

ANNUAL REPORT 2014



Building our Future



ONE Bank
LIMITED

...We Make Things Happen



Building our Future



ONE Bank

LIMITED

...We Make Things Happen

Our Loan Schemes that make life easy



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Company Milestones

HALLMARKS

DATES

• Memorandum and Articles of Association signed by the Sponsors	May 4, 1999
• Incorporation of the Company	May 12, 1999
• Certificate of Commencement of Business	May 12, 1999
• License issued by Bangladesh Bank	June 2, 1999
• License issued for opening the first branch-Principal Branch, Dhaka	June 17, 1999
• Formal launching of the Bank	July 14, 1999
• Commencement of business from the Principal Branch, Dhaka	July 14, 1999
• Sponsored Industrial and Infrastructure Development Finance Company Limited (IIDFC) as Promoter Shareholder	June 25, 2001
• Floatation of Initial Public Offering (IPO):	
Publication of Prospectus	June 29, 2003
Subscription opened	August 11, 2003
Subscription closed	August 12, 2003
• Lottery held for Allotment of Oversubscribed Shares	August 31, 2003
• Trading of Shares at Dhaka Stock Exchange Limited	December 6, 2003
• Trading of Shares at Chittagong Stock Exchange Limited	December 6, 2003
• Sponsor Shares acquisition of VANIK Bangladesh Limited (now LankaBangla Finance Limited)	June 5, 2004
• Dividend declared in the 5th AGM (first ever after the IPO)	June 7, 2004
• Commencement of trading of the Bank's Shares in dematerialized form on Central Depository System(CDS) of Central Depository Bangladesh Limited (CDBL)	December 22, 2004
• Launched ONE Bank MasterCard (Credit Cards)	July 14, 2005
• Installed Automated Teller Machines (ATM)	July 14, 2006
• Inaugurated its 50th Branch	December 29, 2010
• Incorporation of Subsidiary Company ONE Securities Limited	May 4, 2011
• Obtained Chittagong Stock Exchange (CSE) Membership	May 8, 2011
• Change of Face Value and Market Lot of Shares	December 4, 2011
• New CBS Software (ORACLE Flexcube-11.2) live operation	January 1, 2012
• Launching of Internet Banking	March 23, 2012
• Enhancement of Authorised Capital (from Tk 415 crore to Tk 1,000 crore)	March 29, 2012
• Obtained Dhaka Stock Exchange (DSE) Membership	December 6, 2012
• Joined Q-Cash, DBBL , BRAC and VISA Networks	March 13, 2013
• Obtained Custodial License	May 8, 2013
• Launched Multi Currency VISA Debit , Prepaid & Credit Cards as a Principal Member of VISA Worldwide Pte. Ltd.	August 29, 2013
• Launched Bank Led Mobile Financial Services 'OK Banking'	September 5, 2013
• OBL's Subsidiary ONE Securities Limited Launched Stock Broking and Dealing Services	March 2, 2014
• CDBL Connection Installed to Launch Custodial Service	March 30, 2014

OUR VISION

- To establish ONE Bank Limited as a Role Model in the Banking Sector of Bangladesh.
- To meet the needs of our Customers, provide fulfillment for our People and create Shareholder Value.

OUR MISSION

- To constantly seek ways to better serve our Customers.
- Be proactive in fulfilling our Social Responsibilities.
- To review all business lines regularly and develop the Best Practices in the industry.
- Working environment to be supportive of teamwork, enabling the employees to perform to the very best of their abilities.



Core Values

- **Oneness :**

One team → One goal → Serving our clients, stakeholders and the community at large → in a spirit of oneness.

- **Take Pride :**

In what we do and where we work: with the highest standards of fairness, ethics, integrity and openness in everything we say and do.

- **Client Centricity :**

We earn our clients and customers' trust by placing them at the core of our organisation and continuously strive to pursue mutually beneficial relationships in which the value created is shared fairly.

- **Respect & Appreciate :**

The people we work with and the contribution that they make.

- **Excellence :**

We achieve excellence by "Doing Right Things Right, First Time Right."



Code of Conduct

1. Being lawful - live with the law, in the law & of the law

"All the Employees of the Bank should at all times comply with or observe all applicable laws and regulations of the country and the Bank, wherever it operates."

2. Integrity - the Guiding Beacon

"Every employee of the Bank must be open, honest, accurate and ethical in all the dealings with the stakeholders without compromising"

3. Conflict of Interests? - your bank always comes first

"All the employees are to place the interests of the Bank first. An employee must not enter into a situation resulting conflict of interests, use his/her position in the Bank for personal gains/ benefits for themselves and members of their families or friends."

4. Belongingness to One Family - Bond of Compassion, Courtesy & Respect

"We must work towards building and maintaining a positive work environment, characterized by professional, dignified, and respectful conduct – a FAMILY atmosphere where an employee treats fellow employees and the members of the public with compassion, courtesy and respect."

5. Be a Trailblazer - Shun the Money Launderers & Combat Terrorism Financing

"Each employee must strictly adhere to the law and regulations of the country, Bangladesh Bank regarding Money Laundering Prevention, Anti Terrorism etc. and at the same time remain alert and vigilant with respect to frauds, thefts, bribery/ illegal activities."

6. Take a Tough Stance - No Discriminations, No Intimidations, No Inappropriate Conducts, No Sexual Harassments

"It is the responsibility of all employees to maintain a working atmosphere free of discrimination, harassment, intimidation and unwelcome, offensive or inappropriate conduct, including sexual overtures, offensive jokes, graphic material, etc."

7. Privacy and Confidentiality - "Confidentiality is a Virtue of the loyal, as loyalty is the virtue of faithfulness."

"Every employee shall serve the Bank diligently, honestly and faithfully and shall maintain strict secrecy regarding the affairs of the Bank and its customers. He/she shall show courtesy and attention, in all transactions, to all persons having dealing with the Bank."

8. Know your calling - Be honest to the customers, no concealment of facts & figures

"All the customers (existing and potential) should receive fair treatment from us and we must not deceive our customers by mis-selling or misrepresenting our products or services."

Code of Conduct

9. Borrowings - do not live beyond your means

"No employee shall borrow money from the fellow employees, money lenders or customers of the Bank or from persons likely to have dealings with the Bank."

10. Your life is a gift of Almighty - never indulge in substance abuse, drug addiction or alcoholism

"Employees are not permitted to use/consume liquor, narcotics, depressants, stimulants (unless prescribed by a registered physician), hallucinogens, marijuana, or any other controlled/ forbidden substances during working hours as well as during other work-related events."

11. Live a responsible life - remember a non-smoking workplace means a healthy environment

"The Bank appreciates non-smoking; as such treats the premises of the Bank as non-smoking zones. Every member of the Staff is expected to maintain it."

12. Speak up - Report concerns promptly

"The employees of the Bank have a responsibility to report in confidence, actual or suspected misconduct, malpractice and illegal or unethical behavior in the workplace to the Management."

13. Media, being highly sensitive sector, to be handled by assigned persons only - do not speak/ release statements to the media on official issues without prior permission

"No employee other than the Managing Director shall deal directly with the media or make any statement to the Media on official issues without prior authorization."

14. Know the lines not to be crossed - No representation to Directors

"No employees shall make any direct personal representation to the Directors of the Bank. All representations must be addressed to the Managing Director through proper channel."

15. The bank is yours - Prudently use your resources/ Service facilities

"Bank's resources, including time, material, equipment, vehicles and other service facilities are provided for its business use and as such an employee must ensure that these are used efficiently and economically in the course of performing his or her duties and not used for unofficial and inappropriate purposes except where such use is authorized by the Competent Authority."

16. OBL WAY (Warm, Agile and Yielding)

"All the employees are bound to observe the directives and the rules and regulations prescribed in OBL WAY meticulously to transform the directives into habits to uphold the value and image of the Bank."

Company Information

Name of the Company

ONE Bank Limited

Chairman

Mr. Sayeed Hossain Chowdhury

Vice Chairman

Mr. Asoke Das Gupta

Company Secretary

Mr. John Sarkar

Managing Director

Mr. M. Fakhru Alam

Legal Status Public Limited Company	Line of Business Banking	SWIFT ONEBBDDH
Date of Incorporation May 12, 1999	Telephone 88 02 9118161	Website www.onebank.com.bd
Registered Office 2/F HRC Bhaban 46 Kawran Bazar C.A. Dhaka 1215, Bangladesh	Telefax 88 02 9134794	E- mail: obl@onebank.com.bd

Auditors / Legal advisers

Auditors

ATA KHAN & CO.

Chartered Accountants
67, Motijheel C/A, Dhaka- 1000
Bangladesh

Legal services rendered by

ABDUR RAZZAQUE & ASSOCIATES

Barristers & Associates
City Heart, Suite # 5/1
67, Naya Paltan (4th floor)
Dhaka -1000.
Tel: 9359998
E-mail: arazzaque@citech.net

KHAN & PARTNERS

Barristers & Advocates
3 New Bailey Road, Dhaka-1000, Bangladesh
Tel: 9330647; Fax: 88 02 8313439
E-mail: kpartners@dhaka.net

MR. ALI ASGHAR CHOWDHURY

Advocate
Supreme Court of Bangladesh
High Court Division & Judge's Court, Chittagong.
Chamber: Chittagong Bar Association Building
Room No.15, Court Hill, Chittagong
Phone: (88-03) 637022

Five Years' Financial Highlights of ONE Bank Limited

As at 31st December 2014

Figures in Million Taka

SI No	Particulars	2014	2013	2012	2011	2010
1	Authorized Capital	10,000	10,000	10,000	4,150	4,150
2	Paid up Capital	5,244	4,767	4,145	3,189	2,057
3	Shareholders' equity	10,225	8,576	7,424	6,346	4,864
4	Statutory Reserve	3,306	2,665	2,310	1,898	1,450
5	Total Capital (Core + Supplementary)	14,511	12,070	8,438	7,700	5,956
6	Total Assets	121,820	102,691	85,618	67,619	58,736
7	Total Deposits	100,295	86,568	73,056	57,240	50,734
8	Total Loans & Advances	90,499	76,573	60,216	47,927	42,190
9	Total Investment	14,724	10,292	9,792	8,128	7,491
10	Import business handled	111,888	74,857	57,686	53,831	51,781
11	Export business handled	66,866	58,711	50,930	45,897	35,432
12	Guarantee business handled	9,310	8,036	11,976	12,941	7,999
13	Total Contingent Liabilities	49,787	44,183	32,669	30,459	22,279
14	Total Operating Income	7,172	5,458	4,620	4,611	4,468
15	Total Operating Expenses	3,263	2,998	2,284	1,764	1,447
16	Profit before Provision	3,909	2,460	2,336	2,847	3,021
17	Provision for Loans and other Assets	706	683	275	607	340
18	Profit after Provision and before Taxes	3,203	1,777	2,061	2,240	2,681
19	Provision for Taxation	1,107	428	1,005	792	793
20	Net profit after Taxation	2,096	1,349	1,056	1,448	1,888

Figures in Taka/Percentage

SI No	Particulars	2014	2013	2012	2011	2010
1	Earnings per Share	4.00	2.83	2.25	4.54	9.17
2	Price Earning Ratio (Times)	3.95	5.58	8.95	10.50	12.58
3	Net Asset Value per share	19.50	17.99	17.91	19.86	23.64
4	Return on Assets	1.87%	1.43%	1.38%	2.29%	3.63%
5	Return on Investment	12.88%	14.08%	14.31%	14.94%	14.88%
6	Capital Adequacy Ratio	13.47%	12.09%	10.46%	11.24%	9.69%
7	Tier - 1 (Capital)	9.45%	8.53%	9.13%	9.22%	7.91%
8	Credit Deposit Ratio	90.23%	88.45%	82.42%	83.73%	83.16%
9	Percentage of Classified Loans against total Loans and Advances	4.72%	4.89%	5.52%	4.47%	3.71%
10	Dividend					
	Cash	12.50%	9.00%	5.00%	-	-
	Stock	12.50%	10.00%	15.00%	30.00%	55.00%

SI No	Particulars	2014	2013	2012	2011	2010
1	Number of Branches	77	70	64	54	50
2	Number of Employees	1861	1810	1608	1472	1247

Chairman's Address

In the name of the Almighty Allah

Dear Shareholders,

As the Chairman of the Bank, with pride & joy, I take the privilege to inform you that ONE Bank has fared remarkably well in the year 2014 and stood out among its peer banks. The Bank has shown its growth almost in all the parameters namely Return on Equity, Return on Asset, Profit after Tax, Loan and Deposit size, Earnings per Share, number of branches, etc. All these were possible because since inception, your Bank has always balanced between Growth, Control & Compliance. We always try to read the signs of time and appropriately position ourselves to befittingly dove-tail to promote the interest of the stakeholders.

So far, we have successfully navigated through even trials and tribulations. We are a confident Bank. Keeping the core business areas secured, the Bank has always pursued new Challenges and consistently performed well and we will continue to do so in future too. Our focuses are on People, Technology and Service. We have always strived to have the best People on board, the state of the art Technology to drive ahead and provide high quality service to satisfy growing needs and demands of our clients and the community.

Our efforts, hard work, focus and core values have always paid back. We build relationships based on trust; we are transparent at ONE Bank; our customers also grow with us. We believe in the philosophy "Giving is Having." We give excellent service in trust and we have prosperity as our companion. Our prosperity can be viewed from the trend of Dividends so far we have paid to our shareholders.

The Board of Directors of ONE Bank Limited has recommended a Dividend of 25% for the financial year ended December 31, 2014, of which 12.50% is to be in Cash and 12.50% in the form of Bonus Shares. This is substantially higher than 19% declared for the year 2013. If compared with Dividends declared by other banks vis-à-vis ONE Bank Limited, the total Dividend of 25% is on the high side. A component of 12.50% Cash Dividend has been recommended considering the Shareholder's demand. As always, while recommending Stock Dividend, despite our adequate Capital Adequacy, we have kept the future growth of the Bank and corresponding anticipatory increase of Mandatory Capital Requirements in focus.

In addition to the Bank's strong financial results, the performance across other dimensions was equally



Chairman's Address

outstanding. We share our success with customers, employees and the Communities in which we operate.

We are very much a part of the community and therefore, inseparably integrated with it. As we nourish from our bond with the Community, we always remember our responsibilities towards it. ONE Bank came into being with the motto of oneness with the people and the community. Therefore, the Bank since its birth in 1999 has focused and undertaken CSR activities to help the community tide over the hurdles and crises as and when required. Keeping the community's interest in mind, we have funded a few projects purely beneficial to the community.

This year too as a part of its CSR activities, ONE Bank extended its hands of co-operation towards the community. Some of the major initiatives were "funding construction of school building in rural areas, scholarships to underprivileged but meritorious students in different parts of the country, distributing blankets to cold stricken people, engaging doctors to extend free treatment to the destitute, etc."

With an aim to step beyond the borders, ONE Bank has been keeping its sight on the transformational changes taking place globally and the emerging opportunities. At the home front, the Bank has opened 7 (seven) new branches and 3 (three) Booths during 2014. The branches of the Bank have been segregated in three categories - Corporate, SME and Retail branches to better serve all kinds of customers. However, our branches are prepared to cater to the needs of all kinds of customers from all the branches at all times.

This year beside other Banking functions, the Bank particularly focused on Retail and SME products. Newer Retail/SME products have been introduced to fulfill the need of the people. Besides, a complete re-branding of Retail Products has been implemented.

The Bank launched Mobile Financial Service in 2013 as a part of its financial inclusion of unbanked population. During 2014, the Bank focused on strengthening the security system of the Mobile Financial platform and increase of client base for take off in the coming year. The Bank also introduced offsite ATMs. For its inclusion initiatives the Bank took all out efforts and has also been successful in increasing its customer base and to reach the people living in the remotest areas of the country.

Our Subsidiary ONE Securities Limited started to render Stock Broking and Dealing Services under the

licenses of DSE and CSE in the 1st quarter of 2014. Highly experienced and motivated employees have been providing excellent services to the full satisfaction of the clients. Resultantly, the number of clients and income from the business have been increasing. Our involvement in the Capital Market activities has been gradually expanding and will add to the Bank's Profitability.

Risk Management is pivotal for the success of the Bank. The Management team therefore amply emphasize on transparency, accountability and regulatory compliance. The Board while approving Credits and Advances also review and take into cognizance the risk factors to ensure risk mitigation. Special Asset Management Teams have been continuously monitoring the clients' activities to avoid rise of any alarming situation and regular recovery of loans and advances.

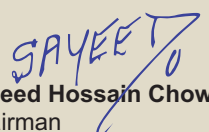
Your Bank believes in leadership by example. An incumbent leader must have ethical values. At ONE Bank, the guiding forces are good values and best practices.

Last year, we streamlined and rationalized our systems and processes. We undertook the consolidation of our operations to save time and money. This has helped us grow and earn higher profit despite steep competition.

Whatever we achieved in 2014 was possible only because of the dedication and commitment of our employees, the continued support of our customers, counterparties and shareholders, the trust of our regulators and public confidence. I take this opportunity to express my thankfulness to the Board of Directors, thank our staff for their wholehearted endeavours and their continued loyalty to ONE Bank, and to commit to those we serve and those who regulate us that we are focused on continuing to earn their trust and deserve their confidence in ONE Bank.

I cordially invite you to attend the 16th Annual General Meeting of the Bank on April 30, 2015 and am looking forward to seeing you there.

May the Almighty Allah bless us in all our future initiatives.


Sayeed Hossain Chowdhury
 Chairman



*Celebrating
15 years in
Banking Services*

Directors' Profile



Mr. Sayeed H. Chowdhury

Chairman



After completing his higher education in London – UK, **Mr. Sayeed H. Chowdhury** joined the family business in 1981 and was based in the Sultanate of Oman until 1987, looking after its business interest in the Gulf region. Returned home to work for the family company “Karnaphuli Group” as its Director Finance and Planning. In March 1991, Mr. Chowdhury founded the HRC Group, the much acclaimed and multi faceted blue chip business house of Bangladesh. Initially starting as a shipping agency, the group is now a leading conglomerate of Bangladesh consisting of nineteen member companies with diverse interest which includes but is not limited to ship owning, chartering and agency, tea estate and rubber plantation, blending and packaging of tea for local market and export, real estate, print media, GLS-bulb manufacturing, distribution, insurance, housing finance, merchant banking, information technology, etc. Export performance of HRC in the tea sector has earned Mr. Chowdhury the Government CIP honour for twelve (12) consecutive years. He is the Founder, Chairman and CEO of HRC family of companies. Mr. Chowdhury is also Chairman of Media New Age Limited and Information Services Network Limited. He is the Chairman of the Editorial Board of the Bangla National daily Jaijaidin. A Director of Holiday Publications Limited and a Sponsor Shareholder of Bangladesh General Insurance Co. Ltd. Mr. Chowdhury is the Ex-President of Bangladesh Oceangoing Shipowners’ Association (BOGSOA). He is also a member of the British Institute of Management.

Recognitions:

National

- Industry Business Award (2003)
- Financial Mirror Business Award (2004)
- Rafiqul Islam Foundation Banking Award (2004) – the best Bank Chairman.
- Financial Mirror Export Award (2007)
- Michael Madhusudhan Dutt Award (2007) – for Upliftment of Education and Social Welfare
- Atish Depankar Gold Medal Award (2009) – for outstanding contribution in Commerce and Industry.

International

- CPBU Business Entrepreneur of the Year 2007 – United Kingdom.
- Queen’s Special Award 2007 - The Ede and Ravenscroft, United Kingdom

Fellowship

- Honorary Fellowship of the Corporation of Executives Administrators (CEA) – United Kingdom



Mr. Asoke Das Gupta

Vice Chairman

Mr. Asoke Das Gupta is a reputed businessman of the country. He is the Chief Executive of IMTREX and the Managing Director of Uniroyal Trade Ltd. and he is also the Chairman of Uniroyal Securities Ltd. which is a member of the Dhaka and the Chittagong Stock Exchanges Ltd.



Mr. Zahur Ullah

Director

Mr. Zahur Ullah, Director of ONE Bank Limited is a prominent business person in the country. He graduated in Finance from University of Dhaka. He is also the Managing Director of GTEX Ltd. He is one of the Directors of Holiday Publications Ltd. Mr. Zahur Ullah is the Chairman of LL Group and is involved in the buying, manufacturing, and exporting of readymade garments and allied products.



Mr. A.S.M. Shahidullah Khan

Director

Mr. A.S.M. Shahidullah Khan is one of the Directors of ONE Bank Limited, representing KSC Securities Limited. He participated in the liberation war as a freedom fighter. Presently, he is the Managing Director of Media New Age, publisher of national English Daily The New Age.



Mr. Kazi Rukunuddin Ahmed

Director

Mr. Kazi Rukunuddin Ahmed, one of the Directors of ONE Bank Limited, representing Irfan International Limited is a highly regarded B.Sc. Engineer.



Mr. Shawket Jaman

Director

Mr. Shawket Jaman is a Director of ONE Bank Limited, representing M R Holdings & Securities Limited.



Mr. Salahuddin Ahmed

Independent Director

Mr. Salahuddin Ahmed, Independent Director of ONE Bank Limited is a renowned Management Consultant. He obtained his Master's Degree from Dhaka University. He is experienced in Project Development, Cost Control, Procurement Management and Contract Administration. He is also the Managing Director of Consolidated Services Limited (CSL).



Mr. Syed Nurul Amin

Independent Director

Mr. Syed Nurul Amin, Independent Director of ONE Bank Limited is a seasoned banker. He served in different capacities in different banks for more than four (4) decades. He retired as Managing Director. Mr. Amin was also a nominated Director on the Boards of Directors of IDLC and IIDFC. He is a Commerce Graduate and obtained higher Banking Training from the USA and Thailand.



Mr. M. Fakhrul Alam

Managing Director

Mr. M. Fakhrul Alam has been appointed as Managing Director of ONE Bank Limited for a tenure of 3 (three) years with effect from October 8, 2013. He was the Additional Managing Director of the Bank prior to that. Before joining ONE Bank Limited, he had served with Eastern Bank Limited as Deputy Managing Director and Head of Corporate Banking, Treasury & Investment Banking. Over the last 32 years, Mr. Alam's career evolved as a well rounded banker with adequate exposure in Corporate, Treasury and Investment Banking and other departments in various capacities in different banks and other financial institutions. He started his career at Agrani Bank Limited as a Senior Officer in 1983, and later served different organizations at home & abroad including IFIC Bank Limited and Bank of Credit & Commerce International (Overseas) Ltd. Besides distinctive academic records, he is also an MBA from IBA, Dhaka University.

The Board and its Committees

BOARD OF DIRECTORS

Chairman

Mr. Sayeed Hossain Chowdhury

Vice Chairman

Mr. Asoke Das Gupta

Directors

Mr. Zahur Ullah

Mr. A.S.M. Shahidullah Khan

Mr. Kazi Rukunuddin Ahmed

Mr. Shawket Jaman

Mr. Salahuddin Ahmed, Independent Director

Mr. Syed Nurul Amin, Independent Director

Mr. M. Fakhrul Alam, Managing Director

AUDIT COMMITTEE

Chairman

Mr. Syed Nurul Amin

Members

Mr. A.S.M. Shahidullah Khan

Mr. Shawket Jaman

Mr. Salahuddin Ahmed

EXECUTIVE COMMITTEE

Chairman

Mr. Zahur Ullah

Members

Mr. Sayeed Hossain Chowdhury

Mr. Asoke Das Gupta

RISK MANAGEMENT COMMITTEE

Chairman

Mr. Asoke Das Gupta

Members

Mr. Zahur Ullah

Mr. Salahuddin Ahmed

Mr. Syed Nurul Amin

COMPANY SECRETARY

Mr. John Sarkar

Key Personnel

Managing Director

Mr. M. Fakhru Alam

Deputy Managing Director

Ms. Johora Bebe

Mr. Wakar Hasan

Additional Deputy Managing Director

Ms. Rozina Aliya Ahmed

Mr. A. B. M. Saif Sarwar

Mr. John Sarkar

Mr. Shabbir Ahmed

Senior Executive Vice President

Mr. Mahmudul Khaleque

Mr. Md. Aftab Uddin Khan

Mr. Md. Fazlur Rahman Chowdhury

Mr. Ahmad Tabshir Chowdhury

Mr. Chowdhury Akhtar Asif

Executive Vice President

Mr. Adil Raihan

Mr. Shafiuzzaman

Mr. Noor Mohammed

Mr. M. Ahsan Habib

Mr. Riton Barua

Legal Retainer

Barrister Shafiqul Kabir Khan

Senior Vice President

Mr. Md. Mostaque Hossain

Mr. Md. Rafiqul Islam

Mr. Asif Mahmud Khan

Mr. S.M. Hafizur Rahman

Mr. Ashraf Uddin Chowdhury

Mr. Mirza Ashraf Ahmad

Mr. Shibly Nasimul Huq

Mr. Amirul Islam

Mr. Md. Mazharul Islam Chowdhury

Mr. Md. Abu Saleh

Mr. Md. Fazle Rahman Chowdhury

Mr. Md. Nazrul Islam Bhuiyan

Mr. Gazi Yar Mohammed

Mr. Md. Belayet Hossain

Mr. Sadat Ahmad Khan

Mr. Kazi Md. Amzad Hossain

Mr. Mohammed Rashedul Amin

Vice President

Mr. Iftekhar Uddin Ahmed

Mr. Md. Mostak Hossain

Mr. Shahabuddin Ahmed

Mr. Khondaker Abdul Mazid

Ms. Shirin Mullick

Mr. Moin Uddin Ahmed

Mr. Kh. Rashed Akhtar Zaman

Mr. Md. Golam Rabbani

Mr. Mohammad Farhad Hossen Khan

Mr. Newaz Khalid Ahmed

Ms. Mallika Nabi

Ms. Jahanara Begum

Mr. S.M.A. Moktadir

Mr. Md. Zahid-Ul-Islam

Ms. Shaila Yeasmeen Beauty

Mr. Md. Shafiur Rahman Sikder

Mr. Ishtiaq Ahmed

Mr. Md. Abdur Rob

Mr. Md. Borhan Uddin

Mr. Syed Maruf Ali

Mr. Md. Alauddin

Mr. Khandaker Liakat Ali

Mr. Mujtaba Masroor Kazmi

Mr. Hasnain Ahmed

Mr. Kutub Uddin Ahmad

Mr. Ashrafur Haq Amin

Mr. Taufiq Ahmed

Ms. Meher Farzana

Senior Assistant Vice President

Mr. Nirmalananda Chowdhury

Mr. Md. Farooque

Mr. Habibul Islam

Mr. Qamrul Chowdhury

Mr. Md. Obaydul Islam

Mr. R.M. Sariful Islam

Mr. Sk. Wahidul Hossain

Mr. A.T.M. Shahidullah

Mr. Mohammad Masrur Majid

Mr. Shubir Mitra

Mr. Mohammad Masudur Rahman

Mr. Syed Rezaul Karim Chowdhury

Mr. Dilip Pius Rozario

Mr. Mohammad Kabir Hossain

Mr. S. M. Showkat Hossain

Mr. Faisal Adil

Mr. Nitya Narayan Chowdhury

Mr. Abdullah Al Mamun Zahangir

Mr. Md. Mahedi Hasan

Mr. Md. Nazir Hossain

Mr. Md. Zahidul Islam

Mr. Aminul Islam

Mr. Md. Masumul Goni

Mr. Md. Nurun Nobil

Mr. Md. Abdul Mannan

Mr. Mohammad Rafiqul Islam

Mr. Md. Kawsaruzzaman Chowdhury

First Assistant Vice President

Mr. Moonir Sadiq

Mr. Md. Mominul Haque

Mr. Abul Masud Khan Chowdhury

Mr. Md. Mobasherul Haque

Mr. Bimalendu Chowdhury

Mr. Jashim Uddin

Mr. Md. Rafe Shafquat

Mr. Md. Jashim Uddin

Ms. Anjima Begum

Mr. Mohammad Manzur Mahub

Mr. Md. Motaher Hossain

Mr. Mahtab Ibna Mannan Sarker

Mr. Syed Fazle Elahi

Mr. Md. Kazi Mohibur Rahman

Mr. Mohammad Mahfuzul Alim

Ms. Asma Noorjahan

Mr. Md. Azharul Islam Khan

Mr. Md. Zahidul Islam

Mr. Md. Yusuf

Mr. Md. Abir Rahman

Ms. Tanjiba Sultana

Mr. Md. Mueyed Hasnayan

Mr. Md. Sharifur Rahman

Mr. Md. Monowar Hossain Khan

Mr. Biplab Banik

Mr. Joarder Alimuzzaman Rabby

Mr. S.M. Salahuddin

Mr. Md. Maksudul Alam

Mr. Miah Mohammad Mehedi Hasan

Mr. Abu Sayed Md. Abdul Mannaf

Mr. Md. Hasibul Hasan Khan

Assistant Vice President

Ms. Kazi Fauzia Yasmin

Mr. Md. Rizwan Ali Khan

Mr. Muhammad Zakir Hussain

Ms. Rehena Yesmin

Mr. Mohammad Rashidul Alam

Mr. Md. Salimullah

Mr. Md. Kamrul Hassan

Mr. A.S.M. Abu Bokor Siddique

Mr. Md. Rafiqul Islam Bhuiyan

Mr. Md. Shah Alam Molla

Mr. Md. Rezaul Karim

Mr. Shaikh Babul Hossain

Mr. Md. Nizam Uddin

Mr. Md. Faizul Mobin

Mr. Aksirul Haque Bhuiyan

Mr. A.H.M. Al-Ahasan

Mr. Khuda Baksh Tawhid

Ms. Nilufar Panna

Mr. Md. Khurshid Khan

Mr. Jamal Uddin Ahmed

Mr. Debasish Das

Mr. Mohammad Mehboob Ali

Mr. A.F. Gazi Alauddin Ahmed

Mr. Ahmad Ullah

Mr. S. M. Shariful Islam

Mr. M. M. Rashidul Kabir Chowdhury

Ms. Sajeda Khatun

Ms. Sanzida Ahmed

Mr. Md. Ferdous ul Amin

Mr. Syed Azgaar Nabi

Mr. Syed Shahidul Haque

Mr. Mohammed Rafiqul Islam

Mr. Shahid Emdadul Islam

Mr. Kazi Mohammad Eleas Kanchon

Mr. Md. Mahbulul Alam

Mr. Md. Mahbubur Rahman

Mr. Muhammad Mostafizur Rahman

Mr. Abu Naser Mohammad Faysal Haider

Mr. Mohammad Fouad Chowdhury

Mr. Jamshed Ahmed Chowdhury

Ms. Sabrina Khan

Mr. Fayzur Rahman Khan

Mr. Md. Muntasir Wahid

Mr. Md. Monirul Alam Romel

Mr. Muhammad Shah

Mr. Mohammad Zakir Hossain

Mr. Mohammad Shafiqul Azam

Ms. Laila Nasrin

Mr. Md. Munir Chowdhury

Mr. Khaled Al Fesani

Ms. Romana Jahan

Mr. Kazi Mahmudur Rahman

Mr. A.K.K.M. Zahidul Mannan

Ms. Shimul Jahan

Mr. Choudhury Maksudul Haq

Mr. Md. Samso Uddin

Mr. Anamul Hoque

Mr. Md. Fazle Mahmud

Mr. Mohammad Moyaz Uddin Sharif

Mr. Md. Mostafizur Rahman

Mr. Md. Shoronul Islam

Mr. A.M. Anisuzzaman

Mr. Ariful Hoque

Ms. Sultana Farah Chowdhury

Ms. Kawsara Sattar

Mr. Kazi Md. Forkan

Mr. Md. Salah Uddin

Mr. Rashed-Ul-Sattar

Mr. Mohammad Moniruzzaman

Mr. Md. Khorshed Anwar

Mr. Md. Amir Hossain

Ms. Sultana Jushia

Mr. Sajjad Mahmud Sabuj

Mr. Pranabesh Majumder

Mr. Md. Rezwaniul Kabir

Mr. Badrul Alam Chowdhury

Engr. Mahabub Hasan

Mr. Amol Chandra Sarker

Mr. A.N.M. Ahidul Alam

Mr. Md. Zahidul Islam

Mr. Md. Tanna Mandal

Ms. Nur Naher

Mr. Bijoy Krishna Das

Mr. Md. Aminul Islam

Mr. Md. Mahmudul Hasan

Mr. Md. Ekramul Hoque

Mr. Syed Mohammed Ekram Ullah

Mr. Mahmudul Hasan

Mr. Mohammad Mizanur Rahman

Mr. Mohammed Al-Amin Khan

Mr. Mohammed Delwar Hossain

Mr. Uttam Kumar Roy

Mr. Mohammed Saifuddin Chowdhury

Mr. Md. Tamiz Uddin Ahmed Chowdhury

Mr. Md. Momtaz Goni

Mr. Uggul Mallick

Mr. Apollo Kumar Banik

Mr. M. Tabib Hossain

Mr. Md. Abdus Salam

Ms. Shaila Sharmin Thakur

Mr. Md. Golam Rasul Bhuiyan

Mr. Md. Arifuzzaman

Mr. Shah Mohammad Emdadul Haque

Mr. Shamsul Arefin

Mr. Mosharof Hossain

Mr. Md. Niazul Islam

Mr. Abdus Samad

Mr. Md. Saifur Rahman

Mr. Mohammad Sharifuzzaman Chaklader

Mr. Md. Abul Hasnat

Mr. Md. Tanvir Alam Khan

Notice of The 16th Annual General Meeting

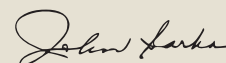
Notice is hereby given to all Members of ONE Bank Limited (the "Company") that the 16th Annual General Meeting of the Members of the Company will be held on Thursday, April 30, 2015 at 11:00 a.m. at Police Convention Hall, Eskaton Garden Road, Ramna, Dhaka-1000 to transact the following business and adopt necessary resolutions:

AGENDA:

1. To confirm the minutes of the 15th Annual General Meeting held on May 15, 2014.
2. To receive, consider and adopt the Profit & Loss Accounts of the Company for the year ended December 31, 2014 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
3. To approve dividend out of the Profits for the year ended December 31, 2014.
4. To elect Directors in place of those who shall retire in accordance with the provisions of law and the Articles of Association of the Company.
5. To appoint Auditors of the Company for the term until the conclusion of the next Annual General Meeting and to fix their remuneration.
6. To transact any other business with permission of the Chair.

Dhaka
March 15, 2015

By order of the Board,



John Sarkar
ADMD & Company Secretary

NOTES:

- a. The 'Record Date' shall be March 29, 2015.
- b. The Shareholders whose names appear in the Register of Members of the Company as at the close of the business on March 29, 2015 will only be entitled to the dividend declared in the AGM, if any.
- c. 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.
- d. The instrument appointing proxy duly signed by the Member and stamped must be submitted at the Registered Office of the Company at least 48 hours before the Meeting.
- e. Members are requested to notify change of address, if any, to the related Depository Participant before March 29, 2015.

N.B. No benefit or gift in cash or kind shall be given to the shareholders for attending the 16th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.



Directors' Report



The Board of Directors of ONE Bank Limited takes the pleasure in presenting the Directors' Report in this 16th Annual General Meeting before you along with the Audited Financial Statements for the year 2014. Also a brief overview of Global and Bangladesh Economy, Bank's performance and other matters relating to compliance of directives issued by Regulatory Authorities have been incorporated in this Report. A review of this report will reveal the Bank's overall standing, its strength and growth trend in the prevailing competitive market.

Like previous years during 2014, ONE Bank Limited aptly faced the emerging business challenges. The Bank met all the challenges boldly and played its role and contributed towards the National GDP of Bangladesh. We have also reviewed our operational and financial performance through analyzing the key operational areas and the other activities of the Bank during 2014 and determined the business goals of 2015 in the light of the previous year's performance.

GLOBAL ECONOMY

The global economy is still struggling to gain momentum as many high-income countries continue to grapple with legacies of the global financial crises and emerging economies are less dynamic than in the past.

Global growth in 2014 was lower than initially expected, continuing a pattern of disappointing outturns over the past several years. Growth picked up only marginally in 2014 to 2.6 percent, from 2.5 percent in 2013. Beneath these headline numbers, increasingly divergent trends are at work in major economies.

While activity in the United States and the United Kingdom has gathered momentum as labor markets heal and monetary policy remains extremely accommodative, the recovery has been sputtering in the Euro Area and Japan as legacies of the financial crises linger, intertwined with structural bottlenecks.

China, meanwhile, is undergoing a carefully managed slowdown. Disappointing growth in other developing countries in 2014 reflected weak external demand, but also domestic policy tightening, political uncertainties and supply-side constraints.

Several major forces are driving the global outlook: soft commodity prices; persistently low interest rates but increasingly divergent monetary policies across major economies; and weak world trade. In particular, the sharp decline in oil prices since mid-2014 will support global activity and help offset some of the headwinds to growth in oil-importing developing economies. However, it will dampen growth prospects for oil-exporting countries, with significant regional repercussions.

Overall, global growth is expected to rise moderately, to 3.0 percent in 2015, and average about 3.3 percent through 2017. High-income countries are likely to see



An OBL Financed Fishery Project

growth of 2.2 percent in 2015-17, up from 1.8 percent in 2014, on the back of gradually recovering labor markets, ebbing fiscal consolidation, and still-low financing costs. In developing countries, as the domestic headwinds that held back growth in 2014 ease and the recovery in high-income countries slowly strengthens, growth is projected to gradually accelerate, rising from 4.4 percent in 2014 to 4.8 percent in 2015 and 5.4 percent by 2017. Lower oil prices will contribute to diverging prospects for oil-exporting and -importing countries, particularly in 2015.

Despite setbacks, an uneven global recovery continues. Largely due to weaker-than-expected global activity in the first half of 2014, the growth forecast for the world economy has been revised downward to 3.3 percent for this year, 0.4 percentage point lower than in the April 2014 World Economic Outlook (WEO). The global growth projection for 2015 was lowered to 3.8 percent.

Downside risks have increased since the spring. Short term risks include a worsening of geopolitical tensions, risk spread and volatility compression in financial markets. Medium-term risks include stagnation and low potential growth in advanced economies and a decline in potential growth in emerging markets.

Given these increased risks, raising actual and potential growth must remain a priority. In advanced economies, this will require continued support from monetary policy and fiscal adjustment attuned in pace and composition to supporting both the recovery and long term growth. In a number of economies, an

increase in public infrastructure investment can also provide support to demand in the short term and help boost potential output in the medium term. In emerging markets, the scope for macroeconomic policies to support growth if needed varies across countries and regions, but space is limited in countries with external vulnerabilities. And in advanced economies as well as emerging market and developing economies, there is a general, urgent need for structural reforms to strengthen growth potential or make growth more sustainable.

The changes are to a large extent the result of greater volatility and uncertainty, and they present a higher risk for the global economy in 2015. The rapid decline in oil prices, quick adjustments in exchange rates (with the US dollar appreciating and weakening of most other currencies, notably the euro), and the new quantitative easing program of the ECB are just a few examples of the economic factors at play. In addition, there is increased geopolitical uncertainty related to the Russia-Ukraine and Middle East conflicts, as well as increased concern about the economic and political future of the Euro Area and European Union.

While the overall global real GDP growth average is projected to be 3.3 percent – remaining slightly below the 3.4 percent the projected global average reflects a combination of upsides and downsides. Downward revision are primarily due to a major GDP decline in Russia (from +0.8 to -3.5 percent) and moderate declines in the Euro Area (1.6 to 1.4 percent), Japan (1.1 to 0.6 percent), and Brazil (1.5 to 0.5 percent).



An OBL Financed Citrus Plant Project

Upward revisions include the United States (2.6 to 2.9 percent), Mexico (2.8 to 3.5 percent), and India (5.5 to 5.9 percent). The adjustments to India, however, do not reflect the recent substantial statistical upward revisions in India's GDP growth measures, the reliability of which is still debated.

Relative to the base scenario for the outlook, downsides to the global outlook could come from possible intensified political and economic risks. Upsides relate to the ability of policy and business to invest in people, raise productivity, and rebuild trust and confidence, but they may need significantly more time than the current year to materialize.

BANGLADESH ECONOMY

The Economy of Bangladesh is a rapidly developing and the country is classified as a Next Eleven emerging market and one of the Frontier Five. According to a recent opinion poll, Bangladesh has the second most pro-capitalist population in the developing world.

Despite widespread political demonstrations in Bangladesh ahead of national elections in January 2014, gross domestic product (GDP) growth in Fiscal Year 2014 (ended 30 June 2014) is estimated at 6.1%, half a percentage point higher than projected in the Asian Development Outlook (ADO) 2014 in April. The strong performance came from higher public investment and strong exports. For FY2015, growth is now projected at 6.4%, slightly higher than forecast

earlier, as a revival in worker remittances is expected to bolster private consumption, while private sector investment will pick up on greater political stability. Moreover, the government will continue its efforts to step up project implementation.

Between 2004 and 2014, Bangladesh averaged a GDP growth rate of 6%. The economy is increasingly led by export-oriented industrialization. The Bangladesh textile industry is the second-largest in the world. Other key sectors include pharmaceuticals, shipbuilding, ceramics, leather goods and electronics. Being situated in one of the most fertile regions on Earth, agriculture plays a crucial role, with the principal cash crops including rice, jute, tea, wheat, cotton and sugarcane. Bangladesh ranks fifth in the global production of fish and seafood. Remittances from the Bangladeshi Diasporas provide vital foreign exchange.

Food prices were high for much of FY2014 because political unrest disrupted supply, pushing inflation up by 60 basis points to an average of 7.4% for the year, or nearly the ADO 2014 forecast. This Update retains the April projection, shared by the central bank, of 6.5% for average inflation in FY2015. Price pressures are expected to soften with easing supply constraints, a better crop outlook, supportive monetary policy, and large public stocks of food grain. Lower international food and oil prices will contribute.

The Bangladesh telecoms industry has witnessed rapid growth over the years and is dominated by foreign investors. The government has emphasized the development of software services and hi-tech



An OBL Financed Garments Factory

industries under the Digital Bangladesh scheme. Bangladesh has substantial reserves of natural gas and coal; and many international energy companies are involved in production and exploration activities, including in the Bay of Bengal. Regional neighbours are keen to use Bangladeshi ports and railways for transshipment. Located at the crossroads of SAARC, BIMSTEC, the ASEAN+3 and the Indian Ocean, Bangladesh has the potential to emerge as a regional logistics hub.

In 2014, per-capita income stood at USD 1,190. While achieving significant macroeconomic stability, Bangladesh continues to face challenges such as infrastructure deficits and energy shortages.

Bangladesh has maintained an impressive track record on growth and development. In the past decade, the economy has grown at nearly 6 percent per year, and human development went hand-in-hand with economic growth. Poverty dropped by nearly a third, coupled with increased life expectancy, literacy, and per capita food intake. More than 15 million Bangladeshis have moved out of poverty since 1992.

While poverty reduction in both urban and rural areas has been remarkable, the absolute number of people living below the poverty line remains significant. Despite the strong track record, around 47 million people are still below the poverty line, and improving access to quality services for this vulnerable group is a priority. There are also many people who could fall back into poverty if they lose their jobs or are affected by natural disasters.

With nearly 150 million inhabitants on a landmass of 147,570 square kilometers, Bangladesh is among the most densely populated countries in the world. Sustained growth in recent years has generated higher demand for electricity, transport, and telecommunication services, and contributed to widening infrastructure deficits. While the population growth rate has declined, the labor force is growing rapidly. This can be turned into a significant demographic dividend in the coming years, if more and better jobs can be created for the growing number of job-seekers. Moreover, improving labor force participation and productivity will help to release the potential of the economy. Exploiting the potential of regional cooperation and making trade policy more conducive to a deepening and diversification of exports will also play a vital role in the growth process.

Bangladesh aspires to be a middle-income country by 2021. This will require increasing GDP growth to 7.5 to 8 percent per year based on accelerated export and remittance growth. Both public and private investment will need to increase as well. Growth will also need to be more inclusive through creation of productive employment opportunities in the domestic economy. To sustain accelerated and inclusive growth, Bangladesh will need to manage the urbanization process more effectively, as well as prepare for adaptation to climate change impacts.

Becoming a middle-income country will require substantial efforts on many fronts. These include maintaining macroeconomic stability; strengthening



An OBL Financed Knit & Composite Unit

revenue mobilization; tackling energy and infrastructure deficits; deepening financial-sector and external trade reforms; improving labor skills, economic governance, and urban management; and adapting to climate change. Bangladesh can become an export powerhouse, with its labor-intensive manufactured and service exports growing at double digits on a sustained basis, if it speeds up government decision-making. Without timely action, other countries (such as Vietnam and Myanmar) will take the markets being vacated by China.

Bangladesh's economy has grown roughly @ 6% per year since 1996 despite political instability, poor infrastructure, corruption, insufficient power supplies, slow implementation of economic reforms, and the 2008-09 global financial crisis and recession. Although more than half of GDP is generated through the service sector, almost half of Bangladeshis are employed in the agriculture sector with rice as the single-most-important product. Garment exports, the backbone of Bangladesh's industrial sector and 80% of total exports, surpassed \$21 billion last year, 18% of GDP. The sector has remained resilient in recent years amidst a series of factory accidents that have killed over 1,000 workers and crippling strikes that shut down virtually all economic activity. Steady garment export growth combined with remittances from overseas Bangladeshis, which totaled almost \$15 billion and 13% of GDP in 2013, are the largest contributors to Bangladesh's current account surplus and record foreign exchange holdings.

BANKING SECTOR

Presently, There are 56 scheduled banks in Bangladesh which are fully under the supervision of Bangladesh Bank of which 4 State Owned Commercial Banks, 4 Specialized Banks, 31 Conventional Private Commercial Banks, 8 Islami Shariah based Private commercial banks and 9 Foreign Commercial Banks.

With the growth of country economy, banking industry achieved a significant growth in 2014. In the beginning of 2014, banking industry was in liquidity position when inter-bank call money rate was about 9.35 percent which came down to 7.11 percent in December, 2014.

Despite festival season and the central bank's financial year closing, the interbank call money market rate remain stable as the central bank maintained close monitoring of the money market's day-to-day liquidity position and credit demand was lower due to the sluggish business environment. The interbank call money rate was 7.1 percent, on a weighted average basis in December 2014, down from 9.3 percent in 2013.

Banking industry has achieved a significant growth in deposit mobilization and also in rational approach for loan disbursement. In 2014, banks achieved 15.98 percent deposit growth and 8.56 percent loan growth. In 2013, some financial scams were identified which marked a question to internal control and compliance culture of banks, especially for state owned banks. Overall non-performing loans decreased mainly due to relaxation for classification against SME sector. Among the profitability measures overall return on asset



An OBL Financed Dairy Farm

(ROA) in the banking sector decline from 0.64 percent at the end of 2013 to 0.61 percent at the end of September 2014.

The weighted average lending rate declined slightly to 13.05 percent at the end of December 2014 from 13.9 percent at the end of December 2013. The deposit rate remained the same at 8.4 percent, becoming positive in real terms because of lower inflation. As a result, the interest rate spread of the banking system narrowed from 5.5 percent in December 2013 to 5.1 percent in December 2014. Financial soundness indicators showed gross nonperforming loans (NPLs) at 8.93 percent in 2014 which was 10.03 percent in 2013 as the percentage of total loan outstanding. Poor credit decisions, bank frauds, slower economic activity, and the end-2012 tightening of loan classification standards contributed to the weakened financial soundness. In view of significant capital shortfall, the government has disbursed BDT 410.0 billion to help four state-owned commercial banks. Bangladesh Bank adopted a six month long loan rescheduling policy for banks and financial institutions to enable the businesses to reschedule their classified loans by giving a relaxed down payment.

Economy and Banking Industry outlook 2015

2015 will be a more challenging year for the economy as well as the banking sector. The economy has entered into the New Year in a situation where most of the macro-economic indicators are under huge

pressure because of political turbulence in the country. Achieving the targets of the GDP (Gross Domestic Product) growth, revenue collection, export earnings, ADP (Annual Development Programme) implementation, public and private sector investment and reining in the increasing inflation would be the major economic challenges in the coming days. Banking sector, being an integral part of the financial system, will have to face the likely impediments. The major challenges of the banking industry in 2015 will be optimum utilisation of fund through achieving desired investment growth, preventing the deterioration of asset quality and maintenance of capital adequacy to absorb the risks.

Banking sector will be under tremendous pressure to make effective utilization of fund to bring the ADR at optimum level. In order to enhance income, banks will be under stress to increase the credit growth with the surplus fund and projected additional deposits to be mobilised in the current year. On the other hand, maintenance of asset quality will always come as a priority issue not only for the existing credit portfolio but also for new one.

The prime focus of the banking sector would be the recovery of rescheduled loans that have been made during last part of the previous year through the central bank's directive. If the banks are unable to make them performing within the relaxation period, a good amount of additional provision might be required that might put the banks in a distress situation.

Bangladesh Bank monitors the recent rise of



An OBL Financed Textile Mill

nonperforming loans with concern and care. While many of these figures are potentially alarming, Bangladesh Bank has already taken some corrective measures to clamp down on classified loans. We hope to see their descent soon. Banks have to take strong measures to recover these loans and if not take hit in their balance sheets for these irregularities. Bangladesh Bank will not be lenient in this regard. While the cases of the credible borrowers with potential for better businesses will be reviewed, the central bank will not hesitate to take any stern measures against the habitual defaulters and bad borrowers with a track record of persistent delinquencies. The central bank has taken various steps to improve supervision so financial frauds can be minimized if not eliminated entirely. Digital technology has been deployed to investigate big financial transactions and loans in order to stop the repetition of banking irregularities. The Real Time Electronic Dashboard is an example in this regard.

Government spending may often be inflationary since it does not have immediate return. Bangladesh Bank is always in favor of limiting government borrowings from the banking sector so the government cannot crowd out private investment. In the last national budget of FY2015 government declared that Taka 312 billion will be financed from the banking system while it did not take any amount as of today on the net calculation. Rather it repaid around an amount of Taka 41 billion to the banking system in the first half of FY2015. So, government borrowing from the banking system did not create any pressure in the first half of FY2015,

creating further space for the private sector. However, the FY2015 monetary program assumes that any unanticipated spending pressures in the second half of FY2015 will be accommodated within the sizeable borrowing limit set in the budget. Moreover, Ministry of finance has an established track record of keeping within this borrowing limit, indicating no concern regarding the government borrowing limit. Nevertheless, fiscal monetary coordination will be continued among senior policymakers with regular meetings of the Coordination Council.

Despite all macroeconomic and industry specific challenges, banking sector can turn around and show its resilience in 2015 as it did in the past during global and macroeconomic recessions. However, political stability is the precondition to make the breakthrough as economic stability can't be sustained without political stability. In the beginning of 2015, the country and its economy have experienced an unprecedented violent political crisis. If it continues to make no difference the banking sector would invariably fall under tremendous mayhem.

OBL'S Performance

ONE Bank Limited maintains a satisfactory growth in 2014. It has shown growth in all the parameters of the Bank. The business drive, hard work and compliance have helped the Bank sustain its incremental growth.

Despite the adverse situation that prevailed in the beginning of the current year, the Bank hopes to remain focused on growth and further consolidation of



An OBL Financed Diagnostic Centre

the Bank's position. With advanced technology, proper people management and facilities and services of highest qualities, the Bank expects to provide more comfort and stay ahead feelings to its valued customers. The Bank is confident to continue its growth trend in the coming year too.

Corporate Financing

OBL offers a wide range of financial services to its corporate clients through extensive branch network all over the country and specialized dedicated units at Corporate Headquarters. Our experienced officers have competent managerial skill and in-depth professional knowledge of corporate & institutional business environment.

To expedite our clients' business growth, we provide comprehensive solutions to meet Corporate Customers' requirement. Our Corporate Banking solutions include wide range of products and services backed by modern technologies. Products and services for corporate are Working Capital Finance, Project Finance, Trade Finance, Lease Finance, Syndication Finance, Mezzanine Finance, Offshore Finance and Foreign Currency Finance etc.

Lease Financing

OBL extends customized lease finance facility to Corporate and SME in the manufacturing and service. The Bank offers asset backed financing industry against industrial machinery, commercial equipment, office equipment, generator, vehicle, sea or river vessel, construction equipment, Agriculture equipment etc.

At the end of 2014, OBL's net Lease Finance portfolio stands at Tk. 3,004.79 million.

Syndication Financing

Syndication allows any of the lenders to provide large loans, while maintaining prudent and manageable risk exposure. Syndicated finance diversifies the risk of a bank on a single borrower and increases the quality of loan through collective judgment and monitoring of different banks / financial institutions.

ONE Bank has a successful track record acting as both lead bank and partner in loan syndication for long-term, large-scale projects. To raise and meet large credit need of leading corporate houses, OBL has been raising fund from the banking sector on behalf of the customers through syndication arrangement.

During the year 2014, OBL has engaged itself as Lead Arranger for arranging 03 (three) syndicated loans for total Tk. 5,670.00 million. Participation in the syndication including USD 18 million, arranged by OBL and other Banks, has been approved for total Tk. 3,110 million including USD 14 million.

Project Financing

The industrial sector has historically been the sector that has driven growth as countries have moved from low to middle-income status. This is because industry can provide high-wage employment for larger numbers of workers and can raise social productivity by producing high-value goods on a mass scale. Project finance/Industrial credit is the long-term financing of infrastructure and industrial projects based upon the projected cash flows of the project.



An OBL Financed Processed Fish Import & Storage Project

ONE Bank has been financing Term Loan (Industrial) facility for establishing new project and/or expansion of various projects in the sectors viz. Textile, Spinning, RMG, Power, Steel, Telecom, Pharmaceuticals, Food Processing, Packaging, Fast Moving Consumer Goods (FMCG), Health etc.

SME Banking

Small and Medium Enterprises have indeed become one universally agreed motif of the development landscape when it comes to sustainable, efficient and pro-poor growth of labor-surplus economies. It plays a significant role in the economy in terms of balanced and sustainable growth, employment generation, development of entrepreneurial skills and contribution to GDP. ONE Bank strongly believes that SME sector is one of the main driving forces of economic growth and it is a market with huge potential.

Bangladesh economy is characterized by low per capita income, high level of unemployment, mass poverty, and social deprivation. In these circumstances, higher growth of SMEs can reduce poverty to a satisfactory level by creating jobs for the skilled and un-skilled manpower in this sector. Most of the SMEs assist in regional and local development since they accelerate rural industrialization by linking it with the more organized urban sector. SMEs use a combination of innovation, improvisation to develop local products and services for local needs using local resources. It has been tested and found that lack of access to external finance is a key obstacle for SMEs

growth. SMEs face several difficulties in obtaining finance from the formal sector. Most of the problems are from demand side. On the other hand, collateral requirements, weak credit skills and practices, cumbersome loan processing and documentation are the major supply side problems.

ONE Bank is rapidly progressing in SME financing in line with the changes in the global environment, local arena, and regulatory requirement for SME financing. In order to increase focus on SME Financing, ONE Bank Ltd has separated 27 Branches out of its 78 Branches as fully dedicated for SME Financing. Other Branches are also extending SME financing along with corporate financing. In all the Branches, the Bank has established dedicated SME desks. In the year 2014, OBL has financed Tk. 11583.77 million which is a 22.32% growth compared to that of the previous year 2013. Total number of SME borrowers of the Bank was 2,906 as on December 31, 2014. ONE Bank has special concentration on SME financing. The Bank has already identified different business clusters like Light Engineering at Bogra, Power Loom at Madhabdi, Stone Crushing at Sylhet, and Fish Processing at Cox's Bazar. Besides, the Bank has two products namely "OBL Shubidha" and "OBL Romoni" dedicated toward the potential small clients along with women Entrepreneurs.

Financing Women Entrepreneurs under SME

Empowering of the women through SME financing is



An OBL Financed Re-Rolling Mill

another notable idea in the development of women entrepreneurs. In the new framework of SME, OBL is giving top priority in developing and harnessing women entrepreneurs. OBL has 'Dedicated Desks' and nominated "Focal Person" for Women Entrepreneurs. During the year 2014, the Bank has financed Tk. 455.80 million to women entrepreneurs.

Agricultural Financing

Agriculture still remains the mainstay of Bangladesh economy which accounts for about 16.33% of GDP in 2013-14. More than 75% of our total populations are rural dwellers, as such, economic growth and prosperity largely depend on food security, improvement of living standard and employment generation of the rural mass. Agriculture and Rural Credit therefore play a pivotal role in modernization and commercialization of rural economy.

The affect of climate change especially in the range of natural conditions such as global warming, irregular rainfall, salinity, etc. are constantly creating challenge for our agriculture. With the rising population, we need to ensure food security for all through optimum utilization of the available limited resources. In order to ensure food security the subsistence farming system has been converted to commercial farming system. Farmers are now a days eager to adopt modern technologies and integrated farm management techniques which allow them to reap better yield even from limited resources. To achieve the goal, farmers must have to be ensured availability

of necessary working capital required for crops, livestock, fishery, poultry and other agricultural activities.

Bangladesh Bank has made agriculture and rural lending mandatory for all commercial banks which has expanded the scope of inclusive banking. To broaden the scope, banks are also allowed to use both own branches and Micro Financing Institutes (MFIs) linkage for disbursement of Agriculture & Rural Credit. From the very beginning, OBL has been continuing its proactive strategy and program support to boost up agriculture and rural financing in line with Government policy as well as Bangladesh Bank guidelines.

As a part of this program, during FY 2013-2014, OBL disbursed Agricultural and Rural Credit of Tk 1,053.10 million against Target of Tk.1,050.00 million. Since FY 2010-11 OBL have been able to achieve its Agriculture and Rural credit disbursement targets successfully. OBL is well focused to continue its efforts to strengthen its participation in Agricultural and Rural Credit to ensure food security, improvement of living standards, and generation of employment opportunity, leading towards overall growth of the economy.

Retail Banking

Enhancing the banking experience for our 3,00,000 plus retail banking customers continued to be the priority in 2014. The emphasis we place on customers continued to drive our innovation efforts, product design and service delivery activities. We made our



An OBL Financed Sea Fish Processing Unit

customer experience more interactive and rewarding. At the same time, we remained committed to providing solutions and services that met customers' needs at every stage of life; from saving at a young age to buying a home as they start their own families, to investing for retirement. The Bank offers a complete suite of retail products across deposits, loans, payments and cards and is committed to develop long-term relationships with its customers by providing high-quality services.

Business Highlights

- ONE Bank pursues an effective fund management strategy and highly focuses on low cost deposits. The focus and efforts were reflected in substantial savings deposit growth. During 2014, savings deposits grew by Tk 277 crore which is 40% higher than that of 2013.
- Branches opened 54,000 new savings accounts, highest ever in single year, posting 41% growth over previous year. Total retail deposits of the Bank stood at Tk 4,088 crore.
- Retail Loan disbursement increased by 88% and retail loan portfolio reached Tk 310 crore posting 22% growth.
- Our rigorous retail credit underwriting policy and robust monitoring process paid off substantially. Retail NPL portfolio decreased by 30%.
- The Bank led two staff-get-client deposit campaign "Yes, We Can Win" and "ICON ONE" for creating

awareness for low cost deposits in the Bank. These campaigns were significantly successful and brought Tk 635 crore fresh retail deposits.

- Retail Relationship Managers and Retail Branches were rolled out for providing customized solutions and offering customer centric products and services.

New Products and Propositions:

• New Products:

5 new retail banking products named NRB Savings Plus, Quick Millionaire, Elegant Savings, Personal Loan, and Banker's Loan were launched for offering superior value propositions and personal financial management options for retail clients.

• Strategic Partnership:

Retail Banking continues its endeavor to add value for the clients by partnering with car vendors and real estate developers.

• Customer Loyalty Program:

Customers having long term relationship with the Bank were recognized through loyalty reward program to appreciate the client's efforts and partnership with the Bank. Thank You Card and Gift Vouchers were introduced to recognize the valuable relationships of customers.

• Employee Engagement Program:

Engaging and inspiring employees was one of the key priorities of Retail Bank. 'Retail Star' program was introduced to inspire the officials to walk extra miles by reaching out customers for new business



An OBL Financed Manufactured Ocean Going Vessel

and 400 officials excelled as Retail Stars during the year.

Delivering superior values propositions to customers is a priority of OBL Retail Banking. This will continue through combining growth and potentials and offering cutting edge products and services for ultimate customer experience.

THE CARDS

Cards During the year 2013, ONE Bank launched VISA - branded Cards which are a secure and reliable way to pay for anything a person needs, anywhere in the world. Different types of Visa branded cards like Debit, Prepaid, Silver, Gold and Platinum are offered for a range of needs - from general everyday spending to specific payments or uses. Some of the key features of the cards include Dual Currency, Free Supplementary Card, 24/7 Cash withdrawal Facility, Insurance Scheme, Lower Interest Rate, Reward Point, Discount program etc.

ONE Bank has issued more than 23,000 Debit Cards and more than 1800 Credit Card in 2014.

ONE Bank introduced "Versatile Card" for the students and professionals that can make their life simpler. Students and professionals can pay their tuition fees, registration, examination (TOEFL, IELTS, GRE and subscription fees etc.) in connection with admission into foreign educational institutions via internet with ONE Bank Versatile Card. Moreover, people will have the option to purchase through web locally using

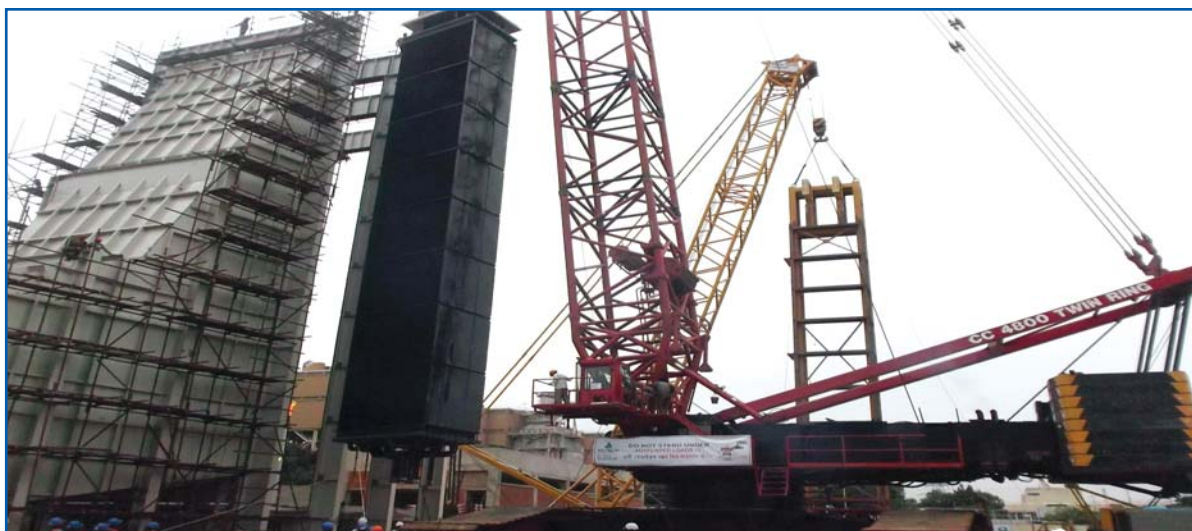
Versatile Card.

In 2014, ONE Bank has also introduced Hajj Card for HAAB (Hajj Agencies Association of Bangladesh) Agents and Hajj Pilgrims carrying their day to day expenditure in one simple plastic card - makes their life total hassle free.

SafetyONE insurance program has also been introduced through which Card Members will get triple benefit program insurance coverage: Credit Life, Accidental Death Benefit (ADB) and Permanent Total Disability (PTD). As a part of value added service, the Bank is on the process of introducing Zero Interest EMI scheme; SMS alert Service, Balance Transfer, Card Cheque and many more value address propositions for making the product attractive with the present industry.

Centralized Loan Administration

OBL Centralized Loan Administration Department is basically designed to support and control extension and utilization of credit limit. Its main functions are to secure documentation in a centralized environment of all the branches and centrally load the credit limit as per terms and conditions of sanction letters. Documentation is scrutinized for accuracy, adequacy, completeness and legal enforceability with independent judgment over Relationship Managers review. The documents are logged and placed for safe keeping under dual custody, as per the Bank's Standard Operational Procedures. All customers' liabilities are timely and accurately recorded in the



An OBL Financed Mega Crawler Crane

books of accounts and reported in designated fashion for monitoring and controlling purposes. That irregularities and exceptions are duly recorded for Management review. Under the concept of segregation of responsibilities, Relationship Managers and Credit Managers & Officers who are involved in the credit approval process are not to be directly involved in the disbursement of a loan or booking a transaction. That function rests with the Centralized Loan Administration Department.

As the Bank is growing in terms of number and size of loans, diverse products and clients, complex processes and procedures for compliance requirements by the regulator the role of Loan Administration Department being more and more challenging and crucial day by day.

Foreign Exchange & Foreign Trade

The resilience and dedication of OBL team helped the Bank succeeded to remain on the path of continued growth despite the bumping economic scenario of the country. OBL experienced growth in both its import and export business. Total import business handled during the year was Tk. 93,755 million as compared to Tk. 74,857 million last year, recording an impressive growth of 25.25 %. The main import items included Industrial Raw Materials, Food Commodity, Scrap Vessel, Machinery and spare parts, Raw Cotton, Fabrics, Yarn and accessories, BP Sheet, Scrap, Petroleum etc.

Total exports business handled by the Bank was Tk. 81,162 million as against Tk. 58,711 million of last

year; recording a significant growth of 38.24%. Planned and calculated thrust to finance the leading RMG units, Jute, Sea Fish etc. contributed towards improving the Bank's performance in the export sector. The satisfactory performances in Foreign Trade and Foreign Exchange sector enabled the Bank to substantially increase its fee-based income.

Treasury

OBL Treasury is a unique integrated component unit established to manage day to day liquidity interest rate risk and foreign exchange risk which includes primarily terms placement of surplus funds and interbank lending and borrowing at call. Treasury Department also performed Investments related to SLR requirements and for trading in the Government Treasury Bills and Bonds as well as Private Company Bonds. The Bank's foreign currency dealings were necessitated by customer-driven transactions, mainly LC payments and negotiation of Export Bills. Special care was taken so as to ensure that the Bank always remained within the Open Position Limit prescribed by Bangladesh Bank. Dealing in foreign currency has potentials to increase the earnings of the Treasury Department. The Bank intends to commence proper dealing operation in foreign currency as soon as it acquires the required capability.

Foreign Remittance

In 2014, unsettled political condition of the country adversely affected the inward foreign remittance business at the fag-end of the year. However, OBL managed to concede 7.82 percent positive growth with



An OBL Financed Paper Mill

total inward foreign remittance of Tk. 1,006 million in 2014 as against Tk. 933 million for the year 2013.

Correspondent Relationship

To strengthen its global relationship, the bank is now maintaining 407 correspondent relationships (foreign 356, Local 51) during 2014. OBL's correspondent banking is spread at important financial centers and business hubs over the world, and have contributed towards expansion of Bank's foreign trade business. OBL is currently operating its remittance business through 9 (nine) Remittance Agency partnerships to facilitate inflow of foreign exchange remittances from the Non-resident Bangladeshis. Efforts are now ongoing to enhance the number of such relationships, with the objective to substantially increase the flow of inward remittance through this channel.

Information Technology

The rapid advancement in information and communication technology has significantly affected the banking industry in Bangladesh. Banks and other financial institutions have improved their services as financial intermediary through adopting various Technologies. Technology has become a tool that facilitates banks' organizational structures, business strategies, customer services and related functions. OBL is already on the verge of achieving operational excellence in regards to Information Technology infrastructure development. It has the flavor of introducing one of the world class Core Banking Solutions, FLEXCUBE UBS in recent years. Being the technology savvy bank, ONE Bank Limited had a

glorious journey in the financial year 2014. In addition to its existing services like: Mobile Banking Services (ONE Bank OK Banking), Mobile SMS Alerts, VISA Debit, Credit and Prepaid cards, ATMs etc. ONE joined National Payment System Bangladesh (NPSB) of Bangladesh Bank, introduced various online bills collection facility including MRP, DESCO etc. in 2014. In addition OBL also developed few more in-house software such as: goAML (for reporting to Bangladesh Bank for Anti Money Laundering), online Leave Management System etc. The bank also taken initiatives to extend its mobile banking service, establishment of Call Center to provide 24/7 services, automated document management system etc. The Bank also added significant number of new own ATMs at various strategic locations all over the country.

MOBILE BANKING

Mobile financial service is a tool to facilitate people with legitimate transaction process without the help of conventional banking system. This service is available through the mobile phone network, thus it may cover the remotest location of a country with least possible cost incurred. This service is very effective in a country that is geographically challenged like Bangladesh, Kenya, and Nigeria etc.

ONE Bank Limited (OBL) is part of an institution that thrives on harnessing technology to provide relevant solutions. Driven by the desire to promote financial inclusion, the Bank introduced Mobile Financial Services named "OK" in 5th September 2013. The Bank has been



An OBL Financed Oil Tanker

refining its distribution channels to enable it to serve its Customers efficiently wherever they may be. In that regard, an integrated strategy that encompasses traditional branches and electronic channels is already being rolled out. The Bank has a strong desire to be relevant in its community by providing solutions that improve lives.

This payment system has made an unparalleled contribution to improving transactional convenience and funds movements for millions of Bangladeshis. During the year under review, over BDT 4,000,000 lacs were transacted over "OK". This includes the continued product and revenue development for "OK". On that basis, the Bank has a significant pipeline of products under development, some of which have already been introduced to the market. To complement the Agency network, the Bank has taken different initiatives throughout the year.

OBL is committed to building on current knowledge, sharing best practice, and scaling successful models across borders, to help create opportunities for people and make a difference in their lives in a very compliant manner.

To address this untapped and unprivileged market, OBL expanded the mobile banking services all over the country very quickly. Now a total number of 16,000 agents points are continuously working together to meet all part of Customer requirements. Moreover 65,000 mobicash agents are also there to facilitate OK's customers throughout the country.

Mobile Banking Product & Services:

- Customer registration
- Cash-in- (Cash Deposit)

- Cash-out (Cash withdrawal)
- Salary/ Allowance Disbursement
- Bills payment
- Merchant Payment
- Person to person Fund Transfer (P2P)
- Balance inquiry
- Statement inquiry

Performance of Mobile Banking:

In December 2014 the number of mobile account was 327,620 which is a remarkable achievement compare to the previous year. The growth is 1081.3%. This huge hike showed how successfully the brand was placed in the market. ONE Bank Limited took the right step to increase the number of accounts by spreading its agents in rural areas where people were deprived from any sort of financial facilities.

In December 2014 the number of agent was 16,000. The interested potentials were converted to OK agents after carefully screening them with ONE bank's set guidelines. ONE Bank Limited made the commission structure so lucrative for the agents that every agent of competitors were interested to become OK's agent.

The users of OK did their transactions willingly and the results were truly reflected in December 2014 when the total transactions were recorded at 4,000,000 BDT which is an exponential growth compare to the previous year. ONE Bank limited ran different campaigns in the market and those results in the increased transaction volume in 2014.

ONE Bank Limited is hoping that with the new software the numbers will increase even in a rapid pace in 2015 as there is huge scope of mobile financial services in



An OBL Financed School Building

Bangladesh as this country is a geographically challenged developing country.

Bill payment by customers

OBL Mobile banking account holders can pay his/her bills to different merchant shops by using OK financial services. OBL's Bills pay service reduces and consumers' time, increases conveyance which allows paying bills on time to avoid extra charge. Customers can collect and make payment from any agent point using OBL Mobile Banking Account.

Collection of Bill by the Business

Government and non-government organizations expedite collection for their product and services using collection service of OBL mobile banking which facilitates the business organizations to collect money on real time so that they can reuse the money for the organization's development previously organizations face severe problem to collect money from all over the country and sometimes it took more than a month. With the help of mobile banking, organizations collect money instantly.

Passport authority of Bangladesh is the prime example of this. There are many in the pipeline.

Different Campaign with different location based agents

OBL mutually participate with different agent points to run campaigns throughout the year of 2014. OBL participated in different campaigns for acquisition of new customers, familiarizing "OK" and transaction increment programs. These successful programs helped OBL to increase cash-in, Cash-out and P2P for both mutual benefits.

Geographical Coverage

Since the inception ONE Bank Limited has given the best effort to cover the entire country in the shortest possible time and at the yearend of 2014 ONE Bank has reached the millstone by establishing 16,000 agents throughout the country.

Agent Partners

Agent network is one of the vital aspects for running mobile banking to facilitate financial inclusion at grass root level. At present ONE Bank Mobile banking has an extensive 16,000 agent footprint in 64 districts through the partnerships with different industry stakeholders including government and private entities such as Access to Information (A21), Mobile Network Operators (MNOs) and OBL's own Agents. This agent points are increasing day by day to provide the banking services to the door step of the people.

Offshore Banking Unit (OBU)

OBL has been offering Offshore Banking facilities through 02 (two) Offshore Banking Units (OBU) located in Gulshan, Dhaka and Agrabad, Chittagong. The total loans and advances of the OBU reached to USD 29.16 million equivalents to Tk. 2,272.80 million as on December 31, 2014 compared to USD 22.35 million equivalents to Tk. 1,738.04 million as on December 31, 2013 recording a significant growth of 30.47 percent. However, in the year 2014, OBU made operating profit of USD 0.939 million equivalents to Tk. 73.23 million as against USD 0.391 million equivalent to Tk. 30.41 million in 2013 with a growth of 140.80 percent.



An OBL Financed Plastic Pipe Factory

Human Resources

Merits, expertise and numbers of human resources make an organization different from others. Keeping the same in mind and in view of the increase of business and allied activities, OBL has increased the number of total full time regular employee to 1,861 by the year-end 2014 from 1,810 of the preceding year. Excepting for the new inductees, the remaining employees are all tenured banking professionals with varying degree of experience and exposure, recruited from the leading local and foreign banks. The Bank has a strong focus on imparting training towards enhancement of the skills and competencies of the employees. The Bank has embarked on Strategic Human Resource Management i.e. aligning human resource with the businesses of the Bank. During the year, a total of 289 (two hundred eighty nine) employees attended trainings arranged by Bangladesh Bank Training Academy, BIBM and other external agencies and 06 (six) employees attended trainings abroad.

During the year 2014, Human Resources Division of the Bank has framed a "Code of Conduct" for all levels of its employees. It has been done in an endeavor to establish a high level of moral standard towards developing and nurturing a compliant culture in the Bank. The same has been circulated to all the employees. To facilitate a performance based culture, the Bank, during 2014, has revamped its performance management system and linked the rewards and recognitions to the employees' performance. The Bank has also reviewed its benefits such as introduction of furniture & fixture facilities and revision of the OBL Staff House Building Loan policy during 2014. To offer more comfort to the working parents of the Bank, ONE Bank Limited, in collaboration with other banks having Head Offices Located at Gulshan, Dhaka, has made an agreement with a Day Care Center namely "Wee Learn Day Care" and made booking for certain seats so that OBL parents can avail of the facilities at the Day Care Centre.

OBL Training Institute

OBL has a Training Institute of its own to update and upgrade the employees for better services to the clients and to face the new challenges ably. Management of the Bank on a continuous basis undertakes in house training and exposure initiatives towards raising awareness among the Bank employees with respect to Bank's policies, instructions, Banking laws and practices and directives of the various regulators so as to ensure that the employees are well informed and empowered towards providing customer services within the framework of laid down regulatory requirements, and 858 (eight hundred fifty eight) employees were trained during the year. Central Compliance Unit (CCU) in collaboration with OBL

Training Institute provided training to 894 (eight hundred ninety four) employees on Anti Money Laundering.

The Bank's training efforts are concerned with improving employees' performance in their present posts and future needs and towards recognizing and developing potential of the employees for advancement. The role of the Human Resources Division is primarily to meet the needs to increase competence and enhance current performance and ensure readiness to confront emerging challenges.

OBL Integrity Committee

In order to complement the National Integrity Strategy of Bangladesh, OBL has framed an Integrity Committee consisting 05 (five) members who have already undertaken the Integrity Strategy Implementation related activities of the Bank. All the employees of the Bank have been communicated about the National Integrity Strategy of Bangladesh, are being briefed about the same in the Foundation and other trainings and have been advised to practise the guidelines in every sphere of their activities in the Bank as well as outside.

Branch Network:

As on December 31, 2014, the Bank had successfully established a network of 77 branches, including 21 in rural areas and 5 SME/Agriculture branches.

The branches are located at:

Dhaka Zone:

Principal, Banani, Banasree, Bangshal, Basabo, Dhanmondi, Elephant Road, Gulshan, Imamgonj, Jagannathpur, Jatrabari, Kakrail, Kawran Bazar, Mirpur, Moghbazar, Motijheel, Progoti Sharani, Uttara, Tongi SME/ Agriculture, Narayangonj, Ganakbari (EPZ), Joypara, Madhabdi, Nawabgonj, Ring Road, Lalbagh, Tipu Sultan Road.

Chittagong Zone:

Agrabad, CDA Avenue, Jubilee Road, Khatungonj, Sitakunda, Cox's Bazar, Nanupur Bazar, Rangamati, Raozan, Ranirhat, Chandgaon, Dovashi Bazar, Haliahar, Boalkhali, Hathazari, Mithachara, Anderkill, Anowara, Station Road.

Noakhali Zone:

Chandraganj, Chowmuhuni, Dagon Bhuiyan, Feni, Maijdee Court, Raipur, Ramgonj, Mandari Bazar, Amishapara, Lakshmipur SME/ Agriculture, Chaprashir Hat SME/ Agriculture, Subornachar, Chaterpaiya, Chatkhil

Comilla Zone:

Comilla, Laksam, Brahmanbaria SME/ Agriculture

Khulna Zone:

Khulna, Jessore, Satkhira, Kushtia

Rajshahi Zone:

Rajshahi, Bogra, Shahjadpur SME/ Agriculture, Sirajgonj, Rangpur

Sylhet Zone:

Sylhet, Islampur, Sherpur, Laldighirpar

Barisal Zone: Barisal

Amongst these, followings are the 21 (twenty one) designated "Rural Branches":

Ganakbari (EPZ), Joypara, Nawabganj, Jagannathpur, Nanupur Bazar, Sitakunda, Chandraganj, Laksham, Islampur, Sherpur. Raozan, Ranirhut, Dovashi Bazar, Boalkhali, Mandari Bazar, Mithachara, Anowara, Amishapara, Subornachar, Chaterpaiya, Chaprashir Hat.

The SME/Agriculture branches are located at Shahjadpur, Tongi and Brahmanbaria. OBL continues to enjoy the distinction of being a private sector bank operating three 24 hour booths within the Chittagong Port premises, where we serve our customers by collecting Port and other dues. In addition, the Bank also has six (06) more collection booths providing personalized service to valued customers.

In addition to the Branch network, the Bank has established a proprietary ATM network. Besides the Bank's 45 (forty five) ATMs located around the country, the ATM network of the Bank was expanded by joining hands with NPSB (National Payment Switch of Bangladesh) and Q-cash networks so that the customers now have access to 24 hour banking service. The objective of such major investment is to create yet another

Customer convenience. Bank's activities are expected to considerably enhance and intensify with the opening of the proposed branches and are indicative of our commitment to serve our clientele both in urban and rural areas.

Online Banking service covers the entire network of branches, which ensures technology based enhanced delivery systems and provides the necessary competitive edge. The Bank continues to extend its service arms towards facilitating the collection of various utility bills, thus earning customer appreciation. The Bank also provides Locker Services at select branches, with the objective of providing value added personalized banking services to our clients.

ONE Securities Limited

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 4, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into a Public Limited Company on December 24, 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The Authorized Capital and Paid up Capital of OSL are Tk. 4,000.00 million and Tk. 1,463.63million respectively. ONE Securities Ltd is the TREC holder of both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) and it started its commercial operation from the first quarter of 2014. The Registered Office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000.



An OBL Financed Electronics Company

GREEN BANKING

Green Banking Being one of the environmentally responsible financiers, environmental concern is at the center of the Green Banking strategy of ONE Bank Limited. OBL has been going green by adopting with changing regulations, formulating new own policies and materializing action plans towards satisfying the demand of environmentally conscious society over the years thru launching environmental friendly initiatives and offering innovative green products.

As a part of financial intermediary as well as environmentally conscious bank, ONE Bank has been playing an important role in mitigating environmental

hazards through green banking, We believe that every small 'GREEN' step taken today would go a long way in building a greener future and that each one of us can work towards a better global environment.

The broad objectives of OBL are to use its resources with responsibility avoiding waste and giving priority to environment & society. As part of Green Banking Policy Implementation within the given deadline of Central Bank, OBL so far accomplished activities / initiatives like :

1. Policy Formulation & Governance,
2. Incorporation of Environmental Risk in CRM



An OBL Financed Solar Plant under Green Banking

3. Initiating In-house Environment Management
4. Introducing Green finance
5. Online Banking
6. Supporting Employee Training, Consumer Awareness and Green Event
7. Disclosure and Reporting of Green Banking Activities

OBL has extended Green Finance in various sectors like:

- a. Renewable Energy Sector (Solar Home System, Bio Gas)
- b. Effluent Treatment Plant
- c. Brick Kiln Efficient Improvement Plants (Hybrid Hoffman Kiln, Tunnel Kiln) etc.

Beside these, OBL has also opened significant number of Street Urchin's accounts in its two branches to serve

the underprivileged children. ONE Bank Ltd. has been credited with opening of total 12,085 nos of accounts for School Students across the country under our School Banking activities. During 2014, OBL financed total Tk. 343.23 crore under direct and indirect green finance.

Some pin points of OBL In-House Green Banking Initiatives are as follows:

- a. Training & Environment friendly activities for employees to make them environmentally concerned.
- b. Adherence to Environmental Risk Management guidelines
- c. Introduction of green banking products & services
- d. Financing green projects
- e. Building awareness & providing support to customers to be more environmentally responsible
- f. Supporting the environment friendly initiatives as a part of CSR activities

Corporate Social Responsibility (CSR)

CSR is mainly about the awareness of and action in support of environmentally sustainable societal development. The CSR actions aim at mitigating the diverse environmental impacts on the activities of the business and reducing inequalities and alleviating deprivation and poverty across the country. The benefits of CSR for companies, including increased profits, customer loyalty, trust, positive brand attitude and combating negative publicity are well-documented. In the light of these known positive effects, CSR strategies have been embraced by the banking



OBL's Vice Chairman Mr. Asoke Das Gupta handing over a Cheque to the Honourable Prime Minister Sheikh Hasina towards Prime Minister's Relief Fund for Flood Victim 2014



OBL's Vice Chairman Mr. Asoke Das Gupta handing over Blanket to the Honourable Prime Minister Sheikh Hasina towards Prime Minister's Relief Fund for the Cold Stricken People



An OBL Financed Hospital Building (SME Loan) Under Construction

community. Bangladesh is also gradually becoming proactive on Corporate Social Responsibility. The Bank has been keeping watch on the environmental and social impacts of proposed undertakings and their implementation of equity of rights irrespective of gender, creed, and color etc. policies. The Bank strives to convince the clients to pursue environment friendly and socially proactive & mitigating policies for sustainable development. To streamline the CSR activities of the Bank, ONE Bank Limited has adopted a Social Responsibility (CSR) Policy during 2013, which acts as a guide towards planning and executing the Bank's CSR activities. The Bank has spent a total of Tk. 34.55 million for CSR activities in the year 2014. Details of CSR activities undertaken by the Bank during the year are as below:

- ✓ Donations of Tk. 1,00,000/- to a journalist, The Daily Jugantor for treatment.
- ✓ Donation of Blankets for Tk. 84,000/- to Association of Bankers Bangladesh (ABB) for distribution to the cold stricken people.
- ✓ Contribution of Tk.1,00,000/- to Sylhet City Corporation for participation in beautification of

Sylhet City on the occasion of T-20 world Cup Cricket-2014

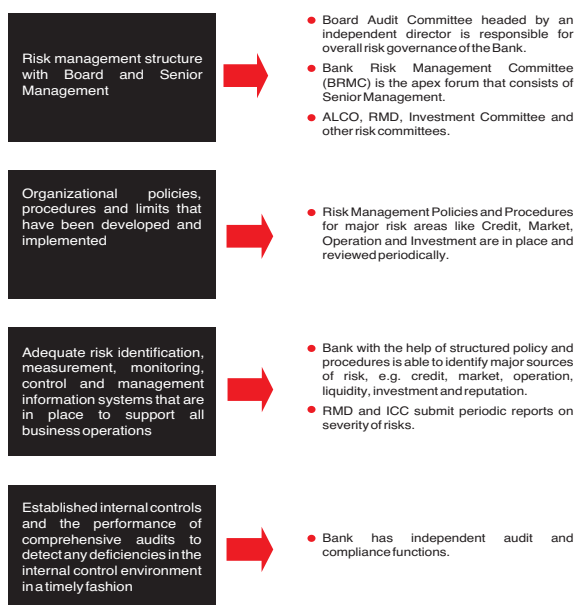
- ✓ Contribution of Tk.6,35,000/- to Lion Charitable Eye Hospital, Chittagong for procurement of an equipment 'Slit Lamp' for the Lions Eye Hospital.
- ✓ Donation of Tk. 50,00,000/- to Bangladesh Cricket Board
- ✓ Donation of Tk. 15,35,631/- to Phulbaria Model High School, Natore against construction of school building.
- ✓ OBL Scholarship of Tk. 1,20,10,000/- to the underprivileged and meritorious students.
- ✓ Doctor's Remuneration of Tk. 2,40,000/- for extending medical services to the poor people.
- ✓ Financial donation of Tk.25,00,000/- only to the Prime Minister's Relief Fund to help the flood affected people of the country.
- ✓ Distribution of Blankets for Tk. 26,10,000/- to the cold stricken people.



An OBL Financed Power Project (Telecommunication)

RISKS & CONCERNS

Banks are in the business of taking risk and devising risk mitigates for survival and growth in order to ensure safety and adequate return for all stake holders viz. share holders, depositors, borrowers, employees etc. OBL strongly believes that risk management is crucial and bank management is ultimately risk management. But at the same time, OBL focuses its risk management as a tool for ensuring continuous and sustainable growth of business and profit through better trade-off between risk and return. Our main risk arises from credit extension to the borrowers. Besides, other types of risks are also there such as operational, market, concentration, liquidity, legal, reputational, cross country etc. Considering all these, OBL risk management system is designed to maximize risk adjusted returns while keeping in view that any viable business opportunity is not missed out. The Risk Management framework of OBL has been established on the basis of guidelines given by Bangladesh Bank vide DOS circular # 02 dated 15th February 2012. The key elements of a Risk Management System are enumerated below:



Risk Management Structure

The Bank's overall risks are reviewed, monitored and supervised by Chief Risk Officer (CRO) of the Bank. CRO is supported by Risk Management Division, Asset Liability Committee (ALCO), Banks Operational Risk Committee (BORC) etc. as under: Risk Management Division: Risk Management Division of

OBL monitors bank wide risk exposure. It prepares Risk Management Paper on monthly basis and Stress Testing Report on quarterly basis and submits it to Bank Risk Management Committee (BRMC).

Asset Liability Committee: Asset Liability Committee (ALCO) regularly monitors market conditions. It meets at least once in a month to review the liquidity risk, interest risk and market risks.

Banks Operational Risk Committee: Banks Operational Risk Committee (BORC) monitor the operational risks like risks related to branch operation, IT Risks, Trade Finance Risks, Legal Risks, internal and external fraud, etc and submits report to BRMC.

Bank Risk Management Committee (BRMC), which is headed by Chief Risk Officer (CRO) of the Bank, review the reports received from the above committee and place report to the Managing Director with required suggestions/ mitigating measures. The Report is subsequently placed to the Board and the suggestions are implemented with due guidance from the Board.

Credit Risk Management

Credit Risk is simply defined as the potential that a bank's borrower or counter party will fail to meet its obligations in accordance with agreed terms. This includes non-payment of capital and/or interest within the agreed period, at the agreed rate of interest and in the agreed currency due to unwillingness of the counter party or decline in his / her financial abilities resulting from adverse environment. Credit risk could stem from both on and off-balance sheet transactions. A banking institution is also exposed to credit risk from diverse financial instruments such as trade finance products and acceptances, foreign exchange, financial futures, swaps, bonds, options, commitments and guarantees.

The goal of Credit Risk Management of ONE Bank Ltd. is to maximize the Bank's risk adjusted rate of return by maintaining credit risk exposure within acceptable parameters. Board of Directors is the apex body for the credit approval process at the Bank. However, they have delegated approval authority to the Managing Director (MD) and others individual executives for operational efficiency. OBL has a Credit Policy, duly approved by the Board, which laid down clear outlines for managing credit risks of the Bank. It gives organization structure, defines roles and responsibilities of credit handling officials and

processes to identify, quantify and manage credit risk. Credit Risk Management system of the Bank clearly defines the roles and responsibilities of the Marketing Division, CRM Division & Centralized Loan Administration Department. Marketing Division is responsible for Business Solicitation / Relationship Management. CRM Division has been vested with the responsibilities relating to credit approval, credit review, risk grading, credit MIS. The Bank has setup Project Appraisal & Monitoring [PAM] Department under CRM Division manned with qualified Engineers for pre-sanction project appraisal & monitoring of post-disbursement project implementation. Special Asset Management Department also reports to Head of CRM Division relating to the management of impaired assets. Centralized Loan Administration Department has been entrusted with completion of documentation formalities, loading of credit limits in the system, monitoring of account movements & repayments. The policy covers a structured and standardized credit approval process including a comprehensive credit appraisal procedure. In order to assess the credit risk associated with any financing proposal, the Bank assesses a variety of risks relating to the borrower and the relevant industry.

Credit Risk Management Policy of the bank rests on its sound and prudent bank management culture and complies largely with industry standard.

The Bank manages its credit risk through continuous measuring and monitoring of risks at each obligor

(borrower) and portfolio level. ONE Bank is also considering credit ratings of the client assessed by ECAs while initiating any credit decision. A well structured Delegation and Sub-delegation of Credit Approval Authority is also prevailing for ensuring good governance and better control in credit approval and monitoring. In determining Single Borrower Exposure/ Large Loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodic intervals to ensure compliance of rules and procedures of the Bank and Regulators. Loans are classified as per Bangladesh Bank's guidelines. Interest accrued on classified loan is suspended and adequate provision is maintained there-against as per Bangladesh Bank's Guidelines.

Market Risk Management

Market risk is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank, stemming from adverse movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and / or commodity prices. Market risk can be subdivided into following three categories:

- Interest Rate Risk
- Foreign Exchange Risk
- Equity Price risk

Interest Rate Risk

Interest rate risk is the potential impact on a Bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a



Dr. Atiur Rahman, Honourable Governor of Bangladesh Bank is seen in a SME Fair sponsored by OBL

Bank's principal and interest cash flows (including final maturities), both on and off-balance sheet, have mismatched re-pricing dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. Bank's lending, funding, and investment activities give rise to interest rate risk. There are many types of interest rate risk which faced by the bank. These are as follows:

- Re-Pricing risk
- Yield curve risk
- Basis risk

To manage the interest rate risk OBL ALCO regularly monitors money market condition as well as the bank's interest rate on both deposit and lending. However, the bank has been identifying both the interest rate sensitive assets and liabilities and classified them into different time bucket to find the assets/liability mismatch. The Duration Gap analysis is also being done on quarterly basis. The Duration Gap indicates how the market value of equity (MVE) of the bank will change with a certain change in interest rate. In the year 2012 the duration Gap found positive in OBL which indicates that the assets are relatively more interest rate sensitive than liabilities.

Foreign Exchange Risk

Foreign exchange risk is the current or prospective risks to earnings and capital arising out of adverse movements in currency exchange rates. The foreign exchange risk arises from the following activities:

- i. trading in foreign currencies through spot, forward

and option transactions as a market maker or position taker, including the unheeded positions arising from customer-driven foreign exchange transactions;

- ii. holding foreign currency positions in the banking book (e.g. in the form of loans, bonds, deposits or cross-border investments); or
- iii. engaging in derivative transactions that are denominated in foreign currency for trading or hedging purposes.
- iv. banks also face the risk of default of the counter parties or settlement risk. Thus, banks may incur replacement cost, which depends upon the currency rate movements.

OBL uses different tools to mitigate foreign exchange risks. The bank has a strong Treasury Back office and Mid office which are totally separate and strongly monitor the operations of Treasury Front Office. The unit checks the dealing limits, counter party limits, settlement risk and handle other compliance issues as per regulatory requirement.

Equity Price Risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank's subsidiary; changes in the value of listed shares used as collateral for loans from a bank or a subsidiary, whether or not the loan was made for the purpose of buying the shares; and



An OBL Financed Garments Factory (under construction)

changes in the value of unlisted shares. Equity price risk associated with equities could be systematic or unsystematic. The former refers to sensitivity of portfolio's value to changes in overall level of equity prices, while the latter is associated with price volatility that is determined by firm specific characteristics.

We manage the risk by keeping its exposure within the regulatory limits. Effective information systems are also developed and used to appropriately record, regularly monitor and evaluate the securities portfolio.

Liquidity Risk Management

Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations. Accordingly, a bank short of liquidity may have to undertake transactions at heavy cost resulting in a loss of earnings or, in a worst case scenario, the liquidity risk could result in liquidation of the bank, if it is unable to undertake transactions even at current market prices.

Banks with large off-balance sheet exposures or those rely heavily on large corporate deposits have relatively high level of liquidity risk. Further, banks experiencing a rapid growth in assets should have major concerns for liquidity.

Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. For instance, a large loan default or changes in interest rate can adversely impact a bank's liquidity position.

ALCO meets at least once in every month to manage

and control the liquidity risks. ALM desk of the treasury closely monitors and controls the liquidity requirement on a daily basis by appropriate co-ordination of funding activities. Treasury determines the adequacy of the liquidity position by doing analysis based on the following factors:

- i. Historical funding requirement
- ii. Current liquidity position
- iii. Anticipated loan disbursement
- iv. Anticipated future funding needs
- v. Present and future earnings capacity
- vi. Present and anticipated asset quality
- vii. Sources of funds,
- viii. Socio economic perspective of present and near future
- ix. Regulatory guidelines
- x. Capital planning
- xi. GAP analysis
- xii. Stress Testing with minor and major shock showing absorbing capacity.

Regulatory frame work of the bank's liquidity management has been formulated in compliance with BB core risk management guidelines and these include among others maintenance of SLR which in 13% and CRR 6.5% of total demand and time liabilities at present. Bank maintains adequate SLR and CRR on regular basis throughout the year. ALCO has been monitoring liquidity risk regularly.

Operational Risk Management

Operational risk is defined as the risk of unexpected losses due to physical catastrophe, technical failure and human error in the operation of a bank, including



An OBL Financed Rectifier Power Project

fraud, failure of management, internal process errors and unforeseeable external events. As per Basel II recommendations following activities are included in operational risks:

- Internal fraud
- External fraud
- Employment Practices and Workplace Safety
- Clients, Products, and Business Practices
- Damage to Physical Assets
- Business Disruption and System Failure
- Execution, Delivery, and Process Management

Operational risk differs from other risks in that it is typically not directly taken in return for an expected reward, but exists in the natural course of corporate activity, and that this affects the risk management process. At the same time, failure to properly manage operational risk can result in a misstatement of a bank's risk profile and expose the bank to significant losses.

Bank is managing these risks through written procedures, regular training and awareness programs. Quarterly Operations Report, Loan Documentation Checklist etc. are in place covering all probable risks associated with bank's business and operations. Surprise Inspections are also made on a regular basis to make sure that all control tools are functioning properly.

Prevention of Money Laundering

In ordinary terms Money Laundering is often described as "the turning of dirty or black money into clean or

white money." The comprehensive meaning of Money Laundering has been described in the section 2 (v) of Money Laundering Prevention Act 2012.

Money laundering allows criminals to legitimate illegally acquired money by mingling it with legally acquired money. This allows them to ultimately provide a legitimate cover to the source of their illegal income. It has potentially devastating economic, security and social consequences. It provides impetus to drug dealers, smugglers, terrorists, illegal arms dealers, corrupt public officials and others to operate and expand their criminal enterprises. Money Launderers always try to convert their illegal proceeds earned through predicate offence (s) to legitimate money by placing, layering and integrating in the financial system for which any bank is vulnerable. The amount of money laundered each year poses a significant policy concern for the government.

For prevention of Money Laundering and Terrorist Financing, Bangladesh Financial Intelligence UNIT (BFIU) generally expects a risk management practice to address two main risks: business risks and regulatory risks. Business risks are related to customer, product or service, business practices and / or delivery methods and country or jurisdictions. This risk is mainly related to the maintenance of proper KYC and its reviewing process. Regulatory risk is associated with not compliance of regulatory requirements and /or unable or inappropriately verifies customers and lacking of AML and CFT program. Regulatory risk also involves with the possibility of



An OBL Financed Sewing Factory

lawsuits which may adversely affect the operation and reputation of the Bank.

For mitigating above risks, ONE Bank Limited has been constantly active in keeping the employees aware of Money Laundering activities and the tools available to prevent them. A Central Compliance Unit (CCU) headed by a Chief Anti Money Laundering Compliance Officer (CAMLCO) and assisted by two Deputy CAMLCOs at CHQ and one Branch Anti Money Laundering Compliance Officer (BAMLCO) at the every branch is constantly updating the employees on new developments as well as ensuring compliance of rules and regulations related to prevention of Money Laundering. Any suspicious activity should be immediately be notified to the Compliance Officers, Management and Bangladesh Bank as per guidelines of Bangladesh Bank.

The Bank developed a manual for prevention of money laundering in 2002 and lastly revised in 2012. Training has been continuously given to all the level of officers and executives for updating awareness and skill for identifying suspicious activities and reporting properly.

ICT Security

ICT Security is a systematic approach to policies required to be formulated for ensuring security of Information and Information Systems. ICT Security Management deals with ICT Security Policy Documentation, Internal Information System Audit, Training and Insurance. OBL has an 'ICT Security Policy' formulated in compliance of ICT Security

Guideline as framed by Bangladesh Bank and approved by the Board of Directors of the Bank. All activities and operations are required to ensure data security including facility design, physical security, network security, disaster recovery and business continuity planning, use of hardware and software, data disposal, and protection of copyrights and other intellectual property rights. The policy is updated regularly to cope with the evolving changes in the ICT environment both within the Bank and overall industry.

BASEL II

ONE Bank Limited has already implemented BASEL II for calculating minimum capital requirement structured around three pillars:(i) minimum capital requirement (on credit risk, market risk and operation risk), (ii) supervisory review process and (iii) market discipline. Implementation of BASEL II framework in Bangladesh integrated the risk management process of the banks and its Capital Adequacy Requirement.

BASEL II has been fully implemented in Bangladesh since January 2011. Accordingly, ONE Bank Limited has implemented BASEL II framework following the principles introduced by Bangladesh Bank. In the meantime, Bangladesh Bank has introduced Action Plan/Roadmap for implementation of BASEL III framework for Bank Companies as follows:

Issuance of Guidelines on Risk Based Capital Adequacy : December 2014

Commencement of Basel III Implementation process : January 2015



An OBL Financed Jute Processing Mill

Capacity Building of bank and BB officials : January 2015 to December 2019

Initiation of Full Implementation of Basel III : January 2020

ONE Bank limited has taken initiatives to implement BASEL III framework in accordance with the Bangladesh Bank declared Action Plan.

In order to strengthen the Supervisory Review process, a separate Risk Management Division has been formed. The existing Compliance Department of the Bank has also been further strengthened. Furthermore, a separate MIS (Management Information Systems) department has also been formed to ensure timely and accurate flow of information to the Risk Management Division as well as the Senior Management.

INCOME DETAILS

Interest Income

Interest Income of the Bank grew by 11.66% to Tk.11,275.61 million during 2014 compared to Tk. 10,097.75 million for the previous year. The growth in income was due to increase in Loans and Advances.

Interest expense was Tk. 6,879.06 million in 2014 as compared to Tk. 7,049.62 million for 2013 thus decreased by 2.42%. Interests paid on deposits, particularly Term Deposits exhibited an upward turn due to increase in deposits.

The Net Interest Income increased by 44.24% to Tk.4,396.55 million during 2014 as against Tk. 3,048.13 million during 2013.

Towards providing for Statutory Liquidity requirements, the Bank continued to invest in Government Treasury Bills. In addition, the Bank has also invested in shares of other legal entities. Income from such Investment was Tk. 1,146.63 million during the year as against Tk. 1,018.66 million during 2013.

Commission, Exchange and Brokerage Income

Earnings from Commission, Exchange and Brokerage increased by 16.41% to Tk. 1,242.24 million compared to Tk.1,067.08 million in 2013, reflecting the Bank's increased focus on non-funded business.

Other Operating Income

Other operating income increased to Tk. 387.70 million during 2014 as compared to Tk. 323.65 million for the previous year.

Total Operating Income

The total operating income stands at Tk.7,172.51 million for 2014 as compared to Tk. 5,457.52 million for the previous year.

Operating Expenses

Total operating expenses was Tk. 3,263.36 million for the current year compared to Tk. 2,997.83 million for previous year.



An OBL Financed Private IPP (Independent Power Producer) Project in Progress

Operating Profit

The Bank has earned an operating profit of Tk. 3,909.15 million in 2014 compared to Tk. 2,459.69 million in the year 2013. The operating income has risen from Tk. 5,457.52 million in 2013 to Tk. 7,172.51 million during 2014.

Provisioning against Loans & Advances

The Bank's loan portfolio remained under periodic review and classification measures were adopted as and when necessary. Classified loans represent 4.72% of the Bank's total Loans and Advances as against 4.89% of the previous year.

Net Profit

After providing for provision and taxes, the Net Profit of the Bank for the year 2014 was Tk. 2,096.05 million, compared to Tk. 1,348.64 million in the previous year recording a growth of 55.42 percent.

Dividend

The Net Profit of the Bank stood at Tk. 2,096.05 million as on December 31, 2014. After transfer of Tk. 640.55 million to Statutory Reserve, the amount available for distribution was Tk. 1,455.50 million. The capital of the Bank was 13.47% of the Risk Weighted Asset at the year end. Thus, together with previous year's retained earnings of Tk. 171.43 million, total amount available for distribution to Shareholders was Tk. 1,626.93 million. The Board of Directors recommended 25% Dividend (12.50% Stock and 12.50% Cash Dividend) for the year 2014. Accordingly, there will remain an

amount of Tk.315.99 million in the form of Retained Earnings.

Balance Sheet

As on December 31, 2014 total Assets of the Bank (excluding contingent) was Tk. 121,819.94 million compared to Tk. 102,690.97 million of 2013. The growth thus recorded was 18.63%. Major Asset components were Loans and Advances (74.29%) followed by Investments (12.09%). Deposits constituted the major portion of the Bank's liability (89.87%). Contingent Liabilities were Tk. 49,787.07 million against Tk. 44,183.03 million for the previous year.

Equity

The equity of the Bank increased to Tk. 10,225.16 million from Tk. 8,575.66 million registering an increase of 19.23%. The percentage of Core Capital to Risk Weighted Asset is 9.45% against a requirement of 5%.

Deposits

Deposits of the Bank grew by 15.86% during the year and stood at Tk. 100,295.06 million as at December 31, 2014 as against Tk. 86,568.34 million as at December 31, 2013. The continuing growth of customers' confidence in ONE Bank Limited helped the necessary broadening of customer base that spanned private individuals, corporate bodies, multinational concerns and financial institutions. The average cost of deposit for the year 2014 was 7.30%.



An OBL Financed Oil Refinery Project

Cash and Balances with Banks and Financial Institutions

Cash and Balances with Bangladesh Bank was Tk. 9,005.95 million as against Tk. 8,822.64 million in 2013, representing an increase of 2.08%. These funds are maintained to meet the Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) of the Bank. Due to quantum increase in Deposits, the CRR and SLR of the Bank have correspondingly increased and such requirements were properly and adequately maintained. Surplus funds after meeting the CRR & SLR requirements were placed as short-term deposits with several commercial banks and financial institutions. Outstanding in such accounts in Bangladesh was Tk. 692.28 million as at December 31, 2014.

The Bank maintained sufficient balances equivalent to Tk.870.79 million in foreign currency with correspondents outside Bangladesh to facilitate settlement of payments under Letter of Credit commitments.

Investments

Investment activities by the Bank included meeting the SLR requirements and were mostly in the form of Government Treasury Bills with varying dates of maturity.

The Bank had a total investment of Tk. 13,092.50 million in Government Treasury Bills and Treasury Bonds. In addition, the Bank made investment in shares of different legal entities.

Loans and Advances

The Bank's total Loans and Advances stood at Tk. 9,049.90 crore as on December 31, 2014 compared to the same of Tk. 7,657.33 crore of 2013 showing a growth of 18.19% over the previous year. The portfolio was under continuous review and was further diversified to avoid risk of single industry concentration and within the purview of the Bank's credit norms relating to risk quality, yield, exposure, tenor and collateral arrangements. Bank's clientele base continued to comprise corporate bodies engaged in such vital economic sectors as Trade finance, Steel re-rolling, Readymade Garments, Textile, Edible oil, power, transport, Construction/ Engineering, Retail, Pharmaceuticals, Real-estate, Cargo & Travel services, Paper and packaging, Agro based industry, Cement, Ship scrapping, etc.

Comparison of Loans & Advances between 2013 & 2014

18% growth of Loans & Advances in 2014



Continuity of any Extra-Ordinary Gain or Loss

There was no extra-ordinary Gain or Loss.

Related Party Discloser of the Bank Transactions

- i. Name of the directors together with a list of entities in which they have interest (provided under Annexure E)
- ii. Significant contracts where Bank is a party and wherein Directors have interest during the year 2014: Nil
- iii. Shares issued to Directors and Executives without consideration or exercisable at discount: Nil
- iv. Lending policies in respect of related party:
 - a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31.12.2014: Nil
 - b) Amount of transactions regarding principal items of deposits, expenses and commission: Nil
 - c) Amount of provision against loans and advances given to related party : Nil
 - d) Amount of guarantees and commitments arising from other off-balance sheet exposures: Nil
- v. Disclosure of transaction regarding Directors and their related concerns: Nil
- vi.i) As on Balance Sheet date, the total receivable amount of Tk. 16,413,348.00 from ONE Securities Limited

- ii) As on Balance Sheet date, the lending amount of Tk. 490,026,374.00 to ONE Securities Limited
- vii. Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act-1991 (as amended in 2013):
 - i. Lease Agreement made with the Directors:
 - The Bank has hired a space of 35,000 sqft. from M/s. HRC Bangladesh Limited for garage and storage purposes at a rent of Tk. 0.53 million per month against which the Bank has advanced Tk.4.99 million (Balance as on December 31, 2014). Mr. Sayeed Hossain Chowdhury, Chairman of ONE Bank Limited is one of the owners of M/s. HRC Bangladesh Limited.
 - The Bank has hired a space of 6,731 sqft. from M/s. Shamah Enterprise Ltd. for storage facilities at a rent of Tk. 0.20 million per month against which the Bank has advanced Tk. 7.88 million (Balance as on December 31, 2014). Mr. Zahur Ullah, Director of ONE Bank Limited is one of the owners of M/s. Shamah Enterprise Ltd.
 - The Bank has hired floor spaces of 5,392 sqft. and 23,232 sqft. from M/s. Hamid Properties Ltd. for Kawran Bazar Branch and its Corporate HQ respectively at a rent of Tk. 1.05 million against which the Bank has advanced Tk.35.11 million (Balance as on December 31, 2014). Mr. Sayeed

Hossain Chowdhury, Chairman of ONE Bank Limited is one of the owners of M/s. Hamid Properties Limited.

- The Bank has hired floor spaces of 13,177 sqft. from M/s. HRC Properties Limited for its Centralized Trade Processing Centre (CTPC), Centralized Loan Administration Department (CLAD) at Chittagong and Zonal Office, Chittagong at a rent of Tk. 1.05 million per month against which the Bank has advanced Tk. 35.10 million (Balance as on December 31, 2014). Mr. Sayeed Hossain Chowdhury, Chairman of ONE Bank Limited is one of the owners of M/s. HRC Properties Ltd. b) Investment in securities of Directors and their related concern: Nil

Utilization of Proceeds from Public Issues, Rights Issues and/or through any other Instruments

The Bank floated shares through Initial Public Offering in 2003. The proceeds of the same was utilized in the manner disclosed in the Prospectus and subsequently published in Annual Report of the Bank in the following years. During 2013, ONE Bank Limited issued Unsecured Non-convertible Subordinated Bond of Tk. 2,200 million after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission. The Subordinated Bond is counted towards Tier-II Capital of the Bank. Interest rate of the Bond is calculated as Benchmark rate +3% Margin.



An OBL Financed Poultry Feed Factory

The financial results after the Company went for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.

The Bank has been constantly growing since inception, then since IPO and then since issuance of Subordinated Bond. No adverse situation has arisen to date.

Significant variance between Quarterly Financial performance and Annual Financial Statements

The Bank has faced a little variance between Quarterly Financial performance and Annual Financial Statements. No significant variance occurred in spite of greater volatility in the financial sectors.

Remuneration to Directors including Independent Directors

As per BRPD Circular No. 3 dated January 18, 2010, the Directors including Independent Directors are paid Tk.5,000.00 per person per meeting attended as remuneration.

Preparation of Financial Statements by the Management

The financial statements prepared by the Management have presented fairly its state of affairs, the result of its operations, cash flows and changes in equity. Balance Sheet, Income Statement, Statement of Changes of Equity and Cash Flow Statement etc. are presented in Annual Report under respective heads.

Maintenance of Books of Accounts

OBL is fully complied in keeping the proper books of accounts with the International Accounting Standard (IAS), Bangladesh Accounting Standard (BAS), International Financial Reporting Standard (IFRS) and Bangladesh Financial Reporting Standard (BFRS).

Accounting Policies

In preparation of Financial Statements, External Auditors are allowed absolute freedom and support in order to ensure that the Financial Statements are drawn up as per Bangladesh Bank's Guidelines, BSEC Rules, Generally Accepted Accounting Principles (GAAP), and International Accounting Standards as adopted in Bangladesh.

Financial Reporting Standard and Corporate Governance Guideline

The Financial Statements of the Bank have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Bank's affairs as at 31 December 2014 and of the results of its operations and its cash flows for the year then ended and comply with the applicable sections of the Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994 and other applicable laws and regulations. The issue is better described in the opinion of the Auditors published in this report. The Bank has also complied with almost all the issues stated in the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 issued on August 07, 2012.



An OBL Financed Project at Export Processing Zone in Chittagong (under construction)

Internal Control and Compliance

Effective Information System – the key component of an effective Internal Control Mechanism is already in place, which is being periodically reviewed towards making it still effective. In addition, the Bank has established the following internal control measures:

- Strengthened the Internal Control and Compliance Department to ensure comprehensive audit of the branches and Corporate HQ at periodic intervals;
- Review of the Bank's performance on a monthly and quarterly basis at Board level;
- Established authority limits for transactions and expenses;
- Review of Bangladesh Bank's audit report and Management's compliance thereof at regular intervals;
- Ensuring strict compliance to all regulatory requirements, both existing and new.

Going Concern

The going concern assumption is a fundamental principle in the preparation of financial statements. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking

protection from creditors pursuant to laws or regulations. Accordingly, Assets and Liabilities are recorded on the basis that the entity will be able to realize its Assets and discharge its Liabilities in the normal course of business. In assessing the company's ability as going concern business, we have taken into consideration the quality of assets in the loan portfolio, quality of other assets, investment in the primary and secondary market, investment in the Government Securities, liquidity profile of the company, ability to meet the possible claim of short term depositors, possible impact of the changes of the Companies Act, cash flow position, possible loss of a member(s) of the key management without replacement, loss of hot deposit. In this connection by applying stress testing, the company reviews the possible impact on capital of the bank under a set of probable but plausible negative assumption. Upon Difference Analysis, there is no doubt on the continuation of the business for the foreseeable future and there is no intention to liquidate or cease its business.

Deviations from the last year's Operating Results

There is no significant deviation noted from the last year's operating results of the Bank



An OBL Financed Beverage Factory

Five years' Financial Highlights of ONE Bank Limited

As at 31 December, 2014

Figures in Million Taka

SI No	Particulars	2014	2013	2012	2011	2010
1	Authorized Capital	10,000	10,000	10,000	4,150	4,150
2	Paid up Capital	5,244	4,767	4,145	3,189	2,057
3	Shareholders' equity	10,225	8,576	7,424	6,346	4,864
4	Statutory Reserve	3,306	2,665	2,310	1,898	1,450
5	Total Capital (Core + Supplementary)	14,511	12,070	8,438	7,700	5,956
6	Total Assets	121,820	102,691	85,618	67,619	58,736
7	Total Deposits	100,295	86,568	73,056	57,240	50,734
8	Total Loans & Advances	90,499	76,573	60,216	47,927	42,190
9	Total Investment	14,724	10,292	9,792	8,128	7,491
10	Import business handled	111,888	74,857	57,686	53,831	51,781
11	Export business handled	66,866	58,711	50,930	45,897	35,432
12	Guarantee business handled	9,310	8,036	11,976	12,941	7,999
13	Total Contingent Liabilities	49,787	44,183	32,669	30,459	22,279
14	Total Operating Income	7,172	5,458	4,620	4,611	4,468
15	Total Operating Expenses	3,263	2,998	2,284	1,764	1,447
16	Profit before Provision	3,909	2,460	2,336	2,847	3,021
17	Provision for Loans and other Assets	706	683	275	607	340
18	Profit after Provision and before Taxes	3,203	1,777	2,061	2,240	2,681
19	Provision for Taxation	1,107	428	1,005	792	793
20	Net profit after Taxation	2,096	1,349	1,056	1,448	1,888

Figures in Taka/Percentage

SI No	Particulars	2014	2013	2012	2011	2010
1	Earnings per Share	4.00	2.83	2.25	4.54	9.17
2	Price Earning Ratio (Times)	3.95	5.58	8.95	10.50	12.58
3	Net Asset Value per share	19.50	17.99	17.91	19.86	23.64
4	Return on Assets	1.87%	1.43%	1.38%	2.29%	3.63%
5	Return on Investment	12.88%	14.08%	14.31%	14.94%	14.88%
6	Capital Adequacy Ratio	13.47%	12.09%	10.46%	11.24%	9.69%
7	Tier - 1 (Capital)	9.45%	8.53%	9.13%	9.22%	7.91%
8	Credit Deposit Ratio	90.23%	88.45%	82.42%	83.73%	83.16%
9	Percentage of Classified Loans against total Loans and Advances	4.72%	4.89%	5.52%	4.47%	3.71%
10	Dividend					
	Cash	12.50%	9.00%	5.00%	-	-
	Stock	12.50%	10.00%	15.00%	30.00%	55.00%

SI No	Particulars	2014	2013	2012	2011	2010
1	Number of Branches	77	70	64	54	50
2	Number of Employees	1861	1810	1608	1472	1247

Declaration of Dividends

The Bank declared 25% Dividend (12.50% Stock & 12.50% Cash) for the year 2014.

No. of Meetings of the Board of Directors held & Attendance of the Directors in the Meetings during 2014

Name of the Directors	Directors present in the Meeting	Directors absent in the Meeting	Total No. of Meetings held
Mr. Sayeed H. Chowdhury	14	0	14
Mr. Asoke Das Gupta	14	0	14
Mr. Zahur Ullah	8	6	14
Mr. A. S. M. Shahidullah Khan	12	2	14
Mr. Kazi Rukunuddin Ahmed	13	1	14
Mr. Shawket Jaman	14	0	14
Mr. Salahuddin Ahmed	12	2	14
Mr. Syed Nurul Amin	14	0	14
Mr. M. Fakhru Alam	14	0	14

No. of Meetings of the Executive Committee held & Attendance of the Directors in the Meetings during 2014

Name of the Directors	Directors present in the Meeting	Directors absent in the Meeting	Total No. of Meetings held
Mr. Zahur Ullah	5	3	8
Mr. Sayeed H. Chowdhury	8	0	8
Mr. Asoke Das Gupta	8	0	8
Mr. M. Fakhru Alam	8	0	8

No. of Meetings of the Audit Committee held & Attendance of the Directors in the Meetings during 2014

Name of the Directors	Directors present in the Meeting	Directors absent in the Meeting	Total No. of Meetings held
Mr. Syed Nurul Amin	5	0	5
Mr. Shawket Jaman	5	0	5
Mr. A. S. M. Shahidullah Khan	5	0	5
Mr. Salahuddin Ahmed	1*	0	5

* He became a Member of the Audit Committee on October 16, 2014

No. of Meetings of the Risk Management Committee held & Attendance of the Directors in the Meetings during 2014

Name of the Directors	Directors present in the Meeting	Directors absent in the Meeting	Total No. of Meetings held
Mr. Asoke Das Gupta	4	0	4
Mr. Zahur Ullah	4	0	4
Mr. Syed Nurul Amin	4	0	4
Mr. Salahuddin Ahmed	3	0	4

Shareholding Pattern

The Pattern of Shareholding along with name wise details of [1.4.k]:

- I. Parent/Subsidiary/Associated companies and other related parties: ONE Securities Limited
- II. Shareholding of Directors, Chief Executive Officer/Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:

SI No	Name	Status	No. of Shares	Spouse & Minor Children	No. of Shares
1	Mr. Sayeed H Chowdhury	Chairman	20,779,013	Ms. Farzana Chowdhury	24,742,274
2	Mr. Asoke Das Gupta	Vice Chairman	10,532,226	Ms. Rakhi Das Gupta	1,126,851
3	Mr. Zahur Ullah	Director	14,379,650	Ms. Salma Zahur	17,068,400
				Lamisa Lamiya	Nil
4	Mr. Abu Saleh Mohammad Shahidullah Khan	Director, Representing KSC Securities Ltd.	10,487,935	Dr. Naila Khan	Nil
5	Mr. Kazi Rukunuddin Ahmed	Director, Representing Irfan International Ltd.	10,487,957	Mrs. Dilruba Ahmed	Nil
6	Mr. Shawket Jaman	Director, Representing M. R. Holdings and Securities Ltd.	10,516,209	Mrs. Shuraya Akther	Nil
				Afra Asika	Nil
				Afra Atika	Nil
7	Mr. Salahuddin Ahmed	Independent Director	Nil	Mrs. Kashefa Ahmed	Nil
8	Mr Syed Nurul Amin	Independent Director	Nil	Ms. Nurunnahar Begum	Nil
9	Mr. M. Fakhru Alam	Managing Director	Nil	Mrs. Selina Alam	1,25,000
10	Mr. John Sarkar	ADMD & Company Secretary	29,419	Ms. Josephine Sarkar	4,000
				Hubert Glen Sarkar	Nil
				Timothy Carol Sarkar	Nil
11	Mr. Md. Aftab Uddin Khan	SEVP & CFO	Nil	Mrs. Sourab Akter Kumkum	Nil
12	Mr. Kutub Uddin Ahmad	VP & Head of Internal Audit (in-charge)	Nil	Mrs. Senora Nashid	Nil
				Ahmad Samin Yasar	Nil
				Manha Junaira Ahmad	Nil

- III. Executives [top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit].

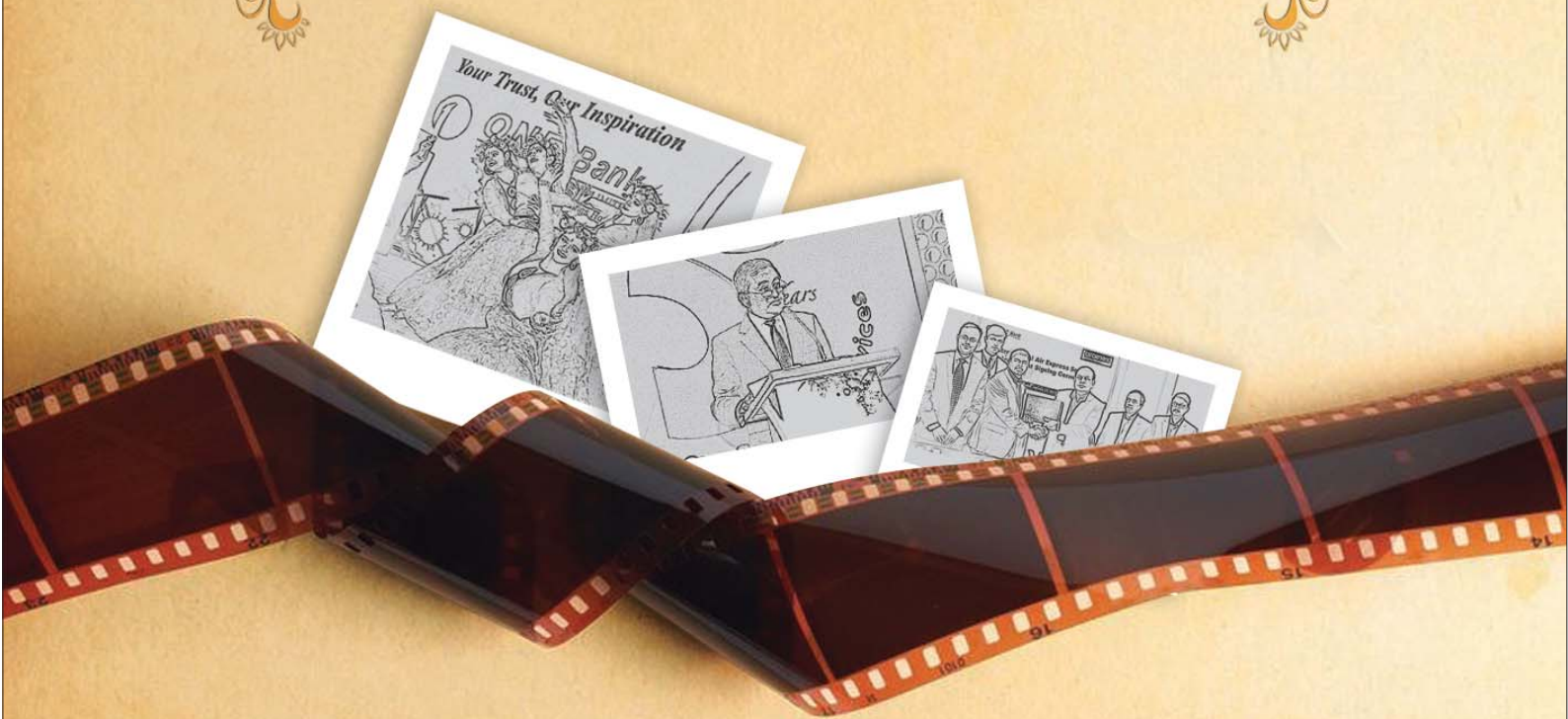
Sl. No.	Name	Status	No. of Shares
1	Ms. Johora Bebe	DMD	Nil
2	Ms. Rozina Aliya Ahmed	ADMD	2,087
3	Mr. ABM Saif Sarwar	ADMD	4,226
4	Mr. Shabbir Ahmed	ADMD	328
5	Mr. Chowdhury Akhter Asif	SEVP	Nil

- IV. Shareholders holding ten percent (10%) or more voting interest in the company : Nil

Appointment / Re-appointment of Directors

The issue is discussed in the Directors' Profile.

Photo Gallery



OBL Corporate Photo



Members of Board of Directors



Members of Executive Committee



Members of Audit Committee

OBL Corporate Photo



Members of Risk Management Committee (RMC)



Signing of the 2014 Financial Statements



Members of Management Committee

OBL Corporate Photo



Members of Asset Liability Committee (ALCO)



Members of Basel II Committee



Members of Loan Review Committee (LRC)

OBL Corporate Photo



Members of Green Banking Unit



Members of Integrity Committee (IC)



Members of Risk Management Division (RMD)

OBL Corporate Photo



Members of Central Compliance Unit (CCU)



Members of Central Customer Services & Complaint Management Cell (CCS & CMC)

OBL CSR



OBL's Vice Chairman Mr. Asoke Das Gupta handing over a Cheque to the Honourable Prime Minister Sheikh Hasina towards Prime Minister's Relief Fund for Lakho Kantha Sonar Bangla 2014



OBL handing over warm clothes to a destitute in Kishoregonj



An OBL Financed School Building at Fulbari



A partial view of OBL CSR Programme at Lion's Club



Scholarship Programme for Poor but Meritorious Students at Bogra organised by OBL



Scholarship Programme for Poor but Meritorious Students at Jessore organised by OBL

Branch & Booth Opening



Inauguration of OBL Amishapara Branch at Noakhali



Inauguration of OBL Anderkilla Branch at Chittagong



Inauguration of OBL Anowara Branch at Chittagong



Inauguration of OBL Chaprashir Hat SME & Agriculture Branch at Noakhali



Inauguration of OBL Chaterpaiya Branch at Noakhali



Inauguration of OBL Chatkhil Branch at Noakhali

Branch & Booth Opening



Inauguration of OBL Lakshmipur SME & Agriculture Branch at Lakshmipur



Inauguration of OBL Mithachara Branch at Chittagong



Inauguration of OBL Subarnachar Branch at Noakhali



Inauguration of OBL Station Road Branch at Chittagong



Inauguration of OBL Sreepur Booth at Ashulia, Dhaka



Inauguration of OBL Narayanganj Booth at Narayanganj

Signing Ceremony



Signing Ceremony between ONE Bank Limited and Aramex



Signing Ceremony between ONE Bank Limited and DHL



Signing Ceremony between ONE Bank Limited and Prodipon



Signing Ceremony between ONE Bank Limited and Corolla Corporation (BD) Limited



Signing Ceremony between ONE Bank Limited and MicroMack Techno Valley

OBL Mezban 2014



OBL Corporate Programme



OBL's 23rd Branch Managers' Conference



A partial view of 15th Annual General Meeting of OBL

Audit Committee's Report

The first Audit Committee of the Bank was constituted by its Board of Directors in its 60th Meeting held on March 01, 2003 in accordance with the Bangladesh Bank's directives vide BRPD Circular # 12 dated December 23, 2002. The present Audit Committee was reconstituted by the Board in its 215th Meeting held on October 16, 2014 consisting of the following members:

Sl. No.	Name	Status with the Board	Status with the Committee
01.	Mr. Syed Nurul Amin	Independent Director	Chairman
02.	Mr. A. S. M. Shahidullah Khan	Director	Member
03.	Mr. Shawket Jaman	Director	Member
04.	Mr. Salahuddin Ahmed	Independent Director	Member

The Company Secretary acts as the Secretary of the Committee.

During the year 2014, the Audit Committee held 5 (five) meetings in which, the following issues, among others, were reviewed and discussed:

1. External Audit Report of the Bank and recommendation made therein.
2. Bangladesh Bank comprehensive Inspection Report and the recommendation made there in.
3. Audit & Inspection reports on the Branches divisions and departments of the Corporate HQ by the Internal Control & Compliance Division of the Bank.
4. Actions taken by the Management as regards to the fraud & forgery and irregularities detected by the Internal Audit Team of the Bank.
5. The corrective measures taken by the Management as regards to the Internal Audit Reports, reports relating to deficiencies in Internal Control or other issues detected by Internal and External Auditors and Inspectors of the regulatory authorities.
6. The compliance status of the deficiencies identified and the recommendations made by the Bangladesh Bank Inspectors, External Auditors and the Bank's Internal Auditors in their reports.
7. Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and status of compliance thereof.
8. The status of recovery of classified loan and providing necessary instruction to the Management.
9. Yearly Audit Plan of Internal Control & Compliance Division.
10. Risk Management Procedure of the Bank.
11. Reconciliation status of Inter Branch Transactions and Nostro Accounts.
12. Loan Documentation Deficiency Report.
13. Status of the Anti Money Laundering activities.
14. Capital Adequacy Status.
15. Status of Investment in Capital Market and operating performance of ONE Securities Ltd.

The Audit Committee has further satisfied itself that:

- The rules and regulations of Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board of Directors of the Bank are duly complied with.
- Internal Control & Security measures are being adequately undertaken by the Bank in facilitating Information Technology (IT) based/computerized banking including appropriate Management Information System (MIS).
- The Bank's system of Internal Control and its processes are strengthened including ensuring right man in right place towards creation of a compliance culture in the Bank.
- The assets of the Bank are safeguarded and the creation of liabilities and commitments are made transparent.
- The Financial Statements of the Bank has been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and contained full disclosure.

Reporting

Throughout the year the Committee has taken a particular note of the fraud and forgery and irregularities detected by the Internal Audit Team and the actions taken by the Management, classified loans situations, initiated measures to minimize it, instituted recovery mechanism, credit administration and thoroughly reviewed the internal control system and mechanism, including IT operation to protect the Bank from errors and omissions, fraud and forgeries and other irregularities as detected by the Internal and External Auditors.

The Minutes of the Audit Committee Meetings with the observations and the recommendations of the Audit Committee were circulated among the Members of the Committee and to the Board of Directors of the Bank for their information and necessary action.

The Audit Committee expresses thanks to the stakeholders of ONE Bank Limited for their relentless support for doing things in a compliant way towards its journey to success.



Syed Nurul Amin
Chairman
Audit Committee of the Board

Corporate Governance

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES TO THE SHAREHOLDERS OF ONE BANK LIMITED

We have examined the status of compliance to the BSEC guidelines on Corporate Governance by ONE Bank Ltd (Bank) for the year ended 31 December 2014. These guidelines relate to the Notification no. SEC/CMRRCD/2006-8/134/Admin/44 dated 7 August 2012 and amendment no SEC/CMRRCD/2006-158/147/Admin of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

The compliance with the said conditions of Corporate Governance and reporting the status thereof is the responsibility of the management of the Bank. Our responsibility is to provide a certificate about whether the Bank is in compliance with the said conditions of Corporate Governance based on our examination. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Bank for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

To the best of information and explanations provided to us, we certify that in our opinion the Bank has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by BSEC.

We also state that such compliance certificate is neither an assurance as to the future viability of the Company nor a certification on the efficiency or effectiveness with which the Management has conducted the affairs of the Bank.

Dated, Dhaka
09 April 2015



ACNABIN
Chartered Accountants

Corporate Governance

ONE Bank Limited

Bangladesh Securities and Exchange Commission compliance issues- Status and Recommendations

For the Year ended January-December'2014

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/Admin/44 dated 07 August 2012and amendment no SEC/CMRRCD/2006-158/147/Admin/ dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:				
1	Board Size			
1.1	Board members should not be less than 5 (five) and not more than 20 (twenty)	✓		
1.2	Independent Director			
1.2 (i)	Independent Director: At least 1/5th	✓		
1.2 (ii) (a)	An independent director 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	✓		
1.2 (ii) (b)	An independent director 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	✓		
1.2 (ii) (c)	An independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1.2 (ii) (d)	An independent director is not a member, director or officer of any stock exchange	✓		
1.2 (ii) (e)	An independent director is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	✓		
1.2 (ii) (f)	An independent director 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	✓		
1.2 (ii) (g)	An independent director shall not be an independent director in more than 3 (three) listed companies	✓		

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.2 (ii) (h)	An independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1.2 (ii) (i)	An independent director has not been convicted for a criminal offence involving moral turpitude	✓		
1.2 (iii)	The independent director(s) shall be appointed by the board of directors	✓		
	Appointment of the independent director shall be approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (iv)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days	✓		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code of conduct of the Board of Director to be recorded	✓		
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	✓		
1.3	Qualification of Independent Director			
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3(ii)	He/ She 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. He/she 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	-	-	Not applicable (No special case arose)

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.4	Chairman of the Board and Chief Executive Officer: The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company and The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	✓		
1.5	Directors Report to Shareholders shall include following additional statements			
1.5 (i)	Industry outlook and possible future developments in the industry.	✓		
1.5 (ii)	Segment-wise or product-wise performance.	✓		
1.5 (iii)	Risks and concerns.	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	✓		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	✓		
1.5 (viii)	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.	✓		
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.	✓		
1.5 (x)	Remuneration to directors including independent directors.	✓		
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.	✓		

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
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.	✓		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
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.	✓		
1.5 (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.	-	-	Not applicable
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-			
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 (xxii)	A brief resume of the director;	✓		
1.5 (xxii) (a)	Nature of his/her expertise in specific functional areas;	✓		

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.5 (xxii) (b)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
1.5 (xxii) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2.0	Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)			
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.	✓		
2.2	Requirement to attend the Board Meetings Attendance of CFO and the company secretary at Board of Directors' meeting	✓		
3.0	Audit Committee			
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.	✓		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1 (ii)	Constitution of Committee with Board members including one Independent Director	✓		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	✓		
3.1 (iv)	Filing of casual vacancy in committee	-	-	Not applicable (No casual vacancy in 2014)
3.1 (v)	The company secretary shall act as the secretary of the Committee.	✓		

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
3.2	Chairman of Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		Status is given on the basis of 2013 AGM's attendance since current year's AGM not yet held
3.3(i)	Oversee the financial reporting process.	✓		
3.3(ii)	Monitor choice of accounting policies and principles.	✓		
3.3(iii)	Monitor Internal Control Risk management process.	✓		
3.3(iv)	Oversee hiring and performance of external auditors.	✓		
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓		
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓		
3.3(vii)	Review the adequacy of internal audit function.	✓		
3.3(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.	-	-	Not applicable (The last IPO was issued in 2003. RPO and Right share were not issued by the bank)

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.4	Reporting of Audit Committee			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1(ii)(a)	Reporting of conflict of Interest to the Board of Directors	✓		According to the CS (who is also secretary to the Audit Committee) and In-charge of ICC, there was no conflict of interest in the year 2014
3.4.1(ii)(b)	Reporting of any fraud or irregularity to the Board of Directors	✓		
3.4.1(ii)(c)	Reporting of violation of laws to the Board of Directors	✓		According to the CS (who is also secretary to the Audit Committee) and In-charge of ICC, there was no violation of laws in the year 2014
3.4.1(ii)(d)	Reporting of any other matter to the Board of Directors	✓		
3.4.2	Reporting to the Authorities If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	-	-	Not applicable (The Management has informed that no such issue arose, and therefore nothing has been reported to the Board of Directors)

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.5	Reporting to Shareholders and General Investors Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
4.00	External/Statutory Auditors The issuer company should not engage its external / statutory auditors to perform the following services of the company; namely:			
4.0 (i)	Appraisal or valuation services or fairness opinions.	✓		
4.0 (ii)	Financial information systems design and implementation.	✓		
4.0 (iii)	Book-keeping or other services related to the accounting records or financial statements.	✓		
4.0 (iv)	Broker-dealer services.	✓		
4.0 (v)	Actuarial services.	✓		
4.0 (vi)	Internal audit services.	✓		
4.0 (vii)	Any other service that the Audit Committee determines.	✓		
4.0 (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.	✓		
4.0 (ix)	Audit/ certification services on compliance of corporate governance as required under clause (i) of condition No. 7	✓		
5	Subsidiary Company			
5(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	✓		
5(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	✓		
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓		

Corporate Governance

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓		
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		The audit committee minutes state about the review of the subsidiary's financial statements where investments have been disclosed.
6	The CEO and CFO shall certify to the Board that			
6 (i)(a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
6 (i)(b)	These statements together present a true and fair	✓		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7	Reporting and Compliance of Corporate Governance			
7 (i)	The company shall obtain a certificate from a Professional Accountant/Secretary (Chartered Accountant/ Cost & Management Accountant / Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	✓		

Declaration of MD/CFO

March 12, 2015

Board of Directors
ONE Bank Limited
HRC Bhaban
46, Kawran Bazar C.A.
Dhaka-1215

SUB: MD/CFO DECLARATION TO THE BOARD

The following is provided to the Board of Directors of ONE Bank Limited in our capacity as the persons responsible for performing the functions of Managing Director and Chief Financial Officer of the Bank.

In accordance with the notification of Bangladesh Securities & Exchange Commission No. SEC/CMRRCD/2006-158/Admin/44 dated 07 August, 2012, we declare that for the financial year ended 31 December, 2014:

- i) We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) These 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 view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of knowledge and belief, no transaction entered into by the Bank during the year which are fraudulent, illegal or violation of the Bank's code of conduct.



Md. Aftab Uddin Khan
SEVP & Chief Financial Officer



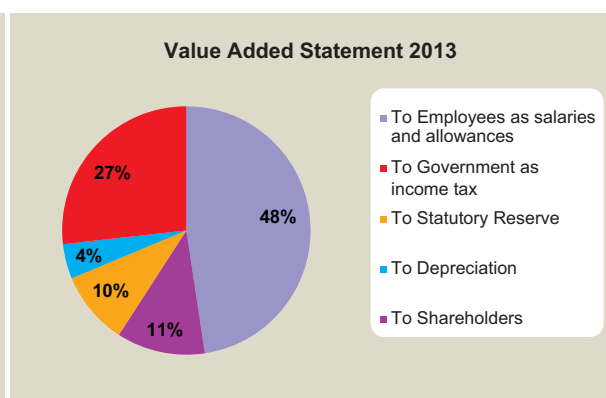
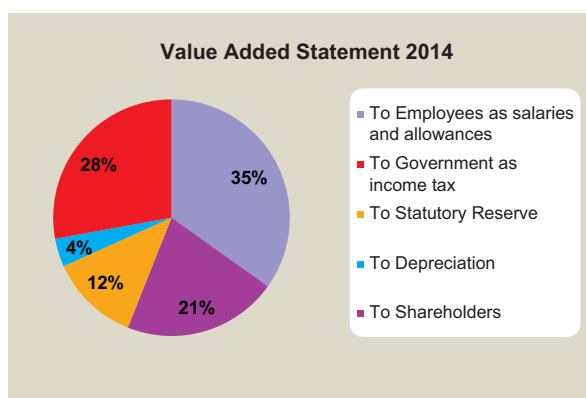
M. Fakhurul Alam
Managing Director

Value Added Statement

Value Added Statement

The Value Added Statement of ONE Bank Limited shows how the value is created and distributed to the different stakeholders of the Bank.

Particulars	2014 Taka	2013 Taka
Income from banking Service	14,051,568,358	12,501,067,496
Less: Cost of services and supplies	(8,118,039,592)	(8,104,692,511)
	5,933,528,766	4,396,374,985
Loan loss provision and other provisions	(706,389,441)	(683,109,907)
Total Value Added	5,227,139,325	3,713,265,078



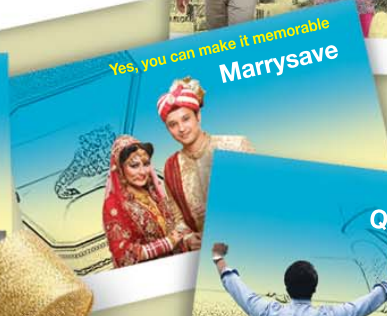
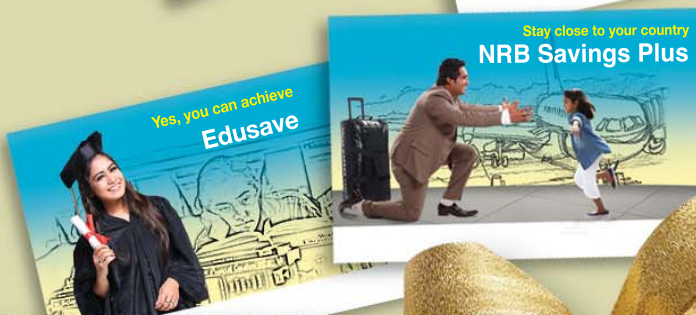
	2014 (Taka)	%	2013 (Taka)	%
Distribution of added value				
To Employees as salaries and allowances	1,821,384,655	35%	1,768,175,154	48%
To Government as income tax	1,106,711,626	21%	427,940,118	11%
To Statutory Reserve	640,552,581	12%	355,315,897	10%
To Depreciation	202,991,763	4%	168,510,441	4%
To Shareholders	1,455,498,700	28%	993,323,468	27%
Total	5,227,139,325	100%	3,713,265,078	100%

Credit Rating Report

ONE Bank Limited has been rated by the Emerging Credit Rating Limited (ECRL) on the basis of Financial Statements for the year ended on December 31, 2014. The summary of the rating is presented below:

Year - 2013 (ECRL)	Year - 2014 (ECRL)	Definition
Long Term: AA⁻	Long Term: AA⁻	<p>Commercial Banks rated AA- have very strong capacity to meet their financial commitments and is generally in a position to withstand adverse developments in the economy, and in business and other external conditions. These institutions typically possess a good track record and have no readily apparent weaknesses.</p>
Short Term: ECRL-2	Short Term: ECRL-2	<p>Commercial Banks rated in this category are considered to have strong capacity to meet its financial commitments in a timely manner. However, it is somewhat susceptible to adverse development in the economy, and in business and other external conditions.</p>
Date of Rating		March 31, 2015

Our Saving Schemes that secure future





Financial Statements

Independent Auditor's Report to the Shareholders of ONE Bank Limited

Report on the Financial Statements:

We have audited the accompanying consolidated financial statements of ONE Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of ONE Bank Limited (the "Bank"), which comprise the consolidated 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 statements 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 No.2 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act 1991 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.

Auditor's 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 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 the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and 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 also 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:

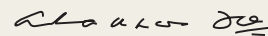
In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Bank give a true and fair view of the consolidated financial Position of the Group and the separate financial Position of the Bank as at 31 December 2014 and of its consolidated and separate 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 No.2.

Report on Other Legal and Regulatory Requirements:

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Company Act, 1991 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 Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the 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 Note No.2.21 of the financial statements, appeared to be materially adequate;
- 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 No. 2.22 of these financial statements;
- (c) financial statements of a subsidiary, ONE Securities Limited of the Bank has been audited by ATA KHAN & CO. Chartered Accountants based on the information shown in the accounting records and on the information supplied and explanations given by the directors and 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 accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) 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 3,392 persons hours for the audit of the books and accounts of the Bank.

Dated, Dhaka
15 March 2015


ATA KHAN CO.
Chartered Accountants

ONE Bank Limited and its Subsidiary

Consolidated Balance Sheet

As at 31 December 2014

	Notes	2014 Taka	2013 Taka
PROPERTY AND ASSETS			
Cash	3 (a)		
Cash in hand (including foreign currencies)		812,064,082	1,099,408,003
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		8,193,901,158	7,723,234,121
		9,005,965,240	8,822,642,124
Balance with other banks and financial institutions	4 (a)		
In Bangladesh		707,953,962	1,117,932,445
Outside Bangladesh		870,788,660	516,875,249
		1,578,742,622	1,634,807,694
Money at call on short notice	5	150,000,000	670,000,000
Investments	6 (a)		
Government		13,092,499,305	8,853,247,269
Others		3,432,875,749	3,238,836,864
		16,525,375,054	12,092,084,133
Loans and Advances	7 (a)		
Loans, Cash Credit, Overdraft etc.		87,678,512,427	72,398,260,508
Bills purchased and discounted		2,345,518,678	3,771,431,210
		90,024,031,105	76,169,691,718
Fixed Assets including premises, furniture & fixtures	8 (a)	1,399,382,714	1,205,627,611
Other Assets	9 (a)	2,745,212,430	1,757,311,103
Non-banking Assets	10	283,786,525	283,786,525
Total Assets		121,712,495,690	102,635,950,909
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11 (a)	1,317,260,683	145,066,532
Deposits and other accounts	12 (a)		
Current accounts and other accounts		13,279,372,176	15,564,521,251
Bills payable		2,525,148,799	1,372,962,253
Savings bank deposits		9,777,300,687	7,012,233,334
Term deposits		74,713,237,249	62,618,626,263
		100,295,058,911	86,568,343,101
Other Liabilities	13 (a)	8,308,655,150	5,315,685,363
Subordinated -Debt	14	2,200,000,000	2,200,000,000
Total Liabilities		112,120,974,744	94,229,094,996
Capital/Shareholders' Equity			
Paid-up Capital	15	5,243,777,020	4,767,070,020
Statutory Reserve	16	3,305,962,560	2,665,409,979
Surplus in Profit and Loss Account		985,135,415	895,565,966
Revaluation Reserve for Securities		48,491,839	66,008,056
Total Shareholders' Equity		9,583,366,834	8,394,054,022
Non-Controlling Interest		8,154,112	12,801,891
Total Liabilities and Shareholders' Equity		121,712,495,690	102,635,950,909

ONE Bank Limited and its Subsidiary

Consolidated Balance Sheet

As at 31 December 2014

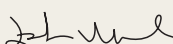
		2014 Taka	2013 Taka
OFF BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances & Endorsements		20,262,626,353	18,378,551,803
Letters of Guarantee	47	10,878,319,164	11,358,740,591
Irrevocable Letters of Credit		16,384,817,490	11,663,384,421
Bills for Collection		2,261,309,221	2,782,357,930
		49,787,072,228	44,183,034,745
Other Contingent Liabilities			
Claims lodged with but not recognized by the Bank		-	-
Other exchange contract		-	-
Total Contingent Liabilities		49,787,072,228	44,183,034,745
Other Commitments:			
Documentary Credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total off-Balance Sheet items including contingent liabilities		49,787,072,228	44,183,034,745

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


M. Fakhrul Alam
Managing Director


Salahuddin Ahmed
Director


Syed Nurul Amin
Director


Zahur Ullah
Director

See annexed auditor's report to the Shareholders of the date.

Dhaka: 15 March 2015


ATA KHAN & CO
Chartered Accountants


ONE Bank Limited and Its Subsidiary Consolidated Profit & Loss Account

For the year ended 31 December 2014

	Notes	2014 Taka	2013 Taka
Interest income	18 (a)	11,211,459,633	10,038,284,892
Interest paid on deposits and borrowings etc.	19 (a)	(6,879,060,025)	(7,049,617,618)
Net interest income		4,332,399,607	2,988,667,274
Investment income	20 (a)	1,154,436,041	1,018,659,295
Commission, exchange and brokerage	21 (a)	1,247,667,927	1,067,073,922
Other operating income	22 (a)	388,241,759	323,650,263
Total operating income (A)		7,122,745,335	5,398,050,753
Salaries and allowances	23(a)	1,813,547,044	1,757,527,242
Rent, taxes, insurance, electricity etc.	24	355,645,152	288,022,767
Legal expenses	25 (a)	22,000,289	4,277,000
Postage, stamps, telecommunication etc.	26	51,278,918	49,528,550
Directors' fees	27 (a)	902,500	735,000
Auditor's fee		225,000	215,000
Stationery, Printings, advertisements etc.	28 (a)	138,030,517	143,946,616
Managing Director's salary and fees	29	13,106,662	12,010,041
Depreciation, leasing expense and repair of bank's assets	30 (a)	437,861,962	369,136,470
Other expenses	31 (a)	439,541,093	374,414,100
Total operating expenses (B)		3,272,139,136	2,999,812,786
Profit / (loss) before provision and tax (C=A-B)		3,850,606,198	2,398,237,967
Provision for loans and advances			
Specific provision	13.4	(86,901,058)	410,813,252
General provision	13.5	743,670,249	139,323,435
		656,769,191	550,136,687
Provision for off-balance sheet items	13.8	50,238,375	120,808,864
Provision for diminution in value of share	13.10.a	406,240,662	10,000,000
Other provisions	13.7 & 13.11	(618,125)	12,164,356
Total Provision (D)		1,112,630,103	693,109,907
Profit / (loss) before taxes (E=C-D)		2,737,976,095	1,705,128,060
Provision for taxation			
Current tax expense	33 (a)	1,068,147,240	422,483,963
Deferred tax expense/(income)	33 (a)	38,612,103	5,457,518
		1,106,759,343	427,941,481
Net profit after taxation		1,631,216,753	1,277,186,579
Attributable to:			
Shareholders of the ONE Bank Ltd		1,635,865,332	1,277,901,104
Non-Controlling Interest		(4,648,579)	(714,525)
		1,631,216,753	1,277,186,579
Retained Surplus brought forward	17.1(a)	(10,177,335)	(27,019,241)
		1,625,687,997	1,250,881,863
Appropriations:			
Statutory Reserve	16	640,552,581	355,315,897
General reserve		-	-
		640,552,581	355,315,897
Retained Surplus		985,135,415	895,565,966
Earning per share (EPS)	48 (a)	3.12	2.44

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


M. Fakhru Alam
Managing Director


Salahuddin Ahmed
Director


Syed Nurul Amin
Director


Zahur Ullah
Director

See annexed auditor's report to the Shareholders of the date.

Dhaka: 15 March 2015


ATA KHAN & CO
Chartered Accountants


ONE Bank Limited and Its Subsidiary Consolidated Cash Flow Statement


For the year ended 31 December 2014

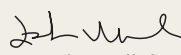
	Notes	2014 Taka	2013 Taka
Cash flows from operating activities			
Interest receipts in cash	34 (a)	11,755,234,948	10,569,905,267
Interest payments	35 (a)	(6,857,230,716)	(7,201,308,535)
Dividend receipts		39,457,363	24,011,509
Fee and commission receipts in cash	36 (a)	657,819,019	609,587,167
Cash payments to employees		(1,870,543,020)	(1,825,113,432)
Cash payments to suppliers		(374,061,293)	(349,728,672)
Income taxes paid		(930,909,763)	(925,592,410)
Receipts from other operating activities	39 (a)	978,302,304	778,118,918
Payment for other operating activities	40 (a)	(917,291,363)	(622,284,658)
Cash generated from operating activities before changes in operating assets and liabilities		2,480,777,479	1,057,595,155
Increase/(decrease) in operating assets and liabilities			
Loans and advances to customers		(13,909,667,665)	(16,305,915,788)
Other current assets	41 (a)	(4,317,320)	(129,565,780)
Borrowing from other banking companies, agencies etc.		1,172,194,151	24,698,561
Deposits from other banks	42	9,399,996,736	(7,227)
Deposits from customers	43	3,975,269,137	13,309,005,958
Other liabilities	44 (a)	748,464,010	263,314,732
A Net cash used in /from operating activities		3,862,716,527	(1,780,874,388)
Cash flows from investing activities			
Payments for purchase of securities	45 (a)	(16,104,346,457)	(13,073,837,043)
Receipts from sale of securities	46	12,670,331,560	13,192,781,300
Net Purchase/sale of fixed assets		(395,667,452)	(264,743,125)
B Net cash used in investing activities		(3,829,682,349)	(145,798,868)
Cash flows from financing activities			
Receipts from issue of ordinary shares		-	-
Receipts from issue of Subordinated Debt		-	2,200,000,000
Dividend paid		(429,036,302)	(207,263,914)
C Net cash from financing activities		(429,036,302)	1,992,736,086
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		(396,002,123)	66,062,830
E Effects of exchange rate changes on cash and cash-equivalent		1,518,067	(10,499,500)
F Opening cash and cash equivalents		11,130,656,818	11,075,093,488
G Closing cash and cash equivalents (D+E+F)		10,736,172,762	11,130,656,818
Closing cash and cash equivalents			
Cash in hand	3 (a)	812,064,082	1,099,408,003
Cash with Bangladesh Bank & its agent(s)	3 (a)	8,193,901,158	7,723,234,121
Cash with other banks and financial institutions	4 (a)	1,578,742,622	1,634,807,694
Money at call on short notice	5	150,000,000	670,000,000
Prize bonds	6	1,464,900	3,207,000
		10,736,172,762	11,130,656,818

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


 M. Fakhru Alam
 Managing Director


 Salahuddin Ahmed
 Director


 Syed Nurul Amin
 Director



 Zahur Ullah
 Director


Dhaka: 15 March 2015

ONE Bank Limited and Its Subsidiary
Consolidated Statement of Changes in Equity
For the year ended 31 December 2014

Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve for Securities	Profit and Loss Account	Total	Non-Controlling Interest	Amount in Taka	
							Total	Total
Balance as at 01 January 2014	4,767,070,020	2,665,409,979	66,008,056	895,565,966	8,394,054,022	12,801,891	8,406,855,913	8,406,855,913
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	4,767,070,020	2,665,409,979	66,008,056	895,565,966	8,394,054,022	12,801,891	8,406,855,913	8,406,855,913
Issue of Bonus Share for the year 2013 (Transferred to Paid-up Capital)	476,707,000	-	-	(476,707,000)	-	-	-	-
Cash Dividend Paid	-	-	-	(429,036,302)	(429,036,302)	-	(429,036,302)	(429,036,302)
Share Transferred	-	-	-	-	-	800	800	800
Surplus of Revaluation Reserve for HTM Securities	-	-	48,491,839	-	48,491,839	-	48,491,839	48,491,839
Adjustment of Revaluation Reserve for HTM Securities	-	-	(66,008,056)	-	(66,008,056)	-	(66,008,056)	(66,008,056)
Net Profit after Tax for the year	-	-	-	1,635,865,332	1,635,865,332	(4,648,579)	1,631,216,753	1,631,216,753
Profit transferred to Statutory Reserve	-	640,552,581	-	(640,552,581)	-	-	-	-
Balance as at 31 December 2014	5,243,777,020	3,305,962,560	48,491,839	985,135,415	9,583,366,834	8,154,112	9,591,520,946	9,591,520,946
Balance as at 31 December 2013	4,767,070,020	2,665,409,979	66,008,056	895,565,966	8,394,054,022	12,801,891	8,406,855,913	8,406,855,913

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


M. Fakhru Alam
Managing Director


Salahuddin Ahmed
Director


Syed Nurul Amin
Director


Zahur Ullah
Director

Dhaka: 15 March 2015

ONE Bank Limited

Balance Sheet

As at 31 December 2014

	Notes	2014 Taka	2013 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		812,047,402	1,099,408,003
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		8,193,901,158	7,723,234,121
		9,005,948,560	8,822,642,124
Balance with other banks and financial institutions	4		
In Bangladesh		692,281,209	1,113,304,583
Outside Bangladesh		870,788,660	516,875,249
		1,563,069,869	1,630,179,832
Money at call on short notice	5	150,000,000	670,000,000
Investments	6		
Government		13,092,499,305	8,853,247,269
Others		1,631,365,227	1,439,076,364
		14,723,864,532	10,292,323,633
Loans and Advances	7		
Loans, Cash Credit, Overdraft etc.		88,153,494,077	72,801,913,880
Bills purchased and discounted		2,345,518,678	3,771,431,210
		90,499,012,755	76,573,345,090
Fixed Assets including premises, furniture & fixtures	8	1,395,509,199	1,205,627,611
Other Assets	9	4,198,748,913	3,213,066,030
Non-banking Assets	10	283,786,525	283,786,525
Total Assets		121,819,940,353	102,690,970,846
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	1,317,260,683	145,066,532
Deposits and other accounts	12		
Current accounts and other accounts		13,279,372,176	15,564,521,251
Bills payable		2,525,148,799	1,372,962,253
Savings bank deposits		9,777,300,687	7,012,233,334
Term deposits		74,713,237,249	62,618,626,263
		100,295,058,911	86,568,343,101
Other Liabilities	13	7,782,460,725	5,201,899,942
Subordinated Debt	14	2,200,000,000	2,200,000,000
Total Liabilities		111,594,780,320	94,115,309,575
Capital/Shareholders' Equity			
Paid-up Capital	15	5,243,777,020	4,767,070,020
Statutory Reserve	16	3,305,962,560	2,665,409,979
Surplus in Profit and Loss Account	17	1,626,928,614	1,077,173,216
Revaluation Reserve for Securities		48,491,839	66,008,056
Total Shareholders' Equity		10,225,160,033	8,575,661,271
Total Liabilities and Shareholders' Equity		121,819,940,353	102,690,970,846

ONE Bank Limited Balance Sheet

As at 31 December 2014

		2014 Taka	2013 Taka
OFF BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances & Endorsements		20,262,626,353	18,378,551,803
Letters of Guarantee	47	10,878,319,164	11,358,740,591
Irrevocable Letters of Credit		16,384,817,490	11,663,384,421
Bills for Collection		2,261,309,221	2,782,357,930
		49,787,072,228	44,183,034,745
Other Contingent Liabilities			
Claims lodged with but not recognized by the Bank		-	-
Other exchange contract		-	-
Total Contingent Liabilities		49,787,072,228	44,183,034,745
Other Commitments:			
Documentary Credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total off-Balance Sheet items including contingent liabilities		49,787,072,228	44,183,034,745

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.



M. Fakhru Alam
Managing Director



Salahuddin Ahmed
Director



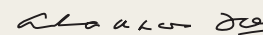
Syed Nurul Amin
Director



Zahur Ullah
Director

See annexed auditor's report to the Shareholders of the date.

Dhaka: 15 March 2015



ATA KHAN & CO
Chartered Accountants

ONE Bank Limited


Profit & Loss Account


For the year ended 31 December 2014

	Notes	2014 Taka	2013 Taka
Interest income	18	11,275,606,273	10,097,751,642
Interest paid on deposits and borrowings etc.	19	(6,879,060,025)	(7,049,617,618)
Net interest income		4,396,546,247	3,048,134,024
Investment income	20	1,146,033,093	1,018,659,295
Commission, exchange and brokerage	21	1,242,236,426	1,067,075,720
Other operating income	22	387,692,566	323,650,263
Total operating income (A)		7,172,508,333	5,457,519,301
Salaries and allowances	23	1,808,277,993	1,756,165,113
Rent, taxes, insurance, electricity etc.	24	355,645,152	288,022,767
Legal expenses	25	22,000,289	4,277,000
Postage, stamps, telecommunication etc.	26	51,278,918	49,528,550
Directors' fees	27	830,000	735,000
Auditor's fee		200,000	190,000
Stationery, Printings, advertisements etc.	28	137,658,514	143,944,001
Managing Director's salary and fees	29	13,106,662	12,010,041
Depreciation, leasing expense and repair of bank's assets	30	436,756,584	369,136,470
Other expenses	31	437,601,873	373,820,968
Total operating expenses (B)		3,263,355,985	2,997,829,911
Profit / (loss) before provision and tax (C=A-B)		3,909,152,348	2,459,689,390
Provision for loans and advances			
Specific provision	13.4	(86,901,058)	410,813,252
General provision	13.5	743,670,249	139,323,435
		656,769,191	550,136,687
Provision for off-balance sheet items	13.8	50,238,375	120,808,864
Provision for diminution in value of share	13.10	-	-
Other provisions	13.7 & 13.11	(618,125)	12,164,356
Total Provision (D)		706,389,441	683,109,907
Profit / (loss) before taxes (E=C-D)		3,202,762,907	1,776,579,484
Provision for taxation			
Current tax expense	33	1,068,099,523	422,482,600
Deferred tax expense/(income)	33	38,612,103	5,457,518
		1,106,711,626	427,940,118
Net profit after taxation		2,096,051,282	1,348,639,366
Retained Surplus brought forward	17.1	171,429,914	83,849,746
		2,267,481,195	1,432,489,112
Appropriations:			
Statutory Reserve	16	640,552,581	355,315,897
General reserve		-	-
		640,552,581	355,315,897
Retained Surplus		1,626,928,614	1,077,173,216
Earning per share (EPS)	48	4.00	2.57

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


M. Fakhru Alam
Managing Director


Salahuddin Ahmed
Director


Syed Nurul Amin
Director


Zahur Ullah
Director

See annexed auditor's report to the Shareholders of the date.

Dhaka: 15 March 2015


ATA KHAN & CO
Chartered Accountants

ONE Bank Limited

Cash Flow Statement

For the year ended 31 December 2014


	Notes	2014 Taka	2013 Taka
Cash flows from operating activities			
Interest receipts in cash	34	11,755,415,397	10,624,471,773
Interest payments	35	(6,857,230,716)	(7,201,308,535)
Dividend receipts	20	32,724,215	24,011,509
Fee and commission receipts in cash	36	652,371,370	609,587,167
Cash payments to employees	37	(1,870,543,020)	(1,825,113,432)
Cash payments to suppliers	38	(374,061,293)	(349,728,672)
Income taxes paid	9.2	(930,154,293)	(925,565,145)
Receipts from other operating activities	39	977,753,122	778,118,918
Payment for other operating activities	40	(915,642,114)	(622,150,660)
Cash generated from operating activities before changes in operating assets and liabilities		2,470,632,668	1,112,322,925
Increase/(decrease) in operating assets and liabilities			
Loans and advances to customers		(13,925,667,665)	(16,357,215,788)
Other current assets	41	11,751,306	(128,665,780)
Borrowing from other banking companies, agencies etc.		1,172,194,151	24,698,561
Deposits from other banks	42	9,399,996,736	(7,227)
Deposits from customers	43	3,975,269,137	13,309,005,958
Other liabilities	44	742,731,143	263,333,132
A Net cash used in /from operating activities		3,846,907,475	(1,776,528,220)
Cash flows from investing activities			
Payments for purchase of securities	45	(16,102,596,435)	(13,073,837,043)
Receipts from sale of securities	46	12,670,331,560	13,192,781,300
Net Purchase/sale of fixed assets		(392,669,991)	(264,743,125)
B Net cash used in investing activities		(3,824,934,866)	(145,798,868)
Cash flows from financing activities			
Receipts from issue of ordinary shares		-	-
Receipts from issue of Subordinated Debt		-	2,200,000,000
Dividend paid		(429,036,302)	(207,263,914)
C Net cash from financing activities		(429,036,302)	1,992,736,086
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		(407,063,693)	70,408,998
E Effects of exchange rate changes on cash and cash-equivalent		1,518,067	(10,499,500)
F Opening cash and cash equivalents		11,126,028,955	11,066,119,457
G Closing cash and cash equivalents (D+E+F)		10,720,483,329	11,126,028,955
Closing cash and cash equivalents			
Cash in hand	3.1	812,047,402	1,099,408,003
Cash with Bangladesh Bank & its agent(s)	3.2	8,193,901,158	7,723,234,121
Cash with other banks and financial institutions	4	1,563,069,869	1,630,179,831
Money at call on short notice	5	150,000,000	670,000,000
Prize bonds	6	1,464,900	3,207,000
		10,720,483,329	11,126,028,955

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


 M. Fakhru Alam
 Managing Director


 Salahuddin Ahmed
 Director


 Syed Nurul Amin
 Director


 Zahur Ullah
 Director

Dhaka: 15 March 2015

ONE Bank Limited
Statement of Changes in Equity

For the year ended 31 December 2014

Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve for Securities	Profit and Loss Account	Total Shareholders Equity
Balance as at 01 January 2014	4,767,070,020	2,665,409,979	66,008,056	1,077,173,216	8,575,661,271
Changes in accounting policy	-	-	-	-	-
Restated balance	4,767,070,020	2,665,409,979	66,008,056	1,077,173,216	8,575,661,271
Issue of Bonus Share for the year 2013 (Transferred to Paid-up Capital)	476,707,000	-	-	(476,707,000)	-
Cash Dividend Paid	-	-	-	(429,036,302)	(429,036,302)
Surplus of Revaluation Reserve for HTM Securities	-	-	48,491,839	-	48,491,839
Adjustment of Revaluation Reserve for HTM Securities	-	-	(66,008,056)	-	(66,008,056)
Net Profit after Tax for the year	-	-	-	2,096,051,282	2,096,051,282
Profit transferred to Statutory Reserve	-	640,552,581	-	(640,552,581)	-
Balance as at 31 December 2014	5,243,777,020	3,305,962,560	48,491,839	1,626,928,614	10,225,160,033
Balance as at 31 December 2013	4,767,070,020	2,665,409,979	66,008,056	1,077,173,216	8,575,661,271

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


M. Fakhru Alam
 Managing Director


Salahuddin Ahmed
 Director


Syed Nurul Amin
 Director


Zahur Ullah
 Director

Dhaka: 15 March 2015

ONE Bank Limited
Liquidity Statement
(Assets & Liabilities Maturity Analysis)

As at 31 December 2014

		Amount in Taka					
		Up to 1 month	1 - 3 months	3 - 12 months	1-5 years	Above 5 years	Total
Assets:							
Cash		9,005,948,560	-	-	-	-	9,005,948,560
Balance with other banks and financial institutions		810,758,990	435,394,553	306,416,322	10,500,005	-	1,563,069,870
Money at call on short notice		150,000,000	-	-	-	-	150,000,000
Investment		745,368,940	853,935,055	6,259,822,425	2,198,369,037	4,666,369,075	14,723,864,532
Loans and Advances		11,243,678,208	24,435,570,044	36,243,214,679	15,364,542,629	3,212,007,195	90,499,012,755
Fixed Assets including premises, fixtures & fittings		-	-	-	-	1,395,509,199	1,395,509,199
Other Assets		276,960,773	-	415,441,159	692,356,953	2,813,990,028	4,198,748,913
Non-banking Assets		-	-	-	-	283,786,525	283,786,525
Total Assets		22,232,715,471	25,724,899,652	43,224,894,585	18,265,768,624	12,371,662,022	121,819,940,353
Liabilities:							
Borrowing from Bangladesh Bank, other banks, financial institutions and agents		210,761,709	184,943,400	495,553,469	426,002,105	-	1,317,260,683
Deposits and Other Accounts		23,208,322,049	37,440,740,718	24,445,267,342	10,831,369,756	4,369,359,049	100,295,058,912
Other Liabilities		825,101,539	3,380,662,717	2,343,847,635	1,232,848,835	-	7,782,460,725
Subordinated Debt		-	-	-	-	2,200,000,000	2,200,000,000
Total Liabilities		24,244,185,297	41,006,346,834	27,284,668,445	12,490,220,695	6,569,359,049	111,594,780,320
Net Liquidity Gap		(2,011,469,826)	(15,281,447,183)	15,940,226,140	5,775,547,929	5,802,302,973	10,225,160,033

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.


M. Fakhru Alam
Managing Director


Salahuddin Ahmed
Director


Syed Nurul Amin
Director


Zahur Ullah
Director

Dhaka: 15 March 2015

Notes to the Financial Statements

For the year ended 31 December 2014

1.0 Background of the Bank

1.1 Status of the Bank

ONE Bank Ltd. (the “Bank”) is a private sector commercial bank incorporated with the Registrar of Joint Stock Companies under the Companies Act 1994. The Bank commenced its banking operation on 14 July 1999 by obtaining license from the Bangladesh Bank on 2 July 1999 under section 31 of the Bank Company Act 1991 (as amended in 2013). As per the provisions of Bangladesh Bank license, the Bank has offered initially its shares to public by Pre-IPO and subsequently sold shares to the public through IPO in the year 2003. The shares of the Bank are listed with both Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The number of branches of the Bank was seventy seven (77) and the number of booths was twelve (12) as on 31 December 2014.

1.2 Nature of the business

The Bank carries on, undertakes and transacts all kinds of banking activities with its customers in Bangladesh and abroad.

1.2.1 Off-Shore Banking Unit

The bank has obtained the permission for Off-shore Banking business vide letter no. BRPD (P-3) 744 (115)/2010-2337 dated 26 May 2010. The Bank commenced the operation of its Off-shore Banking Unit from 12 December 2010. At present the Bank has 2 (two) Off-shore Banking units one in Dhaka and another in Chittagong. The principal activities of the units are to provide all kinds of commercial banking services in foreign currency. Financial Statements of Off-shore Banking Unit are shown in **Annexure-G**.

1.2.2 ONE Securities Limited

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on 24 December 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000. Auditor's report and Financial Statements are shown in **Annexure-H**.

1.3 International Banking

International Banking has been running through International Division with its expertise caters mainly to the banking needs for import and export affairs. The Division establishes correspondent relationships with the foreign banks with prior consent of Management of the Bank.

1.4 Treasury Functions

The Treasury Division has been discharging the principal responsibilities of the Treasury functions which include management of liquidity and market risks, mobilization of resources from domestic as well as from foreign banks. Further, it leveraged strong relationships with financial sector players to provide a wide range of banking services in addition to Bank's liability products.

The focus of Treasury Division is to be active in a broad-based money market, Government securities and foreign exchange markets. There was a significant contribution in the volumes and profits from foreign exchange transactions in 2014.

Capital Adequacy symbolizes the financial strength and stability of a bank. It limits the extent up to which banks can expand their business in terms of risk-weighted assets. Like all other commercial institutions, constantly looks the ways of expanding its operations by opening branches, mobilizing deposits, providing loans and investing in Capital Market. The Bank always keeps a careful check on its Capital Adequacy Ratios.

1.5 Information Technology

The Bank has established an appropriate Information Technology Division (ITD) by placing officials with adequate knowledge and skills to play a major role in the Bank for smooth running of online Banking System and delivery of its service to all the branches and units of the Bank for operations of necessary hardware and software. The branch network is up graded to high speed, which provides better information sharing management at the branch as well as at the Corporate HQ with enough security measures.

Notes to the Financial Statements

For the year ended 31 December 2014

1.6 Strategic Direction and Challenges

The strategic directions of the Bank are provided and reviewed periodically by the Marketing Division in consultation with the senior Management. At the time of planning deposit mobilization strategies, financing plan and the budget, priority is given on the bottom up information sharing process. The Board of Directors approves the Budget and evaluates monthly performance in the Board Meeting for ensuring proper Budgetary Control and maximization of operating profit and optimization of business outcomes and provides guidelines to the Management for overcoming lapses, if identifies. In keeping with the Vision and Mission of the Bank, the strategic direction of the Bank has been clearly identified and laid down in the Long Term Corporate Plan and the Budget. Budget is prepared for each year by spell out the goals and objectives for each major strategic business unit such as Corporate Banking, SME Banking, Retail Banking, Treasury, General Banking, etc. and the detailed action plans for the achievement thereof along with specific time frame are set out and evaluates in the marketing meeting.

1.7 Staff Training

The Bank always keeps in mind for the development of staff skill and knowledge through training. The staff training is presently pertaining through the outside Organizations, Bangladesh Bank and from Bank's own training Academy.

1.8 Resource Efficiency

Deposits and Shareholders' Equity represented the two biggest sources of funds. As at 31 December 2014, the amount of deposit was 82.33% of total liability and shareholders' equity & the amount of shareholders' equity was 8.39% of total liability and shareholders' equity. The Bank tries to procure deposits from low cost sources and prudently invest the fund for raising the profitability of the Bank.

Through careful planning, the management of Bank ensured a prudent dividend policy and investment portfolio and optimized Shareholders' Equity.

1.9 Corporate Governance

1.9.1 Board of Directors

a) Members of the Board

The Board of Directors of the Bank is constituted by 8 (Eight) numbers of Directors and all of the Directors except Managing Director are Non-Executive Directors. Particulars of Directors are included in the annual report.

b) Board Meeting

The Chairman of the Board conducts the Board Meetings and ensures effective participation of all Directors, heeding to their concerns and maintained balance of power. The Board is in full control of its affairs.

c) Information sharing system

A well-streamlined Management Information System is in place. Accurate and relevant information on the matters referred to the Board are made available in advance. Whenever the Board finds that the information sent to them is insufficient, they call for additional information and the Chairman ensures that all Directors are properly briefed on the matters deliberated at the meetings.

d) Performance of Board

The Board has implemented a self-assessment exercise covering key functions under the following activities to assess the performance of the Board and carries out the evaluations annually.

- Discharge of Statutory /Regulatory duties and Board responsibilities;
- Corporate Governance and Risk Management monitoring;
- Seeking and contributing views and opinions on strategic decision making;
- Leveraging the skills, expertise, contacts of individual Board Members in furtherance of business;
- Understanding and formulating the succession plans to ensure talent availability and address expectations of high potential and high quality staffs, and
- Overall view of management of the business by the Management.

Notes to the Financial Statements

For the year ended 31 December 2014

1.9.2 Appointment of Directors and Managing Director

a) Director

The Members of the Board are appointed in accordance with the provisions of the Companies Act 1994, the Memorandum and the Articles of Association of the Bank, provisions of the Bank Company Act 1991 (as amended in 2013) and Bangladesh Bank's Circulars issued from time to time. The Board believes that the combined knowledge and experience of the Board matches the strategic demands required for the Bank.

b) Managing Director

The Managing Director (As CEO) is appointed by the Board on contractual basis with a provision of renewals according to the guidelines provided by the Bangladesh Bank and the provisions of the Bank Company Act. The Board sets financial and non-financial goals and objectives for the CEO in line with the short, medium and long-term goals of the Bank. The Managing Director is entrusted with the management of the Bank's operations and he is ultimately accountable to the Board. Managing Director's performance is assessed by the Chairman annually.

1.9.3 General Meeting

a) Shareholders Suggestions

The Bank always welcomes active participation of the shareholders at the General Meetings and solicits their views at all times, thus promoting a healthy dialogue. Whenever possible, the Bank implements their suggestions.

b) Notice of the General Meeting

Notice is given to the shareholders in terms of the provisions of the Companies Act 1994, Securities and Exchange Commission Act 1993, and the guidelines of Bangladesh Bank.

1.9.4 Accountability

a) Communicating Performance

Bank gives high priority to timely preparation and publication of annual, half-yearly and quarterly Financial Statements with comprehensive details of the statutory requirements, enabling both existing and prospective shareholders to make a timely and fair assessment of the Bank's performance. Media of publication includes printed materials, newspapers and the website of the Bank.

2.0 Significant Accounting Policies and Basis of Preparation of Financial Statements and Others

2.01 Presentation of Financial Statement

The financial statements are presented in compliance with the provisions of the Bangladesh Accounting Standards BAS 1 "Presentation of Financial Statements", BAS 7 "Statement of Cash Flows".

As per BRPD circular No. 14 dated 25 June 2003, Bangladesh Bank provides guidelines, forms and formats for the presentation of Financial Statements.

2.02 Basis of Consolidation

The Consolidated Financial Statements include the financial statements of ONE Bank Limited and ONE Securities Limited made up to the end of financial year.

The Consolidated Financial Statements have been prepared in accordance with Bangladesh Accounting Standard BAS 27 "Consolidated and separate Financial Statements".

2.03 Statement of Compliance

The Financial Statements of the Bank are prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), Bangladesh accounting Standards (BAS) and the requirements of the Bank Company Act 1991 (as amended in 2013), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987, BRPD Circular # 14 dated 25 June, 2013, other Bangladesh Bank Circulars and other prevailing laws and rules applicable in Bangladesh.

In case of any requirement of the Bank Company Act 1991 (as amended in 2013) and provisions and circulars issued by Bangladesh Bank differ with those of BFRS and BAS, the requirements of the Bank Company Act 1991

Notes to the Financial Statements

For the year ended 31 December 2014

(as amended in 2013), and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

2.03.1 Investment in Shares and Securities

As per requirement 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.

As per BRPD circular no. 14 dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the end of the year 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 (portfolio basis); otherwise investments are recognized at cost.

2.03.2 Revaluation gains/losses on Government Securities

As per the requirement of BAS 39, where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognized in the profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method using effective interest rate and interest income is recognised through the profit and loss account.

As per the DOS Circular 5, dated 28 January 2009 HFT securities are revalued on the basis of marking to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised 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 amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

2.03.3 Provision on Loans and Advances / Investments

As per the requirement of 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 that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

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 has to be maintained regardless of objective evidence of impairment. And, specific provision for sub-standard loans, 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 status. Also a general provision at 1% is required to be provided for all off-balance sheet exposures as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012. These provisions are not specifically in line with those prescribed by BAS 39.

2.03.4 Recognition of Interest in Suspense

As per the requirement of BAS 39, Loans and Advances to customers are generally classified as 'loans and receivables' and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to interest suspense account which is presented as liability in the balance.

2.03.5 Other Comprehensive Income

As per the requirement of BAS 1, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Notes to the Financial Statements

For the year ended 31 December 2014

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 as a component of financial statements. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

2.03.6 Financial Instruments – Presentation and Disclosure

In several cases Bangladesh Bank issues guidelines to categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such, full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

2.03.7 Financial Guarantees

As per the requirement of 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 recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised 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.

As per the requirement of BRPD circular 14 dated 25 June 2003 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

2.03.8 Repo Transaction

As per the requirement of BAS 39, When an entity sales a financial assets and simultaneously enters into agreement to repurchase the assets (or a similar asset) at a fixed price on 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 the selling price and repurchase price will be treated as interest expenses.

As per DOS Circular Letter No 2 dated 23 January 2013 and DOS Circular Letter No 6 dated 15 July 2010, when a bank sells a financial assets and simultaneously enters into agreement to repurchase the assets (or a similar asset) at a fixed price on future date (Repo or stock lending), the arrangement is accounted for as normal sales transactions.

2.03.9 Cash and Cash Equivalent

As per the requirement of BAS 7, Cash and cash equivalent items should be reported as cash item.

As per BRPD Circular 14 dated 25 June 2003, few highly liquid assets such as Money at call on Short Notice, Treasury Bills, Bangladesh Bank Bills and Prize Bond are not shown as cash and cash equivalents items in the Balance Sheet rather these are shown in the face of the balance sheet as separate items. However in the cash flow statement, these items are shown as cash equivalents besides cash in hand, balance with BB and other banks.

2.03.10 Non-Banking Asset

No indication of Non-banking asset is found in any BFRS.

As per BRPD Circular no. 14 dated 25 June 2003 there must exists a face item named Non-banking asset and the holding period of non-banking assets is mentioned in the Bank Company Act 1991 (as amended in 2013).

2.03.11 Cash Flow Statement

As per the requirement of BAS 7, The Statement of Cash Flows can be prepared using either the direct method or the 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.

As per BRPD Circular no. 14 dated 25 June 2003 Cash Flow Statement is the mixture of direct and indirect methods.

Notes to the Financial Statements

For the year ended 31 December 2014

2.03.12 Balance with Bangladesh Bank: (Cash Reserve Requirement)

As per the requirement of BAS 7, Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations.

As per BRPD Circular no. 14 dated 25 June 2003 Balance with Bangladesh Bank is treated as cash and cash equivalents.

2.03.13 Presentation of Intangible Asset

As per the requirement of BAS 38, an intangible asset must be identified and recognised, and the disclosure must be given in the Financial Statements.

As per BRPD Circular no 14 dated 25 June 2003 there is no regulation for treatment of intangible assets.

2.03.14 Off-Balance Sheet Items.

There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

As per BRPD Circular no. 14 dated 25 June 2003 off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

2.03.15 Loans and Advances / Investments Net of Provision

Loans and advances/Investments should be presented net of provision.

As per BRPD Circular no. 14 dated 25 June 2003 provision on loans and advances/investments are presented separately as liability and cannot be netted off against loans and advances.

2.04 Use of Estimates and Judgments

The preparation of financial statements requires management's judgments, estimates and assumptions for which the application of accounting policies and the reported amounts of assets, liabilities, income and expenses may vary and actual results may differ from those estimates. The most significant areas where estimates and judgments have been made are on provisions for loans and advances.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.05 Foreign Currency Transactions

i. Functional and presentational currency

Financial statements of the Bank are presented in Taka, which is the Bank's functional and presentational currency.

ii. Foreign currency translation

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per BAS 21 "The effects of Changes in Foreign Exchange Rates"

Assets and liabilities in foreign currencies at 31 December 2014 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "Balances with other Banks and Financial Institutions" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting / crediting exchange gain or loss account.

iii. Commitment

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

Notes to the Financial Statements

For the year ended 31 December 2014

2.06 Assets and the basis of their valuation

2.06.1 Cash and Cash Equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value and are used by the Bank Management for its short-term commitments.

2.06.2 Loans and Advances

- Loans and Advances are stated at gross amount and before off setting specific and general provisions against them.
- Interest on Loans and Advances is calculated on a daily product basis but charged and accounted for quarterly on an accrual basis.

Provision for Loans and Advances is made on the basis of year-end review by the Management and instructions contained in Bangladesh Bank BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012 and BRPD Circular No. 5 dated 29 May 2013 respectively at the following rates:

Category/status of Loans and Advances	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
General provisions for unclassified loans and advances:		
All unclassified loans (Other than loans under small and medium enterprise and consumer financing, special mention account and staff loans)	1%	1%
Small and medium enterprise financing	0.25%	0.25%
Consumer financing (Other than housing finance and loans for professionals under consumer financing scheme)	5%	5%
Consumer financing (For Housing Finance & Loans for professionals set up)	2%	2%
Special mention account	0.25% to 5%	0.25% to 5%
Loans to BHs/MBs/SDs against Shares	2%	2%
Loan to Short-term Agricultural and Micro-Credits	2.5%	2.5%
Specific provision for classified loans and advances:		
Substandard	20%	20%
Doubtful	50%	50%
Bad/Loss	100%	100%
Provision for classified loan to short-term agricultural and Micro-Credit:		
Substandard	5%	5%
Doubtful	5%	5%
Bad/Loss	100%	100%

Notes to the Financial Statements

For the year ended 31 December 2014

- c) Loans and Advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank. These write offs, however, will not undermine/affect the claim amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

2.06.3 Investments

All investments in shares are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment.

The valuation method of investments.

- a) **Held to Maturity (HTM):** Investments which are intended to be held to maturity are classified as “Held to Maturity”. These are measured at amortized cost at every year end by taking into account any discount or premium on acquisition. Amortized amount of such premium is booked into profit and loss statement or discount is booked to equity until maturity.
- b) **Held for Trading (HFT):** Investments classified in this category are acquired principally for the purpose of selling or repurchasing -in short-trading or if designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognised in the statement of income for the period in which it arises. These investments are subsequently revalued at current market value on weekly basis as per Bangladesh Bank Guideline. Revaluation gain has been shown in revaluation reserve account & revaluation loss has been shown in Profit & Loss account.

Value of investments has been enumerated as follows:

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Government Treasury Bills (HTM)	Cost	Amortized cost	Increased or decreased in value to equity.
Government Treasury Bonds (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Government Treasury Bonds (HTM)	Cost	Amortized cost	Amortized gain/loss to revaluation Reserve
Bangladesh Bank Bill (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Bangladesh Bank Bill (HTM)		Amortized cost	Amortized gain/loss to revaluation Reserve
Zero Coupon Bond	Cost	None	None
Prize Bond & Other Bond	Cost	None	None
Subordinated Bond	Face Value	At Redemption Value	None
Un quoted Shares (ordinary)	Cost	Cost	None
Quoted shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss to Profit and Loss A/C but no unrealized gain recorded.

- c) **Investment in Quoted Securities:** These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements which market price is below the cost price of investment as per Bangladesh Bank guideline.

Notes to the Financial Statements

For the year ended 31 December 2014

d) Investment in Unquoted Securities: Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

e) Investments in Subsidiary: Investment in subsidiaries is accounted for under the cost method of accounting in the Bank's Financial Statements in accordance with the Bangladesh Accounting Standard 28. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses if any.

2.06.4 Non Current Assets

a) Property, Plant and Equipment

All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non refundable taxes.

For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

Depreciation

Depreciation on fixed assets is charged for the year at the following annual rates on a reducing balance method on all fixed assets except on Land:

<u>Category of Fixed Assets</u>	<u>Rate of Depreciation</u>
Furniture and Fixtures	10%
Office Equipment	18%
Motor Vehicles	20%
Building	2.50%

b) Intangible Assets

All intangible assets which have probable future inflows are stated as cost less the accumulated amortization. The intangible assets are amortized using estimated useful lives of five years.

c) Software

Software acquired by the bank is stated at cost less accumulated amortisation. Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in specific assets to which it relates. Amortisation is recognized in profit and loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life of software is five years. Useful life, residual value and impairment of status are reviewed at each financial year end and adjusted if applicable.

d) Leasehold Assets

Leasehold properties are recorded at present value of minimum lease payments or fair market value, whichever is lower as per the provisions of BAS-17. The carrying value of leasehold properties is amortized over the remaining lease term or useful of leasehold property, whichever is lower.

2.06.5 Other Assets

As per BRPD circular 14 dated 25 June 2001 Provision is to be maintained against other assets considering the recovery status thereof. The following assets are marked as other assets for maintaining provision.

Notes to the Financial Statements

For the year ended 31 December 2014

SL	Category of Assets	Provision		Remarks
1	Unadjusted Expenses [Business development expenses, Travelling expenses, Entertainment expenses, Salary expenses, Advertisement expenses, and Miscellaneous expenses]		100%	Unadjusted on or over 1 (One) year from the date of origination.
2	Litigation / Legal Expenses			
	(a) related to unsettled cases	50%		
	(b) unadjusted expenses related to settled cases		100%	
3	Protested Bill / Fraud / Forgery/ Fund Embezzlement			
	(a) for doubtful	50%		If there is any possibility of recovery.
	(b) for bad/loss		100%	If there is no possibility of recovery.
4	Miscellaneous		100%	Considering Loss category

2.06.6 Liabilities and Provisions

a) Borrowings from Other Banks, Financial Institutions and Agents

Borrowed funds include call money deposits, borrowings, refinance borrowings and other term borrowings from banks. These are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the Profit and Loss Account.

b) Deposits and Other Accounts

Deposits by customers and banks are recognised when the Bank enters into contractual agreement with the counterparties which is generally on the trade date and initially measured at the consideration received.

c) Other Liabilities

Other liability comprise items such as Provision for Loans and Advanced, Provision for Taxes, Interest Suspense, Provision for Other Assets and Accrued Expenses. Other liability is recognized in the Balance Sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance 1984 and Internal Policies of the Bank. Provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligation and reliable estimate can be made of the amount of obligation.

d) Provision for Liabilities

Provision in respect of liability is recognized in the financial statements when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation, in accordance with the BAS 37 "Provision, Contingent Liabilities and Contingent Assets".

e) Provision for Loans and Advances: Stated in Para 2.06.2

f) Taxation

f.1 Current Tax

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying applicable rates.

Notes to the Financial Statements

For the year ended 31 December 2014

f.2 Deferred Tax

Deferred tax is made as per the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. The Bank has made adequate provision for deferred tax.

g) Subordinated Bond

ONE Bank Limited issued unsecured non-convertible subordinated bond on 26 December 2013 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letter # BRPD (BIC)661/14B(P)/2013-1869, dated 28 November 2013 and SEC/CI/CPLC-159/2002/2714, dated 8 October 2013 respectively. The Subordinated Bond is counted towards Tier-II capital of the Bank. Interest rate of the Bond is calculated as Benchmark rate +3% Margin.

2.06.7 Capital and Shareholders' Equity

2.06.7(1) Capital Management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet long term internal capital targets, maintain strong credit ratings, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the Board-approved Capital Management Planning from time to time. Senior Management develops the capital strategy and oversees the capital Management Planning of the Bank. The Bank's Finance, Treasury and Risk Management department are key in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measure and internal matrix.

a) Paid up Share Capital

Paid up share 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 Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

b) Statutory Reserve

Transfer to the statutory reserve has been maintained @ 20% of Profit before Tax in accordance with provisions of section 24 of the Bank Company Act, 1991 (as amended in 2013). This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account, after this it is optional.

c) Revaluation Reserve

Revaluation reserve represents revaluation on Treasury bond (HFT & HTM) in accordance with the DOS Circular no.-05, dated May 26, 2008.

2.07 Off-Balance Sheet Exposures

In compliance with the instruction of BRPD Circular No. 10 dated 18 September 2007 issued by the Bangladesh Bank, provision against the off-balance sheet exposures of the Bank as at reporting date has been made as follows:

Category/status of Off-balance sheet exposures	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
General provisions for off-balance sheet exposures	1%	1%

Notes to the Financial Statements

For the year ended 31 December 2014

2.08 Revenue Recognition

The revenue of the year is recognized in compliance with the provisions of BAS-18 "Revenue".

a) Interest Income

In compliance to the provisions of the Bangladesh Accounting Standards (BAS) – 18 "Revenue", the interest is recognized on accrual basis, but necessary information of cash movement related to those accruals are reported separately in the notes. Interest is calculated on daily product basis on loans and advances but charged on a quarterly basis. Interest on classified loans and advances were not taken into income until such advances were declassified / regularized. Interest is charged on classified loans and advances as per Bangladesh Bank's BCD and BRPD circulars. Moreover, interest on classified advances is accounted for when it realized in cash.

b) Investment Income

Income on investment is recognized on accrual basis. The current provision for income tax and the taxable income of the year is calculated on the basis of interest receivable on the securities i.e. after deduction of accrued interest related to the Treasury Bills and other securities. Investment income has been constituted by income from Treasury Bills, interest on Securities and Dividend income from share.

(a) Income on Investments other than dividend on shares is accounted for on an accrual basis

(b) Dividend income on shares is accounted for on cash receipt basis except for preference share. Dividend income on preference shares is accounted for on accrual basis.

c) Fees, Commission and Other Income

Fees and Commission income arises from services provided by the Bank for DD, TT, and LBP etc. and recognized on receipt basis. Commission charged on Letters of Credit (LC) and Letters of Guarantee (LG) are credited to income at the time of effecting the transactions. The advance payment of tax on LC commission is duly deposited to the Tax Authority. Similarly, Income Tax and VAT is deducted and deposited to the Tax Authority as per their circulars.

d) Interest and Other Expenses

In terms of the provision of the Bangladesh Accounting Standard (BAS) –1 "Presentation of Financial Statements", accrual basis is followed for interest payment and other expenses. The necessary disclosures are given in the notes in compliance with the provisions of BRPD Circular No. 14 dated 25 June 2003.

2.09 Cash Flow Statement

The Cash Flow Statement is presented by using the "Direct Method" of preparing cash flows in compliance with the provisions of the Bangladesh Accounting Standard (BAS) - 7 and format provided by the Bangladesh Bank vide BRPD Circular No. 14 dated 25 June 2003 as applicable for preparation of Cash Flow Statements. To make the Cash Flow Statement more understandable and user friendly about the constitution of figures inserted into the Cash Flow Statement, a number of notes have been given in the notes to the accounts.

2.10 Liquidity Statement

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

- a. Balance with other banks and financial institutions, money at call on short notice etc. are on the basis of their maturity term.
- b. Investments are on the basis of their maturity.
- c. Loans and advances are on the basis of their repayment/maturity schedule.
- d. Fixed assets are on the basis of their useful life.
- e. Other assets are on the basis of their realization/adjustment.
- f. Borrowing from other banks, financial institutions and agents as per their maturity/repayment term.
- g. Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h. Provisions and other liabilities are on the basis of their payment/adjustment schedule.

Notes to the Financial Statements

For the year ended 31 December 2014

2.11 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with BAS-1" Presentation of Financial Statements" and under the guidelines of BRPD circular no.14 dated 25 June 2003.

2.12 Events after Reporting Period

All known material events after the Balance Sheet date have been considered and appropriate adjustments/disclosures have been made in the Financial Statements where necessary up to the date of preparation of Financial Statements as per BAS-10.

2.13 Earnings per Share

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on 31 December 2014 as per BAS- 33 "Earnings per Share". Diluted earnings per share was not required to calculate as there is no dilution possibilities occurred during the year.

2.14 Reconciliation of Books of Account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled and found no material differences which may affect the Financial Statements significantly.

2.15 Authorization of Financial Statements

The financial statements for the year ended 31 December 2014 have been authorized for issue in accordance with a resolution of the Board of Directors on 15 March 2015.

2.16 Materiality and Aggregation

Each material item as considered significant by the Management has been presented separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis when permitted by the relevant accounting standards.

2.17. Number of Employees

The number of employees employed in the Bank as on 31 December 2014 was 1861 of which 1474 were male and 387 were female. The number of employees per branch was 17.12 (1318/77) excluding 543 employees in the Head Office of the Bank. During the year 2014, the Bank paid remuneration up to Tk. 36,000 per employee per month to 722 persons and exceeding Tk. 36,000 per employee per month to 1139 persons.

2.18. Employee Benefits

a) Provident Fund (Defined Contribution Plan)

"Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Provident fund benefits are given to the staff of the Bank in accordance with the Provident fund rules. The commissioner of Income Tax 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 recognition took effect from 27 February 2001. The fund is operated by a Board of Trustees consisting of 5 (five) members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as contribution to the fund. The Bank also contributes equal amount of the employees' contribution to the fund. Interest earned from the investments is credited to the members' account on yearly basis. Members are eligible to get both the contributions after 03 (Three) years of continuous service from the date of their Joining the Bank.

b) Gratuity Fund (Defined Benefit Plan)

Gratuity fund benefits are given to the staff of the bank in accordance with the approved Gratuity fund rules. National Board of Revenue approved the Gratuity fund as a recognized Gratuity fund on 28 February 2012. The fund is operated by a Board of Trustees consisting of 5 (Five) members of the Bank. Employees are entitled to Gratuity benefit after completion of minimum 05 (five) years of service in the Company. The Gratuity is calculated on the basis of Last Drawn Basic Pay and is payable at the rate of one month's Last Drawn Basic Pay for every completed year of service and six months and above but less than one year will be counted as one year.

Notes to the Financial Statements

For the year ended 31 December 2014

c) Benevolent Fund

The objective of the fund is to provide financial assistance to all the employees of the Bank for treatment (medical/surgical, physical/other disability, etc) of the employees and or his/her dependent(s); damage or loss of his/her homestead by natural disaster/calamities. The Fund consists of monthly contributions by all the employees of the Bank and from other sources acceptable to the fund management. The fund is operated by a Board of Trustees consisting of 7 (Seven) members of the Bank.

d) Death cum Survival Superannuation Fund

The objective of the ONE Bank Ltd. Employees' Death cum Survival Superannuation Fund is to provide superannuation and other benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit by the Trustees as per Board's approved policy. This Fund consists of annual contributions of Tk.71 lac by the Bank as well as benefits earned from the investment of the fund. The Income Tax Authority approved the Fund as a recognized fund on 19 April 2012 as per the provisions of part - A of the First Schedule of Income Tax Ordinance 1984. The fund is operated by a Board of Trustees consisting of 5 (five) members of the Bank.

e) Maternity Allowance

1. AO to SEVP: Tk. 10,000/- twice during entire period of service of an employee in the Bank.
2. Guard, Electrician, Driver, Messenger & Mali: Tk. 5,000/- twice during entire period of service of an employee in the Bank.

f) Annual Leave Fare Assistance

The provision for Leave Fare Assistance (LFA) represents the current outstanding liability to employees at the Balance Sheet date. Leave Fare Assistance is a non-recurring benefit for all permanent employees of the Bank who are entitled to annual leave. According to Bangladesh Bank policy, all permanent employees have to avail 15 days annual leave at a stretch on mandatory basis and LFA is given on approval of the leave.

g) Staff Loan at Bank Rate

To assist the employees at emergency needs, the Board has introduced Staff Loan to the tune of maximum three months' Basic Pay at Bank Rate for the permanent employees repayable by 24 monthly installments.

h) Staff House Building Loan

A permanent staff equivalent to the rank of Principal Officer or above, after completion of 5 (Five) years of service, can avail of a House Building Loan at Bank Rate as per Board's approved policy and approval from the appropriate Authority.

i) Staff Car Loan Scheme

All staff at job grades from AVP and above can avail of Car Loan under Staff Car Loan Scheme as per Board's approved policy and approval from the competent Authority.

j) Honorarium for Banking Diploma Part I & Part II

On successful completion of part-I & part-II of Banking Diploma examination of the Institute of Bankers, Bangladesh or any other Institute of Bankers recognised by the Bank, an employee is entitled to the following honorarium:

1. Part-I of Bangladesh Institute of Bankers Tk. 5,000/- (plus fees incurred by the incumbent)
2. Part-II of Bangladesh Institute of Bankers Tk. 7,500/- (plus fees incurred by the incumbent).

k) Festival Bonus

Employees who have completed at least 6 (six) months' service with the Bank as on the date of disbursement of Bonus, is entitled to the Festival Bonus on the following basis:

1. All regular Staff including Staff on Contract and Probationary Officers having break-up of salary @ one month's Basic Pay.
2. TAO/Casual/Contractual Staff on consolidated pay @ 50% of Consolidated Pay.
3. The Officers who have joined OBL from other Banks and Financial Institutions but have not yet completed six months service with OBL @ one month's Basic Pay.

Notes to the Financial Statements

For the year ended 31 December 2014

l) Incentive Bonus

Employees who have completed at least six months continuous service with the Bank as on December 31 of the FY and are on the payroll on the date of disbursement, is entitled to the incentive Bonus on the basis of Basic Pay of 31st December of the FY and Appraisal Rating.

m) Un-availed Earned Leave Encashment

Maximum 15 (fifteen) days un-availed earned leave can be encashed by an employee. The encashment is calculated on the basis of Last Drawn Basic Pay and is payable at the rate of one month's Last Drawn Basic Pay/30 X No. of encashable Earned Leave.

n) Day Care Center Facilities for the children of OBL Employees:

ONE Bank Limited (OBL), in association with other Banks having Head Offices Located at Gulshan, Dhaka, has made an agreement with a Day Care Center namely "Wee Learn Day Care" and booked 02 (two) seats for the children of OBL employees and has been paying for those 02 (two) seats since September 2014.

o) Furniture & Fixture Facility Scheme:

The executives of the Bank are entitled to a specific amount to meet the cost of furnishing of residence with furniture and fixture for a period of 05 years (amortization by 60 months), and after every five years subject to full amortization of existing facility, executives are entitled to avail a new facility under the scheme as applicable to respective designation.

2.19 Compliance report on Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)

Name of BASs	BAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenues	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Financial Instruments: Presentation	32	Applied *
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied *
Investment Property	40	N/A
Agriculture	41	N/A
Name of BFRSs	BFRS No.	Status
First -time Adoption of Bangladesh Financial Reporting Standards	1	N/A
Share -based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non -current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Disclosure of Interests in other Entities	12	Applied
Fair Value Measurement	13	Applied

Notes to the Financial Statements

For the year ended 31 December 2014

N/A = Not Applicable.

* In order to comply with certain specific rules and regulations of the local Regulatory Authorities which are different to BASs/BFRSs, some of the requirements specified in these BASs/BFRSs are not applied.

2.20 BASEL II Implementation and preparation for BASEL III

ONE Bank has already implemented BASEL II, for calculating minimum capital requirement structured around three pillars: (i) minimum capital requirement (on credit risk, market risk and operation risk), (ii) supervisory review process and (iii) market discipline. Implementation of BASEL II framework in Bangladesh integrated the risk management process of the Bank and its capital adequacy requirement.

BASEL II has been fully implemented in Bangladesh from January 2011. The National Steering Committee formed by Bangladesh Bank has indicated the following methodology of BASEL II to be followed in Bangladesh:

- i. Standardized method for credit and market risk.
- ii. Basic indicator approach for operational risk.
- iii. Internal Ratings Based for credit risk where prior permission from Bangladesh Bank is required.

Accordingly, ONE Bank limited has implemented BASEL II framework following the principles introduced by Bangladesh Bank.

In the mean time, Bangladesh Bank has introduced Action Plan/Roadmap for implementation of BASEL III framework for Bank Companies as follows:

Issuance of Guidelines on Risk Based Capital Adequacy	: December 2014
Commencement of Basel III Implementation process	: January 2015
Capacity Building of bank and BB officials	: Jan 2015 to Dec 2019
Initiation of Full Implementation of Basel III	: January 2020

ONE Bank limited has taken initiatives to implement BASEL III framework in accordance with the Bangladesh Bank declared Action Plan.

In order to strengthen the Supervisory Review process, a separate Risk Management Division has been formed. The existing Compliance Department of the Bank has also been further strengthened. Furthermore, a separate MIS (Management Information Systems) department has also been formed to ensure timely and accurate flow of information to the Risk Management Division as well as the Senior Management.

2.21 Risk Management

ONE Bank Ltd aims at the delivery of superior shareholder value by achieving the optimum trade-off between risk and return. Our risk management strategy is based on a clear understanding of various risks taken, well-developed risk-assessment and measurement procedures, effective risk-preventing/ minimizing, measures and continuous monitoring of the entire process at the very top level. The policies and procedures established for this purpose are being continuously improved to be in line with international best practices.

The ingredients of the risk management system at ONE Bank Ltd is capital structure, complexity of functions, level of technical expertise, quality of MIS, etc. and it is structured to address the total risk, i.e. both banking as well as non-banking risks. It also covers both on-balance sheet and off-balance sheet exposures. The prime objective of this risk management system is to ensure that the Bank takes well-calculated business risks while safeguarding the Bank's capital, its financial resources, profitability from various risks and the reputation.

The risks are defined as the possibility of losses, financial or otherwise. The Risk Management of the Bank covers 6 (Six) Core Risk Areas of banking as defined by the Bangladesh Bank. The Areas are as follows:

- 1) Credit Risk Management;
- 2) Foreign Exchange Risk Management;
- 3) Asset Liability Management;
- 4) Prevention of Money Laundering;
- 5) Internal Control & Compliance; and
- 6) Information Technology.

Notes to the Financial Statements

For the year ended 31 December 2014

In light of the Risk Management, Bank takes well calculative business risks for safeguarding its capital, financial resources, and profitability. In this context, the Bank took steps to implement the guidelines of Bangladesh Bank as under:

2.21.1 Credit Risk Management

Credit Risk is most simply defined as the potential that a bank's borrower or counter party will fail to meet its obligations in accordance with agreed terms. This includes non-repayment of capital and/or interest within the agreed time frame, at the agreed rate of interest and in the agreed currency. The goal of credit risk management at the ONE Bank Ltd. is to maximize the bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters.

The Bank has designed Credit Risk Management activities by addressing major risks. Credit Risk is one of the major risks, which can be assumed as potential loss arising from the failure of a counter party to perform contractual responsibility. This may happen due to unwillingness of the counter party or declining his / her financial abilities for adverse environment.

The officers/ executives involved in credit related activities including credit approval, administration; monitoring and recovery functions have been segregated. A separate Credit Division has been established at Corporate Head-quarters, which is entrusted with the responsibilities of maintaining effective relationship with customers, making of credit products, exploring new business opportunities. For this purpose, three separate units (a) Credit Risk Management Unit, (b) Credit Administration Unit, (c) Credit Monitoring and Recovery Unit have been formed within Credit Division. These units are entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation etc.

An effective assessment is done before sanction of any credit facility at Credit Risk Management Unit, which includes borrower risk analysis, historical performance of the customer, security of the proposed credit facility etc. The process starts by a Relationship Manager and approved/discharged by the competent authority. Credit approval authority has been delegated to the individual executives. Proposal beyond their delegation are approved /declined by the Executive Committee and the Management.

In determining Single Borrower/Large Loan limit, the instructions of Bangladesh Bank are strictly followed.

2.21.2 Foreign Exchange Risk Management

Foreign Exchange Risk is defined as the potential change in earnings arising due to change in market prices. The front office of the Treasury Department of the Bank independently conducts the transactions and the back office is responsible of verification for the deals and passing of their entries in books of accounts. All foreign exchange transactions are revalued at Market rate as determined by Bangladesh Bank at the month end. The reconciliation of Nostro Accounts is done on monthly basis and reviewed outstanding entries beyond 30 days by the Management for its settlement.

2.21.3 Asset Liability Risk Management

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

2.21.4 Prevention of Money Laundering

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has a Central Compliance Unit (CCU) where designated Chief Compliance Officer (CAMLCO) and two other Deputy Chief Compliance officers at Corporate HQ. A Branch Anti Money Laundering compliance officers (BAMLCO) is assigned in every branch of the Bank who independently review the transactions of the accounts to verify suspicious transactions.

The Bank has a Guideline Manual for prevention of money laundering and introduced KYC program since its inception. Training has been continuously given to all the category of officers and executives for developing awareness and skill for identifying suspicious activities.

Notes to the Financial Statements

For the year ended 31 December 2014

2.21.5 Internal Control System

Internal Control is a control mechanism establishes in the operation and management of the Bank by introducing required policies for comply the tasks appropriately.

The Management established a professional and efficient working environment within the Bank by creating and maintaining adequate and effective internal control systems. Internal audit have been conducted on periodical interval to ensure appropriate compliance of Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines. The Audit Committee of the Board has been reviewing the performances of the internal control system and apprising the Board as and when necessary.

The Management recognizes and appreciates the value and significance of internal controls and ensures the presence of an efficient and effective control system by identifying control objectives, devising pertinent policies/procedures and establishing relevant control procedures covering all areas of activities, after approval of the competent authority.

2.21.6 Information and Technology

ONE Bank Limited follows the guideline stated in BRPD circular no. 14 dated 23 October 2005 regarding "Guideline on Information and Communication Technology" for scheduled Banks. IT management deals with IT policy documentation, internal IT audit, training etc. The objective of IT management is to achieve the highest levels of technology service quality by minimum operational risk. Physical security involves providing environmental safeguards as well as controlling physical access to equipment and data. IT department has controls over password, User ID maintenance, input control, network security, virus protection, internet and e-mail. Data centre has been set up and disaster recovery plan has been formulated as part of Business Continuity Planning (BCP).

2.22 Disclosure on fraud and forgeries committed by bank employees:

At OBL, we follow a stringent screening process while we recruit officers and staff. The prospective employee's family background / employment history/association is checked/cross checked in terms of integrity, attitude and behavioral pattern. As a result, the Bank since its inception has seen comparatively very few cases of fraud and forgeries. Moreover, our Internal Control and Compliance Division has been strengthened to remain ever vigilant. These have reduced the chances of fraudulent activities in ONE Bank Limited.

Further after taking appropriate measures against delinquent officers, if such occasion arises, we circulate it to all our employees with an objective to caution them from taking part in any fraudulent transaction. Consequently, the number of fraud cases in ONE Bank Limited is at a minimal level. However, in the year-2014, total 2 cases of such fraud and forgeries were identified and thereafter reported to Bangladesh Bank in compliance with the Department of Banking Inspection instruction no. DBI-1 (Nothi)/1025/2012-41 dated 07 February 2012 and the Department of Off-site Supervision (DOS) circular letter no. 17 dated 07 November 2012 of Bangladesh Bank. Total embezzled amount involved in the 2 fraud cases is Tk. 65,80,000.00 (Taka sixty five lac eighty thousand) only. In all the two cases, the embezzled amounts have been realized in full. A note of caution has been issued to the responsible officers as they failed to demonstrate enough alertness for the cash paid against a forged cheque of Tk. 80,000.00 (Taka eighty thousand). For the embezzlement of Tk. 65,00,000.00 (Taka sixty five lac), the responsible officers have been withdrawn from the desk and further investigation is on to find out if any other such incidence has taken place and whether anybody else is involved in the fraudulent transaction and after getting the final report, stringent disciplinary measures will be initiated.

2.23 Regulatory Compliance

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

- a. The Bank Company Act, 1991 (as amended in 2013).
- b. The Companies Act, 1994.
- c. Rules and Regulations issued by Bangladesh Bank.
- d. The Securities and Exchange Rules 1987, The Securities and Exchange Ordinance 1969, The Securities and Exchange Commission Act 1993.
- e. The Income Tax Ordinance, 1984.
- f. The VAT Act, 1991.

Notes to the Financial Statements

For the year ended 31 December 2014

2.24 Rearrangement

Last year figures of Notes Number 13.7, 21, 21(a), 31, 31(a), 34, 34(a), 36, 37, 40 and 40(a) in the Financial Statements and Five Years' Financial Highlights have been rearranged to confirm the current year's presentation.

2.25 General

- a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.
- b) Memorandum items like Stock of Travelers' Cheques, Shanchaya Patras, Investment bonds and Premium bonds are not reflected as off balance sheet items in the Financial Statements.

However, the stocks of such items are stated below:

Stocks of Items	2014 Taka	2013 Taka
Bangladesh Shanchaya Patras	2,641,088,849	921,314,904
US\$ Investment Bonds	-	20,975,000
US\$ Premium Bonds	18,707,856	2,791,875
Wage Earners Development Bond	30,000,000	23,700,000
Total	2,689,796,705	968,781,779

Wherever considered necessary, previous year's figures have been rearranged to conform to current year's presentation and for the purpose of comparison.

2.26 Audit Committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Bank as per Bangladesh Bank's BRPD Circular No 12 dated 23 December 2002. As per Bank Company Act, 1991 (as amended in 2013) and BRPD Circular No. 11 dated 27 October 2013, the Board of Directors at its 215th Board Meeting held on 16 October, 2014 reconstituted the Audit Committee as under:

Sl. No.	Committee Members	Status with the Bank	Position in the Committee	Educational Qualification
1	Mr. Syed Nurul Amin	Independent Director	Chairman	B. Com.
2	Mr. A. S. M. Shahidullah Khan	Director	Member	B. Sc. (Hon's)
3	Mr. Shawket Jaman	Director	Member	B. Com.
4	Mr. Salahuddin Ahmed	Independent Director	Member	M.Sc.

As per the above Circular of Bangladesh Bank, the Company Secretary of the Bank is the Secretary of the Audit Committee.

The Audit Committee of the Board conducted 5 (five) meetings from 01 January to 31 December, 2014.

The Committee reviewed the inspection reports of Bangladesh Bank, Internal Audit Department and compliance thereof by the Management of the Bank. They have also reviewed the draft Financial Statements of the Bank audited by the External Auditors.

After last AGM, Mr. Syed Nurul Amin, Independent Director was elected as Chairman of the Audit Committee of the Board of Directors.

Notes to the Financial Statements

3 Cash

Cash in hand (note-3.1)
Balance with Bangladesh Bank and its agent bank (note-3.2)

3.1 Cash in hand (including foreign currencies)

In local currency
In foreign currencies

Off-shore banking unit

3.2 Balance with Bangladesh Bank and its agent bank (including foreign currencies)

Bangladesh Bank
In local currency *
In foreign currencies

Balance with Sonali Bank being an agent of Bangladesh Bank

Off-shore banking unit

2014 Taka	2013 Taka
812,047,402	1,099,408,003
8,193,901,158	7,723,234,121
9,005,948,560	8,822,642,124
805,278,076	1,089,421,687
6,769,325	9,986,316
812,047,402	1,099,408,003
-	-
812,047,402	1,099,408,003
6,831,079,184	5,162,510,000
702,567,785	2,155,936,685
7,533,646,969	7,318,446,685
660,254,189	404,787,435
8,193,901,158	7,723,234,121
-	-
8,193,901,158	7,723,234,121

* Reconciliation statements regarding Bangladesh Bank balance are given in Annexure-B

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 (as amendment in 2013) and MPD Circular No. 01 dated 23 June 2014 issued by Bangladesh Bank.

The 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 13.00% Statutory Liquidity Ratio on the same liabilities has also been maintained in the form of treasury bills, bonds, Foreign Currency & excess reserve of the Taka current account with Bangladesh Bank. Both the reserves maintained by the Bank are shown below:

a) Cash Reserve Requirement (CRR) : 6.50% of average Demand and Time Liabilities

Average Demand and Time Liabilities	94,131,265,600	83,575,122,200
Required reserve	6,118,532,264	5,014,507,332
Balance with Bangladesh Bank	6,831,079,184	5,162,510,000
Amount in reconciliation (Net)*	6,502,833	6,357,195
Reserve held with Bangladesh Bank in local currencies	6,837,582,018	5,168,867,196
Surplus/(Shortage)	719,049,754	154,359,864

* The balance of local currency account was duly reconciled as of 31 December 2014 and the above amount was matched accordingly.

b) Statutory Liquidity Ratio (Other than CRR): 13% of Average Demand and Time Liabilities:

Required reserve	12,237,064,528	10,864,765,886
Reserve held (b.1)	15,282,385,749	10,864,791,571
Surplus/(Shortage)	3,045,321,221	25,685

b.1 Reserve held in SLR :

Cash in hand including foreign currency	812,047,402	1,099,408,003
Balance with Bangladesh Bank in foreign currency	-	356,196,000
Balance with Sonali Bank being an agent of Bangladesh Bank	660,254,189	404,787,435
Bangladesh Bank bill	-	649,757,142
Reverse Repo	700,000,000	430,000,000
Treasury Bills	5,807,652,283	3,523,112,632
Treasury Bonds	6,583,382,121	4,247,170,494
Sub Total	14,563,335,996	10,710,431,707
Balance with Bangladesh Bank -local currency (Surplus amount of CRR)	719,049,754	154,359,864
Total	15,282,385,749	10,864,791,571

Notes to the Financial Statements

	2014 Taka	2013 Taka
3 (a) Consolidated Cash		
i Cash in hand		
ONE Bank Limited	812,047,402	1,099,408,003
ONE Securities Limited	16,680	-
	812,064,082	1,099,408,003
ii Balance with Bangladesh Bank and its agent bank		
ONE Bank Limited	8,193,901,158	7,723,234,121
ONE Securities Limited	-	-
	8,193,901,158	7,723,234,121
4 Balance with Other Banks and Financial Institutions		
In Bangladesh (note-4.1)	692,281,209	1,113,304,583
Outside Bangladesh (note-4.2)	870,788,660	516,875,249
	1,563,069,869	1,630,179,832
4.1 In Bangladesh		
In current accounts (note-4.3)	83,007,258	55,204,192
Other deposit accounts [note-4.3(a)]	609,273,951	1,058,100,391
	692,281,209	1,113,304,583
4.2 Outside Bangladesh		
In current accounts (note-4.4)	870,788,660	516,875,249
Other deposit accounts	-	-
	870,788,660	516,875,249
Off-shore Banking Unit	-	-
	870,788,660	516,875,249
4.3 Current Accounts (In Bangladesh)		
AB Bank Limited	4,667,730	10,527,576
BRAC Bank Limited	-	294,805
Sonali Bank Limited	55,159,025	42,252,360
Trust Bank Limited	9,327,942	1,565,368
Standard Chartered Bank	13,852,562	564,083
	83,007,258	55,204,192
4.3(a) Other Deposit Accounts (In Bangladesh)		
(Name of the banks and financial institutions)		
ICB Islamic Bank Limited	73,719,000	74,919,000
IDLC Finance Limited	25,500,000	25,500,000
Bank Asia Limited	-	600,000,000
Bank Al-Falah Limited	-	150,000,000
United Commercial Bank Limited	54,203	4,241,354
AB Bank Limited	41,479,476	1,580,139
Eastern Bank Limited	3,912,031	3,742,948
Uttara Bank Limited	399,969,973	198,050,158
Jamuna Bank Limited	3	726
Rupali Bank Limited	27,850,000	-
Prime Bank Limited	36,789,264	66,066
	609,273,951	1,058,100,391
4.4 Current Accounts (Outside Bangladesh)		
(Name of the banks and financial institutions)		
Standard Chartered Bank, New York	349,450,687	(16,619,128)
Standard Chartered Bank, London	6,129,215	31,113,767
Standard Chartered Bank, Pakistan	28,587,787	87,767,878
Standard Chartered Bank, Mumbai	56,302,424	-
Standard Chartered Bank, Tokyo	5,024,502	1,076,679
Standard Chartered Bank, Frankfurt	17,852,339	7,184,445
HSBC Bank , New York, USA	(2,871,367)	67,225,923
HSBC Bank , Mumbai	-	4,443,228
ICICI Bank Limited, Hong Kong	13,844,659	(17,239,281)
ICICI Bank Limited, Mumbai	59,840,581	21,244,220
ICICI Bank Limited, Mumbai (EORO)	1,245,849	2,226,293

Notes to the Financial Statements

	2014 Taka	2013 Taka
Commerzbank AG Germany	29,944,842	-
Commerzbank AG Frankfurt (CAD)	5,236,982	-
Commerzbank AG Frankfurt (EURO)	9,819,146	8,008,873
Citibank NA, New York	-	2,646,437
Mashreqbank Psc, New York	37,268,451	(27,809,610)
Wells Fargo Bank N.A	213,368,366	169,071,539
Arab Bangladesh Bank Ltd, Mumbai	2,417,067	54,208,745
Habib Bank Limited (ACUD)	12,841,006	100,940,290
Habib Bank AG Zurich, Switzerland	4,229,442	-
Nepal Bangladesh Bank Ltd, Kathmandu	3,242,509	1,270,321
SEYLAN Bank Ltd, Colombo	5,483,156	3,656,861
Unicredit Bank, AG	6,471,023	8,341,355
Westpac Banking Corporation	5,059,993	1,260,128
Bank of Nova Scotia	-	6,856,287
	870,788,660	516,875,249
(For details of foreign currency amount and rate thereof see "Annexure - C")		
4.5 Maturity of balances with other banks and financial institutions		
Up to 1 month	810,758,990	1,142,085,870
More than 1 months to 3 months	435,394,553	258,396,803
More than 3 months to 1 year	306,416,322	204,197,474
More than 1 year to 5 years	10,500,005	25,499,684
More than 5 years	-	-
	1,563,069,870	1,630,179,831
4 (a) Consolidated Balance with Other Banks and Financial Institutions		
In Bangladesh		
ONE Bank Limited	692,281,209	1,113,304,583
ONE Securities Limited	15,672,753	4,627,862
	707,953,962	1,117,932,445
Outside Bangladesh		
ONE Bank Limited	870,788,660	516,875,249
ONE Securities Limited	-	-
	870,788,660	516,875,249
	1,578,742,622	1,634,807,694
5 Money at call on short notice		
Lanka Bangla Finance Limited	50,000,000	170,000,000
Southeast Bank limited	-	500,000,000
Delta Brac Finance	100,000,000	-
	150,000,000	670,000,000
6 Investments		
In Government securities		
Treasury bills (note-6.1)	5,807,652,283	3,523,112,632
Bangladesh Bank bill (note-6.2)	-	649,757,142
Treasury bonds (note-6.3)	6,583,382,121	4,247,170,494
Reverse Repo (note-6.4)	700,000,000	430,000,000
Prize Bonds	1,464,900	3,207,000
	13,092,499,305	8,853,247,269
Other Investment		
Shares (Quoted and Unquoted) (note-6.5)	1,067,365,227	1,279,076,364
National Bank Limited Subordinated bond	64,000,000	80,000,000
Mercantile Bank Limited Subordinated Bond	500,000,000	-
Orascom bond	-	80,000,000
	1,631,365,227	1,439,076,364
Off-shore Banking Units	-	-
	1,631,365,227	1,439,076,364
	14,723,864,532	10,292,323,633

Notes to the Financial Statements

	2014 Taka	2013 Taka
6.1 Treasury Bills		
Treasury Bills (HTM) [(note-6.1(a))]	2,811,249,472	2,266,280,856
Treasury Bills (HFT) [(note-6.1(b))]	2,996,402,811	1,256,831,776
	5,807,652,283	3,523,112,632

6.1(a) Treasury Bills (HTM)

	Amortized Cost (Book Value)		Face value	
	2014 Taka	2013 Taka	2014 Taka	2013 Taka
364 days Treasury Bills	2,561,843,657	1,678,598,337	2,685,000,000	1,732,600,000
182 days Treasury Bills	249,405,815	483,485,485	250,000,000	500,000,000
91 days Treasury Bills	-	104,197,034	-	105,700,000
	2,811,249,472	2,266,280,856	2,935,000,000	2,338,300,000

6.1(b) Treasury Bills (HFT)

	Marked to Market Value (Book Value)		Face value	
	2014 Taka	2013 Taka	2014 Taka	2013 Taka
364 days Treasury Bills	1,618,160,569	1,002,993,826	1,668,900,000	1,031,700,000
182 days Treasury Bills	1,208,659,703	253,837,950	1,244,400,000	255,200,000
91 days Treasury Bills	169,582,539	-	171,800,000	-
	2,996,402,811	1,256,831,776	3,085,100,000	1,286,900,000

6.2 Bangladesh Bank Bills

Bangladesh Bank Bills (HTM) [note-6.2(a)]	-	649,757,142
Bangladesh Bank Bills (HFT)	-	-
	-	649,757,142

6.2(a) Bangladesh Bank Bills (HTM)

	Amortized Cost (Book Value)		Face value	
	2014 Taka	2013 Taka	2014 Taka	2013 Taka
30 days Bangladesh Bank Bills	-	649,757,142	-	650,000,000

6.3 Treasury Bonds

Treasury Bonds (HTM) [(note-6.3(a))]	5,532,566,891	3,260,448,498
Treasury Bonds (HFT) [(note-6.3(b))]	1,050,815,230	986,721,996
	6,583,382,121	4,247,170,494

6.3 (a) Treasury Bonds (HTM)

	Amortized Cost (Book Value)		Face value	
	2014 Taka	2013 Taka	2014 Taka	2013 Taka
2 Years Treasury Bonds (Premium)	38,612,932	-	38,600,000	-
5 Years Treasury Bonds (Premium)	286,685,795	450,536,388	286,500,000	450,000,000
10 Years Treasury Bonds (Premium)	1,611,993,933	102,184,101	1,600,000,000	100,000,000
15 Years Treasury Bonds (Premium)	9,111,796	9,112,148	9,100,000	9,100,000
Sub-total	1,946,404,456	561,832,637	1,934,200,000	559,100,000
2 Years Treasury Bonds (Discount)	128,442,572	128,345,273	128,500,000	128,500,000
5 Years Treasury Bonds (Discount)	388,929,074	357,475,675	389,400,000	358,000,000
10 Years Treasury Bonds (Discount)	843,440,799	843,336,188	845,100,000	845,100,000
15 Years Treasury Bonds (Discount)	117,630,589	86,288,196	118,100,000	86,600,000
20 Years Treasury Bonds (Discount)	108,819,401	61,170,529	109,300,000	61,400,000
Sub-total	1,587,262,435	1,476,615,861	1,590,400,000	1,479,600,000

Notes to the Financial Statements

	Amortized Cost (Book Value)		Face value	
	2014 Taka	2013 Taka	2014 Taka	2013 Taka
5 Years Treasury Bonds (At par)	420,000,000	527,800,000	420,000,000	527,800,000
10 Years Treasury Bonds (At par)	1,077,400,000	592,700,000	1,077,400,000	592,700,000
15 Years Treasury Bonds (At par)	444,300,000	44,300,000	444,300,000	44,300,000
20 Years Treasury Bonds (At par)	57,200,000	57,200,000	57,200,000	57,200,000
Sub-total	1,998,900,000	1,222,000,000	1,998,900,000	1,222,000,000
Total	5,532,566,891	3,260,448,498	5,523,500,000	3,260,700,000

6.3 (b) Treasury Bonds (HFT)

	Marked to Market Value (Book Value)		Face value	
	2014 Taka	2013 Taka	2014 Taka	2013 Taka
5 Years Treasury Bonds	755,768,379	719,106,817	758,400,000	758,400,000
10 Years Treasury Bonds	295,046,851	267,615,178	308,000,000	308,000,000
	1,050,815,230	986,721,996	1,066,400,000	1,066,400,000

Investments in securities which are Held To Maturity (HTM) are incorporated at their amortized cost and investment held for trading (HFT) at their marked to market basis according to DOS Circular Letter No.05 dated 26 May of 2008.

6.4 Disclosure regarding outstanding reverse repo as on 31 December 2014

SL no	Counter party name	Agreement Date	Reversal Date	Amount
1	Bangladesh Bank	30/12/2014	01/01/2015	700,000,000

6.5 Other Investments -Shares

In shares (quoted and unquoted)

Quoted:

	2014 Taka	2013 Taka
The City Bank Limited	147,995,755	147,995,755
Prime Bank Limited	140,673,639	140,673,639
IFIC Bank Limited	170,983,059	170,983,059
ACI Limited	-	199,422,237
Lanka Bangla Finance Limited	80,000,000	80,000,000
Summit Alliance Port Ltd.	5,945	5,945
BRAC Bank Limited	169,809,107	138,897,107
R A K Ceramics	5,664	5,664
Khulna Power Company Limited	14,897,834	14,897,834
Phoenix Finance 1st Mutual Fund	43,700,613	43,700,613
Apex Tannery	-	1,450,000
Eastern Bank Limited	1,983,900	1,983,900
MI Cement Factory Limited	5,533	5,533
MJL BD Limited	59,323,290	61,074,190
Islami Bank BD Limited	27,726,980	27,726,980
Bank Asia Limited	107,000,000	107,000,000
Square Pharmaceuticals Ltd.	638	638
	964,111,957	1,135,823,094

Unquoted:

Khulna Power Company Limited	-	40,000,000
Infrastructure Development Finance Company	29,683,820	29,683,820
Central Depository Bangladesh Limited	1,569,450	1,569,450
Lanka Bangla Securities Limited	72,000,000	72,000,000
	103,253,270	143,253,270
	1,067,365,227	1,279,076,364

Notes to the Financial Statements

6.5(a) Comparison between cost and market price of quoted shares as on 31 December 2014

Particulars	No. of shares including bonus shares	Market price per share	Market value at 31-12-2014	Cost at 31-12-2014	Surplus/ Deficiency
Lanka Bangla Finance Ltd.	10,626,000	44.00	467,544,000	80,000,000	387,544,000
The City Bank Ltd	9,674,246	21.80	210,898,563	147,995,755	62,902,808
IFIC Bank Ltd. *	3,108,740	26.10	81,138,114	170,980,700	(89,842,586)
BRAC Bank Ltd	4,945,920	37.20	183,988,224	169,809,107	14,179,117
Summit Alliance Port Ltd	82	82.90	6,798	5,945	853
RAK Ceramics	170	57.70	9,809	5,664	4,145
Khulna Power	222,512	57.00	12,683,184	14,897,834	(2,214,650)
Square Pharma	5	258.50	1,293	638	655
Prime Bank Ltd.	3,257,210	19.60	63,841,316	140,673,639	(76,832,323)
MI Cement Factory Ltd	56	72.20	4,043	5,533	(1,490)
MJL BD Limited	560,080	125.60	70,346,048	59,323,290	11,022,758
Islami Bank BD Ltd	804,375	23.40	18,822,375	27,726,980	(8,904,605)
Bank Asia Ltd	3,630,000	16.70	60,621,000	107,000,000	(46,379,000)
Eastern Bank Ltd	40,500	27.20	1,101,600	1,983,900	(882,300)
Phonix Finance 1st M. Fund	2,847,500	4.60	13,098,500	43,700,613	(30,602,113)
IFIC Bank Ltd	46	26.10	1,201	2,359	(1,159)
Total			1,184,106,067	964,111,957	219,994,110

* ONE Bank Limited acquired 3,108,740 no. of shares of IFIC Bank Limited under a Sale and Buy Back Agreement dated August 10, 2006. The Buy Back Guarantors failed to exercise the purchasing option within the tenure of the Agreement and upon expiry, ONE Bank Limited placed the shares to IFIC Bank Limited for transfer to ONE Bank's name. As the IFIC Bank was delaying transfer of the shares, ONE Bank Limited filed a suit before the Honorable High Court Division of the Supreme Court of Bangladesh for transfer of the shares in favor of ONE Bank Limited. Subsequently, the Court directed IFIC Bank to transfer the said shares including Bonus Shares in the name of ONE Bank Ltd. Now the matter is lying in the Appellate Division for hearing, relating to transfer of 33,486,525 shares including 30,377,785 Bonus Shares declared for the years from 2003 to 2013 against the original 3,108,740 no. of shares.

The total market value of 33,486,525 shares of IFIC Bank Limited as of 31 December 2014 was Tk 873,998,302 exceeding the original investment by Tk.703,017,602. In addition to the above Bonus Shares, the Bank has also received cash dividend of Tk. 10,588,625 in the year 2012 (Declared for 2011).

6.6 Residual Maturity of Investments

	2014 Taka	2013 Taka
Payable on demand	745,368,940	1,302,977,672
Up to 3 months	853,935,055	670,588,509
Above 3 months to 1 year	6,259,822,425	4,288,626,511
Above 1 year to 5 years	2,198,369,037	1,862,968,077
Above 5 years	4,666,369,075	2,167,162,864
	14,723,864,532	10,292,323,633

The above amount includes investment in the Government securities as well as other investment.

6 (a) Consolidated Investments

In Government securities

ONE Bank Limited	13,092,499,305	8,853,247,269
ONE Securities Limited	-	-
	13,092,499,305	8,853,247,269

Other Investment

ONE Bank Limited	1,631,365,227	1,439,076,364
ONE Securities Limited	1,801,510,522	1,799,760,500
	3,432,875,749	3,238,836,864
	16,525,375,054	12,092,084,133

Notes to the Financial Statements

7 Loans and Advances

Loans, Cash Credit, Overdraft etc.

7.1 Loans and Advances including bills purchased and discounted classified into the following broad categories:

i) In Bangladesh

Loans

Lease finance (note-7.2)

Cash Credit

Overdraft

Off-shore Banking Unit

Bills purchased and discounted

ONE Bank Limited

Off-shore Banking Unit

Outside Bangladesh

7.2 Lease finance

Lease rental receivable within 1 year

Lease rental receivable within 5 years

Lease rental receivable after 5 years

Total lease receivable

Less: Unearned interest income

Net Lease Finance

7.3 Residual Maturity grouping of loans and advances including bills purchased and discounted

Payable on demand

Up to 3 months

Above 3 months to 1 year

Above 1 year to 5 years

Above 5 years

7.4 Loans and Advances on the basis of significant concentration

i. Advance to Directors

ii. Advance to Managing Director & Senior Executives

iii. Advance to Customer's group:

Commercial lending

Agricultural loan

Export financing

Consumer credit scheme

Small and medium enterprise financing

Staff loan (except Sl. No. ii)

House building loan (other than the employees)

Others

7.5 Industry-wise outstanding of loans & advances

Trade finance

Steel Re-Rolling

Readymade Garments

Textiles

Edible oil, Rice, Flour etc.

Power

Transport

Construction/Engineering

2014
Taka2013
Taka

67,795,008,063	55,804,875,168	
3,004,795,830	2,227,625,481	
89,902,701	129,936,840	
15,011,769,697	13,034,813,810	
85,901,476,291	71,197,251,298	
2,252,017,786	1,604,662,582	
88,153,494,077	72,801,913,880	
2,324,732,852	3,638,051,203	
20,785,826	133,380,007	
2,345,518,678	3,771,431,210	
-	-	
90,499,012,755	76,573,345,090	
94,720,456	141,792,372	
3,593,481,703	2,467,095,189	
-	-	
3,688,202,159	2,608,887,561	
683,406,329	381,262,081	
3,004,795,830	2,227,625,481	
11,243,678,208	9,611,811,829	
24,435,570,044	20,285,410,076	
36,243,214,679	22,204,611,030	
15,364,542,629	20,041,909,955	
3,212,007,195	4,429,602,200	
90,499,012,755	76,573,345,090	
-	-	
142,807,159	262,618,428	
8,165,725,004	34,944,010,384	
927,331,945	1,187,600,000	
2,116,838,143	3,926,315,222	
514,734,664	756,880,754	
9,338,625,572	7,807,529,926	
362,793,421	120,195,362	
1,705,599,051	1,816,566,092	
67,224,557,796	25,751,628,921	
90,499,012,755	76,573,345,090	
10,528,323,507	11,833,098,685	
5,325,640,862	1,541,198,583	
10,912,892,348	10,041,968,398	
5,843,136,301	4,647,224,415	
2,224,929,879	423,814,524	
2,204,978,767	1,542,600,000	
1,059,672,575	1,687,664,182	
2,542,848,186	1,611,358,532	

Notes to the Financial Statements

		2014 Taka	2013 Taka
Personal		4,936,785,168	2,330,604,943
Pharmaceuticals		2,362,257,283	2,023,106,270
Real Estate		4,149,016,251	3,444,911,046
Cargo and Travel Services		47,865,859	227,936,463
Paper & Packaging		1,809,323,332	1,874,437,440
Agro based industry/Dairy products		146,779,269	579,225,175
Others		36,404,563,167	32,764,196,433
		90,499,012,755	76,573,345,090
7.6 Geographical Location-wise Loans and advances			
Dhaka Division		60,972,022,071	53,601,872,926
Chittagong Division		24,221,077,590	19,423,405,892
Rajshahi Division		952,105,712	891,836,968
Khulna Division		2,435,824,021	1,567,728,146
Sylhet Division		871,236,009	907,471,082
Rangpur Division		310,851,958	168,124,323
Barisal Division		66,781,125	12,905,753
Comilla Division		669,114,269	-
		90,499,012,755	76,573,345,090
7.7 Classification of loans and advances			
Unclassified		85,277,427,709	71,057,464,090
Unclassified (Special Mention Account)		948,240,089	1,775,129,000
Substandard		398,623,463	522,436,000
Doubtful		234,425,328	305,684,000
Bad & Loss		3,640,296,166	2,912,632,000
		90,499,012,755	76,573,345,090
7.8 Number of clients with outstanding amount and classified loans and advances exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 14,511.05 million as at 31 December 2014 (Tk 12,069.72 million in 2013).			
Number of clients (Annexure-D)		15	13
Amount of outstanding loans & advances	Tk.	32,438,268,339	23,505,300,000
Amount of classified loans and advances	Tk.	-	-
7.9 Bills purchased and discounted			
Payable in Bangladesh		2,138,234,444	3,323,526,852
Payable outside Bangladesh		207,284,233	447,904,358
		2,345,518,678	3,771,431,210
7.10 Maturity of Bills purchased and discounted			
Upto 1 month		422,775,423	499,424,158
Above 1 month but less than 3 months		775,438,583	1,517,846,079
Above 3 months but less than 6 months		1,076,306,271	1,640,076,003
6 months or more		70,998,402	114,084,970
		2,345,518,678	3,771,431,210
7.11 Particulars of provision for Loans and Advances			
	Rate (%)	Base for Provision Taka	Total Provision Taka
Standard (excluding Staff Loan)	1%	69,480,149,133	1,372,139,125
Small Enterprise Financing	0.25%	9,338,625,572	23,346,564
Consumer Financing (House Financing & Loans for Professionals)	2%	1,854,039,733	37,080,795
Consumer Financing (Other than House Financing & Loans for Professionals)	5%	366,293,981	18,314,699
Special Mention Account	0.25%-5%	948,240,089	18,990,202
Short Term Agriculture Loan	2.50%	927,331,945	46,366,597
Loan to brokerage houses, merchant banks/stock dealers against shares etc.	2%	2,805,386,765	56,107,735
Substandard	20%	251,255,061	51,881,650

Notes to the Financial Statements

	Rate (%)	Base for Provision Taka	Total Provision Taka
Doubtful	50%	114,977,775	57,910,199
Bad & Loss	100%	1,589,749,091	1,591,728,895
Required provision for loans and advances			3,273,866,462
Total provision maintained			3,273,866,462
Excess/ (Short) provision at 31 December			-
Based on the qualitative assessment, the Bank is satisfied that required provision on loans and advance is adequate.			
		2014 Taka	2013 Taka
7.12 Particulars of Loans and Advances			
i) Loans considered good in respect of which the bank is fully secured		76,200,725,611	63,054,289,256
ii) Loans considered good against which the bank holds no security other than the debtor's personal guarantee		1,483,200,473	6,077,335,680
iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors		12,815,086,671	7,441,720,155
iv) Loans adversely classified; provision not maintained there against		-	-
		90,499,012,755	76,573,345,090
v) Loans due by directors or officers of the banking company or any of them either separately or jointly with any other persons		505,600,580	382,813,791
vi) Loans due from companies or firms in which the directors of the bank have interest as directors, partners or managing agents or in case of private companies as members		-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other persons		505,600,580	382,813,791
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or, in case of private companies as members		-	-
ix) Due from other banking companies (Bills purchased and discounted)		2,345,518,678	3,771,431,210
x) Classified loans and advances			
a) Classified loans and advances on which interest has not been charged to income (Note-7.7)		4,273,344,957	3,740,752,000
b) Provision on classified loans and advances (Note-13.4)		1,701,520,744	1,788,421,802
c) Provision kept against loans and advances classified as bad debts		1,591,728,895	1,537,256,121
d) Interest credited to Interest Suspense Account (Note-13.9)		1,622,403,054	876,721,731
xi) Cumulative amount of written off loans and advances			
Opening balance		295,113,342	84,288,731
Written off during the year		-	210,824,611
Closing balance		295,113,342	295,113,342
Amount realised against loans previously written off		-	-
The amount of written off/classified loans for which law suits have been filed		295,113,342	295,113,342

Notes to the Financial Statements

7.13 Details of pledged collaterals received against Loans and Advances

	2014 Taka	2013 Taka
Collateral of movable /immovable assets	61,196,573,869	54,703,524,596
Local banks and financial institutions guarantee	1,051,888,570	1,727,324,275
Government guarantee	-	-
Foreign banks guarantee	59,148,596	16,175,956
Export documents	3,694,533,568	1,854,591,345
Fixed Deposit Receipts (FDR)	1,454,562,521	1,920,822,417
FDR of other banks	71,658,036	461,973,408
Government bonds	10,103,555	8,005,576
Personal guarantee	6,889,096,756	5,936,489,426
Other securities	16,071,447,283	9,944,438,090
	90,499,012,755	76,573,345,090
7 (a) Consolidated Loans and Advances		
ONE Bank Limited	88,153,494,077	72,801,913,880
ONE Securities Limited	15,044,724	-
Loan to ONE Securities Ltd by ONE Bank Limited	(490,026,374)	(403,653,372)
	87,678,512,427	72,398,260,508
Consolidated Bills purchased and discounted		
ONE Bank Limited	2,345,518,678	3,771,431,210
ONE Securities Limited	-	-
	2,345,518,678	3,771,431,210
	90,024,031,104	76,169,691,718
8 Fixed Assets including premises, furniture & fixtures		
Furniture & Fixtures	1,032,958,836	815,030,784
Office equipment	757,855,731	599,702,532
Motor Vehicles	223,750,803	207,162,063
Building	118,999,192	118,999,192
Land	17,700,000	17,700,000
	2,151,264,562	1,758,594,571
Leased Assets	25,044,000	25,044,000
Intangible Assets	131,028,337	131,028,337
	2,307,336,899	1,914,666,908
Less: Accumulated depreciation	911,827,700	709,039,297
Balance on 31 December	1,395,509,199	1,205,627,611
(For details please refer to Annexure- A)		
8 (a) Consolidated Fixed Assets including premises, furniture & fixtures		
ONE Bank Limited	1,395,509,199	1,205,627,611
ONE Securities Limited	3,873,515	-
	1,399,382,714	1,205,627,611
9 Other Assets		
i Income generating		
Investment in shares of subsidiary companies		
1. In Bangladesh	1,448,999,200	1,449,000,000
2. Outside Bangladesh	-	-
ii Non- income generating		
Stock of stationery	35,221,089	32,994,653
Stock of stamps	2,512,142	2,100,619
Security deposits	2,538,295	908,515
Advance rent for office premises	444,055,293	410,469,694
Prepayments	65,890,760	66,808,274
Decoration & Construction work of rented premises for new Branches	1,337,135	56,591,198
Suspense account	13,035,799	40,495,844
Receivable from Bangladesh Bank	81,502,632	50,012,589
Interest receivable	210,760,496	145,877,280

Notes to the Financial Statements

	2014 Taka	2013 Taka
Commission receivable	98,500	294,000
Advance Income Tax (note-9.2)	1,855,719,438	925,565,145
Deferred Tax Assets (note-9.3)	16,434,054	16,479,033
Protested bill	2,727,713	3,345,838
Receivable from ONE Securities Ltd	16,413,348	11,288,213
Inter Branch Account USD	21,337	21,337
Branch Adjustment Account (note-9.1)	1,481,683	813,798
	4,198,748,913	3,213,066,030
Off-shore Banking Unit	-	-
	4,198,748,913	3,213,066,030

9.1

Branch adjustments account represents outstanding Inter-branch and Head Office transactions (Net) originated but yet to be responded at the balance sheet date. However, the Bank has no non-responded pending entry maximum for more than 10 days. The status of unresponded entries of 31 December 2014 are given below:

	Number of Unresponded entries		Unresponded entries (Amount-Taka)	
	Dr	Cr	Dr	Cr
Up to 3 months	11	2	1,578,412	96,729
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
	11	2	1,578,412	96,729
Branch Adjustment Account (Net)			1,481,683	

9.2 Advance income tax

Opening balance on 1 January	925,565,145	1,031,862,959
Add: Tax paid as advance	930,154,293	925,565,145
Less: Advance income tax adjusted during the year	-	(1,031,862,959)
Balance on 31 December	1,855,719,438	925,565,145

9.3 Deferred tax assets:

Opening balance	16,479,033	28,150,610
Addition/(reverse) during the year	(44,979)	(11,671,577)
Closing balance	16,434,054	16,479,033

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences in the carrying amount with tax base.

9 (a) Consolidated Other Assets

ONE Bank Limited	4,198,748,913	3,213,066,030
ONE Securities Limited	11,876,065	4,533,286
Investment in ONE Securities Ltd by ONE Bank Limited	(1,448,999,200)	(1,449,000,000)
Receivable by ONE Bank Limited from ONE Securities Ltd	(16,413,348)	(11,288,213)
	2,745,212,430	1,757,311,103

10 Non Banking Assets

Land & Building	83,866,820	83,866,820
Plant and Machinery	84,250,630	84,250,630
Pre-fabricated Structure	8,990,000	8,990,000
Stock	106,679,075	106,679,075
	283,786,525	283,786,525

The amount of Non-Banking assets was included in the books of accounts after receiving the verdict of the Court in favor of the Bank in accordance with the section 33(5) & 33(7) of ARAA- 2003 for force adjustment of default loan.

The value of these assets was determined on the basis of third party valuation of M/s Jorip O Poridarshan Co. and Geodetic Survey. The action of the Bank and the verdict of the court are supported by the section 33(6) of ARAA-2003 by which the Bank is empowered to sell the said assets and adjust the sale proceeds with the default loan and lodging further suit for recovery of shortfall, if any, after adjusting sale proceeds.

Non-Banking assets include stock of raw materials and finished goods worth Tk. 106,679,075 of defaulter loanee but there could be a possibility of non-realisation of the full amount of stock of raw and finished goods. The Bank believes that there is also the

Notes to the Financial Statements

possibility of gaining significant value due to price appreciation from the disposal of other fixed assets of said non-banking assets. Accordingly to the latest third party valuation made on 06 September 2010, the value of above Land, Building and Machinery only was Tk. 28.88 crore.

The Bank has sought permission from the Central Bank for transferring the said asset to the Bank's assets and the issue is under process for the consent of Bangladesh Bank.

	2014 Taka	2013 Taka
11 Borrowings from other Banks, financial institutions and Agents.		
11.1 i) Borrowings inside Bangladesh	1,317,260,683	145,066,532
ii) Borrowings outside Bangladesh	-	-
	1,317,260,683	145,066,532
11.2 i) Borrowings with security	-	-
ii) Borrowings without security	1,317,260,683	145,066,532
	1,317,260,683	145,066,532
11.3 i) Borrowings payable on demand:		
Agrani Bank Limited	200,000,000	-
Sonali Bank Limited	800,000,000	-
Uttara Bank Limited	150,000,000	-
State Bank of India	70,000,000	-
	1,220,000,000	-
ii) Borrowings others (Term) Refinanced Term loan from Bangladesh Bank	97,260,683	145,066,532
	1,317,260,683	145,066,532
11 (a) Consolidated Borrowings from other banks, financial institutions and Agents.		
ONE Bank Limited	1,317,260,683	145,066,532
ONE Securities Limited	-	-
	1,317,260,683	145,066,532
12 Deposits and other accounts		
i Current account and other account (OBL)		
Off-shore Banking Unit		
	13,263,850,922	15,539,238,323
	15,521,255	25,282,929
	13,279,372,176	15,564,521,251
ii Bills payable		
Payment Order (Issued)	2,524,361,944	1,372,175,398
Demand Draft	786,855	786,855
	2,525,148,799	1,372,962,253
iii Savings accounts		
iv Term deposits		
Fixed deposit receipts	53,197,668,331	41,528,752,337
Short Notice deposits	15,379,850,811	16,436,085,814
Scheme deposits	6,133,978,640	4,652,202,535
Non-resident Foreign Currency Deposits	1,739,467	1,585,576
	74,713,237,249	62,618,626,263
	100,295,058,912	86,568,343,101
12.1 Payable on demands		
Current deposits	4,920,848,457	4,326,238,930
Privilege creditor	250,300,719	373,680,205
Foreign Currency Deposits	2,625,384,316	2,773,737,340
Sundry Deposits	3,996,259,165	6,795,684,496
Interest Payable on deposits	1,071,571,960	1,049,742,651
Other accrued expense	415,007,560	245,437,630
	13,279,372,177	15,564,521,251
Bills payable	2,525,148,799	1,372,962,253
Savings Deposits	879,957,062	631,101,000
	16,684,478,038	17,568,584,505
12.2 Sub-break down of deposits and other accounts		
12.2 (a) Payable on demand		
i Deposits from banks	1,189,460	1,630,872
ii Other than banks	16,683,288,578	17,567,392,895
	16,684,478,038	17,569,023,767

Notes to the Financial Statements

12.2 (b) Other Deposits

Deposits from banks

Short Term Deposits :

Uttara Bank Limited

Fixed Deposit

Premier Bank Limited

Eastern Bank Limited

Rupali Bank Limited

Sonali Bank Limited

BRAC Bank Limited

Janata Bank limited

Other than banks

Total deposits [12.2(a) + 12.2(b)]

12.3 Remaining maturity grouping of deposits

Payable on demand

Up to 3 month

Over 3 months to 1 year

Over 1 year to 5 years

Over 5 years

12 (a) Consolidated Deposits and other accounts

Current account and other account

ONE Bank Limited

ONE Securities Limited

Bills payable

ONE Bank Limited

ONE Securities Limited

Savings accounts

ONE Bank Limited

ONE Securities Limited

Term deposits

ONE Bank Limited

ONE Securities Limited

13 Other liabilities

Interest on bills discounted

Provision for Income Tax (note-13.1)

Deferred tax liability (note-13.2)

Provision for gratuity (note-13.3)

Provision for performance bonus

Provision for loans and advances (note-13.4 & 13.5)

Risk fund of Consumer Credit and Rider

Provision for other assets (note-13.7)

Provision for off balance sheet items (note-13.8)

Provision for diminuation value of share (note-13.10)

Provision for nostro Accounts (note-13.11)

Interest suspense account (note-13.9)

Sinking fund

	2014 Taka	2013 Taka
	191	1,305
	400,000,000	-
	1,000,000,000	-
	3,000,000,000	-
	2,000,000,000	-
	2,500,000,000	-
	500,000,000	-
	9,400,000,000	-
	9,400,000,191	1,305
	74,210,580,683	68,999,318,030
	83,610,580,874	68,999,319,335
	100,295,058,912	86,568,343,101
	23,208,322,049	24,664,845,639
	37,440,740,718	27,667,080,340
	24,445,267,342	22,590,556,590
	10,831,369,756	9,251,959,528
	4,369,359,049	2,393,901,004
	100,295,058,912	86,568,343,101
	13,279,372,176	15,564,521,251
	-	-
	13,279,372,176	15,564,521,251
	2,525,148,799	1,372,962,253
	-	-
	2,525,148,799	1,372,962,253
	9,777,300,687	7,012,233,334
	-	-
	9,777,300,687	7,012,233,334
	74,713,237,249	62,618,626,263
	-	-
	74,713,237,249	62,618,626,263
	100,295,058,912	86,568,343,101
	25	50,824
	1,890,404,716	822,305,193
	105,268,390	79,648,035
	-	-
	199,044,608	210,000,000
	3,273,866,462	2,617,097,271
	473,512	473,512
	3,115,532	8,028,175
	497,870,722	447,632,347
	-	-
	9,815,356	9,815,356
	1,622,403,054	876,721,731
	12,068,305	23,870

Notes to the Financial Statements

	2014 Taka	2013 Taka
Lease Obligation for Vehicles	7,751,616	15,050,997
Interest Payable on Subordinated Debt	4,400,000	5,243,836
Other payable	774,989	22,709,228
Revaluation reserve held for trading securities	155,203,440	87,099,569
	7,782,460,725	5,201,899,942
13.1 Provision for current income tax		
Opening balance on 1 January	822,305,193	1,431,685,552
Less: Provision adjusted during the year	-	(1,031,862,959)
	822,305,193	399,822,593
Add: Provision made during the year	1,068,099,523	422,482,600
Balance on 31 December	1,890,404,716	822,305,193
13.2 Deferred tax liability		
Opening balance	30,859,472	37,073,531
Addition during the year	38,567,124	(6,214,059)
Closing balance	69,426,596	30,859,472
Provision against revaluation reserve for security		
Opening balance	48,788,563	40,889,150
Addition during the year	(12,946,769)	7,899,413
Closing balance	35,841,794	48,788,563
Total	105,268,390	79,648,035
Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences in the carrying amount with tax base.		
13.3 Provision for gratuity		
Opening balance on 1 January	-	-
Provision made during the year	103,584,006	82,818,493
Transferred/Payment made during the year	(103,584,006)	(82,818,493)
Balance on 31 December	-	-
13.4 Specific provision against loans and advances		
Opening balance on 1 January	1,788,421,802	1,555,438,573
Provision written off	-	(177,830,023)
Provision after written off	1,788,421,802	1,377,608,550
Specific provision made during the year	706,700,935	591,030,074
Provisions recovered and no longer required written back	(793,601,993)	(180,216,821)
Net charge to profit & loss account	(86,901,058)	410,813,252
Balance on 31 December	1,701,520,744	1,788,421,802
13.5 General provision against loans and advances		
Opening balance on 1 January	828,675,469	689,352,034
Provision made during the year:		
Unclassified Loans & Advances	831,208,569	120,969,371
Consumer credit & Small enterprise financing	1,433,730	(49,030,430)
Special mention account	(54,741,072)	25,633,869
Loans against shares	(34,230,978)	41,750,624
Net charge to profit & loss account	743,670,249	139,323,435
	1,572,345,717	828,675,469
Balance on 31 December	3,273,866,462	2,617,097,271
13.6 Specific provision as per classification of loans		
Substandard	51,881,650	162,338,619
Doubtful	57,910,199	88,827,061
Bad/Loss	1,591,728,895	1,537,256,122
Balance on 31 December	1,701,520,744	1,788,421,802
13.7 Provision for other asset		
Balance on 1 January	8,028,175	2,727,713
Adjusted with recoverable legal expenses	(4,294,518)	-
Provision made during the year/(recovery) (note-13.7 a and 13.7 b)	(618,125)	5,300,462
Balance on 31 December	3,115,532	8,028,175

Notes to the Financial Statements

	2014 Taka	2013 Taka
13.7.a Provision for protested bill		
Balance on 1 January	3,345,838	2,727,713
Provision made during the year/(recovery)	(618,125)	618,125
Balance on 31 December	2,727,713	3,345,838
13.7.b Provision for legal expenses and others		
Balance on 1 January	4,682,337	-
Adjusted with recoverable legal expenses	(4,294,518)	-
Provision made during the year	-	4,682,337
	387,819	4,682,337
13.8 Provision for off balance sheet items		
Balance on 1 January	447,632,347	326,823,483
Provision made during the year	50,238,375	120,808,864
Balance on 31 December	497,870,722	447,632,347
13.9 Interest suspense account		
Balance on 1 January	876,721,731	606,963,533
Interest suspense charged during the year	1,499,497,995	692,444,376
Interest realized during the year	(739,081,490)	(392,191,593)
Interest written off / waiver	(14,735,181)	(30,494,585)
Balance on 31 December	1,622,403,054	876,721,731
13.10 Provision for diminuation value of share		
Balance on 1 January	-	-
Provision made during the year	-	-
Balance on 31 December	-	-
13.10.a Consolidated Provision made for diminuation value of share		
ONE Bank Limited	-	-
ONE Securities Limited:	406,240,662	10,000,000
	406,240,662	10,000,000
13.11 Provision for nostro Accounts		
Balance on 1 January	9,815,356	2,951,462
Provision made during the year	-	6,863,894
Balance on 31 December	9,815,356	9,815,356
As per circular letter no. FEPD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, Bank is required to make provision regarding the un-reconciled debit balance of nostro account outstanding for more than three months. We have no such [three months & above] pending un-reconciled debit balance as on balance sheet date, but we have maintained provision of Tk.9,815,356 against nostro account on the basis of prudent concept.		
13 (a) Consolidated Other liabilities		
ONE Bank Limited	7,782,460,725	5,201,899,942
ONE Securities Limited	526,194,425	113,785,421
	8,308,655,150	5,315,685,363
14 Subordinated Debt	2,200,000,000	2,200,000,000

ONE Bank Limited issued unsecured non-convertible subordinated bond on 26 December 2013 after obtained approval from Bangladesh Bank and Securities and Exchange Commission vide their letter # BRPD (BIC)661/14B(P0/2013-1869, dated 28 November 2013 and SEC/CI/CPLC-159/2002/2714, dated 08 October 2013 respectively. The Subordinated Bond is counted towards Tier-II capital of the Bank. Interest rate of the Bond is calculated as Benchmark rate +3% Margin. Benchmark rate will be average of most recent month's published Fixed Deposit Interest Rate for 6 months tenor of private commercial banks (excluding Islamic banks) in Bangladesh Banks website. As of Balance Sheet date interest rate is applicable @ 12.00%.

Notes to the Financial Statements

Main Features of the Bond:

Issuer	ONE Bank Limited
Trustee	Bangladesh General Insurance Company Limited.
Lead Arranger	Standard Chartered Bank
Tenor	7 Years
Total Face Value	BDT 2,200 Million
Number of Bonds	2,200

List of Investors:

Name of the Investor	No. of Bonds	Taka
Janata Bank Limited	500	500,000,000
Agrani Bank Limited	500	500,000,000
Rupali Bank Limited	500	500,000,000
Bangladesh Development Bank Limited	200	200,000,000
Saudi Bangladesh Industrial & Agricultural Investment Company Limited	200	200,000,000
Pubali Bank Limited	100	100,000,000
Bangladesh Commerce Bank Limited	100	100,000,000
Uttara Bank Limited	100	100,000,000

	2014 Taka	2013 Taka
15. Share Capital		
15.1 Authorized Capital	10,000,000,000	10,000,000,000
1,000,000,000 (2013:1,000,000,000) ordinary shares of Tk 10 each		
15.2 Issued, Subscribed and fully paid-up Capital	5,243,777,020	4,767,070,020
524,377,702 (2013: 476,707,002) ordinary shares of Tk 10 each		
Sponsors	30.34%	31.06%
General Public	69.66%	68.94%
Total	100.00%	100.00%

The issued, subscribed and fully paid up capital of the Bank is as follows:

Shareholders	No. of Shareholders	No. of Shares	2014 Taka	2013 Taka
Sponsors	16	159,095,465	1,590,954,650	1,480,867,930
General Public	37,887	365,282,237	3,652,822,370	3,286,202,090
Total	37,903	524,377,702	5,243,777,020	4,767,070,020

Shareholding structure of the Bank as at 31-12-2014 is given below:

Range of Holdings	Number of Shareholders	No. of Shares	% of holding of shares
Less than 500	13,508	2,405,557	0.46
501 to 5,000	17,886	32,474,320	6.19
5,001 to 10,000	3,082	21,367,180	4.07
10,001 to 20,000	1,684	23,418,680	4.47
20,001 to 30,000	649	15,872,093	3.03
30,001 to 40,000	233	8,033,713	1.53
40,001 to 50,000	161	7,341,416	1.40
50,001 to 100,000	314	21,929,120	4.18
100,001 to 1,000,000	315	73,910,722	14.09
Over 1,000,000	71	317,624,901	60.57
Total	37,903	524,377,702	100.00

Notes to the Financial Statements

- a) Authorised Capital of the Bank has been raised to Tk. 10,000,000,000 from Tk. 4,150,000,000 during the year 2012. This was approved by Bangladesh Bank and also at the Extra Ordinary General Meeting of the Shareholders of the Bank held on March 29, 2012:
- b) 47,670,700 Bonus shares of Tk. 10 each valued at Tk. 476,707,000 for the year 2013 has been transferred to Paid-up capital account during the year 2014:

The shares of the company are listed at Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd.

Issued, Subscribed & fully Paid up Capital

Particulars	2014 Taka	2013 Taka
Issued for cash : 53,781,220 shares of Tk. 10 each	537,812,200	537,812,200
Issued other than cash : 470,596,482 bonus shares of Tk. 10 each	4,705,964,820	4,229,257,820
	5,243,777,020	4,767,070,020

15.3 Capital Adequacy Ratio:

Consolidated Basis:

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD Circular no. 35 dated December 29, 2010, required capital of the Bank (Consolidated) at the close of business on 31 December 2014 was Taka 10,787,438,082 as against core capital of Taka 9,543,029,108 and supplementary capital of Taka 4,334,382,667 making a total capital of Taka 13,877,411,775 thereby showing a surplus capital/equity of Taka 3,089,973,693 at the date. Details are shown below:

Consolidated Basis:

	2014 Taka	2013 Taka
Core Capital (Tier-1)		
Paid-up capital (note-15.2)	5,243,777,020	4,767,070,020
Statutory Reserve (note-16)	3,305,962,560	2,665,409,979
Minority Interest	8,154,112	12,801,891
Profit & Loss Account	985,135,415	895,565,966
	9,543,029,108	8,340,847,856
Supplementary Capital (Tier-2)		
General provision on Unclassified Loan & Advances (note-13.5)	1,572,345,717	828,675,469
Provision for Off Balance Sheet Items (note-13.8)	497,870,722	447,632,347
Revaluation Reserve for HTM Securities up to 50%	42,166,816	57,398,310
Surplus value of equity instruments up to 10%	21,999,411	26,363,539
Subordinated Debt (note-14)	2,200,000,000	2,200,000,000
	4,334,382,667	3,560,069,665
Eligible for market risk only (Tier-3)		
Short-term subordinated debt	-	-
A) Total Capital	13,877,411,775	11,900,917,522
Total Assets including Off Balance Sheet items	171,499,567,918	146,818,985,654
B) Total Risk Weighted Assets	107,874,380,820	99,995,845,650
C) Required capital based on risk weighted assets (10% on B)	10,787,438,082	9,999,584,565
D) Surplus (A-C)	3,089,973,693	1,901,332,957
Percentage of Capital on Risk Weighted Assets:		
On Core Capital (minimum required 50% of CAR and MCR; 2013: 50%)	8.85%	8.34%
On Supplementary Capital	4.02%	3.56%
On Total Capital (minimum required rate is 10%; 2013: 10%)	12.86%	11.90%
Solo Basis:		
Core Capital (Tier-1)		
Paid-up capital (note-15.2)	5,243,777,020	4,767,070,020
Statutory Reserve (note-16)	3,305,962,560	2,665,409,979
Profit & Loss Account (note-17)	1,626,928,614	1,077,173,216
	10,176,668,194	8,509,653,214

Notes to the Financial Statements

	2014 Taka	2013 Taka
Supplementary Capital (Tier-2)		
General provision on Unclassified Loan & Advances (note-13.5)	1,572,345,717	828,675,469
Provision for Off Balance Sheet Items (note-13.8)	497,870,722	447,632,347
Revaluation Reserve for HTM Securities up to 50%	42,166,816	57,398,310
Surplus value of equity instruments up to 10%	21,999,411	26,363,539
Subordinated Debt (note-14)	2,200,000,000	2,200,000,000
	4,334,382,667	3,560,069,665
Eligible for market risk only (Tier-3)		
Short-term subordinated debt	-	-
A) Total Capital	14,511,050,861	12,069,722,880
Total Assets including Off Balance Sheet items	171,607,012,581	146,874,005,591
B) Total Risk Weighted Assets	107,713,600,000	99,807,400,000
C) Required capital based on risk weighted assets (10% on B)	10,771,360,000	9,980,740,000
D) Surplus (A-C)	3,739,690,861	2,088,982,880
Percentage of Capital on Risk Weighted Assets:		
On Core Capital (minimum required 50% of CAR and MCR; 2013: 50%)	9.45%	8.53%
On Supplementary Capital	4.02%	3.57%
On Total Capital (minimum required rate is 10%; 2013: 10%)	13.47%	12.09%
15.3(a) Revaluation Reserve for Securities		
Revaluation Reserve for Securities	84,333,633	114,796,620
Less: Deferred Tax	(35,841,794)	(48,788,564)
	48,491,839	66,008,057
15.4 As per the directives of the Bangladesh Bank, the Bank has made disclosures as required under Basel II- Pillar III, market discipline as a part of the Annexure- F .		
16 Statutory Reserve		
Balance brought forward from previous year	2,665,409,979	2,310,094,082
Reserve made during the year	640,552,581	355,315,897
Balance on 31 December	3,305,962,560	2,665,409,979
17 Retained earnings/ movement of profit and loss account		
Balance on 1 January	1,077,173,216	912,905,400
Addition during the year	2,096,051,282	1,348,639,366
Transfer to statutory reserve	(640,552,581)	(355,315,897)
Issue of Bonus Share	(476,707,000)	(621,791,740)
Cash Dividend Paid	(429,036,302)	(207,263,914)
Balance at 31 December	1,626,928,614	1,077,173,216
17.1 Retained earnings brought forward from previous year		
Retained Earning of Prior Year	1,077,173,216	912,905,400
Bonus share issued	(476,707,000)	(621,791,740)
Cash Dividend Paid	(429,036,302)	(207,263,914)
Retained Earnings brought forward	171,429,914	83,849,746
17.1(a) Consolidated retained earnings brought forward from previous year		
Retained Earning of Prior Year	895,565,966	802,036,413
Bonus share issued	(476,707,000)	(621,791,740)
Cash Dividend Paid	(429,036,302)	(207,263,914)
Retained Earnings brought forward	(10,177,335)	(27,019,241)

Notes to the Financial Statements

18 Interest and discount income

From clients against loans and advances
Lease finance
Discount from bills purchased & discounted
From banks and financial institutions in Bangladesh
From foreign banks

Off-shore Banking Unit

18 (a) Consolidated Interest and discount income

ONE Bank Limited
ONE Securities Limited
Interest on Loan paid by ONE Securities Ltd to ONE Bank Limited

19 Interest paid on deposits and borrowings

Short term deposits
Savings deposits
Term deposits
Scheme deposits
Borrowings from banks and financial institutions
Interest on Subordinated- Debt

Off-shore Banking Unit

19 (a) Consolidated Interest paid on deposits and borrowings

ONE Bank Limited
ONE Securities Limited

20 Income from Investments

Interest on treasury bills
Interest on treasury bond (Net)
Interest on Bangladesh Bank Bill
Interest from reverse repo
Dividend on Investment
Gain on sale of Shares
Interest on Bond

20 (a) Consolidated Income from Investments

ONE Bank Limited
ONE Securities Limited

21 Commission, exchange and brokerage

Letters of credit (Issue & advising)
Letter of guarantees
Acceptances
Local bills purchased
Foreign bills
Bills for collection
Remittances (PO, DD, TT, Travelers' Cheque etc.)
Export bills
Others

Profit on exchange trading

Less: Loss on exchange trading

Off-shore Banking Unit

2014 Taka	2013 Taka
10,171,115,500	9,043,256,684
421,303,560	393,165,163
399,419,712	516,137,968
83,140,399	59,333,592
44,506,417	33,580,751
11,119,485,588	10,045,474,158
156,120,685	52,277,484
11,275,606,273	10,097,751,642
11,275,606,273	10,097,751,642
1,505,886	272,645
(65,652,526)	(59,739,395)
11,211,459,633	10,038,284,892
1,148,426,451	986,918,663
399,109,087	286,055,757
4,389,254,834	5,300,020,638
560,343,850	410,452,027
80,178,698	60,926,696
301,656,164	5,243,836
6,878,969,084	7,049,617,618
90,941	-
6,879,060,025	7,049,617,618
6,879,060,025	7,049,617,618
-	-
6,879,060,025	7,049,617,618
396,621,227	525,446,430
606,121,116	354,867,327
19,489,339	27,643,595
3,998,630	-
32,724,215	24,011,509
40,659,122	61,563,766
46,419,444	25,126,667
1,146,033,093	1,018,659,295
1,146,033,093	1,018,659,295
8,402,948	-
1,154,436,041	1,018,659,295
305,794,692	260,348,220
89,203,592	105,405,642
184,936,095	150,402,857
20,240	20,550
1,792	590,792
7,279,434	11,045,596
8,623,608	5,704,415
31,721,410	33,406,441
23,300,882	35,746,674
650,881,745	602,671,186
591,172,515	459,066,960
1,111,959	1,190
590,060,556	459,065,769
1,240,942,301	1,061,736,956
1,294,125	5,338,764
1,242,236,426	1,067,075,720

Notes to the Financial Statements

	2014 Taka	2013 Taka
21 (a) Consolidated Commission, exchange and brokerage		
ONE Bank Limited	1,242,236,426	1,067,075,720
ONE Securities Limited	5,431,501	(1,798)
	1,247,667,927	1,067,073,922
22 Other operating income		
Loan processing and service charge	133,063,840	147,483,099
Miscellaneous Credit Card Fee	14,743,193	3,363,686
Recoveries of postage, telex, telephone, fax etc	33,393,526	35,513,332
Letter of Credit miscellaneous charges	133,507,160	116,935,164
General Banking miscellaneous charges	14,121,940	4,231,252
Miscellaneous (note-22.1)	56,966,525	8,335,333
Rent on locker	1,422,500	1,331,700
Gain on sale of fixed assets	-	4,597,114
	387,218,685	321,790,680
Off-shore Banking Units	473,882	1,859,583
	387,692,566	323,650,263
22.1 Miscellaneous income include commission on sanchyapatras, passport endorsement fees, VAT rebate etc.		
22 (a) Consolidated Other operating income		
ONE Bank Limited	387,692,566	323,650,263
ONE Securities Limited	549,192	-
	388,241,759	323,650,263
23 Salary & Allowances		
Salary & Allowances	1,374,802,340	1,264,126,693
Provident Fund Contribution	86,393,835	71,230,574
Gratuity	103,584,006	82,818,493
Superannuation fund	7,000,000	7,000,000
Bonus	236,497,812	330,989,353
	1,808,277,993	1,756,165,113
23(a) Consolidated Salary & Allowances		
ONE Bank Limited	1,808,277,993	1,756,165,113
ONE Securities Limited	5,269,051	1,362,129
	1,813,547,044	1,757,527,242
24 Rent, taxes, insurance, electricity etc.		
Rent	224,282,063	161,383,318
Taxes	1,223,255	395,014
Electricity	48,351,436	33,792,533
Utilities	6,507,719	13,702,323
Insurance	75,280,680	78,749,580
	355,645,152	288,022,767
Off-shore Banking Units	-	-
	355,645,152	288,022,767
25 Legal expenses		
Professional fees	21,823,525	4,138,512
Fees, Court fees & stamps	176,764	138,488
	22,000,289	4,277,000
25 (a) Consolidated Legal expenses/professional expenses		
ONE Bank Limited	22,000,289	4,277,000
ONE Securities Limited	-	-
	22,000,289	4,277,000
26 Postage, stamps, telecommunication etc.		
Telex/Swift	9,556,185	23,280,355
Telephone/Fax etc	8,452,945	6,642,545
Courier/postage	10,127,611	11,310,421
Radio Link	20,350,801	6,089,384
Reuter	2,791,376	2,205,845
	51,278,918	49,528,550

Notes to the Financial Statements

27 Directors' Fees

For attending the meeting of the Board and other committee meetings @ Tk. 5,000 per attendance per person

27 (a) Consolidated Director's Fees

ONE Bank Limited
ONE Securities Limited

28 Stationery, Printing, advertisement etc.

Printed and security stationery
Stationery
Advertisement

Off-shore Banking Units

28 (a) Consolidated Stationery, Printing, advertisement etc.

ONE Bank Limited
ONE Securities Limited

29 Managing Director's Salary & Allowances

Salary & Allowances
House rent
Provident Fund Contribution
Festival Bonus
Incentive Bonus

30 Depreciation, leasing expense and repair of bank's assets

Depreciation (Annexure - A)
Repairs & Maintenance

30 (a) Consolidated Depreciation, leasing expense and repair of bank's assets

ONE Bank Limited
ONE Securities Limited

31 Other expenses

Entertainment
Car expenses
Donation and Subscription
Traveling
Computer & Printer maintenance expenses
Finance charge-against leased assets
Staff training
VISA Card Expenses
Sales Team fees
Bank charges and commission paid
Miscellaneous (**note-31.1**)
Issuance cost of Sub-Ordinated Bond
Mobile Financial Services
Loss from sale/ write off of assets

31.1 Miscellaneous expenses include uniform & liveries, retail loan recovery expenses etc.

31 (a) Consolidated Other expenses

ONE Bank Limited
ONE Securities Limited

	2014 Taka	2013 Taka
	830,000	735,000
	830,000	735,000
	830,000	735,000
	72,500	-
	902,500	735,000
	30,628,939	21,559,022
	37,333,472	55,159,081
	69,696,102	67,225,898
	137,658,514	143,944,001
	-	-
	137,658,514	143,944,001
	137,658,514	143,944,001
	372,003	2,615
	138,030,517	143,946,616
	9,420,000	8,592,878
	180,000	175,645
	939,996	856,852
	1,566,666	1,384,666
	1,000,000	1,000,000
	13,106,662	12,010,041
	202,991,763	168,510,441
	233,764,821	200,626,029
	436,756,584	369,136,470
	436,756,584	369,136,470
	1,105,378	-
	437,861,962	369,136,470
	29,691,552	48,953,638
	103,692,186	88,725,945
	30,411,721	42,431,559
	107,188,240	103,641,088
	16,886,967	16,277,607
	1,709,403	2,675,402
	4,854,525	3,213,904
	16,252,596	8,132,850
	989,315	1,674,714
	6,593,092	6,069,423
	2,775,044	3,924,698
	115,000	28,500,000
	116,389,655	19,510,097
	52,577	90,043
	437,601,873	373,820,968
	437,601,873	373,820,968
	1,939,220	593,132
	439,541,093	374,414,100

Notes to the Financial Statements

32 Provision for loans, investment & off balance sheet exposure

Provision for bad and doubtful loans and advances
Provision for unclassified loans and advances
Provision for off-balance sheet exposure
Provision for other assets

33 Tax Expenses

Current Tax
Deferred tax

33 (a) Consolidated Tax Expenses

Current Tax
ONE Bank Limited
ONE Securities Limited
Deferred Tax
ONE Bank Limited
ONE Securities Limited

34 Interest receipts

Interest income on loans & advances
Interest on Treasury Bills and Bonds

(Increase)/ Decrease in interest receivable on loans & advances
(Increase)/ Decrease in interest receivable others

34 (a) Consolidated Interest receipts

ONE Bank Limited
ONE Securities Limited
Interest on Loan paid by ONE Securities Ltd to ONE Bank Limited

35 Interest payments

Total interest expenses
Add : Opening balance of interest payable
Less: Closing balance of interest payable

35 (a) Consolidated Interest Payment

ONE Bank Limited
ONE Securities Limited

36 Fee and commission receipts in cash

Commission, exchange and brokerage
Less : (Increase) / decrease in Com. receivable

36 (a) Consolidated Fee and commission receipts in cash

ONE Bank Limited
ONE Securities Limited

37 Cash payments to employees

Salaries and allowances
Managing Director's salary and allowances
Less: Payable to employees
Add: Opening Payable

2014 Taka	2013 Taka
(86,901,058)	410,813,252
743,670,249	139,323,435
50,238,375	120,808,864
(618,125)	12,164,356
706,389,441	683,109,907
1,068,099,523	422,482,600
38,612,103	5,457,518
1,106,711,626	427,940,118
1,068,099,523	422,482,600
47,717	1,363
1,068,147,240	422,483,963
38,612,103	5,457,518
-	-
38,612,103	5,457,518
1,106,759,343	427,941,481
11,275,606,273	10,097,751,642
1,072,649,757	933,084,019
12,348,256,029	11,030,835,661
(527,957,417)	(372,232,124)
(64,883,216)	(34,131,764)
11,755,415,397	10,624,471,773
11,755,415,397	10,624,471,773
1,498,751	272,645
(1,679,200)	(54,839,151)
11,755,234,948	10,569,905,267
6,879,060,025	7,049,617,618
1,049,742,651	1,201,433,568
(1,071,571,960)	(1,049,742,651)
6,857,230,716	7,201,308,535
6,857,230,716	7,201,308,535
-	-
6,857,230,716	7,201,308,535
652,175,870	608,009,951
195,500	1,577,216
652,371,370	609,587,167
652,371,370	609,587,167
5,447,649	-
657,819,019	609,587,167
1,722,968,050	1,756,165,113
13,106,662	12,010,041
1,736,074,712	1,768,175,154
(293,149,405)	(427,617,713)
427,617,713	484,555,991
1,870,543,020	1,825,113,432

Notes to the Financial Statements

38 Cash payment to suppliers

Printing, stationery and advertisement etc.
 Repair & Maintenance
 Add: closing stock of stationery and stamps

Less: opening stock of stationery and stamps

39 Cash receipts from other operating activities

Other operating income
 Exchange earnings

39 (a) Consolidated Cash receipts from other operating activities

ONE Bank Limited
 ONE Securities Limited

40 Cash payments for other operating activities

Rent, taxes, insurance and electricity etc.
 Legal expenses
 Postage, stamps, telecommunication etc.
 Directors fees
 Auditors' fee
 Other expenses

Add: Outstanding in payable - Opening balance
 Less: Outstanding in payable - Closing balance

40 (a) Consolidated Cash payments for other operating activities

ONE Bank Limited
 ONE Securities Limited

41 (Increase)/decrease of other assets**Closing balance:**

Security deposits
 Advance rent
 Prepayments
 Renovation work of rented premises
 Suspense account
 Receivable from Bangladesh Bank
 Receivable from ONE Securities Ltd
 Protested bill
 Inter Branch (net balance)

Off-shore banking unit

Less: Opening balance:

Security deposits
 Advance rent
 Prepayments
 Renovation work of rented premises
 Suspense account
 Receivable from Bangladesh Bank
 Receivable from ONE Securities Ltd
 Protested bill
 Inter Branch (net balance)

Off-shore banking unit

	2014 Taka	2013 Taka
	137,658,514	143,944,001
	233,764,821	200,626,029
	37,733,230	35,095,272
	409,156,564	379,665,302
	(35,095,272)	(29,936,630)
	374,061,293	349,728,672
	387,692,566	319,053,149
	590,060,556	459,065,769
	977,753,122	778,118,918
	977,753,122	778,118,918
	549,182	-
	978,302,304	778,118,918
	355,645,152	288,022,767
	22,000,289	4,277,000
	51,278,918	49,528,550
	830,000	735,000
	200,000	190,000
	437,549,296	373,730,925
	867,503,655	716,484,242
	245,437,630	151,104,048
	(197,299,171)	(245,437,630)
	915,642,114	622,150,660
	915,642,114	622,150,660
	1,649,249	133,998
	917,291,363	622,284,658
	2,538,295	908,515
	444,055,293	410,469,694
	65,890,760	66,808,274
	1,337,135	56,591,198
	13,035,799	40,495,844
	81,502,632	50,012,589
	16,413,348	11,288,213
	2,727,713	3,345,838
	1,481,683	813,798
	628,982,657	640,733,963
	-	-
	628,982,657	640,733,963
	908,515	909,215
	410,469,694	289,462,139
	66,808,274	71,346,148
	56,591,198	18,462,625
	40,495,844	8,164,790
	50,012,589	72,402,206
	11,288,213	10,000,000
	3,345,838	2,727,713
	813,798	38,593,347
	640,733,963	512,068,183
	-	-
	640,733,963	512,068,183
	11,751,306	(128,665,780)

Notes to the Financial Statements

	2014 Taka	2013 Taka
41 (a) Consolidated (Increase)/decrease of other assets		
ONE Bank Limited	11,751,306	(128,665,780)
ONE Securities Limited	(16,068,626)	(900,000)
	(4,317,320)	(129,565,780)
42 Deposits from banks		
Closing Balance :		
Payment on demand	1,189,460	1,191,610
Short Term Deposit	191	1,305
Fixed Deposit	9,400,000,000	-
	9,401,189,651	1,192,915
Less : Opening balance	(1,192,915)	(1,200,142)
	9,399,996,736	(7,227)
43 Deposits from customers		
Closing balance of Deposits		
Payable on demand	16,683,288,578	17,397,392,895
Other deposits	73,097,529,621	68,216,756,928
Sub total	89,780,818,199	85,614,149,823
Less: Opening balance of Deposits		
Payable on demand	17,397,392,895	10,530,434,946
Other deposits	68,216,756,928	61,832,066,252
Sub total	85,614,149,823	72,362,501,198
Deposit increased during the year	4,166,668,376	13,251,648,625
Add: Total interest on deposit		
On demand deposits	1,049,742,651	1,201,433,568
On other deposits	245,437,630	151,104,048
Sub total	1,295,180,281	1,352,537,616
Less: Closing balance of interest		
On demand deposits	(1,071,571,960)	(1,049,742,651)
On other deposits	(415,007,560)	(245,437,630)
Sub total	(1,486,579,520)	(1,295,180,281)
	3,975,269,137	13,309,005,958
44 Increase/(decrease) of other liabilities		
Closing balance:		
Interest on bills discounted	25	50,824
Lease Obligation	7,751,616	15,050,997
Risk fund of Consumer Credit and Rider	473,512	473,512
Interest payable on Subordinated debt	4,400,000	-
Interest suspense	1,622,403,054	876,721,731
Off-shore banking unit	1,635,028,207	892,297,064
	1,635,028,207	892,297,064
Less: Opening balance:		
Interest on bills discounted	50,824	55,752
Lease Obligation	15,050,997	21,471,134
Risk fund of Consumer Credit and Rider	473,512	473,512
Interest suspense	876,721,731	606,963,533
	892,297,064	628,963,932
	742,731,143	263,333,132
44 (a) Consolidated (Increase)/decrease of other liabilities		
ONE Bank Limited	742,731,143	263,333,132
ONE Securities Limited	5,732,867	(18,400)
	748,464,010	263,314,732
45 Payment for purchase of securities		
a) Treasury Bills	13,361,015,938	11,718,646,281
b) Treasury Bond	2,680,060,074	1,315,317,929
	16,041,076,013	13,033,964,210

Notes to the Financial Statements

	2014 Taka	2013 Taka
c) Others- Shares		
Closing balance	1,067,365,227	1,279,076,364
Add: Sale during the year	273,231,559	470,581,300
Less: Opening balance	(1,279,076,364)	(1,709,784,831)
	61,520,422	39,872,833
	16,102,596,435	13,073,837,043
45 (a) Consolidated Payment for purchase of securities		
ONE Bank Limited	16,102,596,435	13,073,837,043
ONE Securities Limited	1,750,022	-
	16,104,346,457	13,073,837,043
46 Receipts from sale of securities		
a) Treasury Bills and Bond	12,397,100,000	12,722,200,000
b) Others- Shares	273,231,560	470,581,300
	12,670,331,560	13,192,781,300
47 Letters of Guarantee		
i) Claims against the Bank not acknowledged as debts	-	-
ii) Money for which the Bank is contingently liable in respect of guarantee given favoring:		
Directors	-	-
Government	1,417,078,579	1,521,763,941
Banks and other financial institutions	2,590,942,665	319,742,178
Others	6,870,297,920	9,517,234,472
	10,878,319,164	11,358,740,591
Total (i and ii)	10,878,319,164	11,358,740,591
48 Basic Earnings Per Share		
Attributable profit for the year	2,096,051,282	1,348,639,366
Weighted average number of outstanding Shares for the year:		
Opening balance	476,707,002	476,707,002
Bonus Share Issued during the year 2013	47,670,700	47,670,700
	524,377,702	524,377,702
Basic Earnings Per Share	4.00	2.57
Earnings per share has been calculated in accordance with BAS-33:"Earnings Per Share (EPS)". Previous year's figures have been restated for the issue of bonus shares during the year.		
48 (a) Basic Earnings Per Share Consolidated		
Attributable to holding company	1,635,865,332	1,277,901,104
Weighted average number of outstanding Shares for the year:		
Opening balance	476,707,002	476,707,002
Bonus Share Issued in the year 2013	47,670,700	47,670,700
	524,377,702	524,377,702
Basic Earnings Per Share	3.12	2.44
Earnings per share has been calculated in accordance with BAS-33:"Earnings Per Share (EPS)". Previous year's figures have been restated for the issue of bonus shares during the year.		
49 Related Party Disclosures of the Bank		
i) Name of the directors together with a list of entities in which they have interest- Annexure-E		
ii) Significant contracts where Bank is a party and wherein Directors have interest during the year 2014: Nil		
iii) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil		
iv) Lending policies in respect of related party:		
a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31.12.2014: Nil		
b) Amount of transactions regarding principal items of deposits, expenses and commission : Nil		
c) Amount of provision against loans and advances given to related party : Nil		
d) Amount of guarantees and commitments arising from other off-balance sheet exposures : Nil		
v) Disclosure of transaction regarding Directors and their related concerns: Nil		
vi) i) As on Balance Sheet date, the total receivable amount of Tk.16,413,348 from ONE Securities Limited.		
ii) As on Balance Sheet date, the lending amount of Tk. 490,026,374 to ONE Securities Limited.		
vii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act-1991 (as amended in 2013):		

Notes to the Financial Statements

a) Lease agreement made with the Director :

Nature of the contract	Branch / Office / Location	Name of Director and related by	Remarks
Lease agreement	Corporate Head Quarters, ONE Bank LTD, 46, Kawranbazar, Dhaka.	Mr. Sayeed H. Chowdhury, Director of M/S. Hamid Properties Limited	Expiry date of lease 31.10.2023
Lease agreement	Off Site Stationeries Store at Tejgaon, Plot # 26 Tejgaon Industrial Area, Dhaka.	Mr. Zahur Ullah, owner of M/s. Shamah Enterprises Limited	Expiry date of lease 31.05.2021
Lease agreement	Central Maintenance Unit and Off Site Stationeries Store 14-17A Sagshad Avenue, Tejgaon, Dhaka	Mr. Sayeed H. Chowdhury, Director of M/S. HRC Bangladesh Limited	Expiry date of lease 30.06.2016
Lease agreement	ONE Bank Ltd, Kawran Bazar Branch, HRC Bhaban 46, Kawranbazar, Dhaka	Mr. Sayeed H. Chowdhury, Director of M/S. Hamid Properties Limited	Expiry date of lease 31.06.2023
Lease agreement	Centralised Tarde Processing Center & Centralised Loan Admin Department HRC Bhaban 64-66,, Agrabad C/A, Chittagong	Mr. Sayeed H. Chowdhury, Director of M/S. HRC Properties Limited	Expiry date of lease 29.02.2024
Lease agreement	Agrabad Branch, Chittagong, Centralised Trade Processing-Ctg., Centralised Loan Admin-Ctg. And ONE Securities Limited	Mr. Sayeed H. Chowdhury, Director of M/S. HRC Properties Limited	Expiry date of lease 28.02.2025

viii) Investments in the Securities of Directors and their related concern: **Nil**

50 Number of employees of the Bank

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 36,000 p.a. or above were 1861.

51 Events after the balance sheet date

The Board of Directors in its 221th meeting held on 15 March 2015 has recommended stock dividend @ 12.50% and cash dividend @ 12.50% subject to the approval of the Shareholders at the next Annual General Meeting.

These Financial Statements should be read in conjunction with the annexed notes 1 to 51.



M. Fakhru Alam
Managing Director



Salahuddin Ahmed
Director



Syed Nurul Amin
Director



Zahur Ullah
Director

ONE Bank Limited
Financial Highlights on the overall activities of the Bank

As at 31 December 2014

Solo Basis

SI No	Particulars	2014 Taka	2013 Taka
1	Paid up Capital	5,243,777,020	4,767,070,020
2	Total Capital	14,511,050,861	12,069,722,880
3	Capital Surplus/(deficit)	3,739,690,861	2,088,982,880
4	Total Assets	121,819,940,353	102,690,970,846
5	Total Deposits	100,295,058,911	86,568,343,101
6	Total Loans and Advances	90,499,012,755	76,573,345,090
7	Total Contingent Liabilities and Commitments	49,787,072,228	44,183,034,745
8	Credit Deposit ratio (%)	90.23%	88.45%
9	Percentage of Classified Loans against total loans and advances	4.72%	4.89%
10	Profit after tax and provisions	2,096,051,282	1,348,639,366
11	Amount of classified loans during the year	4,273,344,957	3,740,752,000
12	Provision kept against classified loans	1,701,520,744	1,788,421,802
13	Provision surplus/(deficit)	-	-
14	Cost of fund	11.77%	13.14%
15	Interest earning Assets	109,004,506,882	92,715,581,047
16	Non-interest earning assets	12,815,433,471	9,975,389,798
17	Return on investment-ROI	12.88%	14.08%
18	Return on Assets-ROA (Net profit after taxation/average assets)	1.87%	1.43%
19	Income from Investment	1,146,033,093	1,018,659,295
20	Earning per Share	4.00	2.57
21	Net Income per share	4.00	2.57
22	Price Earning Ratio (Times)	3.95	6.14

Consolidated Basis

1	Paid up Capital	5,243,777,020	4,767,070,020
2	Total Capital	13,877,411,775	11,900,917,522
3	Capital Surplus	3,089,973,693	1,901,332,957
4	Total Assets	121,712,495,690	102,635,950,909
5	Total Deposits	100,295,058,911	86,568,343,101
6	Total Loans and Advances	90,024,031,105	76,169,691,718
7	Credit Deposit ratio (%)	89.76%	87.99%
8	Profit after tax and provisions	1,631,216,753	1,277,186,579
9	Earning per Share	3.12	2.44
10	Net Income per share	3.12	2.44

ONE Bank Limited
Schedule of Fixed Assets
As at 31 December 2014

Annexure-A

[Referred to Note 8 of these Financial Statements]

Particulars	Cost (Taka)			Depreciation (Taka)			Net book value at 31 December	Rate of depreciation per annum (Reducing Balance Method)
	Balance on 1 January	Additions during the year	Disposal during the year	Balance at 31 December	Charge for the year	Adjusted on disposal during the year		
Furniture and Fixtures	815,030,784	218,055,528	127,476	1,032,958,836	64,495,073	86,004	681,021,181	%
Office Equipment	599,702,532	158,306,699	153,500	757,855,731	70,318,951	117,355	396,820,580	10
Motor Vehicles	207,162,063	16,588,740	-	223,750,803	23,926,170	-	109,605,988	18
Building	118,999,192	-	-	118,999,192	3,223,113	-	108,001,581	20
Land	17,700,000	-	-	17,700,000	-	-	17,700,000	2.5
Sub-Total	1,758,594,571	392,950,967	280,976	2,151,264,562	161,963,307	203,359	1,313,149,330	
Leased Assets	25,044,000	-	-	25,044,000	5,008,800	-	11,400,844	20
Intangibles Assets	131,028,337	-	-	131,028,337	36,019,656	-	70,959,025	20
Total 2014	1,914,666,908	392,950,967	280,976	2,307,336,899	202,991,763	203,359	1,395,509,199	
Total 2013	1,649,923,783	279,003,917	14,260,792	1,914,666,908	168,510,441	10,938,794	1,205,627,611	

Reconciliation Statement Regarding Balance with Bangladesh Bank

Annexure-B

1) Balance with Bangladesh Bank-Taka account

	Detail	Amount in Taka Total
Balance as per Bank ledger		6,831,079,184
Unrespond debit entries in:		
Bangladesh Bank Statement	4,901,459	
ONE Bank's ledger	150,250,208	155,151,667
		6,675,927,517
Unrespond credit entries in:		
Bangladesh Bank statement	151,577,920	
ONE Bank's ledger	10,076,580	161,654,500
Balance as per Bangladesh Bank Statement		6,837,582,018

2) Balance with Bangladesh Bank-Foreign currency

	USD	EURO	GBP	Amount in Taka Total
A) Balance as per Bank ledger	698,993,409	1,582,507	1,991,868	702,567,785
B) Unrespond debit entries in:				
Bangladesh Bank Statement	885,886	-	-	885,886
ONE Bank's ledger	-	-	-	-
	885,886	-	-	885,886
C) Unrespond credit entries in:				
Bangladesh Bank statement	86,816,854	-	-	86,816,854
ONE Bank's ledger	401,042,036	-	-	401,042,036
	487,858,891	-	-	487,858,891
Balance as per Bangladesh Bank Statement (A-B+C)	1,185,966,414	1,582,507	1,991,868	1,189,540,790

ONE Bank Limited

Financial Statements for the year ended 31 December 2014

Balance with other banks in foreign currency

Annexure-C

[Referred to Note 4.4 of these financial statements]

Name of the Banks	Currency Name	2014			2013		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.
Citibank NA, New York	USD	-	-	-	34,037.77	77.7500	2,646,436.62
Standard Chartered Bank, New York	USD	4,483,045.25	77.9494	349,450,687.41	(213,750.84)	77.7500	(16,619,127.81)
Commerzbank AG Germany	USD	384,157.44	77.9494	29,944,841.95	-	-	-
HSBC Bank, New York, USA	USD	(36,836.29)	77.9494	(2,871,366.70)	864,642.10	77.7500	67,225,923.28
Mashreqbank Psc, New York	USD	478,110.81	77.9494	37,268,450.77	(357,679.87)	77.7500	(27,809,609.89)
ICICI Bank Limited, Hong Kong	USD	177,610.85	77.9494	13,844,659.19	(221,727.09)	77.7500	(17,239,281.25)
Wells Fargo Bank N.A	USD	2,737,267.58	77.9494	213,368,365.50	2,174,553.55	77.7500	169,071,538.51
		8,223,355.64	-	641,005,638.12	2,280,075.62	-	177,275,879.46
Standard Chartered Bank, London	GBP	50,690.24	120.9151	6,129,215.44	242,929.03	128.0776	31,113,767.13
Arab Bangladesh Bank Ltd, Mumbai	ACUD	31,008.16	77.9494	2,417,067.47	697,218.58	77.7500	54,208,744.60
Habib Bank Limited	ACUD	164,735.15	77.9494	12,841,006.10	1,298,267.39	77.7500	100,940,289.57
Standard Chartered Bank, Pakistan	ACUD	366,748.00	77.9494	28,587,786.55	1,128,847.30	77.7500	87,767,877.58
Nepal Bangladesh Bank Ltd, Kathmandu	ACUD	41,597.61	77.9494	3,242,508.74	16,338.53	77.7500	1,270,320.71
SEYLAN Bank Ltd, Colombo	ACUD	70,342.51	77.9494	5,483,156.45	47,033.58	77.7500	3,656,860.85
Standard Chartered Bank, Mumbai	ACUD	722,294.51	77.9494	56,302,423.68	-	-	-
HSBC Bank, Mumbai	ACUD	-	-	-	57,147.63	77.7500	4,443,228.23
ICICI Bank Limited, Mumbai	ACUD	767,684.95	77.9494	59,840,581.24	273,237.56	77.7500	21,244,220.29
		2,164,410.89	-	168,714,530.23	3,518,090.57	-	273,531,541.83
Standard Chartered Bank, Tokyo	JP YEN	7,779,071.00	0.6459	5,024,501.96	1,456,349.00	0.7393	1,076,678.82
Unicredit Bank, AG	EURO	68,331.31	94.7007	6,471,022.89	78,087.44	106.8207	8,341,355.00
Standard Chartered Bank, Frankfurt	EURO	188,513.27	94.7007	17,852,338.63	67,257.05	106.8207	7,184,445.16
Commerzbank AG Frankfurt	EURO	103,686.10	94.7007	9,819,146.25	74,974.92	106.8207	8,008,873.44
ICICI Mumbai	EURO	13,155.65	94.7007	1,245,849.26	20,841.40	106.8207	2,226,292.94
		373,686.33	-	35,388,357.03	241,160.81	-	25,760,966.54
Westpac Banking Corporation	AUD	79,834.92	63.3807	5,059,993.11	18,282.49	68.9254	1,260,127.94
Bank of Nova Scotia	CAD	-	-	-	94,435.96	72.6025	6,856,286.79
Commerzbank AG Frankfurt	CAD	78,229.53	66.9438	5,236,982.01	-	-	-
Habib Bank AG Zurich, Switzerland	CHF	51,746.80	81.7334	4,229,441.90	-	-	-
Total				870,788,660			516,875,249

ONE Bank Limited
Details of Large Loan

As at 31 December 2014

Annexure-D

SL No	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	Bangladesh Petroleum Corporation	-	492.73	492.73
2	Medlar Group	179.58	143.21	322.79
3	Abul Khair Group	137.24	145.29	282.53
4	Habib Group	131.68	111.92	243.60
5	City Group	178.48	23.66	202.14
6	Airtel Bangladesh Limited	100.74	100.00	200.74
7	Argon Group	82.07	116.27	198.34
8	BSM Group	76.19	109.52	185.71
9	Ananda Group	104.94	80.46	185.40
10	Harvest Rich Group	164.39	0.66	165.06
11	Mohammadi Group (Desh Energy Ltd)	9.68	150.22	159.90
12	TK Group	43.06	110.68	153.74
13	Abdul Monem Group	153.36	-	153.36
14	Sitalpur Steel	52.56	98.59	151.15
15	Arunima Group	44.04	102.60	146.64
Total		1,458.01	1,785.81	3,243.83

Name of the Directors and the entities in which they have interest as on 31 December 2014

Annexure-E

SL No	Name of the Director	Status with the Bank	Name of the Firms/Companies in which they are interested as proprietor, partner, Director, managing agent, Guarantor, Employee etc.	Percentage (%) of holding in the company	Remarks
1.	Mr. Sayeed Hossain Chowdhury	Chairman	1. Bangladesh Shipping Lines Ltd. 2. Baridhi Shipping Lines Ltd. 3. Bangladesh Land Ltd. 4. HRC Syndicate Ltd. 5. HRC Travels Ltd. 6. HRC Lighting Ltd. 7. HRC Properties Ltd. 8. HRC Shipping Ltd. 9. HRC Agrocom Ltd. 10. HRC Bangladesh Ltd. 11. HRC Products Ltd. 12. HRC Media Ltd. 13. Hamid Properties Ltd. 14. Arakan Express Ltd. 15. Information Services Network Ltd. 16. Bangladesh General Insurance Co. Ltd. 17. HRC Freight Ltd. 18. Jaijaidin Publications Ltd. 19. Travel Wise Ltd. 20. HRC Lamps Ltd.	60.00 60.00 49.00 93.00 99.00 47.00 45.00 63.79 80.00 56.00 80.00 99.50 10.00 21.00 8.17 2.07 80.00 84.69 15.00 80.00	
2.	Mr. Asoke Das Gupta	Vice-Chairman	1. Uniroyal Securities Ltd. 2. Uniroyal Trade Ltd. 3. IMTrex 4. Ocunova Eye Hospital 5. NTC Housing Ltd	55.00 60.00 100.00 5.00 12.50	
3.	Mr. Zahur Ullah	Director	1. Gtex Ltd. 2. Buttons & Trims Ltd 3. Lables & Trims Ltd. 4. Lamisa Ltd. 5. L-2 Knitting Ltd. 6. Shamah Enterprises Ltd 7. Holiday Publications Ltd. 8. Lamisa Food Products Ltd. 9. NTC Housing Ltd. 10. Everest Embroidery Ltd. 11. Apparel Fair (Pvt.) Ltd.	33.33 70.00 70.00 60.00 60.00 40.00 10.00 70.00 12.50 53.33 20.00	
4.	KSC Securities Limited	Director	NTC Housing Ltd.	12.50	Represented by Mr. A.S.M Shahidullah Khan
5.	Irfan International Limited	Director	NTC Housing Ltd.	12.50	Represented by Mr. Kazi Rukunuddin Ahmed
6.	M. R. Holdings & Securities Limited	Director	NTC Housing Ltd.	12.50	Represented by Mr. Shawket Jaman
7.	Mr. Syed Nurul Amin	Independent Director	-	-	-
8.	Mr. Salahuddin Ahmed	Independent Director	Consolidated Services Limited	33.33	-

Disclosures on Risk Based Capital (BASEL II)

For the year ended 31 December 2014

Annexure-F**Introduction**

In accordance to Pillar III of the revised Framework for International Convergence of Capital Measurement and Capital Standards (BASEL II) and adopted under the Bangladesh Bank rules and regulations on risk based capital adequacy (issued through Revised RBCA Guidelines, dated December 29, 2010), we are now required to make more in-depth and expanded public disclosure regarding our risk profile (capital structure capital adequacy, risk management and measurement).

Disclosure Policy

The Bank calculates Risk Weighted Assets (RWA) as per BASEL-II guidelines (BRPD circular no.09 dated December 31, 2008) under:

- a) Standardized approach for credit risk,
- b) Standardized approach for market risk and
- c) Basic indicator approach for operational risk.

Scope of Application

The Risk Based Capital Adequacy framework applies to all banks on Solo and consolidated basis, where 'Solo' basis refers to all positions of the bank and 'Consolidated' basis includes subsidiary company of ONE Securities Limited.

Components of Disclosure Framework

- 1. Capital Structure
- 2. Capital Adequacy
- 3. Credit Risk
- 4. Market Risk
- 5. Operational Risk

1. Capital Structure**Qualitative Disclosure:**

The terms and conditions of the main features of all capital instruments have been segregated in terms of eligibility criteria (BRPD) circular no. 35 dated December 29, 2010 and other instructions given by Bangladesh Bank).

Core Capital (Tier-1) comprises of paid up capital, statutory reserve, retained earnings and minority interest in subsidiaries.

Supplementary Capital (Tier-2) comprises of general provision(unclassified loans and off-balance sheet exposure), revaluation reserve for HTM securities up to 50%, surplus value of equity instruments up to 10% and Subordinated Debt as approved by Bangladesh Bank and Securities and Exchange Commission.

Disclosures on Risk Based Capital (BASEL II)

Quantitative Disclosure:

Amount in Crore

SL No.	Particulars	Solo	Consolidated
1.	Amount of Tier-1 capital		
	Fully Paid-up Capital	524.38	524.38
	Statutory Reserve	330.60	330.60
	Retained Earnings	162.69	98.51
	Minority interest in subsidiaries	-	0.82
	Total Tier -1 Capital (A)	1,017.67	954.31
2.	Amount of Tier-2 capital		
	General Provision	207.02	207.02
	Revaluation Reserve for HTM Securities up to (50%)	4.22	4.22
		2.20	2.20
	Revaluation Reserves for equity instruments up to (10%)	220.00	220.00
	Subordinated Debt		
	Total Tier -2 Capital (B)	433.44	433.44
	Total Capital (A+B)	1,451.11	1,387.75

2. Capital Adequacy

Qualitative Disclosure:

The bank strictly follows the guidelines of Bangladesh Bank regarding capital adequacy.

Quantitative Disclosure:

Amount in Crore

SL No.	Particulars	Solo	Consolidated
1.	Capital requirement for Credit Risk	953.90	942.12
	Capital requirement for Market Risk	40.42	54.10
	Capital requirement for Operational Risk	82.82	82.52
	Total	1,077.14	1,078.74
2.	Total Capital Ratio	13.47%	12.86%
	Total Tier-1 Capital Ratio	9.45%	8.85%

3. Credit Risk

Qualitative Disclosure:

Credit risk is the risk of financial loss resulting from failure by a client or counterparty to meet its contractual obligations to the Bank. Credit risk arises from the bank's dealings with or lending to corporate, individuals and other banks or financial institutions. ONE Bank is managing Credit Risk through a robust process that enables the bank to proactively manage loan portfolios in order to minimize losses and earn an acceptable level of return for shareholders.

Disclosures on Risk Based Capital (BASEL II)

3.1 Definitions of past due and impaired

ONE Bank Limited follows the Bangladesh Bank guidelines and definitions of past due and impaired loans as below:

Loan Type	Default		Classified / Impaired		
	Past due	Special Mention	SS	DF	BL
Continuous Loan	If not repaid/renewed within the fixed expiry date for repayment or after the demand by the Bank is treated as past due/overdue from the following day of the expiry date.	A continuous Credit, Demand Loan or a Term Loan which will remain overdue for a period of 02 (two) months or more will be treated as Special Mention Account (SMA).	If it remains past due /overdue for 3 months or beyond but less than 6 months	If it remains past due /overdue for 6 months or beyond but less than 9 months	If it remains past due /overdue for 9 months or beyond.
Demand Loan	If not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue/ overdue from the following day of the expiry date.		If it remains past due/overdue for 3 months or beyond but not over 6 months from the date of expiry / claim by the bank or from the date of creation of the forced loan	If it remains past due / overdue for 6 months or beyond but not over 9 months from the date of claim by the bank or from the date of creation of the forced loan	If it remains past due / overdue for 9 months or beyond from the date of claim by the bank or from the date of creation of the forced loan
Term Loan upto Tk.10.00 lac	In case any installment(s) or part of installment(s) of a Fixed Term Loan upto Tk.10.00 lac is not repaid within the due date, the amount of unpaid installment(s) will be termed as past due /overdue installments from the following day of the due date		If the amount of past due installment is equal to or more than the amount of installment(s) due within 6 months, the entire loan will be classified as ``Sub-standard".	If the amount of past due installment is equal to or more than the amount of installment(s) due within 9 months, the entire loan will be classified as "Doubtful.	If the amount of past due installment is equal to or more than the amount of installment(s) due within 12 months, the entire loan will be classified as "Bad /Loss"
Term Loan above Tk.10.00 lac	In case any installment(s) or part of installment(s) of a Fixed Term Loan above Tk. 10.00 lac is not repaid within the due date, the amount of unpaid installment (s) will be termed as past due /overdue installments from the following day of the due date		If the amount of past due installment is equal to or more than the amount of installment(s) due within 3 months, the entire loan will be classified as ``Sub-standard".	If the amount of past due installment is equal to or more than the amount of installment(s) due within 6 months, the entire loan will be classified as "Doubtful.	If the amount of past due installment is equal to or more than the amount of installment(s) due within 9 months, the entire loan will be classified as "Bad /Loss"
Short-term Agricultural and Micro-Credit	If not repaid within the fixed expiry date for repayment will be considered past due / overdue after six months of the expiry date.		If irregular status continues, the credit will be classified as 'Substandard ' after a period of 12 months	after a period of 36 months	after a period of 60 months

Disclosures on Risk Based Capital (BASEL II)

3.2 Description of approaches followed for specific and general allowances

ONE Bank Limited follows the General and Specific Provision requirement as prescribed by Bangladesh Bank time to time.

3.3 Methods used to measure credit risk

In compliance with Risk Based Capital Adequacy, OBL, as per BASEL-II Guideline, uses ratings assigned by External Credit Assessment Agencies (ECAIs) approved by Bangladesh Bank. The rating is used for both fund based and Non-fund based exposure for corporate borrowers. Corporate, which are yet to get the ratings from these rating agencies, are treated as 'Unrated'.

OBL also uses the Credit Risk Grading System prepared by Bangladesh Bank before taking any exposure on Corporate and Medium clients.

3.4 Credit Risk Management System

Credit Risk Management includes a host of management techniques, which help the banks in mitigating the adverse impacts of credit risk. The objective of the Credit Risk Management is to identify measure, monitor and control credit risk by adopting suitable methodology.

OBL Credit Policy laid down clear outlines from managing credit risk of the Bank. It gives organization structure, defines role and responsibilities of credit handling officials and processes to identify, quantify and manage credit risk.

Credit Risk management system of the Bank clearly defines the roles and responsibilities of the Marketing Division, CRM Division & Credit Administration Department. Marketing division is responsible for Business Solicitation / Relationship Management. CRM Division has been vested with the responsibilities relating to credit approval, credit review, risk grading, credit MIS. The Bank has setup Project Appraisal & Monitoring [PAM] Department under CRM Division manned with qualified Engineers for pre-sanction project appraisal & monitoring of post-disbursement project implementation. Special Asset Management Department also reports to Head of CRM Division relating to the management of impaired assets. Credit Administration Division has been entrusted with completion of documentation formalities, loading of credit limits in the system, monitoring of account movements & repayments.

The policy covers a structured and standardized credit approval process including a comprehensive credit appraisal procedure. In order to assess the credit risk associated with any financing proposal, the Bank assesses a variety of risks relating to the borrower and the relevant industry. The Bank evaluates borrower risk by focusing:

- ▶ Borrower's standing
- ▶ Borrower's business and market position
- ▶ Financial position of the borrower by analyzing the financial statements, its past financial performance, its financial flexibility in terms of ability to raise capital and its cash flow adequacy.

The Board of Directors of the Bank has delegated Business Approval Power to the Head of CRM and Managing Director. Credit facilities beyond the delegation are approved by the EC and / or Board.

The Bank manages its credit risk through continuous measuring and monitoring of risks at each obligor (borrower) and portfolio level. ONE Bank Limited is also considering credit ratings of the client assessed by ECAIs while initiating any credit decision. A well structured Delegation and Sub-delegation of Credit Approval Authority is prevailing at ONE Bank Limited for ensuring goods governance and better control in credit approval and monitoring.

3.5 Credit Risk Mitigation

Banks, for mitigating credit risks, usually accepts collaterals viz. cash and cash equivalents, registered mortgage on land and building and hypothecation of inventory, receivables and machinery, motor vehicles, aircraft etc. Housing loans are secured by the property/ asset being financed.

However, in compliance with Risk Based Capital Adequacy as prescribed by Bangladesh Bank OBL only considers eligible financial collateral for risk mitigation as per Basel II guidelines.

The Bank accepts guarantees from individuals with considerable net worth and the Corporate, besides guarantee issued by Government, other Commercial banks in line with present BASEL-II guidelines.

Disclosures on Risk Based Capital (BASEL II)

3.6 Policies and Processes for Collateral Valuation and Management

OBL has specific stipulations about acceptability, eligibility and mode of valuation of real estate collaterals whereby independent qualified surveyors have been enlisted to perform the valuation job. Apart from professional valuation, RMs and credit officers at Branch level physically verify the collateral offered and cross check the professional valuation. Subsequently entire chain documents of the collateral are checked and vetted both by OBL enlisted Panel Lawyers and Head Office Loan Administration Division so as to ensure clean title and enforceability of the collateral.

Quantitative Disclosure:

Particulars	Amount in Crore	
	Solo	Consolidated
Total gross credit risk	9,538.94	9,421.19
Funded Domestic	8,127.48	8,009.73
Non-Funded Domestic	1,411.46	1,411.46
Geographical distribution of exposures		
Domestic	9,538.94	9,421.19
Overseas	-	-
Cash and Cash equivalents		
Claims on Bangladesh Government and Bangladesh Bank		
Claims on Banks & NBFIs:	65.42	66.20
Claims on Corporate	5,561.60	5,561.60
Claims on SME	760.92	760.92
Claims under Credit Risk Mitigation	4.95	4.95
Claims included in retail portfolio & Small Enterprise	12.18	12.18
Claims on Consumer Loan	38.66	38.66
Claims Fully secured by residential property	91.82	91.82
Claims Fully secured by commercial real estate	6.12	6.12
Past due claims	296.28	296.28
Unlisted equity investments and regulatory capital	194.04	12.91
Investment in venture capital	420.81	420.81
Investment in premises, plant and equipment and all other	140.17	140.58
All other categories	534.51	596.70
Risk weighted assets for On-balance sheet items	8,127.48	8,009.73
Risk weighted assets for Off-balance sheet exposure	1,411.46	1,411.46
Gross Non Performing Assets (NPAs)	427.33	427.33
Non Performing Assets (NPAs) to Outstanding Loans & Advances	4.72%	4.72%
Movement of Non-Performing Assets (NPAs)		
Opening Balance	374.08	374.08
Additions	211.37	211.37
Reductions	158.12	158.12
Closing Balance	427.33	427.33
Movement of specific provisions for NPAs		
Opening Balance	178.84	178.84
Provision made during the period	70.67	70.67
written off	-	-
Write back of excess provision	79.36	79.36
Closing balance	170.15	170.15

4. Market Risk

Qualitative Disclosure:

Market risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate due to changes in different market variables, namely:

Disclosures on Risk Based Capital (BASEL II)

- Interest Rate Risk
- Equity Position Risk
- Foreign Exchange Risk
- Commodity Risk

All these risks are monitored by the Treasury. The foreign exchange risk is managed by setting limits on open foreign exchange position.

The Bank's Investment during the year 2014 was Tk. 1,472.39 crore. Investment was mostly in long term Government Securities which stood at Tk. 1,309.25 crore.

4.1 Methods Used to Measure Market Risk

To measure of market risk the Bank uses – Value-at-Risk (VaR).

4.2 Market Risk & Liquidity Risk Management Policies and System

The objective of investment policy covering various face of Market Risk is to assess and minimize risks associated with treasury operations by extensive use of risk management tools. Broadly it encompasses policy prescriptions for managing systematic risk, credit risk, market risk, operational risk and liquidity risk in treasury operations.

For market risk arising out of various products in trading book of the bank and its business activities, the bank sets regulatory internal and ensure adherence thereto. Limits for exposure to counterparties, industries and countries are monitored and the risks are controlled through Trigger Point, Stop Loss limits, Overnight limit, Daylight limit, Dealers limit, Dealing Room limit, Counter Party limit, Aggregate Gap limit, Value at Risk (VAR), Inter-bank dealing limit and investment limit etc.

For the Market Risk Management of the bank, it has a mid-office with separate Desks for Treasury & Asset Liability Management (ALM)

Asset Liability Management Committee (ALCO) is primarily responsible for establishing the market risk management, asset liability management of the bank, procedures thereof, implementing core risk management, framework issued by regulator, best risk management practices followed globally and ensuring that internal parameters, procedures, practices/policies and risk management prudential limits are adhered to.

Liquidity risk of the bank is assessed through Gap analysis for maturity mismatch based on residual maturity in different time buckets as well as various liquidity ratios and management of the same is done within the prudential limit fixed thereon. Further bank is also monitoring the liquidity position through various stock ratios. The bank is proactively using duration gap and interest rate forecasting to minimize the impact of interest rate changes.

4.3 Market Risk in Trading Book

Market risk regulatory capital requirements are computed based on the standardized approach prescribed by BB.

Quantitative Disclosure:

		Amount in Crore	
SL No.	Particulars	Solo	Consolidated
1.	The capital requirements for:		
	Interest Rate Risk	2.53	2.53
	Equity Position risk	23.68	37.36
	Foreign Exchange Risk	14.21	14.21
	Commodity Risk	-	-
	Total	40.42	54.10

5. Operational Risk

Qualitative Disclosure:

5.1 Views of Board of Directors on system to reduce Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and systems (for example failed IT system, or fraud perpetrated by an OBL employee), or from external causes, whether deliberate, accidental or natural. It is inherent in all of the Bank's activities. Operational risks are monitored and, to the extent possible, controlled and mitigated.

Disclosures on Risk Based Capital (BASEL II)

The Bank's approach to operational risk is not designed to eliminate risk altogether but rather, to contain risks within levels deemed acceptable by senior management.

All functions, whether business, control or logistics functions, must manage the operational risks that arise from their activities. Operational risks are pervasive, as a failure in one area may have a potential impact on several other areas. The Bank has therefore established a cross-functional body to actively manage operational risk as part of its governance structure.

The foundation of the operational risk framework is that all functions have adequately defined their roles and responsibilities. The functions can then collectively ensure that there is adequate segregation of duties, complete coverage of risks and clear accountability.

5.2 Potential External Events

The bank invests heavily in IT Infrastructure for better automation and online transaction environment. The bank also has huge investment on alternative power supply (both UPS & generators) and network links to avoid system failure. ONE Bank invests heavily on security from terrorism and vandalism to avoid damage to physical assets.

5.3 Approach for Calculating Capital Charges for Operational Risk

For local regulatory capital measurement purposes, the Bank follows the Basic Indicator Approach.

Quantitative Disclosure:

SL No.	Particulars	Amount in Crore	
		Solo	Consolidated
1.	The capital requirements for: Operational Risk	82.82	82.52

ONE Bank Limited
Off-Shore Banking Unit
Balance Sheet

As at 31 December 2014

Annexure-G

PROPERTY AND ASSETS	Notes	2014		2013	
		USD	Taka	USD	Taka
CASH					
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent bank (including foreign currency)		-	-	-	-
		-	-	-	-
Balance with other Banks and Financial Institutions	3				
In Bangladesh		-	-	-	-
Outside Bangladesh				-	-
		-	-	-	-
Money at Call on Short Notice		-	-	-	-
Investment		-	-	-	-
Loans and Advances:	4				
Loans, Cash Credits, Overdrafts, etc.		28,890,765	2,252,017,786	20,638,747	1,604,662,582
Bills purchased and discounted		266,658	20,785,826	1,715,498	133,380,007
		29,157,423	2,272,803,612	22,354,246	1,738,042,589
Fixed Assets		-	-	-	-
Other Assets		-	-	-	-
Non Banking Assets		-	-	-	-
Total Assets		29,157,423	2,272,803,612	22,354,246	1,738,042,589
LIABILITIES AND CAPITAL					
Borrowing from other Banks, Financial Institutions and Agents		-	-	-	-
Deposits and other Accounts:	5				
Current Account and Other account		199,120	15,521,255	324,751	25,282,929
Bills Payable		-	-	-	-
Saving bank deposit		-	-	-	-
Term deposits		-	-	-	-
		199,120	15,521,255	324,751	25,282,929
Other Liabilities	6	28,071,086	2,188,124,334	21,830,365	1,697,277,387
Total Liabilities		28,270,206	2,203,645,588	22,155,116	1,722,560,316
Capital/Shareholders' Equity					
Profit and Loss Account		887,217	69,158,024	199,129	15,482,273
Total Liabilities and Shareholders' Equity		29,157,423	2,272,803,612	22,354,246	1,738,042,589
Off Balance Sheet Items					
Contingent Liabilities:					
Acceptance and endorsements	7	-	-	1,636,488	127,236,938
Letter of Guarantee		-	-	-	-
Irrevocable Letters of Credit		-	-	-	-
Bills for Collection		-	-	-	-
		-	-	1,636,488	127,236,938
Other Commitments					
Documentary Credits and short term trade-related transactions		-	-	-	-
Forward assets purchased and forward deposits placed		-	-	-	-
Undrawn note issuance and revolving undertaking facilities		-	-	-	-
Undrawn formal standby facilities, credit lies and other commitments		-	-	-	-
		-	-	-	-
Total Off Balance Sheet Items		-	-	1,636,488	127,236,938

ONE Bank Limited
Off-Shore Banking Unit
Profit & Loss Account

For the year ended 31 December 2014

	Notes	2014		2013	
		USD	Taka	USD	Taka
Interest Income	8	2,002,847	156,120,685	672,379	52,277,484
Interest paid on deposits and borrowings	9	1,086,031	84,655,427	373,818	29,064,325
Net Interest Income		916,816	71,465,258	298,562	23,213,159
Commission Exchange and Brokerage	10	16,602	1,294,125	68,666	5,338,764
Other Income	11	6,079	473,882	23,917	1,859,583
Total Operating Income (A)		939,497	73,233,265	391,145	30,411,506
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamps, telecommunication etc.		-	-	-	-
Directors fees		-	-	-	-
Auditor's fee		-	-	-	-
Stationery, printings, advertisements etc.		-	-	-	-
Managing Director's salary and fees		-	-	-	-
Depreciation, leasing expense and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
Total operating expenses (B)		-	-	-	-
Profit before provision (C=A-B)		939,497	73,233,265	391,145	30,411,506
Provision for loans and advances					
Specific provision		-	-	-	-
General provision		(68,604)	(5,347,610)	(192,442)	(14,962,379)
		(68,604)	(5,347,610)	(192,442)	(14,962,379)
Provision for off-balance sheet items		16,323	1,272,369	426	33,146
Other provision		-	-	-	-
Total Provision (D)		(52,281)	(4,075,241)	(192,016)	(14,929,233)
Profit/(loss) before taxes (C-D)		887,217	69,158,024	199,129	15,482,273
Current tax expense		-	-	-	-
Deferred tax (expense)/income		-	-	-	-
Net profit after taxation		887,217	69,158,024	199,129	15,482,273

ONE Bank Limited
Off-Shore Banking Unit
Cash Flow Statement

For the year ended 31 December 2014

	2014		2013	
	USD	Taka	USD	Taka
Cash flows from operating activities				
Interest receipts in cash	2,002,847	156,120,685	672,379	52,277,484
Interest payments	(1,086,031)	(84,655,427)	(373,818)	(29,064,325)
Fee and commission receipts	16,602	1,294,125	68,666	5,338,764
Receipts from other operating activities	6,079	473,882	23,917	1,859,583
Operating profit before changes in current assets and liabilities	939,497	73,233,265	391,145	30,411,506
Increase/(decrease) in operating assets and liabilities				
Loans and advances to customers	(6,803,177)	(530,303,586)	(19,326,005)	(1,502,596,897)
Deposits from banks	-	-	-	-
Deposits from customers	(125,631)	(9,792,883)	(411,591)	(32,001,178)
Other liabilities	5,989,311	466,863,205	14,346,451	1,115,436,570
	(939,497)	(73,233,265)	(5,391,145)	(419,161,506)
A Net cash flows from operating activities	-	-	(5,000,000)	(388,750,000)
Cash flows from investing activities				
Payments for purchase of securities	-	-	-	-
Receipts from sale of securities	-	-	-	-
Net Purchase/sale of fixed assets	-	-	-	-
B Net cash used in investing activities	-	-	-	-
Cash flows from financial activities				
Receipts from issue of ordinary shares	-	-	-	-
Dividend paid	-	-	-	-
C Net cash used in financing activities	-	-	-	-
D Net increase in cash and cash equivalents (A+B+C)	-	-	(5,000,000)	(388,750,000)
Effect of exchange rate changes on cash and cash equivalents	-	-	-	(10,499,500)
E Opening cash and cash equivalents	-	-	5,000,000	399,249,500
F Closing cash and cash equivalents (D+E)	-	-	-	-
Closing cash and cash equivalents				
Cash in hand	-	-	-	-
Cash with Bangladesh Bank & its agent(s)	-	-	-	-
Cash with other banks and financial institutions	-	-	-	-
Money at call on short notice	-	-	-	-

Off-Shore Banking Unit

Notes to the Financial Statements

For the year ended 31 December 2014

1.1 Status of the units

Off-Shore Banking Unit is a separate business unit of ONE Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-Shore Banking Unit permission vide letter no. BRPD (P-3) 744 (115)/2010-2337 dated 26 May 2010. The Bank commenced the operation of its Off-Shore Banking Unit from 12 December 2010. At Present the Bank has 2 (Two) units one in Dhaka and another in Chittagong.

1.1.1 Principal activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its Off-Shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

Financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the OBU. The financial statements of the OBU are prepared in accordance with the Bank Companies Act 1991, in particular Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, Other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standard (BFRSs) and other rules and regulation where necessary.

1.2.2 Use of estimates and judgments

The preparation of financial statements 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.

1.2.3 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

b) Commitments

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

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

1.2.5 Reporting period

These financial statements cover from 01 January 2014 to 31 December 2014.

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the unit management for its short-term commitments.

Notes to the Financial Statements

1.3.2 Loans and advances / investments

- a) Loans and advances of Off-Shore Banking Units are stated in the balance sheet on gross basis.
- b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

1.3.3 Fixed assets and depreciation

- a) All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and nonrefundable taxes.
- b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate
Furniture and fixtures	10%
Office equipment	18%
Vehicle	20%

- c) For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

1.4 Basis for valuation of liabilities and provisions

A provision is recognised in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Interest income

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis.

1.5.2 Fees and commission income

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

1.5.3 Interest paid and other expenses

In terms of the provisions of the BAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2 General

- a) These financial statements are presented in Taka, Which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1 = Taka 77.9494 (closing rate as at 31 December 2014).

Notes to the Financial Statements

	2014		2013	
	USD	Taka	USD	Taka
3 Balance with other Banks and Financial Institutions				
In Bangladesh	-	-	-	-
Outside Bangladesh	-	-	-	-
	-	-	-	-
4 Loans and advances				
i) Loans, cash credits, overdrafts, etc.				
Loan (General)	28,890,765	2,252,017,786	20,320,457	1,579,915,531
Cash Credit	-	-	-	-
Overdraft	-	-	-	-
Loan against Trust Receipt	-	-	318,290	24,747,051
	28,890,765	2,252,017,786	20,638,747	1,604,662,582
ii) Bills purchased and discounted				
Inland bills purchased	-	-	-	-
Foreign bills purchased and discounted	266,658	20,785,826	1,715,498	133,380,007
	266,658	20,785,826	1,715,498	133,380,007
	29,157,423	2,272,803,612	22,354,246	1,738,042,589
5 Deposits and other accounts				
Current deposits	55	4,318	4,551	387,396
Foreign currency deposits	-	-	-	-
Sundry deposits	199,064	15,516,937	320,200	24,895,533
	199,120	15,521,255	324,751	25,282,929
6 Other liabilities				
Due to Head Office	27,779,512	2,165,396,298	21,590,458	1,678,624,592
General Provision (Unclassified Loan) 1%	291,574	22,728,036	239,907	18,652,795
	28,071,086	2,188,124,334	21,830,365	1,697,277,387
7 Contingent liabilities				
Letters of credits				
Letters of credits	-	-	-	-
Acceptance and endorsements	-	-	1,636,488	127,236,938
Back to Back letter of credit	-	-	-	-
	-	-	1,636,488	127,236,938
8 Interest income				
LTR loan	4,622	360,308	32,092	2,495,186
Foreign Documentary bills purchased	35,960	2,803,081	135,300	10,519,563
Short Term Loan	1,867,594	145,577,861	504,987	39,262,735
Term Loan	94,670	7,379,435	-	-
Interest on loans and advances	2,002,847	156,120,685	672,379	52,277,484
Interest received from HO	-	-	-	-
Total Interest income	2,002,847	156,120,685	672,379	52,277,484
9 Interest on deposits, borrowings,				
Interest paid to HO	1,084,864	84,564,486	373,818	29,064,325
Interest expenses against nostro account	1,167	90,941	-	-
	1,086,031	84,655,427	373,818	29,064,325
10 Commission, exchange and brokerage				
Commission on L/Cs'	-	-	25,364	1,972,044
Commission on Acceptance	-	-	27,535	2,140,835
Other commission	16,602	1,294,125	15,767	1,225,885
	16,602	1,294,125	68,666	5,338,764
11 Other operating income				
L/C advice charge	3,450	268,925	8,685	675,259
Export Bill Handling Charge	1,743	135,893	11,423	888,174
EXP Issuing Charge	712	55,500	-	-
Postage	174	13,563	3,389	263,495
Others	-	-	420	32,655
	6,079	473,882	23,917	1,859,583

Annexure-H

ONE Securities Limited

Auditor's Report to the shareholders of ONE Securities Limited

Report on the Financial Statements:

We have audited the accompanying financial statements of ONE Securities Limited (OSL) which comprise the statement of financial position as at 31 December 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information disclosed in Notes 1-24 to the financial statements.

Management's Responsibility for the financial statements:

Management of OSL is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 opinion.

Opinion:

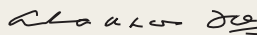
In our opinion, financial statements which have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the statement of affairs of the company as at 31 December 2014 and of its financial performance and cash flows for the year then ended and comply with applicable laws and regulations.

Report on Other Legal and Regulatory Requirements:

We also report that:

- (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) 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.
- (c) the Company's financial position and financial performance dealt with by the Report are in agreement with the books of account.

Dated: Dhaka,
12 March 2015


ATA KHAN & CO.
Chartered Accountants

ONE Securities Limited
Statement of Financial Position


As at 31 December 2014

	<u>Notes</u>	<u>2014 Taka</u>	<u>2013 Taka</u>
SOURCE OF FUND			
Shareholders' Equity			
Paid-up Capital	3	1,463,636,300	1,463,636,300
Retained Earnings		(648,276,188)	(183,441,659)
Total Source of fund		815,360,112	1,280,194,642
APPLICATION OF FUND			
Non Current Assets (A)			
Investment in DSE and CSE Shares	4	600,200,000	600,200,000
Preliminary expenses	6	436,447	872,895
Fixed Assets	7	3,873,515	-
		604,509,962	601,072,895
Current Assets (B)			
Advance deposit and prepayments	8	5,100,303	925,000
Advance income tax	9	5,333,291	2,735,392
Investment in Shares	5	1,201,310,522	1,199,560,500
Margin Loan to clients	10	15,044,724	-
Accounts receivable	11	1,006,023	-
Cash and cash equivalents	12	15,689,433	4,627,862
		1,243,484,297	1,207,848,754
Current Liabilities -(C)			
Short Term Borrowing	13	490,026,374	403,653,372
Other liabilities	14	519,937,034	113,648,655
Audit Fee Payable	15	25,000	25,000
Other payable	16	22,645,739	11,399,979
		1,032,634,147	528,727,006
Net Current Assets (D=B-C)		210,850,150	679,121,747
Total Application of Fund (A+D)		815,360,112	1,280,194,642

The annexed notes 1-24 form an integral part of the financial statements.


Aminul Islam
Chief Executive Officer



A.S.M. Salahuddin
Director


Syed Nurul Amin
Director


Asoke Das Gupta
Director

See annexed auditor's report to the Shareholders of the date

Dhaka: 12 March 2015


ATA KHAN & CO
Chartered Accountants

ONE Securities Limited
Statement of Comprehensive Income

for the year ended 31 December 2014

	<u>Notes</u>	<u>2014 Taka</u>	<u>2013 Taka</u>
Operating Income (A)			
Commission and Brokerage Income	17	5,447,649	-
Interest Income	18	1,505,886	272,645
Investment Income	19	8,402,948	-
Other Operating Income	20	549,192	-
		15,905,676	272,645
Operating Expenses (B)			
Interest paid on short term loan		65,652,526	59,739,395
Bank charges		16,149	1,798
Salary & Allowances	21	5,269,051	1,362,129
Auditor's fee		25,000	25,000
Director's fees		72,500	-
Amortization of preliminary expenses		436,447	436,447
Printing & Stationary		307,503	2,615
Repairs and Maintenance		27,235	-
Advertisement expenses		64,500	-
Depreciation		641,696	-
Fees and renewal	22	1,003,231	142,505
Direct expenses	23	325,430	-
Other expenses	24	610,560	14,180
Total		74,451,826	61,724,070
Net profit/(loss) before provision and tax (A-B)		(58,546,151)	(61,451,425)
Provision for diminution in value of share	14.1	406,240,662	10,000,000
Provision for income tax	14.2	47,717	1,363
Net profit/(Loss) after provision		(464,834,530)	(71,452,788)
Retained surplus brought forward		(183,441,659)	(111,988,871)
Retained surplus carried forward		(648,276,188)	(183,441,659)
Earning per Share		(31.76)	(4.88)

The annexed notes 1-24 form an integral part of the financial statements.


Aminul Islam
Chief Executive Officer

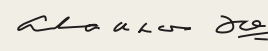

A.S.M. Salahuddin
Director


Syed Nurul Amin
Director


Asoke Das Gupta
Director

See annexed auditor's report to the Shareholders of the date

Dhaka: 12 March 2015


ATA KHAN & CO
Chartered Accountants

ONE Securities Limited
Statement of Cash Flows
for the year ended 31 December 2014

	2014 Taka	2013 Taka
Cash Flows from Operating Activities		
Interest Receipts in cash	1,498,751	272,645
Commission and Brokerage receipts in cash	5,447,649	-
Interest Payments	(1,679,200)	(54,839,151)
Dividend receipts	6,733,148	-
Income Taxes paid	(755,470)	(27,265)
Advance Deposit and Prepayment	(25,000)	(900,000)
Other Payable	5,732,867	(9,150)
Other Receivable	(1,006,023)	-
Loan to Clients	(15,037,603)	-
Payment to employees	-	(9,250)
Receipts from other operating activities	549,182	-
Operating Expenses	(1,649,249)	(133,998)
A) Net Cash used in Operating Activities	(190,947)	(55,646,169)
Cash Flows from Investing Activities		
Payments for purchase of securities	(1,750,022)	-
Net Purchase/Sales of fixed assets	(2,997,461)	-
B) Net Cash used in Investing Activities	(4,747,483)	-
Cash Flows from Financing Activities		
Receipts from issue of shares	-	-
Short term borrowing	16,000,000	51,300,000
C) Net Cash from Financing Activities	16,000,000	51,300,000
D) Net increase/ (decrease) in cash and cash equivalent (A+B+C)	11,061,571	(4,346,169)
Opening Cash and cash equivalents	4,627,862	8,974,031
Closing cash and cash equivalents	15,689,433	4,627,862

The annexed notes 1-24 form an integral part of the financial statements.


Aminul Islam
Chief Executive Officer


A.S.M. Salahuddin
Director


Syed Nurul Amin
Director


Asoke Das Gupta
Director

Dhaka: 12 March 2015

ONE Securities Limited
Statement of Changes in Equity
for the year ended 31 December 2014

Particulars	Amount in Taka		
	Paid-up Capital	Retained Earnings	Total
Balance as at January 01, 2014	1,463,636,300	(183,441,659)	1,280,194,642
Net profit / (loss) during the period	-	(464,834,530)	(464,834,530)
Balance as at December 31, 2014	1,463,636,300	(648,276,188)	815,360,112
Balance as at December 31, 2013	1,463,636,300	(183,441,658)	1,280,194,642

The annexed notes 1-24 form an integral part of the financial statements.


Aminul Islam
Chief Executive Officer


A.S.M. Salahuddin
Director


Syed Nurul Amin
Director


Asoke Das Gupta
Director

Dhaka: 12 March 2015

ONE Securities Limited

Notes to the Financial Statements

for the period ended 31 December 2014

1 Status of the Company

1.1 Legal Form of the Company

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on December 24, 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000

1.2 Nature of Business Activities:

The principal activities of the company are to buy and sell and deal in shares, stocks, debentures and other securities and undertake all the functions as a TREC Holder of Stock Exchange.

2 Significant Accounting Policies and basis of preparation of Financial Statements

2.1 Basis of Accounting:

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of the Stock Exchanges and other laws and rules applicable to securities company.

2.2 Statement of Cash flows

Statement of cash flows is prepared in accordance with the Bangladesh Accounting Standard-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method.

2.3 Fixed assets and depreciation

a) All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and nonrefundable taxes.

b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate
Furniture and fixtures	10%
Office equipment	18%

c) Software acquired by the company is stated at cost less accumulated amortisation. Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in specific assets to which it relates. Amortisation is recognized in profit and loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life of software is five years. Useful life, residual value and impairment of status are reviewed at each financial year end and adjusted if applicable.

d) For additions during the year, depreciation is charged for the remaining days of the year and disposal depreciation is charged up to the date of disposal.

2.4 Investment in securities

Investment in marketable and non-marketable ordinary shares has been shown at cost. Provision for diminution in value of shares (Quoted) as on closing of the year on an aggregate portfolio basis has been made in the account.

2.5 Preliminary and pre-operating expenses

These are recognized as an asset if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably. These are amortized over 5 years.

Notes to the Financial Statements

2.6 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with banks and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the company management for its short-term commitments.

2.7 Provision for taxation

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying required rate.

2.8 Interest paid and other expenses

In terms of the provision of BAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.9 Share capital

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

2.10 Reporting period

These financial statements cover period from January 01, 2014 to December 31, 2014.

2.11 Reporting Currency

The amount shown in this financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

2.12 Related party transaction

Related party transaction is a transfer of resources, services or obligation between related parties and here the related party transactions are the loan taken from ONE Bank Limited amounting to Tk.490,026,374 and a payable amounting to Tk.16,413,348 to ONE Bank Limited.

2.13 Directors' responsibility on Financial Statements

The board of directors of the company is responsible for the preparation and presentation of these Financial Statements.

2.14 Events after reporting period

All known material events after the Balance Sheet date have been considered and appropriate adjustments/disclosures have been made in the Financial Statements, where necessary up to the date of preparation of Financial Statements as per BSA-10 "Events After the Reporting Period".

2.15 Earnings per Share

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on December 31, 2014 as per BAS-33 "Earnings Per Share".

2.16 General

Previous year figures have been rearranged wherever considered necessary to conform to current years presentation.

ONE Securities Limited

Notes to the Financial Statements

for the period ended 31 December 2014

	2014 Taka	2013 Taka
3 Share Capital		
3.1 Authorized Capital		
4,00,00,000 Ordinary Shares of Taka 100/- each.	4,000,000,000	4,000,000,000
3.2 Issued, Subscribed and Paid-up Capital		
1,46,36,363 ordinary shares of Taka 100/- each fully paid.	1,463,636,300	1,463,636,300

3.3 Shareholding position of the company

Name of Shareholders	Number of Shares	Amount in Taka
ONE Bank Limited	14,489,992	1,448,999,200
NTC Housing Limited	146,363	14,636,300
Mr. Zahur Ullah	1	100
Mr. Asoke Das Gupta	1	100
Mrs. Farzana Chowdhury	1	100
KHH Holdings Limited	1	100
M R Holdings & Securities Limited	1	100
Irfan International Limited	1	100
KSC Securities Limited	1	100
Master Holdings Limited	1	100
	14,636,363	1,463,636,300

4 Investment in DSE and CSE Shares

Shares in DSE	320,200,000	320,200,000
Shares in CSE	280,000,000	280,000,000
	600,200,000	600,200,000

This represents our original investment cost for DSE and CSE memberships in exchange of which shares at a face value of Tk. 10 each have been allotted in favour of the company in November 2013 for DSE and in October 2013 for CSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Securities and Exchange Commission's (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange Ltd. (DSE) allotted total 72,15,106 ordinary Shares at face value of Tk.10.00 each and Chittagong Stock Exchange Ltd. (CSE) allotted total 42,87,330 ordinary Shares at face value of Tk.10.00 each against the ownership as a TREC Holder of DSE and CSE respectively. Out of the above DSE transferred 2,886,042 shares and CSE transferred 1,714,932 shares directly to the credit of the Beneficiary Owner's account of the company. The rest shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013. As there is no active market for transaction the shares of DSE and CSE, we have shown the value at original cost of our investment.

5 Investment in Shares

Lanka Bangla Finance Limited	502,040,000	502,040,000
The City Bank Limited	697,520,500	697,520,500
Meghna Petroleum Limited	475,896	-
Titans Gas Transmission & Distribution Company Limited	1,274,126	-
Total cost price	1,201,310,522	1,199,560,500

5.1 Comparison between cost and market price of Shares as on December 31, 2014

Name of Company	Number of shares	Market price	Market Value at 31-12-2014	Cost per unit	Cost	Surplus/ (Deficiency)
LankaBangla Finance Ltd	5,844,300	44.00	257,149,200	85.90	502,040,000	(244,890,800)
City Bank Limited	19,507,950	21.80	425,273,310	35.76	697,520,500	(272,247,190)
Meghna Petroleum limited	2,000	211.00	422,000	237.95	475,896	(53,896)
Titans Gas Trans. & Dist. Com. Ltd.	15,500	79.70	1,235,350	82.20	1,274,126	(38,776)
			684,079,860		1,201,310,522	(517,230,662)

Notes to the Financial Statements

	2014 Taka	2013 Taka
6 Preliminary expenses		
CSE Tender Schedule Purchase	15,000	15,000
SEC Capital Raising Consent Application	5,000	5,000
SEC Capital Raising Formal Approval Fee	332,751	332,751
RJSC Registration Fee	1,814,485	1,814,485
RJSC Legal Fee	15,000	15,000
	2,182,236	2,182,236
Less: Accumulated Amortized		
Opening balance	1,309,342	872,895
During the year	436,447	436,447
Closing balance	1,745,789	1,309,342
	436,447	872,895
7 Fixed Assets including premises, furniture & fixtures		
Furniture & Fixtures	126,500	-
Office equipment	2,988,711	-
	3,115,211	-
Intangible Assets	1,400,000	-
	4,515,211	-
Less: Accumulated depreciation	641,696	-
	3,873,515	-
(For details please refer to Annexure-A)		
8 Advance deposit and prepayment		
Amount paid to Chittagong Stock Exchange as deposit for clearing house.	50,000	25,000
Security Deposit to CDBL for depositary participant	200,000	200,000
Advance payment for Office Decoration	4,668,303	-
Advance payment of Software installation	182,000	-
Advance payment of Software installation for Back Office	-	700,000
	5,100,303	925,000
9 Advance income tax		
Opening balance	2,735,392	2,708,127
Addition during the year (Note-9.1)	2,597,900	27,265
Closing balance	5,333,291	2,735,392
9.1 Addition during the year		
Advance tax paid with Appeal to Appellate Tribunal	172,630	-
Advance income tax deducted on Dividend	1,669,800	27,265
Advance income tax deducted by DSE on transaction	668,254	-
Advance income tax deducted by DSE on transaction for Dealer	1,483	-
Advance income tax deducted by CSE on transaction for Dealer	370	-
Advance income tax deducted by CSE on transaction	12,144	-
Advance income tax deducted by Bank on Deposit	62,241	-
Advance income tax deducted by Bank on Deposit Dealer	10,978	-
	2,597,900	27,265
10 Margin Loan to clients	15,044,724	-
This amount represents the margin loan balance with clients provided by the company at the balance sheet date, which includes principal amount and accrued interest on margin loan.		
11 Accounts Receivable		
Receivable from DSE	1,006,023	-
Receivable from CSE	-	-
	1,006,023	-

Notes to the Financial Statements

12 Cash and Cash Equivalent

Cash in Hand	
ONE Bank Limited, Kawran Bazar Branch (SND)-Revenue A/C	
ONE Bank Limited, Principal Branch (SND)-Consolidated Customer A/C	
ONE Bank Limited, Principal Branch (IPO Account)	
ONE Bank Limited, Principal Branch (SND)- Dealer	

2014 Taka	2013 Taka
16,680	-
451,524	4,627,862
10,938,356	-
366,500	-
3,916,373	-
15,689,433	4,627,862

13 Short Term Borrowing

Loan from ONE Bank Limited	
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490,026,374	403,653,372
--------------------	--------------------

The above Overdraft was taken from ONE Bank Ltd, Kawran Bazar Branch bearing interest @ 12.50% per annum of quarterly basis vide reference no. OBL-KBB-Credit/055/2014 dated June 26, 2014.

14 Other liabilities

Provision for diminution in value of investment in shares (note-14.1)	
Provision for Income Tax (note-14.2)	

517,230,662	110,990,000
2,706,372	2,658,655
519,937,034	113,648,655

14.1 Provision for diminution in value of investment in shares

Opening balance	
Provision for the year	
Closing balance	

110,990,000	100,990,000
406,240,662	10,000,000
517,230,662	110,990,000

As on December 31, 2014 Market Price on Investment in Share amounting to Tk. 684,079,860 and Cost price TK. 1,201,310,522 result in Provision requirement of Tk. 517,230,662. OSL has made full provision against the shortfall in value of Investment in Shares.

14.2 Provision for Income Tax

Opening balance	
Provision for the year *	
Closing balance	

2,658,655	2,657,292
47,717	1,363
2,706,372	2,658,655

* Net loss before provision and tax for the year ended 31 December , 2014 is Tk. 58,546,151, So the company will not be required to make provision against tax. But as per Income Tax Ordinance 1984 under Section 16CCC minimum tax @ 0.30% on the gross receipts is required to pay. Accordingly we have made a provision of Tk.47,717 on the gross receipts of tk. 15,905,676.

15 Audit Fee

Opening balance	
Charge during the year	
Paid during the year	
Closing balance	

25,000	20,000
25,000	25,000
(25,000)	(20,000)
25,000	25,000

16 Other Payable

Payable to ONE Bank Ltd.	
Leave Fare Assistance	
VAT on audit fees	
Payable to Clients	
Payable to Telnet Communication Limited	
Marketing Expenses Payable	
Payable to Service Outsourcing	
IPO Application Money A/C	
Payable to Dhaka Stock Exchanges	
Payable to Chittagong Stock Exchanges-Dealer	
Payable to Chittagong Stock Exchanges	
Payable to CDBL	

16,413,348	11,288,213
381,598	108,016
3,750	3,750
4,826,064	-
12,000	-
47,689	-
46,422	-
364,000	-
6,086	-
503,608	-
33,109	-
8,065	-
22,645,739	11,399,979

17 Commission and Brokerage Income

Commission income from Broker	
Commission income from Dealer	

5,432,825	-
14,824	-
5,447,649	-

Notes to the Financial Statements

	2014 Taka	2013 Taka
18 Interest Income		
Interest income from Margin Loan	775,006	-
Interest on Bank Deposit	730,880	272,645
	1,505,886	272,645
19 Investment Income		
Dividend Income	8,349,000	-
Capital Gain	53,948	-
	8,402,948	-
20 Other Operation Income		
BO Accounts Opening Fees	209,200	-
Annual Maintenance fees for BO Accounts	37,000	-
Documentation Fees for Margin Loan	28,800	-
Transmission In/Out	99,516	-
Cheque Dishonour	20,000	-
Management Fees- Margin Accounts	24,000	-
Miscellaneous	130,676	-
	549,192	-
21 Salary and Allowances		
Salary & Allowances	4,709,787	1,217,563
Bonus	559,264	144,566
	5,269,051	1,362,129
22 Fees and renewal		
License and renewal fee	170,100	64,000
RJSC expenses	29,700	-
Authorized representative application fee	8,300	2,000
CDBL Charges	480,286	-
Training Expenses	36,500	33,305
Monthly Line Charges	232,645	-
Trading Work Station Charge	25,000	-
DSE Membership fee	4,700	4,700
BSEC Fees for raising Paid Up Capital	5,000	-
Govt. Excise Duty	11,000	21,000
CSE Membership Fee	-	5,000
Documentation fee for Depository Participant	-	2,500
Application fee (BSEC)	-	10,000
	1,003,231	142,505
23 Direct Expenses		
Howla Charges-DSE	47,526	-
Howla Charges-DSE-Dealer	38	-
Howla Charges-CSE-Dealer	22	-
Transaction Fee -DSE	271,098	-
Transaction Fee-DSE-Dealer	593	-
Transaction Fee-CSE-Dealer	132	-
Howla Charges-CSE	1,756	-
Transaction Fee-CSE	4,264	-
	325,430	-
24 Others expenses		
Messenger Service	87,503	-
Security Guard expenses	212,706	-
Entertainment	98,084	-
Conveyance	2,780	-
Sundry Expenses	41,513	7,430
VAT on Audit fee	3,750	6,750
Cleaning Service	116,535	-
Marketing Expenses	47,689	-
	610,560	14,180

ONE Securities Limited
Schedule of Fixed Assets
 As at 31 December 2014

Annexure-A

[Referred to Note 7 of these Financial Statements]

Particulars	Cost (Taka)			Depreciation (Taka)				Net book value at 31 December	Rate of depreciation per annum (Reducing Balance Method) %
	Balance on 1 January	Additions during the year	Disposal during the year	Balance at 31 December	Charge for the year	Adjusted on disposal during the year	Balance at 31 December		
Furniture and Fixtures	-	126,500	-	126,500	8,433	-	8,433	118,067	10
Office Equipment	-	2,988,711	-	2,988,711	423,263	-	423,263	2,565,448	18
Sub-Total	-	3,115,211	-	3,115,211	431,696	-	431,696	2,683,515	
Intangibles Assets	-	1,400,000	-	1,400,000	210,000	-	210,000	1,190,000	20
Total 2014	-	4,515,211	-	4,515,211	641,696	-	641,696	3,873,515	
Total 2013	-	-	-	-	-	-	-	-	

Our Network of Branches & Booths

Corporate HQ: 2/F HRC Bhaban, 46 Kawran Bazar C. A., Dhaka, Bangladesh

Tel: +880 2 9118161, **Fax:** +880 2 9134794, **SWIFT:** ONEBDDH000, **Website:** www.onebank.com.bd

Dhaka Zone

Principal Branch

45, Dilkusha C.A., Dhaka, Bangladesh
Tel : 880 2 9564249
Fax : 880 2 9561960
E-mail : manager.principal@onebank.com.bd
SWIFT : ONEBDDH001

Dhanmondi Branch

House No. 21, Road No. 8
Dhanmondi R. A., Dhaka, Bangladesh
Tel : 880 2 9139224, 9120790, 8120672
Fax : 880 2 9143965
E-mail : manager.dhanmondi@onebank.com.bd
SWIFT : ONEBDDH013

Mirpur Branch

Plot No. 2, Road No. 11, Section No. 6
Block No. C, Mirpur-11, Dhaka, Bangladesh
Tel : 880 2 8035232, 8031406, 9012969
Fax : 880 2 9016165
E-mail : manager.mirpur@onebank.com.bd
SWIFT : ONEBDDH011

Banani Branch

Plot No. 158, Block No. E
Banani R. A., Dhaka, Bangladesh
Tel : 880 2 8824423, 8823427
Fax : 880 2 8824561
E-mail : manager.banani@onebank.com.bd
SWIFT : ONEBDDH018

Imamgonj Branch

18, Roy Iswar Chandra Shill Bahadur Street
Imamgonj, Dhaka, Bangladesh
Tel : 880 2 7316477, 7316488
Fax : 880 2 7316499
E-mail : manager.imamgonj@onebank.com.bd
SWIFT : ONEBDDH008

Motijheel Branch

Sharif Mansion
56-57, Motijheel C. A., Dhaka, Bangladesh
Tel : 880 2 9564191, 9566896, 9570544
Fax : 880 2 9563746
E-mail : manager.motijheel@onebank.com.bd
SWIFT : ONEBDDH020

Kakrail Branch

Musafir Tower
90, Kakrail, Dhaka, Bangladesh
Tel : 880 2 8300063, 8300043
Fax : 880 2 9351260
E-mail : manager.kakrail@onebank.com.bd
SWIFT : ONEBDDH022

Elephant Road Branch

Globe Centre
216, Elephant Road, New Market
Dhaka, Bangladesh
Tel : 880 2 8626524, 8626525, 8626526
Fax : 880 2 8626527
E-mail : manager.elephantroad@onebank.com.bd

Bangshal Branch

22, Bangshal Road
Bangshal, Dhaka, Bangladesh
Tel : 880 2 7111677
Fax : 880 2 9567925
E-mail : manager.bangshal@onebank.com.bd

Banasree Branch

Al-Kausar Palace
House # 2, Road # 5, Block - D
Banasree R/A, Dhaka, Bangladesh
Tel : 880 2 7287739, 7287993
Fax : 880 2 7286183
E-mail : manager.banasree@onebank.com.bd

Jagannathpur Branch

Ka-43, Jagannathpur, Nadda
Dhaka, Bangladesh
Tel : 880 2 8415612-14
Fax : 880 2 8415615
E-mail : manager.jagannathpur@onebank.com.bd

Gulshan Branch

97, Gulshan Avenue, Dhaka, Bangladesh
Tel : 880 2 9890138-40
Fax : 880 2 9856797
E-mail : manager.gulshan@onebank.com.bd
SWIFT : ONEBDDH003

Kawran Bazar Branch

HRC Bhaban
46, Kawran Bazar C. A., Dhaka, Bangladesh
Tel : 880 2 8156054, 8155158, 9128584
Fax : 880 2 8155158
E-mail : manager.kawranbazar@onebank.com.bd
SWIFT : ONEBDDH012

Uttara Branch

House No. 14, Road No. 14B, Sector No. 4
Uttara Model Town, Dhaka, Bangladesh
Tel : 880 2 8951447-50
Fax : 880 2 8924261
E-mail : manager.uttara@onebank.com.bd
SWIFT : ONEBDDH006

Ganakbari (EPZ) Branch

Somser Plaza
Ganakbari Savar, Dhaka, Bangladesh
Tel : 880 2 7789653-4
Fax : 880 2 7789654
E-mail : manager.ganakbariepz@onebank.com.bd
SWIFT : ONEBDDH005

Jatrabari Branch

Mansur Complex
249/B/2, South Jatrabari, Dhaka, Bangladesh
Tel : 880 2 7554800-2
Fax : 880 2 7554803
E-mail : manager.jatrabari@onebank.com.bd

Joypara Branch

Monowara Mansion
Joypara Bazar
Latakhola, Raipara, Dohar,
Dhaka, Bangladesh
Tel : 880 2 7768161
E-mail : manager.joypara@onebank.com.bd

Narayangonj Branch

Haque Plaza
Plot No. 05, B. B. Road, Chashara C. A.,
Narayangonj, Bangladesh
Tel : 880 2 7648572-3
Fax : 880 2 7635242
E-mail : manager.narayangonj@onebank.com.bd
SWIFT : ONEBDDH017

Tongi SME/Agriculture Branch

Shahjalal Shopping Complex, 1/1-A
Sahajuddin Sarkar Road, Tongi
Gazipur, Bangladesh
Tel : 880 2 9817407-9
Fax : 880 2 9817410
E-mail : manager.tongi@onebank.com.bd

Progoti Sharani Branch

Ridge Dale
Cha - 75/2, Uttar Badda
Dhaka, Bangladesh
Tel : 880 2 8816648, 8813755, 8814175
Fax : 880 2 8816649
E-mail : manager.progotisharani@onebank.com.bd

Nawabgonj Branch

Sikder Plaza
Bagmara Bazar, Nawabgonj
Dhaka, Bangladesh
Mobile : 01730082799
E-mail : manager.nawabgonj@onebank.com.bd

Madhabdi Branch

355, Madhabdi Bazar (Bottola)
Narsingdi, Bangladesh
Tel : 880 2 9446885-7
Fax : 880 2 9446888
E-mail : manager.madhabdi@onebank.com.bd

Basabo Branch

Dhaka Complex Pvt. Ltd.
1/Ga, Central Basabo, Sabujbagh
Dhaka, Bangladesh
Tel : 880 2 7811336-38
Fax : 880 2 7811339
E-mail : manager.basabo@onebank.com.bd

Moghbar Branch

Erra Tower, 1/B, Outer Circular Road
Moghbar Wireless, Ramna
Dhaka, Bangladesh
Tel : 880 2 8319562, 8319570, 8319584
Fax : 880 2 9336674
E-mail : manager.moghbar@onebank.com.bd

Ring Road Branch

Shampa Super Market
6/7 Adarsha Chayaneeer
Ring Road, Shamoli, Dhaka, Bangladesh
Tel : 880 2 9104551, 9104552, 9104553
Fax : 880 2 9104554
E-mail : manager.ringroad@onebank.com.bd

Lalbagh Branch

47, Horonath Gosh Road
Lalbagh, Dhaka
Tel : 880 2 9668939, 9672748, 9672713
Fax : 880 2 9668795
E-mail : manager.lalbagh@onebank.com.bd

Tipu Sultan Road Branch

50, Tipu Sultan Road, Nawabpur, Dhaka
Tel : 880 2 9537845-47
Fax : 880 2 9591844
E-mail : manager.tipusultanroad@onebank.com.bd
Web : www.onebank.com.bd

Chittagong Zone

Agrabad Branch

95, Agrabad C.A., Chittagong, Bangladesh
Tel : 880 31 721384, 726295, 711198
Fax : 880 31 714125
E-mail : manager.agrabad@onebank.com.bd
SWIFT : ONEBDDH002

Khatunjonj Branch

110-111, Khatunjonj, Chittagong,
Bangladesh
Tel : 880 31 619377, 621252,
635645, 635526
Fax : 880 31 624454
E-mail : manager.khatunjonj@onebank.com.bd
SWIFT : ONEBDDH004

Jubilee Road Branch

Kader Tower
128, Jubilee Road, Chittagong, Bangladesh
Tel : 880 31 2853112-5
Fax : 880 31 2853116
E-mail : manager.jubileeroad@onebank.com.bd
SWIFT : ONEBDDH023

Cox's Bazar Branch

Monora Complex
East Laidighir Par, Court Hill Lane
Main Road, Cox's Bazar, Bangladesh
Tel : 880 341 51113-4
Fax : 880 341 51114
E-mail : manager.coxsbazar@onebank.com.bd

CDA Avenue Branch

Avenue Center
787/A, CDA Avenue
East Nasirabad
Kotwali, Chittagong, Bangladesh
Tel : 880 31 2858151-3
Fax : 880 31 2858154
E-mail : manager.cdaavenue@onebank.com.bd

Nanupur Bazar Branch

Central Plaza
Nanupur Bazar, Fatichchari
Chittagong, Bangladesh
Tel : 04436140511-4 (RanksTel)
Mobile : 01730323092
E-mail : manager.nanupurbazar@onebank.com.bd

Sitakunda Branch

BBC Steel Bhaban, South Shitalpur,
Sitakunda, Chittagong, Bangladesh
Tel : 880 31-2780961-3
E-mail : manager.sitakunda@onebank.com.bd

Rangamati Branch

H. B. Plaza
72/Ma, Banarupa Bazaar
Rangamati, Bangladesh
Tel : 880 351 61701-2, 61741
Fax : 880 351 61742
E-mail : manager.rangamati@onebank.com.bd

Boalkhali Branch

Joinab Tower
Gomdondi, Boalkhali Sadar
Chittagong, Bangladesh
Tel : 880 03032 56181-3
E-mail : manager.boalkhali@onebank.com.bd

Raozan Branch

Al-Baraka Mazda Bhaban
10/742, College Gate, Munshirghata, Raozan
Tel : 880 31 2573291, 2573292, 2573293
Fax : 880 31 2573294
E-mail : manager.raozan@onebank.com.bd

Ranirhat Branch

Ferdous Shopping Complex
Raja Nagar, Rangunia, Ranirhat
Mobile : 01755594064
E-mail : manager.ranirhat@onebank.com.bd

Chandgaon Branch

Khawaja Complex
1706/D Arakan Road, Chandgaon, Chittagong
Tel : 880 31 2573291, 2573292, 2573293
Fax : 880 31 2573294
E-mail : manager.chandgaon@onebank.com.bd

Dovashi Bazar Branch

Tayabia Madrasa Market
Chandraghona, Rangunia
Chittagong
Mobile : 01755594073
E-mail : manager.dovashibazar@onebank.com.bd

Halishahar Branch

House # 2, Road # 3, Block # L
Halishahar Housing Estate
Boropole, Chittagong
Tel : 880 31 727712, 727713, 727714
Fax : 880 31 727715
E-mail : manager.halishahar@onebank.com.bd

Hathazari Branch

J & G Shopping Complex
Ramgor Road, Hathazari Bus Station
Hathazari, Chittagong
Tel : 880 31 2602003-5
Fax : 880 31 2602006
E-mail : manager.hathazari@onebank.com.bd

Anderkilla Branch

RAC Chamber
37 Raja Pukur Lane, Kotwali, Chittagong
Tel : 880 31 2851612-14
Fax : 880 31 2851611
Mobile : 01766667014
E-mail : manager.anderkilla@onebank.com.bd

Mithachara Branch

Mithachara Islamia Fazil Madrasa Market
Mithachara Bazar, Mirsarai, Chittagong
Tel : 880 3024 56048, 56049, 56050
Fax : 880 3024 56052
E-mail : manager.mithachara@onebank.com.bd

Anowara Branch

Mohsen Awlia Shopping Complex
Anowara Barkal Road, Upazila Sadar Anowara, Chittagong
Tel : 880 3029 56142, 56143, 56144
Fax : 880 3029 56141
E-mail : manager.anowara@onebank.com.bd

Station Road Branch

Asian SR Hotel
291 Station Road, Kotwali, Chittagong
Tel : 880 31 2851840, 2851841, 2851842
E-mail : manager.stationroad@onebank.com.bd

Rajshahi Zone

Rajshahi Branch

40 Malopara, Emaduddin Road
Rajshahi, Bangladesh
Tel : 880 721 770495
Fax : 880 721 770496
E-mail : manager.rajshahi@onebank.com.bd

Bogra Branch

739/A, Rabu Tower
Bogra-Rangpur Sarak, Borogola
Bogra, Bangladesh
Tel : 880 51 69850, 69860
Fax : 880 51 69870
E-mail : manager.bogra@onebank.com.bd

Sirajgonj Branch

Mostofa Plaza
104, S. S. Road, Sirajgonj Sadar
Sirajgonj, Bangladesh
Tel : 880 751 62291-2
Fax : 880 751 62280
E-mail : manager.sirajgonj@onebank.com.bd

Shahjadpur SME/Agriculture Branch

Mawlana Saifuddin Yahia Super Market
138, Monirampur Bazar, Shahjadpur
Sirajgonj, Bangladesh
Tel : 880 7527-64045-46
Fax : 880 7527-64047
E-mail : manager.shahjadpur@onebank.com.bd

Rangpur Branch

Shah Bari Tower
286, Station Road, Guptapara
Rangpur, Bangladesh
Tel : 880 521 55081, 55082, 55083
Fax : 880 521 55084
E-mail : manager.rangpur@onebank.com.bd

Our Network of Branches & Booths

Noakhali Zone

Chowmuhuni Branch

Bhuiyan Market
D. B. Road, Railgate
Chowmuhuni, Noakhali, Bangladesh
Tel : 880 321 5208
Fax : 880 321 53043
E-mail : manager.chowmuhuni@onebank.com.bd

Chandragonj Branch

Chandragonj Bazar
Lakshmipur, Bangladesh
Mobile : 01713045518, 01713045519
E-mail : manager.chandragonj@onebank.com.bd

Feni Branch

Zulfikar Chamber
244, Islampur Road, Feni, Bangladesh
Tel : 880 331 62362, 62267, 62367
Fax : 880 331 62261
E-mail : manager.feni@onebank.com.bd

Dagon Bhuiyan Branch

Khair Shopping Complex
Fazilaer Ghat Road, Dagon Bhuiyan,
Feni, Bangladesh
Tel : 880 3323 79097-8
Fax : 880 3323 79099
E-mail : manager.dagonbhuiyan@onebank.com.bd

Ramgonj Branch

Nur Plaza
378/1, Uttar Bazar, Main Road
Ramgonj, Lakshmipur, Bangladesh
Tel : 880 3824 75041
Fax : 880 3824 75181
E-mail : manager.ramgonj@onebank.com.bd

Majidee Court Branch

1241 & 1459, Main Road, Majidee Court
Noakhali, Bangladesh
Tel : 880 321 71255
Fax : 880 321 71266
E-mail : manager.majideecourt@onebank.com.bd

Mandari Bazar Branch

Bank Road, Mandari Bazar
Lakshmipur
Phone : 880 381 55012, 55013, 55779
Fax : 880 381 55790
E-mail : manager.mandari@onebank.com.bd

Raipur Branch

Sattar Complex
187, Thana Council Road
Raipur, Lakshmipur, Bangladesh
Tel : 880 3822 56479, 56489
Fax : 880 3822 56479, ex-115
E-mail : manager.raipur@onebank.com.bd

Amishapara Branch

Nurjahan Super Market
Moddham Bazar, Bhadrangonj
Amishapara, Sonaimuri, Noakhali.
Mobile: 01766-66-667021
E-mail : manager.amishapara@onebank.com.bd

Lakshmipur SME/Agriculture Branch

Sky Touch Tower
1305, Bazar road, Lakshmipur Sadar, Lakshmipur
Tel: (88-0381)-62875, 62876
E-mail : manager.lakshmipur@onebank.com.bd

Chaprashir Hat SME/ Agriculture Branch

Akash Shopping Center
Purbo Bazar, Chaprashir Hat
Companygonj, Noakhali
Tel : (88-03232)-53048, 53049
E-mail : manager.chaprashirhat@onebank.com.bd

Subarnachar Branch

Bismillah Tower
Haris Chowdhury Bazar
West Char Jubilee, Char Jabbar
Subarnachar, Noakhali
Tel : 03228 - 52101-3
Fax : 03228 - 52104
E - Mail: manager.subarnachar@onebank.com.bd

Chaterpaia Branch

Nurjahan Complex
Barogaon, Chaterpaia Bazar
Sonaimuri, Noakhali
Cell : 01777734336, 01777734337, 01777734338
E - mail: manager.chaterpaia@onebank.com.bd

Chatkhil Branch

Dr. Bashir Plaza
4129 Chatkhil Bazar
Chatkhil, Noakhali
Tel : 03222 - 75351-3
Fax : 03222 - 75354
E - mail: manager.chatkhil@onebank.com.bd

Khulna Zone

Khulna Branch

J.K. Tower, 79 Khan - A - Sabur Road
Picture Palace, Khulna, Bangladesh
Tel : 880 41 813339, 813351, 813378
Fax : 880 41 813409
E-mail : manager.khulna@onebank.com.bd

Jessore Branch

M. S. Orchid Centre
44, M. K. Road, Jessore, Bangladesh
Tel : 880 421 68046-48
Fax : 880 421 68049
E-mail : manager.jessore@onebank.com.bd
SWIFT : ONEBDDH014

Satkhira Branch

Mehedi Super Market
480, Boro Bazar Sarak, Pransayer
Satkhira, Bangladesh
Tel : 880 471 63898, 63910, 63911
Fax : 880 471 63899
E-mail : manager.satkhira@onebank.com.bd

Kushtia Branch

Khushi Plaza, 0258 NS Road
Kushtia Sadar, Kushtia
Tel : 880 71 61711, 61712, 61822
Fax : 880 71 61877
E-mail : manager.kushtia@onebank.com.bd

Comilla Zone

Comilla Branch

Habiba Mansion
358, Monoharpur, Comilla, Bangladesh
Tel : 880 81 63001, 63004
Fax : 880 81 63007
E-mail : manager.comilla@onebank.com.bd

Laksham Branch

Mojumder Complex
972, Doulatgonj Bazar, Laksham
Comilla, Bangladesh
Tel : 880 8032 51970, 51971
Fax : 880 8032 51972
E-mail : manager.laksham@onebank.com.bd

Brahmanbaria SME/Agriculture Branch

Bhuiyan Mansion
1081, Masjid Road, Brahmanbaria
Tel : 880 851 59455, 59466, 63452
Fax : 880 851 63451
E-mail : manager.brahmanbaria@onebank.com.bd

Sylhet Zone

Sylhet Branch

Firoz Centre
891/KA, Chouhatta, Sylhet, Bangladesh
Tel : 880 821 725093-94, 725472, 810381
Fax : 880 821 725094
E-mail : manager.sylhet@onebank.com.bd

Islampur Branch

Kayum Complex
Islampur Bazar, Sylhet, Bangladesh
Tel : 880 821 761725, 761670
E-mail : manager.islampur@onebank.com.bd

Sherpur Branch

Royal Market
Sherpur Chowmuhuni, Moulvi Bazar
Bangladesh
Mobile : 01713458183
E-mail : manager.sherpur@onebank.com.bd

Laldighirpar Branch

1827 & 2324, Laldighirpar
Sylhet, Bangladesh
Tel : 880 821 716209, 712778, 714284
Fax : 880 821 711154
E-mail : manager.laldighirpar@onebank.com.bd
SWIFT : ONEBDDH051

Barisal Zone

Barisal Branch

K. Jahan Centre
106, Sadar Road, Kotwali, Barisal
Tel : 880 431 64537, 64538, 2177568
Fax : 880 431 2177569
E-mail : manager.barisal@onebank.com.bd

Booth

Chittagong Port Booth

Terminal Bhaban (MPB)
Chittagong Port Authority
Chittagong, Bangladesh
Tel : 880 31 800570

AUST Booth

141-142, Love Road
Tejgaon Industrial area
Tejgaon, Dhaka, Bangladesh

DPDC Booth

27, Alibahor, Shampur Bazar,
Shampur, Jatrabari
Dhaka, Bangladesh

One Stop Service Centre

Chittagong Port Authority
Chittagong, Bangladesh
Tel : 880 4434 301051

DTM Operations Office

General Cargo Berth Area
Chittagong Port Authority
Chittagong, Bangladesh
Tel : 880 4433 324280

Baghabari Booth

Aziz Mansion
Shaktola, Baghabari Ghat
Shahjadpur, Sirajgonj, Bangladesh
Mobile : 01730703591

DSE Booth

9/E, Mothijheel
Dhaka, Bangladesh
Mobile : 01755541819

Grihayan Bhaban Booth

National Housing Authority
82, Segunbagicha
Dhaka -1000

Parbatipur Depot (BPC) Booth

Parbatipur, Dinajpur

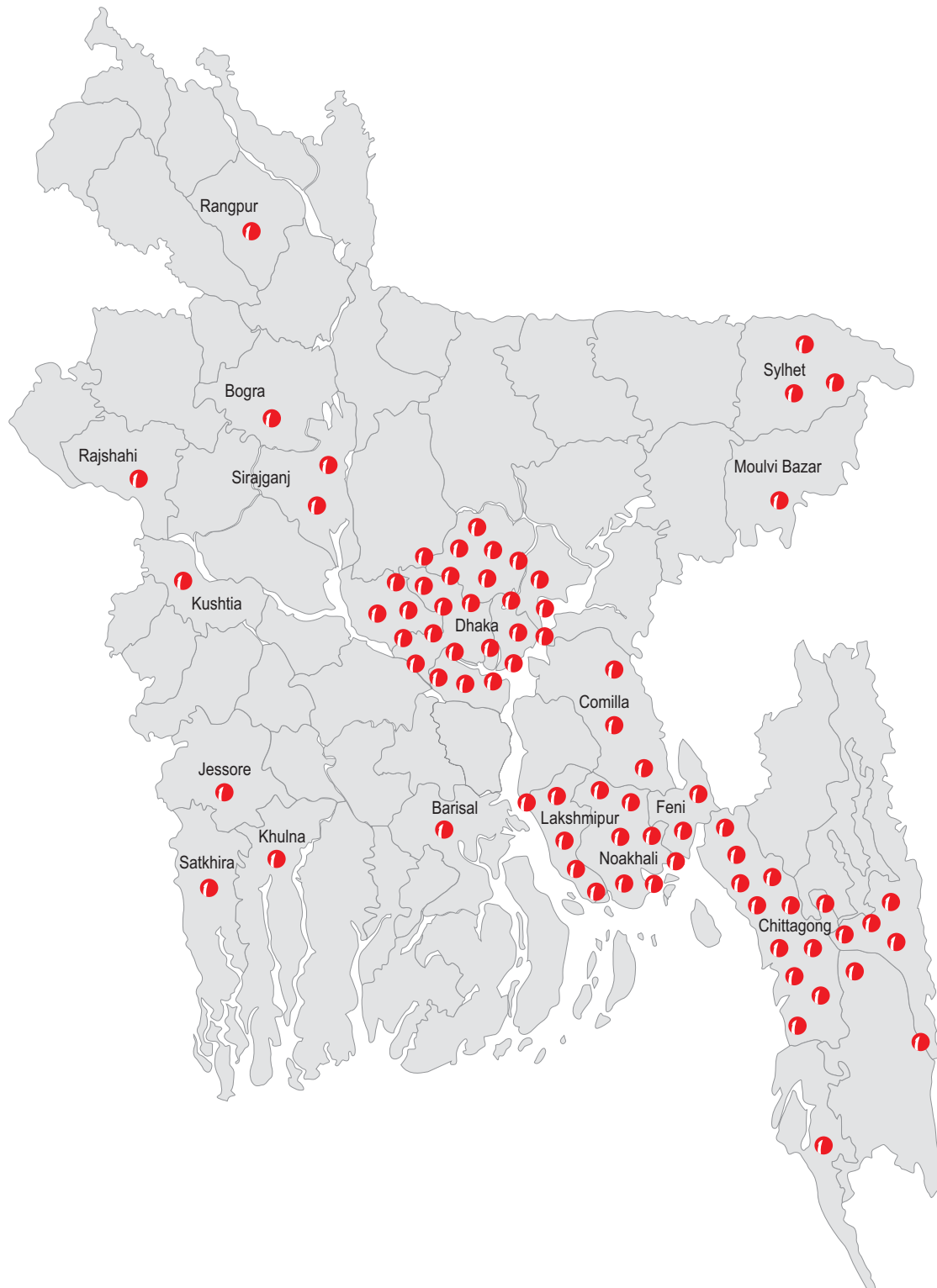
Sreepur Booth

Madina Market, Sreepur, Ganakbari
Ashulia, Dhaka.

Bangabandhu Bridge Toll Collection Booth

Western Plaza, Bangabandhu Bridge
Sirajgonj.

Our Network of Branches & Booths





Corporate HQ (Registered Office):
2/F HRC Bhaban, 46 Kawran Bazar C. A., Dhaka-1215

PROXY FORM

I/We
of (Address)
being a Member(s) of ONE Bank Limited and entitled to vote, hereby appoint Mr./Mrs./Ms/Miss
.....
of (Address) as my/our
Proxy to attend and vote on my/our behalf at the 16th AGM of the Company to be held on Thursday, April 30, 2015 or at any adjournment thereof.

Signed this day of 2015.

Revenue Stamp
Tk. 20/-

Signature of Proxy

Signature of Member

Folio/BONo.

No. of Shares held

N.B: This Proxy Form, duly completed (as recorded with the Bank) and signed (in accordance with the specimen signature recorded with Bank/CDBL), must be deposited at the Registered Office of the Company at least 48 (forty eight) hours before the Meeting. Proxy is invalid if not signed and stamped as explained above.



Corporate HQ (Registered Office):
2/F HRC Bhaban, 46 Kawran Bazar C. A., Dhaka-1215

ATTENDANCE SLIP

I hereby record my attendance at the 16th AGM of the Company being held on Thursday, April 30, 2015 at 11:00 a.m. in the Police Convention Hall, Eskaton Garden Road, Ramna, Dhaka-1000

Name of Member/Proxy (In Block Letters)

Folio/BONo.

No. of Shares held

Signature of the Member/Proxy

Date

N.B: 1. Members attending the Meeting in person or by proxy are requested to complete the Attendance Slip and deposit the same at the registration counter on the day of the Meeting.

2. Please note that AGM can be attended only by the Members or properly constituted Proxy. Therefore, any friend or children accompanying the Members or Proxy cannot be allowed in the Meeting.





ONE Bank
LIMITED

...We Make Things Happen

Corporate HQ:

2/F HRC Bhaban, 46 Kawran Bazar C. A.,
Dhaka-1215, Bangladesh.

Tel : + 88 02 9118161,

Fax : 88 02 9134794

Web : www.onebank.com.bd