Issue Rating	Long Term : AA-; Short Term : ST-2
Dated of Rating Declaration	25-Sep-14
Rating Validity	Six Months

3.23 Correspondence items

Correspondence items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Stock of travellers cheques, savings certificates, wage earners bond and others fall under the correspondence items.

3.24 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under BFRSs, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

3.25 Operating segments

The Group and the Bank have no identified operating segment and as such presentation of segmental reporting is not made in the financial statements as per BFRS 8. However, geographical and business segments wise limited disclosures are furnished in Annexure-K.

3.26 General

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

Notes to the Financial Statements as at and for the year ended 31 December 2014

2013

	In ha	and:		
		Local currency	1,557,020,887	1,767,036,086
		Foreign currencies	41,069,945	35,637,038
			1,598,090,832	1,802,673,124
	Bala	nce with Bangladesh Bank:		
		Local currency	12,512,060,111	10,334,690,866
		Foreign currencies	1,147,232,509	415,173,795
			13,659,292,620	10,749,864,661
	Bala	nce with Sonali Bank Ltd.(as agent of Bangladesh Bank):		
		Local currency	200,090,926	205,520,594
		2000.00.109	13,859,383,546	10,955,385,255
			15,457,474,378	12,758,058,379
				12,700,000,010
4.1	The Islan Ratio	n Reserve Requirement (CRR) and Statutory Liquidity Requirement (Strance with section 33 of the Bank Companies Act 1991, MPD Circular rular no. 1 dated 23 June 2014 and DOS Circular No. 1 dated 19 January statutory Cash Reserve Requirement on the Bank's time and demand liable banking has been calculated and maintained with Bangladesh Bank of for conventional banking and 5.50% Statutory Liquidity Ratio for Islamitained in the form of treasury bills, bonds and debentures including FC intained by the Bank, are shown below:	nos. 4 and 5 dated 1 Dec / 2014. bilities at the rate of 6.50% in current account and 1 c banking on the same li	ember 2010 and MPD % for conventional and 3% Statutory Liquidity abilities has also been
4.1.1	a)	Cash Reserve Requirement (CRR) for Conventional Banking		
		6.50% (2013:6%) of average Demand and Time Liabilities		
		Required reserve	11,410,120,360	9,583,148,060
		Actual reserve held (Average daily on bi-weekly basis)	11,996,842,755	9,619,748,914
		Surplus	586,722,395	36,600,854
		•		
	b)	Cash Reserve Requirement (CRR) for Islamic Banking		
		6.50% (2013:6%) of average Demand and Time Liabilities		
		Required reserve	689,039,350	554,315,840
		Actual reserve held (Average daily on bi-weekly basis):	735,215,175	669,834,674
		Surplus	46,175,825	115,518,834
		'		
4.1.2	a)	Statutory Liquidity Requirement (SLR) for Conventional Banking		
		13% of required Average Demand and Time Liabilities:		
		Required reserve	22,820,241,000	30,346,635,540
		Actual reserve held	51,996,981,095	62,293,302,762
		Surplus	29,176,740,095	31,946,667,222
		Ourpiuo	29,170,740,093	01,340,001,222
		Held for Statutory Liquidity Requirement of Conventional Banking:		
		0.1:1.1	4 500 000 000	4 700 5 17 05 5
		Cash in hand	1,598,090,832	1,732,547,000
		Balance with Bangladesh Bank as per statement		9,938,838,000

197,174,000

586,415,000

3,637,814,967

45,969,607,496

7,878,800 51,996,981,095

221,012,000

16,308,143,260

34,092,762,502

62,293,302,762

Balance with agent bank (Sonali Bank Ltd.) as per statement

Excess cash reserve

Government treasury bills

Government treasury bonds

Other eligible securities/ Prize Bond

Cash



			2014	2013
	b)	Statutory Liquidity Requirement (SLR) for Islamic Banking	Taka	Taka
		5.50 % of required average Demand and Time Liabilities:		
		Required reserve	583,033,000	1,062,438,700
		Actual reserve held	649,542,531	1,152,266,000
		Surplus	66,509,531	89,827,300
		Held for Statutory Liquidity Ratio of Islamic Banking:		00,027,000
		Cash in hand	41,084,000	69,292,000
		Balance with Bangladesh Bank as per statement	41,004,000	632,943,000
		Balance with agent bank (Sonali Bank Ltd.) as per statement	2,282,531	31,000
		Excess cash reserve	46,176,000	-
		Government treasury bills		-
		Government treasury bonds	560,000,000	450,000,000
			649,542,531	1,152,266,000
5	Con	solidated balance with other banks and financial institutions		.,
5				
		angladesh outheast Bank Limited (Note 6.1)	4,283,513,456	2,706,540,365
		outheast Bank Capital Services Limited	19,776,455	18,824,400
			4,303,289,911	2,725,364,765
	Less	s: Inter company balance eliminated	19,776,455	18,824,400
			4,283,513,456	2,706,540,365
		side Bangladesh outheast Bank Limited (Note 6.2)	1,436,133,394	695,263,596
		outheast Financial Services(UK) Limited	2,197,543	
		outheast Financial Services(Ory Limited	6,319,746	251,104
		outheast Financial Services(Australia) F ty Limited outheast Exchange Company (South Africa) Pty Ltd	38,091,754	
	0.	outroast Exchange Company (Court Amoa) i ty Eta	1,482,742,437	695,514,701
			5,766,255,893	3,402,055,066
6	Pole	nnce with other banks and financial institutions		
O	Dala	ince with other banks and infancial institutions		
		angladesh (Note 6.1)	4,283,513,456	2,706,540,365
	Outs	side Bangladesh (Note 6.2)	1,436,133,394	695,263,596
			5,719,646,850	3,401,803,962
	Also	refer to note 6.3 for maturity wise grouping		
6.1		angladesh		
	Curr	ent account with:		
		AB Bank Limited Ltd.	75,166	987,883
		Agrani Bank Ltd.	575,850	575,850
		Al Arafah Islami Bank Ltd.	25,739,344	8,235,772
		Bangladesh Krishi Bank	-	248
		Bank Asia Ltd.	31,421	31,421
		Brac Bank Ltd.	8,534,908	5,874,500
		Commercial Bank of Cylon Ltd.	13,337	13,337
		EXIM Bank Ltd	7,792,954	1,826,733
		Farmers Bank Ltd Islami Bank BD Ltd.	1,763,509	9,868
		Janata Bank Ltd.	-	90,321
		Janura Bank Ltd. Jamura Bank Ltd.	36,410,068	
		Meghna Bank Ltd.	728,393	31,456,421
		Mercantile Bank Ltd.	4,977,501	1,533,927
		Modumoti Bank Ltd.	14,804	1,000,927
		Mutual Trust Bank Ltd.	15,570,086	18,527,524
		mataa naot bank Etai	10,070,000	10,021,024

Notes to the Financial Statements as at and for the year ended 31 December 2014

2013

	2014	2013
	Taka	Taka
National Deals Ltd	07.540	4 000 050
National Bank Ltd.	87,540	1,620,650
One Bank Ltd.	(5,967,871)	4,105,318
Pubali Bank Ltd.	-	(3,572)
Prime Bank Ltd.	4,308	5,228
Rupali Bank Ltd.	-	6,967
Sonali Bank Ltd.	(6,908,294)	12,964,843
Shahjalal Islami Bank Ltd.	550,000	314,037
Trust Bank Ltd.	1,641,698	1,410,183
Union Bank Ltd	660,102	
United Commercial Bank Ltd.	12,192,985	562
Office Committee Bank Etc.	104,487,809	89,588,021
0	104,467,009	09,300,021
Savings deposits account with:		100.000
Exim Bank Ltd.	110,557	100,000
Social Islami Bank Ltd.	108,679	100,000
	219,236	200,000
Short term deposits account with:		
AB Bank Ltd.	27,749	27,749
Brac Bank Ltd. (El Dorado Network)	677,070	(788,439)
The City Bank Ltd.	1,056,374	21,296,259
Dutch Bangla Bank Ltd.	- 1,000,01	554
Eastern Bank Ltd.	28,248	28,248
Exim Bank Ltd.	163,890	163,890
Standard Chartered Bank Ltd.	3,205,695	3,454,844
Sonali Bank Ltd.	23,646,444	22,568,299
Uttara Bank Ltd.	941	941
	28,806,411	46,752,344
Fixed deposits with other banks:		
AB Bank Ltd.	-	400,000,000
Al- Arafah Islami Bank Ltd.	500,000,000	-
Bank Asia Ltd.	-	200,000,000
The City Bank Ltd.	_	400,000,000
The Farmers Bank Ltd	50,000,000	-
The Farmers Bank Ltd	00,000,000	100,000,000
IFIC Bank Ltd	_	
	F00 000 000	100,000,000
Jamuna Bank Ltd	500,000,000	420,000,000
Premier Bank Ltd.	1,600,000,000	400,000,000
National Bank of Pakistan	-	50,000,000
	2,650,000,000	2,070,000,000
Fixed deposits with financial institutions:		
Bay Leasing and Investment Limited	400,000,000	30,000,000
,	100,000,000	
Fareast Finance and Investment Ltd	' '	200,000,000
IDLC Finance	150,000,000	
International Leasing and Financial Services Ltd.	200,000,000	50,000,000
Lanka Bangla Ltd.	100,000,000	-
PHEONIX Finance and Investment Ltd	100,000,000	170,000,000
Prime Finance & Investment Limited	-	50,000,000
United Leasing	150,000,000	-
Uttara Finance	100,000,000	-
Union Capital	200,000,000	_
	1,500,000,000	500,000,000
	4,283,513,456	2,706,540,365
	4,200,010,400	2,700,040,000



Notes to the Financial Statements as at and for the year ended 31 December 2014

6.2

6.3

Outside Bangladesh	2014	2013
Current account	Taka	Taka
Interest bearing:		
Standard Chartered Bank, New York, USA	124,346,995	145,737,394
Standard Chartered Bank, New York	167,216,619	372,318
Citibank N.A, New York, USA	16,327,654	109,194,212
HSBC Bank, New York, USA	92,866,694	99,180,359
HSBC Bank PLC, London, UK	-	12,869,811
Standard Chartered Bank, London, UK	20,021,617	1,223,426
Mashreq Bank PSC, New York, USA	45,834,862	69,669,946
Wells Fargo Bank, N.A., New York, USA	87,178,736	11,039,312
Citibank AG, Frankfurt, Germany	14,240,017	47,681,082
Standard Chartered Bank, Calcutta, India	34,688,979	11,957,353
AB Bank Ltd., Mumbai, India	57,123,630	9,818,528
ICICI Bank Ltd., Mumbai, India	25,013,781	1,573,354
JP Morgan Chase Bank N.A., New York, USA	203,104,208	4,083,151
Habib American Bank, New York, USA	59,037,561	10,990,796
Mashreq Bank, Mumbai, India	15,211,709	10,487,020
Mashreq Bank, Mumbai, India	2,881,429	3,194,702
Sonali Bank (UK) Ltd. USD	53,262,192	3,997,897
Sonali Bank (UK) Ltd. GBP	12,612,714	3,978,179
Sonali Bank (UK) Ltd. EURO	13,483,910	1,068,285
Corrain Staint (Crit) Etail Eorito	1,044,453,308	558,117,124
Non-interest bearing:		000,111,12
Bank of Nova Scotia, Toronto, Canada	3,215,099	11,911,385
United Bank Limited, Karachi, Pakistan	12,121,560	997,180
Standard Chartered Bank, Colombo, Srilanka	16,857,598	11,780,828
Standard Chartered Bank, Mumbai (AEB), India	1,968,612	1,963,576
Nepal Banglades Bank Ltd., Kathmodhu, Nepal	31,712,748	22,481,550
Bank of Bhutan, Pheuntsholing, Bhutan	6,235,372	6,219,422
Bank of Tokyo Mitsubishi, Kolkata, India	0,200,072	1,963,576
Commerz Bank AG, Frankfurt, Germany EURO	63,451,876	1,498,802
Commerz Bank AG, Frankfurt, Germany USD	136,554,838	8,953,368
U.B.A.F., Tokyo, Japan	3,126,723	1,833,478
Zuercher Kantonal Bank, Zurich, Switzerland	1,169,550	3,120,424
National Australia Bank Ltd., Melbourne, Australia	20,849,199	19,813,279
HDFC Bank, Mumbai, India	59,569,737	24,903,757
Habib Bank AG Zurich, Zurich, Switzerland	1,935,629	1,960,828
Mashreq Bank PSC, Dubai, UAE	88,048	211,674
Habib Metropoliton Bank Ltd., Karachi, Pakistan		
	30,785,204	16,502,957
Al Rajhi Bank, Suadi Arabia	2,038,293	1,030,385
	391,680,086	137,146,472
Details are shown in Annexure-C.	1,436,133,394	695,263,596
Maturity grouping of balance with other banks and financial institu	tions	
On demand	1,148,941,117	784,851,617
Not more than three months	2,020,705,733	1,316,952,34
More than three months but not more than six months	2,550,000,000	900,000,000
More than six months but not more than one year	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	400,000,000
More than one year but less than five years	_	. 20,000,000
Above five years		
	5 719 646 850	3 //01 803 963

3,401,803,962

5,719,646,850

Notes to the Financial Statements as at and for the year ended 31 December 2014

2014

2013

		Taka	Taka
7	Money at call and on short notice		
	In bank:	40,000,000	40.000.000
	The ICB Islamic Bank Ltd.	18,300,000	18,900,000
		18,300,000	18,900,000
	In non-banking financial institutions (public and private):	50,000,000	00,000,000
	Bangladesh Industrial Finance Company Ltd.	50,000,000	20,000,000
	Bangladesh Finance and Investment Company Ltd.	60,000,000	150,000,000
	Bay Leasing and Investment Ltd.	150,000,000	150,000,000
	Delta-Brac Housing Finance Corporation Ltd.	-	70,000,000
	Industrial and Infrastructure Development Finance Co. Ltd.	20,000,000	100,000,000
	Investment Corporation of Bangladesh	100,000,000	400,000,000
	Lanka Bangla Finance Ltd.	50,000,000	-
	National Housing Finance Investments Ltd	-	50,000,000
	PHEONIX Finance and Investment Ltd	100,000,000	-
	Premier Leasing & Finance Ltd	-	50,000,000
		530,000,000	990,000,000
		548,300,000	1,008,900,000
8	Consolidated Investments		
	Government securities		
	Southeast Bank Limited (Note 9)	50,185,301,263	50,860,905,762
	Southeast Bank Capital Services Limited	-	-
		50,185,301,263	50,860,905,762
	Others		
	Southeast Bank Limited (Note 9)	4,340,489,649	4,974,783,578
	Southeast Bank Capital Services Limited	1,852,802,372	1,753,374,104
		6,193,292,021	6,728,157,682
		56,378,593,284	57,589,063,444
9	Investments		
	Government securities:		
	Conventional Banking (Note 9.1.1)	49,625,301,263	50,410,905,762
	Islamic Banking (Note 9.2.1)	560,000,000	450,000,000
		50,185,301,263	50,860,905,762
	Others:		
	Conventional Banking (Note 9.1.2)	2,272,439,982	1,228,366,327
	Islamic Banking (Note 9.2.2)	2,068,049,667	3,746,417,251
	<u> </u>	4,340,489,649	4,974,783,578
		54,525,790,912	55,835,689,340

Also refer to notes 9.3 to 9.8 for further analysis, maturity wise grouping, market value information, sector wise investment, etc.

9.1 **Conventional Banking**

9.1.1

Government Securities		
91 days Treasury Bills	1,041,542,371	2,201,023,836
182 days Treasury Bills	2,401,014,416	5,245,507,172
364 days Treasury Bills	3,813,874,755	9,841,829,252
	7,256,431,542	17,288,360,260
Add: Reverse repo with other banks		-
	7,256,431,542	17,288,360,260
Assured Repo with Bangladesh Bank/ Others (At Book Value)	(3,618,616,575)	(980,217,000)
	3,637,814,967	16,308,143,260
Prize Bonds	7,878,800	7,508,600
Bangladesh Bank Bills	-	-
	7,878,800	7,508,600





Notes to the Financial Statements as at and for the year ended 31 December 2014

		2014	2013
		Taka	Taka
	Bangladesh Government Treasury Bonds		
	5 Years BGTB HTM	1,446,995,261	3,326,607,435
	10 Years BGTB HTM	12,552,258,715	12,949,955,852
	15 Years BGTB HTM	4,669,612,719	4,674,632,124
	20 Years BGTB HTM	3,898,666,830	3,906,313,102
	Remeasured 5 years BGTB HTM	5,108,231,856	5,101,265,578
	Remeasured 10 years BGTB HTM	959,415,392	959,059,195
	2 Years BGTB HFT	4,853,945,883	397,362,686
	5 Years BGTB HFT	7,971,493,393	2,000,874,644
	10 Years BGTB HFT	1,839,629,544	1,375,974,929
	15 Years BGTB HFT	2,438,829,583	152,749,926
	20 Years BGTB HFT	240,528,320	122,098,799
		45,979,607,496	34,966,894,270
	Add: Reverse repo with other banks & NBFI		
	10 Years BGTB HFT	-	87,761,124
	15 Years BGTB HFT	-	20,460,475
	20 Years BGTB HFT	-	-
			108,221,599
		45,979,607,496	35,075,115,869
	Assured Repo with Bangladesh Bank/ Others (At Book Value)	-	(979,861,967)
		45,979,607,496	34,095,253,902
		49,625,301,263	50,410,905,762
1.2	Others		
	Shares in listed companies	2,237,135,192	1,193,061,537
	Shares in un-listed companies	35,304,790	35,304,790
		2,272,439,982	1,228,366,327
.2	Islamic Banking		
.2.1	Government Securities		
	Bangladesh Government Islamic bond	560,000,000	450,000,000
.2.2	Others		
	Shares in listed companies	1,888,366,647	3,566,734,231
	Shares in un-listed companies	179,683,020	179,683,020
		2,068,049,667	3,746,417,251
.3	Investments classified as per Bangladesh Bank Circular for conventional		
	Held for trading (HFT)	20,990,120,490	19,493,072,476
	Held to maturity (HTM)	29,195,180,773	31,367,833,286
	Other securities	4,340,489,649	4,974,783,578
		54,525,790,912	55,835,689,340

BGTB (HTM) of Tk 10,000,000 is held in Bangladesh Bank as Lien for T.T. discounting facilities.

9.4 Maturity-wise grouping

On demand Not more than three months More than three months but not more than one year More than one year but not more than five years Above five years

7,878,800	7,508,600
6,265,580,931	5,388,620,105
5,971,301,273	13,394,069,324
13,935,086,044	13,858,040,699
28,345,943,864	23,187,450,612
54,525,790,912	55,835,689,340

Notes to the Financial Statements as at and for the year ended 31 December 2014

9.5 Cost and market value of investments

9.5.1 **Government securities**

Conventional Banking	20-	14	2013
ŭ	Cost price	Market price	Market price
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Treasury Bills	3,625,137,844	3,637,814,967	16,308,143,260
Bangladesh Government Treasury Bond	45,894,367,193	45,979,607,496	34,095,253,902
Prize Bonds	7,878,800	7,878,800	7,508,600
	49,527,383,837	49,625,301,263	50,410,905,762
Islamic Banking			
Bangladesh Government Islamic bond	560,000,000	560,000,000	450,000,000
	50,087,383,837	50,185,301,263	50,860,905,762

9.5.2 Others

Investment in Shares Conventional Banking

	20	14	2013
Particulars	Market price	Cost price	Cost price
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Shares in listed companies	1,366,321,377	2,237,135,191	1,193,061,537
Shares in un-listed companies	35,304,790	35,304,790	35,304,790
	1,401,626,167	2,272,439,981	1,228,366,327
Islamic Banking			
Shares in listed companies	1,301,321,876	1,888,366,647	3,566,734,231
Shares in un-listed companies	179,683,020	179,683,020	179,683,020
	1,481,004,896	2,068,049,667	3,746,417,251

Shares in listed companies

Investments have been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guidelines. Market value of shares has been determined on the basis of the value of shares at the last trading day of the year. Details are shown in Annexure-D

9.6 Sector wise investment

	20	2014	
	Market price	Cost price	Cost price
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Shares in listed companies			
Banks and NBFI	1,388,786,676	2,615,614,722	2,618,420,144
Insurance Companies	522,742,127	523,135,588	433,951,682
Fuel and Power Companies	23,006,430	27,902,033	311,759,793
Mutual Fund	330,133,273	401,538,351	371,292,677
Manufacturing & Other	402,974,747	557,311,143	1,024,371,472
	2,667,643,254	4,125,501,838	4,759,795,768
Shares in un-listed companies			
Banks and NBFI	57,683,820	57,683,820	57,683,820
Mutual Fund	-	-	-
Manufacturing	149,999,200	149,999,200	149,999,200
Others	7,304,790	7,304,790	7,304,790
	214,987,810	214,987,810	214,987,810
		4,340,489,648	4,974,783,578

The investments in shares of unlisted companies are shown at cost or book value of the last audited financial statements as per provision of BRPD 14



Notes to the Financial Statements as at and for the year ended 31 December 2014

9.7 Market price and cost price of investments in ordinary shares as on 31 December 2014

		2014		
	Name of the Company	Market price	Cost price	Differences (Provision to be required)
		<u>Taka</u>	<u>Taka</u>	Taka
1	Prime Finance First Mutual Fund	23,837,400	30,432,194	(6,594,794)
2	ACI Limited	9,552,550	10,691,600	(1,139,050)
3	Aftab Automobiles Limited	68,555,088	96,342,788	(27,787,700)
4	Agni Systems Limited	2,083,350	1,903,889	179,461
5	Agricultural Marketing Company Limited	8,334,250	10,036,731	(1,702,481)
6	Aamra Technologies Limited	8,008,490	8,229,620	(221,130)
7	Apolo Ispat Complex Limited	4,577,000	5,914,142	(1,337,142)
8	Asia Insurance Limited	47,227,821	76,805,098	(29,577,277)
9	Bay Leasing & Investment Limited	563,741,495	972,165,641	(408,424,146)
10	Beximco Limited	55,670,549	61,600,635	(5,930,086)
11	Beximco Pharmaceuticals Limited	15,992,815	18,331,637	(2,338,822)
12	Bangladesh Submarine Cable Company Limited	18,620,069	34,805,594	(16,185,526)
13	The City Bank Limited	34,574,146	42,782,763	(8,208,617)
14	Delta Life Insurance Limited	67,044,499	87,785,385	(20,740,886)
15	Delta Spinners Limited	2,988,500	3,719,475	(730,975)
16	Eastern Bank Limited	30,594,016	52,068,101	(21,474,085)
17	EXIM Bank Limited	291,903,260	696,815,188	(404,911,929)
18	EXIM Bank 1st Mutual Fund	76,358,338	98,760,000	(22,401,662)
19	Generation Next Fashion Limited	45,054,546	65,982,996	(20,928,450)
20	Global Heavy Chemicals Limited	28,518,000	37,701,882	(9,183,882)
21	GPH Ispat Limited	870,953	967,344	(96,392)
22	IDLC Finance Limited	4,816,731	4,898,740	(82,009)
23	IFIC Bank 1st Mutual Fund	6,611,675	11,905,461	(5,293,786)
24	Lafarge Surman Cement Limited	42,804,000	47,314,604	(4,510,604)
25	LankaBangla Finance Limited	5,060,000	6,278,916	(1,218,916)
26 27	Matin Spinning Mills Limited Meahna Petroleum Limited	11,882,840	14,044,434	(2,161,594)
2 <i>1</i> 28	National Bank Limited	10,815,860 81,319,417	13,393,571 228,691,741	(2,577,711) (147,372,324)
29	National Life Insurance Limited	408,469,808	358,545,105	49,924,703
30	National Credit & Commerce Bank Limited	30,039,962	49,614,864	(19,574,901)
31	National Tea Co. Limited	251,100	198,502	52,598
32	One Bank Limited	22,229,143	35,307,295	(13,078,152)
33	Phoenix Finance & Investment Limited	3,470,100	3,820,175	(350,075)
34	Premier Cement Mills Limited	30,903,800	43,102,302	(12,198,502)
35	Premier Leasing & Finance Limited	12,474,600	26,902,718	(14,428,118)
36	Prime Bank Limited	268,776,662	433,586,851	(164,810,189)
37	Prime Finance & Investment Limited	17,216,942	26,958,933	(9,741,991)
38	R.N. Spinning Mills Limited	3,981,526	4,459,649	(478,123)
39	Rupali Bank Limited	3,548,688	9,074,723	(5,526,035)
40	Southeast Bank 1st Mutual Fund	220,000,000	250,000,000	(30,000,000)
41	Summit Purbanchol Power Company Limited	12,190,570	14,508,463	(2,317,893)
42	Standard Bank Limited	12,166,600	15,822,689	(3,656,089)
43	Trust Bank 1st Mutual Fund	3,325,860	10,440,696	(7,114,836)
44	Union Capital Limited	6,854,914	10,825,384	(3,970,470)
45	United Airways (BD) Limited	44,325,321	91,963,319	(47,637,997)
	, , ,	2,667,643,254	4,125,501,838	(1,457,858,584)
	Actual provision			1,457,858,600
	Surplus/(deficit)			16

As on 31 December 2014, the value of investment cell which includes all investment in shares, corporate bond, debenture, mutual fund and total market value of other capital certificates and loan facilities given to own subsidiary company or companies directly or indirectly involved in capital market affairs stood at Tk 750.79 crores which is 43.31 % of total sum of paid up capital, statutory reserve and retained earnings of the bank. In accordance with the compliance of the DOS circular no. 2 dated 16 September 2013 issued by Bangladesh Bank, the total exposure will be reduced to 25% within the year of 2016.

Notes to the Financial Statements as at and for the year ended 31 December 2014

9.8 Repo and Reverse-repo

Repo as on 31 December 2014 9.8.1

Counter party name	Agreement date	Reversal date	Amount
			<u>Taka</u>
Bangladesh Bank	30-Dec-14	1-Jan-15	2,385,950,000
United Commercial Bank Ltd	30-Dec-14	1-Jan-15	974,561,000
			3,360,511,000

Transactions of Repo and Reverse-repo during the year 2014

		Minimum	Maximum	Daily average
		outstanding	outstanding	outstanding
		<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Secu	rities sold under repo			
i)	With Bangladesh Bank	18,145,000	2,897,630,000	298,472,184
ii)	With Other Bank & Fls	195,499,800	4,499,540,485	299,886,652
Secu	rities purchase under reverse repo			
i)	With Bangladesh Bank	500,000,000	2,200,000,000	16,712,329
ii)	With Other Bank & Fls	58,441,980	3,488,886,510	294,529,618
			2014	2013
			Toko	Toko

10

Bills purchased and discounted (Note 11.14)

	Taka	Taka
Consolidated Loans and advances/investments		
Loans, cash credit, overdrafts etc./investments		
Southeast Bank Limited (Note 11)	142,663,958,484	130,010,888,059
Southeast Bank Capital Services Limited	2,354,785,039	2,232,244,999
	145,018,743,523	132,243,133,058
Less: Inter company balance eliminated	3,240,530,315	3,058,510,916
	141,778,213,208	129,184,622,142
Bills purchased and discounted		
Southeast Bank Limited (Note 11)	5,292,593,001	5,679,201,782
Southeast Bank Capital Services Limited	-	-
	5,292,593,001	5,679,201,782
	147,070,806,209	134,863,823,924
Loans and advances/investments		
Loans, cash credit, overdrafts etc./Investments (Note 11.1)	142,663,958,484	130,010,888,059

5,292,593,001

147,956,551,485

5,679,201,782 135,690,089,841

11



Notes to the Financial Statements

as at and for the year ended 31 December 2014

2014	2013
Taka	Taka

11.1 Loans, cash credit, overdrafts etc./Investments

In Bangladesh

Conventional Banking

Demand loan Time loan Term loan Agricultural Credit-Term Agricultural Credit-Time Agricultural Credit-OD Consumer Credit Scheme Car Loan Personal Loan Home Loan Cash credit and overdrafts Bills against letter of credit (BLC) Loan Re-Finance Housing Sector Loan against trust receipt (LTR) Advances-Packing credit (PC) House building loan-staff Digital Device Export Development Fund (EDF)

Islamic Banking Demand Investment

Loan-Credit card

Loan against cash incentive

Bai-Muajjal (Time) Investment
Bai-Muajjal Time under CCS
Bai-Murabaha-BLC
Bai-Murabaha-LTR
Bai-Salam
Staff House Building Investment
Investment against Cash Incentive
Export Development Fund (EDF)
Bai-Muajjal - Investment
Murabaha - Investment
Hire purchase - Investment
Izarah - Investment
Quard against MTDR

Outside Bangladesh

11.2 Performing loans and advances/Investments

Gross loans and advances/investments
Non-performing loans and advances/investments

1,825,301,685	2,006,127,155
17,247,406,463	16,912,726,302
48,266,925,692	42,001,047,865
83,202,957	34,229,471
150,287,529	526,879
13,265,017	-
16,832,590	44,060,502
17,735,396	6,042,558
357,203,313	219,875,121
146,836,711	31,510,392
39,079,701,458	35,575,066,554
343,439,461	200,524,134
24,156,311	24,377,112
19,077,738,442	19,952,664,009
1,611,945,850	1,655,167,903
169,421,464	138,102,281
401,770	686,370
4,465,796,910	2,490,513,853
150,251,293	91,633,475
827,797,486	751,453,951
133,875,647,798	122,136,335,888

100,010,011,100	122,100,000,000
25,333,883	38,159,446
354,706,314	382,918,812
' '	′ ′
38,682,726	36,731,941
28,477,857	39,965,321
1,830,102,543	1,815,772,841
111,025,541	92,094,468
17,726,435	6,247,497
16,026,287	2,004,175
115,763,372	-
3,672,077,161	3,068,482,319
589,201,212	184,600,108
1,988,053,552	2,142,792,639
458,676	58,099,626
675,127	6,682,978
8,788,310,686	7,874,552,171
142,663,958,484	130,010,888,059
-	-
142,663,958,484	130,010,888,059
147,956,551,485	135,690,089,841

(5,387,743,528)

142,568,807,957

(5,350,239,352)

130,339,850,489

Notes to the Financial Statements as at and for the year ended 31 December 2014

		2014 Taka	2013 Taka
11.3	Maturity-wise grouping		
	On demand Less than three months More than three months but less than one year More than one year but less than five years More than five years	35,257,935,404 21,550,030,086 44,814,538,788 37,763,460,790 8,570,586,417 147,956,551,485	29,632,990,754 22,798,737,595 40,041,765,441 34,854,545,168 8,362,050,883 135,690,089,841
11.4	Concentration of loans and advances		
	Advances to allied concerns of directors Advances to chief executive and other senior executives Advances to customers' group: Advances to large and medium industries Advances to small and cottage industries Commercial Lending Export Financing Real Estate Consumer Credit Scheme Other Loans and Advances	74,283,000 63,934,700,000 791,200,000 45,285,200,000 6,470,900,000 9,714,700,000 55,515,316 21,630,053,169 147,956,551,485	47,494,992 61,210,900,000 608,100,000 42,728,500,000 5,573,500,000 7,205,200,000 80,792,442 18,235,602,406 135,690,089,841

Details of large loan/investments

As at 31 December 2014 there were 30 (2013: 27) clients with whom amount of outstanding loans and advances exceeded 10% of the total capital of the Bank. Total capital of the Bank was Tk 27,428.29 million as at 31 December 2014 (Tk.21,783.59 million as at 31 December 2013).

The bank complies with the requirements of the section 26 (b) of the Banking Companies Act 1991 as amended in 2013 in connection to the general limitations of credit line. Details are shown in Annexure-E.

11.5 Sector-wise allocation of loans and advances

	2014		2013	
	% of total loan	<u>Taka</u>	% of total loan	Taka
Agriculture	0.42%	620,900,000	0.69%	938,200,000
Industry (other than working capital)	22.37%	33,095,600,000	21.59%	29,302,100,000
Working capital financing	20.84%	30,839,100,000	23.52%	31,908,800,000
Export credit	4.37%	6,470,900,000	4.11%	5,573,500,000
Commercial credit	30.61%	45,285,200,000	31.49%	42,728,500,000
Small and cottage industries	0.53%	791,200,000	0.45%	608,100,000
Others:				
a) Finance to NBFIs	0.76%	1,123,200,000	0.87%	1,179,000,000
b) Real Estate	6.57%	9,714,700,000	5.31%	7,205,200,000
c) Transport & communication	1.23%	1,818,200,000	1.97%	2,675,500,000
d) Small Enterprise financing	9.14%	13,518,400,000	7.07%	9,586,800,000
e) Miscellaneous	3.16%	4,679,151,485	2.94%	3,984,389,841
	100.00%	147,956,551,485	100.00%	135,690,089,841



Notes to the Financial Statements as at and for the year ended 31 December 2014

		2014	2013
		Taka	Taka
11.6	Industry-wise Loans and Advances (Industrial Loan)		
	Textile and Garments Industries including Spinning Industries Food and allied Industries Pharmaceutical Industries Chemical, Fertilizer, etc. Cement and Ceramic Industries Service Industries Other Industries	32,348,100,000 5,143,000,000 1,260,600,000 61,700,000 2,773,100,000 2,033,400,000 20,314,800,000 63,934,700,000	30,191,100,000 4,004,300,000 989,600,000 210,600,000 2,982,500,000 1,659,900,000 21,172,900,000 61,210,900,000
11.7	Category-wise Small Medium Enterprise Loans and Advances (SME)		
	Service Sector Trading Sector Industrial Sector	3,947,800,000 18,929,900,000 6,069,000,000 28,946,700,000	2,244,200,000 13,356,700,000 5,893,100,000 21,494,000,000

11.8 Geographical location-wise allocations of loans and advances

		2	2014		2013	
		% of		% of		
		<u>total loan</u>	<u>Taka</u>	total loan	<u>Taka</u>	
Urban:						
	Dhaka region	66.98%	99,095,502,248	67.59%	91,711,846,396	
	Chittagong region	23.03%	34,074,675,160	24.29%	32,954,080,187	
	Rajshahi region	1.72%	2,538,429,767	1.51%	2,048,466,652	
	Sylhet region	2.31%	3,419,851,040	2.16%	2,935,925,379	
	Khulna region	0.92%	1,359,936,109	0.40%	537,766,851	
	Rangpur region	0.46%	680,126,899	0.39%	529,856,013	
	Barisal region	0.06%	81,924,845	0.06%	80,848,036	
		95.47%	141,250,446,068	96.40%	130,798,789,514	
Rural:						
	Dhaka region	2.31%	3,417,016,877	2.02%	2,745,531,150	
	Chittagong region	1.97%	2,919,197,484	1.25%	1,689,458,942	
	Sylhet region	0.15%	226,864,999	0.12%	156,509,548	
	Rajshahi	0.10%	143,026,057	0.22%	299,800,687	
		4.53%	6,706,105,417	3.60%	4,891,300,327	
		100.00%	147,956,551,485	100.00%	135,690,089,841	

11.9 Classification of loans and advances

	2014		2013	
	% of		% of	
	total loan	<u>Taka</u>	total loan	<u>Taka</u>
Unclassified:				
Standard including staff loan	93.77%	138,737,719,824	93.72%	127,172,326,489
Special Mention Account (SMA)	2.59%	3,831,088,133	2.33%	3,167,524,000
	96.36%	142,568,807,957	96.06%	130,339,850,489
Classified:				
Sub-standard	0.29%	432,587,532	0.07%	89,414,652
Doubtful	0.43%	642,326,040	0.13%	175,897,930
Bad/loss	2.91%	4,312,829,956	3.75%	5,084,926,770
	3.64%	5,387,743,528	3.94%	5,350,239,352
	100.00%	147,956,551,485	100.00%	135,690,089,841

			2014	2013
			Taka	Taka
11.10	Particu	lars of loans and advances		
	i)	Debts considered good in respect of which the bank is fully secured;	116,196,118,250	93,983,015,306
	ii)	Debts considered good for which the bank holds no		
		other security than the debtors' personal security;	16,031,008,165	18,612,803,677
	iii)	Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors;	15,729,425,071	23,094,270,858
	iv)	Debts adversely classified; provision not maintained		-
	v)	Debts due by directors or officers of the bank or any of them either severally or jointly with any other persons;	193,280,899	302,059,672
	vi)	Debts due by companies or firms in which the directors or officers of the bank are interested as directors, partners or managing agents or, in case of private companies, as members;	-	-
	∨ii)	Maximum total amount of advances, including temporary advances made any time during the year to directors or managers or officers of the bank or any of them either severally or jointly with any other persons;	193,280,899	308,695,325
	∨iii)	Maximum total amount of advances, including temporary advances granted during the year to companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies, as members;	-	-
	ix)	Due from banking companies;	-	-
	x)	Classified loans/investments for which interest has not been charged:		
		(a) Increase/decrease of provision (specific) Amount of debts written off Amount realised against the debts previously written off	16,771,786 973,257,146 17,031,792	330,412,699 407,390,518 200,464,825
		(b) Provision against the debt classified as bad/loss at the date of balance sheet	1,669,299,808	2,597,973,503
		(c) Amount of interest charged in suspense account	2,365,612,512	1,311,883,729
	xi)	Loans written off: - Current year Cumulative to-date	1,154,581,996 5,261,108,789	438,322,390 4,188,531,566
		- The amount of written off loans		
		for which lawsuit filed	5,261,108,789	4,188,531,566



Southeast Bank Limited and its subsidiaries

Notes to the Financial Statements as at and for the year ended 31 December 2014

11.11 Particulars of required provision for loans and advances investments

		201	4		2013
<u>Status</u>	Outstanding as at 31 Dec 2014 Taka	Base for provision Taka	% of required provision	Required provision Taka	Required provision Taka
For loans and advances Investments: Unclassified - General provision All unclassified loans (other than small enterprises, housing finance, Loan to MBs loans for professional, consumer financing and					
special mention account)	107,222,297,356	107,222,297,356	1%	1,072,222,974	1,042,408,929
Small and medium enterprise financing	25,530,725,603	25,530,725,603	0.25%	63,826,814	46,252,890
Loan to BHs/MBs/SDs against shares	4,035,885,836	4,035,885,836	2%	80,717,717	61,155,978
Housing and loan for professional	288,991,586	288,991,586	2%	5,779,832	13,051,500
Consumer finance	1,152,293,899	1,152,293,899	5%	57,614,695	14,763,200
Agriculture finance	320,377,645	320,377,645	2.50%	8,009,441	14,014,495
Staff loan	187,147,899	187,147,899	1%	1,871,479	-
Special Mention Account (SMA)	3,831,088,133	3,831,088,133	0.25%-5%	32,255,220 1,322,298,171	28,440,008 1,220,087,000
Classified - Specific provision:					
Sub-standard	432,587,532	215,012,000	5%-20%	42,965,437	10,736,505
Doubtful	642,326,040	421,032,471	50%	210,516,236	32,107,500
Bad/loss	4,312,829,956	1,669,299,808	100%	1,669,299,808	2,597,973,503
	147,956,551,485	144,874,152,236		1,922,781,481	2,640,817,508
Required provision for loans and advances				3,245,079,652	3,860,904,508
Total provision maintained				4,008,216,214	3,876,999,428
Excess provision at 31 December				763,136,563	16,094,920

Notes to the Financial Statements as at and for the year ended 31 December 2014

2014

2013

		Taka	Taka
11.12	Suits filed by the Bank (Branch wise details)		
	Aganagar Branch	51,787,901	39,525,750
	Agargoan Branch	3,324,204	35,702,157
	Agrabad Branch	1,694,861,880	342,094,358
	Banani Branch	478,377,367	467,962,959
	Bandar bazar	26,463,399	-
	Bangshal Branch	231,318,215	344,356,469
	Bogra	72,082,808	46,218,600
	CDA Avenue Branch	73,640,519	53,850,672
	Chouhatta Branch	23,754,435	23,754,435
	Chowmuhani	7,089,830	7,089,830
	Corporate Branch	58,392,487	58,392,487
	Cox's Bazar	45,996,553	25,512,079
	Dhanmondi Branch	1,811,620,281	1,490,019,902
	Gulshan Branch	235,057,423	668,912,670
	Halishahar Branch	327,746,924	296,424,550
	Imamgonj Branch	304,124,658	308,180,202
	Jubilee Road Branch	39,543,618	50,710,900
	Kakrail Branch	41,352,380	41,352,380
	Kawranbazar Branch	47,942,121	107,325,351
	Khatungonj Branch	859,750,230	859,750,230
	Khulna Branch	98,088,592	100,812,162
	Kotowali Branch	42,762,568	-
	Kulaura Branch	9,078,456	9,078,456
	Laldighirpar Branch	104,780,153	105,297,690
	Madambibirhat	27,584,384	-
	Mohammadpur Branch	7,976,383	7,976,382
	Momin Road Branch	86,297,932	86,297,932
	Mouchak Branch	51,117,628	-
	Moulvibazar Branch	124,109,050	27,727,248
	Narayangonj Branch	57,204,744	43,507,607
	New Elephant Road Branch	6,684,152	6,684,152
	New Eskaton Branch	171,552,903	
	Pahartoli Branch	811,442,752	761,499,591
	Principal Branch	4,676,025,218	3,985,835,133
	Rangpur Branch	-	40,693,729
	Shahjalal Uposhahar Branch	127,558,714	125,784,228
	Uttara Branch	257,477,428	257,477,428
		13,093,968,291	10,825,807,719

11.13 Listing of assets pledged as security/collaterals

Nature	of the	secured	assets

Gold & Gold Ornaments

Shares & Securites

Merchandise

Machinery with other Fixed Asset and Financial obligation

Real Estate with Financial obligation

Financial Obligation only (Insurance policies, Savings certificates,

Bank deposit etc)

Miscellaneous

i) Crops/stock of crops hypothecation

ii) Guarantee of individuals/ Institutions

ii) Others

-	-
1,063,948,665	1,419,319,104
10,459,398,445	8,874,659,256
8,327,637,561	9,226,855,236
105,423,929,650	77,471,902,243
5,924,567,087	6,325,763,550
5,152,802	476,478,197
15,515,248,980	26,054,803,492
1,236,668,295	5,840,308,764
147,956,551,485	135,690,089,841



Southeast Bank Limited and its subsidiaries

Notes to the Financial Statements as at and for the year ended 31 December 2014

			Taka	Taka
11.14	Bills pu	rchased and discounted		
	Bills pur	chased and discounted excluding treasury bills:		
	Co	nventional Banking		
		In Bangladesh	2,407,698,804	2,894,374,253
		Outside Bangladesh	2,703,661,141	2,537,182,906
			5,111,359,944	5,431,557,160
	Isla	amic Banking		
		In Bangladesh	114,059,146	213,339,622
		Outside Bangladesh	67,173,911	34,305,000
			181,233,057	247,644,622
			5,292,593,001	5,679,201,782
11.15	Maturity	y grouping of bills discounted and purchased		
	Within o	ne month	3,386,540,072	3,208,972,427
		an one month but less than three months	1,401,559,002	1,927,241,735
		an three months but less than six months	502,717,677	536,868,043
		an six months	1,776,250	6,119,577
	Wioro tric		5,292,593,001	5,679,201,782
			0,000,000	5,010,0,000
12	Consoli	dated fixed assets including premises, furniture and fixtures		
	Cost:			
	0001.	Southeast Bank Limited	9,029,980,257	8,663,111,660
		Southeast Bank Capital Services Limited	176,908,853	169,144,358
		Southeast Financial Services(UK) Limited	10,420,801	10,678,283
		Southeast Financial Services(Australia) Pty Limited	2,721,202	-
		Southeast Exchange Company (South Africa) Pty Ltd	5,097,523	-
			9,225,128,636	8,842,934,301
	Less:	Accumulated depreciation		· · · ·
		Southeast Bank Limited	1,268,806,633	1,020,842,191
		Southeast Bank Capital Services Limited	36,480,997	21,682,140
		Southeast Financial Services(UK) Limited	5,765,367	4,760,845
		Southeast Financial Services(Australia) Pty Limited	1,076,567	-
		Southeast Exchange Company (South Africa) Pty Ltd		-
			1,312,129,564	1,047,285,176
	Written o	down value at the end of the year	7,912,999,072	7,795,649,125

There were no capitalized borrowing cost related to the acquisition of fixed assets during the year (2013: nil)

Details of consolidated amounts have not been provided as such amounts are insignificantly different from those of the Bank's.

13 Fixed assets including premises, furniture and fixtures

Cost:

Land

Building
Furniture and fixture
Professional and Reference books
Office Appliances
Computer
Electrical Appliances
ATM Booth
Motor vehicles

5,348,073,053	5,347,773,053
1,523,977,602	1,523,977,602
908,146,830	817,263,714
117,728	117,728
11,676,120	10,432,350
98,571,467	78,963,446
895,109,636	724,336,774
134,893,478	86,287,148
109,414,343	73,959,846
9,029,980,257	8,663,111,660

Notes to the Financial Statements as at and for the year ended 31 December 2014

	2014	2013
	Taka	Taka
Less: Accumulated depreciation		
Building	308,658,474	258,020,177
Furniture and fixture	391,084,304	336,050,144
Professional and Reference books	22,368	11,773
Office Appliances	6,604,518	5,451,915
Computer	27,008,732	78,963,446
Electrical Appliances	442,884,288	288,212,233
ATM Booth	36,469,517	16,593,061
Motor vehicles	56,074,432	37,539,442
	1,268,806,633	1,020,842,191
Written down value at the end of the year	7,761,173,624	7,642,269,469
Details are shown in Annexure-F There were no capitalized borrowing cost related to the acquisition of fixed assets during the year (2013: nil)		

	There v	vere no capitalized borrowing cost related to the acquisition of fixed as	ssets during the year (201	3: nil)
14	Consoli	dated other assets		
	Southea	st Bank Limited	4,247,207,922	4,241,364,275
	Southea	st Bank Capital Services Limited	252,922,045	293,174,683
	Southea	st Financial Services(UK) Limited	6,521,902	7,189,127
	Southea	st Financial Services(Australia) Pty Limited	2,453,560	-
	Southea	st Exchange Company (South Africa) Pty Ltd	7,410,414	-
			4,516,515,843	4,541,728,085
	Less:	Investment in subsidiary:		
		In Bangladesh	989,930,000	989,930,000
		Outside Bangladesh	52,614,180	38,493,247
			1,042,544,180	1,028,423,247
			3,473,971,663	3,513,304,838
15	Other	assets	4,247,207,922	4,241,364,275

Classification of other assets 15.1

tion of	other assets		
i)	Investment in shares of subsidiary companies: - In Bangladesh (Note 15.3) - Outside Bangladesh	989,930,000 65,063,724	989,930,000 38,493,247
ii) iii)	Stationery, stamps, printing materials, etc. Advance rent and advertisement	59,361,151 217,759,986	67,304,310 189,518,337
iv)	Interest accrued on investment but not collected, commission and brokerage receivable on shares and		
	debentures, and other income receivables	1,106,391,584	926,121,795
v) vi)	Security deposits Preliminary, formation and organisational expenses,	2,216,239	1,772,632
	renovation, development and prepaid expenses	954,575,439	909,027,877
vii)	Branch adjustment (Note 15.5)	364,354,080	799,736,164
∨iii)	Suspense account	41,939,946	12,803,018
ix)	Silver	-	-
x)	Others	445,615,773	306,656,894
		4,247,207,922	4,241,364,275

15.2 Non-income generating other assets

i)	Stationery, stamps, printing materials, etc.
ii)	Advance rent and advertisement

Branch adjustment (Note 15.3)
Suspense account
Preliminary, formation and organisational expenses, renovation, development and prepaid expenses

004,004,000	1 33,100,104
41,939,946	12,803,018
-	-
445,615,773	306,656,894
4,247,207,922	4,241,364,275
59,361,151	67,304,310
217,759,986	189,518,337
364,354,080	799,736,164
41,939,946	12,803,018
954,575,439	909,027,877
1,637,990,602	1,978,389,707



Southeast Bank Limited and its subsidiaries

Notes to the Financial Statements

as at and for the year ended 31 December 2014

		Taka	Taka
15.3	Investment in shares of subsidiary company in Bangladesh		
	Cost	989,930,000	989,930,000
	Less: Provision for impairment loss	-	-
		989,930,000	989,930,000
15.4	Investment in shares of subsidiary company outside Bangladesh		
	Cost	113,623,772	-
	Less: Provision for impairment loss	(48,560,048)	-
		65,063,724	-
15.5	Branch adjustment		
	General accounts debit	2,081,082,000	1,383,288,000
	General accounts credit	1,716,727,920	583,551,836
		364,354,080	799,736,164

Branch adjustments account represents outstanding interbranch and head office transactions (net) originated but yet to be responded at balance sheet date. However, the unrespondent entries of 31 December 2014 are given below:

	No. of unrespo	ondent entries	Unrespondent entries (Taka)		
	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>	Credit	
Upto 3 months	698	1,257	2,004,419,000	1,638,016,920	
Over 3 months but within 6 months	41	105	76,658,000	78,188,000	
Over 6 months but within 1 year	2	2	5,000	523,000	
Over 1 year but within 5 years	-	-	-	-	
	741	1,364	2,081,082,000	1,716,727,920	

15.

15.6	Particulars of required provision for other	assets			
			2014		2013
		Base for provision	Rate (%)	Taka	Taka
	Legal Expenses for Defaulting Borrowings	3,554,331	50%	1,777,166	5,477,440
	Legal Expenses for Defaulting Borrowings	39,728,234	100%	39,728,234	35,134,356
	Protested bills	4,252,596	100%	4,252,596	3,582,760
	Nostro Account Balance	-	100%	-	1,769,807
	Required Provision on Other Assets			45,757,996	45,964,362
	Total Provision maintained			60,964,894	45,964,894
	Excess Provision			15,206,898	531
16	Consolidated borrowing from other banks	s, financial institut	ions and agents		
	Southeast Bank Limited		7,7	751,301,954	7,921,435,000
	Southeast Bank Capital Services Limited			305,146,871	3,058,510,916
			11,0	056,448,825	10,979,945,916
	Less: Inter company balance eliminated		3,2	240,530,315	3,058,510,916
			7,8	815,918,510	7,921,435,000
17	Borrowing from other banks, financial ins	titutions and ager	nts		
	In Bangladesh (Note 17.1)		5,8	802,566,954	6,599,685,000
	Outside Bangladesh (Note 17.2)		1,9	948,735,000	1,321,750,000
			7,7	751,301,954	7,921,435,000

Taka
Refinance against agro-based credit from Bangladesh Bank Refinance for housing sector from Bangladesh Bank Refinance against SME loan from Bangladesh Bank Refinance against SME loan from Bangladesh Bank Refinance against Solar energy, Bio Gas & ETP Scheme Refinance against RPGCL Borrowing against securities from Bangladesh Bank Refinance Against Secured: 16,012,104
Refinance against agro-based credit from Bangladesh Bank Refinance for housing sector from Bangladesh Bank Refinance against SME loan from Bangladesh Bank Refinance against SME loan from Bangladesh Bank Refinance against Solar energy, Bio Gas & ETP Scheme from Bangladesh Bank Refinance against RPGCL Borrowing against securities from Bangladesh Bank Refinance Against Securities from Banglades
Refinance against agro-based credit from Bangladesh Bank Refinance for housing sector from Bangladesh Bank Refinance against SME loan from Bangladesh Bank Refinance against SME loan from Bangladesh Bank Refinance against Solar energy, Bio Gas & ETP Scheme from Bangladesh Bank Refinance against RPGCL Borrowing against securities from Bangladesh Bank 2,600,000,000 Call borrowing from other Banks 2,802,566,954 6,599,685,000
Refinance for housing sector from Bangladesh Bank 22,880,153 25,137,343 Refinance against SME loan from Bangladesh Bank 10,126,371 10,511,000 Refinance against Solar energy, Bio Gas & ETP Scheme 9,843,681 - from Bangladesh Bank Refinance against RPGCL 143,704,645 175,437,324 140,000,000 1,400,000,000 1,400,000,000 4,980,000,000 4,
Refinance against SME loan from Bangladesh Bank 10,126,371 Refinance against Solar energy, Bio Gas & ETP Scheme 9,843,681 -
Refinance against Solar energy, Bio Gas & ETP Scheme from Bangladesh Bank Refinance against RPGCL
from Bangladesh Bank Refinance against RPGCL Borrowing against securities from Bangladesh Bank Call borrowing from other Banks Un secured Subordinate Bond Subordinate Bond T.2 Outside Bangladesh Secured: Borrowing from International Finance Corporation (IFC) 143,704,645 2,600,000,000 4,980,000,000 4,980,000,000 4,980,000,000 5,802,566,954 6,599,685,000
Borrowing against securities from Bangladesh Bank 2,600,000,000 1,400,000,000 4,980,000,000 2,802,566,954 6,599,685,000 Un secured Subordinate Bond 3,000,000,000 - 5,802,566,954 6,599,685,000 17.2 Outside Bangladesh Secured: Borrowing from International Finance Corporation (IFC) - 777,500,000
Call borrowing from other Banks - 4,980,000,000 2,802,566,954 6,599,685,000 Un secured Subordinate Bond 3,000,000,000 - 5,802,566,954 6,599,685,000 17.2 Outside Bangladesh Secured: Borrowing from International Finance Corporation (IFC) - 777,500,000
2,802,566,954 6,599,685,000
Un secured 3,000,000,000 -
Subordinate Bond 3,000,000,000 -
17.2 Outside Bangladesh Secured: Borrowing from International Finance Corporation (IFC) 5,802,566,954 6,599,685,000 - 777,500,000
17.2 Outside Bangladesh Secured: Borrowing from International Finance Corporation (IFC) 5,802,566,954 6,599,685,000 - 777,500,000
17.2 Outside Bangladesh Secured: Borrowing from International Finance Corporation (IFC) - 777,500,000
Secured: Borrowing from International Finance Corporation (IFC) - 777,500,000
Borrowing from International Finance Corporation (IFC) - 777,500,000
Borrowing from MASHREQ BANK PSC-USD 779,494,000 -
Borrowing from Commercial Bank of Qatar 1,169,241,000 544,250,000
1,948,735,000 1,321,750,000
Un secured
1,948,735,000 1,321,750,000
17.3 Maturity grouping of borrowings
matary grouping or benomings
Repayable on demand 205,596,954 4,980,000,000
Repayable within one month 388,737,000 -
Over one month but within six months 3,377,474,000 2,721,750,000
Over six months but within one year 779,494,000
Over one year 3,000,000,000 219,685,000
7,751,301,954 7,921,435,000
18 Consolidated deposits and other accounts
Current/Al-wadeeah current accounts and other accounts
Southeast Bank Limited 18,934,771,357 14,201,428,330
Southeast Bank Capital Services Limited 20,059,205 30,305,654
18,954,830,562 14,231,733,984
Less: Inter company balance eliminated 19,776,455 18,824,400
18,935,054,107 14,212,909,584
Bills payable
Southeast Bank Limited 2,701,462,407 1,914,532,727
Southeast Bank Capital Services Limited
2,701,462,407 1,914,532,727
Savings bank/Mudaraba savings bank deposits
Southeast Bank Limited 13,531,823,040 14,118,813,852
Southeast Bank Capital Services Limited Southeast Bank Capital Services Limited
13,531,823,040 14,118,813,852
Fixed deposits/Mudaraba fixed deposits
Southeast Bank Limited 154,304,204,148 147,273,208,331
Southeast Bank Capital Services Limited
<u>154,304,204,148</u> <u>147,273,208,331</u>
<u>189,472,543,702</u> <u>177,519,464,493</u>



Southeast Bank Limited and its subsidiaries

		Taka	Taka
19	Deposits and other accounts		
19	Current/Al-wadeeah current accounts and other accounts		
	Current/Al-wadeeah current deposits	7,956,539,917	5,837,778,917
	Foreign currency deposits	931,906,853	803,707,113
	Sundry deposits (Note 19.1)	10,046,324,587	7,559,942,300
		18,934,771,357	14,201,428,330
	Bills payable	0.005.405.004	=
	Payment order issued	2,685,407,284	1,879,840,439
	Demand draft	2,701,462,407	34,692,288 1,914,532,727
		2,701,402,407	1,314,302,721
	Savings bank/Mudaraba savings bank deposits	13,531,823,040	14,118,813,852
	Fixed deposits/Mudaraba fixed deposits		
	Fixed deposits/Mudaraba fixed deposits	124,307,951,439	118,596,141,466
	Special notice / Mudaraba Special notice deposits	17,476,863,627	17,788,395,663
	Scheme deposits	9,547,834,545	7,542,350,547
	Interest Payable on FDR/Scheme	2,971,554,537	3,346,320,655
		154,304,204,148	147,273,208,331
		189,472,260,952	177,507,983,239
19.1	Sundry deposits		
	Margin under letter of credit	1,855,247,417	1,636,144,465
	Margin against IBP	10,134,623	58,751,279
	Margin against FBP	20,418,379	18,008,586
	Margin under letter of guarantee	667,738,977	621,808,988
	Margin under Export Proceeds	61,866	2,029,406
	Margin against time loan to issue pay order	5,928,100	1,389,000
	Deposit held against FDBP/IDBP, export bills etc.	31,068,011	21,002,456
	FC Held Against EDF L/C	3,927,477,172	2,364,759,920
	Accounts Payable	324,155	594,741
	Telegraphic Transfer	1,344,132	995,569
	Margin on Acceptance	3,307,501,074	2,661,136,489
	Remittance awaiting disposal	3,107,888	679,557
	Others	215,972,793	172,641,844
		10,046,324,587	7,559,942,300
19.2	Deposits from banks and others		
	Inter-bank deposits (Note 19.3)	10,060,500,307	12,277,367,401
	Other deposits	179,411,760,645	165,230,615,838
40.0		189,472,260,952	177,507,983,239
19.3	Inter-bank deposits	000 040 054	0.045.000.050
	Exim Bank Limited	363,818,951	2,015,988,852
	Mercantile Bank Limited AB Bank Limited	230,628 312,599,015	221,701 410,446,051
	Social Islami Bank Limited	9,631,890	775,365,673
	Brac Bank Limited	800,046,698	46,986
	Shahjalal Islami Bank Limited	2,562,280,049	1,947,363,717
	Al-Arafa Islami Bank Limited	1,720,288,009	1,900,785,909
	Islami Bank Bangladesh Limited	1,750,209,422	1,250,203,229
	First Security Islami Bank Limited	32,895,476	16,103,761
	Dhaka Bank Ltd	691,389	198,791
		55.,600	

Notes to the Financial Statements as at and for the year ended 31 December 2014

2013

		Taka	Taka
			050 000 000
	Dutch-Bangla Bank Limited	-	850,000,000
	IFIC Bank Ltd Premier Bank Limited	248,330 1,600,000,000	900,244,975
	United Commercial Bank Ltd	1,000,000,000	50,000,000
	Bank Asia Ltd.	_	200,000,000
	Jamuna Bank Ltd	500,000,000	10,000,000
	The City Bank Ltd.	248,582,203	911,325,102
	Citi Bank N.A	145,302,286	158,566,401
	The Trust Bank Ltd	6,862	100,057,365
	NRB Commercial Bank Ltd	12,253,135	260,179,310
	Mutual Trust Bank Ltd	965,514	100,000,577
	Meghna Bank Ltd	10,060,500,307	120,269,577 12,277,367,401
		10,000,300,307	12,211,301,401
19.4	Sector-wise deposits		
	Government	3,587,922,745	7,314,630,944
	Deposit money banks	10,060,500,307	12,277,367,401
	Other public	11,260,312,698	13,577,348,371
	Foreign currency Private	962,974,865 163,600,550,337	803,707,113 143,534,929,410
	riivale	189,472,260,952	177,507,983,239
		109,472,200,932	177,507,905,209
19.5	Unclaimed Deposits and valuables		
	Payment Order	159,019	339,615
		159,019	339,615
19.6	Analysis of residual maturity grouping of densits		
19.0	Analysis of residual maturity grouping of deposits		
	Inter-bank deposits:		
	Payable on demand	158,458,446	158,765,192
	Within one month	2,038,805,757	5,868,602,209
	More than one month but less than six months	13,236,104	5,850,000,000
	More than six months but less than one year	7,850,000,000	400,000,000
	More than one year but less than five years	-	-
	More than five years but less than ten years	10,060,500,307	12,277,367,401
	Other Deposits:	10,000,000,001	12,211,001,401
	Payable on demand	3,812,546,618	4,202,734,808
	Within one month	35,023,602,597	15,992,171,922
	More than one month but less than six months	25,730,138,793	48,833,643,040
	More than six months but less than one year	28,506,043,586	51,256,188,062
	More than one year but less than five years	77,332,999,297	28,663,009,215
	More than five years but less than ten years	9,006,429,754	16,282,868,791
		179,411,760,645 189,472,260,952	165,230,615,838 177,507,983,239
		103,472,200,332	177,507,500,205
20	Consolidated other liabilities		
	Southeast Bank Limited	14,473,229,918	13,232,712,161
	Southeast Bank Capital Services Limited	284,227,872	315,576,469
	Southeast Financial Services (UK) Limited	4,937,861	2,040,142
	Southeast Financial Services(Australia) Pty Limited	77,149	2,0 10,1 12
	Southeast Exchange Company (South Africa) Pty Ltd	4,070,754	-
		14,766,543,554	13,550,328,772
	Less: Inter company balance eliminated	-	-
		14,766,543,554	13,550,328,772



Southeast Bank Limited and its subsidiaries

			2010
		Taka	<u>Taka</u>
21	Other liabilities		
	Provision for loans and advances/Investments (Note 21.1)	4,008,216,214	3,876,999,428
	Provision for off-balance sheet exposures (Note 21.2)	909,650,000	813,041,000
	Interest suspense account (Note 21.3)	2,365,612,512	1,311,883,729
	Provision for taxation (Note 21.4)	3,745,316,756	3,709,383,296
	Obligation under finance lease (Note 21.5)	34,140,945	40,989,025
	Accrued expenses	9,723,557	7,816,417
	Interest payable on borrowings	24,813,493	23,716,231
	Accounts payable - Bangladesh Bank	62,565,110	22,234,233
	Accounts payable - Others	300,434,783	672,459,464
	Provision for diminution in the market value of share(Note 59)	1,457,858,600	1,204,480,000
	Provision for other assets (Note 21.6)	60,964,894	45,964,894
	Unearned income	710,440,893	781,752,380
	Withholding tax	782,692,160	721,192,061
	Provision for audit fees	800,000	800,000
	Provision for addit lees		
		14,473,229,918	13,232,712,161
	.		
21.1	Provision for loans and advances/investments		
	A. General		
	Balance at the beginning of the year	1,220,276,230	1,210,276,230
	Add: Provision made during the year		
	On general loans and advances/investments etc.	110,629,788	88,094,956
	On Special Mention Account (SMA)	3,815,212	(78,094,956)
		114,445,000	10,000,000
	Less: Provision no longer required	-	-
	Balance at the end of the year	1,334,721,230	1,220,276,230
	B. Specific		
	Balance at the beginning of the year	2,656,723,198	2,326,310,499
	Less: Fully provided debt write off during the year	(973,257,146)	(407,390,518)
	Add: Recoveries of amounts previously written off	17,031,792	200,464,825
	Add: Specific provision for the year	974,009,140	537,805,175
	Less: Recoveries and provisions no longer required	, ,	· · ·
	Less: Interest waiver during the year	(1,012,000)	(466,783)
	Net charge to Profit & Loss A/C	16,771,786	330,412,699
	Balance at the end of the year	2,673,494,984	2,656,723,198
	Balance at the one of the year	2,070,404,004	2,000,720,100
	C. Total provision on loans and advances/investments (A+B)	4,008,216,214	3,876,999,428
	o. Total provision of found and advances investments (XTD)	4,000,210,214	0,010,000,420
21.2	Provision for off-balance sheet exposures		
	Balance as at 1 January	813,041,000	711,310,000
	Add: Provision made during the year	96,609,000	101,731,000
		909,650,000	813,041,000
	Less: Adjustments made during the year	-	-
	Balance as at 31 December	909,650,000	813,041,000

			Taka	Taka
21.3	Interest	suspense account		
	Ralanca	as at 1 January	1,311,883,729	1,440,817,725
	Add:	Amount transferred to "interest suspense" account during the year	1,685,872,375	884,163,029
	, ida.	7 WHO WILL WALL FOR THE FOOT COOPERING WOOD WILL AND WILL	2,997,756,104	2,324,980,754
	Less:	Amount of interest suspense recovered	388,919,137	963,638,153
	2000.	Amount written off during the year	181,324,850	30,931,872
		Interest waiver during the year	61,899,605	18,527,000
		interest waiver daining the year	632,143,592	1,013,097,025
	Balance	as at 31 December	2,365,612,512	1,311,883,729
21.4		on for taxation	2,000,012,012	1,011,000,120
	Current t	tax (Note 21.4.1)	2,906,241,155	2,879,739,247
	Deferred	I tax (Note 21.4.2)	839,075,601	829,644,049
			3,745,316,756	3,709,383,296
21.4.1	Provision	for current tax		
	Advance		7,000,440,000	5 001 001 075
		as at 1 January	7,830,143,620	5,821,061,875
	Add: Pai	id during the year	4,800,434,151	2,009,081,745
	1 A -	Prostore and a second and the second	12,630,577,771	7,830,143,620
		djustments made during the year	3,690,320,050	7,000,140,000
	Balance	as at 31 December	8,940,257,721	7,830,143,620
	Provisio		10,709,882,867	0.000.000.007
		as at 1 January		8,009,882,867 2,700,000,000
	Add: Pro	ovision made during the year	2,920,000,000	, , ,
	1 aaa. Aa	livetenente mande di vine the very	13,629,882,867	10,709,882,867
		djustments made during the year	1,783,383,991	- 40.700.000.007
		as at 31 December	11,846,498,876	10,709,882,867
		nce as at 31 December te tax position of the bank has been shown in Annexure-G.	2,906,241,155	2,879,739,247
	profit ma	n for current tax of Tk. 2,920,000,000 has been made @ 42.5% as pade by the Bank after considering some of the add backs to income and and Rules 1984 and in compliance of para 46 of BAS 12 "Income Ta	nd disallowances of expendi	
21.4.2	Provisio	on for deferred tax		
	Balance	as at 1 January	829,644,049	820,285,476
	Add : Pi	rovision made for deferred tax liabilities		
		Charged/(credited) to profit and loss account	-	-
		Charged/(credited) to revaluation reserve	10,575,679	18,717,147
			10,575,679	18,717,147
			840,219,728	839,002,622
		Adjustment made during the year for revaluation reserve	(1,144,127)	(9,358,573)
			839,075,601	829,644,049
		ovision made for deferred tax assets as at 31 December	839,075,601	<u>-</u> 829,644,049
		n for Deferred Tax Liability is recognised in excess of required amount for		020,011,010
		, , ,	21.120.144.15 app. 340111	
21.5		nent of leased obligation on fixed assets e as at 1 January	40,989,025	43,167,550
		ddition during the year	6,496,830	9,896,000
	Auu. Au	dation daining the year	47,485,855	53,063,550
	Lacc. A	djustment during the year	13,344,910	12,074,525
		e as at 31 December	34,140,945	40,989,025
	Daial ICt	J do at o i Dogothioti	01,110,040	10,000,020



Southeast Bank Limited and its subsidiaries

Notes to the Financial Statements as at and for the year ended 31 December 2014

21.5.1 Aging analysis of liabilities under finance lease

		2014			2013				
		Minimum lease <u>payment</u> <u>Taka</u>	Financial charge for future <u>period</u> <u>Taka</u>	Principal outstanding <u>Taka</u>	Minimum lease payment <u>Taka</u>	char fu pe	ancial rge for ture <u>rriod</u> aka	Principal outstanding <u>Taka</u>	
	Payable within 1 year	18,630,232	4,792,967	13,837,265	17,698,085	5.0	14,124	12,683,961	
	Payable more than 1 year	10,000,202	4,732,307	10,007,200	17,000,000	5,0	717,127	12,000,001	
	but less than 2 years	22,020,414	4,017,564	18,002,850	25,677,925	4.0	14,468	20,763,457	
	Payable more than 2 years	22,020,414	4,017,304	10,002,000	25,077,925	4,5	714,400	20,700,407	
	but less than 5 years	2 507 726	206,905	2 200 921	9 097 960	5	16 252	7 5/1 600	
	but less than 5 years	2,507,736	9,017,436	2,300,831	8,087,860		346,252 174,845	7,541,608	
		43,158,382	9,017,436	34,140,946	51,463,870	10,4	174,645	40,989,025	
					2014			2012	
21.6	Provision for Other Assets			-	2014 Taka			2013 Taka	
21.0	Provision for Other Assets			_	Iana	_		iana	
	Balance as at 1 January				45,964			32,822,894	
	Add: Addition during the year	ar		L	15,000			13,142,000	
	Lance Addition to the control of the				60,964	,894		45,964,894	
	Less: Adjustment during the	year		_	60.064			45.064.804	
	Balance as at 31 December			=	60,964	,094		45,964,894	
22	Share capital								
22.1	Authorised:								
	<u>1,500,000,000</u> (2013: 1,00	00,000,000) ord	linary shares of	Tk 10 each	15,000,000	,000	10	,000,000,000	
22.2	Issued, subscribed and pai	d up:							
	378,164,970 ordinary sh	ares of Tk 10 e	ach issued for c	cash	3,781,649	,700	3	,781,649,700	
	538,785,206 ordinary sh	ares of Tk 10 ea	ach issued as bo	onus shares	5,387,852	,060	4	,951,209,120	
	916,950,176				9,169,501	,760	8	,732,858,820	
22.3	Reconciliation of number of	f shares			.=			.=	
	In issue at 1 January				873,285			873,285,882	
	Issue of bonus shares Stock split (1:10)				43,664	,294		-	
	In issue at 31 December			-	916,950	176		873,285,882	
	in issue at on December			=	310,930	,170		010,200,002	
22.4	Dividends The following dividends were ended 31 December:	declared and pa	aid by the Bank	for the year					
	2.10 Taka per ordinary share	(2012: 1.50 Tal	ka)		1,833,900	,352	1	,309,928,823	
	After the end of the reporting been provided for and no tax	·	wing dividends	were proposed	by the directors.	. The d	lividends	have not	
	1.5 Taka (cash) per ordinery s		Taka)	_	1,375,425	,264	1	,833,900,352	

Notes to the Financial Statements as at and for the year ended 31 December 2014

22.5 Share capital at a glance from inception

		Number of	Capital	
<u>Year</u>	<u>Particulars</u>	shares	amount	<u>Cumulative</u>
			<u>Taka</u>	<u>Taka</u>
1995	Opening / Sponsors Capital	1,000,000	100,000,000	100,000,000
1996	None	-	-	100,000,000
1997	25% Stock Dividend	250,000	25,000,000	125,000,000
1998	20% Stock Dividend	250,000	25,000,000	150,000,000
1999	Initial Public Offer (IPO)	1,500,000	150,000,000	300,000,000
2000	10% Stock Dividend	300,000	30,000,000	330,000,000
2001	10% Stock Dividend	330,000	33,000,000	363,000,000
2002	10% Stock Dividend	363,000	36,300,000	399,300,000
2003	Right Issue @ 1:2	1,650,000	165,000,000	564,300,000
	20% Stock Dividend	1,128,600	112,860,000	677,160,000
2004	30% Stock Dividend	2,031,480	203,148,000	880,308,000
2005	20% Stock Dividend	1,760,616	176,061,600	1,056,369,600
2006	Right Issue @1:1	10,563,696	1,056,369,600	2,112,739,200
	8% Stock Dividend	1,690,191	169,019,100	2,281,758,300
2007	25% Stock Dividend	5,704,395	570,439,500	2,852,197,800
2008	20% Stock Dividend	5,704,395	570,439,500	3,422,637,300
2009	35% Stock Dividend	11,979,230	1,197,923,000	4,620,560,300
2010	Right Issue @1:2	23,102,801	2,310,280,100	6,930,840,400
	20% Stock Dividend	13,861,680	1,386,168,000	8,317,008,400
2011	Stock split (1.10)	748,530,756	-	8,317,008,400
	5% Stock Dividend	41,585,042	415,850,420	8,732,858,820
2012	None	-	-	8,732,858,820
2013	5% Stock Dividend	43,664,294	436,642,940	9,169,501,760

22.6 Classification of shareholders by holding

	Number of	f holders	% of tota	al holding	
	<u>2014</u>	<u>2013</u>	2014	2013	
Less than 500 shares	20,630	19,995	0.36	0.35	
501 to 5,000 shares	29,524	36,524	5.41	6.84	
5001 to 10,000 shares	3,865	4,595	2.95	3.60	
10,001 to 20,000 shares	2,140	2,353	3.23	3.66	
20,001 to 30,000 shares	646	653	1.73	1.82	
30,001 to 40,000 shares	308	306	1.17	1.20	
40,001 to 50,000 shares	189	193	0.95	1.00	
50,001 to 1,00,000 shares	406	355	3.15	2.83	
1,00,001 to 10,00,000 shares	342	321	10.79	10.05	
Over 10,00,000 shares	119	118	70.26	68.65	
	58,169	65,413	100.00	100.00	



Notes to the Financial Statements

as at and for the year ended 31 December 2014

22.7 Initial public offer (IPO)

Out of the total issued, subscribed and fully paid up capital of the bank 1,500,000 (after stock split: 15,000,000) ordinary shares of Tk 100 (after stock split: Tk. 10) each amounting to Tk 150,000,000 was raised through public offering on shares in 1999.

22.8 Name of the Directors and their shareholdings in the year 2014

SI	Name of the directors	Status	At 1 January 2014	At 31 December 2014
1	Mr. Alamgir Kabir, FCA	Chairman	17,471,117	18,344,672
2	Mr. Ragib Ali	Vice Chairman	26,382,182	27,901,291
3	Mr. M. A. Kashem	Director	19,221,010	20,182,060
4	Mr. Azim Uddin Ahmed	Director	24,157,843	25,365,735
5	Mrs. Duluma Ahmed	Director	18,174,040	19,082,742
6	Mrs. Jusna Ara Kashem	Director	17,466,215	18,339,525
7	Mr. Md. Akikur Rahman	Director	17,470,221	18,343,731
8	Mrs. Rehana Rahman	Director	-	18,344,145
9	Mrs. Sirat Monira	Director	114,807	120,547
10	Mr. Abdul Hye	Director	154,686	162,420
	(Representing Karnafuli Tea Co. Limited)		-	-
11	Dr. Zaidi Sattar	Independent Director	-	-
12	Mr. A. H. M. Moazzem Hossain	Independent Director	-	-
			140,612,121	166,186,868

2014	2013
Taka	Taka

9,169,501,760 8,732,858,820

22.9 Capital adequacy ratio (CAR) the Bank

The calculation of CAR has been done as per BRPD Circular no. 10 dated 10 March 2010 and the Basel-II guideline December 2010 vide BRPD Circular no. 35 dated 29 December 2010.

Core capital (Tier-I)

Paid up capital Share premium Statutory reserve (Note 23) General reserve (Note 25) Retained earnings (Note 28)

Supplementary capital (Tier-II)

Subordinate Bond

General provision maintained against unclassified loan/investments

General provision on off-balance sheet items

Asset revaluation reserve

Revaluation reserve of Government securities

Additional Supplementary capital (Tier-III)

A) Total capital

0,,	-,,,
-	-
7,792,812,001	6,444,821,277
247,650,000	247,650,000
2,638,523,119	2,159,172,145
19,848,486,880	17,584,502,242
3,000,000,000	-
1,334,721,230	1,220,276,230
909,650,000	813,041,000
2,101,404,750	2,101,404,750
234,027,984	64,366,562
7,579,803,964	4,199,088,542
-	-
27,428,290,844	21,783,590,784

Southeast Bank Limited and its subsidiaries Notes to the Financial Statements as at and for the year ended 31 December 2014

2014

2013

			2014	2013
			Taka	Taka
	B)	Risk weighted assets (RWA)		
		Credit Risk		
		On-Balance Sheet	150,044,443,370	134,544,092,437
		Off-Balance Sheet	42,943,526,496	41,316,754,544
			192,987,969,866	175,860,846,981
		Market Risk	11,659,349,564	9,584,325,570
		Operational Risk	15,033,567,283	13,062,800,000
		Total RWA	219,680,886,713	198,507,972,551
	C)	Required capital	21,968,088,671	19,850,797,255
	D)	Surplus (A-C)	5,460,202,173	1,932,793,529
	Capita	l adequacy ratio:		
		re capital - against standard of minimum 5%	9.04%	8.86%
		al capital - against standard of minimum 10%	12.49%	10.97%
22.10	Capita	al adequacy ratio (CAR) the Group		
	-	capital (Tier-I)		
		p capital	9,169,501,760	8,732,858,820
	Share	premium	-	-
	Statuto	ory reserve (Note 23)	7,792,812,001	6,444,821,277
	Genera	al reserve (Note 25)	247,650,000	247,650,000
	Non- C	Controlling interest (Note 29)	10,183,588	10,479,722
	Retain	ed earnings (Note 27)	2,662,138,895	2,172,669,304
			19,882,286,244	17,608,479,123
		ementary capital (Tier-II)	2 000 000 000	
		dinate Bond	3,000,000,000	1 000 076 000
		al provision maintained against unclassified loan/investments	1,334,721,230	1,220,276,230
		al provision on off-balance sheet items	909,650,000	813,041,000
		revaluation reserve	2,101,404,750	2,101,404,750
	Revalu	ation reserve of Government securities	234,027,984 2 7,579,803,964	64,366,562 4,199,088,542
	Additi	onal Supplementary capital (Tier-III)	-	-
	A)	Total capital	27,462,090,208	21,807,567,665
	В)	Risk weighted assets (RWA)		
		Credit Risk		
		On-Balance Sheet	148,061,530,480	132,678,029,467
		Off-Balance Sheet	42,943,526,496	41,316,754,544
			191,005,056,976	173,994,784,011
		Market Risk	15,049,356,194	12,874,125,570
		Operational Risk	15,194,859,591	13,229,549,000
		Total RWA	221,249,272,761	200,098,458,580
	C)	Required capital	22,124,927,276	20,009,845,858
	D)	Surplus (A-C)	5,337,162,932	1,797,721,807
	Canita	l adequacy ratio:		
		re capital - against standard of minimum 5%	8.99%	8.80%
		al capital - against standard of minimum 10%	12.41%	10.90%



Southeast Bank Limited and its subsidiaries

		2014	2013
		Taka	Taka
23	Statutory reserve		
	Balance as at 1 January	6,444,821,277	5,236,100,140
	Addition during the year (20% of pre-tax profit)	1,347,990,724	1,208,721,137
	Balance as at 31 December	7,792,812,001	6,444,821,277
24	Revaluation reserve		
	Revaluation reserve of land and buildings		
	Balance as at 1 January	4,944,481,764	4,944,481,764
	Addition during the year	-	-
		4,944,481,764	4,944,481,764
	Deferred tax liabilities	(741,672,265)	(741,672,265)
	Balance as at 31 December	4,202,809,499	4,202,809,499
	Revaluation reserve on HTM securities		
	Balance as at 1 January	60,855,433	38,835,260
	Addition during the year	26,028,077	22,020,173
	, , , , , , , , , , , , , , , , , , ,	86,883,510	60,855,433
	Adjustment during the year	15,706,255	· · ·
	, , ,	71,177,255	60,855,433
	Deferred tax liabilities	(30,250,334)	(25,863,559)
	Balance as at 31 December	40,926,921	34,991,874
		- / / -	- , , -
	Revaluation reserve on HFT securities		
	Balance as at 1 January	93,741,249	6,761,566
	Addition during the year	2,390,378,842	3,329,689,616
	3 2 7 2	2,484,120,091	3,336,451,182
	Adjustment during the year	(2,056,991,044)	(3,242,709,932)
	Balance as at 31 December	427,129,047	93,741,249
		4,670,865,467	4,331,542,622
25	Other reserves		
	General reserve:		
	Balance as at 1 January	247,650,000	247,650,000
	Addition during the year	-	-
	Balance as at 31 December	247,650,000	247,650,000
			, , , , , , , , , , , , , , , , , , , ,
26	Translation reserve		
	Balance as at 1 January	(395,234)	(23,936)
	Addition during the year	638,256	(371,298)
	Balance as at 31 December	243,022	(395,234)
	The translation reserve comprises all foreign currency differences arising		
	from the translation of the financial statements of foreign operations as		
	well as the Off-shore Banking Unit of the Bank		
27	Consolidated retained earnings		
	Southeast Bank Limited	2,638,523,119	2,159,172,146
	Southeast Bank Capital Services Limited	11,166,231	40,277,643
	Southeast Financial Services (UK) Limited	(28,077,151)	(26,472,243)
	Southeast Financial Services(Australia) Pty Limited	(9,694,178)	-
	Southeast Exchange Company (South Africa) Pty Ltd	1,660,826	-
	Currency traslation difference	-	(308,243)
	Elemination of impairment of investment in subsidiary	48,560,048	-
		2,662,138,895	2,172,669,334

Southeast Bank Limited and its subsidiaries Notes to the Financial Statements as at and for the year ended 31 December 2014

2013

		2014	2013
		Taka	Taka
00	Detained comings		
28	Retained earnings	2 150 172 145	1 254 912 170
	Balance as at 1 January	2,159,172,145	1,354,812,170
	Currency traslation difference	′	(646,870)
	Prior year adjustment	1,045,468	51,122 1,354,216,422
	Datained a make for the year	2,160,460,574	
	Retained surplus for the year	2,471,962,896	2,134,884,549
		4,632,423,470	3,489,100,970
	Less: Transfer to SEBL Foundation	160,000,000	10,000,000
	Transfer to SEBL- FE Green Award Trust	-	10,000,000
	Issue of bonus share	436,642,940	-
	Cash dividend paid	1,397,257,411	1,309,928,825
		1,993,900,351	1,329,928,825
	Retained earning carried forward	2,638,523,119	2,159,172,145
29	Non-controlling interest		
	Paid up capital	1,000,000,000	1,000,000,000
	Retained earnings	11,279,819	40,687,365
	Total net assets	1,011,279,819	1,040,687,365
	iotal fiet assets	1,011,279,819	1,040,087,303
	Non-controlling interest 1.007% of net assets	10,183,588	10,479,722
30	Contingent liabilities		
30.1	Acceptances and endorsements		
	Acceptance under Letters of Credit -Import-Other than Back to Back	18,555,006,006	19,713,122,593
	Acceptance under Letters of Credit -Import-Other than back to Back Acceptance under Letters of Credit -Back to Back	12,170,213,932	
	Acceptance under Letters of Gredit -back to back	30,725,219,938	13,134,368,614
	Less: Margin	3,307,501,074	32,847,491,207 2,661,136,489
	Loss. Margin	27,417,718,864	30,186,354,718
		21,111,110,001	20,100,001,110
30.2	Letters of guarantee		
	Letters of guarantee (Local)	9,643,445,847	10,760,800,607
	Letters of guarantee (Foreign)	4,609,926,820	5,469,682,852
		14,253,372,667	16,230,483,458
	Less: Margin	667,738,977	621,808,988
		13,585,633,690	15,608,674,470
	Balance for which the Bank is contingently liable in respect of		
	guarantee issued favouring: Directors or officers	4,783,060	4,783,060
	Government	4,765,000	4,765,000
	Banks and other financial institutions		-
	Others	14 248 580 607	16 225 700 200
	Outors	14,248,589,607	16,225,700,398
	Less: Margin	667,738,977	16,230,483,458
	Less: Margin	13,585,633,690	621,808,988
		10,000,000,090	15,608,674,470



		2014	2013
		Taka	Taka
		- 51.10	
30.3	Irrevocable letters of credit		
30.3	Back to back L/C	10,445,373,806	8,454,983,998
	Others	20,801,338,564	11,470,658,406
	Othors	31,246,712,370	19,925,642,403
	Less: Margin	1,855,247,417	1,636,144,465
	Loss. Margin	29,391,464,953	18,289,497,938
		29,331,404,333	10,203,437,300
30.4	Bills for collection		
50.7	Bills for collection (Local)	5,308,873,718	5,857,015,348
	Bills for collection (Foreign)	9,430,436,252	6,443,416,826
	Dillo for collection (i croign)	14,739,309,970	12,300,432,174
		11,100,000,010	12,000,102,111
30.5	Other contingent liabilities		
00.0	Value of Bangladesh Sanchaypatra	1,220,084,000	822,339,000
	value of Barigiacoon Garionaypana	1,220,001,000	022,000,000
31	Income statement Income:		
	Interest, discount and similar income	24,116,987,247	23,737,933,521
	Dividend income	112,646,439	53,527,990
	Fees, commission and brokerage	1,659,165,625	1,649,822,925
	Gains less losses arising from dealing securities	(120,087,017)	21,624,352
	Gains less losses arising from investment securities	360,988,224	117,805,901
	Gains less losses arising from dealing in foreign currencies	989,288,414	790,549,177
	Income from non-banking assets	909,200,414	790,349,177
	Other operating income	452,603,509	448,519,317
	Profit less losses on interest rate changes	452,005,509	440,319,317
	r tolit less losses of interest rate changes	27,571,592,441	26,819,783,184
	Expenses:	21,011,002,441	20,010,100,104
	Interest, fees and commission	16,046,886,659	17,238,960,381
	Losses on loans and advances	10,040,000,009	17,200,300,001
	Administrative expenses	2,222,990,221	2,025,588,768
	Other operating expenses	799,648,451	421,265,067
	Depreciation on banking assets	282,391,361	246,746,955
	Depreciation on barraing assets	19,351,916,692	19,932,561,171
	Income over expenditure	8,219,675,749	6,887,222,012
	moorno ovor oxportationo	0,210,010,140	0,007,222,012
32	Consolidated interest income/profit on investments		
	Southeast Bank Limited (Note 33)	19,203,013,956	19,217,703,273
	Southeast Bank Capital Services Limited	368,397,627	358,771,992
	Southeast Financial Services (UK) Limited	300,391,021	244
	Southeast Financial Services (Orly Limited Southeast Financial Services (Australia) Pty Limited		244
	Southeast Exchange Company (South Africa) Pty Ltd	1,947,702	
	Southeast Exchange Company (South Amoa) Fty Liu	19,573,359,285	19,576,475,509
	Less: Inter company balance eliminated	339,463,271	375,839,271
	Less. The company balance eliminated	19,233,896,014	19,200,636,238
		19,233,090,014	19,200,000,200
33	Interest income/profit on investment		
	Interest on loans and advances	17,772,833,428	17,183,970,460
	Interest on loans and advances Interest on placement with other banks and financial institutions	354,799,883	300,558,776
	•		
	Interest on foreign currency balances	18 127 640 488	13,769,750
		18,127,649,488	17,498,298,986
	Profit on investment (Islamia Banking Presich)		
	Profit on investment (Islamic Banking Branch):	050.044.505	1.000.400.700
	Profit on Investments	952,014,535	1,628,486,738
	Profit on placement with other banks	123,349,933	90,917,549
		1,075,364,468	1,719,404,287
		19,203,013,956	19,217,703,273

		2014	2013
		Taka	Taka
34	Consolidated interest paid/profit shared on deposits and borrowings etc.		
	Southeast Bank Limited (Note 35)	16,046,886,659	17,238,960,381
	Southeast Bank Capital Services Limited	342,483,429	370,385,486
		16,389,370,088	17,609,345,867
	Less: Inter company balance eliminated	339,463,271	375,839,271
		16,049,906,817	17,233,506,596
35	Interest paid/profit shared on deposits and borrowings etc.		
	Interest paid on:		
	Interest on deposits	14,313,947,246	14,427,800,669
	Interest on borrowings	163,284,402	212,363,247
	Interest on Repurchase agreement (repo)	69,909,908	175,593,978
	Interest on Re-Finance	10,248,501	11,525,898
	Interest on foreign bank accounts	16,748,195	40,436,540
	interest on loreign bank accounts	14,574,138,252	14,867,720,332
	Profit shared on deposits (Islamic Banking Branch):	14,074,100,202	14,007,720,002
	Profit paid on deposits	1,415,918,535	2,285,831,817
	Profit on Re-finance borrowings	56,829,872	85,408,231
		1,472,748,407	2,371,240,048
		16,046,886,659	17,238,960,381
36	Consolidated Investment income		
	Southeast Bank Limited (Note 37)	5,267,520,937	4,713,188,491
	Southeast Bank Capital Services Limited	6,748,614	69,458,105
		5,274,269,551	4,782,646,596
37	Investment income		
	Interest income from Government Securities (Note 37.1)	4,913,973,291	4,520,230,248
	Capital Gain on Government Securities (Note 37.2)	105,233,165	22,221,067
	Revaluation gain/(loss) on Government Securities (Note 37.3)	(225,320,182)	(596,715)
	Dividend on investment in shares	112,646,439	53,527,990
	Gain on sale of investment in shares	360,988,224	117,805,901
		5,267,520,937	4,713,188,491
37.1	Interest Income from Government Securities		
	Interest on treasury bills	2,500,245,719	1,119,733,411
	Interest on treasury bonds/T&T bonds	2,698,454,606	5,232,580,104
	interest on treater, period for porte	5,198,700,325	6,352,313,515
	Interest Expenses on treasury bills	-	(558,610)
	Interest Expenses on treasury bonds	(284,727,034)	(1,831,524,657)
		(284,727,034)	(1,832,083,267)
	Net Interest Income from Government Securities	4,913,973,291	4,520,230,248
37.2	Capital Gain on Government Securities		
	Capital Gain on treasury bills	81,012,768	23,973,258
	Capital Gain on treasury bonds/T&T bonds	73,836,877	86,401,402
		154,849,645	110,374,660
	Capital loss on treasury bills	(5,474,352)	(139,021)
	Capital loss on treasury bonds/T&T bonds	(44,142,128)	(88,014,572)
		(49,616,480)	(88,153,593)
	Net capital gain on Government Securities	105,233,165	22,221,067



		2014	2013
		Taka	Taka
37.3	Revaluation Gain/(loss) on Government Securities		
	Revaluation gain on treasury bills	49,904,373	70,206,381
	Revaluation gain on treasury bonds	49,685,446	1,268,027,048
		99,589,819	1,338,233,429
	Revaluation loss on treasury bills	(53,523,702)	(69,536,289)
	Revaluation loss on treasury bonds	(271,386,299)	(1,269,293,855)
		(324,910,001)	(1,338,830,144)
	Net revaluation gain/(loss) on Government Securities	(225,320,182)	(596,715)
38	Consolidated commission, exchange and brokerage		
	Southeast Bank Limited (Note 39)	2,648,454,039	2,440,372,102
	Southeast Bank Capital Services Limited	1,024,834	-
	Southeast Financial Services (UK) Limited	13,846,070	-
	Southeast Financial Services(Australia) Pty Limited	3,307,872	-
	Southeast Exchange Company (South Africa) Pty Ltd	95,525	-
		2,666,728,340	2,440,372,102
39	Commission, exchange and brokerage		
	Commission and brokerage	1,659,165,625	1,649,822,925
	Exchange gain (Note 39.1)	989,288,414	790,549,177
		2,648,454,039	2,440,372,102
39.1	Exchange gain		
	Exchange gain from revaluation/trade of foreign currency	960,540,987	776,789,165
	Exchange gain from credit card	28,747,427	13,760,012
		989,288,414	790,549,177
40	Consolidated other operating income		
	Southeast Bank Limited (Note 41)	452,603,509	448,519,317
	Southeast Bank Capital Services Limited	40,025,267	37,697,473
	Southeast Financial Services (UK) Limited	1,287,650	8,433,172
	Southeast Financial Services(Australia) Pty Limited	805,445	-
	Less: Inter company balance eliminated	494,721,871 2,518,560	494,649,962
		492,203,311	494,649,962
41	Other operating income		
	Remittance fees	574,044	822,019
	Service and incidental charges	75,535,452	78,684,242
	Other Fees-Telephone and Postage	39,673,526	42,350,337
	Income from ATM services	9,628,400	5,628,043
	Income from Credit Card	67,986,837	61,368,330
	Income from Retail Banking	3,989,398	2,556,654
	Other Fees - SWIFT	147,324,834	126,086,542
	Gain on sale of fixed assets (Note 57.1)	-	859,922
	Recovery of Other Assets		1,778,900
	Miscellaneous income	107,891,018	128,384,330
		452,603,509	448,519,317

		2014	2013
		Taka	Taka
42	Consolidated salaries and allowances		
	Southeast Bank Limited (Note 43)	1,338,891,380	1,254,671,130
	Southeast Bank Capital Services Limited	12,545,900	8,656,931
	Southeast Financial Services (UK) Limited	7,143,879	6,489,752
	Southeast Financial Services(Australia) Pty Limited	2,690,703	
	Southeast Exchange Company (South Africa) Pty Ltd	204,126	-
		1,361,475,988	1,269,817,813
43	Salaries and allowances		
	Basic salary	612,721,377	587,395,795
	Allowances	428,360,239	399,494,156
	Bonus	244,556,700	218,490,520
	Provident fund	53,253,064	49,290,659
		1,338,891,380	1,254,671,130
44	Consolidated rent, taxes, insurance, electricity etc.		
	Southeast Bank Limited (Note 45)	555,010,585	469,354,246
	Southeast Bank Capital Services Limited	10,364,806	19,403,974
	Southeast Financial Services (UK) Limited	4,258,030	3,084,705
	Southeast Financial Services(Australia) Pty Limited	2,132,944	-
	Southeast Exchange Company (South Africa) Pty Ltd	88,563	-
		571,854,928	491,842,926
	Less: Inter company balance eliminated	2,518,560	-
	• •	569,336,368	491,842,926
45	Rent, taxes, insurance, electricity etc.		
40	Rent, rates and taxes	319,332,397	279,562,332
	Insurance	153,607,777	' '
			121,603,578
	Electricity and lighting	82,070,411 <u>555,010,585</u>	68,188,336 469,354,246
			,,
46	Consolidated postage, stamp, telecommunication etc.		
	Southeast Bank Limited (Note 47)	144,980,114	129,125,339
	Southeast Bank Capital Services Limited	148,072	164,294
	Southeast Financial Services (UK) Limited	415,639	298,236
	Southeast Financial Services(Australia) Pty Limited	81,756	-
	Southeast Exchange Company (South Africa) Pty Ltd		-
47	Postage, stamp, telecommunication etc.	145,625,581	129,587,869
71	Postage Postage	34,992,968	34,982,987
	Telephone /Telex	12,096,544	11,333,071
	Electronic banking service	304,500	300,000
	FC Charge (Nostro)	2,368,139	1,838,978
	VSAT on-line	43,998,466	40,830,646
	Reuters services	1,782,481	1,907,024
	SWIFT services	49,437,016	
	SWIFT SELVICES	144.980.114	37,932,633 129,125,339
48	Consolidated stationery, printing, advertisements etc.	111,000,117	.23,120,030
	Southeast Bank Limited (Note 49)	112,975,290	111,860,807
	Southeast Bank Capital Services Limited	182,854	494,955
	Southeast Financial Services (UK) Limited	463,906	288,588
	Southeast Financial Services(Australia) Pty Limited	99,956	
	Southeast Exchange Company (South Africa) Pty Ltd	-	_
	, (20dd)	113,722,006	112,644,350
		,. ==,	-,,



		2014	2013
		Taka	Taka
49	Stationery, printing, advertisements etc.		
	Office stationery	18,273,390	17,183,108
	Printing stationery	35,068,379	36,195,990
	Security stationery	16,815,778	13,963,300
	Computer stationery	11,472,438	10,804,203
	Publicity and advertisement	31,345,305	33,714,206
	r ability and davortion in	112,975,290	111,860,807
			, , , , , , , , , , , , , , , , , , , ,
50	Managing Director's salary and fees		
	Basic Salary	3,900,000	3,900,000
	House Rent	1,200,000	1,200,000
	House Maintenance	600,000	600,000
	Leave Fare Concession (LFC)	1,200,000	1,200,000
	Special Allowance	900,000	900,000
	Bonus	1,650,000	1,650,000
		9,450,000	9,450,000
51	Consolidated directors' fees and expenses		
	Courthought Double Limited (Note FO)	0.070.140	1 500 700
	Southeast Bank Limited (Note 52)	3,276,148	1,586,722
	Southeast Bank Capital Services Limited	155,000	250,000
	Southeast Financial Services (UK) Limited		
52	Directors' fees and expenses	3,431,148	1,836,722
	Directors' fees	1,425,000	1,324,500
	Directors' haltage and travelling	1,851,148	262,222
		3,276,148	1,586,722
	Each Director is paid TK. 5,000/- per meeting per attendance.		
53	Consolidated auditors' fees		
	Southeast Bank Limited	1,300,000	800,000
	Southeast Bank Capital Services Limited	35,000	30,000
	Southeast Financial Services (UK) Limited	_	-
		1,335,000	830,000
54	Consolidated depreciation and repairs Depreciation:		
	Southeast Bank Limited (Note 55)	282,391,361	246,746,955
	Southeast Bank Capital Services Limited	14,798,857	7,085,533
	Southeast Financial Services (UK) Limited	1,330,427	1,380,289
	Southeast Financial Services(Australia) Pty Limited	351,187	- 055 040 777
	Repairs:	298,871,832	255,212,777
	Southeast Bank Limited (Note 55)	57,106,704	48,740,524
	Southeast Bank Capital Services Limited	683,493	1,377,821
	Southeast Financial Services (UK) Limited	132,800	-
	Southeast Financial Services(Australia) Pty Limited		-
		57,922,997	50,118,345
		356,794,829	305,331,122

Southeast Bank Limited and its subsidiaries Notes to the Financial Statements as at and for the year ended 31 December 2014

2013

		2014	2013
		Taka	Taka
55	Depreciation on and repairs of Bank's assets		
	Depreciation:		
	Building	50,638,297	52,745,189
	Furniture and fixtures	55,726,981	72,379,207
	Professional and Reference books	10,595	11,773
	Office appliance	1,152,603	853,216
	Computer	13,417,927	13,590,805
	Electrical appliance	94,773,685	83,726,436
	ATM Booth	19,876,455	9,825,176
	Motor Vehicles	18,566,257	13,615,153
	Amortization of Software	28,228,561	-
	7 WHO GEOGRAPO	282,391,361	246,746,955
	Repairs:	202,091,001	240,740,900
	•	0.504.044	4.000.740
	Furniture and fixtures	6,561,944	4,900,719
	Office and electrical appliance	20,192,081	20,460,759
	Motor vehicles	4,351,756	2,910,277
	Repair, maintenance and utilities	26,000,923	20,468,768
		57,106,704	48,740,524
		339,498,065	295,487,479
56	Consolidated other expenses		
-00	Controllation oxponers		
	Southeast Bank Limited (Note 57)	799,117,961	420,362,612
	Southeast Bank Capital Services Limited		8,372,078
		11,112,880	
	Southeast Financial Services (UK) Limited	3,771,650	4,698,625
	Southeast Financial Services(Australia) Pty Limited	113,501	-
	Southeast Exchange Company (South Africa) Pty Ltd	89,712	-
	Impairment of Goodwill	-	-
	Adjustment for impairment loss (loss reversal) of investment in subsidiary	(48,560,048)	228,925,371
		765,645,656	662,358,686
57	Other expenses		
	·		
	Security and cleaning	111,176,151	88,415,351
	Entertainment	46,093,643	39,636,249
	Car expenses	114,521,286	101,005,917
	Books and periodicals	964,781	758,486
	·		
	Subscription and donation	44,147,221	45,048,671
	Travelling expenses	9,374,690	9,968,161
	Finance charge on leased assets	6,542,764	6,395,757
	Conveyance	9,733,288	8,941,374
	Fuel	7,722,927	6,507,453
	Training/seminar	2,793,808	1,643,444
	Uniforms and apparels	3,636,706	3,205,863
	Medical expenses	90,166	122,423
	Gratuity	61,120,000	65,300,000
	Professional expenses	2,729,618	951,900
	Expenses for CIB report		· ·
		669,509	661,111
	Loss on sale of fixed assets (Note 57.1)	601,090	-
	Expenses regarding credit card	41,365,921	32,385,318
	Expenses regarding retail banking & agriculture	64,665,272	22,504,403
	Expenses regarding call centre	871,550	718,212
	Expenses relating ATM services	2,416,819	791,447
	Expenses regarding Mobile Banking Services-Telecash	2,412,855	,
	Other VAT and Taxes on Expenditure	32,925,364	
	Impairment loss (loss reversal) from investment subsidiary	48,560,048	(228,925,371)
	Miscellaneous	183,982,484	214,326,444
	เขาเอบบและเดิบนอ		
		799,117,961	420,362,612



		2014	2013
		Taka	Taka
57.1	Gain/(loss) on sale of fixed assets		
	Cost:		
	Motor vehicle	156,333	2,893,630
	Furniture and fixtures	453,226	894,003
	Office appliances	-	8,500
	Electrical appliances	4,938,436	4,192,346
		5,547,995	7,988,479
	Accumulated depreciation:	04.007	0 444 050
	Motor vehicle	31,267	2,411,358
	Furniture and fixtures	131,649	458,534
	Office appliances	4.450.007	2,486
	Electrical appliances	4,153,937	3,458,919
		4,316,853	6,331,297
	Written down value	1,231,142	1,657,182
	Sale proceeds of the above fixed assets	630,052	2,517,103
	Gain/(loss) on sale of fixed assets	(601,090)	859,922
58	Consolidated provision for diminution in value of investments		
	Southeast Bank Limited (Note 59)	279,658,989	180,938,152
	Southeast Bank Capital Services Limited	49,374,424	(222,241,990)
	Southeast Financial Services (UK) Limited	-	-
	(a. y <u>—</u>	329,033,413	(41,303,838)
59	Provision for diminution in value of investments		
	Dealing securities- Quoted		
	Required Provision for the year (Note 9.7)	1,457,858,600	1,204,478,742
	Provision has already been maintained last year	(1,204,480,000)	(1,024,056,661)
	Provision released for disposal of shares during the year	26,280,389	516,071
	Provision to be maintained	279,658,989	180,938,152
60	Consolidated tax expense Current tax		
	Southeast Bank Limited (Note 61)	2,920,000,000	2,700,000,000
	Southeast Bank Capital Services Limited	3,719,173	2,700,000,000
	Southeast Financial Services (UK) Limited	0,710,170	
	Godfficast Finalicial Gervices (Gry Elffited	2,923,719,173	2,700,000,000
	Deferred tax	_,===,::=,::=	_,,,
	Southeast Bank Limited	_	-
	Southeast Bank Capital Services Limited	_	-
	Southeast Financial Services (UK) Limited	_	-
	(- · · · - · · · · · · · · · · · · · · ·	-	-
		2,923,719,173	2,700,000,000
61	Tax expense		
	Current tax	2,920,000,000	2,896,989,407
	Adjustment for prior years	-	(196,989,407)
	Deferred tax		
		2,920,000,000	2,700,000,000

Notes to the Financial Statements as at and for the year ended 31 December 2014

2014

		2017	2013
		Taka	Taka
62	Consolidated cash received from other operating activities		
02	Southeast Bank Limited (Note 63)	452,603,509	447,659,396
	Southeast Bank Capital Services Limited	37,506,707	37,697,473
	Southeast Financial Services (UK) Limited	1,287,650	8,433,172
	Southeast Financial Services (Orly Elimited Southeast Financial Services(Australia) Pty Limited	805,445	0,400,172
	Southeast Exchange Company (South Africa) Pty Ltd	803,443	-
	Southeast Exchange Company (South Amca) Fty Ltu	492,203,311	493,790,041
63	Cash received from other operating activities	492,203,311	493,790,041
03	Remittance fees	574,044	822,019
	Service and incidental charges	75,535,452	78,684,242
	Other Fees-Telephone and Postage	39,673,526	42,350,337
	Income from ATM services	9,628,400	5,628,043
	Income from Credit Card		61,368,330
	Other Fees - SWIFT	67,986,837	
		147,324,834	126,086,542
	Income from Retail Banking	3,989,398	2,556,654
	Recovery of Other Assets	107.004.040	1,778,900
	Miscellaneous income	107,891,018	128,384,330
		452,603,509	447,659,396
64	Consolidated Payments for other operating activities		
	Southeast Bank Limited (Note 65)	1,538,075,249	1,288,922,575
	Southeast Bank Capital Services Limited	22,499,251	29,598,167
	Southeast Financial Services (UK) Limited	8,578,119	8,081,566
	Southeast Financial Services(Australia) Pty Limited	2,560,957	, , , ₋
	Southeast Exchange Company (South Africa) Pty Ltd	88,563	-
		1,571,802,139	1,326,602,308
65	Payments for other operating activities		
	Rent rates and taxes	580,323,880	458,479,551
	Postage	144,980,114	129,125,339
	Directors fees	3,276,148	1,586,722
	Repairs	57,106,704	48,740,524
	Others expenses	752,388,403	650,990,438
		1,538,075,249	1,288,922,575
66	Consolidate earnings per share*		
	Net profit after tax for the year ended 31 December (Taka)	3,837,237,674	3,376,083,502
	Number of ordinary shares outstanding	916,950,176	916,950,176
	Earnings per share (EPS) (Taka)	4.18	3.68
67	Earnings per share*		
	Net profit after tax for the year ended 31 December (Taka)	3,819,953,620	3,343,605,685
		916,950,176	916,950,176
	Number of ordinary shares outstanding		
	Earnings per share (EPS) (Taka)	4.17	3.65

^{*} Earnings per share has been calculated in accordance with BAS 33: Earnings Per Share (EPS). Previous year's figures have been adjusted for the issue of bonus shares during the year.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

68 Group entities

		Ownershi	nership interest %	
Significant subsidiaries	Country of incorporation	2014	2013	
Southeast Bank Capital Services Limited	Bangladesh	98.993	98.993	
Southeast Financial Services (UK) Limited	England and Wales	100	100	
Southeast Financial Services (Australia) Pty Limited	Australia	100	100	
Southeast Exchange Company (South Africa) Pty Limited	South Africa	100	100	

69 General

69.1 Audit Committee

An Audit Committee is an operating Committee of the Board of Directors of the Bank. It is assigned with oversight of financial reporting, disclosure, regulatory compliance and disciplined banking operation complying with the rules and norms of banking.

Feature and Composition

The Audit Committee was re-constituted by the Board of Directors in its 430th meeting held on December 24, 2013 after enactment of the Bank Company (Amendment) Act-2013 and issuance of BRPD Circular No.11 dated October 27, 2013 by Bangladesh Bank. The membership and attendance of the members of the Audit Committee in its meetings held in 2014 are given below:

SI. no.	Name	Position	Meetings held	Attendance	Remarks
1)	Mr. A.H.M. Moazzem Hossain (Independent Director)	Chairman	5	5	The member who
2)	Mrs. Duluma Ahmed	Member	5	4	could not attend
3)	Mrs. Jusna Ara Kashem	Member	5	4	any meeting of the Audit Committee
4)	Mrs. Sirat Monira	Member	5	4	was granted leave
5)	Dr. Zaidi Sattar	Member	5	3	of absence.
	(Independent Director)				

On invitation, Senior Executives of the Bank including the Managing Director, Chief Financial Officer (CFO) and Head of Internal Control and Compliance attended the meetings to meet instant queries of the Audit Committee to make its decisions fact-based.

The academic qualifications of the members of the Audit Committee are given below:

SI. no.	Name	Status with the committee	Educational Qualification
1)	Mr. A.H.M. Moazzem Hossain	Chairman	MA in Economics
2)	Mrs. Duluma Ahmed	Member	Graduate
3)	Mrs. Jusna Ara Kashem	Member	HSC
4)	Mrs. Sirat Monira	Member	MA
5)	Dr. Zaidi Sattar	Member	Ph.D. in Economics

Notes to the Financial Statements

as at and for the year ended 31 December 2014

Terms of Reference of the Audit Committee

- Mr. A.H.M. Moazzem Hossain, in his capacity as the Independent Director, shall be the Chairman of the Audit Committee
- ii) Presence of 03 (three) members shall form quorum.
- iii) The tenure of office of the Audit Committee shall be for 3 years.
- iv) The Company Secretary shall act as Secretary to the Audit Committee.
- v) The term of reference of the Audit Committee shall also be as specified in the BRPD Circular No.11 dated October 27, 2013 of Bangladesh Bank and provisions contained in Notification No.SEC/CMRRCD/2006-158/134/Admin 144 dated 07 August, 2012 of Bangladesh Securities and Exchange Commission (BSEC).
- vi) Mr. Zakir Ahmed Khan, Advisor of the Bank, shall remain present in every meeting of the Audit Committee as far as possible and shall give his advice and suggestions for improvement of Bank's operations and strict compliance of rules of both the Bank and its regulators.

Charter of the Audit Committee

The Audit Committee is constituted by and among the Board of Directors for the primary purpose of assisting the Board in

- Overseeing the integrity of the company's financial statement.
- Overseeing the improvement of corporate governance standard of the company.
- Overseeing the Company's system of disclosure control and procedure.
- Overseeing Bank's internal control over financial reporting.
- Overseeing Bank's compliance with ethical standards adopted by the company.
- Making reports and recommendation to the Board.

Roles and Responsibilities

The role of Audit Committee is to assist the Board in discharging its duties and responsibilities for financial reporting, corporate governance, internal control, green banking, and environmental and climate change risks. The added roles of the Audit Committee are to:

- i) Oversee the financial reporting process.
- ii) Monitor choice of accounting policies and principles.
- iii) Monitor Internal Control Risk management process.
- iv) Oversee hiring and performance of external auditors.
- v) Review the annual financial statements before submission to the Board for approval.
- vi) Review the quarterly and half yearly financial statements before submission to the Board for approval.
- vii) Review the adequacy of internal audit functions.
- viii) Review statement of significant unusual transactions submitted by the management.
- ix) Review Management Letters/ Letter of Internal Control Weakness issued by Statutory Auditors.
- x) When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue, the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results.
- xi) Monitor internal control process.
- xii) Oversight regulatory compliance, ethics and whistleblower hotlines
- xiii) Review Audit Committee's own terms of reference.

69.2 Risk Management Committee of the Board of Directors of the Bank

Feature and Composition

The Board of Directors of the Bank in its 430th meeting held on December 24, 2013 constituted the Risk Management Committee comprising the following Directors of the Bank. One Independent Director was included in the Committee. The membership of the Risk Management Committee of the Board of Directors of the Bank and members attendance in its meetings in 2014 are given below:



Notes to the Financial Statements

as at and for the year ended 31 December 2014

SI. No.	Members	Position	Meetings held	Attendance	Remarks
1	Mr. Alamgir Kabir, FCA	Chairman	4	4	Members who
2	Mr. Ragib Ali	Member	4	3	could not attend
3	Mr. M. A. Kasehm	Member	4	3	any meeting were
4	Mr. Azim Uddin Ahmed	Member	4	4	granted leave of absence.
5	Mr. A.H.M. Moazzem Hossain	Member	4	3	ausence.

Structure of the Risk Management Committee

- i) Chairman of the Board of Directors of the Bank shall be the Chairman of the Risk Management Committee.
- ii) Presence of 3 (three) members in a meeting of the Committee shall form quorum.
- The Company Secretary of the Bank shall act as the Secretary to the Risk Management Committee.

Functions of the Risk Management Committee

The broad functional areas of the Risk Management Committee are the following:

- i) Risk assessment and risk control strategy.
- ii) Review of Risk Policy and its approval.
- iii) Review of the information kept by the Management of the Bank and approval of reporting system.
- iv) Overseeing the overall implementation of Risk Management Policy of the Bank.
- v) Reporting its decisions and recommendations to the Board.
- vi) Overseeing the implementation of related guidelines issued by the regulatory bodies from time to time.

69.3 Related party/(ies)

Particulars of Directors of the Bank as on 31 December 2014

SI.No.	Name of persons	Designation	Present address	% of shares as at 31 Dec 2014
1	Mr. Alamgir Kabir, FCA	Chairman	226, Dilu Road, New Eskaton, Dhaka	2.00%
2	Mr. Ragib Ali	Vice Chairman	House No.06, Road No.76, Gulshan, Dhaka-1212	3.04%
3	Mr. M. A. Kashem	Director	73/C, Gulshan Avenue, Dhaka-1212	2.20%
4	Mr. Azim Uddin Ahmed	Director	Plot No.51, Road No.09, Block-F, Banani, Dhaka	2.77%
5	Mrs. Duluma Ahmed	Director	Plot No.51, Road No.09, Block-F, Banani, Dhaka	2.08%
6	Mrs. Jusna Ara Kashem	Director	73/C, Gulshan Avenue, Dhaka-1212	2.00%
7	Mr. Md. Akikur Rahman	Director	Sonarpara, Nobarun-227, Sylhet	2.00%
8	Mrs. Rehana Rahman	Director	House No.10, Road No.68, Gulshan, Dhaka	2.00%
9	Mrs. Sirat Monira	Director	226, Dilu Road (Ground Floor), New Eskaton, Dhaka	0.01%
10	Karnafuli Tea Company Limited	Director	67, Motijheel C/A, Dhaka-1000	0.02%
	(represented by Mr. Abdul Hye)			
11	Dr. Zaidi Sattar	Independent Director	Hosue No.41, Road No.35A, Gulshan, Dhaka-1212	-
12	Mr. A.H.M. Moazzem Hossain	Independent Director	Apartment #A-16, Building #03, Ramna Estate Complex, Bara Moghbazar, Dhaka-1217	-
13	Mr. Shahid Hossain	Managing Director	Southeast Bank Limited, Head Office, 52-53 Dilkusha C/A, Dhaka-1000	-

*As per SEC notification no-SEC/CMRRCD/2009-193/119/Admin/34, dated: 22/11/2011; "Each director other than independent director(s)/ nominated director(s) of any listed company shall hold minimum 2% (two percent) shares of the paid-up capital. Otherwise there shall be a casual vacancy of director". But Mrs. Sirat Monira and Mr. Abdul Hye holds 0.01% and 0.02% respectively of total outstanding share. Who became Director(s) from B Group i.e. public shareholders.

Notes to the Financial Statements as at and for the year ended 31 December 2014

69.3.1 Related party transactions

During the year 2014, the Bank concluded business deals with the following organizations in which the directors had interest:

Name of Organization	Relationship	Nature of transaction	Transaction year ended 3	value for the 1 December		tanding as at ember
			2014	2013	2014	2013
			<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Asia Insurance Ltd.	Common Director	Insurance coverage	41,388,080	34,347,840	-	-
Bay Leasing and Investment Limited	Common Director	Lease payments Funded facilities Non-funded facilities	19,887,674 - -	18,470,281 - -	34,140,945 271,376,419 1,687,200	40,989,025 - -
Southeast Bank Capital Services Ltd.	Subsidiary company	Share capital Interest on loan	- 339,463,271	- 375,839,271	989,930,000 3,240,530,315	989,930,000 3,058,510,916
Southeast Financial Services (UK) Ltd.	Subsidiary company	Share capital	-	-	38,493,247	38,493,247
Southeast Financial Services (Australia) Pty Limited	Subsidiary company	Share capital	7,545,820	17,006,904	25,027,415	17,481,595
Southeast Exchange Company (South Africa) Pty Limited	Subsidiary company	Share capital	6,006,478	43,684,812	50,103,110	44,096,632

69.3.2 Loans and advances to directors and their related concern

Name of party	Name of the director	Related by	Nature of transaction	Amount in Taka	Status
Monorom Traders	Mr. Azim Uddin Ahmed Mrs. Duluma Ahmed	Director	Bank guarantee	4,783,060	Regular
Mr. M. A. Kashem	Mr. M.A. Kashem	Director	Credit Card	155,070.40	Regular
Mr. Azim Uddin Ahmed	Mr. Azim Uddin Ahmed	Director	Credit Card	48,230.00	Regular
Mrs. Duluma Ahmed	Mrs. Duluma Ahmed	Director	Credit Card	43,373.92	Regular
Mr. Md. Akikur Rahman	Mr. Md. Akikur Rahman	Director	Credit Card	37,377.88	Regular
Mrs. Suraiya Begum	Mr. Alamgir Kabir, FCA	Chairmans' wife	Credit Card	7,432.80	Regular
Ms. Farzana Azim	Mr. Azim Uddin Ahmed	Directors' daughter	Credit Card	43,546.88	Regular
Mrs.Sultana Kashem	Mr. M.A. Kashem	Directors' daughter	Credit Card	27,039.13	Regular

The bank complies with the requirements of the section 26 (c) of the Banking Companies Act 1991 as amended in 2013 in connection to the transactions executed with persons related to the banks.



Notes to the Financial Statements

as at and for the year ended 31 December 2014

69.4 Events after the reporting period

The Board of Directors in its 458th meeting held on March 03, 2015 has recommended a cash dividend @15% subject to the approval of the shareholders at the next Annual General Meeting.

69.5 Number of employees

The number of employees engaged for the whole year or part thereof who received a total yearly remuneration of Tk 36,000 or above were 2221, the total number of employees were 2118 in 2013.

69.6 Share trading

The Bank started trading its ordinary shares in CDBL from 16 May 2004. The closing market price of the share as on 31 December 2014 was Tk. 19.40 (2013: Tk.17.90) for each Tk.10 per value of share at DSE and Tk.19.50 (2013: Tk.18.10) for each Tk.10 per value of share at CSE.

69.7 Pattern of Shareholding

Breakup of shareholding pattern as per clause 1.5 (xxi) of Securities and Exchange Commission notification no No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under Section 2CC of the Securities and Exchange Ordinance, 1969, is as follows:

a) Parent/Subsidiary/Associated companies and other related parties (name wise details):

SI. No.	Name of the Company	Shareholding Structure
1.	Southeast Bank Capital Services Ltd.	98.993% owned by Southeast Bank Limited
2.	Southeast Bank Financial Services (UK) Ltd.	100% owned by Southeast Bank Limited
3.	Southeast Financial Services (Australia) Pty Ltd.	100% owned by Southeast Bank Limited
4.	Southeast Exchange Company (South Africa) Pty Limited	100% owned by Southeast Bank Limited

69,8 Highlights on the overall activities of the Bank

Highlights on the overall activities of the Bank have been furnished in Annexure - A.

Annexure-A

Southeast Bank Limited

Highlights on the overall activities as at and for the year ended 31 December 2014

SI. no.	Particulars		2014	2013
1	Paid-up capital	Taka	9,169,501,760	8,732,858,820
2	Total capital	Taka	27,428,290,844	21,783,590,784
3	Capital surplus	Taka	5,460,202,173	1,932,793,529
4	Total assets	Taka	236,216,145,171	220,578,175,264
5	Total deposits	Taka	189,472,260,952	177,507,983,239
6	Total loans and advances/investments	Taka	147,956,551,485	135,690,089,841
7	Total contingent liabilities and commitments	Taka	92,184,698,945	82,126,388,243
8	Credit deposit ratio		78.09%	76.44%
9	Percentage of classified loans/investments against			
	total loans and advances/investments		3.64%	3.94%
10	Profit after tax and provision	Taka	3,819,953,620	3,343,605,685
11	Amount of classified loans/investments	Taka	5,387,743,528	5,350,239,352
12	Provisions kept against classified loans/investments	Taka	2,673,494,984	2,656,723,198
13	Provision surplus/(deficit) against classified loans/investments	Taka	763,136,563	16,094,920
14	Cost of fund		10.02%	11.73%
15	Interest earning assets	Taka	203,913,631,703	190,734,965,072
16	Non-interest earning assets	Taka	32,302,513,468	29,843,210,193
17	Return on investment (ROI)		1.78%	1.73%
18	Return on assets (ROA) [PAT/ Average assets]		1.67%	1.63%
19	Income from investment	Taka	5,267,520,937	4,713,188,491
20	Capital adequacy		12.49%	10.97%
21	Dividends			
	a) Stock dividends		0%	5%
	b) Cash dividends		15%	16%
22	Earnings per share	Taka	4.17	3.65
23	Net income per share	Taka	4.17	3.65
24	Price earning ratio	Times	4.67	4.91





Southeast Bank Limited
Consolidated Liquidity Statement
(Analysis of maturity of assets and liabilities)
as at 31 December 2014

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
	Taka	<u>Taka</u>	Taka	<u>Taka</u>	Taka	<u>Taka</u>
Assets:						
Cash in hand	4,042,474,378	-	1	-	11,415,000,000	15,457,474,378
Balance with other banks and financial institutions	1,155,260,863	2,060,995,030	2,550,000,000	1	1	5,766,255,893
Money at call and on short notice	548,300,000	-	-	-	-	548,300,000
Investments	1,860,681,172	6,265,580,931	5,971,301,273	13,935,086,044	28,345,943,864	56,378,593,284
Loans and advances / investments	34,372,190,128	21,550,030,086	44,814,538,788	37,763,460,790	8,570,586,417	147,070,806,209
Fixed assets including premises, furniture and fixtures	-	-	-	1,280,400,029	6,632,599,043	7,912,999,072
Other assets	1,106,391,584	546,429,058	406,294,026	1,400,191,212	14,665,783	3,473,971,663
Non banking assets	-	-	-	-	-	-
Total assets (A)	43,085,298,125	30,423,035,105	53,742,134,087	54,379,138,075	54,978,795,107	236,608,400,499

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Borrowings from Bangladesh Bank, other banks, financial institutions and agents	270,213,510	388,737,000	3,377,474,000	779,494,000	3,000,000,000	7,815,918,510
Deposits	6,010,093,571	60,766,977,494	36,356,043,586	36,356,043,586 77,332,999,297	9,006,429,754	189,472,543,702
Provision and other liabilities	1,142,918,781	2,301,515,654	7,576,792,363	3,745,316,756	-	14,766,543,554
Total liabilities (B)	7,423,225,862	63,457,230,148	47,310,309,949	47,310,309,949 81,857,810,053	12,006,429,754	212,055,005,766
Net liquidity gap (A - B)	35,662,072,262	35,662,072,262 (33,034,195,043)	6,431,824,138	6,431,824,138 (27,478,671,978) 42,972,365,353	42,972,365,353	24,553,394,733

Liquidity Statement
(Analysis of maturity of assets and liabilities)
as at 31 December 2014

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Assets:						
Cash in hand	4,042,474,378	-	-	-	11,415,000,000	15,457,474,378
Balance with other banks and financial institutions	1,148,941,117	2,020,705,733	2,550,000,000	-	-	5,719,646,850
Money at call and on short notice	548,300,000	-	-	1	-	548,300,000
Investments	7,878,800	6,265,580,931	5,971,301,273	13,935,086,044	28,345,943,864	54,525,790,912
Loans and advances / investments	35,257,935,404	21,550,030,086	44,814,538,788	37,763,460,790	8,570,586,417	147,956,551,485
Fixed assets including premises, furniture and fixtures	-	-	-	1,128,574,581	6,632,599,043	7,761,173,624
Other assets	1,106,391,584	277,121,137	406,294,026	1,400,191,212	1,057,209,963	4,247,207,922
Non banking assets	-	-	-	-	-	-
Total assets (A)	42,111,921,283	30,113,437,887	53,742,134,087	54,227,312,627	56,021,339,287	236,216,145,171

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Borrowings from Bangladesh Bank, other banks, financial institutions and agents	205,596,954	388,737,000	3,377,474,000	779,494,000	3,000,000,000	7,751,301,954
Deposits	6,009,810,821	60,766,977,494 36,356,043,586	36,356,043,586	77,332,999,297		9,006,429,754 189,472,260,952
Provision and other liabilities	1,142,918,781	2,301,515,654	7,283,478,727	3,745,316,756	-	- 14,473,229,918
Total liabilities (B)	7,358,326,556	63,457,230,148	47,016,996,313	7,358,326,556 63,457,230,148 47,016,996,313 81,857,810,053 12,006,429,754 211,696,792,824	12,006,429,754	211,696,792,824
Net liquidity gap (A - B)	34,753,594,726	34,753,594,726 (33,343,792,261)		6,725,137,774 (27,630,497,426) 44,014,909,533 24,519,352,347	44,014,909,533	24,519,352,347



Balance with other banks-Outside Bangladesh (Nostro Account) as at 31 December 2014

		2014	4			2013	
Name of the Bank	Currency	FC	Exchange	Equivalent Taka	FC	Exchange	Equivalent Taka
Interest bearing:	246				5		
Standard Chartered Bank, New York	USD	1,595,227.10	77.9494	124,346,995	1,874,436	77.7500	145,737,394
Arab Bangladesh Bank Ltd., Mumbai, India	ACUD	732,829.63	77.9494	57,123,630	126,283	77.7500	9,818,528
Citibank AG, Frankfurt, Germany	EUR	150,492.49	94.6228	14,240,017	446,333	106.8285	47,681,082
Citibank, NA, New York, USA	USD	209,464.78	77.9494	16,327,654	1,404,427	77.7500	109,194,212
Habib American Bank, New York, USA	USD	757,383.14	77.9494	59,037,561	141,361	77.7500	10,990,796
HSBC Bank, New York, USA	USD	1,191,371.51	77.9494	92,866,694	1,275,632	77.7500	99,180,359
HSBC Bank PLC, London, UK	GBP	-	-	-	100,466	128.1009	12,869,811
ICICI Bank Ltd., Mumbai, India	ACUD	320,897.67	77.9494	25,013,781	20,236	77.7500	1,573,354
JP Morgan Chase Bank, New York, USA	USD	2,605,590.40	77.9494	203,104,208	52,516	77.7500	4,083,151
Sonali Bank (UK) Ltd.	USD	683,291.88	77.9494	53,262,192	51,420	77.7500	3,997,897
Sonali Bank (UK) Ltd.	GBP	104,236.57	121.0009	12,612,714	31,055	128.1009	3,978,179
Sonali Bank (UK) Ltd.	EUR	142,501.74	94.6228	13,483,910	10,000	106.8285	1,068,285
Standard Chartered Bank, Kolkata, India	ACUD	445,019.19	77.9494	34,688,979	153,792	77.7500	11,957,353
Standard Chartered Bank, London, UK	GBP	165,466.74	121.0009	20,021,617	9,550	128.1009	1,223,426
Standard Chartered Bank, New York	USD	2,145,194.44	77.9494	167,216,619	4,789	77.7500	372,318
Wells Fargo Bank, N.A., New York, USA	OSD	1,118,401.63	77.9494	87,178,736	141,985	77.7500	11,039,312
Mashreq Bank PSC, New York, USA	USD	588,007.89	77.9494	45,834,862	896,076	77.7500	69,669,946
Mashreq Bank, Mumbai, India	ACUD	195,148.51	77.9494	15,211,709	134,881	77.7500	10,487,020
Mashreq Bank, Mumbai, India	ACUEUR	30,451.75	94.6228	2,881,429	29,905	106.8285	3,194,702
		13,180,977.06	ı	1,044,453,308	6,905,144		558,117,124
Non-interest bearing:		٠		٠		,	
Al Rajhi Bank, Suadi Arabia	SAR	98,144.79	20.7682	2,038,293	49,705	20.7300	1,030,385
Bank of Bhutan, Pheuntsholing, Bhutan	ACUD	79,992.56	77.9494	6,235,372	79,993	77.7500	6,219,422
Bank of Nova Scotia, Toronto, Canada	CAD	48,035.06	66.9323	3,215,099	164,155	72.5618	11,911,385
Bank of Tokyo Mitsubishi, Kolkata, India	ACUD	1	1	-	25,255	77.7500	1,963,576
Commerz Bank AG, Frankfurt, Germany	EUR	670,577.20	94.6228	63,451,876	14,030	106.8285	1,498,802
Commerz Bank AG, Frankfurt, Germany	USD	1,751,839.50	77.9494	136,554,838	115,156	77.7500	8,953,368
Habib Bank AG Zurich, Zurich, Switzerland	CHF	24,608.38	78.6573	1,935,629	22,521	87.0661	1,960,828
Habib Metropoliton Bank Ltd., Karachi, Pakistan	ACUD	394,938.30	77.9494	30,785,204	212,257	77.7500	16,502,958
HDFC Bank, Mumbai, India	ACUD	764,210.34	77.9494	59,569,737	320,306	77.7500	24,903,757
Mashreq Bank PSC, Dubai, UAE	AED	4,148.95	21.2217	88,048	10,000	21.1674	211,674
National Australia Bank Ltd., Melbourne, Australia	AUD	329,113.99	63.3495	20,849,199	287,915	68.8165	19,813,279
Nepal Banglades Bank Ltd., Kathmodhu, Nepal	ACUD	406,837.61	77.9494	31,712,748	289,152	77.7500	22,481,553
Standard Chartered Bank, Colombo, Srilanka	ACUD	216,263.35	77.9494	16,857,598	151,522	77.7500	11,780,828
Standard Chartered Bank, Mumbai (AEB), India	ACUD	25,255.00	77.9494	1,968,612	25,255	77.7500	1,963,576
U.B.A.F., Tokyo, Japan	YEN	4,833,121.00	0.6469	3,126,723	2,483,862	0.7382	1,833,478
United Bank Limited, Karachi, Pakistan	ACUD	155,505.49	77.9494	12,121,560	12,825	77.7500	997,180
Zuercher Kantonal Bank, Zurich, Switzerland	CHF	14,868.93	78.6573	1,169,550	35,840	87.0661	3,120,424
		9,817,460		391,680,086	4,299,747	1	137,146,472
		22,998,438		1,436,133,394	11,204,891		695,263,596

Investment in Shares

as at 31 December 2014

SI No.	Name of the company	Type of shares	Face value	No. of shares including bonus shares	Cost of holding	Average cost	Quoted rate per share as at 31-Dec- 2014	Total market value as at 31-Dec-2014
	Quoted		Taka		Taka	Taka	Taka	Taka
1	Prime Finance First Mutual Fund	Α	10	1,453,500	30,432,194	20.94	16.40	23,837,400
2	ACI Limited	Α	10	24,500	10,691,600	436.39	389.90	9,552,550
3	Aftab Automobiles Limited	Α	10	1,020,165	96,342,788	94.44	67.20	68,555,088
4	Agni Systems Limited	Α	10	64,500	1,903,889	29.52	32.30	2,083,350
5	Agricultural Marketing Co. Limited	Z	10	42,500	10,036,731	236.16	196.10	8,334,250
6	Aamra Technologies Limited	Α	10	221,229	8,229,620	37.20	36.20	8,008,490
7	Apolo Ispat Complex Limited	Α	10	230,000	5,914,142	25.71	19.90	4,577,000
8	Asia Insurance Limited	Α	10	2,099,014	76,805,098	36.59	22.50	47,227,821
9	Bay Leasing & Investment Limited	Α	10	18,854,231	972,165,641	51.56	29.90	563,741,495
10	Beximco Limited	Α	10	1,529,411	61,600,635	40.28	36.40	55,670,549
11	Beximco Pharmaceuticals Limited	Α	10	272,450	18,331,637	67.28	58.70	15,992,815
12	Bangladesh Submarine Cable Co. Ltd.	Α	10	159,555	34,805,594	218.14	116.70	18,620,069
13	The City Bank Limited	Α	10	1,585,970	42,782,763	26.98	21.80	34,574,146
14	Delta Life Insurance Limited	Α	10	447,262	87,785,385	196.27	149.90	67,044,499
15	Delta Spinners Limited	Α	10	215,000	3,719,475	17.30	13.90	2,988,500
16	Eastern Bank Limited	Α	10	1,124,780	52,068,101	46.29	27.20	30,594,016
17	EXIM Bank Limited	Α	10	26,297,591	696,815,188	26.50	11.10	291,903,260
18	EXIM Bank 1st Mutual Fund	Α	10	10,908,334	98,760,000	9.05	7.00	76,358,338
19	Generation Next Fashion Limited	Α	10	2,964,115	65,982,996	22.26	15.20	45,054,546
20	Global Heavy Chemicals Limited	Α	10	679,000	37,701,882	55.53	42.00	28,518,000
21	GPH Ispat Limited	Α	10	18,975	967,344	50.98	45.90	870,953
22	IDLC Finance Limited	Z	10	64,481	4,898,740	75.97	74.70	4,816,731
23	IFIC Bank 1st Mutual Fund	Α	10	1,271,476	11,905,461	9.36	5.20	6,611,675
24	Lafarge Surman Cement Limited	Α	10	348,000	47,314,604	135.96	123.00	42,804,000
25	LankaBangla Finance Limited	Α	10	115,000	6,278,916	54.60	44.00	5,060,000
26	Matin Spinning Mills Limited	Α	10	283,600	14,044,434	49.52	41.90	11,882,840
27	Meghna Petroleum Limited	Α	10	51,260	13,393,571	261.29	211.00	10,815,860
28	National Bank Limited	Α	10	7,133,282	228,691,741	32.06	11.40	81,319,417
29	National Life Insurance Limited	Α	10	1,736,691	358,545,105	206.45	235.20	408,469,808
30	National Credit & Commerce Bank Ltd.	Α	10	2,681,438	49,614,864	18.50	11.20	30,039,962
31	National Tea Co. Limited	Α	10	360	198,502	551.39	697.50	251,100
32	One Bank Limited	Α	10	1,406,908	35,307,295	25.10	15.80	22,229,143
33	Phoenix Finance & Investment Ltd.	Α	10	129,000	3,820,175	29.61	26.90	3,470,100
34	Premier Cement Mills Limited	Z	10	382,000	43,102,302	112.83	80.90	30,903,800
35	Premier Leasing & Finance Limited	Α	10	1,223,000	26,902,718	22.00	10.20	12,474,600
36	Prime Bank Limited	Α	10	13,713,095	433,586,851	31.62	19.60	268,776,662
37	Prime Finance & Investment Limited	Α	10	804,530	26,958,933	33.51	21.40	17,216,942
38	R.N. Spinning Mills Limited	Α	10	137,294	4,459,649	32.48	29.00	3,981,526
39	Rupali Bank Limited	Α	10	59,944	9,074,723	151.39	59.20	3,548,688
40	Southeast Bank 1st Mutual Fund	Α	10	27,500,000	250,000,000	9.09	8.00	220,000,000
41	Summit Purbanchol Power Co. Ltd.	Α	10	244,300	14,508,463	59.39	49.90	12,190,570
42	Standard Bank Limited	Α	10	958,000	15,822,689	16.52	12.70	12,166,600
43	Trust Bank 1st Mutual Fund	Α	10	615,900	10,440,696	16.95	5.40	3,325,860
44	Union Capital Limited	A A	10	323,345	10,825,384	33.48	21.20	6,854,914
45	United Airways (BD) Limited	Α	10	4,980,373	91,963,319	18.47	8.90	44,325,321
	Unquoted			136,375,360	4,125,501,838			2,667,643,254
1	Karmashangsthan Bank Limited		100	100,000	10,000,000	100	_	_
2	Central Depository Bangladesh Ltd.		10	313.889	3,138,890	10	-	
3	IIDFC Limited		10	7,329,110	29,683,820	10	_	_
4	Venture Invest. Partner BD. Limited		100	202,176	18,000,000	100	_	_
5	Dun and Breadstreet Rating Agency		100	41,659	4,165,900		_	_
6	ACME Laboratories Limited		100	2,884,615	149,999,200	52	_	_
	/ TOTAL Ediboratorios Elititos		10	10 871 440	214 987 810	02		

10,871,449 214,987,810





Annexure - E

Southeast Bank Limited

Details of Large Loan as at 31 December 2014

Language20142013Number of clients3027Amount of outstanding advances (Amount in million Taka)76,663.9069,252.70Amount of classified advances (Amount in million Taka)NILNILMeasures taken for recovery (Taka)NILNIL

Client-wise break up is as follows:

Amount in million Taka

SI. No.	Name of clients	Outstandir	ng as at 31 D 2014	ecember	Outstand	ing as at 31 2013	December
51. NO.	Name of Clients	Funded	Non Funded	Total	Funded	Non Funded	Total
1	Abul Khair Group	1,486.30	1,420.10	2,906.40	829.00	1,942.30	2,771.30
2	ACS Textile (Bangladesh) Limited and its related concerns	2,469.10	1,781.10	4,250.20	2,213.80	1,643.70	3,857.50
3	Bashundhara Group	2,262.10	1,136.50	3,398.60	2,377.10	1,140.00	3,517.10
4	Bengal Plastic Industries Ltd and its related concerns	379.30	362.40	741.70	200.40	263.50	463.90
5	Caixa Bank, S.A. LA Caixa	-	3,995.00	3,995.00	-	3,995.70	3,995.70
6	Capital Banani One Ltd and its related concerns	3,482.80	-	3,482.80	1,807.30	-	1,807.30
7	Cassiopea Fashion ltd. and its related concerns	238.20	1,277.20	1,515.40	367.10	1,615.80	1,982.90
8	Chaity Composite Ltd.	1,835.20	506.40	2,341.60	1,793.30	403.20	2,196.50
9	Crown Wears Pvt. Ltd. and its related concerns	228.60	1,825.10	2,053.70	1,330.20	926.90	2,257.10
10	Deshbandhu Sugar Mills Ltd. and its related concerns	3,180.20	2,709.50	5,889.70	2,068.00	2,994.40	5,062.40
11	Grameen Phone Ltd.	-	1,029.50	1,029.50	-	2,233.80	2,233.80
12	Irish Designed Limited and its related concerns	143.70	1,433.00	1,576.70	-	-	-
13	JaJ Bhuiyan Textiles mills and its related concerns	412.30	128.10	540.40	-	-	-
14	Kabir Steel Ltd. and its related concerns	371.60	439.00	810.60	1,682.10	306.70	1,988.80
15	KDS Group	488.50	435.50	924.00	807.90	711.60	1,519.50
16	Keya Group	3,391.70	1,573.70	4,965.40	2,966.50	770.80	3,737.30
17	MAB Spinning Limited and its related concerns	1,601.30	618.70	2,220.00	-	-	-
18	Maksons Spinning Mills Itd.	1,933.50	1,819.80	3,753.30	1,405.70	702.10	2,107.80
19	Marrine Vegetable Oils Ltd. and its related concerns	4,123.30	541.00	4,664.30	2,536.00	1,092.00	3,628.00
20	Meghna Group	585.30	3,762.20	4,347.50	2,027.10	3,346.20	5,373.30
21	Mother steel ltd. and its related concerns	171.70	239.80	411.50	96.70	20.10	116.80
22	N. R. Group	586.00	724.10	1,310.10	751.90	378.60	1,130.50
23	Partex Group	931.80	987.10	1,918.90	1,387.30	694.40	2,081.70
24	Ruby food products Limited and its related concerns	690.00	1,050.50	1,740.50	-	-	-
25	S. Alam Super Edible Oil Ltd.	633.90	3,426.80	4,060.70	809.70	2,894.70	3,704.40
26	S. Alam Vegetable Oil Ltd. and its related concerns	2,459.00	-	2,459.00	2,779.50	-	2,779.50
27	Shore to Shore (BD) ltd. and its related concerns	481.50	548.80	1,030.30	343.50	195.10	538.60
28	Southeast Bank Capital Services Ltd.	3,244.50	-	3,244.50	3,057.80	-	3,057.80
29	T.K. Group	-	2,293.60	2,293.60	18.30	2,277.70	2,296.00
30	Toma Group	1,309.50	1,478.50	2,788.00	1,408.00	1,965.00	3,373.00
31	Tung Hai Sweaters Itd. and its related concerns	-	-	-	1,106.60	567.60	1,674.20
	Total	39,120.90	37,543.00	76,663.90	36,170.80	33,081.90	69,252.70

Annexure-F

Southeast Bank LimitedSchedule of fixed assets including premises, furniture and fixtures as at 31 December 2014

		S	Cost/Bevaluation	ion				Depre	Depreciation		
Particulars	Balance as at 1 January	Additions during the year	Revalued during the year	Disposal during the year	Balance as at 31 December	Rate of dep.	Balance as at 1 January	Charged during the year	Adjustment for disposal during the year	Balance as at 31 December	Written down value as at 31 December
	Taka	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Own assets											
Office:											
Land	5,347,773,053	300,000	1		5,348,073,053		ı	•	ı	1	5,348,073,053
Building	1,523,977,602	-	-	-	1,523,977,602	%4	258,020,177	50,638,297	-	308,658,474	1,215,319,128
Furniture and fixtures	707,958,197	94,699,086	-	(3,815,970)	798,841,313	%01	228,901,672	55,486,825	(557,420)	283,831,077	515,010,236
Office Appliances	10,432,350	1,243,770	1	-	11,676,120	%07	5,451,915	1,152,603	-	6,604,518	5,071,602
Computer	88,430,676	40,931,683	1	(30,790,891)	98,571,468	20%	13,590,805	13,417,927		27,008,732	71,562,736
Electrical Appliances	707,261,975	176,397,847	1	(986'692'9)	877,889,836	70%	344,478,031	92,902,211	(4,514,992)	432,865,250	445,024,586
ATM Booth	86,287,148	48,606,330	-	-	134,893,478	%07	16,593,061	19,876,456	1	36,469,517	98,423,961
Professional and Reference Books	117,728	•	1		117,728	%08	11,773	10,595	ı	22,368	95,360
Motor vehicles	1,169,059	29,114,000	-	(156,333)	30,126,726	%07	187,133	4,261,454	(31,267)	4,417,320	25,709,406
	8,473,407,788	391,292,716	-	(40,533,180)	8,824,167,324		867,234,567	237,746,368	(5,103,679)	1,099,877,256	7,724,290,068
Residence of executives:											
Furniture and fixtures	3,279,290	1,225,000	-	(1,225,000)	3,279,290	10%	1,122,246	240,156	(135,400)	1,227,002	2,052,288
Electrical Appliances	17,074,800	3,525,000	-	(3,380,000)	17,219,800	20%	9,106,843	1,871,475	(959,278)	10,019,040	7,200,760
	20,354,090	4,750,000	-	(4,605,000)	20,499,090		10,229,089	2,111,631	(1,094,678)	11,246,042	9,253,052
	8,493,761,878	396,042,716		(45,138,180)	8,844,666,414		877,463,656	239,857,999	(6,198,357)	1,111,123,298	7,733,543,120
<u>Leased assets</u>											
Furniture and fixtures	106,026,227	-	-	-	106,026,227	401	106,026,227		-	106,026,227	ı
Motor vehicles	72,790,785	6,496,831	_	-	79,287,616	20%	37,352,309	14,304,803	-	51,657,112	27,630,504
	178,817,012	6,496,831	-	-	185,313,843		143,378,536	14,304,803	-	157,683,339	27,630,504
Balance as at 31 December 2014	8,672,578,890	402,539,547	•	(45,138,180)	9,029,980,257		1,020,842,192	254,162,802	(6,198,357)	1,268,806,637	7,761,173,624
Balance as at 31 December 2013	8,394,455,986	318,112,596		(49,456,922)	8,663,111,660		781,057,701	246,746,955	(6,962,465)	1,020,842,192	7,642,269,469



Southeast Bank Limited
Statement of tax position
as at 31 December 2014

Status of assessment/ pending with			al to High Court	+:::::::::::::::::::::::::::::::::::::	sal to Fight Court	salto nigri court	sa to rigil Court	Sal to Fight Count	Sal to Fight Count	Sal to night count	281 10 Jugar Court		1000 Light Court	281 10 High Coontr	281 10 Jugar	an to right Count	an to right Count	in filed with DCT	in filed with DCT
pending		Final	Appeal to High Court	Appeal to High Court		Final	Final	Final Final	Final Final Final	Final Final Final Final	Final Final Final Final Final	Final Final Final Final Final Final	Final Final Final Final Final Final Final	Final Final Final Final Final Final Final Final	Final Final Final Final Final Final Final Final Final	Final	Final	Final	Final Return filed with DCT Final
Excess/(Short) paid	Taka	-	(5,463,504)	(28,781,692)		1	- (203,150)												
		(8,980,811)	(11,475,788)	(29,970,712)	9,314,167	, ,	14,621,488	14,621,488 (37,327,477)	14,621,488 (37,327,477) (43,466,928)	14,621,488 37,327,477) 13,466,928) 40,881,721	14,621,488 (37,327,477) (43,466,928) 40,881,721 (18,169,786)	14,621,488 37,327,477) 13,466,928) 40,881,721 18,169,786)	14,621,488 (37,327,477) (43,466,928) 40,881,721 (18,169,786) 46,716,594 (168,994,803)	14,621,488 (37,327,477) (43,466,928) 40,881,721 (18,169,786) 46,716,594 (68,994,803) 137,305,693	14,621,488 37,327,477) 43,466,928) 40,881,721 18,169,786) 46,716,594 38,994,803) 37,305,693	14,621,488 37,327,477) 43,466,928) 40,881,721 18,169,786) 46,716,594 38,994,803) 37,305,693 (7,002,831) 30,810,078	14,621,488 (37,327,477) (43,466,928) 40,881,721 (18,169,786) 46,716,594 168,994,803) 137,305,693 (7,002,831) 30,810,078 362,216,009	14,621,488 (37,327,477) (43,466,928) 40,881,721 (18,169,786) 46,716,594 168,994,803) 137,305,693 (7,002,831) 30,810,078 362,216,009 578,269,299	14,621,488 (37,327,477) (43,466,928) 40,881,721 (18,169,786) 46,716,594 (168,994,803) 137,305,693 (7,002,831) 30,810,078 362,216,009 578,269,299 678,269,299 (146,338,086)
Excess/(Short) pro- vision	Taka	(8)	(11,	(29,	6		14	14 (37,	(37,	(37, (43, (43,	(37, (43, (18,	(43, 40) (18, 46) (46) (46) (46) (46) (47) (48) (46) (46) (46) (46) (46) (46) (46) (46	(37, (37, (43, 40) (18, 46) (168, (168, 40) (1	(18, 17) (18, 18) (168, 137)	(43, 40) (43, 40) (48	(43, 40) (43, 40) (18, 40) (168, 40) (17, 40) (1	(37, (43, 40) (18, 40) (18, 40) (18, 40) (18, 40) (19, 40	(43, (43, (43, (43, (18, (18, (168, (17, (7, (7, (7,	(43, (37, (43, 40) (18, 40) (18, 40) (16, 40) (17, 40) (1
Tax paid	Taka	12,238,230	34,012,284	42,494,020	75 685 833	000,000,0	99,675,362	99,675,362	99,675,362 168,819,477 225,452,928	99,675,362 168,819,477 225,452,928 225,455,279	73,683,633 99,675,362 168,819,477 225,452,928 258,455,279 266,683,786	73,603,603,603,603,603,603,603,603,603,60	73,603,633 99,675,362 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803	99,675,362 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089	99,675,362 168,819,477 225,452,928 256,456,279 265,683,786 496,558,406 882,994,803 1,217,328,089	99,675,362 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089 1,254,750,456	99,675,362 168,819,477 225,452,928 255,452,79 265,683,786 496,558,406 882,994,803 1,217,328,089 1,254,750,456 1,550,769,453	75,005,005 99,675,362 168,819,477 225,452,928 265,683,786 496,558,406 882,994,803 1,217,328,089 1,250,769,453 1,783,383,991 1,783,383,991 1,783,383,991	99,675,362 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089 1,254,750,456 1,550,769,453 1,783,383,991 1,783,383,991 1,802,799,834 2,069,854,471
									1 2					+					
per assessment order / Return	Taka	12,238,230	39,475,788	71,275,712	7 100 12	7,5,685,833	99,878,512	99,878,512 168,819,477	75,685,833 99,878,512 168,819,477 225,452,928	75,085,835 99,878,512 168,819,477 225,452,928 258,455,279	75,085,633 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786	75,085,635 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406	75,085,633 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803	75,085,633 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089	75,085,633 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089	75,085,633 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089 1,254,750,456 1,550,769,453	75,685,683,786 99,878,512 168,819,477 225,452,928 265,683,786 496,558,406 496,558,406 1,217,328,089 1,254,750,453 1,550,769,453 1,550,769,453	75,085,833 99,878,512 168,819,477 225,452,928 265,683,786 496,558,406 882,994,803 1,217,328,089 1,254,750,456 1,560,769,453 1,783,383,991 1,783,383,991	75,685,853 99,878,512 168,819,477 225,452,928 258,455,279 265,683,786 496,558,406 882,994,803 1,217,328,089 1,250,769,453 1,550,769,453 1,650,769,453 1,607,799,834 1,802,799,834 2,069,854,471
Tax provision as per accounts	Taka	3,257,419	28,000,000	41,305,000		85,000,000	85,000,000	85,000,000 114,500,000 131,492,000	85,000,000 114,500,000 131,492,000 181,986,000	85,000,000 114,500,000 131,492,000 181,986,000 299,337,000	85,000,000 114,500,000 131,492,000 181,986,000 299,337,000	85,000,000 1114,500,000 131,492,000 181,986,000 299,337,000 247,514,000 543,275,000	85,000,000 1114,500,000 131,492,000 181,986,000 299,337,000 247,514,000 543,275,000	85,000,000 114,500,000 131,492,000 181,986,000 299,337,000 247,514,000 543,275,000 714,000,000	85,000,000 114,500,000 131,492,000 181,986,000 299,337,000 247,514,000 543,275,000 714,000,000 714,000,000 1,354,633,782	85,000,000 114,500,000 131,492,000 299,337,000 247,514,000 543,275,000 714,000,000 1,354,633,782 1,247,747,625 1,581,579,531	85,000,000 114,500,000 181,986,000 299,337,000 247,514,000 543,275,000 714,000,000 1,354,633,782 1,247,747,625 1,581,579,531 2,145,600,000	85,000,000 111,500,000 181,986,000 299,337,000 247,514,000 543,275,000 714,000,000 714,000,000 1,354,633,782 1,247,747,625 1,581,579,531 2,145,600,000 2,381,069,133	85,000,000 111,500,000 131,492,000 299,337,000 247,514,000 543,275,000 714,000,000 1,354,633,782 1,247,747,625 1,247,747,625 1,247,747,625 1,247,747,625 1,247,747,625 1,247,747,625 1,247,747,625 1,247,747,625
														1,	+ +	<u> </u>	1, 1, 1, 2	1, 1, 1, 2, 2,	, t, t, t, 2, 2, t,
Assessment year		1997-1998	1998-1999	1999-2000		2000-2001	2000-2001	2000-2001	2000-2001 2001-2002 2002-2003 2003-2004	2000-2001 2001-2002 2002-2003 2003-2004	2000-2001 2001-2002 2002-2003 2003-2004 2004-2005 2005-2006	2000-2001 2001-2002 2002-2003 2003-2004 2004-2005 2005-2006	2000-2001 2001-2002 2002-2003 2003-2004 2004-2005 2005-2006 2006-2007 2007-2008	2000-2001 2001-2002 2002-2003 2003-2004 2004-2005 2006-2007 2006-2008 2007-2008	2000-2001 2001-2002 2002-2003 2003-2004 2004-2005 2005-2006 2006-2007 2007-2008 2008-2009	2000-2001 2001-2002 2003-2003 2003-2004 2004-2005 2005-2006 2006-2007 2007-2008 2008-2009 2009-2010	2000-2001 2001-2002 2003-2003 2003-2004 2004-2005 2005-2006 2006-2007 2007-2008 2008-2009 2010-2011 2011-2012	2000-2001 2001-2002 2003-2003 2003-2004 2004-2005 2006-2007 2006-2007 2008-2009 2009-2010 2011-2012 2012-2013	2000-2001 2001-2002 2002-2003 2003-2004 2004-2005 2006-2007 2007-2008 2008-2009 2009-2010 2011-2012 2011-2013 2013-2013

Names of Directors and their interest in different entities

SI. no.	Name	Status with the Bank	Names of firms/companies in which interested as proprietor/ director/managing agent/guarantor/employee/ partner, etc.	Position	% of Shareholdings
1	Mr. Alamgir Kabir, FCA	Chairman	Asia Insurance Limited National Life Insurance Co. Ltd.	Director Independent Director	6.40% Nil
2	Mr. Ragib Ali	Vice Chairman	The Sylhet Tea Co. Limited Rajnagar Tea Co. Limited Union Syndicate Limited Star Tea Estate Limited	Managing Director	19.58% 41.67% 19.00% 34.51%
3	Mr. M. A. Kashem	Director	Rose Corner (Pvt.) Limited	Chairman	50.00%
4	Mr. Azim Uddin Ahmed	Director	Mutual Food Products Ltd. Mutual Milk Products Ltd. Mutual Trading Co. Limited	Managing Director "Chairman & MD	44.78% 52.00% 71.30%
5	Mrs. Duluma Ahmed	Director	Mutual Food Products Ltd. Mutual Milk Products Ltd. Mutual Trading Co. Limited	Chairman "Director	31.78% 16.00% 12.96%
6	Mrs. Jusna Ara Kashem	Director	Rose Corner (Pvt) Ltd.	Director	20.00%
7	Mr. Md. Akikur Rahman	Director	-	-	Nil
8	Mrs. Rehana Rahman	Director	Bengal Tradeways Limited Drip Packaging Limited	Managing Director Director	50.06% 25.00%
9	Mrs. Sirat Monira	Director	-	-	Nil
10	Karnafuli Tea Co. Ltd. Represented by Mr. Abdul Hye	Director	-	-	Nil
11	Dr. Zaidi Sattar	Independent Director	-	-	Nil
12	Mr. A.H.M. Moazzem Hossain	Independent Director	International Publication Ltd. (Owning company of the Financial Express)	Director	1.33%



Financial Statements of Islamic Banking Branches

Annexure-I

Southeast Bank Limited Islamic Banking Branches

Islamic Banking Branches
Balance Sheet
as at 31 December 2014

		2014	2013
PROPERTY AND ASSETS	Note	Taka	Taka
Cash	1		
In hand (including foreign currencies)	'	42,716,134	70,125,758
Balance with Bangladesh Bank and its agent bank		12,7 10,10 1	10,120,100
(including foreign currencies)		100,000	640,066,572
(3 3,		42,816,134	710,192,331
Balance with other banks and financial institutions	2		
In Bangladesh		2,602,502,901	1,400,232,986
Outside Bangladesh			- 400 000 000
Manay at call and an about nation		2,602,502,901	1,400,232,986
Money at call and on short notice Investments in shares & securities	3		
Government	3	560,000,000	450,000,000
Others		2,068,049,667	3,384,140,559
Culoio		2,628,049,667	3,834,140,559
Investments	4	2,020,010,001	0,00 1,1 10,000
General Investments etc.		8,788,310,686	8,002,362,278
Bills purchased and discounted		181,233,057	247,644,622
		8,969,543,743	8,250,006,900
Fixed assets including premises, furniture and fixtures	5	20,748,190	21,668,660
Other assets		9,454,044,670	8,834,720,971
Non - banking assets			-
Total assets		23,717,705,305	23,050,962,406
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	6	2,608,027,397	1,400,000,000
Deposits and other accounts	7		
Current/Al-wadeeah current accounts and other accounts		735,598,433	475,921,746
Bills payable		87,055,747	66,313,612
Savings bank/Mudaraba savings bank deposits		3,183,404,180	5,699,490,341
Fixed deposits/Mudaraba fixed deposits		15,709,223,512	12,856,144,568
		19,715,281,872	19,097,870,266
Other liabilities		1,394,396,036	2,553,092,140
Total liabilities		23,717,705,305	23,050,962,406
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	8		
Acceptances and endorsements		1,049,931,231	971,059,112
Letters of guarantee		430,427,625	436,933,590
Irrevocable letters of credit		821,965,727	495,966,194
Bills for collection		2,040,655,479	161,599,282
Other Contingent Liabilities		4 040 000 000	0.005.550.470
		4,342,980,062	2,065,558,178



Annexure-I.1

Southeast Bank Limited

Islamic Banking Branches

Profit and Loss Account

For the year ended 31 December 2014

		2014	2013
	Note	Taka	Taka
Interest income/profit on investments	9	2,373,807,842	2,422,265,192
Interest paid/profit shared on deposits and borrowings etc.	10	(1,472,748,406)	(1,670,553,050)
Net interest income/net profit on investments		901,059,436	751,712,142
Commission, exchange and brokerage	11	51,901,648	43,402,383
Other operating income	12	19,074,576	18,271,023
		70,976,224	61,673,407
Total operating income (A)		972,035,660	813,385,549
Salaries and allowances	13	67,741,787	66,882,441
Rent, taxes, insurance, electricity etc.	14	26,050,859	23,770,035
Legal expenses		4,500	-
Postage, stamp, telecommunication etc.	15	6,380,736	5,836,190
Stationery, printing, advertisements etc.	16	3,604,701	3,536,828
Depreciation and repair of Bank's assets	17	5,729,929	6,967,667
Other expenses	18	22,759,219	20,444,433
Total operating expenses (B)		132,271,731	127,437,595
Profit before provision (C=A-B)		839,763,929	685,947,954
Provision for loans and advances/investments			
General provision		(12,817,785)	-
Specific provision		703,065,265	-
		690,247,480	-
Provision for off-balance sheet items		22,774,219	2,674,449
Provision for diminution in value of investments		(241,856,505)	(1,487,270)
Total provision (D)		471,165,194	1,187,179
Total profit before tax (C-D)		368,598,735	684,760,776

Islamic Banking Branches

Notes to the Financial Statements

For the year ended 31 December 2014

		2014 Taka	2013 Taka
1.	Cash		
	In hand:		
	Local currency	40,849,246	68,574,645
	Foreign currencies	1,866,888	1,551,113
		42,716,134	70,125,758
	Balance with Bangladesh Bank:		
	Local currency	100,000	640,066,572
	Foreign currencies		-
		100,000	640,066,572
	Balance with Sonali Bank Limited. (as agent of Bangladesh Bank):		
	Local currency		-
		100,000	640,066,572
		42,816,134	710,192,331

1.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) have been calculated and maintained in accordance with section 33 of the Bank Companies Act 1991, MPD Circular nos. 4 and 5 dated 1 December 2010 and MPD Circular no. 1 dated 23 June 2014 and DOS Circular No. 1 dated 19 January 2014.

The statutory Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 6.50% has been calculated and maintained with Bangladesh Bank in current account and 5.50% Statutory Liquidity Ratio, on the same liabilities has also been maintained in the form of treasury bills, bonds and debentures including FC balance with Bangladesh Bank. Both reserves maintained by the Bank, are shown below:

1.1.1 a) Cash Reserve Requirement (CRR) for Islamic Banking

6.5% (2013:6%) of average Demand and Time Liabilities

Required reserve Actual reserve held (Average daily on bi-weekly basis): Surplus	689,039,350 735,215,175 46,175,825	554,315,840 669,834,674 115,518,834
Statutory Liquidity Requirement (SLR) for Islamic Banking		
5.50 % of required average Demand and Time Liabilities:		
Required reserve Actual reserve held Surplus Held for Statutory Liquidity Ratio of Islamic Banking:	583,033,000 649,542,531 66,509,531	1,062,438,700 1,152,266,000 89,827,300
Cash in hand Balance with Bangladesh Bank as per statement Balance with agent bank (Sonali Bank Ltd.) as per statement Excess cash reserve Government treasury bills Government treasury bonds	41,084,000 - 2,282,531 46,176,000 - 560,000,000 649,542,531	69,292,000 632,943,000 31,000 - - 450,000,000 1,152,266,000

b)



Notes to the Financial Statements

For the year ended 31 December 2014

		<u>-</u>	2014	2013
2	Balance with other banks and financial institution	ons	Taka	Taka
	In Bangladesh (Note 2.1)		2,602,502,901	1,400,232,986
	Outside Bangladesh		-	-
		-	2,602,502,901	1,400,232,986
2.1	In Bangladesh			
	Command account with			
	Current account with: Sonali Bank Ltd.		2,282,531	32,986
	Solidii Balik Ltu.	l	2,282,531	32,986
	Savings deposits account with:		2,202,301	02,300
	Exim Bank Ltd.		110,557	100,000
	Social Islami Bank Ltd.		108,679	100,000
	Coola Barn Ear Cea.	L	219,236	200,000
	Short term deposits account with:		,	,
	Sonali Bank Ltd.		1,134	-
	Fixed deposits with other banks:			
	AB Bank Ltd.		-	400,000,000
	Bank Asia Ltd.		-	200,000,000
	Jamuna Bank Limited		500,000,000	-
	AL-Arafa Islami Bank Limited		500,000,000	-
	The City Bank Ltd.		-	400,000,000
	Premier Bank Ltd.		1,600,000,000	400,000,000
			2,600,000,000	1,400,000,000
		=	2,602,502,901	1,400,232,986
3	Investments in shares & securities			
Ŭ	Government securities:			
	Bangladesh Government Islamic bond		560,000,000	450,000,000
	Others (Note 3.1)		2,068,049,667	3,384,140,559
			2,628,049,667	3,834,140,559
3.1	Others:			
	Shares in listed companies		1,888,366,647	3,204,457,539
	Shares in un-listed companies		179,683,020	179,683,020
			2,068,049,667	3,384,140,559
	Provision for diminution in the market value o	f shares	(587,044,771)	(831,081,700)
			1,481,004,896	2,553,058,859
		a		
3.2	Investments classified as per Bangladesh Bank	Circular	500,000,000	450,000,000
	Held to maturity (HTM)		560,000,000	450,000,000
	Other securities		2,068,049,667 2.628.049.667	3,384,140,559 3.834.140.559
3.3	Cost and market value of investments	=	2,020,049,007	3,034,140,339
3.3.1	Government securities			
0.01.	do to timioni documento	201	4	2013
		Cost price Taka	Market price Taka	Market price Taka
	Bangladesh Government Treasury Bond	560,000,000	560,000,000	450,000,000
	Daily account dovornment floadary Don't	560,000,000	560,000,000	450,000,000
				.00,000,000

Notes to the Financial Statements

For the year ended 31 December 2014

3.3.2 Others **Investment in Shares**

	20	2014		
<u>Particulars</u>	Market price Taka	Cost price Taka	Cost price Taka	
Shares in listed companies	1,301,321,876	1,888,366,647	3,204,457,539	
Shares in un-listed companies	179,683,020	179,683,020	179,683,020	
	1,481,004,896	2,068,049,667	3,384,140,559	

3.4 Market price, cost price and related provision of investments as on 31 December 2014

	_	2014				
Name of th	e Company	Market price	Cost price	Differences (Provision to be Required)		
		<u>Taka</u>	<u>Taka</u>			
	Limited	9,552,550	10,691,600	(1,139,050)		
	o Automobiles Limited	68,555,088	96,342,788	(27,787,700)		
ŭ	Systems Limited	2,083,350	1,903,889	179,461		
4 Agrid	cultural Marketing Company Limited	8,334,250	10,036,731	(1,702,481)		
5 Aam	ra Technologies Limited	8,008,490	8,229,620	(221,130)		
6 Apo	o Ispat Complex Limited	4,577,000	5,914,142	(1,337,142)		
7 Asia	Insurance Limited	47,227,821	76,805,098	(29,577,277)		
8 Bexi	mco Limited	55,670,549	61,600,635	(5,930,086)		
9 Bexi	mco Pharmaceuticals Limited	15,992,815	18,331,637	(2,338,822)		
10 Bang	gladesh Submarine Cable Company Limited	18,620,069	34,805,594	(16,185,526)		
11 Delta	a Life Insurance Limited	67,044,499	87,785,385	(20,740,886)		
12 Delta	a Spinners Limited	2,988,500	3,719,475	(730,975)		
13 EXIN	1 Bank Limited	291,903,260	696,815,188	(404,911,929)		
14 EXIN	1 Bank 1st Mutual Fund	76,358,338	98,760,000	(22,401,662)		
15 Gen	eration Next Fashion Limited	45,054,546	65,982,996	(20,928,450)		
16 Glob	al Heavy Chemicals Limited	28,518,000	37,701,882	(9,183,882)		
17 GPH	I Ispat Limited	870,953	967,344	(96,392)		
18 Lafa	rge Surman Cement Limited	42,804,000	47,314,604	(4,510,604)		
19 Lank	kaBangla Finance Limited	5,060,000	6,278,916	(1,218,916)		
20 Mati	n Spinning Mills Limited	11,882,840	14,044,434	(2,161,594)		
21 Meg	hna Petroleum Limited	10,815,860	13,393,571	(2,577,711)		
22 Natio	onal Life Insurance Limited	408,469,808	358,545,105	49,924,703		
23 Natio	onal Tea Co. Limited	251,100	198,502	52,598		
24 R.N.	Spinning Mills Limited	3,981,526	4,459,649	(478,123)		
25 Sum	mit Purbanchol Power Company Limited	12,190,570	14,508,463	(2,317,893)		
26 Trus	t Bank 1st Mutual Fund	3,325,860	10,440,696	(7,114,836)		
27 Unio	n Capital Limited	6,854,914	10,825,384	(3,970,470)		
28 Unite	ed Airways (BD) Limited	44,325,321	91,963,319	(47,637,997)		
		1,301,321,876	1,888,366,647	(587,044,771)		
Actual provi	sion =			587,044,771		
Surplus/(def	icit)			-		



Notes to the Financial Statements

For the year ended 31 December 2014

		2014	2013
		Taka	Taka
4	Investments		
	Investments (Note 4.1)	8,788,310,686	8,002,362,278
	Bills purchased and discounted (Note 4.2)	181,233,057	247,644,622
		8,969,543,743	8,250,006,900
4.1	Investments		
	In Bangladesh		
	Demand Investment	25,333,883	38,159,446
	Bai-Muajjal (Time) Investment	354,706,314	382,918,812
	Bai-Muajjal Time under CCS	38,682,726	36,731,941
	Bai-Murabaha-BLC	28,477,857	39,965,321
	Bai-Murabaha-LTR	1,830,102,543	1,815,772,841
	Bai-Salam (PACKING CREDIT)	111,025,541	92,094,468
	Staff Car Investment	5,842,948	_
	Staff House Building Investment	11,883,487	6,247,497
	Export Development Fund (EDF) against LC	115,763,372	-
	Investment against Cash Incentive	16,026,287	2,004,175
	Bai-Muajjal - Investment	3,672,077,161	3,068,482,319
	Murabaha - Investment	589,201,212	184,600,108
	Hire purchase - Investment	1,988,053,552	2,270,602,746
	Izarah - Investment	458,676	58,099,626
	Quard against MTDR	675,127	6,682,978
	Quald against WIDH	8,788,310,686	8,002,362,278
	Outside Bangladesh	8,788,310,080	0,002,302,270
	Outside Bangiadesii	8,788,310,686	8,002,362,278
4.2	Bills purchased and discounted		
	Bills purchased and discounted excluding treasury bills:		
	In Bangladesh	114,059,146	213,339,622
	Outside Bangladesh	67,173,911	34,305,000
	ŭ	181,233,057	247,644,622
5	Fixed assets including premises, furniture and fixtures		
	Cost:		
	Furniture and fixture	18,094,866	17,873,973
	Office Appliances	81,620	73,220
	Electrical Appliances	23,256,277	21,485,252
	ATM Booth	4,591,105	4,431,055
		46,023,868	43,863,500
	Less: Accumulated depreciation		
	Furniture and fixture	8,881,972	7,808,041
	Office Appliances	81,618	73,218
	Electrical Appliances	14,929,137	13,354,463
	ATM Booth	1,382,950	959,118
	Written down value at the end of the year	25,275,678	22,194,840
	without down value at the end of the year	20,748,190	21,668,660
6.	Borrowing from other banks, financial institutions and agents		
	In Bangladesh (Note 6.1)	2,608,027,397	1,400,000,000
	Outside Bangladesh		-
		2,608,027,397	1,400,000,000

Notes to the Financial Statements

For the year ended 31 December 2014

2014

In Bangladesh Secured: Borrowing against securities from Bangladesh Bank 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,608,027,397 1,400,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000,000 2,20,000 2,20,000,000 2,20,000 2,20,000,000 2,20,
Borrowing against securities from Bangladesh Bank
Un secured 2,608,027,397 1,400,000,000 7. Deposits and other accounts Current/Al-wadeeah current accounts and other accounts Current/Al-wadeeah current deposits 318,451,901 222,010,964 20,933,462 20,933,462 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 306,276
Un secured 2,608,027,397 1,400,000,000 7. Deposits and other accounts Current/Al-wadeeah current accounts and other accounts Current/Al-wadeeah current deposits 318,451,901 222,010,964 20,933,462 20,933,462 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 236,070,198 306,213,071 306,276
Current/Al-wadeeah current accounts Current/Al-wadeeah current deposits Current/Al-wadeah current deposits C
7. Deposits and other accounts Current/Al-wadeeah current deposits Current/Al-wadeeah current deposits Current/Al-wadeeah current deposits Currenty deposits Currency deposits Sundry deposits
7. Deposits and other accounts Current/Al-wadeeah current deposits Current/Al-wadeeah current deposits Current/Al-wadeeah current deposits Currenty deposits Currency deposits Sundry deposits
Current/Al-wadeeah current accounts and other accounts Current/Al-wadeeah current deposits 318,451,901 222,010,964 Foreign currency deposits 20,933,462 17,840,585 Sundry deposits 396,213,071 236,070,198 T35,598,433 475,921,746 Bills payable Payment order issued 86,910,331 66,177,326 T.T PAYABLE 90,630 - Demand draft 54,786 136,286 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Current/Al-wadeeah current deposits 318,451,901 222,010,964 Foreign currency deposits 20,933,462 17,840,585 Sundry deposits 396,213,071 236,070,198 735,598,433 475,921,746 Bills payable Payment order issued 86,910,331 66,177,326 T.T PAYABLE 90,630 - Demand draft 54,786 136,286 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Foreign currency deposits Sundry deposits Sund
Sundry deposits 396,213,071 236,070,198 735,598,433 475,921,746 Bills payable Payment order issued 86,910,331 66,177,326 T.T PAYABLE 90,630 - Demand draft 54,786 136,286 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Bills payable Payment order issued 86,910,331 66,177,326 T.T PAYABLE 90,630 - Demand draft 54,786 136,286 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Bills payable Payment order issued 86,910,331 66,177,326 T.T PAYABLE 90,630 - Demand draft 54,786 136,286 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Payment order issued T.T PAYABLE Demand draft Savings bank/Mudaraba savings bank deposits Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba Special notice deposits Special notice / Mudaraba Special notice deposits Scheme deposits Payment order issued 90,630 87,055,747 66,313,612 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits Special notice / Mudaraba Special notice deposits 412,986,557 Scheme deposits 828,085,920 Profit Payable on FDR/Scheme 230,965 15,709,223,512 12,856,144,568
T.T PAYABLE Demand draft 54,786 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits Special notice / Mudaraba Special notice deposits 412,986,557 Scheme deposits Profit Payable on FDR/Scheme 230,965 15,709,223,512 12,856,144,568
Demand draft 54,786 136,286 87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
87,055,747 66,313,612 Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Savings bank/Mudaraba savings bank deposits 3,183,404,180 5,699,490,341 Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Fixed deposits/Mudaraba fixed deposits Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Fixed deposits/Mudaraba fixed deposits 14,467,920,070 11,486,303,922 Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Special notice / Mudaraba Special notice deposits 412,986,557 359,218,869 Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Scheme deposits 828,085,920 759,106,772 Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
Profit Payable on FDR/Scheme 230,965 251,515,005 15,709,223,512 12,856,144,568
15,709,223,512 12,856,144,568
<u>19,715,281,872</u> <u>19,097,870,266</u>
8 Contingent liabilities
8.1 Acceptances and endorsements
Assertance under Letters of Credit Jamest
Acceptance under Letters of Credit -Import 387,876,248 434,419,950
Acceptance under Letters of Credit -Export 662,054,983 536,639,162
1,049,931,231 971,059,112
Less: Margin 179,045,882 102,123,308
<u>870,885,349</u> <u>868,935,804</u>
8.2 Letters of guarantee
Letters of guarantee (Local) 403,189,625 417,918,590
Letters of guarantee (Foreign) 27,238,000 19,015,000
430,427,625 436,933,590
Less: Margin <u>43,128,188</u> 39,344,345
<u>387,299,437</u> <u>397,589,245</u>
Balance for which the Bank is contingently liable in respect of guarantee
issued favouring:
Directors or officers
Government - -
Banks and other financial institutions
Others 430,427,625 436,933,590
430,427,625 436,933,590
Less: Margin 43,128,188 39,344,345
<u>387,299,437</u> <u>397,589,245</u>



2013

Southeast Bank Limited Islamic Banking Branches

Notes to the Financial Statements

For the year ended 31 December 2014

		Taka	Taka
8.3	Irrevocable letters of credit		
	Back to back L/C	466,362,173	272,482,826
	Others	355,603,553	223,483,368
		821,965,727	495,966,194
	Less: Margin	63,521,186	57,367,376
		758,444,540	438,598,818
8.4	Bills for collection		
	Bills for collection (Local)	353,577,727	22,622,195
	Bills for collection (Foreign)	1,687,077,751	138,977,087
		2,040,655,479	161,599,282
8.5	Value of Bangladesh Sanchaypatra		
9.	Profit on investment		
9.			
	Profit on investment (Islamic Banking Branch):	4.070.000	10 407 107
	Demand Investment	4,872,622	18,467,127
	Bai-Muajjal (Time) Investment	38,467,581	57,713,593
	Bai-Muajjal Time under CCS	6,569,671	4,582,230
	Bai-Murabaha-BLC	5,087,911	11,138,351
	Bai-Murabaha-LTR	188,134,420	271,743,158
	Bai-Salam (PACKING CREDIT)	8,748,931	7,111,237
	Staff House Building Investment	194,531	239,187
	Staff Car Loan Investment	7,826,681	84,985
	Investment against Cash Incentive	939,140	246,965
	Bai-Muajjal - Investment	379,201,443	379,677,101
	Murabaha - Investment	19,141,005	11,245,585
	Hire purchase - Investment	265,038,466	206,558,651
	Izarah - Investment	2,933,888	8,930,941
	Quard against MTDR	290,913	1,790,728
	Bills purchased and discounted	24,567,333	67,611,557
	Interest on placement with other banks	123,349,933	90,917,549
	Interest branch interest income	1,298,443,373	1,284,206,249
	interest prancifinterest income	2,373,807,842	2,422,265,192
		2,010,001,012	2,122,200,102
10.	Profit shared on deposits and borrowings etc.		
	Profit shared on deposits (Islamic Banking Branch):		
	Mudaraba Savings Deposits (MSB)	200,345,803	265,845,812
	Mudaraba Short Term Deposits (MSTD)	18,946,093	23,639,617
	Mudaraba Fixed Term Deposits (MFDR)	1,196,626,638	1,295,659,389
	Interest on Re-finance borrowings	56,829,872	85,408,231
	interest of the interior performings	1,472,748,406	1,670,553,050
		1,112,110,100	1,010,000,000
11	Commission, exchange and brokerage		
	Commission and brokerage	43,650,842	38,839,443
	Exchange gain	8,250,806	4,562,940
		51,901,648	43,402,383
12	Other operating income		
	Remittance fees	248,993	321,720
	Service and incidental charges	5,884,984	5,973,096
	Other Fees-Telephone and Postage	1,885,523	1,737,837
	Income from Retail Banking	80,177	232,000
	Other Fees - SWIFT	4,957,345	4,708,679
	Miscellaneous income	6,017,554	5,297,690
		19,074,576	18,271,023

Notes to the Financial Statements

For the year ended 31 December 2014

2014

		Taka	Taka
13	Salaries and allowances		
	Basic salary	30,809,304	30,779,048
	Allowances	21,305,387	21,635,983
	Bonus	12,870,231	11,750,325
	Provident fund	2,756,865	2,717,085
		67,741,787	66,882,441
14	Rent, taxes, insurance, electricity etc.		
	Rent, rates and taxes	14,559,500	13,654,941
	,		
	Insurance	7,778,520	6,621,402
	Electricity and lighting	3,712,839	3,493,692
		26,050,859	23,770,035
15	Postage, stamp, telecommunication etc.		
	Postage	1,427,652	1,297,496
	Telephone /Telex	491,588	464,019
	VSAT on-line		
		2,372,860	2,081,641
	SWIFT services	2,088,636	1,993,035
		6,380,736	5,836,190
16	Stationery, printing, advertisements etc.		
	Office stationery	716,898	652,382
	Printing stationery	1,502,685	1,521,252
	Security stationery	865,645	804,052
	Computer stationery	516,603	558,012
	Publicity and advertisement		
	Publicity and advertisement	2,870	1,130
		3,604,701	3,536,828
17	Depreciation on and repairs of Bank's assets		
	Depreciation :		
	Furniture and fixtures	1,088,495	1,280,837
	Office appliance	8,400	-
	Electrical appliance	2,178,837	2,623,888
	ATM Booth	448,975	179,319
	71111 20041	3,724,707	4,084,044
	Damaina.	3,724,707	4,004,044
	Repairs:	205.250	000.040
	Furniture and fixtures	385,272	652,648
	Office and electrical appliance	932,477	1,654,996
	Repair and mintenance computers	283,650	-
	Motor vehicles	111,751	75,244
	Repair, maintenance and utilities	292,072	500,735
	riopali, maintonario and dilitioo	2,005,222	2,883,623
40	Others	5,729,929	6,967,667
18	Other expenses		
	Security and cleaning	4,090,688	3,156,534
	Entertainment	1,448,127	1,229,382
	Car expenses	6,262,988	5,147,027
	Books and periodicals	36,356	41,765
	Subscription and donation	20,000	2,000
	Travelling expenses	403,995	443,866
	Conveyance	248,403	223,646
	Fuel	133,500	85,000
	Uniforms and apparels	167,687	175,148
	Medical expenses	_	28,700
	Loss on sale of Fixed Assets	156,667	, , , ,
	Finance charge on leased assets	554,757	
			5 600
	Expenses for CIB report	5,540	5,680
	Expenses regarding retail banking	370,098	488,444
	Miscellaneous	8,860,413	9,417,241
		22,759,219	20,444,433



Financial Statements of Off-Shore Banking Unit

Annexure-J

Southeast Bank Limited Off-Shore Banking Unit, Bangladesh

Balance Sheet As at 31 December 2014

PROPERTY AND ASSETS	Nata	2014		2013
	Note	USD	Taka	Taka
Cash:				
In hand (Including Foreign Currencies)		-	-	-
Balance with Bangladesh Bank & its agent Bank(s)				
(Including Foreign Currencies)		-	-	-
Balances with Other Banks and Financial Institutions:	3			
In Bangladesh		380,025	29,622,694	23,221,690
Outside Bangladesh		2,145,194	167,216,619	372,318
		2,525,219	196,839,314	23,594,008
Money at Call on Short Notice		-	-	-
Investments:				
Government		-	-	-
Others		-	-	-
Loans and Advances:	4	-	-	-
Loans, Cash Credit & Overdrafts etc.		5,231,989	407,830,415	153,456,208
Bills purchased and discounted		18,386,795	1,433,239,640	1,319,705,690
		23,618,784	1,841,070,055	1,473,161,898
Fixed Assets including premises, furniture and fixtures	5	29,056	2,264,923	2,771,740
Other Assets	6	220,805	17,211,624	784,352
Non-banking assets				-
Total Assets		26,393,864	2,057,385,915	1,500,311,998
LIABILITIES AND CAPITAL				
Liabilities:				
Borrowings from other banks, financial institutions				
and agents	7	25,000,000	1,948,735,000	1,450,037,500
Deposits and Other Accounts:	8			
Current/Al-wadeeah current accounts and other accounts		149,239	11,633,059	6,890,559
Bills Payable		-	-	-
Savings Bank/Mudaraba savings deposits		-	-	-
Fixed deposits/Mudaraba fixed deposits		108,334	8,444,589	2,497,497
		257,573	20,077,648	9,388,056
Other Liabilities	9	434,600	33,876,777	21,638,893
Total Liabilities		25,692,172	2,002,689,424	1,481,064,449
Capital/shareholders' equity				
Paid up capital		-	-	-
Statutory reserve		-	-	_
Other reserves		-	-	-
Foreign currency losses		-	-	
Retained earnings	10	701,692	54,696,491	19,247,549
Total shareholders' equity		701,692	54,696,491	19,247,549
Total liabilities and shareholders' equity		26,393,864	2,057,385,915	1,500,311,998



Southeast Bank LimitedOff-Shore Banking Unit, Bangladesh Balance Sheet As at 31 December 2014

	2014		2013
	USD	<u>Taka</u>	<u>Taka</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	1,821,299	141,969,154	132,708,341
Letters of Guarantee	-	-	-
Irrevocable Letters of Credit	84,626	6,596,507	16,248,460
Bills for Collection	582,229	45,384,365	86,091,756
	2,488,153	193,950,026	235,048,557
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	-	-	-
Claims against the Bank not acknowledged as debt	-	-	-
	-	-	-
Other memorandumitems			
Value of travelers' cheques on hand	-	-	-
Value of Bangladesh Sanchay Patra on hand	-	-	-
Total Off-Balance Sheet items including contingent liabilities	2,488,153	193,950,026	235,048,557

Annexure-J.1

Southeast Bank Limited Off-Shore Banking Unit, Bangladesh

Profit and Loss account

for the year ended 31 December 2014

		2014		2013	
	Note -	USD	Taka	Taka	
Operating Income					
Interest and Discount Income	11	1,578,023	122,503,821	85,972,213	
Interest paid on Deposits & Borrowings	12	(1,089,831)	(84,604,899)	(52,256,188)	
Net Interest Income		488,192	37,898,922	33,716,025	
Other Operating Income					
Commission, Exchange & Brokerage	13	87,778	6,814,304	7,171,794	
Other Operating Income	13.1	41,170	3,196,084	-	
		128,948	10,010,388	7,171,794	
Total Operating Income (A)		617,140	47,909,310	40,887,818	
Salary and Allowances	14	41,038	3,185,792	3,927,125	
Rent, Taxes, Insurance, Lighting etc.	15	9,716	754,241	727,455	
Postage, Stamp, Telegram & Telephone	16	9,298	721,802	707,289	
Stationery, Printing, Advertisement	17	1,403	108,915	81,415	
Depreciation on and repairs to Bank's property	18	7,411	575,359	568,836	
Other expenses	19	52,775	4,096,994	2,007,561	
Total Operating Expenses (B)	_	121,641	9,443,103	8,019,682	
Operating Profit/(Loss) (C=A-B)	_	495,499	38,466,207	32,868,136	
Provision for loans and advances/investments	=				
General provision		46,714	3,626,452	538,745	
Specific provision		-	-	-	
		46,714	3,626,452	538,745	
Provision for off-balance sheet items		(5,349)	(415,286)	2,181,146	
Provision for diminution in value of investments		-	-	-	
Other provisions		-	-	-	
Total provision (D)		41,364	3,211,166	2,719,891	
Total profit (C-D)		454,135	35,255,041	30,148,245	



Annexure-J.2

Southeast Bank Limited Off-Shore Banking Unit, Bangladesh

Statement of Cash Flow For the year ended 31 December 2014

		2	014	2013
A.	Cash Flow from Operating Activities :	USD	Taka	<u>Taka</u>
	Interest receipts in cash	1,577,492	122,964,582	85,972,213
	Interest payment	(976,592)	(76,124,759)	(52,256,188)
	Fees and commission receipts in cash	128,948	10,051,419	7,171,794
	Cash payments to employees	(41,038)	(3,198,850)	(3,927,125)
	Cash payments to suppliers	(1,403)	(109,361)	(81,415)
	Payments for other operating activities	(71,789)	(5,595,876)	(3,442,306)
	Operating profit before changes in operating assets and liabilities (i)	615,619	47,987,155	33,436,972
	houses //Decrease) in an evotion Accets and Liebilities			
	Increase / (Decrease) in operating Assets and Liabilities	(4.074.004)	(004 100 004)	(50.071.010)
	Loans & advances to customers	(4,671,364)	(364,130,034)	(53,871,610)
	Other Assets	(210,186)	(16,383,895)	41,260
	Deposits from other banks	6,350,000	494,978,690	35,083,521
	Deposits from customers	136,826	10,665,491	9,059,250
	Other Liabilities	1,683	131,169	(577,733)
	Cash received from operating assets and liabilities (ii)	1,606,958	125,261,421	(10,265,312)
	Net cash inflow from operating activities (A=i+ii)	2,222,577	173,248,576	23,171,660
В.	Cash Flow from Investing Activities :			
	Proceeds from sale of securities	-	-	-
	Payments for purchase of securities	-	-	-
	Purchase of fixed assets	(818)	(63,780)	(69,998)
	Sale of fixed assets	-	-	-
	Net cash inflow/(outflow) from investing activities (B)	(818)	(63,780)	(69,998)
C.	Cash flows from financing activities :			
	Dividend paid	-	-	-
	Payment against lease obligation	-	-	-
	Receipts from issue of right shares	-	-	-
	Net cash inflow/(outflow) from Financing Activities (C)	-	-	-
D.	Net increase / decrease in cash & cash equivalent (A+B+C)	2,221,759	173,184,797	23,101,662
E.	Effects of exchange rate changes on cash and cash equivalents	-	60,510	(13,297)
F.	Cash and cash equivalents at beginning period	303,460	23,594,007	505,642
G.	Cash and cash equivalents at end of period (D+E+F)	2,525,219	196,839,314	23,594,007
	Cash and cash equivalents at end of the year represents			
	Cash in hand (including foreign currencies)	-	-	-
	Balance with Bangladesh Bank and its agent bank (including foreign currencies)	-	-	-
	Balance with other banks and financial institutions	2,525,219	196,839,314	23,594,007
	Money at call and on short notice	-	-	-
	Treasury bills	-	-	-
	Prize bond	-	-	-
		2,525,219	196,839,314	23,594,007

Off-Shore Banking Unit, (OBU), Bangladesh

Notes to the Financial Statements

as at and for the year ended 31 December-2014

1 Status of the unit

Off-shore Banking Unit (OBU) is a separate business unit of Southeast Bank Ltd., governed under the Rules and Guidelines of Bangladesh Bank. The Bank obtained permission to operate OBUs vide Letter No. BRPD(P-3)744(98)/2008-2213 dated June 24, 2008. The Bank presently has 2 (two) OBUs – one at Export Processing Zone, Dhaka and the other at Export Processing Zone, Chittagong.

OBUs boost up foreign trade by extending finance to industrial units inside and outside the Export Processing Zone (EPZ) area. OBUs are free to make loans/advances to persons/institutions not resident in Bangladesh and to make loans/advances to Type-A (wholly foreign owned) units in the EPZs in Bangladesh. Industrial units outside the EPZs and Type-B and Type-C industrial units within the EPZs in Bangladesh may avail term loans in foreign currencies from OBUs subject to compliance with the guidelines issued by the Board of Investment for borrowing abroad by industrial units Bangladesh.

2 Significant accounting policies and basis of preparations

2.1 Basis of preparation

The financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the OBUs. The financial statements of the OBUs are prepared in accordance with the Bank Companies Act 1991, in particular, Banking Regulation and Policy Department (BRPD) Circular No. 14 dated June 25, 2003, other Bangladesh Bank Circulars and Bangladesh Financial Reporting Standards (BFRS).

2.2 Foreign currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates, i.e., the functional currency. The financial statements are presented in Taka which is the Bank's functional and presentation currency. Figures appearing in the financial statements have been rounded off to the nearest Taka. Assets & Liabilities and Income & Expenses have been converted into Taka currency @ US\$1 = Tk. 77.9494 (closing rate as at 31 December 2014) and Tk. 77.6312 (average rate which represents the year end) respectively.

2.3 Basis of Accounting

OBUs maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, Bangladesh Financial Reporting Standards and other applicable directives issues by Bangladesh Bank.

2.4 Functional and presentation currency

The Financial Statements of OBUs are presented in both USD and Bangladesh Taka (Taka/Tk.) except as otherwise indicated. Financial information presented in Taka has been rounded off to the nearest integer and financial information presented in USD has been rounded into nearest integer.

		20	14	2013
		USD	<u>Taka</u>	Taka
3	Balance with other banks and financial institutions			
	In Bangladesh (Note : 3.1)	380,025	29,622,694	23,221,690
	Outside Bangladesh (Note : 3.2)	2,145,194	167,216,619	372,318
		2,525,219	196,839,314	23,594,008
3.1	In Bangladesh			
	Southeast Bank Limited Head Office	380,025	29,622,694	23,221,690
	Other commercial Bank	<u>-</u>		-
		380,025	29,622,694	23,221,690
3.2	Outside Bangladesh (Current account)			
	Standard Chartered Bank, New York	2,145,194	167,216,619	372,318
		2,145,194	167,216,619	372,318



Off-Shore Banking Unit, (OBU), Bangladesh

Notes to the Financial Statements

as at and for the year ended 31 December-2014

			20	14	2013
			USD	Taka_	<u>Taka</u>
		and Advance of the second			
4 4.1		and Advances/Investment			
4.1	In Bangl	Cash Credit & Overdrafts etc.	_		_
	_	Bangladesh (Note 4.1.1)	5,231,989	407,830,415	153,456,208
	Outside	Bangiadesir (Note 4.11.1)	5,231,989	407,830,415	153,456,208
4.1.1	-	Cash Credit & Overdrafts etc.			
		Bangladesh	4.004.040	010 450 405	100 501 770
	Time Lo		4,021,242 608,770	313,453,435 47,453,231	128,521,776
	Overdra		36,700	2,860,768	16,939
	Advance		565,277	44,062,982	24,917,492
	ravario	3 2111	5,231,989	407,830,415	153,456,208
4.2	-	rchased and discounted			
	In Bangl		- 40,000,705	- 4 400 000 040	4 040 705 000
	Outside	Bangladesh	18,386,795	1,433,239,640	1,319,705,690
			18,386,795	1,433,239,640	1,319,705,690
5.	Eivad a	ssets including premises, furniture and fi	vturae		
5.	Cost:	ssets including premises, furniture and in	Atures		
	0031.	Furniture and fixture	40,223	3,135,352	3,127,333
		Electrical Appliances	17,764	1,384,717	1,317,546
		P. P	57,987	4,520,069	4,444,879
	Less:	Accumulated depreciation			
		Furniture and fixture	16,020	1,248,735	932,809
		Electrical Appliances	12,911	1,006,411	740,330
			28,931	2,255,146	1,673,139
	Written	down value at the end of the year	29,056	2,264,923	2,771,740
6.	Other a	esats			
0.		I Interest on Bill purchased and discounted	713	55,572	_
		Receivable- Time Loan	-	-	14,171
	Accruec	Interest on Calls and Placement	-	-	-
	Prepaid	Interest mashreq	217,800	16,977,379	-
	Prepaid	Expense-IFC Monitoring Fee	-	-	583,125
	Insuranc	ce	144	11,187	-
	Advance	e Office Rent	2,149	167,484	167,056
	Account	ts Receivable Others	-	-	20,000
			220,805	<u>17,211,624</u>	784,352
7.	Borrow	ing from other banks, financial institution	s and agents		
		ngs from IFC	-	-	777,500,000
	Borrowii	ngs from mashreq bank PSC-USD	10,000,000	779,494,000	-
		ngs from CBQ	15,000,000	1,169,241,000	544,250,000
	Borrowii	ngs from Head Office	-	-	128,287,500
			25,000,000	1,948,735,000	1,450,037,500
8.		t Accounts			
		Deposits (Note:8.01)	149,239	11,633,059	6,890,559
	Fixed De	eposits	108,334	8,444,589	2,497,497
			257,573	20,077,648	9,388,056

Southeast Bank LimitedOff-Shore Banking Unit, (OBU), Bangladesh

Notes to the Financial Statements

as at and for the year ended 31 December-2014

		201	4	2013
		USD	Taka	Taka
0.4	Oursell Barracita			
8.1	Current Deposits Current Accounts	117,646	9,170,440	4,115,240
	Margin against LC	8,463	659,651	1,624,975
	Sundry Creditors	3,902	304,135	1,150,344
	Sundry Deposit FCY	19,228	1,498,833	1,150,544
	Suriary Deposit 1 O I	149,239	11,633,059	6,890,559
9	Other liabilities	1+0,200	11,000,000	0,000,000
	Interest Payable on Borrowings	171,086	13,336,061	242,791
	Interest Payable on FDR	1	56	
	Accrued Expenses payable	2,443	190,458	-
	Interest Payable-IFC Loan	´ -	´ -	1,152,644
	Interest Payable-CBQ Loan	-	-	3,102,225
	Provision for Unclassified loans and advances	236,188	18,410,701	14,731,619
	Provision for Off-Balance Sheet Exposure	24,882	1,939,500	2,350,486
	Others	-	-	59,129
		434,600	33,876,777	21,638,893
10	Retained earnings			
	Balance at 1 January	247,557	19,247,549	(11,084,528)
	Add/(Less): foreign currency translation gain for last year		193,901	183,832
		247,557	19,441,450	(10,900,696)
	Addition during the year	454,135	35,255,041	30,148,245
		701,692	54,696,491	19,247,549
	Add/ Less: foreign exchange gain (loss)			
44	Interest income/profit on investment	701,692	54,696,491	19,247,549
11	Interest Income/profit on investment Interest Income from Loans and Advances	171,862	13,341,889	3,479,862
	Interest income from Loans and Advances Interest on overdraft	455	35,332	3,479,602
	Interest Income from Bill purchased and Discounted	1,405,705	109,126,600	82,491,920
	Interest Income from Calls and Placement	- 1,400,700	100,120,000	430
	interest income nom same and hassinone	1,578,023	122,503,821	85,972,213
12	Interest paid/profit shared on deposits and borro	wings etc.		
	Interest on IFC Loan	175,169	13,598,590	27,722,303
	Interest expense on mashreq bank loan	22,856	1,774,305	-
	Interest on CBQ Loan	434,675	33,744,343	12,432,225
	Interest on FDR	(109)	(8,438)	9,538
	Interest on calls and placement	457,240	35,496,099	-
	Interest on Borrowings	-	-	12,092,122
		1,089,831	84,604,899	52,256,188
13	Commission Income	07 770	0.014.004	7 171 704
	Commission and Other Charges	87,778	6,814,304	7,171,794
		87,778	6,814,304	7,171,794
13.1	Other Operating Income			
13.1	Other income- SWIFT	3,250	252,301	_
	Miscellaneous income	5,000	388,164	
	Rebate from trade payments	32,920	2,555,619	_
		41,170	3,196,084	_
		11,170	<u> </u>	



Southeast Bank LimitedOff-Shore Banking Unit, (OBU), Bangladesh

Notes to the Financial Statements

as at and for the year ended 31 December-2014

		20	14	2013
		USD	Taka	Taka
14	Salaries and allowances			
	Basic salary	18,492	1,435,554	1,597,360
	Allowances	14,958	1,161,186	1,789,125
	Provident fund contribution	887	68,881	-
	Bonus	6,701	520,171	540,640
		41,038	3,185,792	3,927,125
15	Rent, taxes, insurance, electricity etc.			
	Rent, rates and taxes	7,849	609,354	611,206
	Vat on Office Rent/lease value	123	9,587	-
	Insurance	103	7,959	-
	Electricity and lighting	1,640	127,341	116,249
		9,716	754,241	727,455
16	Postage, stamp, telecommunication etc.			
	Postage	-	-	6,559
	Expenses regarding On-line	1,244	96,601	193,199
	Internet Service	1,307	101,501	-
	SWIFT charges	4,967	385,568	388,124
	FC Nostro charges	1,291	100,222	71,154
	Telephone	488	37,910	48,253
		9,298	721,802	707,289
17	Stationery, printing, advertisements etc.			
	Office and Printing stationery	1,403	108,915	81,415
		1,403	108,915	81,415
18	Depreciation and repairs of Bank's assets			
	Depreciation on own assets:			
	Furniture and fixtures	4,022	312,254	312,732
	Electrical appliance	3,389	263,105	256,104
		7,411	575,359	568,836
19	Other expenses			
	Security and cleaning	-	-	929,518
	Entertainment	239	18,566	23,455
	Car expenses	7,504	582,555	322,030
	House maintenance (Executive)	2,293	178,032	-
	Repair, maintenance and utilities	558	43,293	-
	Books and periodicals	104	8,052	9,685
	Conveyance	519	40,268	48,253
	Miscellaneous	41,558	3,226,228	674,620
		52,775	4,096,994	2,007,561

Annexure-K

Southeast Bank Limited and its subsidiaries

Geographical and Business Segment

Geographical Segment

	lus	Inside Bangladesh			Outside Bangladesh	h	
Particulars	SEBL (Conventional & Islamic Banking)	Off Shore Banking Units	SEBL Capital Services Ltd.	Southeast Financial Services (UK) Ltd.	Southeast Financial Services (Australia) Pty Ltd.	Southeast Exchange Company (South Africa) Pty Ltd.	Total
Income	11,476,796,472	47,909,310	71,194,353	15,133,720	4,113,317	2,043,227	11,617,190,399
Less: Inter segmental Income	336,944,711	-	(336,944,711)	-	-	-	-
Total Income	11,139,851,761	47,909,310	408,139,064	15,133,720	4,113,317	2,043,227	11,617,190,399
Operating Profit (Profit before unallocated expenses and tax)	11,139,851,761	47,909,310	408,139,064	15,133,720	4,113,317	2,043,227	11,617,190,399
Allocated Expenses	(3,244,508,322)	(9,443,103)	(50,026,862)	(17,516,331)	(5,556,114)	(382,401)	(3,327,433,133)
Provision against Loans & Advances and Others	(1,476,510,963)	(3,211,166)	(49,374,424)	-	-	-	(1,529,096,553)
Profit / (Loss) before tax	6,418,832,476	35,255,041	308,737,778	(2,382,611)	(1,442,797)	1,660,826	6,760,660,713
Provision for tax including deferred tax	(2,920,000,000)	-	(3,719,173)	-	-	-	(2,923,719,173)
Net Profit	3,498,832,476	35,255,041	305,018,605	(2,382,611)	(1,442,797)	1,660,826	3,836,941,540
Segment Assets	233,116,215,076	2,057,385,915	1,360,406,997	13,374,879	10,417,941	50,599,691	236,608,400,499
Segment Liablities	233,116,215,076	2,057,385,915	1,360,406,997	13,374,879	10,417,941	50,599,691	236,608,400,499

II) Business Segment

	lns	Inside Bangladesh			Outside Bangladesh	h	
Particulars	Conventional Banking including OBU	Islamic Banking	SEBL Capital Services Ltd.	Southeast Financial Services (UK) Ltd.	Southeast Financial Services (Australia) Pty Ltd.	Southeast Exchange Company (South Africa) Pty Ltd.	Total
Income	10,552,670,122	972,035,660	71,194,353	15,133,720	4,113,317	2,043,227	11,617,190,399
Less: Inter segmental Income	336,944,711	1	(336,944,711)	-	-	-	-
Total Income	10,215,725,411	972,035,660	408,139,064	15,133,720	4,113,317	2,043,227	11,617,190,399
Operating Profit (Profit before unallocated expenses and tax)	10,215,725,411	972,035,660	408,139,064	15,133,720	4,113,317	2,043,227	11,617,190,399
Allocated Expenses	(3,121,679,694)	(132,271,731)	(50,026,862)	(17,516,331)	(5,556,114)	(382,401)	(3,327,433,133)
Provision against Loans & Advances and Others	(1,008,556,935)	(471,165,194)	(49,374,424)	-	-	-	(1,529,096,553)
Profit / (Loss) before tax	6,085,488,782	368,598,735	308,737,778	(2,382,611)	(1,442,797)	1,660,826	6,760,660,713
Provision for tax including deferred tax	(2,920,000,000)	-	(3,719,173)	-	-	-	(2,923,719,173)
Net Profit	3,165,488,782	368,598,735	305,018,605	(2,382,611)	(1,442,797)	1,660,826	3,836,941,540
Segment Assets	211,455,895,686	23,717,705,305	1,360,406,997	13,374,879	10,417,941	50,599,691	236,608,400,499
Segment Liablities	211,455,895,686	211,455,895,686 23,717,705,305 1,360,406,997	1,360,406,997	13,374,879	10,417,941	50,599,691	236,608,400,499



Auditors' Report and Financial Statements of Southeast Bank Capital Services Limited

PINAKI & COMPANY

Auditor's Report to the Shareholders of Southeast Bank Capital Services Limited

We have audited the accompanying financial statements of Southeast Bank Capital Services Limited which comprises the Statement of Financial Position as on December 31, 2014 and the related Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Shareholders Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as on December 31, 2014 and its cash flows for the year then ended and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- (iii) The Company's Statement of Financial Position, Statement of Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of account and returns;
- (iv) The expenditure incurred was for the purpose of the company's business;

Dhaka

Dated: 25 February 2015

Pinaki & Company
Chartered Accountants



Statement of Financial Position as on December 31, 2014

			TAKA	
PAI	RTICULARS		31-12-2014	31-12-2013
AS	BETS			
A.	NON-CURRENT ASSETS		140,427,856	147,462,218
	Property, Plant and Equipment	Note- 04	140,427,856	147,462,218
В.	CURRENT ASSETS		4,480,285,911	4,297,618,186
	Margin Loan	Note- 05	2,354,785,039	2,232,244,999
	Accounts Receivable	Note- 06	2,023,783	20,954,286
	Advances, Deposits and Prepayments	Note- 07	250,898,262	272,220,398
	Investment in Quoted Shares	Note- 08	1,852,802,372	1,753,374,104
	Cash and Cash Equivalents	Note- 09	19,776,455	18,824,399
C.	TOTAL ASSETS [A + B]		4,620,713,767	4,445,080,404
EQ	UITY AND LIABILITIES			
D.	CAPITAL AND RESERVE		1,011,279,819	1,040,687,365
	Share Capital	Note- 10	1,000,000,000	1,000,000,000
	Retained Earnings	Note- 11	11,279,819	40,687,365
E.	NON-CURRENT LIABILITIES		-	-
			-	-
F.	CURRENT LIABILITIES		3,609,433,948	3,404,393,039
	Margin Deposit	Note- 12	20,059,205	30,305,654
	Accounts Payable		-	71,855,242
	Advance Received for Rent	Note- 13	25,075,920	-
	Collection in Transit	Note- 14	26,570,197	52,677,397
	Loan From ICB	Note- 15	64,616,556	-
	Bank Overdraft		3,240,530,315	3,058,510,916
	Provision for Corporate Income Tax	Note- 16	34,500,547	54,282,257
	Provision for Diminution in Value of Investments	Note- 17	157,799,057	108,424,633
	Accrued Expenses	Note- 18	2,209,415	1,139,989
	Other Liabilities	Note- 19	38,072,736	27,196,951
G.	TOTAL EQUITY AND LIABILITIES [D + E + F]		4,620,713,767	4,445,080,404

Signed in terms of our separate report of even date

Managing Director (C.C.)

PINAKI & COMPANY Chartered Accountants

Statement of Comprehensive Income for the year ended December 31, 2014

ARTICULARS			TAKA	
_			2014	2013
Income:	Interest on Portfolio Loan		368,397,627	353,318,207
	Interest on Fixed Deposit		-	5,453,785
	Portfolio Management Fee		19,364,001	18,734,446
	Documentation Charge		31,391	147,661
	Settlement Fee		18,111,315	18,629,366
	Commission on Underwriting		881,672	186,000
	Income on Investment Shares		(11,847,253)	54,459,113
	Commission on Issue Management		143,162	-
	Dividend Income		18,595,867	14,998,992
	Other Income	Note- 20	2,518,560	-
	Total Income		416,196,342	465,927,570
Expenses:				
·	Salary & Allowances	Note- 21	10,174,910	9,852,221
	Financial Expenses	Note- 22	342,483,429	370,385,486
	Printing & Stationery		191,338	509,540
	Local Conveyances		10,700	16,624
	Entertainment		229,457	342,938
	House Service & Utilities		321,600	321,600
	House Maintenance		810,000	810,000
	Telephone & Postage		148,072	164,294
	Office Rents and Other Rates & Taxes		10,364,806	19,598,115
	Miscellaneous Expenses		142,924	213,430
	CDBL Expenses		3,248,352	2,921,030
	Car Maintenance		1,239,390	1,236,420
	Misc. Contractual Services		703,153	894,337
	Bank Charges		37,301	32,697
	Director Remuneration		155,000	250,000
	Other Professional Service Charge		-	208,000
	Audit Fees		35,000	30,000
	Preliminary Expenses Write- Off		-	1,093,215
	Corporate Expenses (Subscription)		380,000	203,500
	Repair , Maintenance & Utilities		683,493	52,093
	Interest Waiver on Margin Loan		6,352,509	-
	Depreciation		14,798,857	7,085,533
	Total Expenses		392,510,291	416,221,073
Net Profit Be	fore Provision		23,686,051	49,706,497
Add/(Less): Pro	ovision for Diminution in Value of Investments	Note- 23	(49,374,424)	222,241,990
Profit/(Loss)	Before Tax		(25,688,373)	271,948,487
Less: Provision	on for Corporate Income Tax		(3,719,173)	-
Retained Ear	nings Carried Forward		(29,407,546)	271,948,487

Examined and found correct

Director

Managing Director (C.C.)

PINAKI & COMPANY Chartered Accountants





Statement of Changes in Shareholders Equity for the year ended December 31, 2014

(Amount in Taka)

Particulars	Share Capital	General Reserve	Retained Earnings	Total
Balance as on 01.01.2014	1,000,000,000	-	40,687,365	1,040,687,365
Add: during the year	-	-	-	-
Retained earnings during the year			(29,407,546)	(29,407,546)
netained earnings during the year			(29,407,340)	(29,407,340)
Balance as on 31.12.2014	1,000,000,000	-	11,279,819	1,011,279,819

Statement of Cash Flows for the year ended December 31, 2014

PARTICULARS	TAKA	TAKA	
	2014	2013	
Cash flow from operating activities			
Received from Investors	126,699,314	271,675,810	
Withdrawal by Investors	(241,396,371)	(182,890,262)	
Collection from Broker	1,216,619,079	1,464,435,853	
Payment to Broker	(832,020,262)	(1,272,134,551)	
Dividend Collected for Investor	28,837,156	16,277,017	
IPO Application for Investors	(23,733,000)	(33,028,000)	
IPO Refund Received for Investors	24,705,000	31,898,600	
Right Application for Investors	(9,189,690)	(720,240)	
Underwriting Commission Received	881,672	186,000	
Issue Management Commission Received	143,162	<u>-</u>	
CDBL Custody DP Security Deposit	-	(200,000)	
Advance Against Rental Income	29,923,200	-	
Rental Income Received	1,133,352	_	
Operating Expenses	(27,692,208)	(29,919,341)	
Income Tax	(8,219,173)	(16,269,792)	
Net cash provided by operating activities	286,691,231	249,311,094	
Cash flow from investing activities			
Investment in Quoted Shares	(471,402,771)	(830,365,518)	
Disposal of Investment in Quoted Shares	270,264,405	575,596,460	
Acquisition of Fixed Asset (Floor Spcae)		(80,036,817)	
Sale Deed (Baina Nama) for Floor Space		(174,780,230)	
Acquisition of Fixed Asset (Electrical Appliance)	(1,985,450)	(639,420)	
Acquisition of Fixed Asset (Furniture & Fixture)	(5,779,045)	(13,557)	
Advance Against Acquisition of Fixed Assets	(5,115,515)	(5,946,260)	
Interest on FDR	_	6,064,311	
Income from Dividend	18,595,867	14,998,992	
Net cash used in investing activities	(190,306,994)	(495,122,039)	
Cash flow from financing activities			
Net Increase in Overdraft	182,019,399	562,519,871	
Interest Paid on Overdraft	(339,463,271)	(358,457,653)	
ICB Loan Received - Pronodona Scheme	77,656,411	-	
Repayment of ICB Loan - Pronodona Scheme	(13,039,855)	_	
Interest on ICB Loan - Pronodona Scheme	(2,604,865)	_	
Net cash used in financing activities	(95,432,181)	204,062,218	
Increase/(decrease) in cash and cash equivalents	952,056	(41,748,727)	
Cash and cash equivalents on the opening	18,824,399	60,573,126	
Cash and cash equivalents on the closing	19,776,455	18,824,399	
•			



Notes to the Financial Statements

as on December 31, 2014

1.0 Legal Status and Nature of the Company

Southeast Bank Capital Services Limited (hereinafter referred to as "the Company") was incorporated in Bangladesh as a public limited company on 23.09.2010 under the Companies Act 1994 and granted registration number C-87139/10.

1.1 Address of the Registered Office

The company operates its activities from Eunoos Trade Center, 52-53 Dilkusha C/A, Dhaka-1000.

1.2 Nature of Business Activities:

The main object of Southeast Bank Capital Services Limited is to carry on the business of merchant banking under the Bangladesh Securities and Exchange Commission (Merchant Banking and Portfolio Management) Rules 1996.

2.0 Significant Accounting Policies

2.1 Statement of Compliance

The financial statements of Southeast Bank Capital Services Limited have been prepared in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994 and other applicable laws and regulations.

2.2 Measurement Bases Used in Preparing the Financial Statements

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standard Board (IASB).

2.3 Going Concern

Financial Statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the company in the foreseeable future.

2.4 Components of Financial Statements:

According to International Accounting Standard (IAS) – 1, as adopted by ICAB as BAS – 1 "presentation of financial statements" the complete set of financial statements includes the following components:

- i. Statement of Financial Position
- ii. Statement of Comprehensive Income
- iii. Statement of Cash Flow Statement
- iv. Statement of Changes in Shareholders Equity and
- v. Notes to the Financial Statements.

3.0 Principal Accounting Policies:

3.1 Cash Flow Statement

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

3.2 Reporting Currency and Level of Precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

3.3 Others:

- a) There is no claim against the company, which has not been acknowledged as debt in the Statement of Financial Position.
- b) There was no contingent liability as on 31-12-2014.
- c) Figures of the previous year have been rearranged, wherever considered necessary to conform to current year's presentation.

Notes to the Financial Statements

as on December 31, 2014

No.	Particulars			Taka
04.	Property, Plant and Equipment			
	Details of Property, Plant and Equipment and E Schedule - A. This is arrived at as follows:	Depreciation as on Dec	ember 31, 2014 are shov	vn in the annexed
	Written Down Value (a-b)			140,427,856
	Opening Balance - At Cost		169,144,358	
	Add: Addition during the year (At Cost)		7,764,495	
			176,908,853	
	Less: Adjustment during the year		-	
	Closing Balance (a)		176,908,853	
	Accumulated Depreciation			
	Opening Balance		21,682,140	
	Add: Charged during the year		14,798,857	
			36,480,997	
	Less : Adjustment during the year		-	
	Closing Balance (b)		36,480,997	
05	Margin Loan			2,354,785,039
	As per Last Account		2,232,244,999	
	Add: Net disbursement during the year		122,540,040	
06	Accounts Receivable			2,023,783
	BLI Securities Ltd.	Note- 06.1	479,335	
	AD Holdings Ltd.	Note- 06.2	345,726	
	Int. Leasing Securities Ltd.	Note- 06.3	1,150,761	
	National Securities & Consultants Ltd.	Note- 06.4	47,961	
06.1	BLI Securities Ltd.			479,335
	As per Last Account		-	
	Add: Net balancing figure during the year		479,335	
06.2	AD Holdings Ltd.			345,726
	As per Last Account		2,473,959	

2,128,233

Less: Net balancing figure during the year



Notes to the Financial Statements

as on December 31, 2014

06.3	Int. Leasing Securities Ltd.			1,150,761
	As per Last Account		17,296,070	
	Less: Net balancing figure during the year		16,145,309	
06.4	National Securities & Consultants Ltd.			47,961
	As per Last Account		1,030,091	
	Less: Net balancing figure during the year		982,130	
07	Advances, Deposits and Prepayments			250,898,262
	Lease Rental (Eunoos Center)	Note- 07.1	30,222,710	
	Corporate Income Tax	Note- 07.2	32,578,009	
	Advance for Interior Decoration and Air Conditioning		13,078,428	
	Security Deposits		238,915	
	Advance for Office Space Purchase		174,780,200	
07.1	Lease Rental (Eunoos Center)			30,222,710
	As per Last Account		37,007,400	
	Less : Adjustment during the year		6,784,690	
07.2	Corporate Income Tax			32,578,009
	As per Last Account		47,115,455	
	Add: Addition during the year		8,963,437	
			56,078,892	
	Less: Adjustment during the year		23,500,883	
08	Investment in Quoted Shares			1,852,802,372
	As per Last Account		1,753,374,104	
	Add: Net investment during the year		99,428,268	
	The total amount is invested as under:			
	Asia Insurance Co. Ltd.		39,043,100	
	ACI Limited		4,036,080	
	Bay Leasing & Investment Ltd.		238,209,529	
	Brac Bank Ltd.		8,480	
	Bangladesh Shipping Corporation		4,533,015	
	Delta Life Insurance Co. Ltd.		54,458,366	
	Exim Bank Ltd.		97,872,791	
	National Life Insurance Co. Ltd.		1,323,575,264	
	Prime Bank Ltd.		64,359,689	
	Rupali Life Insurance Co. Ltd. Unique Hotels & Resorts Ltd.		1,673,266 25,032,792	
	omque noteis a nesolts Ltu.		1,852,802,372	
			1,002,002,012	

Notes to the Financial Statements

as on December 31, 2014

09	Cash and Cash Equivalents			19,776,455
	Cash in hand		-	
	Cash at bank	Note - 09.1	19,776,455	
09.1	Cash at Bank			19,776,455
	Southeast Bank Ltd -CD A/C- 1100007409		6,001	
	Southeast Bank Ltd -SND (Contra) 13100000785		5,516,000	
	Southeast Bank Ltd -AI- Wadiah A/C- 11100006778		14,254,454	
10	Share Capital			1,000,000,000
	Authorised Capital 300,000,000 shares of TK. 10/- each		_	3,000,000,000
	Issued and Subscribed Capital 100,000,000 shares of TK. 10/- each			
	Paid up Capital 100,000,000 shares of TK. 10/- each		1,000,000,000	
11	Retained Earnings			11,279,819
	Opening Balance		40,687,365	
	Less: Loss during the year		29,407,546	
12	Margin Deposit			20,059,205
	As per Last Account		30,305,654	
	Less: Net adjustment during the year		10,246,449	
13	Advance Received for Rent			25,075,920
	Advance received during the year		29,923,200	
	Less : Adjustment during the year		4,847,280	
14	Collection in Transit			26,570,197
	As per Last Account		52,677,397	
	Less: Net adjustment during the year		26,107,200	
15	Loan From ICB			64,616,556
	As per Last Account		-	
	Add: Received during the year		77,656,411	
	Less: Paid during the year		77,656,411 13,039,855	
16	Provision for Corporate Income Tax		.,,3	34,500,547
	As per Last Account		54,282,257	
	Add: Addition during the year (Tax on		3,719,173	
	Dividend Income U/S 54)		58,001,430	
	Less : Adjustment during the year		23,500,883	



Notes to the Financial Statements

as on December 31, 2014

17	Provision for Diminution in Value of Schedule-B Investments		157,799,057
	Opening Balance	108,424,633	
	Add: Additional provision required	49,374,424	
18	Accrued Expenses		2,209,415
	Interest on ICB Loan	415,293	
	Excise Duty & Bank Charge	22,875	
	CDBL Bill	38,146	
	Audit Fee	35,000	
	Cleaners Associates Bill	24,557	
	Office Rent- (Eunoos Center)	1,673,544	
19	Other Liabilities		38,072,736
	Accounts Payable (Others)	32,556,736	
	IPO Application Fund (Contra)	5,516,000	
20	Other Income		2,518,560
	Rental Income	2,518,560	
21	Salary & Allowances		10,174,910
	Salary & Allowances	7,159,200	
	Festival Bonus	686,600	
	Incentive Bonus	741,750	
	Leave Fare Concession	1,192,800	
	Provident Fund Contribution	394,560	
22	Financial Expenses		342,483,429
	Interest on Bank Overdraft	339,463,271	
	Interest on ICB Loan	3,020,158	
23	Provision for Diminution in Value of Investments		(49,374,424)
	Opening Balance	108,424,633	
	Less: Required on December 31, 2014	157,799,057	
	Loss. Hoganisa on December of, 2014	101,100,001	

Notes to the Financial Statements

as on December 31, 2014

Schedule - A

Particulars

Property, Plant and Equipment

		Cost				Depreciation		
Name of Assets	Balance as on 01.01.2014	Addition during the year	Balance as on 31.12.2014	Rate of %	Balance as on 01.01.2014	Charged during the year	Balance as on 31.12.2014	W.D.V as on 31.12.2014
Land	4,745,000	ı	4,745,000	1	ı	1	ı	4,745,000
Buildings	144,803,147		144,803,147	10%	18,939,729	12,586,342	31,526,071	113,277,076
Furniture & Fixture	13,646,671	5,779,045	19,425,716	10%	683,011	1,346,177	2,029,188	17,396,528
Electrical Appliance	4,649,540	1,985,450	6,634,990	20%	921,900	785,088	1,706,988	4,928,002
Computer Software	1,300,000		1,300,000	20%	1,137,500	81,250	1,218,750	81,250
Total	Total 169,144,358	7.764,495	176,908,853		21,682,140	14,798,857	36,480,997	140,427,856



Schedule to the Financial Statements

as on December 31, 2014

Diminution in Value of Investments

Schedule-B

Particulars	Cost Price	Market Price	Net Difference (Provision Required)
Asia Insurance Co. Ltd.	39,043,100	27,516,330	(11,526,770)
ACI Limited	4,036,080	3,899,000	(137,080)
Bay Leasing & Investment Ltd.	238,209,529	138,323,380	(99,886,149)
Brac Bank Ltd.	8,480	15,773	7,293
Bangladesh Shipping Corporation	4,533,015	3,806,250	(726,765)
Delta Life Insurance Co. Ltd.	54,458,366	46,791,285	(7,667,081)
Exim Bank Ltd.	97,872,791	51,310,671	(46,562,120)
National Life Insurance Co. Ltd.	1,323,575,264	1,365,493,819	41,918,555
Prime Bank Ltd.	64,359,689	32,738,707	(31,620,982)
Rupali Life Insurance Co. Ltd.	1,673,266	1,713,600	40,334
Unique Hotels & Resorts Ltd.	25,032,792	23,394,500	(1,638,292)
	1,852,802,372	1,695,003,315	(157,799,057)



Financial Statements of Southeast Financial Services (UK) Limited



Financial Statements

For the year ended 31 December 2014

DIRECTORS

ALAMGIR KABIR, FCA SHAHID HOSSAIN MUHAMMAD NAZMUL HUDA AZAD

REGISTERED OFFICE

22 NEW ROAD LONDON E1 2AX

COMPANY NUMBER

07539137

BANKERS

SONALI BANK (UK) LIMITED

ACCOUNTANTS

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

Directors' Report

For the year ended 31 December 2014

The directors present their report and accounts for the year ended 31 December 2014

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was MONEY REMITTANCE.

DIRECTORS

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

	2014	2013
	No.	No.
ALAMGIR KABIR, FCA	0	0
SHAHID HOSSAIN	0	0
MUHAMMAD NAZMUL HUDA AZAD	0	0

DIRECTORS RESPONSIBILITIES

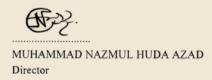
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

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

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

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

This report was approved by the board on 12 January 2015





Jahan & Co.

Southeast Financial Services (UK) Ltd.

Accountants' Report to the Board of Directors on the Financial Statements of Southeast Financial Services (UK) Ltd. for the year ended 31 December 2014

In order to assist you to fulfill your duties under the Companies Act 2006, we have prepared for your approval the accounts of SOUTHEAST FINANCIAL SERVICES (UK) LTD for the year ended 31 December 2014 as set out on pages 5 to 10 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 SOUTHEAST FINANCIAL SERVICES (UK) LTD, as a body, in accordance with the terms of our engagement letter dated. Our work has been undertaken solely to prepare for your approval the accounts of SOUTHEAST FINANCIAL SERVICES (UK) LTD and state those matters that we have agreed to state to the Board of Directors of SOUTHEAST FINANCIAL SERVICES (UK) LTD, as a body, in this report, in accordance with the requirements of the Chartered Institute of Management Accountants (CIMA) as detailed on their website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than SOUTHEAST FINANCIAL SERVICES (UK) LTD and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that SOUTHEAST FINANCIAL SERVICES (UK) LTD 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 SOUTHEAST FINANCIAL SERVICES (UK) LTD. You consider that SOUTHEAST FINANCIAL SERVICES (UK) LTD is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of SOUTHEAST FINANCIAL SERVICES (UK) LTD. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Jahan & Co

Chartered Management Accountants

22 Osborn Street

London

E1 6TD

12 January 2015

Profit and Loss Account

for the year ended 31 December 2014

	Notes	2014	2013
		£	£
TURNOVER	2	118,517	69,052
GROSS PROFIT		118,517	69,052
Distribution costs		(1,246)	(416)
Administrative expenses		(135,930)	(132,561)
OPERATING LOSS	3	(18,659)	(63,925)
Interest receivable and similar income			2
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(18,659)	(63,923)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(18,659)	(63,923)
LOSS FOR THE FINANCIAL YEAR		(18,659)	(63,923)



Balance Sheet

at 31 December 2014

	Notes		2014 £		2 0 13 £
FIXED ASSETS	5		38,374		46,118
Tangible assets	3		36,374		40,110
CURRENT ASSETS					
Debtors (amounts falling due within one year)	6	53,759		56,029	
Cash at bank and in hand		18,114		1,957	
		71,873		57,986	
CREDITORS: Amounts falling due within one year	7	40,702		15,900	
NET CURRENT ASSETS			31,171		42,086
TOTAL ASSETS LESS CURRENT LIABILITIES			69,545		88,204
CAPITAL AND RESERVES					
Called up share capital	8		300,000		300,000
Profit and loss account	9		(230,455)		(211,796)
SHAREHOLDERS' FUNDS			69,545		88,204

For the year ending 31 December 2014 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board on 12 January 2015 and signed on their behalf by $% \left(1\right) =\left(1\right) +\left(1\right) +\left($

€₹.

MUHAMMAD NAZMUL HUDA AZAD

Director

Notes to the Accounts

for the year ended 31 December 2014

1. ACCOUNTING POLICIES

1a. Basis Of Accounting

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

1b. Cash Flow Statement

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

1c. Depreciation

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

Short Leasehold Properties	straight line 14.28%
Fixtures and Fittings	reducing balance 20%
Equipment	reducing balance 20%

1d. Turnover

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

2. TURNOVER

The turnover and pre-tax result is attributable to MONEY REMITTANCE.

	2014	2013
	£	£
Remittance Commissions	59,939	69,052
Exchange Gain	48,494	-
Fees Income	10,084	
	118,517	69,052



Notes to the Accounts

for the year ended 31 December 2014

3. OPERATING PROFIT	2014	2013
	£	£
Operating Profit is stated after charging: Depreciation	10,419	11,302

4. TAX ON ORDINARY ACTIVITIES

5. TANGIBLE FIXED ASSETS

	Short Leasehold	Fixtures		
	Properties	and Fittings	Equipment	Total
	£	£	£	£
Cost				
At 1 January 2014	30,000	44,857	8,365	83,222
Additions		2,405	270	2,675
At 31 December 2014	30,000	47,262	8,635	85,897
Depreciation				
At 1 January 2014	12,300	20,864	3,940	37,104
For the year	4,200	5,280	939	10,419
At 31 December 2014	16,500	26,144	4,879	47,523
Net Book Amounts				
At 31 December 2014	13,500	21,118	3,756	38,374
At 31 December 2013	17,700	23,993	4,425	46,118

Notes to the Accounts

for the year ended 31 December 2014

6. DEBTORS	2014 £	2013 £
Amounts falling due within one year: Trade debtors Other debtors	39,820 13,939 53,759	45,934 10,095 56,029
7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2014	2013
Taxation and social security TT Payable	2,530 38,172 40,702	£ 805 15,095 15,900
8. SHARE CAPITAL	2014 £	2013 £
Allotted, issued and fully paid: 300000 Ordinary shares of £ 1 each	300,000	300,000 300,000
9. PROFIT AND LOSS RESERVE	2014 £	2013 £
Opening balance Loss for the year	(211,796) (18,659) (230,455)	(147,873) (63,923) (211,796)



Trading and Profit and Loss Account for the year ended 31 December 2014

		2014 £		2013 £
Turnover		118,517		69,052
Cost of Sales: Gross Profit		118,517		69,052
Less: Distribution costs	1,246 135,930		416 132,561	
Administrative expenses Interest receivable and similar income		137,176	(2)	132,975
Net loss for the year before taxation Net loss for the year after taxation		(18,659) (18,659) (211,796)		(63,923) (63,923) (147,873)
Retained losses brought forward Retained losses carried forward		(230,455)		(211,796)

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

Profit and Loss Account Summaries

for the year ended 31 December 2014

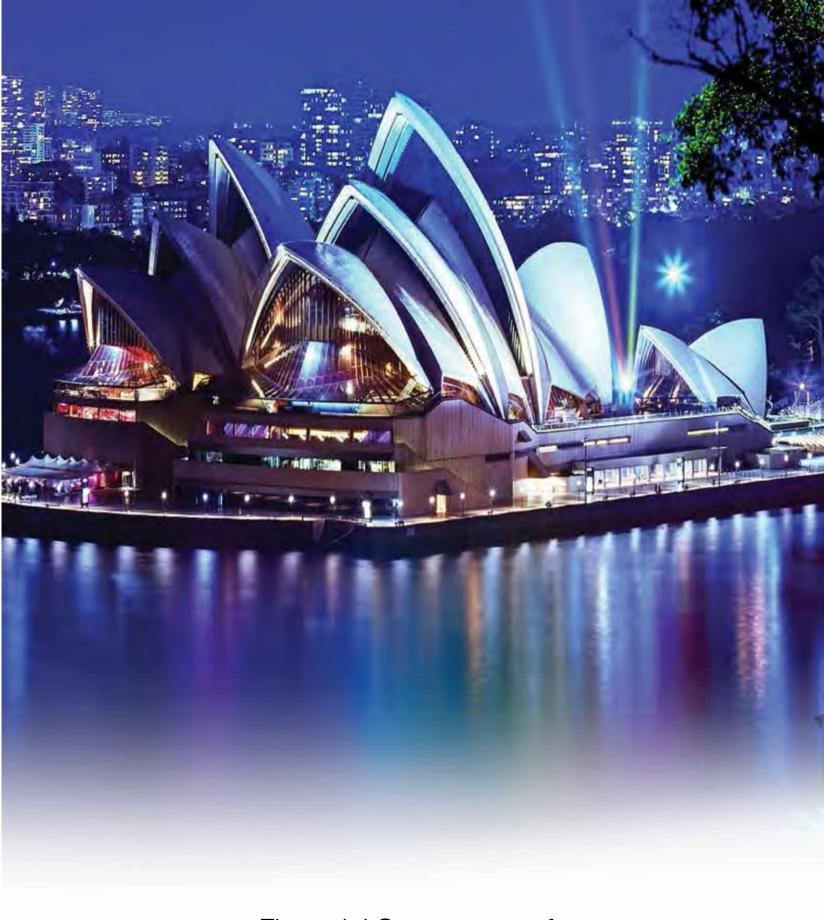
	2014	2013
	£	£
Distribution Costs:		
Advertising and sales promotion	1,153	348
Travel & Subsistence	93	68
	1,246	416
Administrative Expenses:		
Rent, Rates & Insurance	31,247	25,258
Insurance	-	2,436
Heat, light & water	2,099	1,637
Waste Disposal	52	-
Cleaning	554	1,004
Wages - casual	483	-
Wages - regular	53,836	45,483
NIC employer (wages and salaries)	-	6,142
Staff Bonus	-	10
Staff welfare	1,627	904
Training	-	600
Repairs & maintenance	1,040	480
Accountancy fees	3,800	3,800
Consultancy fees	-	69
Stationery & office supplies	2,480	2,015
Telephone	3,255	2,442
Sundry tools and equipments	-	120
Fees & Subscriptions	1,468	1,020
Security costs	564	1,179
Bank charges	23,006	26,660
Depreciation and Amortisation:		. 100
Depreciation of short leasehold properties	4,200	4,198
Depreciation of fixtures and fittings	5,280	5,998
Depreciation of equipment	939	1,106
	135,930	132,561

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



Corporation Tax Computation for the period 01/01/2014-31/12/2014

		£
Loss as per Accounts 01/01/2014 - 31/12/2014		(12,440)
Add:		
Depreciation & Asset Disposal	4,200	4,200
Less: General Pool Allowances	10.418	
General Fool Allowances		(10,418)
Trading Loss		(18,658)
Capital Allowances	0	
01/01/2014 - 31/12/2014	General Pool	
pool b/f	55,201	
additions	2,675	
disposals		
	57,876	
wda	(18%)10,418	10,418
wdv	47,458	
Corporation tax chargeable		
Net trading and professional profits	.00	
Bank building society or other interest and profits	.00	
Income from UK land and buildings	.00	
Annual profits and gains not falling under any other heading	.00	
Profits before charges and reliefs		
Profits chargeable to corporation tax	.00	
Totals		
Tax		
Tax Payable		
MEMO: Summary of trading losses		
Trading Loss	18,658	
Trading Loss Remaining	18,658	
Losses brought forward	<u>202,305</u> <u>220,963</u>	
Losses carried forward	220,703	



Financial Statements of Southeast Financial Services (Australia) Pty Ltd. ABN 40 160 673 165





ABN 40 160 673 165

COMPILATION REPORT

Scope

On the basis of information provided by the directors of Southeast Financial Services (Australia) Pty Ltd, we have compiled in accordance with APES 315 Compilation of Financial Information the special purpose financial report of Southeast Financial Services (Australia) Pty Ltd for the period ended 31/12/2014.

The specific purpose for which the special purpose financial report has been prepared is set out in note 1. The extend to which Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in note 1.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of Southeast Financial Services (Australia) Pty Ltd constitution and are appropriate to meet the needs of the directors and members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person other than the company may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the directors and members of Southeast Financial Services (Australia) Pty Ltd and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Name of the firm SolTax Pty Ltd

Name of Partner

Hasan Shahiad

SolTax Pty Ltd Level-2, 356 Chapel Road BANKSTOWN NSW 2200

Dated 19/02/2015



ABN 40 160 673 165

Balance Sheet

as at 31 December 2014

	December 2014 \$	December 2013 \$
ACCETC		
ASSETS		
Current Assets Cash on Hand	20,006,65	000.00
	28,086.65	888.99
Westpac Cheque Account – 321645 CBA Cheque Account – 10775735	9,129.18	14,480.49 14,612.55
ANZ Account	61,264.03	14,612.55
SEBL Account	575.68	12,555.55
Westpac Cash Reserve – 321653	373.08	95.61
Receivables	19,338.00	55.01
Office Bond Deposit	19,119.04	19,119.04
onice bond beposit	137,512.58	61,752.23
Non-current Assets	137,312.30	01,732.23
SB general pool	42,652.06	42,652.06
Less accumulated depreciation	(16,874.09)	(11,835.95)
Less accumulated depreciation	25,777.97	30,816.11
TOTAL ASSETS		92,568.34
	163,290.55_	92,568.34
LIABILITIES		
Current Liabilities		
Remittance Payable	828.87	16,579.00
PAYG Withholding Payable	8,258.85	5,949.94
Superannuation payable	1,583.85	6,237.96
Provision for GST	(9,462.34)	(8,616.64)
	1,209.23	20,150.26
Non-current Liabilities		
Shareholders loans	312,082.90	201,750.02
TOTAL LIABILITIES	313,292.13	221,900.28
NET ASSETS	(150,001.58)	(129,331.94)
	(130,001.38)	(123,331.34)
EQUITY	((100.001.01)
Accumulated Losses	(150,001.58)	(129,331.94)
TOTAL EQUITY	(150,001.58)_	(129,331.94)



ABN 40 160 673 165

Trading, Profit and Loss Statement

for the year ended 31 December 2014

D	ecember 2014 \$	December 2013 \$
INCOME		
Commission Collected	18,451.49	5,465.05
Exchange gain	28,937.45	534.04
Insurance Proceeds	-	4,050.05
Maternity leave payment from Centerlink	11,538.9 58,927.84	10,049.14
EXPENDITURE		
Advertising	900.00	4,001.82
Bank charges	1,455.99	716.25
Depreciation - SB general pool	5,038.14	5,438.13
Electricity	437.66	444.31
Entertainment	-	35.7
Insurance	-	-
Interest Earned		(342.67)
Legal Services	1,233.00	-
Motor vehicle expenses:	-	-
Other vehicle expenses	-	167.30
Parking	-	35.74
Office supplies	10.80	1,018.57
Postage	83.40	147.52
Printing and Stationery	521.19	810.34
Rental expenses	30,119.12	26,288.70
Repair and maintenance	-	600.00
Security	170.03	346.38
Superannuation	2,688.11	3,388.83
Telephone, mobile and fax	1,087.84	715.44
Wages	25,472.30	36,636.00
Maternity Leave Payment	10,386.90	<u> </u>
	79,597.48	80,448.36
LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX	(20,669.64)	(70,399.22)
Accumulated loss at the beginning of the period	(129,331.94)	(58,932.72)
TOTAL AVAILABLE FOR APPROPRIATION	(150,001.58)	(129,331.94)

ABN 40 160 673 165

Notes to the Financial Statements for the year ended 31 December 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNT POLICY

a. This financial report is a special purpose financial report prepared for use by directors and members of the company. The directors have determined that the company is not a reporting entity.

The financial report is prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031: Materiality

AASB 110: Events after the Balance Sheet Date

The financial report is prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

b. Property Plant and equipment

Property, Plant and equipment are carried at cost, independent or directors' valuation. All assets, excluding freehold land and buildings are depreciated over their useful lives to the company.

c. Inventories

Inventories are measured at the lower of its cost and net realizable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour, and appropriate proportion of variable and fixed overhead expenses.



ABN 40 160 673 165

Directors' Declarations

The directors have determined that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlines in Note 1 to the financial statements.

The directors of the company declared that:

- 1. The financial statements and the notes attached present fairly the company's financial position as at 31/12/2014 and its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with the resolution of the Board of Directors:

Director:

Raiyan Kabir

Calabir

Alamgir Kahir

Shahid Hossain

Dated: 19/02/2015



Financial Statements of Southeast Exchange Company (South Africa) Pty Ltd. institution with vision

institution with vision (a wholly owned subsidiary of Southeast Bank, Bangladesh)



31 December

Southeast Exchange Company (South Africa) Pty Ltd.

Balance Sheet

as at 31 December 2014

	2014
Assets:	
Non Current Assets	
Fixed Assets:	
Interior decoration, furnitures and others	645,000.00
Computer systems, servers, networking	79,419.00
ADT Security camera and alarm	13,169.65
Generator, Printer, TV	11,584.00
Total Non Current Assets	749,172.65
Current Assets	
Cash in hand and Balance with other Bank	
Security Deposit with Standard Bank	5,000,000.00
Cash in Bank Account	598,270.84
	5,598,270.84
Prepaid Expenses:	
Office rent	72,000.00
Security Services	4090.86
	76,090.86
Preliminary formation expenses	
Preliminary expenses (details are shown in	4 042 002 45
Annexure A)	1.013.003.45
	1,013,003.45
Total Current Assets	6.687,365.15
Total Assets	7,436,537.80
Equity & Liabilities:	
Capital	6,594,178.65
Profit/(loss) for the period	244,088.31
	6,838,266.96
Other liabilities	598,270.84
Other indulities	598,270.84
Total Equity & Liabilities	7,436,537.80
\	

N. M. FIROZ KAMAL ASSISTANT MANAGER



Southeast Exchange Company (South Africa) Pty Ltd.

Profit & Loss Account

For the period from December 15, 2014 to December 31, 2014

	31 December 2014
<i>Income</i> Note	
Commission from December 15 to December 31,2014	14,039.15
Interest income on capital deposit	286,250.00
	300,289.15
Expenses	
Bank Charges	5,893
Salary	30,000
Office Rent	-
Security Services	5,092.14
Office Expenditures	13,016
Cleaning Services	2,200
	56,201
Profit/Loss	244,088

N. M. FIROZ KAMÁL ASSISTANT MANAGER A.M.EAISAL MANAGER



Southeast Exchange Company (South Africa) Pty Ltd.

Annexure A

Preliminary formation expenses

Office Rent	604,056.40
Salary from March 2014 to November 2014	270,000.00
KPMG payment	53,900.00
ADT monthly charges	2,093.00
Cleaning Services	11,000.00
Security services	× =
Electricity & Water	7,797.00
Telephone & Internet	12,411.15
Office Stationery	17,004.55
Transport for marketing & to Central Bank	18.851.35
Legal service charge	1.500.00
Postal Services	6.754.00
Bank Charges	7,636.00
^	1,013,003.45

N. M. FIROZ KAMAL ASSISTANT MANAGER A.M.EAISAL MANAGER







Branch Network

Dhaka Region Branches

Principal Branch

1, Dilkusha Commercial Area Dhaka-1000 Tel: 9563101, 9550081 Fax: 88-02-9551575

Imamganj Branch

Bhuiyan Market 163/2, Mitford Road, Dhaka Tel: 7314801, 7316423, 7318567, 7316644

Fax: 88-02-7314801

Bangshal Branch

14/3, North South Road, Dhaka Tel: 7121248, 7121251, 9567163, 7176116, 7176117 Fax: 88-02-9567164

Gulshan Branch

House # 82 CES (F) 1 Gulshan Avenue, Dhaka Tel: 9883491, 98834 01-5, 9883492 Fax: 88-02-9883495

Dhanmondi Branch

House # 23 (New), Road # 16 (New)/27 (Old)

Dhanmondi R/A, Dhaka Tel: 8126787, 8122474, 8126785-6 Fax: 88-02-8122420

Uttara Branch

House # 1, Road # 11, Sector # 1 Uttara, Dhaka-1230 Tel: 8922538, 8923680, 8916538 Fax: 88-02-8923781

Kawran Bazar Branch

Jamuna Bhaban (1st Floor) 2, Kawran Bazar C/A, Dhaka-1215 Tel: 9136112, 8189737, 9139276, 8189738-40

Fax: 88-02-9136510

New Eskaton Branch

Chowdhury Centre 23/Ka, New Eskaton Road (1st Floor) Dhaka-1000

Tel: 9360953, 9340001, 9330176,

9340796

Fax: 88-02-9362177

New Elephant Road Branch

Kazi Bhaban 39, New Elephant Road (1st & 2nd Floor) Dhanmondi, Dhaka-1205 Tel: 9674588, 9674327, 9674324-5

Fax: 88-02-9674326

Agargaon Branch

Plot # E-4/B (1st Floor) Agargaon Administrative Area Sher-e-Bangla Nagar, Mohammadpur

Dhaka-1207

Tel: 58151717, 58150498, 58153934,

Fax: 9132704

Banani Branch

Plot:71, Block: B Kemal Ataturk Avenue, Banani, Dhaka Tel: 9860363, 8861697, 8859518,

8859987, 8861629 Fax: 88-02-9841960

Motijheel Branch (Islamic Banking)

125, Motijheel C/A (1st Floor), Dhaka-1000 Tel: 9567286, 9567202, 9567303, 9567262

Fax: 9567701

Aganagar Branch (Rural)

Hassan Market (1st Floor) Mouza: Zinjira, Union: Aganagar Thana: Keranigonj, Dhaka Tel: 7772516, 7761133 Fax: 7761155

Corporate Branch

Eunoos Trade Centre (Ground Floor) 52-53, Dilkusha C/A, Dhaka-1000 Tel: 9567764, 9551444, 9554447, 9564878 Fax: 9571424

Shyamoli Branch

ASA Tower (2nd Floor) 23/3 & 23/14, Khilji Road Block # B, Mohammadpur Shyamoli, Mohammadpur,Dhaka Tel: 8123551, 8112250, 8128678,

Fax: 8120687

8112227

Joypara Branch (Rural)

Begum Aysha Shopping Complex (1st Floor), Joypara Pourasava, Dohar, Dohaka

Tel: 06223-56040, 56041, 56042 Fax: 06223-56040 Ext.-111

Kakrail Branch

Toma Tower (1st & 2nd Floor) 77/1, VIP Road , Kakrail, Dhaka Tel : 9356115, 9356116, 9340852-3

Fax: 9355990

Madhabdi Branch (Rural)

Madhabdi Pauroshava Thana: Narshingdi Narshingdi Tel: 9446127, 9446125

Fax: 9446126

Ashulia Branch (Rural)

Helim Shopping Complex (Opposite Fantasy Kingdom Main Gate) Ashulia, Dhaka

Tel: 7788440, 7788420 Fax: 7788441

Narayanganj Branch

26-29, S. M Maleh Road Tanbazar, Narayanganj

Tel: 7648201, 7648202, 7648203,

7634331 Fax: 7648200

Savar Branch (Rural)

Plot # A-109, Bazar Road (1st Floor) Pourasava & P.S. : Savar, Dhaka Tel : 7743691, 7743692, 7743693, 7743694

Fax: 7743690

Mouchak Branch

Karnaphuli Point (1st Floor) 70, New Circular Road, Malibagh, Dhaka Tel: 8333347, 8333676, 8333678, 8333679

Fax: 8333348

Konabari Branch (Rural)

Plot # A-147/148, BSCIC I/R

Union: Konabari, P.S.: Joydebpur, Gazipur Tel: 9298840, 9298836, 9298838,

9298839 Fax: 9298837

Tongi Branch (Rural)

8/B, Anarkoli Road (1st Floor)

Tongi Bazar, Gazipur

Tel: 9816647, 9816648, 9816650-51

Fax: 9816649

Bashundhara Branch

Plot # 142, Block # B Bashundhara R/A

Baridhara, Dhaka-1212

Tel: 8401031, 8401032, 8401034-5

Fax: 8401033

Sat Mashjid Road Branch

ADC Empire Plaza (1st & 2nd Floor) Plot # 183 (Old) 91 (New) Road # 22 (Old) 12/A (New) Sat Mashjid Road, Dhanmondi Dhaka

Tel: 8191167, 8191168, 8191170,

8191171

Fax: 8191169

Mohammadpur Branch

Axis Delvista (1st Floor), 7/1, Aorongozeb Road

Block-A, Mohammadpur Housing Estate

Mohammadpur, Dhaka

Tel: 8129649, 8129604, 9101254,

58150961 Fax: 9119583

Pragati Sarani Branch

Plot # Ga-25/5/1, Shahjadpur Pragati Sarani, Gulshan, Dhaka Tel: 8899238-9, 8899610, 8899240

Fax: 8899208

Mawna SME/Krishi Branch

Mawna Bazar Road(1st Floor), Sreepur

Pauroshava

Thana, Sreepur, Gazipur

Tel: 068-2552900, 068-2552901

Fax: 068-2552902

Tangail SME/Krishi Branch

"Noor Plaza", 263, Tangail Main Road

Tangail

Tel: 0921-51336 Fax: 0921-62798

Madanpur SME/Krishi Branch

Ekata Samabay Super Market (2nd Floor) Bandar, Narayangani

Tel: 7648083, 7648081 Fax: 7648082

Narsingdi SME/Krishi Branch

"Islam Plaza" (1st Floor)

1, Maddha Kanda Para, Sadar Road

Thana: Narsingdi Sadar, Narsingdi Tel: 9452082, 9452080

Fax: 9452081

Rokeya Sarani Branch

"Kusholi Bhaban"

238/1, West Kafrul, Rokeya Sarani, Mirpur

Sher-e-Bangla Nagar

Dhaka

Tel: 9103249, 9103251, 9103246,

9103247 Fax: 9103248

Islampur Branch

"Adel Complex" (1st, 2nd & 3rd Floor)

40, Islampur Road Dhaka - 1100

Tel: 57394570, 57396174, 57394538,

57394589 Fax: 57396175

Hemayetpur Branch (Rural)

Hemayetpur Super Market (2nd Floor)

Thana: Savar, Dhaka

Tel: 7747914, 7747464, 7747915,

7747916 Fax: 7747465

Munshigonj Branch

"B. M Complex" (1st Floor) House # 55, Jubillee Road

Munshigonj Pauroshava, Munshigonj

Sadar Munshigoni

Tel: 7620594, 7620591, 7620592,

7620593 Fax: 7620595

Joydebpur Branch (Rural)

Holding # 235, Block # K, Shib Bari More

B.I.D.C Road, Ward # 3, Gazipur Pauroshova

Joydebpur, Gazipur Tel: 9252852, 9252851

Fax: 9252850

Donia Branch (Rural)

"Chowdhury Complex" (1st Floor), Union: Dhania, Thana: Demra, Dhaka

Tel: 7547955, 7548055 Fax: 7548122

Rupnagar Branch

"Rangan", Plot # 14, Road # 11 Ward # 7, Rupnagar Residential Area Mirpur Housing Estate, Dhaka City Corporation, Mirpur, Dhaka

Fax: 8051965

Kamrangirchar Branch (Rural)

"Elham Square", Rony Market Road Mouza: Char Kamrangirchar

Union: Sultangonj, Thana: Kamrangirchar

Dhaka

Tel: 9667410, 9667393

Tel: 8031924, 8051981

Fax: 9667428

Bhulta Branch (Rural)

Bhulta Bus Stand, Union: Golakandail Thana: Rupgonj, Narayanganj

Mob.: 01755-637195

Dakhin Khan Branch (Rural)

"Faisal Mansion"

Shah Kabir Mazar Road

Dakhin Khan Adarsha Union Parishad

Thana: Dakhin Khan, Dhaka Tel: 8953290, 8953292 Fax: 8953299

Gopaldi Branch (Rural)

Gopaldi Bazar, Union: Sadasadi Thana: Araihazar, Dist.: Narayanganj

Mob.: 01755-637194

Ati Bazar Branch (Rural)

Mouza: Ati, Union: Sakta Thana: Keranigonj, Dist.: Dhaka Tel: 55103281, 55103282

Fax: 55103280

Hasnabad Branch (Rural)

"Roky Tower", Hasnabad, Mouza: Ekuria Union: Subatta, Keranigonj, Dhaka

Mob.: 01730-781277

Mohakhali Branch

"Bay's" (1st Floor)

50, Mohakhali C/A, Dhaka Tel: 9882523, 9885712, 9882527,

9885710 Fax: 9885711





Banasree Branch (Rural)

Twin Tower, House # 13 Block # C, Main Road, Banasree Project East Rampura, Dhaka Mob.: 01730-781279

Bandura Branch (Rural)

Puraton Bandura Bazar Thana: Nawabgonj, Dhaka Mob.: 01730-781278

Sarulia Branch

Samsul Haque Nilu Shopping Complex Union: Sarulia, Thana: Demra, Dhaka

Mob.: 01730-792169

Kapasia Branch (Rural)

Akter Market, Kapasia Main Road Thana: Kapasia, Gazipur Mob.: 01766-673597

Mirpur Branch

Simpletree Plot # 01, Road # 08, Block - C Section-06, Mirpur Housing Estate Pallabi, Dhaka

Mob.: 01766-673595

Ashulia Bazar Branch (Rural)

Shahid Sonamia Plaza, Bangabandhu Road

Ashulia Bazar, Mouza: Boro Ashulia Thana: Ashulia. Dhaka

Mob.: 01755-630358

Balivadra Branch (Rural)

Bhandari Latif Super Market Baliyadra Bazar

Mouza: Ganakbari, Union: Damsona

Thana: Ashulia, Dist.: Dhaka
Mob.: 01755-630359

Kalibari Branch (Rural)

Sobur Market, Duptara Adorsha Bazar Sattabhandi Bhuiyan Para (Kalibari) Mouza & Union: Duptara, Thana: Araihazar Narayanganj

Mob.: 01939-900570

Rajbari Branch

"Saleha Akkas Tower" 237, Binodpur (College Road) Thana: Rajbari Sadar, Rajbari Mob.: 01934-448903

Mymensingh Branch

"Minar Complex",

Mukti Joddha Sarani (Choto Bazar) Pauroshava : Mymensing Thana: Kotwali Sadar, Mymensing

Mob.: 01934-448904

Dhanmondi Ladies Branch

"Rupayan Khan Plaza" Plot # 500/A (Old) / 18 (New) Road # 7, Dhanmondi R/A

Dhaka

Mob.: 01934-448906

Moghbazar Ladies Branch

"Hall Mars", 66 (Old) Outer Circular Road 05 (New) Shahid Sangbadik Salina Parvin Sarak, Boro Mogbazar, Dhaka

Mob.: 01934-448905

Chittagong Region Branches

Agrabad Branch

Faruk Mahal 93, Agrabad Commercial Area Chittagong Tel: 031-721152, 031-713097-8, 031-7130 94-5, 031-721151-3 Fax: 88-031-713096

Khatungani Branch

410/411, Khatunganj, Chittagong Tel: 031-2863594, 031-621934, 031-620166-7, 031-620516

Fax: 88-031-62 05 17

Jubilee Road Branch

Haji Golam Rasul Market 96, Jubilee Road, Chittagong Tel: 031-635265, 031-611712-5, 031-635245, 031-635246 Fax: 88-031-611716

Halishahar Branch

Fax: 88-031-727949

House # 3, Block # G Port Connecting Road Halishahar Housing Estate Halishahar, Chittagong Tel: 031-727949, 031-716826, 031-2526183, 031-2526184

CDA Avenue Branch (Islamic Banking)

Ali Villa, 1640/1861 (New), CDA Avenue Asian Highway, East Nasirabad Panchliash, Chittagong

Tel: 031-652150, 031-654875, 031-

2552385-6 Fax: 031-2552387

Pahartali Branch

Hajrat Taiyabia Complex
D. T Road, Alongkar Mour
Abdul Alir Hat, Pahartali, Chittagong
Tel: 031-2771001, 031-2771002-4
Fax: 031-2771005

Cox's Bazar Branch (Islamic Banking)

Asha Shopping Complex 430-431, Bazar Ghata (1st Floor) Cox's Bazar Tel: 0341-63406, 0341-51053 Fax: 0341-64742

Chhagalnaiya Branch (Islamic Banking)

Mir Shopping Complex (1st Floor)
Chhagalnaiya Bazar
Chhagalnaiya, Feni
Tel: 03322-78302, 78432
Fax: 03322-78302 Ext.-111

Feni Branch

Surma Sadan (1st and 2nd Floor) 176, 177 and 178 Trunk Road Thana - Feni Sadar, Feni

Tel: 0331-63004, 62884, 61362, 61852

Fax: 0331-62884 Ext.-102

Bashurhat Branch (Rural)

Ayesha Motaleb New Market Main Road, Bashurhat Pauroshava Companyganj, Noakhali Tel: 03223-56415, 56461

Fax: 03223-56430

Chowmuhani Branch (Rural)

Hossain Market D.B Road, Chowmuhani Pauroshava Begumganj, Noakhali Tel: 0321-53534, 0321-53535, 0321-

Fax: 0321-54018

Momin Road Branch

Equity Central, 42-43, Momin Road Chittagong City Corporation Kotwali, Chittagong Tel: 031-2857345, 031-2857346, 031-2857347, 031-2857348

Fax: 031-2857349

Madambibir Hat Branch (Rural)

Madambibir Hat, Union-Bhatiary P.S.: Sitakunda, Dist.: Chittagong Tel: 031-2781001, 031-2781003, 031-

2781004, 031-2781005 Fax: 031-2781002

Comilla Branch

359/328, Jhawtala 1st Kandir Paar, Kotwali Comilla

Tel: 081-64278, 081-64280, 081-64279,

081-61322 Fax: 081-61321

Lohagara SME/Krishi Branch

Mostafa City Center, Mouza: Amirabad Thana:- Lohagara, Chittagong Tel: 0303-456623, 01713-065986

(Mobile) Fax: 0303-456624

Brahmanbaria SME/Krishi Branch

Shikder Plaza.

Dr. Faridul Huda Road, Brahmanbaria

Brahmanbaria Tel: 0581-58202 Fax: 0581-58201

Hathazari SME/Krishi Branch

S. A Shopping Complex, Hathazari Bus

Stand

Union: Fatehpur Thana: - Hathazari

Chittagong Tel: 031-2601855 Fax: 031-2601856

Shebarhat SME/Krishi Branch

Shebarhat Bazar, Mouza – Razarampur Feni Chowmuhani Sarak (1st Floor)

Shenbag, Noakhali Tel: 01713-065972

Sonagazi SME/Krishi Branch

Char Ganesh, Sonagazi

Feni

Tel: 03325-76386, 76377 Fax: 03325-76386

Oxygen More Branch

Chittagong City Corporation Oxygen Mour, Bayezid Bostami

Chittagong

Tel: 031-2584018, 2584019, 2584020,

2584059

Fax: 031-2584017

Chowdhury Hat SME/Krishi Branch

"Halim Mansion", (1st Floor) Hathazari, Chittagong

Tel: 031-2584007, 031-2584006

Fax: 031-2584005

Fatikchari Branch (Rural)

"Mir Jahanara Complex" (1st Floor) College Road (Bibir Hat), Thana: Fatikchari

Chittagong

Tel: 030-2256317, 030-2256316

Fax: 030-2256315

Potherhat Branch (Rural)

"Khaiz Ahmed Shopping Centre" (1st Floor)

Thana: Raujan, Chittagong

Tel: 031-2573214, 031-2573216, 031-

2573217

Fax: 031-2573215

Kotwali Branch

"Equity Anitri" (1st Floor) 32, Shahid Sohrawardy Road

Thana: Kotwali Chittagong

Tel: 031-632750, 632751, 632752

Fax: 031-632753

Companigoni Branch (Rural)

"Saudia Manjil" (1st & 2nd Floor) Thana: Muradnagar, Comilla Tel: 08026-59011, 59004

Fax: 08026-59017

Chakaria Branch (Rural)

"Society Jame Mosque Complex" Thana: Chakaria, Cox's Bazar Tel: 03422-56161, 03422-56162

Fax: 03422-56163

Miabazar Branch (Rural)

Haji Siraj Mansion

Mouza: Ashrabpur, Union: 2 No. Ujirpur

Thana: Chauddagram, Comilla

Mob.: 01766-665140

Haidergonj Branch (Rural)

Gazi Super Market

Haidergonj Bazar, Upazila: Raypur

Laxmipur

Mob.: 01766-673599

Teknaf Branch (Rural)

Alo Shopping Complex, PC-177, KK

Para, Main Road

Ward No.: 03, Pourashova: Teknaf, Thana:

Teknaf

Dist.: Cox's Bazar Mob.: 01934-448900

Sylhet Region Branches

Laldighirpaar Branch

Mubarak Tower

1794/1788, New Market, Sylhet Tel: 0821-710955, 0821-715382, 0821-

Fax: 88-0821-710102

Moulvibazar Branch

Jarif Tower 199/2, M. Saifur Rahman Road Moulvibazar

Tel: 0861-53727-9 Fax: 88-0861-53730

Chouhatta Branch

Manru Shopping City Plot # 4953/4943 (1st Floor) Chouhatta Mirboxtola Road Chouhatta, Sylhet

Tel: 0821-720276, 0821-720276

Fax: 88-0821-720276

Shahjalal Uposhahar Branch

Plot # 07, Block # D, Main Road Shahjalal Uposhahar, Sylhet Tel: 0821-713057, 0821-713052, 0821-713062, 0821-811655 Fax: 88-0821-711820

Bandar Bazar Branch (Islamic Banking)

Karimullah Market (1st Floor) Bandar Bazar, Sylhet

Tel: 0821-810322, 812246, 4116495,

4011350, 0821-721243 Fax: 0821-2831455

Kulaura Branch

Aziz Rowshon Shopping Centre and

Garden City

Thana: Kulaura, Dist.: Moulvi Bazar

Tel: 08624-56208 Fax: 08624-56208





Hetimgonj Branch (Rural)

Khoyruganj Jame Masjid Market Complex (1st Floor)

Thana: Golapgonj

Sylhet

Tel: 0821-840374, 0821-840373

Fax: 0821-840372

Pathantula Branch

Haque Mansion of Modina Market Thana: Jalalabad, Sylhet Tel: 0821-728745, 0821-724300

Fax: 0821-724300

Tazpur SME/Krishi Branch

Tazpur Bazar, Thana: Balagonj Sylhet

Tel: 08242-56191 Fax: 08242-56191

Biswanath SME/Krishi Branch

"Haji Monir Uddin Market" Natun Bazar,

Biswanath Biswanath, Sylhet Tel: 08224-56205

Beanibazar SME/Krishi Branch

"Madrasha Market" (1st Foor) Thana: Beani Bazar, Sylhet Tel: 08223-56164 Fax: 08223-56165

Charkhai Branch (Rural)

Anisha Complex

Mouza: Kamar Gram, Union: 2 No.

Charkhai

Thana: Beanibazar, Sylhet Mob.: 01766-665141

Khulna Region Branches

Khulna Branch

Haji Hanif Complex

12 & 13, Khan Jahan Ali Road, Khulna Tel: 041-730606, 041-7314 06, 041-

731306, 041-731606 Fax: 88-041-731506

Jessore SME/Krishi Branch

11, R. N. Road, Pauroshava: Jessore,

Kotwali, Jessore Tel: 0421-67683 Fax: 0421-68094

Satkhira SME/Krishi Branch

5896, Polash Pole, (1st Floor) Shahid Nazmul Sarak (Satkhira Old Bus Stand) Thana: Satkhira, Satkhira Tel: 0471- 63568, 62508

Fax: 0471- 63569

Sir Igbal Road Branch

"Noor Jahan Plaza" 155, Sir Iqbal Road

Khulna

Tel: 041-721056, 731848, 724471

Fax: 041-722852

Rajshahi Region Branches

Bogra Branch

Bhandari Manjil (2nd Floor)

776-777 Barogola, Bogra

Tel: 051-68083, 68084, 68085, 68086

Fax: 051-51939

Rajshahi Branch

Plot # 447, Mangol Bhaban (2nd Floor) Alupatti Mour, P.O.: Ghoramara

Boalia, Rajshahi

Tel: 0721-812203, 0721-812204, 0721-

812205, 0721-812206 Fax: 0721-812207 **Naogaon Branch**

"Kazi Habibur Rahman Market" Holding # 301, Ward # 2 Old Hospital Road (Bridge Mour)

Pauroshava: Naogaon, Naogaon Sadar, Naogaon

Tel: 0741-63227, 0741-63286, 0741-

63397, 0741-61274 Fax: 0741-61831

Chapainawabganj Branch

8, Boro Indara More, Ward # 15 Chapainawabganj Municipal Corporation Nawabganj Sadar, Chapainawabganj Tel: 0781-51717, 0781-51718

Fax: 0781-51716

Sirajganj Branch

Basak Plaza, 947-948, Shaheed Suharawardy Road, Sirajganj Mob.: 01766-665142

Baneshwar Branch (Rural)

Al-Haj Amzad Hossain Market Thana: Puthia, Rajshahi Mob.: 01766-673596

Pabna Branch

"Khairul Tower"

116, Mawlana Mohammed Ali Road (Narikel Bagan Road), Pabna Sadar,

Pabna

Tel: 0731-65027, 65032, 65059, 65073

Fax.: 0731-65089

Rangpur Region Branches

Rangpur Branch

RDRS Complex

Jail Road, Radhaballab, Rangpur Tel: 0521-64672, 64673, 64778, 64779

Fax: 0521-64780

Dinajpur Branch

808/837, Ganeshtola, Jail Road Thana: Kotwali, Dinajpur Tel: 0531-52025, 0531-52026

Fax: 0531-52024

Barisal Region Branches

Barisal Branch

54 Sadar Road (1st Floor)

Kotwali, Barisal

Tel: 0431-2176601, 0431-2176602,

0431-2176603-04 Fax: 0431-64056

Off-Shore Banking Unit

Off-Shore Banking Unit, DEPZ

Zone Servicing Building-1 Room # 77 (3rd Floor) Dhaka EPZ, Ganakbari, Savar, Dhaka Tel: 7788628-9

Off-Shore Banking Unit, CEPZ

Zone Service Complex (1st Floor) East Wing North Chittagong EPZ Chittagong, Tel: 031-740780

Fax: 031-740779

Notice of the 20th Annual General Meeting

Notice is hereby given to all members of Southeast Bank Limited that the 20th Annual General Meeting of the Shareholders of the Company will be held on **Sunday, March 29, 2015** at **10.00 a.m**. at **Bashundhara Convention Centre-2, Block-C, Umme Kulsum Road, Bashundhara R/A, Baridhara, Dhaka-1229 to transact the following business and adopt necessary resolutions:**

AGENDA

- To receive, consider and adopt the Profit and Loss Accounts of the Company for the year ended on 31st December, 2014 and the Balance Sheet as at that date together with the Reports of the Board and the Auditors thereon.
- 2. To declare dividend for the financial year ended 31st December 2014.
- 3. Election of Directors in place of those who shall retire in rotation in accordance with the provision of Articles of Association of the Company.
- 4. To appoint Auditors for the term until the next Annual General Meeting and fix their remuneration.
- 5. Miscellaneous, if any, with the permission of the chair.

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

By order of the Board

Muhammad Shahjahan

Deputy Managing Director and Company Secretary

NOTES:

Dated: March 12, 2015

- a) The Record Date for the purpose was on March 15, 2015.
- b) Any member of the Company entitled to attend and vote at the general meeting may appoint a proxy to attend and vote on his/her behalf. Such proxy except for a Corporation must also be a member of the Company. An Attorney of a member need not himself/herself be a member.
- c) The instrument appointing a Proxy or the Power of Attorney duly signed by the Member and stamped with requisite stamp duty must be submitted at the Registered Office of the Company at least 48 hours before the meeting, i.e. latest by 10:00 a.m. of March 27, 2015.
- d) Attendance of the Shareholder/Attorney/Proxy shall be recorded up to 10.30 a.m. at the entrance of the venue. Attendance slip has to be submitted at the Registration Counter duly signed. The signature must agree with the recorded signature.
- e) Annual Report containing, among other papers, this Notice of the 20th Annual General Meeting, Attendance Slip and Proxy Form is being sent to every member by post. The members may also collect "Proxy Form" from the Share Office of the Company.
- f) Members are requested to notify change of address, if any, well in time. For BO A/C holders, any change of address is to be done through the respective Depository Participant well before the Record Date.
- g) Our Share Office will remain open for Registration of appointment of Proxy on Friday, 27th March, 2015 up to 10.30 a.m.

PS: As per Bangladesh Securities and Exchange Commission's Circular No.SEC/CMRRCD/ 2009-193/154 dated October 24, 2013, "no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities" for attending the 20th Annual General Meeting of the Bank.



PROXY FORM										
I/Weofbeing a member of Southeast Bank Limited, do hereb										
appoint Mr./Mrs										
As witness my/our hand thisday of2015.										
Signature of Shareholder(s) Signature of PROXY										
No. of Shares held Folio/BOID #										
Folio No. Revenue Stamp Tk. 20.00										
Or										
BO ID No.										
Note: i. Signature must agree with the recorded signature. ii. A Member entitled to attend and vote at the 20 th AGM may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly stamped must be deposited at the Registered Office of the Company at least 48 hours before the time set for the Meeting, i.e. 10:00 a.m. of March 27, 2015.										
Signature Verified										
Proxy Regn. No										
Southeast Bank Limited 52-53, Dilkusha Commercial Area, Dhaka-1000										
ATTENDANCE SLIP										
I/We hereby record my/our attendance at the 20 th AGM being held today, the March 29, 2015 at 10:00 a.m. at Bashundhara Convention Centre-2, Block-C, Umme Kulsum Road, Bashundhara R/A, Baridhara, Dhaka-1229										

Name of the Shareholder(s) / Proxy (in Block Letters)								
No. of Shares								
Folio No.								
BO ID No.								
Name of the Proxy (If any)								

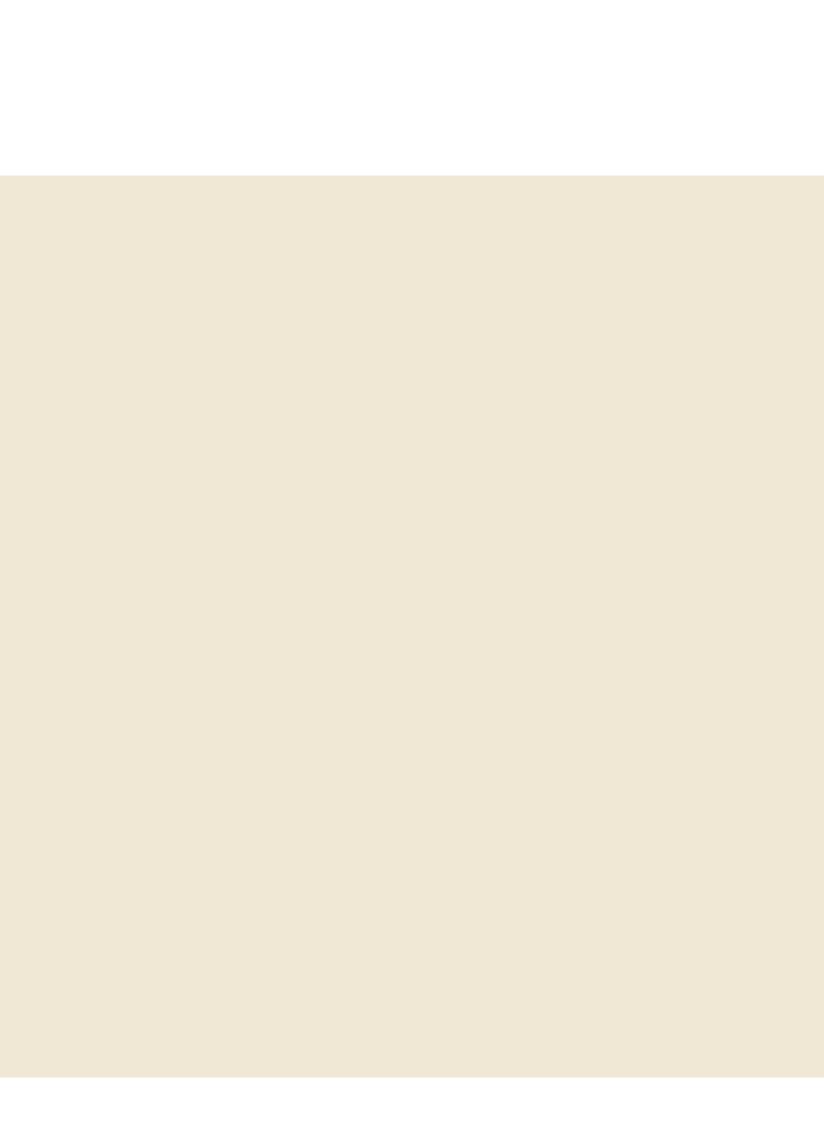
N.B.: (i) Please bring your copy of Annual Report to the Meeting.

Signature of Shareholder(s)/Proxy

- (ii) To facilitate registration formalities at the Meeting Place, shareholder(s) are requested to bring the attendance slip duly filled in.
- General Meeting can only be attended by the honorable shareholders or properly constituted Proxy/Attorney. Therefore, any friend or child accompanying the honorable shareholders or proxies can not be allowed into the Meeting.

PS: As per Bangladesh Securities and Exchange Commission's Circular No.SEC/CMRRCD/ 2009-193/154 dated October 24, 2013, "no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities" for attending the 20th Annual General Meeting of the Bank.

Signature verified by





Associates in

Corporate Governance

Auditors

Howladar Yunus & Co. Chartered Accountants House -14 (4th Floor) Road-16A, Gulshan-1 Dhaka-1212, Bangladesh

Syful Shamsul Alam & Co.

Chartered Accountants Paramount Heights (Level-6) 65/2/1, Box Culvert Road Purana Paltan Dhaka-1000, Bangladesh

Credit Rating Agency

Credit Rating Information and Services Limited (CRISL) Nakshi Homes (4th & 5th Floor) Segunbagicha Dhaka-1000, Bangladesh

Legal Advisors

The Legal Edge Suit No. 2 Akram Tower (11th Floor) 15/5, Bijoy Nagar Dhaka-1000, Bangladesh

Geographical Presence of SEBL Branches



Head Office: Eunoos Trade Centre, 52-53, Dilkusha C/A (Level # 2, 3, 4, 6 & 16), Dhaka-1000, Bangladesh Phone: 9571115 (Hunting), 9576415, 9555466, 9567271 Fax: 9550086, 9550093, 9563102, SWIFT: SEBDBDDH Email: info@southeastbank.com.bd

www.southeastbank.com.bd