



Grameen Bank

ANNUAL REPORT 2018



**A FAMILY
OF
9 MILLION
MEMBERS**

www.grameen.com

VISION

BANKING FOR THE POOR

MISSION

**BY PROVIDING COMPREHENSIVE FINANCIAL SERVICES,
EMPOWERING THE POOR TO REALIZE THEIR POTENTIAL AND
BREAK OUT OF THE VICIOUS CYCLE OF POVERTY.**

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ADDRESS BY

THE CHAIRMAN



PROF. KHANDAKAR MUZAMMEL HUQ
Chairman

It is once again my great pleasure to present the Annual Report of the Grameen Bank for 2018 in the backdrop of Bangladesh's phenomenal GDP growth poised to exceed 8% in FY 2018-19. In the meantime, Grameen Bank also stepped up its activities to reach new heights in most aspects of its operation.

Grameen Bank remains, what it had always been, a quintessentially poverty focused platform for empowerment of the country's distressed womanhood. The share of the women in the Bank's membership slightly edged up to a higher level of 96.66% in 2018 from 96.65% of the preceding year. With a fresh batch of 149,629 of both the sexes joining the Grameen Bank fraternity in 2018, its total membership grew to a staggering 9.08 million members, close to 5.32% of the country's estimated current population of about 169 million. If their family members of about 4 persons per family (according to the latest household survey) are put into the mix, the number of people benefited from association with the Bank, however modest that might be, would be about 36 million.

As in the preceding years, the Bank continued its search for extending its outreach to new groups of poor people and new outlets for dispensation of credits. Meanwhile, the aggregate amount disbursed in 2018 through its diverse credit windows grew by 5.15% over the amount disbursed in 2017 to reach BDT 246.81 billion (USD 2.96 billion). What is more significant is that since overhauling of its top management structure in 2011 the Bank succeeded to sustain its momentum of growth in the succeeding years. Within a short span of 8 years the cumulative amount of credit dispensed by the bank through various credit windows sharply rose by nearly 170% --from BDT 703.00 billion in 2011 to BDT 1,899.24 billion (USD 26.55 billion)--at the end of 2018.

With 35 years of experience behind it, Grameen Bank now looks beyond its micro-credits window to endow its dynamic members with increasingly larger credit inputs to carry forward their thrust to exploit their full potentials on a bigger canvas of the country's industrial and business sectors. The scheme devised by the Bank for these members is known as Micro Enterprise Loans. The aggregate amount disbursed through this window reached a staggering amount of BDT 448.27 billion (USD 5.82 billion) by the end of 2018. We are happy to note that the impoverished people who started out as borrowers of small amounts under the micro-credit programme have carved out a sizeable niche in the country's productive sector, a welcome transformation from job seekers to job givers to the country's burgeoning unemployed people.

Education is the common thread that runs through the countries that have achieved economic and social progress. Imbued by the ideals of empowerment of the poor through education, the Bank stepped up its efforts to promote literacy among the children of the borrowers. Starting with an ambitious scholarship programme for study up to higher secondary level, 332,528 children have benefited from the Bank's scholarship scheme. Grameen Bank's outlay under the programme amounted to BDT 571.98 million (USD 6.82 million).

The Bank also helps the meritorious among these students to pursue

studies at higher levels in various disciplines including medical and engineering up to the post graduate level. By the end of 2018, the Bank provided higher education loans to 54,143 students to pursue courses in education, medicine, engineering, liberal arts and other higher education programmes up to post graduation level. It gives us no small pleasure to see many of these children move in the society with their heads high as doctors, engineers and government officials. Without the Bank's assistance their talents would have mostly remained unexplored.

The Bank's borrowers and its management can feel proud of a high level of camaraderie to carry forward its mission for empowerment of the poor. It is reflected in the trust and goodwill between the Bank and its borrowers that kept the quantum of default loans to a minimum. The specter of loan defaults, which has become a source of grave concern for the mainstream commercial banks, is nearly absent in the credit portfolio of Grameen Bank. As against 10.4% gross non-performing loans relative to the outstanding loans of the banking sectors at the end of June 2018, as reported in Bangladesh Bank's Annual report for FY 2018, Grameen had only 0.33% overdue loans in its portfolio. GB's success to keep the ratio of non-performing loans to the minimum level stands out prominently against the relatively higher ratios of the other mainstream MFIs: BRAC- 2.38%, ASA-3.92%, TMSS- 3.13 and BURO Bangladesh-3.33%, as reported in the Bangladesh Bank Annual Report, 2017-18.

Alongside its main focus on poverty alleviation, Grameen Bank continued to manage its business and finance with prudence and a sense of professionalism. It is reflected in the amount of net profit of BDT 3.49 billion (USD 41.60 million) earned by the Bank in 2018. It enabled the Bank to declare a cash dividend of 30% to the shareholders including the Government of Bangladesh. In 2017 also the Bank declared cash dividend at that rate.

Before concluding, I take this opportunity to express my thanks to the learned members of the Board of Directors for lending their wisdom and experience to manage the Bank's affairs. I would also like to thank Bangladesh Bank, commercial banks, the Government of Bangladesh and other stakeholders for their continued support and cooperation. My thanks also go to over 9 million members of the Bank for their contribution to help it reach new heights of success with every passing year.

Last, but not the least, my appreciation goes to the officers and staff of the Bank for their hard work and dedication in carrying forward the Bank's mission to achieve the goals of serving the nation's poor.





BOARD OF DIRECTORS



Prof. Khandakar Muzammel Huq
Chairman
Grameen Bank Board of Director
House No - 39, Road -11, Dhanmondi
R/A, Dhaka 1209



MS. Suraiya Begum NDC
Information Commissioner (IC)
Information Commission
Government of the People's
Republic of Bangladesh



Mr. M. Shah Alam Sarwar
Managing Director & CEO
IFIC Bank Ltd.
61, Purana Polton, Dhaka-1000



Mrs. Babi Begum
Borrower Member
Wahedpur Mirsarai Branch
Chattogram



Mrs. Hasina
Borrower Member
Bhulta Rupganj Branch
Narayanganj



Mrs. Shamima Akhtar
Borrower Member
Ashuganj Branch
Habiganj



Mrs. Nurunnahar
Borrower Member
Kakoni Phulpur Branch
Sherpur



Mrs. Khaleda Begum
 Borrower Member
 Mirzapur Gopalpur Branch
 Tangail



Mrs. Nurnahar Begum
 Borrower Member
 Ranipukur Mithapukur Branch
 Rangpur



Mrs. Samena
 Borrower Member
 Huzuripara Paba Branch
 Rajshahi



Mrs. Bela Rani Benerjee
 Borrower Member
 Mahakal Ovoyanagar Branch
 Khulna



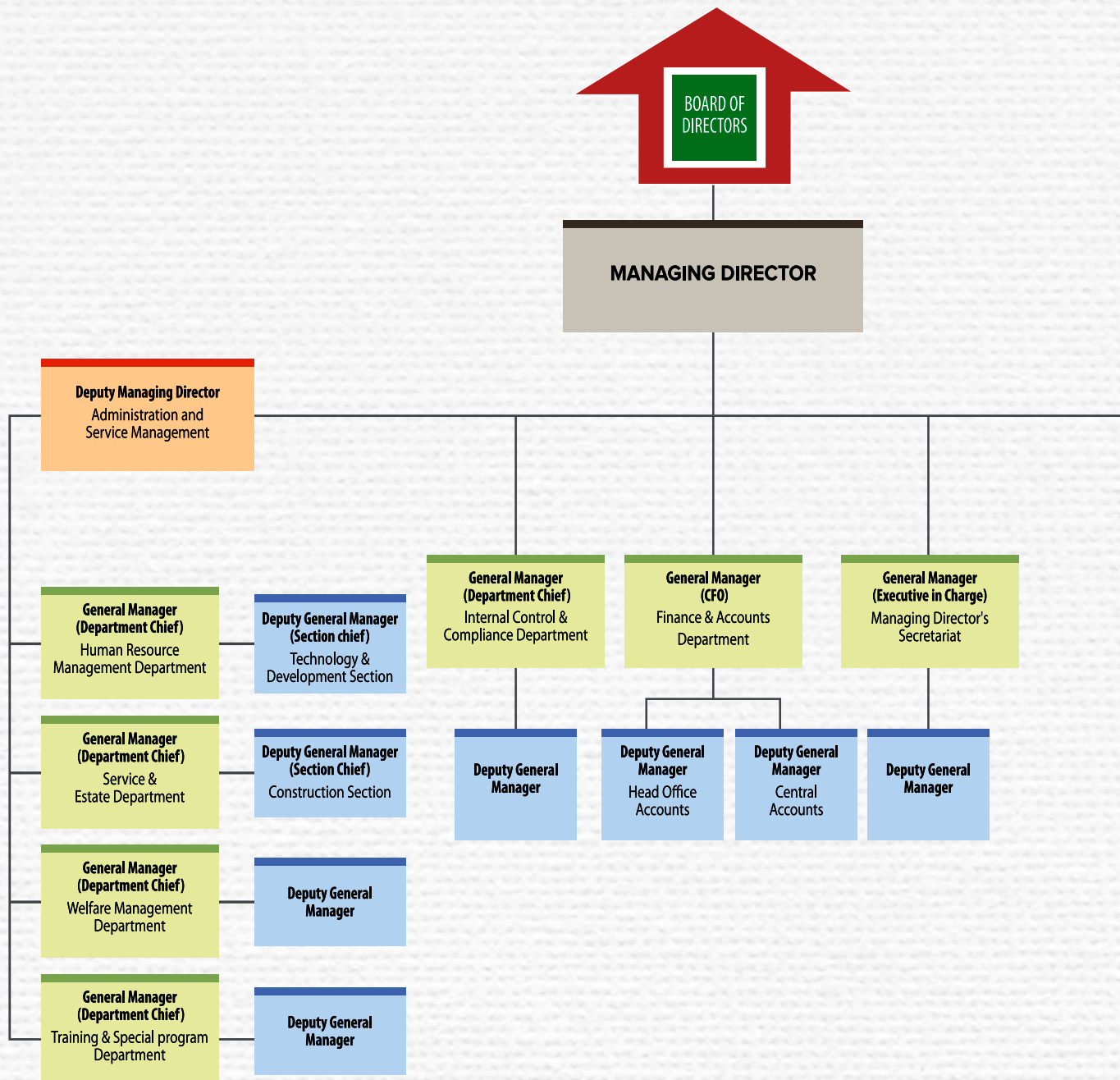
Mrs. Mukul Chowdhury
 Borrower Member
 Bakal Agoiljhara Branch
 Barishal

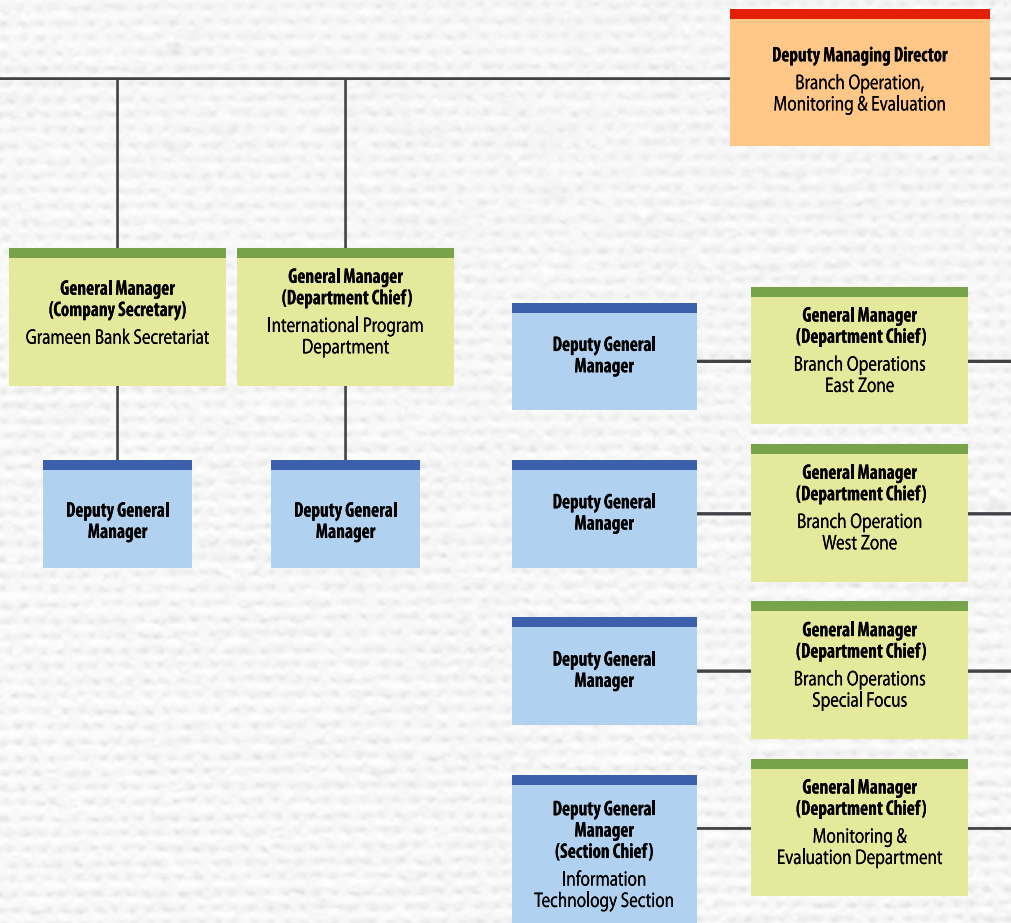


Mr. Babul Saha
 Managing Director
 Grameen Bank Head Office
 Mirpur-2, Dhaka-1216



ORGANIZATIONAL CHART





FOREWORD



MR. BABUL SAHA
Managing Director

I deem it a great honour to recount the story of Grameen Bank's performance in 2018 on conclusion of 35th year of its operation. The Bank, indeed, has come a long way since it embarked on its maiden venture as a micro-finance institution on a very small scale. The bank has now reached the stage when it can justifiably boast of playing a catalytic role for transforming the country's rural economy into a vibrant economic sector.

With carefully structured financial and non-financial packages, the Bank touches the lives of more than 9 million borrowers and their family members. The packages include micro-credits, medium to relatively larger loans for the dynamic members, savings instruments and financial support for the ultra-poor struggling people, building modest houses and scholarship and loan programmes for the children of the Bank's borrowers. Needless to say, these and other nonfinancial programmes have had profound impacts on empowerment of the rural poor.

In our long journey spanning more than one third of a century, we encountered many roadblocks and impediments. In the end, however, we succeeded to overcome the hurdles with hard work, innovations and dedication. The Bank continually reoriented its strategies, enlarged the scope of its activities and fine-tuning its mode of operation to meet the emerging difficulties to turn it into a dynamic and resilient user friendly institution.

The Bank witnessed another highly successful year in 2018 when its 2,568 branches continued to serve 81,677 villages embracing close to 93% of the country's landscape. A new batch of 149,629 members joined the Bank's fast-growing fraternity. It reflects an acceleration of the growth of the Bank's membership in 2018 compared to 2017 when it enrolled a smaller number of 33,264 new members. The new entrants in the Bank swelled the head count of its membership to a staggering 9.08 million, a number higher than the population of many countries of the World.

The bank's flagship, namely the micro-credit window, continued to record healthy growth during the year 2018 also. The aggregate amount disbursed in 2018 under its diverse credit windows amounted to BDT 246.81 billion (USD 2.96 billion) reflecting a healthy growth of 5.16% over the amount disbursed in 2017. It raised the aggregate amount of disbursements since the inception of the Bank to BDT 1,899.24 billion (USD 26.55 billion) by the end of the year under review.

How does the Grameen Bank stand in the fraternity of micro-finance institutions (MFIs) of the country? Generally speaking, MFIs serve as an important corridor for dispensation of credits to the rural economy. According to Bangladesh Bank's Annual Report for FY 2018, a large number of 715 MFIs and 128 provisional licensed MFIs provided microfinance services to 30.5 million people. The 5 leading microfinance institutions (MFIs) lent BDT 964.65 billion (USD 11.50 billion) for income generating activities (IGAs) during that period. In

FY 2017-18 Grameen Bank alone chipped in with BDT 243.21 billion (USD 2.96 billion). What is more significant is that the Bank continued to maintain a high level of loan recovery rate. The overdue loans of the Bank represented only 0.33% of its total outstanding loans at the end of FY 2017-18, compared to a ratio of 2.37% of the leading MFIs and 10.4% non-performing loans of the banks and Development Financing Institutions (DFIs) in FY 2017-18.

For the improvement of the financial and social status of families linked to the Bank, it continued to support them with scholarship and education loans to their children to pave their way out of the cycle of poverty trap in which poor are languishing from generations to generations. Our programme to spread literacy starts with a scholarship programme under which financial support is given to the children of Grameen members for payment of school dues, purchase of books and stationery at the school level. The number of awardees in this category in 2018 was about 26,000 children. By the end of 2018, an aggregate number of 332,528 children benefited from this scheme since the inception of the programme. Grameen Bank's outlay under the programme amounted to BDT 571.98 million (USD 6.82 million).

Beyond the secondary and higher secondary levels our assistance takes the form of education loans for pursuing studies up to the postgraduate levels. By the end of the year under review, 54,143 students were provided loans to pursue courses in various disciplines including medical, engineering and agriculture. GB has recently taken a further step to assist the children of its borrowers to pursue a 3-year Diploma and B.Sc. course in nursing and Midwifery in the international standard Grameen Caledonian College of Nursing. By the end of the year 648 students enrolled in the diploma course in nursing and midwifery; in which 162 in B.Sc. level course in nursing. Most of them have secured good jobs while others have joined advanced courses at home and abroad.

Our assistance to the members of the Bank to educate their children have had immense impacts on their lives and raised the status of their families in the eye of the society. Some of the boys and girls whose families endured society's neglects and injustice are now seen to dispensing justice as magistrates, judges and lawyers. Some attend to the patients in clinics and hospitals or engaged in building roads and highways and other white color jobs in the corporate houses. Many of them run their own enterprises and are churning out jobs for other unemployed people.

The bank continued to support the members to put up modest shelters over their heads. These houses are not only used as a dwelling house but often serve as launching pads to eke out the means of living and other amenities of life. During the year under review, the GB disbursed BDT 844.81

million (USD 10.07 million) to build 18,349 houses. It reflects a significant acceleration of lending activities on this account in comparison to BDT 666.30 million (USD 8.07 million) sanctioned in the preceding year. Since 1984, when the scheme was introduced GB provided loans to build 734,991 houses.

The ultra-poor section of the poor, the most elusive group for enlistment in the regular credit group, has not escaped the Bank's radar for its mission to empower the poor. They consist mostly of beggars who are shunned by the Bank's mainstream borrower's groups on account of age old social taboo against begging. So, in 2002 we tailored a special scheme, known as 'Struggling Members Programme' to provide interest free loans to peddle small items on their begging trails. Credits amounting to BDT 180.64 million (USD 2.65 million) have so far been provided to 109,186 borrowers. Grameen Bank's faith on the integrity of the poor and ultra-poor is reinforced by the fact that the beggars repaid 86% of their loans in 2018. It gives us pleasure to learn that 20,775 beggars have left begging and are making a living mainly as peddlers; of them 9,030 have joined the mainstream credit groups.

Through prudent management of its finances with a professional flair, the Bank continued its legacy of close supervision over the end use of its credits and timely recovery of its loans. It enabled the Bank to notch up a net profit of BDT 3.49 billion during the year and declared handsome cash dividends at the preceding year's rate of 30%. The Bank can rightfully claim itself as one of the best performing financial institutions of the country.

In conclusion, I would like to express my sincere gratitude to the Chairman and members of the Board of Directors for their support. Needless to say, Grameen Bank's success to sustain its momentum of growth would not have been possible without the guidance of the Bank's learned Board of Directors reinforced by the helping hands of the Government of Bangladesh, Bangladesh Bank and other governmental agencies. No less crucial had been the hard work put in by the Bank's staff to help the Bank to become what it is today. Last but not the least; the Bank acknowledges the whole hearted cooperation of its 9.08 million members which made it possible to end the year on a positive note.

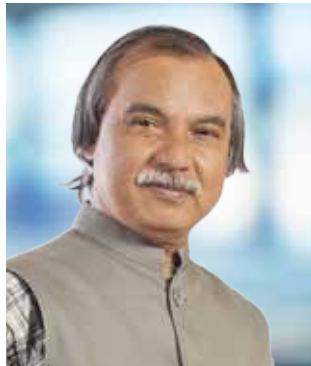
THE FOUNDER OF GRAMEEN BANK AND NEXT



Professor Muhammad Yunus
(Nobel Laureate)
Founder Managing Director
Duration: Starting from - 11 May 2011



Ms. Nurjahan Begum
Managing Director (Acting)
Duration: 12 May 2011- 14 Aug 2011



Mr. M Shahjahan
Managing Director (Acting)
Duration: 14 Aug 2011 - 30 Oct 2014



Mr. A.S.M. MOHIUDDIN
Managing Director (Acting)
Duration: 30 Oct 2014 - 29 Oct 2015



Mr. Ratan Kumar Nag
Managing Director (Acting)
Duration: 29 Oct 2015 - 01 Mar 2018



Mr. Babul Saha
Managing Director
Duration: 01 Mar 2018 - 01 Aug 2019

GRAMEEN BANK : 2018

Grameen Bank (GB) completed 35 years of operation on December, 2018. As in the previous years, the growth trajectory of the Bank reached higher levels during 2018 also. A fresh batch of 149,629 new members joined the Grameen family during the year. It brings the total enrolment to about 9.08 million. At this level the Bank's membership is higher than the population at least 100 countries of the world. The Bank dispenses its services through 40 zonal, 239 area and 2,568 branch level offices. Bank's network now encompasses 81,677 villages i.e. over 93.49% of the country's 87,362 villages.



SERVICE AT THE DOOR STEPS OF THE POOR

Unlike the mainstream commercial banks which attend to their clientele from their glitzy decorated branch premises where the poor fear to tread, GB carries its services to the comfort zones of their door steps. It has inspired the women, the weaker section of the communities, to join the Grameen fraternity. All banking transactions except loan disbursements are done in the meetings of the borrowers at the village level centres organized by the GB's centre managers.

INTEREST RATES ARE BASED ON REPAYMENT CAPACITY

The interest rates of the Bank are structured with an eye on the financial status and repayment capacity of the borrowers. It does not subscribe to the conventional wisdom of using their cost of funds as the benchmark for calculating interest rates for lending to the poor. On the basis of this principle the interest rates on loans for the 4 categories are as follows:

Loan Category	Interest Rate per annum
Loans for Income Generating Activities (IGA)	20%
Housing Loans	8%
Higher Education Loans	
i. During the study period	0%
ii. After the study period	5%
Struggling Members (beggars) Loans	0%

Grameen Bank calculates interest on declining balance method to ease the debt repayment burdens of the borrowers. For instance, for an income-generating loan of say, BDT 1,000, the borrower repays the entire amount within a year by weekly installments; the total amount repayable works out to BDT 1,100 (principal amount BDT 1,000 + interest amount BDT 100) equivalent to 10% at the flat rate. Grameen Bank offers very attractive interest rates for deposits. Maximum rate is 12 per cent.



GRAMEEN BANK : 2018

LOANS AND DEPOSITS

The aggregate amount of disbursement of loans by the Bank by the end of December, 2018 reached BDT 1899.24 billion equivalent to USD 26.55 billion. The cumulative amount of savings deposited with the Bank by its members reached about BDT 157.14 billion (USD 1.87 billion) at the end of the year.

(beggars) loans. A basic loan is converted into a flexible loan or reschedule loan, if the borrower finds it difficult to pay the weekly installments. Flexible loan reduces the installment size to a

FINANCIAL RESULTS FOR 2018

The Bank does not work for profit alone. Keeping this idea in mind GB provides loans at subsidized or even zero interest rates for the disadvantaged segments of the people. Nevertheless, the Bank continues to achieve significant growth in terms of operating and net profits. It earned a fair profit of BDT 3.49 billion and declared a 30% cash dividend in 2018. A part of the profit is set aside in the Dividend Equalization Fund to serve as cushion against adverse weighing down on the bank's situation profits due to natural or other calamities. It ensures a fair degree of stability in the rates of dividends payable to the shareholders over the years. Payment of attractive dividends serves as inspiration for shareholders to relentlessly work toward sustaining the momentum that has been a hallmark of GB's performance year after year. What is more significant is that the benefits are shared by the Bank's borrowers, who along with the government of Bangladesh, are its shareholders.

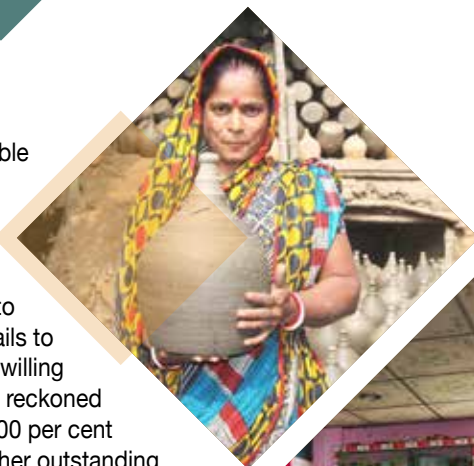
THE GRAMEEN GENERALIZED SYSTEM

This system was introduced in 2000 to overcome the financial constraints of the borrowers to tide over the bad days that seriously impair their capacity to repay their bank loans. The system is simple and customer friendly and provides a leeway to the members to remain in the GB's fraternity in stead of opting out of it. The Grameen has several important windows for lending money—basic loans, micro-enterprise loans, housing loans, higher education loans and struggling members

tolerable level. At the end of 2018, nearly 4 per cent of the borrowers were on flexible loans. Flexible loan is not an independent loan. It is only a temporary detour from the basic loan. The borrower tries his or her best to revert back to the basic loan. If a borrower fails to repay the basic loan and is unwilling to go into flexible loan, s/he is reckoned as a defaulter. In that event, 100 per cent provision is made against his/her outstanding dues. If a Flexible loan is not paid back within three years, it is entirely written off. The rate of recovery of Basic Loan is close to one hundred per cent.

MICRO-ENTERPRISE LOANS

Grameen Bank does not stop at helping the



poor to cross over the poverty line. When they do so GB comes with a fresh package of financial assistance to steer them to reach even higher levels of prosperity. The Bank provides larger loans, called microenterprise loans, to these fast moving members. There is no restriction on the loan size. By the end of 2018, 12.69 million microenterprise loans amounting to BDT 448.27 billion (USD 5.82 billion) have been disbursed under this category of loans. The average loan size is BDT 38,426 (USD 458). The highest size of a single loan given by the Bank was BDT 4.0 million (USD 47,676) for fish and poultry feed, aquaculture and fish trading. The other major categories of activities financed are grocery shops, pharmacy, dairy farms, auto-rickshaw for transportation and business of stones for construction work. Microenterprise loan programme has initiated a silent revolution in rural Bangladesh by encouraging leadership and entrepreneurial qualities and self-employment opportunities.

HOUSING FOR THE POOR

A shelter over the head, food and clothing are the three most important needs of the mankind. Realizing the importance the shelter over the heads of the members, GB introduced housing loan programme in 1984. The ownership of a house infuses people with a sense of pride, security and self respect that, in turn, provides a stepping stone to achieve economic prosperity and improved social status. The ceiling for a housing loan is BDT 60,000 for construction of a simple tinroof house. The interest rate is 8 per cent per annum, repayable over a period of five years.

During 2018, housing loans amounting to BDT 844.81 million (USD 10.07 million) were provided to build 18349 houses. It brings the total number of houses built with the housing loans to 734,991 since inception.

SCHOLARSHIPS FOR THE CHILDREN OF GRAMEEN MEMBERS

Grameen Bank offers scholarships to the children of Grameen members to ease their financial constraints for payment of school dues, purchase of books and stationery. At least 50% of the scholarship money is earmarked for the girls and the remaining 50% is allotted to both boys and girls on the basis of academic performance. About 26,000 children, at various levels of school education, were awarded scholarships during the year 2018. It brings the aggregate number of students since the inception of the programme to 332,528 involving an amount of BDT 571.98 million (USD 6.82 million).

HIGHER EDUCATION LOANS

Grameen Bank continues its assistance to the children of the members even after they finish their school level study. It introduced the Higher Education Loan programme in 1997 to open opportunities for talented children of its borrowers to pursue higher education in medicine, engineering, agriculture and other higher education



GRAMEEN BANK : 2018

programmes at the graduate (with honours) and postgraduate levels. The loans are intended to cover all expenses incurred by the students from the beginning to the end of the study period. The loans cover admission fees, course fees, cost of stationery, food and accommodation and other related expenses. By the end of the year 2018, total 54,143 students pursuing courses in disciplines were provided loans under this programme.



NURSING EDUCATION LOANS FOR THE CHILDREN OF GRAMEEN BANK BORROWERS

To assist the children of Grameen Bank borrowers to secure jobs at home and abroad it lends money for study in a 3-year

Diploma in Nursing and Midwifery course in the international standard Grameen Caledonian College of Nursing. 648 students have enrolled for this course. 486 students are in a 3-year Diploma in Nursing and Midwifery course, while 162 students have enrolled in B.Sc. level courses in nursing in Bangladesh.

LOAN INSURANCE

Under this programme, all outstanding loans are paid off from the insurance fund in the event of death of a borrower. Insurance fund is created with interest generated through a savings account created by deposits of the borrowers. Borrowers are required to put amount equal to 3.0 per cent of the outstanding loan and interest amount in a designated savings account each time a loan is taken. If the borrower's loan amount does not exceed the amount in the previous year, s/he does not have to add any more money into this account. If it exceeds, then she pays 3.0 per cent of the incremental loan amount. Balance of deposits under loan insurance programme stood at BDT 15.45 billion (USD 184.21 million) as on December 31, 2018. Up to that date, outstanding loans and interest amounting to BDT 7.41 billion (USD 97.17 million) due from 530,947 deceased borrowers was paid off under this programme.

LIFE INSURANCE

Each year families of deceased borrowers of Grameen Bank are paid amounts ranging from BDT 14 to 16 million (USD 0.17 to 0.21 million) as life insurance benefits. Each family receives BDT 1,500. A total of 197,777 GB borrowers passed away by the end of 2018. Their families collectively received a total amount BDT 341.93 million (USD 6.00 million). Borrowers are not required to pay any premium for this life insurance. Borrowers come under this insurance coverage by being a shareholder of the bank.

VILLAGE PHONES

Grameen Bank provided loans to 1,943,913 borrowers up to 2018 to buy mobile phones and offer telecommunication services. It is also generating revenue for GrameenPhone, the largest telephone company in the country. Village phones use 2.22 per cent of the air-time of the company, while their number is only 3.31 per cent of the total of telephone subscribers of the company.

BEGGARS AS MEMBERS

Beggars are the hardest to reach under the conventional poverty alleviation programme. To capture this elusive group Grameen Bank contrived an innovating scheme in 2002 called



GRAMEEN BANK : 2018





Struggling Members Programme. Over 109,000 beggars have joined the programme. Total amount disbursed stood at at BDT 180.64 million (USD 2.65 million). Of this amount, BDT 155.01 million (86% of the amount disbursed) has already been repaid. GB is happy to note that 20,775 beggars have left begging and are making a living as door-to-door sales persons. Among them, 9,030 beggars have joined Grameen Bank groups as mainstream borrowers.

COMPUTERIZED MIS AND ACCOUNTING SYSTEM

Accounting and information management all the branches 2,568 have been computerized. These has freed the branch staff from the routine paper work and devote more time to administer the loan portfolio and supervise the borrowers and use of loan funds. Branch staffs are provided with pre-printed repayment amount of dues for each weekly meeting. If every borrower pays according to the repayment schedule, the staff has nothing to write on the document except for putting the signature. Only the deviations are recorded. Paper work is done only at centre level to enter figures in the borrower's passbooks.

'STARS' FOR ACHIEVEMENTS

Grameen Bank provides colour coded stars to branches and staffs for 100 per cent achievement of a specific task starting from 2001. A branch or a staff having five stars indicates the highest level of performance. At the end of 2018, 651 branches got green stars for maintaining 100 per cent repayment record, 2,222 received blue star for earning profit, 1,906 branches earned violet stars by meeting all their financing out of their earned income and deposits, 360 branches have applied for brown stars for ensuring education for 100% children of Grameen families and 74 branches applied for red stars indicating branches those have succeeded in taking all its borrowers families over the poverty line. The stars are confirmed only after the verification procedure is completed.

HIGHLIGHTS

Number of Members

2018 | 9,084,503
2017 | 8,934,874
2016 | 8,901,610

Percent of women members

2018 | 96.66
2017 | 96.65
2016 | 96.54

Number of centres

2018 | 138,143
2017 | 140,262
2016 | 142,087

Number of villages covered

2018 | 81,677
2017 | 81,400
2016 | 81,395

Number of branches

2018 | 2,568
2017 | 2,568
2016 | 2,568

Number of areas

2018 | 239
2017 | 246
2016 | 257

Number of zones

2018		40
2017		40
2016		40

Amount of loans outstanding (In Million BDT)

2018		153,599
2017		144,504
2016		118,244

Balance of deposits (members) In Million BDT

2018		157,137
2017		141,056
2016		128,934

Cumulative amount disbursed since inception (In Million BDT)

2018		1,899,241
2017		1,652,431
2016		1,417,716

Amount disbursed during (In Million BDT)

2018		246,810
2017		234,715
2016		187,533

Balance of deposits (Non-members) In Million BDT

2018		68,927
2017		67,291
2016		70,872

ZONE'S LOCATIONS

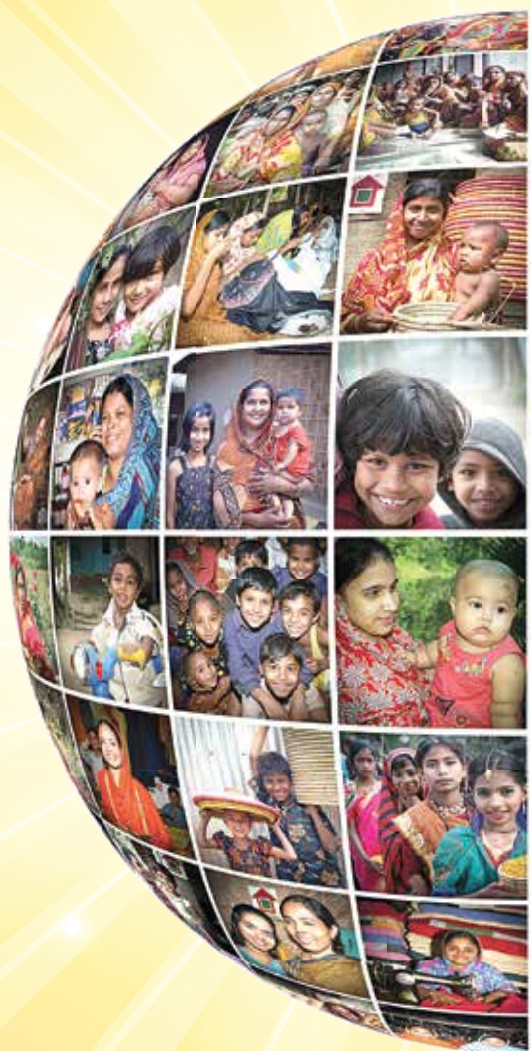
- 
1. *Chattogram*
 2. *Tangail*
 3. *Rangpur*
 4. *Manikganj*
 5. *Patuakhali*
 6. *Bogura*
 7. *Sylhet*
 8. *Rajshahi*
 9. *Dinajpur*
 10. *Faridpur*
 11. *Cumilla*
 12. *Mymensingh*
 13. *Narayanganj*
 14. *Khulna*
 15. *Noakhali*
 16. *Jamalpur*
 17. *Nilphamari*
 18. *Habiganj*
 19. *Pabna*
 20. *Barishal*
 21. *Jhenaidah*
 22. *Cox's bazar*
 23. *Gaibandha*
 24. *Noagaon*
 25. *Jashore*
 26. *Chandpur*
 27. *Kishoreganj*
 28. *Bhola*
 29. *Rangamati*
 30. *Gazipur*
 31. *Madaripur*
 32. *Thakurgaon*
 33. *Pirojpur*
 34. *Sunamganj*
 35. *Feni*
 36. *Narsingdi*
 37. *Kurigram*
 38. *Netrokona*
 39. *Sirajganj*
 40. *Sherpur*

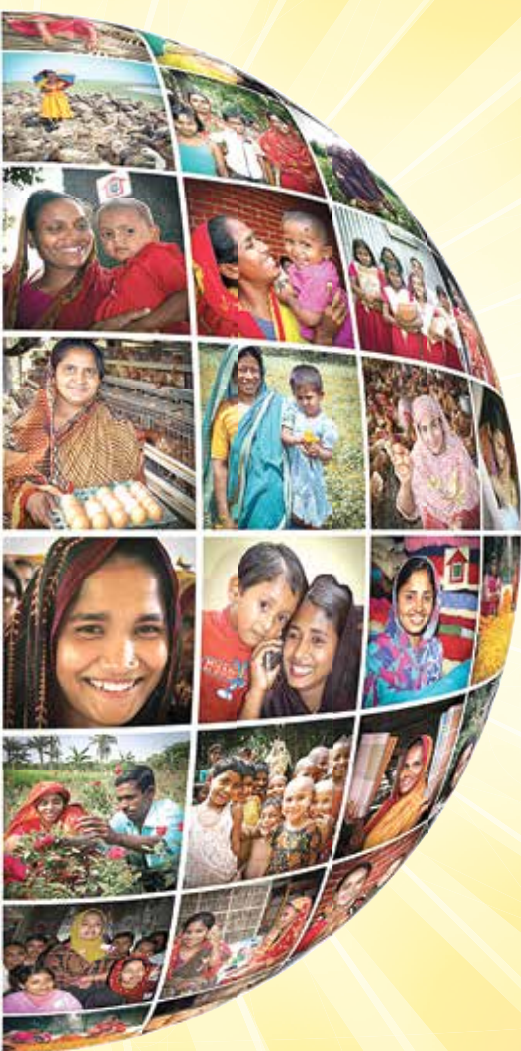
40 Zones



LOAN ACTIVITIES

Bamboo works
Cane works
Pottery products
Puffed rice making
Garments making
Sweetmeat making
Furniture making
Quilt making
Blacksmith works
Agriculture equipments making
Fishing net making
Vegetables cultivation
Betelleaf cultivation
Paddy cultivation
Turmeric cultivation
Sugarcane cultivation
Wheat Cultivation
Chilli Cultivation
Onion Cultivation
Jute cultivation
Boro-Irri cultivation
Milch cow
Cow fattening
Poultry raising
Dry fish
Sheep raising
Duck raising
Pigeon raising
Horse raising
Buffalo raising





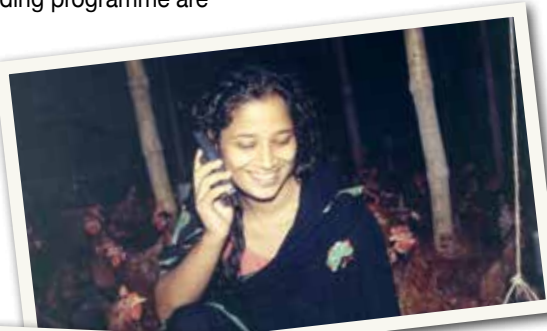
Pisciculture
Shallow Tube-well
Thrasher Machine
Power Tiller
Power Pump
Rice Mill
Computer
Computer Printer
Electric Generator
Refrigerator
Welding & Drill Machine
E.C.G & X-ray Machine
Photostat Machine
Village Phone
Rice/Paddy trading
Pulse trading
Salt trading
Chilli trading
Vegetables trading
Molasses (Gur) trading
Fire Wood trading
Timber trading
Chicken trading
Fish trading
Dry Fish trading
Cattle trading
Seeds trading
Banana trading
Grocery shop
Stationery shop

VILLAGE PHONE

The concept of Village phone is an idea which caught people's imagination. Grameen Bank members have entered the age of information technology by leasing and purchasing cellular phones. The mobile phones not only create a new business opportunity for the poor, but also bring access to information, market, health and other services to the remote rural areas of Bangladesh. This was a major innovation; placing modern cell phones in the hand of the woman from poorest households in remote villages, something that no telecom operator had dared to do in the past.

With Grameen Bank financing a Grameen Bank borrower buys a mobile phone to become the Telephone Lady of the village. She provides the telecommunication services to the village while earning profits for herself. By the end of 2018, there were about 1.94 million village phone ladies who have together taken loans amounting to BDT 2.76 billion.

The demand of the Village phone services is increasing day by day. During the year 2018 nearly 145,000 new phones were distributed. Grameen Bank, in collaboration with Grameen Telecom (The company which was incorporated as a not-for-profit venture under the companies act of 1994) has made a plan to finance nearly 250,000 new phones to its members during the next year. The additional income by selling telephone service and internet based facility through electronic recharge system (ERS, EDGE,/GPRS) of village phone ladies is almost double that of the national per capita income. Zone-wise statistics of village phones financed through the Bank's lending programme are given in the following page.



Flexiload programme

Flexiload program started from April 2006 in tangail and Cumilla zone as a ROSA (retailer outlet sales agent) pilot project. The agreement between Grameen Bank (GB) and Grameenphone (GP) was to sell handset, accessories and bulk airtime in rural areas through GB members.

The programme is still now successfully going on. Finally, the agreement was set up on November 06, 2006 to expand the programme in other zones. In this programme, Grameenphone is the principal or host and Grameen Bank acts reload distributor functioning perfectly through a master SIM card. Selected GB members are the sales agents who get load from logistics management team of Grameenphone under GB channel. GB agents transfer their load as per end users demand.

It is continuous process. GB's commission is 0.90% and sales agent's commission is 2.70% respectively. Up to December 31, 2018 GB creates 1,000 sales agents in 40 zones. The total transaction averagely reaches at the end of the year in BDT 1774.85 million.

Grameen Bank and agents jointly received commissions amounting BDT 67.63 million. Now every week Grameen Bank agents are transacting BDT 1.00 million. Grameen Bank plan is to make 2,000 Grameen Bank agents very soon. We hope this program will develop and reinforce strategies, which will bring high economic benefits to Grameen Bank members.



Progress of Village Phones up to December, 2018

Sl No	Zone	No of branches covered	No of Village Phone owned by Bank members
1	Chattogram	72	21,519
2	Tangail	78	66,074
3	Rangpur	59	20,814
4	Manikganj	62	36,524
5	Patuakhali	87	41,176
6	Bogura	74	85,938
7	Sylhet	70	37,196
8	Rajshahi	88	183,239
9	Dinajpur	63	58,326
10	Faridpur	88	118,123
11	Cumilla	76	68,161
12	Mymensingh	55	43,658
13	Narayanganj	62	36,560
14	Khulna	69	46,458
15	Noakhali	78	44,033
16	Jamalpur	56	55,308
17	Nilphamari	61	60,593
18	Hobiganj	59	28,925
19	Pabna	61	92,527
20	Barishal	80	43,693
21	Jhenaidah	74	30,184
22	Cox's bazar	59	8,327
23	Gaibandha	55	30,661
24	Noagaon	77	153,428
25	Jashore	80	54,111
26	Chandpur	54	31,741
27	Kishoreganj	71	31,589
28	Bhola	52	15,639
29	Rangamati	44	19,083
30	Gazipur	49	65,843
31	Madaripur	67	57,561
32	Thakurgaon	72	32,119
33	Pirojpur	61	28,267
34	Sunamganj	50	29,577
35	Feni	48	17,234
36	Narsingdi	39	33,060
37	Kurigram	48	13,992
38	Netrokona	63	14,801
39	Sirajganj	46	51,792
40	Sherpur	61	36,059
Total		2,568	1,943,913



HIGHER EDUCATION LOANS

The higher Education Loan Programme was introduced in 1997 for the children of Grameen families so that they can pursue education at the highest level. Since its inception, the programme has distributed 54,143 loans worth BDT 3,809.15 million (USD 52.71 million). In 2018 alone, 261 students were sanctioned loans. Jashore zone has the most number of students (4,157) receiving higher education loans, with Khulna zone second (4,134). The Dudsar Sailkupa branch under Jhenaidah zone has given the highest number of student loans (169).

Anika **Anika fulfils her dream with higher education loan from GB**

Anika Akhtar, daughter of Grameen Bank member Rezia Begum, is now a second year student of English language and literature in the Jagannath University. Her mother, Rezia Begum, joined the Bank as a Group member of 27/F centre on 18-06-2006 under the Bank's Godnail, Narayanganj branch.

Rezia Begum, Anika's mother, is a hard-working, honest and courageous woman. She started with a small business but has since expanded it on a bigger scale with dealership from various companies. She was honoured with "Grameen Bank Bodwa" prize from the Keranigonj Area for her outstanding performance.

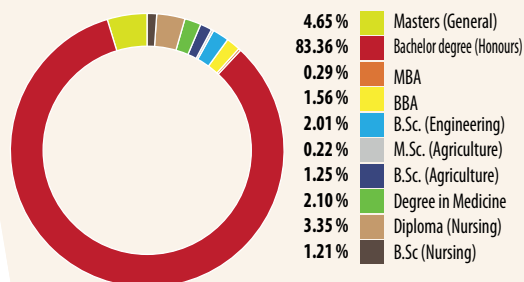
Her family consists of her husband, two daughters and a son. Anika has all along been a meritorious student. She was awarded scholarship under the Grameen Bank's scholarship programme at the secondary level. She is now pursuing higher education with assistance from the Bank under its Higher Education Loan Programme. Her other sister, Sumaiya Khatun, is also a recipient of the Bank's scholarship programme for the lower secondary category. The Bank's scholarship programme does not carry interest nor any repayment obligations.

Anika was granted a loan of BDT 1,00,000 to pursue higher education in the Jagannat University. On the first year she was given a loan of BDT 25,500.00 for purchase of books and other paraphernalia, conveyance and accommodation. On the second year the loan disbursed was BDT 18,750.00. Anika aspires to join the teaching profession in English literature. Rezia Begum's family expresses their gratitude to the Grameen Bank for extending a helping hand and inspiration for its contribution to improve the financial condition of the family as well as education of their two daughters.



Degree/Discipline	Number	Amount (Million BDT)
Masters (General)	3,626	177.19
Bachelor degree (Honours)	45,958	3,175.40
MBA	188	10.99
BBA	848	59.24
B.Sc. (Engineering)	1,212	76.70
M.Sc. (Agriculture)	151	8.54
B.Sc. (Agriculture)	746	47.48
Degree in Medicine	868	80.02
Diploma (Nursing)	395	127.50
B.Sc (Nursing)	151	46.09
Total :	54143	3809.15

PERCENTAGE OF AMOUNT WHICH STUDENT TOOKS LOAN



Credit Programme

Credit Programme for Self-employment of the Recipients of Higher Education Loans

Grameen Bank has introduced a special Credit Programme for Self-employment of the recipients of the bank's higher Education Loans, who have either completed or still pursuing their education. The objective is to provide the enterprising and hard working students financial support to create a band of new entrepreneurs. The philosophical basis of the program is to imbue them with the slogan "We wouldn't beg others for jobs, we'll create jobs for others".

The programme is aimed at changing the age old perception of the unemployed youth about jobs being their only 'aim of life', and turn their attention to the virtue of self-employment. This programme, it is hoped, will contribute to reduction of poverty through use of local raw materials and appropriate technology for promotion of agro-based industries.

The Bank has set a detailed guideline for the programme. The students may avail of the facility either singly or jointly for investment in any productive sector. No ceiling has been fixed for the loan amount but the borrower's capacity will be taken into account to determine the loan amount. The sectors for which financial support are provided include small business, nursery, cow and goat rearing, poultry, small clinics and health centers, phone shops etc.



FORHAD HOSSAIN USED HIS ENTREPRENEURIAL SKILL TO TURN HIS FORTUNES



Forhad Hossain's mother, Rokeya Begum, Borrower no. 5313 joined the Bank's Faridgonj North Branch in 2005 with the object of helping her son Forhad Hossain to pursue higher education. He started his higher education in 2006 with the education loan from the Grameen Bank.



Forhad worked part time in a local pipe making industry. After finishing his Master's degree he paid off his higher education loan. He teamed up with three of his friends to set up a pipe factory of his own with an investment of BDT 45,000.00 in the name of (CFL) Cumilla Foundry Ltd.

He marketed the pipes in Cumilla, Chadpur, Feni and other districts. At some stage, he expanded his business with a loan of BDT 2,00,000 from the Grameen Bank Faridgonj North branch under its loan programme for new entrepreneurs.

Currently, Forhad Hossain himself runs the factory with five employees on his pay roll. He earns BDT 70,000 to 80,000 per month from his enterprise. He draws satisfaction for proving jobs for 8 persons. He has also built a one storied building for his residence. He attributes his success to the financial assistance provided by the Grameen Bank.

STRUGGLING (BEGGARS) MEMBERS PROGRAMME

To reach out to the beggars, Grameen Bank has taken up a special programme, called Struggling Members Programme which started from July 2002. Begging is the last resort for survival for a poor person, unless he/she turns towards crime or other forms of illegal activities. Among the beggars, there are disabled, blind, and retarded people, as well as old people with ill health.

The objective of the programme is to provide financial services to the beggars to help them find a dignified livelihood, send their children to school and to make them graduate into becoming regular Grameen Bank members. We wish to make sure that no one in the Grameen Bank villages has to beg for survival.

Basic features of the programme are:

- Existing rules of Grameen Bank do not apply to beggar members; they make up their own rules.
- All loans will be interest-free. Loans can be of a very long term, in order to make repayment installments very small. For example, for a loan to buy a quilt or a mosquito-net, many borrowers are paying BDT 2.00 (3.4 cents US) per week.
- Beggar members are covered under life insurance and loan insurance programmes without incurring any cost.
- Groups and Centres are being encouraged to become patrons of this type of members.
- Each member receives an identity badge with her picture and name, and Grameen Bank logo. She can display this as she goes about her daily life, to let everybody know that she is a Grameen Bank member and this national institution stands behind her.
- Members are not required to give up begging, but are encouraged to take up an additional income-generating activity like selling popular consumer items door to door, or at the place of begging.

As of 31st December, 2018 cumulative members under this programme reaches at 109,186 out of them 106,309 are women. By this time 2,568 branches of Grameen Bank have implemented the programme. So far BDT 180.64 million has been disbursed and BDT 155.01 million has already been repaid. The Struggling members' saving balance stood BDT 9.37million.



Rangmala

A poignant saga of Rangmala's struggle for survival

Rangmala personifies the poignant story of nameless millions of women in the world struggling for a breathing space for survival. Now in her seventies, Rangmala hails from a poor family of Chandrabaj village of Bakhshigonj Upazila in the Jamalpur district.

She was married off at a very early age to Javed Ali. She had misfortunes pursuing all her wretched existence. The poor Javed was a man of small means. Whatever little landed properties he had was usurped by his siblings. Rangmala had no option than taking shelter in her parental home with their children. In the meantime, they had raised 5 children.

As her ill luck would have it, her husband fell seriously ill. They had to sell their homestead for his treatment but all in vain. He passed away in 1973. She again took shelter in her uncle's house to resume her struggle for survival. With none to support her, she had no alternative than to begging from door to door.

Even though everyone deserted, Grameen Bank didn't. It came forward with a helping hand. She was enrolled in the Bank's Bakhshigonj branch as Loanee No.0041 on 27-10-09 under the Struggling Members' programme. In the meantime, her 4 children have passed away. The only surviving son works in a garment factory and lives away with his family. He supplies her small amounts of money every month.

Rangmala started with a small loan of BDT 500 as interest free loan from the Bank and used it peddle small household goods on her begging trail. She kept on drawing increasingly larger amounts, the last one being BDT 3,000. She raised a small tin roofed shelter on her head with the last instalment.

Grameen Bank has not made her rich but tried to ease her pain of living in penury. She has nothing but to bless the Bank for its kindness to come forward when everybody chose to maintain a distance from her.



GB SCHOLARSHIP PROGRAMME

FOR MEMBER'S CHILDREN

In order to facilitate better educational opportunities for the children of Grameen members, Grameen Bank launched a scholarship programme for talented students, in 1999.

To encourage schooling of Grameen children, Grameen Bank introduced scholarship programme, so that, children from the poor families stay in school, and complete in both academic and extracurricular activities. Priority is given to girls. In Bangladesh education for girls is generally considered not as important as for boys. Even today, the general attitude of the society is such that women are supposed to take back seats and confine themselves in the role of a housewife after marriage.

At least 50% of the scholarship money must go to girls and the remaining 50% will be given to both boys & girls based on overall performance.

Scholarships are given annually. Up to December, 2018 scholarships to the extent of BDT 571.98 million (USD 6.82 million) were offered to 332,528 students.

Scholarship: 1999-2018

Categories	Number		Total
	Boys	Girls	
Primary	17,221	26,987	44,208
Junior Secondary	26,082	43,556	69,638
Secondary	45,401	60,428	105,829
Higher Secondary	39,080	52,987	92,067
Cultural	6,179	14,607	20,786
Total:	133,963	198,565	332,528

GB SCHOLARSHIP INSPIRES PRITI KAR'S DREAM TO BECOME A DOCTOR



Priti Kar is the second child of Dilip Kumar, a farmer, and Varati Rani, a housewife of a village named Damkadia in Rajbari district. They married in 1995 and have two children. Priti Kar is a student of class X in science group in Khagjana High School. Her brother is studying for a diploma degree in engineering. They eke out a living from the small income from agricultural activities.

Priti's mother, Varati Rani joined Grameen Bank on 31.01.2006 as a member of 23/F Centre under the GB's Kalukhali branch. She has drawn BDT 10,000 to 20,000 on several occasions to plant betel leaves on a small piece of her own land.

Priti Kar has been a meritorious student from her childhood. She works hard on her studies and also extends a helping hand to the parents on domestic chores. She got a scholarship in class V and obtained GPA 5 in Junior School Certificate examination. Grameen Bank selected her for grant of scholarship in 2018 as the best student in the juniors secondary category.

Now she is paid scholarship money on half-yearly basis. This money helped her in a great way to pursue her education. Her parents are equally enthusiastic to look forward to their talented daughter fulfil her dream to become a doctor under the tutelage of Grameen Bank. Grameen Bank too wishes her success to reach her coveted goal.

HIGHER EDUCATION SCHOLARSHIP PROGRAMME

New Window of Opportunity at International level

In addition to scholarships arranged for education of children of GB members for study at different levels in the educational institutions at home, GB has opened new window of opportunities for the children of Grameen family to pursue higher education, with full scholarships, in the following prestigious universities at home and abroad.

Khazanah Asia Scholarship Programme

Dr. Yunus visited Malaysia in 2007 on the invitation of Khazanah Foundation. Following discussion between Dr Yunus and Managing Director of the Foundation, Tan Sri Azman Mokhtar the Foundation decided to award scholarships for the children of GB members. Khazanah Foundation, Malaysia awards

87 scholarships every year in 4 categories for students from all parts of the world.

A new scholarship programme known as 'The Khazanah Asia Scholarship' has been instituted to award 25 scholarships to students of Asia for 3 to 4 year course in different categories at the graduate/ undergraduate level with the object of creating leadership in the field of industry and commerce. The Foundation has decided to award 5 scholarships every year under this programme, beginning from 2009, for the children of GB members.

The following table shows selected number of students from Bangladesh under the programme for undergraduate courses from 2009 session to 2017 and the current year 2018.

Year/Session	Total Number of Students
2009	5
2010	5
2011	4
2012	1
2013	2
2014	3
2015	1
2016	1
2017	2
2018	2

The following student are selected from Bangladesh under the programme for undergraduate course for 2018 session.

Sl no	Name of Student	Name of the member	Name of GB branch/Zone	Subject of Study	Name of University
1	Md. Shakil Ahmed	Shilpi Shahnawas Begum	Duosuo Baliadangi, Thakurgaon	Bachelor of Mechanical Engineering	University of Malaysia
2	Moontaseir Soumik	Shahida Akter	Fegunasar Sirajdikhan, Narayanganj	Bachelor of Civil Engineering	University of Malaysia

Asian University for Women, Chattogram Scholarships

Asian University for Women is an ultra modern international standard residential university with a goal of preparing the women of different Asian countries to assume leadership in the society in an international environment. The university has responded positively to the request of Professor Mohammad Yunus to award 25 full scholarships to the children of GB members for study at the undergraduate level in different disciplines.

Applications of 20 students have been sent to the University for Selection for admission in the 2018-2019 session. An amount of about BDT 700,000 (about USD 1000) is spent per year per student on tuition, board, meals etc.

The following table shows selected number of students from GB members under the programme for undergraduate courses from 2009 session to 2017 and the current year 2018.

Year/Session	Total Number of Students
2009-2010	8
2010-2011	8
2011-2012	1
2012-2013	2
2013-2014	-
2015-2016	4
2016-2017	14
2017-2018	7

VISITORS TO GRAMEEN BANK

Grameen Bank's reputation as a pioneer for alleviation of poverty through micro-credits regularly attracts streams of visitors from home and abroad to gain an insight into its recipe for success. Many of the visitors come here to learn the basic principles and modalities of its operation with a view to replicating Grameen model in their own countries. The visitors consist mainly of policy makers in the government and other institutions, journalists, representatives of the think tanks, researchers from academia and internee students from universities and colleges as part of their academic curricula. Grameen Bank's International Programme Department play hosts to the visitors and assist them to fulfil their missions.

The largest group of overseas visitors consists of people wishing to learn the Grameen system through exposure to its underlying philosophical moorings and the Bank's modality of operation. The second important category is students from various universities and colleges. They spend one to three months with the Grameen Bank to gain knowledge on the Bank as part of their curricula.

The following is a list of programmes in which overseas visitors generally participate:



Visitors

The following table shows the flow of foreign visitors of the Bank during the last 2 years

Programme	No. of visitors	
	2017	2018
Exposure	580	398
Internee	513	548
Basic Training	5	1
Journalists	-	2
Total	1098	949

Alongside the foreign visitors, the universities in Bangladesh too are increasingly showing interest to send their students to learn about the philosophy and mode of operation of the Bank. During the period of 5 years-- from 2014 to 2018—1,807 students from 54 local universities visited the Grameen Bank.



The following table shows the number of visitors from 14 leading and other countries from 2010 to 2018

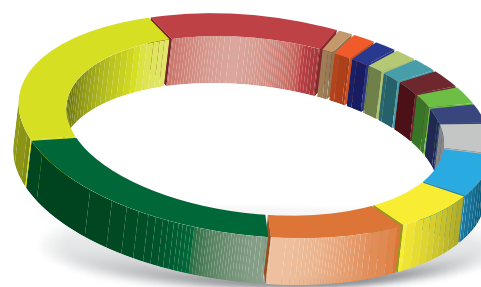
Sl No.	Country	No. of visitors
1	Japan	2245
2	Bangladesh	2052
3	America	954
4	Nepal	671
5	China	663
6	India	419
7	Germany	284
8	Italy	254
9	Thailand	240
10	Korea	188
11	France	172
12	Spain	171
13	United Kingdom	154
14	Australia	108
15	Others	1307

90% of the visitors from Japan which tops the list came for exposure to the Grameen system. It reflects their love for travel abroad and strong inclination to learn from the experiences of other countries on critical issues. On the other hand, 95% of the German and Italian visitors were students who came for internship with the Bank. The visitors from the neighbouring Nepal comprised entirely of those who wanted to learn from the Bank's experience on dispensation of small credits.

Visitors also came from such exotic and faraway countries as Albania, Burundi, Mauritania, Tonga, Kazakhstan, Barbados, Bolivia, Kyrgyz, Malawi, Lesotho, Ukraine, Namibia and our mountainous neighbour, Bhutan.

Outbound tourism country Japan also had their shares of visitors with 82 in 2018. Tourist based and one of the best microfinance practice country Nepal also send their visitors with 130 in 2018. Some Asian country China with 49, neighbour country India 40 and Bangladeshi 519 visitors also join this programme.

A pie chart depicts the flow of visitors from different continents during the 9 year period



22.72 %	Japan
20.77 %	Bangladesh
9.65 %	America
6.79 %	Nepal
6.71 %	China
4.24 %	India
2.87 %	Germany
2.57 %	Italy
2.43 %	Thailand
1.90 %	Korea
1.74 %	France
1.73 %	Spain
1.56 %	United Kingdom
1.09 %	Australia
13.23 %	Others

GB does not look upon foreign visitors as a source of income it collects small fees to cover its expenses for playing hosts to them. Grameen Bank always remains prepared to share its experience in handling the critical issue of poverty that unfortunately still bedevil the lives of nameless millions of people of our planet.

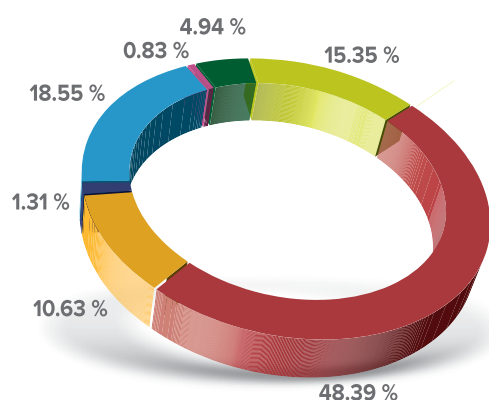
DISBURSEMENT OF ALL TYPES OF LOANS

LISTED UNDER BROAD CATEGORIES OF BUSINESS ACTIVITIES
DURING JANUARY TO DECEMBER, 2018

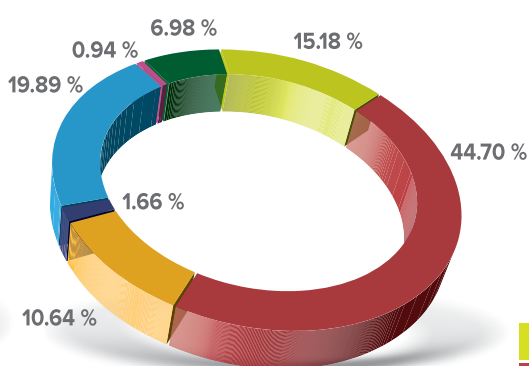
(Amount in BDT)

SI No	Items	Male		Female		Total	
		No. of Loans	Amount of Loans	No. of Loans	Amount of Loans	No. of Loans	Amount of Loans
1	Processing & Manufacturing	37,985	1,269,775,502	1,330,983	36,060,439,207	1,368,968	37,330,214,709
2	Agriculture & Forestry	110,567	3,393,760,743	4,204,111	106,562,296,884	4,314,678	109,956,057,627
3	Livestock & Fisheries	26,724	883,426,676	920,763	25,299,208,079	947,487	26,182,634,755
4	Services	4,280	160,883,836	112,334	3,918,830,264	116,614	4,079,714,100
5	Trading	38,386	1,558,789,291	1,615,205	47,374,766,771	1,653,591	48,933,556,062
6	Peddling	1,979	73,372,996	72,077	2,243,128,459	74,056	2,316,501,455
7	Shopkeeping	18,547	912,900,141	421,981	16,253,911,491	440,528	17,166,811,632
	Total :	238,468	8,252,909,185	8,677,454	237,712,581,155	8,915,922	245,965,490,340

NO. OF LOANS DISBURSED



AMOUNT OF LOANS DISBURSED



TOP 25 ITEMS IN ORDER OF LOAN AMOUNTS

FOR WHICH MEMBER TOOK LOANS
DURING JANUARY TO DECEMBER, 2018

For Male Amount (Order Descending)

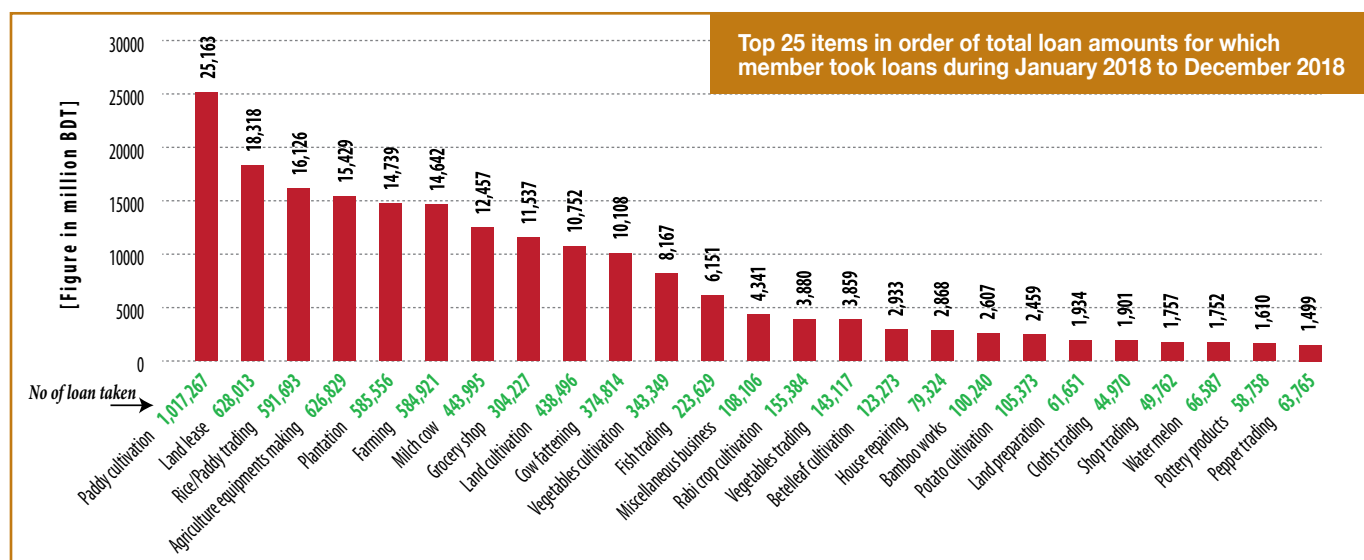
(Amount in BDT)

SI No	Activity Name	Male No	Male Amount
1	Land lease	20,535	702,253,622
2	Paddy cultivation	19,260	603,001,627
3	Grocery shop	11,125	540,137,694
4	Farming	17,545	489,868,616
5	Rice/Paddy trading	12,967	486,252,477
6	Milch cow	13,541	445,479,522
7	Plantation	13,172	431,459,419
8	Agriculture equipments making	15,434	430,426,259
9	Land cultivation	13,333	363,797,517
10	Cow fattening	10,320	324,694,586
11	Miscellaneous business	4,811	235,987,554
12	Vegetables cultivation	7,176	213,410,826
13	Rabi crop cultivation	4,096	132,542,726
14	Bamboo works	3,612	118,802,829
15	Fish trading	2,585	103,061,689
16	Medicine shop	1,526	89,054,230
17	Cloths trading	1,456	88,384,197
18	Potato cultivation	3,348	88,204,707
19	Shop trading	1,763	82,840,623
20	Stationery shop	1,730	81,996,482
21	Vegetables trading	2,259	77,589,882
22	Paddy husking	2,280	76,469,854
23	Betelleaf cultivation	2,477	72,529,319
24	Cloths shop	1,358	71,588,660
25	Land preparation	1,775	65,974,791

For Female Amount (Order Descending)

(Amount in BDT)

SI No	Activity Name	Female No	Female Amount
1	Paddy cultivation	998,007	24,560,426,938
2	Land lease	607,478	17,615,280,807
3	Rice/Paddy trading	578,726	15,639,849,834
4	Agriculture equipments making	611,395	14,998,482,642
5	Plantation	572,384	14,307,677,042
6	Farming	567,376	14,152,238,253
7	Milch cow	430,454	12,011,027,069
8	Grocery shop	293,102	10,997,112,293
9	Land cultivation	425,163	10,387,757,355
10	Cow fattening	364,494	9,783,402,458
11	Vegetables cultivation	336,173	7,953,409,170
12	Fish trading	221,044	6,048,107,664
13	Miscellaneous business	103,295	4,104,893,938
14	Vegetables trading	140,858	3,781,345,108
15	Rabi crop cultivation	151,288	3,747,114,774
16	Betelleaf cultivation	120,796	2,860,451,089
17	House repairing	78,583	2,845,200,426
18	Bamboo works	96,628	2,487,903,083
19	Potato cultivation	102,025	2,370,835,836
20	Land preparation	59,876	1,867,926,770
21	Cloths trading	43,514	1,812,501,057
22	Water melon	65,124	1,699,220,844
23	Shop trading	47,999	1,674,014,021
24	Pottery products	56,960	1,546,107,028
25	Pepper trading	62,728	1,474,768,366



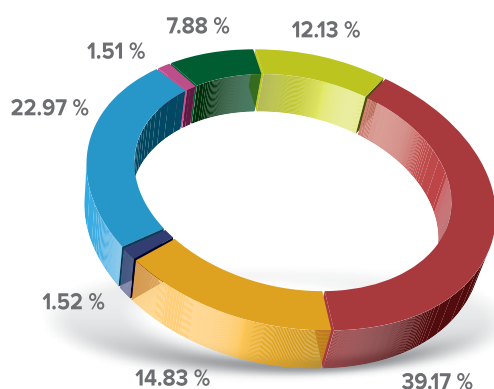
DISBURSEMENT OF MICROENTERPRISE LOANS

LISTED UNDER BROAD CATEGORIES OF BUSINESS ACTIVITIES
DURING JANUARY TO DECEMBER, 2018

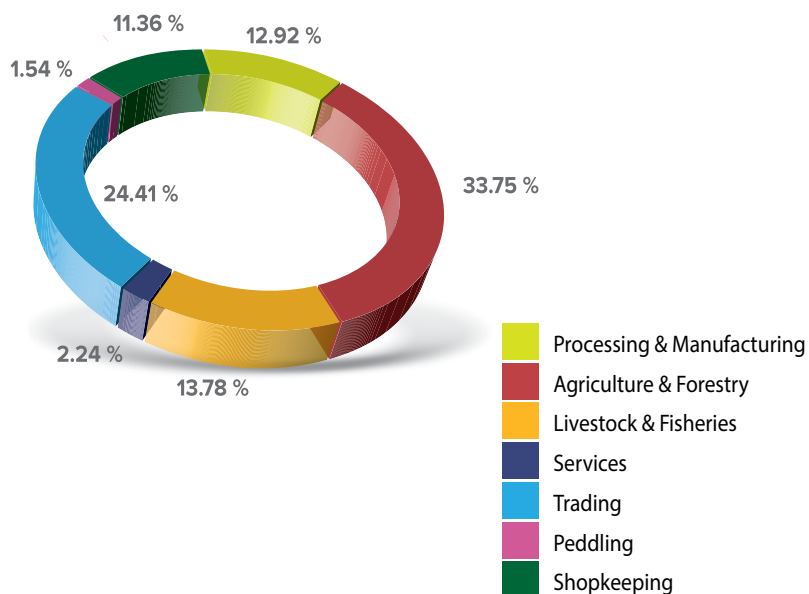
(Amount in BDT)

SI No	Items	Male		Female		Total	
		No. of Loans	Amount of Loans	No. of Loans	Amount of Loans	No. of Loans	Amount of Loans
1	Processing & Manufacturing	6,896	365,871,628	230,453	8,958,290,283	237,349	9,324,161,911
2	Agriculture & Forestry	19,595	768,477,390	746,987	23,578,595,002	766,582	24,347,072,392
3	Livestock & Fisheries	11,052	407,356,454	279,206	9,531,098,159	290,258	9,938,454,613
4	Services	1,017	65,926,378	28,642	1,551,077,485	29,659	1,617,003,863
5	Trading	11,034	637,283,079	438,612	16,970,894,635	449,646	17,608,177,714
6	Peddling	580	30,280,166	28,911	1,081,260,871	29,491	1,111,541,037
7	Shopkeeping	6,249	426,705,177	148,017	7,768,243,238	154,266	8,194,948,415
	Total :	56,423	2,701,900,272	1,900,828	69,439,459,673	1,957,251	72,141,359,945

NO. OF LOANS DISBURSED



AMOUNT OF LOANS DISBURSED



TOP 25 ITEMS IN ORDER OF MICROENTERPRISE LOAN AMOUNTS

FOR WHICH MEMBER TOOK LOANS
DURING JANUARY TO DECEMBER 2018)

For Male Amount (Order Descending)

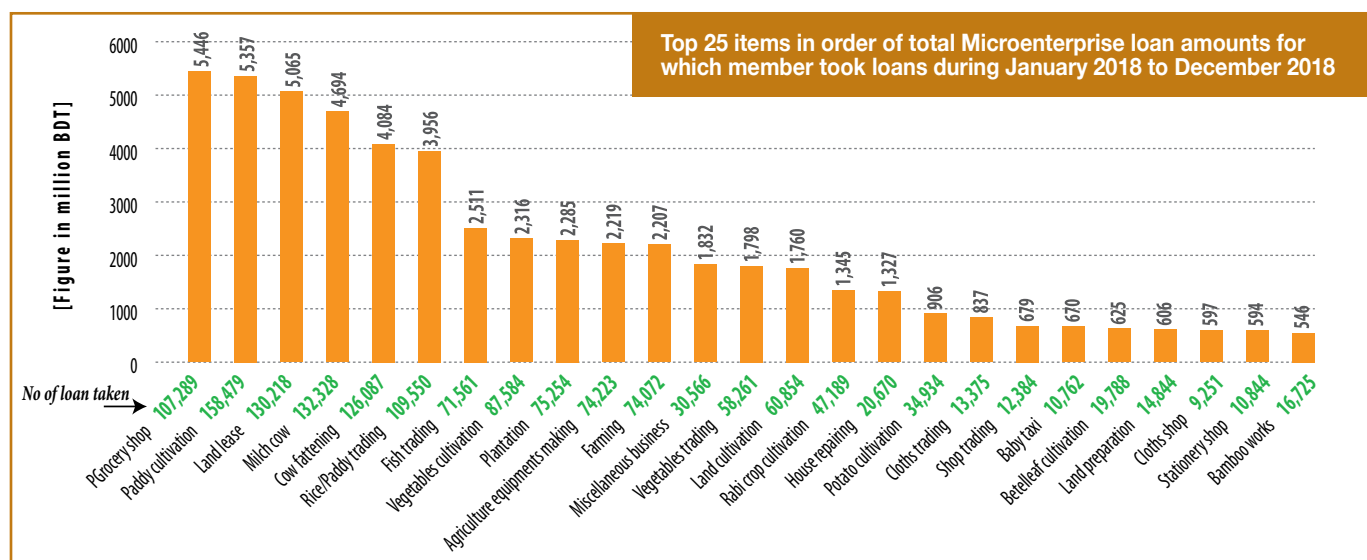
(Amount in BDT)

SI No	Activity Name	Male No	Male Amount
1	Grocery shop	3,824	250,410,584
2	Milch cow	5,652	207,777,500
3	Land lease	3,885	177,614,206
4	Cow fattening	4,670	157,197,525
5	Rice/Paddy trading	2,938	154,838,603
6	Paddy cultivation	3,065	125,674,802
7	Miscellaneous business	1,388	100,784,972
8	Agriculture equipments making	1,832	84,865,687
9	Farming	1,970	80,498,862
10	Plantation	1,666	70,773,877
11	Vegetables cultivation	1,896	66,556,237
12	Land cultivation	1,809	62,004,835
13	Fish trading	892	49,238,372
14	Cloths trading	526	44,026,385
15	Potato cultivation	1,562	43,711,567
16	Medicine shop	524	42,113,181
17	Rabi crop cultivation	927	42,104,804
18	Stationery shop	568	41,132,364
19	Shop trading	519	35,766,459
20	Cloths shop	469	33,773,448
21	Vegetables trading	696	30,308,565
22	Furniture making	363	25,838,362
23	Paddy husking	601	25,431,566
24	Baby taxi	350	22,433,474
25	Timber trading	316	21,613,919

For Female Amount (Order Descending)

(Amount in BDT)

SI No	Activity Name	Female No	Female Amount
1	Paddy cultivation	155,414	5,231,416,708
2	Grocery shop	103,465	5,195,394,952
3	Land lease	126,333	4,887,592,095
4	Milch cow	126,676	4,485,959,732
5	Cow fattening	121,417	3,927,010,185
6	Rice/Paddy trading	106,612	3,801,038,270
7	Fish trading	70,669	2,462,128,653
8	Vegetables cultivation	85,688	2,249,288,868
9	Plantation	73,588	2,214,410,387
10	Agriculture equipments making	72,391	2,134,136,139
11	Farming	72,102	2,126,320,212
12	Vegetables trading	57,565	1,767,741,048
13	Miscellaneous business	29,178	1,731,681,581
14	Land cultivation	59,045	1,698,316,503
15	House repairing	20,501	1,316,829,646
16	Rabi crop cultivation	46,262	1,303,178,107
17	Potato cultivation	33,372	862,347,600
18	Cloths trading	12,849	793,077,135
19	Baby taxi	10,412	647,644,938
20	Shop trading	11,865	643,707,949
21	Betelleaf cultivation	19,363	610,402,748
22	Land preparation	14,431	584,994,468
23	Cloths shop	8,782	563,168,399
24	Stationery shop	10,276	552,392,850
25	Bamboo works	16,282	525,682,068



COMPARATIVE STATEMENT

UP TO DECEMBER 31, 2018

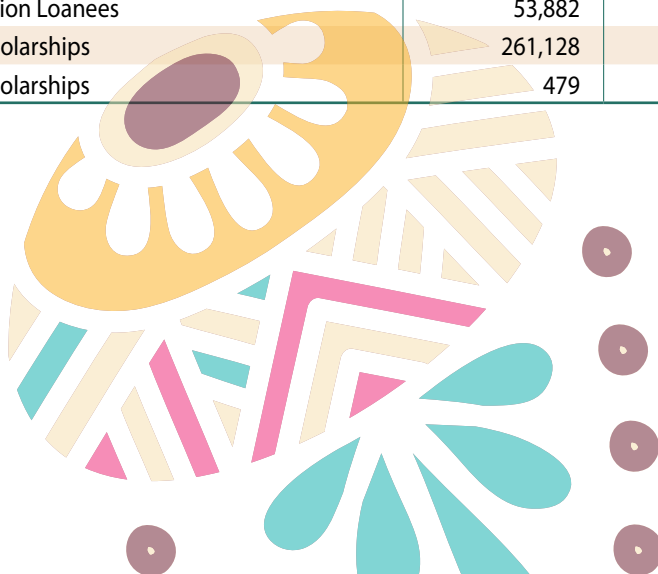
Sl No.	Zone	Amount Disbursed (In Million BDT)	Outstanding		Members			No of Branches	Outstanding Per Branch (In Million BDT)	Outstanding Per Member (In BDT)	Member Per Branch
			Amount in Million BDT	Zone Percentage	Numbers	Zone Percentage	Female Percentage				
1	Chattogram	72,326.88	4,820.26	3.14	180,507	1.99	94.10	72	66.95	26,704	2,507
2	Tangail	79,184.72	5,762.91	3.75	315,739	3.48	87.27	78	73.88	18,252	4,048
3	Rangpur	35,973.73	3,254.67	2.12	264,751	2.91	90.99	59	55.16	12,293	4,487
4	Manikganj	78,435.43	5,976.80	3.89	251,307	2.77	92.53	62	96.40	23,783	4,053
5	Patuakhali	47,161.09	4,146.16	2.70	241,136	2.65	88.69	87	47.66	17,194	2,772
6	Bogura	63,186.95	4,523.10	2.94	319,144	3.51	98.70	74	61.12	14,173	4,313
7	Sylhet	33,145.51	2,468.02	1.61	207,786	2.29	94.06	70	35.26	11,878	2,968
8	Rajshahi	77,718.10	6,155.04	4.01	310,167	3.41	98.65	88	69.94	19,844	3,525
9	Dinajpur	43,116.22	3,751.41	2.44	277,797	3.06	98.55	63	59.55	13,504	4,409
10	Faridpur	65,425.11	5,364.96	3.49	261,910	2.88	99.12	88	60.97	20,484	2,976
11	Cumilla	86,771.22	5,826.12	3.79	287,358	3.16	99.90	76	76.66	20,275	3,781
12	Mymensingh	34,166.05	2,885.25	1.88	229,374	2.52	99.75	55	52.46	12,579	4,170
13	Narayanganj	98,043.87	6,986.35	4.55	236,954	2.61	97.77	62	112.68	29,484	3,822
14	Khulna	42,676.89	3,807.89	2.48	237,446	2.61	99.08	69	55.19	16,037	3,441
15	Noakhali	56,922.52	4,484.75	2.92	194,535	2.14	99.82	78	57.50	23,054	2,494
16	Jamalpur	32,116.64	2,485.41	1.62	270,765	2.98	94.26	56	44.38	9,179	4,835
17	Nilphamari	29,797.40	2,536.81	1.65	286,759	3.16	90.97	61	41.59	8,846	4,701
18	Habiganj	45,922.75	4,238.08	2.76	240,522	2.65	98.96	59	71.83	17,620	4,077
19	Pabna	66,679.50	5,784.71	3.77	262,299	2.89	97.18	61	94.83	22,054	4,300
20	Barishal	58,303.16	4,895.62	3.19	222,945	2.45	96.24	80	61.20	21,959	2,787
21	Jhenaidah	60,593.24	5,576.97	3.63	292,453	3.22	99.50	74	75.36	19,070	3,952
22	Cox's Bazar	41,121.72	3,505.20	2.28	153,385	1.69	94.92	59	59.41	22,852	2,600
23	Gaibandha	31,745.60	2,876.60	1.87	199,891	2.20	93.81	55	52.30	14,391	3,634
24	Naogaon	49,862.88	4,256.21	2.77	256,409	2.82	98.64	77	55.28	16,599	3,330
25	Jashore	47,979.43	4,568.77	2.97	249,420	2.75	98.92	80	57.11	18,318	3,118
26	Chandpur	37,211.02	2,786.21	1.81	158,966	1.75	99.90	54	51.60	17,527	2,944
27	Kishoreganj	35,430.35	3,037.44	1.98	261,395	2.88	99.68	71	42.78	11,620	3,682
28	Bhola	26,035.44	2,233.84	1.45	109,911	1.21	99.73	52	42.96	20,324	2,114
29	Rangamati	18,998.10	1,803.33	1.17	79,274	0.87	99.79	44	40.98	22,748	1,802
30	Gazipur	66,988.24	4,546.17	2.96	194,631	2.14	97.00	49	92.78	23,358	3,972
31	Madaripur	50,873.90	4,407.54	2.87	218,635	2.41	99.67	67	65.78	20,159	3,263
32	Thakurgaon	39,573.22	3,828.50	2.49	287,066	3.16	96.57	72	53.17	13,337	3,987
33	Perojpur	34,923.74	2,870.70	1.87	205,109	2.26	98.71	61	47.06	13,996	3,362
34	Sunamganj	20,749.76	1,652.45	1.08	167,388	1.84	98.97	50	33.05	9,872	3,348
35	Feni	33,306.41	2,806.00	1.83	103,285	1.14	99.61	48	58.46	27,168	2,152
36	Narsingdi	35,597.49	2,374.53	1.55	211,284	2.33	96.56	39	60.89	11,239	5,418
37	Kurigram	27,269.73	2,622.09	1.71	205,667	2.26	94.66	48	54.63	12,749	4,285
38	Netrokona	20,420.08	1,681.29	1.09	179,538	1.98	99.43	63	26.69	9,365	2,850
39	Sirajganj	47,211.66	3,292.46	2.14	197,959	2.18	93.09	46	71.58	16,632	4,303
40	Sherpur	26,274.39	2,717.26	1.77	253,636	2.79	98.62	61	44.55	10,713	4,158
Total		1,899,240.95	153,598.65	100.00	9,084,503	100	96.66	2568	59.81	16,908	3,538

COMPARATIVE CONSOLIDATED STATEMENT

FOR THE YEARS 2017 & 2018

(Amount in Million BDT)

Sl.	Particulars		2017	2018	Increase/Decrease During 2018
1	Basic Loans :	Disbursed	1,473,700	1,717,525	243,825
		Repaid	1,337,428	1,572,885	235,457
2	Flexible Loans	Disbursed	33,214	35,136	1,922
		Repaid	28,249	30,059	1,810
3	Housing Loans :	Disbursed	10,028	10,873	845
		Repaid	9,344	9,861	517
4	Other Loans :	Disbursed	135,489	135,705	216
		Repaid	132,913	133,235	322
5	Outstanding :	Loans	144,497	153,598	9,101
		Interest	7,594	8,624	1,030
	Average Outstanding per Loanee (In BDT)		20,299	21,140	841
6	Overdue Loans :		472	762	290
7	Overall Repayment percentage		99	99	(0)
8	Deposits Balance : GB Members		140,963	157,137	16,174
9	Number of Members :	Female	8,635,961	8,781,372	145,411
		Male	298,913	303,131	4,218
		Total	8,934,874	9,084,503	149,629
10	Number of Loanees :		7,226,307	7,265,882	39,575
11	Number of Centres		140,262	138,143	(2,119)
12	Number of Villages Covered		81,400	81,677	277
13	Number of Branches in Operation		2,568	2,568	-
14	Number of Areas		246	239	(7)
15	Number of Zones		40	40	-
16	Information Management Centres		246	239	(7)
17	Education Loans Disbursed		3,747	3,809	62
18	Number of Education Loanees		53,882	54,143	261
19	Number of GB Scholarships		261,128	278,105	16,977
20	Amount of GB Scholarships		479	521	42

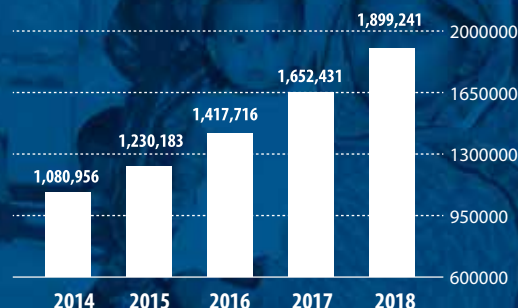


PAST FIVE YEARS OF GRAMEEN BANK

CUMULATIVE DISBURSEMENT OF LOANS

At the end of 2013, cumulative disbursement of loans was BDT 947,635 million. Up to 2018, this figure reached BDT 1,899,241 million, which translates to an increase of growth 100.42% during the five-year period. The average annual growth of cumulative disbursement of loans during this time was 14.94%.

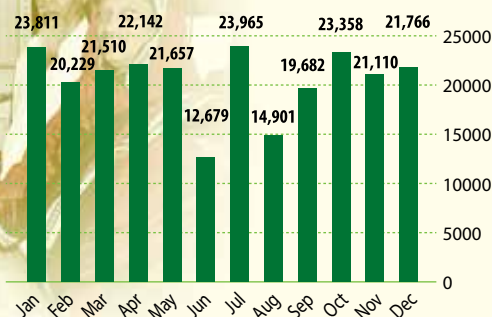
(Amount in Million BDT)



2018: DISBURSEMENT OF LOANS

The highest amount of loan disbursed in the month of July BDT 23,965 million. On the other hand, the lowest amount of loan disbursed in June BDT 12,679 million. The average amount of loan disbursed per month during the twelve months was BDT 20,568 million.

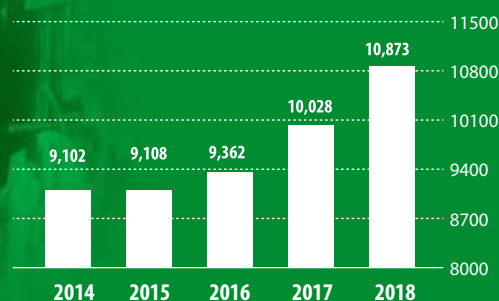
(Amount in Million BDT)



CUMULATIVE DISBURSEMENT OF HOUSING LOANS

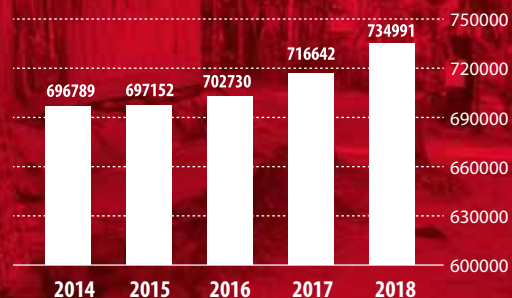
Up to 2013, BDT 9,080 million was disbursed as housing loans. In 2018, this figure stood at BDT 10,873 million, which translates to an increase of 8.43% during the five-year period. The average annual growth of cumulative disbursement of housing loans during this time was 3.73%.

(Amount in Million BDT)



CUMULATIVE NUMBER OF HOUSING LOANS

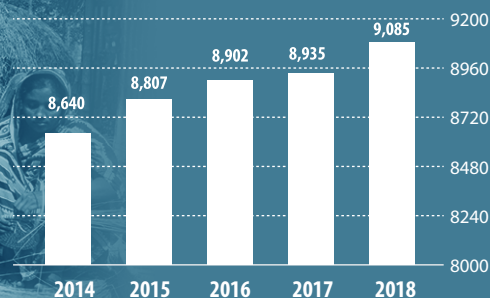
Up to 2013, the cumulative number of housing loans was 695,398. Up to 2018 this figure reached 734,991. It represents an increase of 2.64% from 2013 to 2018 and an average annual growth of 1.05% during the five-year period.



GROWTH OF MEMBERSHIP (CUMULATIVE)

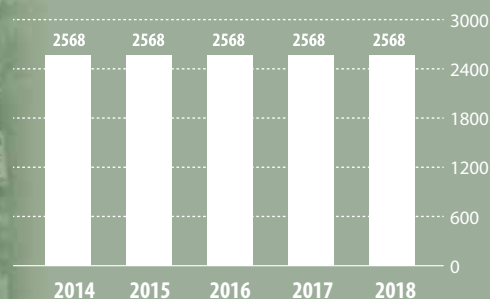
(figure in thousand)

Up to 2013, the cumulative number of members was 8.54 million. In 2018, this figure stood at 9.08 million. It represents an increase of 6.33% from 2013 to 2018 and an average annual growth of 1.27% during the five-year period.



NUMBER OF BRANCHES (CUMULATIVE)

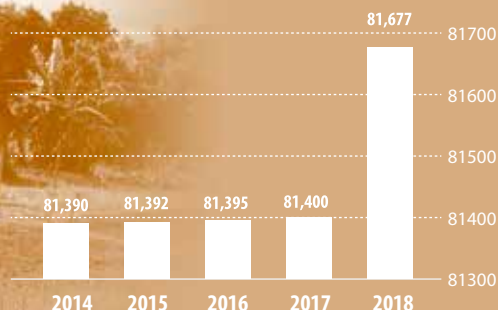
Up to 2013, the cumulative number of branches was 2,567. Up to 2018, this figure reached 2,568. It represents an increase of 0.04% from 2013 to 2018.



PAST FIVE YEARS OF GRAMEEN BANK

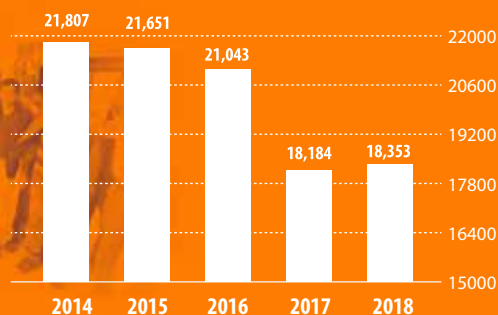
NUMBER OF VILLAGES COVERED (CUMULATIVE)

Grameen Bank network now crisscrosses 81,677 villages representing nearly 93% of the country's entire landscape. With this network GB has come quite close to fulfilling its dream of taking its services to the doorsteps of every household of rural Bangladesh.



NUMBER OF EMPLOYEES

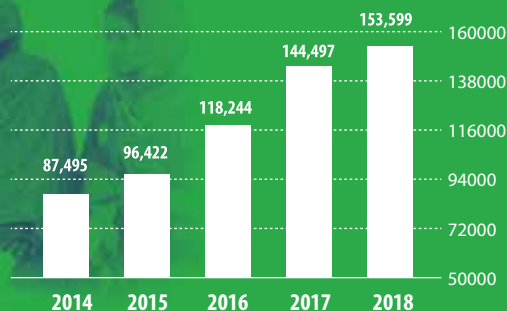
The number of employees of the Bank stood at 18,353 by the end of 2018 reflecting an increase of 169 employees over a period of 1 year since end December, 2017. This increment has been achieved mainly through the recruitment of new employees and process of rationalization of manpower.



OUTSTANDING OF LOANS

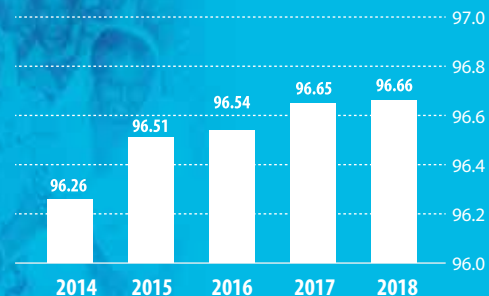
(Amount in Million BDT)

Outstanding of Loans of Grameen Bank have been increasing at a moderate rate and stood at BDT 153,599 million by the end of December, 2018. It reflects nearly 82% increase in the amount of outstanding loans totaling BDT 84,385 million held by the Bank 5 years ago at the end of December, 2013.



PERCENTAGE OF WOMEN MEMBERS

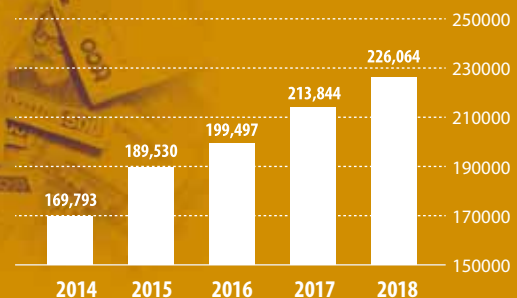
Historically, the majority of members of Grameen Bank have been women. The years under consideration are no exception. The percentage of women members throughout 2013 to 2018 was within close proximity of the 97% mark.



BALANCE OF DEPOSITS

(Amount in Million BDT)

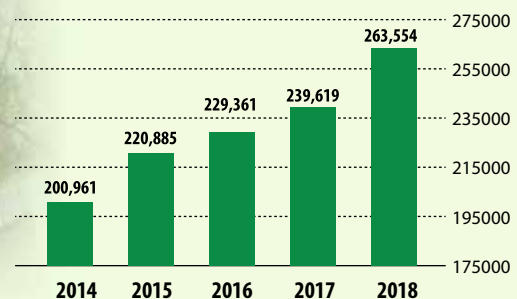
Deposits of members and others with the Grameen Bank have been increasing at a very rapid pace and stood at BDT 226,064 million by the end of December, 2018. It is near about 52%, to be the precise amount of deposits of only BDT 148,354 million held by the Bank 5 years ago at the end of December, 2013



TOTAL ASSETS

(Amount in Million BDT)

Up to 2018, the total asset of Grameen Bank was BDT 263.55 billion, a 9.99% increase compared to the previous year. This growth trend in the assets of Grameen Bank is the result of healthy loan portfolio growth.



GRAMEEN BANK YEAR END UPDATE :

DECEMBER, 2018 (IN MILLION BDT)

Sl. No.	Particulars	In million BDT
1.0	Cumulative Amount Disbursed Since Inception	1,899,240.95
2.0	Cumulative Amount Repaid Since Inception	1,745,642.31
3.0	Amount Disbursed this Month	21,765.50
4.0	Amount Repaid this Month	19,478.75
5.0	Outstanding Loans	
5.1	Basic Loan	145,039.72
5.2	Flexible Loan (a)	5,077.44
5.3	Housing Loan	1,011.42
5.4	Education Loan	2,130.60
5.5	Other Loans	339.47
5.6	Total :	153,598.65
6.0	Rate of Recovery(b)	99.00
7.0	Total Outstanding of Borrowers Missing 5 to 9 Consecutive Installments(c)	
7.1	Basic Loan	305.86
7.2	Flexible Loan	748.69
7.3	Total :	1,054.55
8.0	Overdue Loan(d)	
8.1	Basic Loan(e)	579.55
8.2	Flexible Loan	182.77
8.3	Housing Loan	0.15
8.4	Other Loans	0.00
8.5	Total :	762.47
9.0	Microenterprise Loan (Cumulative)	
9.1	No. of Microenterprise Loans	12,685,010
9.2	Amount Disbursed	448,265.31
9.3	Amount Repaid	403,573.80
10.0	Balance of Deposits	
10.1	Members' Deposit	157,137.39
10.2	Non-Members' Deposit	68,926.97
10.3	Total :	226,064.36
11.0	Deposits to Outstanding	
11.1	Deposits as Percentage of Outstanding Loans	147
11.2	Deposits and Own Resources as Percentage of Outstanding Loans	159
11.3	No. of Branches with more in Deposits than in Outstanding Loans	1,917
12.0	Beggar Members	
12.1	No. of Beggar Members	77,474
12.2	Amount Disbursed (Cumulative)	180.64
12.3	Amount Repaid (Cumulative)	155.01
12.4	Amount of Savings (Balance)	9.37
13.0	Cumulative Number of Village Phones	1,943,913
14.0	Cumulative Number of Houses Built with Housing Loans	734,991
15.0	Life Insurance Fund (Cumulative)	
15.1	No. of deaths among all Borrowers	197,777
15.2	Amount paid out from Life Insurance Fund	341.93

Sl. No.	Particulars	In million BDT
16.0	Loan Insurance	
16.1	Balance in Loan Insurance Savings	15,454.96
16.2	No. of deaths among the Persons Insured (Cumulative)	530,947
16.3	Amount of Outstanding Principal and Interest of the Deceased Borrowers paid out from Insurance Fund (Cumulative)	7,414.88
17.0	Higher Education Loan (Cumulative)	
17.1	No. of Female Students	13,092
17.2	No. of Male Students	41,051
17.3	Total :	54,143
17.4	Amount Disbursed (Female)	1,038.07
17.5	Amount Disbursed (Male)	2,771.08
17.6	Total :	3,809.15
18.0	Scholarship (Cumulative)	
18.1	Scholarship Recipient (Female)	166,219
18.2	Scholarship Recipient (Male)	111,886
18.3	Total :	278,105
18.4	Scholarship Amount (Female)	311.96
18.5	Scholarship Amount (Male)	208.79
18.6	Total :	520.75
19.0	Number of Members (f)	
19.1	Female	8,781,372
19.2	Male	303,131
19.3	Total :	9,084,503
20.0	Number of Groups	1,388,316
21.0	Number of Centres	138,143
22.0	Number of Villages	81,677
23.0	Number of Branches	2,568
24.0	Number of Branches with Computerised Accounting and MIS	2,568

- (a) On the last day of each month, 50 per cent provision is made against the outstanding amounts of flexible loans with age of less than two years, and 100 per cent provision is made against the outstanding amounts of flexible loans with age of two years and more. The portions of flexible loans which complete the third year are written off exactly on the date following their completion.
- (b) Amount repaid as a percentage of amount due.
- (c) If a borrower misses ten consecutive instalments, the entire outstanding loan is treated as an overdue loan.
- (d) On the last day of each month, 100 per cent provision is made for all overdue loans. Entire outstanding amount of overdue loans are written off one year after they became overdue.
- (e) In case of one-year loan, if the borrower fails to repay half the loan amount, with interest, within 26 weeks, entire unrepaid amount becomes overdue. In case of loans with longer duration, if the borrower fails to repay the total principal amount and interest scheduled to be repaid within each segment of 26 weeks, entire unrepaid amount falls overdue.
- (f) Number of members includes both Beggar Members and Higher Education Loan recipients mentioned in item no. 12.1 & 17.3 respectively

Note: Current Exchange Rate : 1USD = BDT 83.90

GRAMEEN BANK YEAR END UPDATE :

DECEMBER, 2018 (IN MILLION USD)

Sl. No.	Particulars	In million USD
1.0	Cumulative Amount Disbursed Since Inception	26,554.06
2.0	Cumulative Amount Repaid Since Inception	24,306.15
3.0	Amount Disbursed this Month	259.42
4.0	Amount Repaid this Month	232.17
5.0	Outstanding Loans	
5.1	Basic Loan	1,728.72
5.2	Flexible Loan (a)	60.52
5.3	Housing Loan	12.06
5.4	Education Loan	25.39
5.5	Other Loans	4.05
5.6	Total :	1,830.74
6.0	Rate of Recovery(b)	99.00
7.0	Total Outstanding of Borrowers Missing 5 to 9 Consecutive Installments(c)	
7.1	Basic Loan	3.65
7.2	Flexible Loan	8.92
7.3	Total :	12.57
8.0	Overdue Loan(d)	
8.1	Basic Loan(e)	6.908
8.2	Flexible Loan	2.178
8.3	Housing Loan	0.002
8.4	Other Loans	0.000
8.5	Total :	9.088
9.0	Microenterprise Loan (Cumulative)	
9.1	No. of Microenterprise Loans	12,685,010
9.2	Amount Disbursed	5,818.81
9.3	Amount Repaid	5,210.98
10.0	Balance of Deposits	
10.1	Members' Deposit	1,872.91
10.2	Non-Members' Deposit	821.54
10.3	Total :	2,694.45
11.0	Deposits to Outstanding	
11.1	Deposits as Percentage of Outstanding Loans	147
11.2	Deposits and Own Resources as Percentage of Outstanding Loans	159
11.3	No. of Branches with more in Deposits than in Outstanding Loans	1,917
12.0	Beggar Members	
12.1	No. of Beggar Members	77,474
12.2	Amount Disbursed (Cumulative)	2.65
12.3	Amount Repaid (Cumulative)	2.23
12.4	Amount of Savings (Balance)	0.11
13.0	Cumulative Number of Village Phones	1,943,913
14.0	Cumulative Number of Houses Built with Housing Loans	734,991
15.0	Life Insurance Fund (Cumulative)	
15.1	No. of deaths among all Borrowers	197,777
15.2	Amount paid out from Life Insurance Fund	6.00

Sl. No.	Particulars	In million USD
16.0	Loan Insurance	
16.1	Balance in Loan Insurance Savings	184.21
16.2	No. of deaths among the Persons Insured (Cumulative)	530,947
16.3	Amount of Outstanding Principal and Interest of the Deceased Borrowers paid out from Insurance Fund (Cumulative)	97.17
17.0	Higher Education Loan (Cumulative)	
17.1	No. of Female Students	13,092
17.2	No. of Male Students	41,051
17.3	Total :	54,143
17.4	Amount Disbursed (Female)	14.24
17.5	Amount Disbursed (Male)	38.47
17.6	Total :	52.71
18.0	Scholarship (Cumulative)	
18.1	Scholarship Recipient (Female)	166,219
18.2	Scholarship Recipient (Male)	111,886
18.3	Total :	278,105
18.4	Scholarship Amount (Female)	4.16
18.5	Scholarship Amount (Male)	2.79
18.6	Total :	6.95
19.0	Number of Members (f)	
19.1	Female	8,781,372
19.2	Male	303,131
19.3	Total :	9,084,503
20.0	Number of Groups	1,388,316
21.0	Number of Centres	138,143
22.0	Number of Villages	81,677
23.0	Number of Branches	2,568
24.0	Number of Branches with Computerised Accounting and MIS	2,568

- (a) On the last day of each month, 50 per cent provision is made against the outstanding amounts of flexible loans with age of less than two years, and 100 per cent provision is made against the outstanding amounts of flexible loans with age of two years and more. The portions of flexible loans which complete the third year are written off exactly on the date following their completion.
- (b) Amount repaid as a percentage of amount due.
- (c) If a borrower misses ten consecutive instalments, the entire outstanding loan is treated as an overdue loan.
- (d) On the last day of each month, 100 per cent provision is made for all overdue loans. Entire outstanding amount of overdue loans are written off one year after they became overdue.
- (e) In case of one-year loan, if the borrower fails to repay half the loan amount, with interest, within 26 weeks, entire unrepaid amount becomes overdue. In case of loans with longer duration, if the borrower fails to repay the total principal amount and interest scheduled to be repaid within each segment of 26 weeks, entire unrepaid amount falls overdue.
- (f) Number of members includes both Beggar Members and Higher Education Loan recipients mentioned in item no. 12.1 & 17.3 respectively
- Note: Current Exchange Rate : 1USD = BDT 83.90

HISTORICAL DATA SERIES : 1976-2018

(AMOUNT IN MILLION BDT)

Performance Indicator	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Cumulative Disbursement (All Loans)	0.008	0.08	0.35	3.06	20.17	53.7	95.61	194.95	499.31	927.76	1469.49	2279.52	3559.95	5328.23	7590.7	10230.3	15434	26056.1	39968.5	53632	65509.8	81780.4	100899.8
Disbursement During the Year (All Loans)	0.008	0.073	0.268	2.71	17.11	33.53	41.91	99.34	304.36	428.45	541.73	810.03	1280.43	1768.28	2262.47	2639.6	5203.7	10622.1	13912.4	13663.5	11877.8	16270.6	19119.4
Year-end Outstanding Amount	0.005	0.054	0.24	1.88	13.19	21.32	31.63	72.07	177.03	225.68	301.51	457.74	723.87	996.95	1270.82	1585.42	3168.88	6166.98	7933.38	8298.88	8639.68	10590.28	12316.68
Housing Loan Disbursement During the Year	-	-	-	-	-	-	-	-	3.6	17.2	5.7	140.7	170.4	236.3	224.6	301.9	559.3	1673	1338.6	712.96	168.7	687.7	973.9
Number of Houses Built cum.	-	-	-	-	-	-	-	-	317	1581	2042	23408	44556	67841	91157	118717	157334	258194	295702	331201	329040	402747	506680
Total Deposits (Balance)	-	-	0	0.22	1.48	4.23	7.37	18.51	38.33	79.82	122.67	221.88	324.46	566.65	851.43	1381.03	2176.32	3150.21	4132.56	4767.2	5211.95	5804.35	5404.45
Deposits of GB Members (Balance)	-	-	0	0.22	1.48	4.23	7.37	18.51	38.33	71.62	112.39	217.37	285.39	415.77	543.52	951.8	1386.46	2722.01	3413.67	4047.99	3782.94	4562.86	4844.45
GB Members' Deposit as % of Total Deposit	-	-	-	100	100	100	100	100	100	90	92	98	88	73	64	69	64	86	83	85	73	79	90
Number of Groups	-	4	45	377	2935	4818	6243	11667	24211	34324	46869	67831	98073	132452	173907	213286	284889	372298	412145	424993	433791	465384	486870
Number of Members	10	70	290	2200	14830	24128	30416	58320	121114	171622	234343	339156	490363	662263	869538	1066426	1424395	1814916	2013130	2065661	2059510	2272503	2368347
Percentage of Female Members	20	14	24	41	31	39	39	46	56	65	74	81	86	89	91	92	94	94	94	94	94	95	95
Number of Villages covered	1	2	4	17	363	433	745	1249	2268	3666	5170	7502	10552	15073	19536	25248	30619	33667	34913	35533	36420	37937	39045
Number of Branches	1	1	1	6	24	24	54	86	152	226	295	396	501	641	781	915	1015	1040	1045	1055	1079	1105	1137
Profit/Loss (For the Year)	-	-	-	-	-	-	-	-3.06	4.90	0.46	0.36	0.44	1.16	2.26	3.10	-1.18	13.39	28.99	21.67	15.02	19.11	14.32	104.34

Note : 1) 1976 figures show the loans given through Janata Bank. It does not include the loan personally given by Professor Muhammad Yunus.
2) Grameen Bank became operational as an independent bank on October 2, 1983. Housing Loan Programme started from 1984.





1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
116597.7	130559.1	146538.2	162286.24	183575.33	209166.76	248163.17	306368.63	356798.22	418903.07	498311.47	594460.61	703000	821608.85	947635.15	1080955.76	1230183.1	1417715.92	1652430.65	1899240.95
15697.9	13961.4	15979.1	15748.04	21289.09	25591.43	38996.41	49732.95	58902.1	62104.85	79408.4	96149.34	108539.43	118608.81	126026.3	133320.61	149227.34	187532.82	234714.73	246810.30
11035.58	10435.98	11068.08	11395.12	15086.21	18874.64	27357.06	32941.31	36336.3	44396.63	54714.54	66434.45	75325.46	80321.46	84384.91	87495.34	96422.28	118243.58	144497.23	153598.65
222.7	73.29	56.3	120.62	177.66	282.05	187.08	138.19	96.02	152.31	168.4	88.78	47.5	26.92	27.3	22.74	5.59	253.92	666.30	844.81
511583	533041	545121	558055	578532	607415	627058	641096	650839	665568	679577	687331	691322	693492	695398	696789	697152	702730	716642	734991
6013.62	6611.85	7697.14	9424.15	14715.75	20717.79	31659.56	44274.47	51918.71	64177.25	82953.62	104478.43	116875.33	131107.52	148353.68	169793.01	189529.84	199497.11	208022.41	266064.36
5523.95	5243.55	3827.6	7305.08	9972.15	13793.14	20138.37	27298.19	29533.51	34923.62	44823.49	56345.9	66547.12	79162.42	92138.2	105790.76	118791.54	128834.29	140962.80	157137.39
92	79	50	78	68	67	64	62	57	54	54	54	57	60	62	62	63	65	68	70
494044	503001	504651	513141	577886	685083	877142	1086744	1168840	1210343	1253160	1284606	1902882	1311827	1321974	1337398	1356113	1370930	1381103	1388316
2357083	2378356	2378601	2483006	3123802	4059632	5579399	6908704	7411229	7670203	7970616	8340623	8370998	8373893	8543977	8640225	8806779	8901610	8934874	9084503
95	95	95	95	95	96	96	97	97	97	97	97	96	96	96	96	97	97	97	97
39706	40225	40447	41636	43681	48472	59912	74462	80678	83566	83458	81376	81380	81386	81389	81390	81392	81395	81400	81677
1149	1160	1173	1178	1195	1358	1735	2319	2481	2539	2562	2565	2565	2567	2567	2568	2568	2568	2568	2568
76.93	11.14	58.45	59.67	357.52	422.13	1000.44	1398.15	106.91	1304.67	371.57	757.24	683.56	1455	1332.90	436.01	24.34	1392.92	2275.30	3485.29



HISTORICAL DATA SERIES : 1976-2018

(AMOUNT IN MILLION USD)

Performance Indicator	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Cumulative Disbursement (All Loans)	0.001	0.006	0.026	0.21	1.31	3.37	5.46	9.63	21.83	38.33	56.51	83.04	124.16	179.35	248.08	322.43	459.37	725.39	1072.77	1405.94	1691.74	2062.96	2471.61
Disbursement During the Year (All Loans)	0.001	0.005	0.02	0.18	1.1	2.06	2.09	4.17	12.2	16.5	18.18	26.53	41.12	55.19	68.73	74.35	136.94	266.02	347.38	333.17	285.8	371.22	408.65
Year-end Outstanding Amount	0.0003	0.004	0.016	0.12	0.83	1.17	1.44	3.03	7.1	8.69	10.09	14.94	23.17	31.02	38.6	44.43	83.06	157.56	198.33	206.44	213.54	233.01	253.95
Housing Loan Disbursement During the Year	-	-	-	-	-	-	-	-	0.14	0.66	0.19	4.59	5.45	7.35	6.82	8.46	14.72	41.9	33.42	17.39	4.06	15.69	20.81
Number of Houses Built cum.	-	-	-	-	-	-	-	-	317	1581	2042	23408	44556	67841	91157	118717	157334	258194	295702	331201	329040	402747	506680
Total Deposits (Balance)	-	-	-	0.01	0.1	0.26	0.37	0.78	1.54	3.07	4.1	7.24	10.39	17.63	25.86	38.71	57.05	79.49	103.11	117.56	125.14	132.27	115.21
Deposits of GB Members (Balance)	-	-	-	0.01	0.1	0.26	0.37	0.78	1.54	2.76	3.76	7.1	9.14	12.94	16.51	26.68	36.34	68.69	85.17	99.83	90.83	103.98	103.27
GB Members' Deposit as % of Total Deposit	-	-	-	100	100	100	100	100	100	90	92	98	88	73	64	69	64	86	83	85	73	79	90
Number of Groups	-	4	45	377	2935	4818	6243	11667	24211	34324	46869	67831	98073	132452	173907	213286	284889	372298	412145	424993	433791	465384	486870
Number of Members	10	70	290	2200	14830	24128	30416	58320	121114	171622	234343	339156	490363	662263	869538	1066426	1424395	1814916	2013130	2065661	2059510	2272503	2368347
Percentage of Female Members	20	14	24	41	31	39	39	46	56	65	74	81	86	89	91	92	94	94	94	94	94	95	95
Number of Villages covered	1	2	4	17	363	433	745	1249	2268	3666	5170	7502	10552	15073	19536	25248	30619	33667	34913	35533	36420	37937	39045
Number of Branches	1	1	1	6	24	24	54	86	152	226	295	396	501	641	781	915	1015	1040	1045	1055	1079	1105	1137
Profit/Loss (For the Year)	-	-	-	-	-	-	-	0.0059	0.0068	0.0008	0.0003	0.0003	0.0013	0.0022	0.0027	-0.0064	-0.15	0.24	0.54	0.37	0.46	0.33	2.15

Note : 1) 1976 figures show the loans given through Janata Bank. It does not include the loan personally given by Professor Muhammad Yunus.
2) Grameen Bank became operational as an independent bank on October 2, 1983. Housing Loan Programme started from 1984.





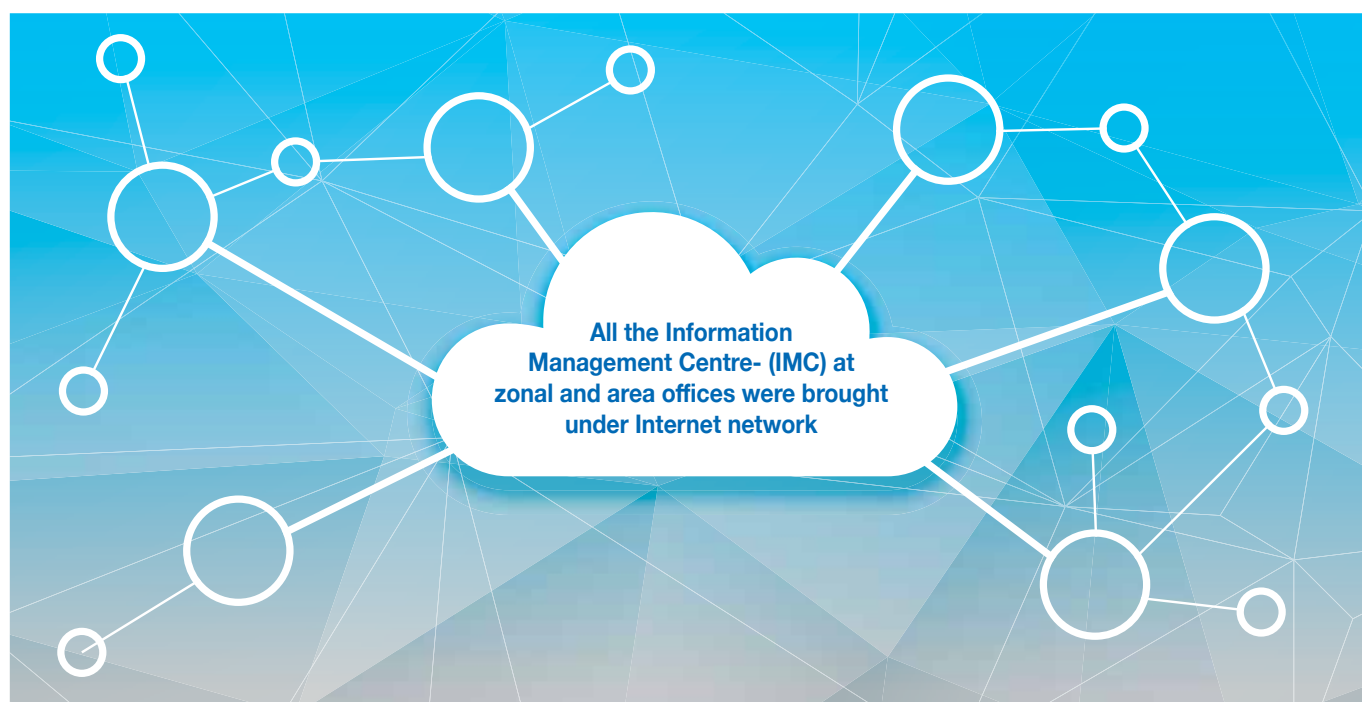
1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
2792	3060.44	3347.98	3620.5	3986.46	4416.82	5025.61	5954.02	6685.51	7591.32	8741.86	10124.64	11597.09	13043.8	14652.23	16370.79	18284.37	20674.26	23596.17	26554.06
320.39	268.44	287.54	272.52	365.96	430.36	608.79	724.96	934.94	905.81	1150.54	1382.78	1472.45	1446.71	1608.43	1718.56	1913.58	2389.89	2921.91	2957.89
216.38	193.26	194.18	196.81	258.1	312.96	415.82	471.19	529.53	646.05	791.82	943.81	945.47	997.41	1088.34	1128.83	1223.94	1505.52	1750.42	1830.73
4.54	1.41	1.01	2.09	3.05	4.74	2.95	2.01	1.4	2.21	2.43	1.26	0.6	0.33	0.35	6.29	0.07	3.23	8.07	10.07
511583	533041	545121	558055	578532	607415	627058	641096	650839	665568	679577	687331	691322	693492	695398	696789	697152	702730	716642	734991
122.52	126.78	137.92	162.77	227.66	343.52	481.22	633.31	756.61	933.89	1200.49	1484.28	1466.99	1628.06	1908.09	8190.59	2405.81	2540.07	2519.96	2694.45
112.54	100.54	68.58	126.17	170.61	228.7	306.1	390.48	430.39	508.2	648.68	800.48	835.28	983.02	1185.01	1364.87	1507.87	1640.37	1707.61	1872.91
92	79	50	78	68	67	64	62	57	54	54	54	57	60	62	62	63	65	68	70
494044	503001	504651	513141	577886	685083	877142	1086744	1168840	1210343	1253160	1284606	1302882	1311827	1321974	1337398	1356113	1370930	1381103	1388316
2357083	2378356	2378601	2483006	3123802	4059632	5579399	6908704	7411229	7670203	7970616	8340623	8370998	8373893	8543977	8640225	8806779	8901610	8934874	9084503
95	95	95	95	95	96	96	97	97	97	97	97	96	96	96	96	97	97	97	97
39706	40225	40447	41636	43681	48472	59912	74462	80678	83566	83458	81376	81380	81386	81389	81390	81392	81395	81400	81677
1149	1160	1173	1178	1195	1358	1735	2319	2481	2539	2562	2565	2565	2567	2567	2568	2568	2568	2568	2568
1.57	0.21	1.05	1.03	6.15	7	15.21	20	1.56	18.99	5.38	10.76	8.58	18.07	17.14	5.63	0.31	17.74	27.56	41.54



COMPUTERIZATION PROGRAMME

Since its modest beginning in 1993, GB computerization programme has come a long way. At the end of 2018, 2,568 (out of 2568) branches have been computerized. To increase the operational efficiency of any financial institution, it is important to minimise paper work at all levels particularly at branch level. Even the limitations of power supply, it is still not possible to derive maximum benefit from the computerization of Grameen management information system, especially in the rural areas.

All of our branches now under Information Management Centres at the area level. At the Information Management Centres, three branches are served by one computer. All branches within an area receive services from the centre. Each centre provides all types of loan monitoring and accounting services on a regular basis. Therefore, it has been possible to both reduce costs and increase the efficiency of the computerization programme when the Information Management Centres attain their full capacity to serve 3 branches with one computer.



All the Information Management Centre- (IMC) at zonal and area offices were brought under Internet network. As a result data transfer has become both easy and less expensive. Grameen Communications, an independent company provides necessary technical assistance for supporting the computerization programme of Grameen Bank.



SL	Zone	# of Centres	# of Computers	# of Branches
1.	Chattogram	7	22	72
2.	Tangail	8	25	78
3.	Rangpur	5	19	59
4.	Manikganj	5	19	62
5.	Patuakhali	6	26	87
6.	Bogura	6	25	74
7.	Sylhet	6	21	70
8.	Rajshahi	7	28	88
9.	Dinajpur	5	21	63
10.	Faridpur	7	30	88
11.	Cumilla	7	26	76
12.	Mymensingh	6	18	55
13.	Narayanganj	6	20	62
14.	Khulna	7	24	69
15.	Noakhali	8	24	78
16.	Jamalpur	5	19	56
17.	Nilphamari	5	20	61
18.	Habiganj	6	20	59
19.	Pabna	6	18	61
20.	Barishal	7	25	80
21.	Jhenaidah	7	28	74
22.	Cox's bazar	6	20	59
23.	Gaibandha	5	19	55
24.	Naogaon	6	25	77
25.	Jashore	8	27	80
26.	Chandpur	6	18	54
27.	Kishoreganj	6	23	71
28.	Bhola	5	15	52
29.	Rangamati	6	14	44
30.	Gazipur	5	18	49
31.	Madaripur	7	22	67
32.	Thakurgaon	6	25	72
33.	Perojpur	6	19	61
34.	Sunamganj	5	16	50
35.	Feni	5	15	48
36.	Narsingdi	4	12	39
37.	Kurigram	5	15	48
38.	Netrokona	5	20	63
39.	Sirajganj	5	16	46
40.	Sherpur	6	19	61
Total		239	836	2568

EVENTS



Mr. Babul Saha (2nd from right) Managing Director and Mr. Abul Khair Md. Monirul Hoque (1st from left), Deputy Managing Director of Grameen Bank hand over a cheque worth BDT 6.24 crore to Mr. A M A Muhith (1st from right) finance minister, as dividends against government investment in the micro lender at the secretariat in the capital on Thursday, 06 September 2018.



Mr. Babul Saha, Managing Director, inaugurate zonal manager and zonal audit officer conference at bank's auditorium in Dhaka.



Mr. Babul Saha, Managing Director, participate at panel discussion on AFCA and inclusive finance international forum at GB premises.



Bangladeshi summer interns meet with Mr. Babul Saha, Managing Director at Grameen Bank Head office.



Faculty member and student from SP Jain Institute of Management and Research, India visit Grameen Bank and meet with Mr. Babul Saha, Managing Director.



Students from different universities of Bangladesh visit GB and meet with Mr. Babul Saha (4th from left), Managing Director.



CSD, Nepal Delegation meet with Mr. Babul Saha, Managing Director of Grameen Bank.



Foreign Summer interns of different countries meet with Mr. Babul Saha, Managing Director of Grameen Bank.



President and Zone representative of 11th central executive committee of employees association receives Mr. Babul Saha (4th from right), Managing Director of GB in a workshop.



Mr. Babul Saha, Managing Director of Grameen Bank visit Manikganj zone and attend the employee assembly.



Mr. Babul Saha (3rd from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (2nd from right), Deputy Managing Director of Grameen Bank attend micro enterprise loan recipients and guardians workshop of Manikganj zone.



Mr. Babul Saha (4th from right), Managing Director of Grameen Bank and his colleagues visit Manikganj zone.

EVENTS



Mr. Babul Saha (4th from right), Managing Director of Grameen Bank visit Rangpur zone and attend the employee assembly.



During the zone visit, zonal manager of Pirojpur zone receives Mr. Babul Saha (3rd from right), Managing Director and Mr. Abul Khair Md. Monirul Hoque (3rd from left), Deputy Managing Director of Grameen Bank.



Mr. Babul Saha (3rd from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (2nd from left), Deputy Managing Director of Grameen Bank inaugurates a workshop of Pirojpur zone.



Mr. Babul Saha (2nd from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (3rd from left), Deputy Managing Director of Grameen Bank jointly distributed prizes to the employees of Pirojpur zone.



Mr. Babul Saha, Managing Director, Mr. Abul Khair Md. Monirul Hoque, Deputy Managing Director and some higher officials of GB pose a photo secession after a meeting with the employees of Narayanganj zone.



Mr. Babul Saha (3rd from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (4th from left), Deputy Managing Director of Grameen Bank participates employee assembly of Barishal zone.



Mr. Babul Saha (3rd from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (4th from left), Deputy Managing Director of Grameen Bank meet with area manager and programme officer during the visit of Barishal, Patuakhali and Bhola zone.



Mr. Babul Saha (2nd from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (3rd from left), Deputy Managing Director of Grameen Bank jointly distributed prizes to the employees of Sherpur zone.



Mr. Babul Saha (1st from left), Managing Director and Mr. Abul Khair Md. Monirul Hoque (2nd from left), Deputy Managing Director of Grameen Bank jointly distributed prizes to the employees of Tangail zone.



Mr. Babul Saha, Managing Director of Grameen Bank distributed wall clock as prizes to the employees of Noagaon zone.



Mr. Babul Saha (7th from right), Managing Director, Mr. Abul Khair Md. Monirul Hoque (6th from right), Deputy Managing Director and some executives of Grameen Bank pose photo session after a workshop of Rangpur zone.



Mr. Babul Saha (3rd from left), Managing Director, Mr. Abul Khair Md. Monirul Hoque (4th from left), Deputy Managing Director of Grameen Bank distributed prizes to employees of Narshindi zone.

FINANCIALS



**INDEPENDENT AUDITORS' REPORT AND
AUDITED FINANCIAL STATEMENTS OF
GRAMEEN BANK**

FOR THE YEAR ENDED 31 DECEMBER 2018

AHMAD & AKHTAR
Chartered Accountants
BCIC Bhaban (3rd Floor)
30-31 Dilkusha Commercial Area
Dhaka-1000, Bangladesh.

ACNABIN
Chartered Accountants
BDBL Bhaban (Level 13)
12 Karwan Bazar Commercial Area
Dhaka-1215, Bangladesh.

I N D E P E N D E N T A U D I T O R S ' R E P O R T

TO THE BOARD OF DIRECTORS OF GRAMEEN BANK

Opinion

We have audited the accompanying financial statements of Grameen Bank (the "Bank"), which comprise the Balance Sheet as at 31 December 2018, and Profit and Loss Account, Cash Flow Statement, and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2018, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as explained in note 3 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

- a. The tax deducted at source on dividend paid to shareholders were paid from the Dividend Equalization Fund, in line with the decision of the Board, to keep the full dividend at the hands of the recipients.
- b. The financial statements of the Bank for the year ended 31 December 2017 were jointly audited by ACNABIN Chartered Accountants and HodaVasi Chowdhury & Co., who expressed an unmodified opinion on those statements on 29 May 2018.

Responsibilities of Management and Those Charged with Governance for the accompanying Financial Statements and Internal Controls

The Bank is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs), as explained in note # 03 to the financial statements, 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.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the accompanying Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

We also report that:

1. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
2. in our opinion, proper books of accounts as required by laws were kept by the Bank so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
3. the Bank's balance sheet and profit and loss account dealt with by the report are in agreement with the books of accounts and returns;
4. the expenditures incurred was for the purpose of the Bank's business;
5. the information and explanations required by us have been received and found satisfactory;
6. the financial statements have been drawn up in conformity with the Grameen Bank Act 2013 and in accordance with the applicable rules and regulations;
7. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements; and
8. adequate provisions have been made for loans as per the Bank's policy which are in our opinion, doubtful of recovery.



AHMAD & AKHTAR
Chartered Accounts



ACNABIN
Chartered Accounts

Dated, Dhaka: 17 June 2019

GRAMEEN BANK
BALANCE SHEET

As at 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
PROPERTY AND ASSETS			
Cash:		3,062,958	1,595,700
Cash in hand		9,993	161,573
Balance with Bangladesh Bank		3,052,965	1,434,127
Balance with other banks	4.00	88,984,008,160	77,165,742,495
Investments	5.00	260,500,000	260,500,000
Loans and advances	6.00	163,153,800,718	152,044,335,264
Fixed assets including premises, furniture & fixtures	7.00	1,428,332,021	1,417,866,726
Investment property	8.00	81,120,636	83,375,361
Other assets	9.00	9,643,021,707	8,645,638,854
Total Assets		263,553,846,200	239,619,054,400
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from banks and other institutions	10.00	2,280,440,730	1,370,217,820
Deposits and other funds:	11.00	232,557,434,086	213,844,011,026
Members deposit		157,303,744,219	141,056,140,660
Non-members deposit		69,262,730,298	67,291,475,455
Other funds		5,990,959,569	5,496,394,911
Other liabilities	12.00	11,279,687,566	10,116,302,736
Total Liabilities		246,117,562,382	225,330,531,582
Capital/Shareholders' Equity			
Paid up capital	13.00	898,092,300	862,157,100
Capital and other reserves	14.00	14,385,078,991	11,564,606,061
Retained surplus	15.00	2,153,112,527	1,861,759,657
Total Shareholders' Equity		17,436,283,818	14,288,522,818
Total Liabilities and Shareholders' Equity		263,553,846,200	239,619,054,400

The annexed notes 1 to 32 form an integral part of these financial statements.


(Shah Md. Hasanuzzaman)
General Manager


Director


Director


(Babul Saha)
Managing Director


AHMAD & AKHTAR
Chartered Accounts


ACNABIN
Chartered Accounts

Dated, Dhaka: 17 June 2019

GRAMEEN BANK

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
OPERATING INCOME			
Interest income	16.00	37,260,220,487	32,389,033,979
Interest paid on deposits & borrowings etc.	17.00	(17,232,029,828)	(15,819,830,377)
Net interest income		20,028,190,659	16,569,203,602
Dividend income from investments	18.00	49,913,658	45,380,636
Other income	19.00	2,216,157,878	2,700,710,538
Total operating income		22,294,262,195	19,315,294,776
Salary and allowances	20.00	11,822,464,467	11,664,071,246
Rent, rates, taxes, insurance, utilities etc.	21.00	246,131,685	231,632,166
Legal, professional fees and others	22.00	402,858,859	405,162,388
Postage, stamp, telecommunication etc.	23.00	24,597,879	18,145,615
Stationery, printing, advertisement etc.	24.00	108,484,146	99,699,793
Directors' fees		426,000	342,000
Auditors' fees	25.00	1,569,750	1,569,750
Depreciation of fixed assets	26.00	58,782,166	58,817,242
Repairs and maintenance of bank's assets	27.00	53,698,792	51,907,513
Other expenses	28.00	2,497,772,430	1,889,814,618
Total operating expenses		15,216,786,174	14,421,162,331
Profit before provision		7,077,476,021	4,894,132,445
Provisions for loans and advances	29.00	3,592,187,597	2,618,837,361
NET PROFIT		3,485,288,424	2,275,295,084
APPROPRIATIONS			
Net profit transferred for appropriation		3,485,288,424	2,275,295,084
Retained surplus brought forward from prior year		1,861,759,657	1,597,904,277
Dividend paid for year 2017 @ 30% (2016: 30%)		(258,647,130)	(256,144,620)
Total retained surplus available for appropriation		5,088,400,951	3,617,054,741
Dividend equalization fund		250,000,000	200,000,000
General reserve		2,600,000,000	1,500,000,000
Employees welfare fund		85,288,424	55,295,084
		2,935,288,424	1,755,295,084
Remaining retained surplus		2,153,112,527	1,861,759,657

The annexed notes 1 to 32 form an integral part of these financial statements.


 (Shah Md. Hasanuzzaman)
 General Manager


 Director


 Director


 (Babul Saha)
 Managing Director


AHMAD & AKHTAR
 Chartered Accounts


ACNABIN
 Chartered Accounts

Dated, Dhaka: 17 June 2019

GRAMEEN BANK

CASH FLOW STATEMENT

For the year ended 31 December 2018

	Notes	Amount in Taka	
		2018	2017
Cash flows from operating activities			
Interest received		36,230,896,147	33,268,275,978
Dividend income from investments		49,913,658	45,380,636
Interest paid		(17,232,734,810)	(15,821,892,557)
Cash payments to employees		(11,821,872,878)	(11,664,254,932)
Payments for other operating expenses		(3,335,113,541)	(2,697,931,843)
Receipts from other operating income		1,257,589,367	1,547,536,489
Recoveries from loans previously written off		957,381,306	1,151,944,026
Operating profit before changes in operating assets and liabilities		6,106,059,249	5,829,057,797
(Increase)/Decrease in operating assets:			
Loans and advances		(11,109,465,454)	(28,215,041,513)
Other assets	30.00	31,941,487	146,615,360
Increase/(decrease) in operating liabilities:			
Deposits and other funds		18,628,134,636	8,233,413,705
Other liabilities	31.00	(2,429,115,374)	(2,743,957,146)
Cash utilised in operating assets & liabilities (ii)		5,121,495,295	(22,578,969,594)
Net cash from operating activities		11,227,554,544	(16,749,911,797)
Cash flows from investing activities			
Purchase of tangible fixed assets		(86,767,838)	(79,247,022)
Disposal of tangible fixed assets		20,962,307	16,972,524
Fixed deposits with other Banks		(11,709,533,277)	17,179,024,143
Net cash from investing activities		(11,775,338,808)	17,116,749,645
Cash flows from financing activities			
Issue of share capital		35,935,200	8,341,700
Net decrease in borrowings from banks and other institutions		910,222,910	153,518,369
Payment of dividends		(258,647,130)	(256,144,620)
Payment of tax on dividends		(29,527,070)	(29,250,693)
Net cash used in financing activities		657,983,910	(123,535,244)
Net Increase/(decrease) in cash and cash equivalents		110,199,646	243,302,604
Cash and cash equivalents at beginning of the period		1,548,490,000	1,305,187,396
Cash and cash equivalents at end of the period	32.00	1,658,689,646	1,548,490,000

The annexed notes 1 to 32 form an integral part of these financial statements.


(Shah Md. Hasanuzzaman)
General Manager


Director


Director


(Babul Saha)
Managing Director

GRAMEEN BANK

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018

(Amount in Taka)

Particulars	Paid up Capital	Capital Reserves	General Reserve	Dividend Equalization Fund	Other Reserves	Retained Surplus	Total
Balance as at 1 January 2018	862,157,100	3,765,914,839	5,454,000,000	2,331,285,606	13,405,616	1,861,759,657	14,288,522,818
Restated balance	862,157,100	3,765,914,839	5,454,000,000	2,331,285,606	13,405,616	1,861,759,657	14,288,522,818
Paid up capital	35,935,200	-	-	-	-	-	35,935,200
Dividend for the year 2017 @ 30%	-	-	-	-	-	(258,647,130)	(258,647,130)
Tax paid	-	-	-	(29,527,070)	-	-	(29,527,070)
Net profit for the year	-	-	-	-	-	3,485,288,424	3,485,288,424
General reserve	-	-	2,600,000,000	-	-	(2,600,000,000)	-
Dividend equalization fund	-	-	-	250,000,000	-	(250,000,000)	-
Employees welfare fund	-	-	-	-	-	(85,288,424)	(85,288,424)
Balance as at 31 December 2018	898,092,300	3,765,914,839	8,054,000,000	2,551,758,536	13,405,616	2,153,112,527	17,436,283,818

The annexed notes 1 to 32 form an integral part of these financial statements.



(Shah Md. Hasanuzzaman)
General Manager



Director



Director



(Babul Saha)
Managing Director

GRAMEEN BANK

STATEMENT OF LIQUIDITY

As at 31 December 2018

(Amount in Taka)

Particulars	Up to 1 month	Over 1 month but not more than 3 months	Over 3 months but not more than 1 year	Over 1 year but not more than 5 years	More than 5 years	Total
Assets:						
Cash in hand	9,993	-	-	-	-	9,993
Balances with Bangladesh Bank	3,052,965	-	-	-	-	3,052,965
Balances with other banks	4,929,449,362	5,356,907,076	76,847,641,495	1,850,000,000	10,227	88,984,008,160
Investments	-	-	-	-	260,500,000	260,500,000
Loans and advances	9,789,228,043	19,578,456,086	91,366,128,402	39,156,912,172	3,263,076,015	163,153,800,718
Fixed assets	-	-	-	185,683,162	1,242,648,859	1,428,332,021
Investment property	-	-	-	-	81,120,636	81,120,636
Other assets	192,859,284	1,157,213,195	2,603,600,340	4,242,904,255	1,446,444,633	9,643,021,707
Total Assets (A)	14,914,599,647	26,092,576,357	170,817,370,237	45,435,499,589	6,293,800,370	263,553,846,200
Liabilities						
Borrowings from banks and other institutions	1,187,876,588	31,028,966	31,028,966	248,231,728	782,274,482	2,280,440,730
Deposits and other funds	9,145,145,965	34,232,917,712	95,737,594,233	61,545,600,498	31,896,175,678	232,557,434,086
Other liabilities	639,752,278	1,258,464,586	2,378,288,329	3,457,238,673	3,545,943,700	11,279,687,566
Total Liabilities (B)	10,972,774,831	35,522,411,264	98,146,911,528	65,251,070,899	36,224,393,860	246,117,562,382
Net Liquidity Gap (A-B)	3,941,824,816	(9,429,834,907)	72,670,458,709	(19,815,571,310)	(29,930,593,490)	17,436,283,818


(Shah Md. Hasanuzzaman)
General Manager


Director


Director


(Babul Saha)
Managing Director

Notes to the Financial Statements

As at and for the year ended 31 December 2018

1.00 BACKGROUND

1.01 *Legal form of the entity*

Grameen Bank (the "Bank") was established as a body corporate under the Grameen Bank Ordinance 1983. Subsequently, on 10 November 2013, the Government has enacted the Grameen Bank Act, 2013 repealing the previous Grameen Bank Ordinance, 1983. Initially the authorized capital of the Bank was Tk 100 million and paid-up capital was Tk. 30 million. At present the Bank's authorized capital is Tk. 10,000 million and paid-up capital is Tk. 898.09 million. Members who are also borrowers hold 75.94 percent of Grameen Bank shares. The remaining 24.06 percent is held by the Government of Bangladesh, Sonali Bank Ltd. and Bangladesh Krishi Bank. The board of the Bank consists of 13 members: the Managing Director, three members including the Chairman nominated by the Government and nine members elected from the borrower shareholders.

1.02 *Nature of business*

The principal activity of the Bank is to provide credit without collateral to landless persons (any person who or whose family owns less than fifty decimals of cultivable land or who or whose family owns property, both movable and immovable, the value of which does not exceed the value of one acre of cultivable land according to the prevailing market price in the union in which the person normally resides) for all types of economic activities. The Bank also accepts deposits but excluding business in foreign exchange transactions, carries out survey and research, issue publications and maintaining statistics with a view to improving the economic condition of the landless persons. The Bank undertakes income-generating projects for landless persons, invests its funds in Government Securities and provides professional counseling to landless persons regarding investments in small business and cottage industries. Grameen Bank now operates 40 Zonal offices, 33 Zonal audit offices, 239 Area offices and 2,528 Branch Offices. The Bank offers five types of loans such as basic loan, housing loan, higher education loan, young entrepreneur loan and struggling members' loan. Loans & advances and Deposits as at December 31, 2018 were Tk. 163,153,800,718 and 226,566,474,517 respectively. As on December 31, 2018, out of 2,568 branches, 2,012 branches registered profits, 516 branches were not profitable and the remaining 40 branches were not in operation. During the year the Bank didn't open any new branch.

2.00 RISK MANAGEMENT

In the ordinary course of business, the Bank is exposed to a variety of risks. The most important of which are credit risk, liquidity risk and operational risk. These risks are being identified, measured and monitored through various control mechanisms across the Bank in order to assess the quality of products offered.

2.01 *Credit risk*

Credit risk arises mainly from micro-credit loan provided to the members of Grameen Bank. This can be described as potential loss arising from the failure of a counterparty to perform as contractual agreement with the Bank. The failure may result unwillingness of a counterparty or decline in his/her financial condition in adverse environment. Therefore, the Bank's credit risk management activities have been designed to address all these issues.

The officers/executives involved in credit related activities including credit approval, administration, monitoring and recovery policies are approved by the different levels of the management. An effective assessment is done before sanction of credit facilities to the members is done by borrower financial condition, historical performance etc. The process starts at the branch manager and approved by the competent authority. Credit approval authority has been delegated to individual executives by the approval of the Board of Directors. Loans are classified as per Grameen Bank Loan Policy and Guidelines.

2.02 *Liquidity risk*

The objective of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base. The liquidity management is monitored by the Fund unit on a regular basis.

2.03 *Operational risk*

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through different departments controls operational procedures of the Bank. Audit department undertakes routine audit on yearly basis and special audit of branches and departments of the Head Office for review of the operation and compliance of the statutory requirements. The Managing Director subsequently reviews the report of the audit department and gives necessary directions to the relevant departments.

Notes to the Financial Statements

As at and for the year ended 31 December 2018

2.04 Internal audit

Internal audit is a part of the internal control system, which is introduced in large business entities to detect any error or fraud at an early stage. At present, the Internal Audit Division of Grameen Bank is characterized by two-tier structure namely central audit and zonal audit. Central audit conducts the audit of different divisions at the head office. Moreover, Central audit office supervises, advises, directs and provides necessary guidance to zonal audit offices. The zonal audit office audits zonal offices and their area offices and all branches within the zone. Central and zonal audit offices execute complete audits and brief audits to monitor operations and review compliance of statutory requirements. Besides, Central audit conducts pre-audit of almost all transactions of Head Office. The Internal Audit Division works under the direct supervision of the Managing Director; however, internal audit is completely independent in its work. Internal audit is conducted in yearly intervals to ensure compliance with the policies of the Bank and regulatory bodies.

3.00 SIGNIFICANT ACCOUNTING POLICIES
3.01 Basis of preparation and presentation of Financial Statement

The accompanying Financial Statements comprising the Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity, Statement of Liquidity and Notes thereto have been prepared in accordance with International Financial Reporting Standards (IFRS) on a going concern basis under the historical cost convention.

3.02 Statement of compliance

The financial statements of the Bank are prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Grameen Bank Act, 2013.

3.03 Basis of consolidation

A separate set of records for consolidation of the statement of affairs and income & expenditure account of the branches, zonal offices and zonal audit offices are maintained at the head office of the Bank based on which these Financial Statements have been prepared.

3.04 Tax exemption

Grameen Bank enjoyed unconditional exemption of income tax up to 31 December 2010 vide SRO No. 188/Law/2006 dated 30 July 2006 and SRO No. 315-Law/2008 dated 20 November 2008. Previously Grameen Bank enjoyed income tax exemption from 1997 to 2005 subject to the condition that the Bank will transfer its entire profits to Rehabilitation Fund that the Bank did earlier. The National Board of Revenue (NBR) has exempted the Grameen Bank from payment of taxes from 01.01.2011 to 31.12.2015 vide SRO No. 202-Law/2012 dated 18 June 2012 and SRO No. 91-Law/ 2015 dated 07 May 2015. In the new Grameen Bank Act, 2013 tax exemption status has been retained. This exemption has been further extended by the National Board of Revenue (NBR) from 01.01.2016 to 31.12.2020 vide SRO No. 121-Law/2016 dated 04 May 2016.

3.05 Rehabilitation fund

Rehabilitation Fund consists of transfer of funds from general reserve and tax provision made for the years 1997 and 1998 and transferred the entire revenue profit from 1999 to 2005 in order to comply with the requirement for tax exemption allowed by the Ministry of Finance, Government of the Peoples' Republic of Bangladesh. The Rehabilitation Fund can be utilized for the purpose of rehabilitation of members affected due to natural disasters.

3.06 Foreign fund

Foreign funds were received from the foreign donor agencies (IFAD 239 BA, NORAD, SIDA, Dutch Grant and JICA former JBIC) under the subsidiary loan agreements with the Government of the Peoples Republic of Bangladesh. The terms for repayments, rates of interest, grace periods etc. have been set out in those agreements. The funds were disbursed to Grameen Bank in equivalent taka currencies and were accounted for at cost as and when those funds were received. Consequently, no accounting treatment is required in respect of exchange differences on foreign currencies; Grameen Bank does not need to account for exchange gain/loss on such differences as well.

3.07 Accruals & deferrals

Deferrals and accruals are made as per the International Accounting Standard (IAS) 1 (Presentation of Financial Statements). In order to meet their objectives, Financial Statements except cash flow statement and related

Notes to the Financial Statements

As at and for the year ended 31 December 2018

information are prepared on accrual basis of accounting. Under the basis, the effects of transactions and other events are recognized when they occur (and not when cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the Financial Statements of the year to which they relate.

3.08 *Reconciliation of inter branch transactions*

Books of accounts with regard to inter branches are reconciled. Unreconciled entries are caused by mismatching of original figures with corresponding ones, lack of original advice and incomplete advice from branches, zonal offices and zonal audit offices.

3.09 *Cash flow statement*

International Accounting Standard (IAS) 1: Presentation of Financial Statements requires that a cash flow statement is to be prepared as it provides information about cash flows of the enterprise that is useful in providing users of Financial Statements with a basis to assess the ability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows.

Cash flow statement has been prepared under the indirect method for the year, classified by operating, investing and financing activities as prescribed in paragraph 10 and 18(a) of IAS 7: Cash flow statement.

3.10 *Liquidity statement*

The liquidity statement of assets and liabilities as on 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 of short notice, etc. are on their maturity term;
- b. Investments are on the basis of their respective maturity;
- c. Loans and advances/investments are on the basis of their repayment schedule;
- d. Fixed assets are on the base of their useful lives;
- e. Other assets are on the basis of their realization/amortization;
- f. Borrowing from other banks, financial institutions, agents, etc. are as per as their maturity/ repayment terms;
- g. Provisions and other liabilities are on the basis of their adjustment/payment schedule;
- h. Deposits and other funds are on the basis of their maturity term and past trend of withdrawal by the depositors.

3.11 *Provision for loan impairment*

Specific provisions are made against non-performing and problem loans on the basis of best estimate up to such amount as it is expected to cover for the loss from non-performing and impaired loans and advances.

The Bank writes-off its non-performing and problem loans after one year on overdue loan. Subsequent recoveries of such loans are credited directly to the Profit and Loss Account.

Provisions for loans & advances are made on the basis of year-end review by the management and instructions given in board resolution by the Board of Directors (BOD). The relevant calculation rates are given below:

- a) Basic loans
Basic loan provision is made @ 100% on overdue loan;
Basic loan provision is made @ 1% on regular loan.
- b) Flexible loans
Provision is made on flexible loans at the following rates:
Principal outstanding from the signing of first contract year below 2 years @ 50%;
Principal outstanding for 2 years and beyond from the signing of first contract year @ 100%;
Overdue flexible loans @ 100%.
- c) Housing loans (Members)
Housing loan provision is made @ 100% on overdue loan;
Housing loan provision is made @ 1% on regular loan.
- d) Educational loans
No provision is made on educational loan.
- e) Young entrepreneur loans
Young entrepreneur loan provision is made @ 100% on overdue loan;
Young entrepreneur loan is made @ 1% on regular loan.

As per IAS 39, an entity should start the impairment assessment by considering whether objective evidence of

Notes to the Financial Statements

As at and for the year ended 31 December 2018

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. The above calculation rates are determined by Management on the basis of historical loan loss data and covers portfolio that are impaired and identified as well as those that impaired but yet to be individually identified.

3.12 *Overdue policies*

If a borrower fails to repay ten consecutive installments, the entire outstanding loan is treated as an overdue loan; In the case of young entrepreneur loan the installment schedule may be weekly, fortnightly and monthly. For the case of weekly, fortnightly and monthly installment schedule; if a borrower fails to repay ten, five & three consecutive installments respectively, the entire outstanding loan is treated as an overdue loan;

In the case of one year, if a borrower fails to repay half of the loan amount along with interest, within 26 weeks, entire unpaid amount is overdue;

In the case of loan with longer duration, if the borrower fails to repay the total principal amount and interest scheduled to be repaid within each segment of 26 weeks, entire unpaid amount is overdue.

3.13 *Provision for interest receivable*

a) Interest receivable on basic loans:

Provision is made on interest receivable on basic loan @ 100% on overdue interest of basic loans;

Provision is made on interest receivable on basic loan @ 1% on regular interest of basic loans.

b) Interest receivable on flexible loans:

Provision is made on interest receivable on flexible loans at the following rates:

Interest receivable outstanding from the signing of first contract year below 2 years at the rate of 50%;

Interest receivable outstanding for 2 years and beyond from the signing of first contract year at the rate of 100%;

Interest receivable outstanding of overdue loan is 100%.

c) Interest receivable on Housing loans (Members)

Provision is made on interest receivable on housing loans (Members) at the following rates:

Interest receivable on housing loan provision is made @ 100% on overdue interest receivable;

Interest receivable on housing loan provision is made @ 1% on regular interest receivable.

d) Interest receivable on young entrepreneur loans:

Interest receivable on young entrepreneur loan provision is made @ 100% on overdue interest of young entrepreneur loans;

Interest receivable on young entrepreneur loan provision is made @ 1% on regular interest of young entrepreneur loans.

3.14 *Bad debt recovery*

Full amount of Bad debt recovery are shown in other income.

3.15 *Fixed assets:*

3.15.1 *Recognition and measurement*

The major categories of Fixed assets held by the Bank are land, buildings & other structures, equipment, furniture and fixtures, vehicles, capital work in progress, mobile handset etc.

As per IAS16:Property, Plant and Equipment, all property and equipment except land are stated at historical cost less accumulated depreciation. No depreciation is charged on land and the carrying amounts are the same as those were initially recognized. The cost of acquisition of an asset comprises its purchase price and any direct cost attributable to bringing the assets to its working condition for its intended use.

3.15.2 *Subsequent costs*

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the entity and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account when incurred.

3.15.3 *Disposal of asset*

Gains and losses on disposal or sale of assets are credited or charged to profit and loss account respectively.

Notes to the Financial Statements

As at and for the year ended 31 December 2018

3.15.4 Capital work-in-progress

Building & other structure under construction/acquisition have been accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.16 Depreciation

As required by IAS 16: Property, plant & equipment, depreciation is charged on property and equipment at the following rates using straight-line method.

Property & Equipment	Depreciation Rate per annum
Building and other structures	1.7%
Office House (Semi-Paka and Tin shed)	7.5%
Development of leasehold property	10%
Vehicles	20%
Computer equipment	30%
Office equipment	15%
Electrical equipment	10%
Furniture & fixtures	10%
Library books	10%
Mobile handset	33.33%

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their acquisition on straight-line method. Depreciation on disposed assets during the year is charged proportionately up to the date of disposal.

3.17 Investment property (Building and other structure):

As per IAS 40: Investment Property is recognized for let out portion of Head office building and old administrative building held to earn income through rental. Investment Property is measured at cost less accumulated depreciation. The cost of Investment Property is measured proportionately based on per square feet cost of each building.

Subsequent cost related to let out portion is recognized as addition of Investment property.

Subsequent change in use of that property is accounted for as per IAS 40.

Depreciation is charged on Investment Property (Building) @ 1.7% per annum same as in the case of own occupied property.

3.18 Investments

Value of investment is recognized and measured as below:

Nature of Investments	Basis of Measurement
Shares in CDBL	At cost
Grameen Mutual Fund-One (Scheme 2)	At cost

The Bank is Sponsor Shareholder of Grameen Mutual Fund-One (Scheme 2). As per the local regulation these sponsor shares cannot be freely traded and hence these are stated at cost price instead of fair value, determination of which would be quite subjective. Similarly, CDBL shares are also not traded in market and hence measured at cost price.

3.19 Revenue recognition

Revenue is recognized following IFRS 15: Revenue from Contracts with Customers.

3.20 Interest expenses and other expenses

In accordance with the provision of IAS1: Presentation of Financial Statements, the interest expenses and other expenses are recognized on accrual basis.

3.21 Retirement benefits to the employees

a) Grameen Bank Superannuation fund

The Bank operates a superannuation fund scheme, provision in respect of which is made annually @ 60% of annual basic salary. It is operated by a separate Board of Trustees consisting ten members.

b) Non-contributory provident fund

Provident fund benefits are given to the employees of the Bank in accordance with non-contributory provident fund rules. The fund is operated by a Board of Trustees. All regular employees of the Bank are contributing 10% of their basic salary as subscription of the fund. Interest earned from the investments is credited to the members

Notes to the Financial Statements

As at and for the year ended 31 December 2018

account on accrual basis.

3.22 Comparative information

As required by IAS 1 "Presentation of Financial Statements" comparative information in respect of the previous year have been presented in all numerical information in the Financial Statements and the narrative and descriptive information where it is relevant for understanding of the current year's Financial Statements.

3.23 Reporting year

The Financial Statements cover one calendar year from 01 January 2018 to 31 December 2018.

3.24 Events after the reporting period

The Board of Directors of Grameen Bank has decided to propose payment of 30% (thirty percent) cash dividend for the year 2018. The Total amount of proposed dividend is Tk. 269,427,690.

3.25 General

- i. Previous year's figures have been rearranged, wherever considered necessary, for the purpose of comparison.
- ii. Figures appearing in these accounts have been rounded off to the nearest Taka.

3.26 Compliance of International Financial Reporting Standards (IFRS)

Name of International Accounting Standards (IAS)	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statement 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	N/A
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Employee Benefits	19	Applied
Accounting for Govt. Grants and Disclosure of Government Assistance	20	Applied
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting & Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	N/A
Investments in Associates	28	N/A
Financial Instruments: Presentation	32	N/A
Earnings per share	33	N/A
Interim Financial Reporting	34	N/A
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	Applied

Notes to the Financial Statements

As at and for the year ended 31 December 2018

Name of International Accounting Standards (IAS)	IAS No.	Status
Agriculture	41	N/A

Name of International Financial Reporting Standards (IFRS)	IFRS 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	N/A
Financial Instruments	9	Partially applied
Consolidated Financial Statements	10	N/A
Joined Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair value Measurement	13	Partially applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	N/A

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
4.00 Balances with other banks			
On short term deposit accounts		1,608,775,304	1,506,351,262
On current deposit accounts		46,841,157	40,532,811
Fixed deposits with other banks	(Note:4.01)	87,328,381,472	75,618,848,195
BO Account		10,227	10,227
		88,984,008,160	77,165,742,495

Notes to the Financial Statements

As at and for the year ended 31 December 2018

		Notes	Amount in Taka	
			31. 12. 2018	31. 12. 2017
4.01	Fixed deposits with other banks			
A. Government Banks				
Janata Bank Limited			299,035,134	751,341,825
Rupali Bank Limited			14,590,708,119	8,341,875,458
Agrani Bank Limited			6,975,733,210	6,432,303,037
Bangladesh Krishi Bank			-	200,000,000
Sonali Bank Limited			-	3,237,332,302
			21,865,476,463	18,962,852,622
B. Private Banks				
Southeast Bank Limited			5,192,863,634	4,662,053,342
NCC Bank Limited			1,375,916,526	1,170,000,000
Mercantile Bank Limited			5,784,944,531	3,010,000,000
One Bank Limited			6,965,435,628	5,775,634,713
Dhaka Bank Limited			1,455,481,866	1,585,570,000
EXIM Bank Limited			6,580,747,456	6,002,350,000
First Security Islami Bank Limited			4,734,206,342	5,511,200,254
Mutual Trust Bank Limited			40,000,000	810,000,000
Standard Bank Limited			3,478,818,347	3,987,662,293
Premier Bank Limited			2,489,626,519	1,057,222,779
Jamuna Bank Limited			1,640,000,000	1,260,788,302
AB Bank Limited			3,610,636,017	2,632,637,312
National Bank Limited			6,578,211,491	6,746,994,091
Al-Arafah Islami Bank Limited			2,507,466,247	3,604,257,846
Social Islami Bank Limited			3,457,050,405	5,589,624,641
IFIC Bank Limited			6,071,500,000	1,800,000,000
Shahjalal Islami Bank Limited			1,800,000,000	250,000,000
Brac Bank Limited			1,700,000,000	-
The City Bank Limited			-	1,200,000,000
			65,462,905,009	56,655,995,573
Total Fixed deposits with other banks			87,328,381,472	75,618,848,195
Investments				
Grameen Mutual Fund-One (scheme 2)		(Note:5.01)	256,500,000	256,500,000
Central Depository Bangladesh Limited (CDBL)		(Note:5.02)	4,000,000	4,000,000
			260,500,000	260,500,000
5.01	The break up of investment in Grameen Mutual Fund (GMF)-One (scheme 2) is Tk. 25.65 crore :			
Investment at cost		25,650,000	Tk.10 each	256,500,000
Bonus Units - 2011		2,565,000	Zero cost	-
Bonus Units - 2014		4,232,250	Do	-
Bonus Units - 2015		2,482,308	Do	-
Bonus Units - 2016		1,780,102	Do	-
Bonus Units - 2017		718,388	Do	-
		37,428,048		256,500,000
				256,500,000

Notes to the Financial Statements

As at and for the year ended 31 December 2018

		Notes	Amount in Taka		
			31. 12. 2018	31. 12. 2017	
5.02	Net investments in Central Depository Bangladesh Limited (CDBL) amounting to Tk. 0.40 crore. The break up of investment in Central Depository Bangladesh Limited (CDBL) is Tk. 0.40 crore :				
	Investment at cost	400,000	Tk.10 each	4,000,000	4,000,000
	Bonus Units - 2009	400,000	Zero cost	-	-
	Bonus Units - 2010	800,000	Do	-	-
	Bonus Units - 2011	400,000	Do	-	-
		2,000,000		4,000,000	4,000,000
5.03	Maturity grouping of investments				
	On demand			-	-
	Up to 1 month			-	-
	Over 1 month but not more than 3 months			-	-
	Over 3 months but not more than 1 year			-	-
	Over 1 year but not more than 5 years			-	-
	Over 5 years			260,500,000	260,500,000
				260,500,000	260,500,000
Loans and advances					
Loans:					
	Basic loans			144,857,869,857	135,649,900,223
	Flexible loans			5,077,807,658	4,964,732,652
	Housing loans (members)			1,011,473,998	684,468,173
	Education loans			2,133,155,760	2,357,241,688
	Center house building loans			45,893,037	54,972,475
	Interest free loans-Sidr			10,225,351	10,302,451
	Young entrepreneur loans			20,454,930	23,309,787
	Social forestation loans			1,563,480	1,619,103
	Interest free loans-Ayla			143,165,247	149,331,891
	Business support loan			170,476,655	609,031,225
	Interest free loan-Disaster			128,460,613	-
				153,600,546,586	144,504,909,668
Advances:					
	Housing loans (staff)			4,354,164,334	2,885,679,775
	Household commodities loans			1,861,725,212	1,785,306,125
	Salary advances			23,998	23,998
	Bicycle advances			4,191,201	4,923,620
	Motor cycle advances			4,832,938	5,588,901
	Calculator advances			136,906	142,244
	Advances against PF			3,108,501,005	2,695,184,894
	Medical loans			13,968,539	10,766,454
	Staff welfare loans			13,987,125	8,040,761
	GPS advance			191,722,874	143,768,824
				9,553,254,132	7,539,425,596
				163,153,800,718	152,044,335,264

As disclosed in note 12.02, an aggregate provision of Tk. 8,328,568,045 (2017: Tk. 7,435,225,753) have been made against these loans and advances. So the loans and advances net of provision amounts to Tk. 154,825,232,674 (2017: Tk. 144,609,109,511).

During the year 2018, total loan of Tk. 1,450,342,122 (2017 : Tk. 1,575,079,698) have been written off from loans and advances.

Notes to the Financial Statements

As at and for the year ended 31 December 2018

		Notes	Amount in Taka	
			31. 12. 2018	31. 12. 2017
6.01	Maturity grouping of loans and advances			
	Repayable on demand		-	-
	Up to 1 month		9,789,228,043	9,122,660,116
	Over 1 month but not more than 3 months		19,578,456,086	18,245,320,232
	Over 3 months but not more than 1 year		91,366,128,402	85,144,827,748
	Over 1 year but not more than 5 years		39,156,912,172	36,490,640,463
	Over 5 years		3,263,076,015	3,040,886,705
			163,153,800,718	152,044,335,264
7.00	Fixed assets including premises, furnitures & fixtures			
	Land		247,892,459	247,887,659
	Building and other structures (Own)		1,062,371,059	1,043,407,935
	Vehicles		43,253,501	34,723,248
	Computer equipment		3,023,626	3,543,914
	Office equipment		15,099,960	8,381,304
	Electric equipment		15,774,579	16,390,636
	Furniture & fixtures		30,860,218	38,644,138
	Capital work in progress		6,172,652	20,954,218
	Mobile handset		3,883,967	3,933,674
	(At cost less accumulated depreciation) (Annexure-A)		1,428,332,021	1,417,866,726
8.00	Investment property			
	Administrative building		8,860,115	9,168,081
	Head office building		72,260,521	74,207,280
	(At cost less accumulated depreciation) (Annexure-B)		81,120,636	83,375,361
9.00	Other assets			
	Interest receivable	(Note:9.01)	8,624,218,324	7,594,893,984
	Printing stationery		19,966,916	13,875,700
	Office stationery		332,211	213,693
	Advance income tax	(Note:9.02)	476,139,751	476,139,751
	Inter-branch adjustments	(Note:9.03)	69,607,260	90,975,722
	Security deposits		567,684	554,734
	Prepaid expenses		572,323	572,323
	Advance against purchases		231,525	415,083
	Advance against house rent		3,052,558	3,159,749
	Stock & stores (general)		1,864,838	1,686,184
	Suspense account		233,955,428	222,015,937
	Advances to contractors		1,779,403	1,410,782
	Workshop		57,490	25,755
	Rent and other receivables from tenants		15,239,784	13,149,691
	Receivable due		195,436,212	226,549,766
	(Note:9.04)		9,643,021,707	8,645,638,854

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
9.01 Interest receivable			
From fixed deposits:			
Fixed deposits with other banks		2,865,882,404	2,330,654,991
From Lending:			
Basic loans		1,186,785,124	877,629,807
Flexible loans		2,594,062,716	2,759,928,572
Housing loans (Members)		13,132,240	7,541,446
Education loans		546,516,448	502,870,574
Interests before loans freeze		2,823,798	2,851,153
Young entrepreneur loans		1,007,238	891,983
Social forestation loans		2,430,350	2,182,861
Interest free loans-Ayla		85,354,867	88,245,571
Business support loan		581,923	7,191,868
Interest free loan-Disaster		24,085,077	-
		4,456,779,781	4,249,333,835
From Staff:			
Staff loans and advances		626,488,241	425,845,996
Advances against PF		328,898,389	296,236,039
Medical loans		1,245,676	1,429,581
Household commodities loans		320,746,890	277,389,523
GPS advance		24,176,943	14,004,019
		1,301,556,139	1,014,905,158
		8,624,218,324	7,594,893,984

During the year 2018, total interest receivables of Tk. 1,248,680,115 (2017 : Tk. 1,252,358,197) have been written off from interest receivables.

9.02 Advance income tax

Advance income tax represents tax deducted at source by Scheduled Banks and others from the income of Grameen Bank. Grameen Bank was a non-taxable entity as per Grameen Bank Ordinance 1983, and this status has been retained by the Grameen Bank Act, 2013. However, due to late receipts of the exemption orders from Government, Grameen Bank had faced such deduction. Hence, there are reasonable grounds to believe that such income tax deducted at source shall be refundable and accordingly shown as advance. On the other hand, some amount of taxes were paid for 2012-2013 assessment year before the receipt of the exemption order, and hence the taxes already paid were shown as advance tax for the year.

9.03 Inter-branch adjustments

Inter-branch adjustment account balance Tk. 69,607,260 represents debit outstanding in branch and zonal office, zonal office and central accounts, zonal audit office and central accounts, head Office accounts and central accounts transactions (Net) originated, but not responded at the balance sheet date. However, unadjusted items are being subsequently adjusted.

9.04 Maturity grouping of other assets

On demand	-	-
Up to 1 month	192,859,284	172,912,262
Over 1 month but not more than 3 months	1,157,213,195	1,037,499,326
Over 3 months but not more than 1 year	2,603,600,340	2,334,315,537
Over 1 year but not more than 5 years	4,242,904,255	3,804,069,764
Over 5 years	1,446,444,633	1,296,841,965
	9,643,021,707	8,645,638,854

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
10.00 Borrowings from bank and other institutions			
Opening balance		1,370,217,820	1,216,699,451
Addition during the year		16,918,666,074	84,501,370,284
Adjustment during the year		(16,008,443,164)	(84,347,851,915)
Closing balance		2,280,440,730	1,370,217,820
2% IFAD 239 BA	(Note:10.01)	165,460,579	173,733,608
Norwegian Agency for International Development (NORAD)	(Note:10.02)	267,918,176	267,918,176
Swedish International Development Authority (SIDA)	(Note:10.03)	238,848,625	238,848,625
Dutch Grant Loan	(Note:10.04)	44,283,298	44,283,298
Japan International Co-operation Agency (JICA)	(Note:10.05)	376,053,464	429,838,368
Over Draft-Other Banks		1,187,876,588	215,595,745
	(Note:10.06)	2,280,440,730	1,370,217,820
10.01 2% IFAD 239 BA			
A subsidiary loan agreement for an amount in Taka equivalent of SDR 6,200,000 was made with Government of the Peoples' Republic of Bangladesh on 8 January 1990. The loan received in 1990 and 1992 is repayable on 15 March and 15 September each year in 80 equal semi-annual installments commencing on 15 March 1999 and ending on 15 September 2039.			
10.02 Norwegian Agency for International Development (NORAD)			
A subsidiary loan agreement for an amount in Taka equivalent of Norwegian Kroner 55,000,000 was made with Government of the Peoples' Republic of Bangladesh on 4th August 1986. The principal loan received in 1986 is repayable with interest rate 2% per annum in March and September each year in semi-annual equal installments during a period of 30 years including a grace period of 10 years where the first installment was commenced in March 1997. Up to 31st December 2018, all installments have been repaid in due time and Grameen Bank received the same as revolving loan as per bilateral agreement with the Government.			
10.03 Swedish International Development Authority (SIDA)			
A subsidiary loan agreement for an amount in Taka equivalent of SEK 60,000,000 was made with Government of the Peoples' Republic of Bangladesh on 30th November 1986. The principal loan received in 1986 is repayable with interest rate 2% per annum in March and September each year in semi-annual equal installments during a period of 30 years including a grace period of 10 years where the first installment was commenced in March 1997. Up to 31st December 2018, all installments have been repaid in due time and Grameen Bank received the same as revolving loan as per bilateral agreement with the Government.			
10.04 Dutch Grant Loan			
The loan of DFL 2,000,000 equivalent of Tk. 44,283,298 received in 1986 under a subsidiary loan agreement with Bangladesh Bank is repayable on 15 December each year in 15 equal annual installments within 16 years from the date of receiving the loan including a grace period of one year. As per section 11 of the loan agreement the amount of installments of the principal loans amount repaid by Grameen Bank is allowed to be used in perpetuity for financing its housing loan scheme on the same terms and condition as stated above.			
10.05 Japan International Co-operation Agency (JICA)			
A subsidiary loan agreement for an amount of Taka equivalent of Yen 2,986,000,000 was executed with the Government of the Peoples' Republic of Bangladesh on 7 March 1996. The loan is repayable on 15 March and 15 September each year with the interest rate of 2% per annum in semi-annual installments in 30 years including a grace period of 10 years in accordance with amortization schedule, first installments being due on 15 September 2005. Up to 31 December 2018, an amount of Tk. 726,096,196.71 was repaid by 27 (twenty seven) installments in due time. Tk. 393,133,462, Tk. 419,216,041 and Tk. 289,800,159 were received in 1996, 1997 and 1998 respectively. As per section# 2.07 of the Subsidiary Loan Agreement between the Government of the Peoples' Republic of Bangladesh and the Grameen Bank, the Government will bear the foreign exchange risk of the Loan.			

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
10.06 Maturity grouping of borrowings from banks and other institutions			
Repayable on demand		-	-
Up to 1 month		1,187,876,588	215,595,745
Over 1 month but not more than 3 months		31,028,966	31,028,966
Over 3 months but not more than 1 year		31,028,966	31,028,966
Over 1 year but not more than 5 years		248,231,728	248,231,728
Over 5 years		782,274,482	844,332,415
		2,280,440,730	1,370,217,820
11.00 Deposits and other funds			
Members deposits			
Current deposits		9,303,091	9,501,118
Fixed deposits	(Note:11.01)	1,914,978,669	1,568,327,069
Savings deposits		28,596,577,804	25,062,412,213
Grameen pension scheme-10 years	(Note:11.02)	84,849,834,856	81,455,854,765
Double in 7 years deposit	(Note:11.03)	3,519,006,418	3,455,423,758
Double in 8 years deposit	(Note:11.04)	2,587,224,375	2,520,871,905
Double in 9 years deposit	(Note:11.05)	1,307,944,633	213,256,224
Monthly profit schemes	(Note:11.06)	150,845,000	165,819,000
Centre welfare funds		1,122,573,683	1,069,500,399
Central emergency fund		109,447,299	109,447,299
Loan insurance savings fund		15,372,935,674	13,996,788,535
Grameen pension scheme-5 years		17,679,520,687	11,343,028,835
Young entrepreneur loan insurance savings fund		1,926,912	1,976,534
Higher education loan insurance savings fund		81,625,118	83,933,006
		157,303,744,219	141,056,140,660
Non-members deposits			
Current deposits		58,896,528	54,428,659
Fixed deposits		2,876,420,561	2,136,608,495
Savings deposits		39,308,491,434	41,896,250,491
Grameen pension scheme-10 years (for staff)		2,589,649,995	2,268,907,524
Double in 7 years deposit		11,207,700,155	10,668,856,167
Double in 8 years deposit		6,826,318,327	6,463,916,749
Double in 9 years deposit		3,234,632,693	466,980,559
Monthly profit schemes		2,684,736,000	2,964,129,000
Technology project deposits		4,205	14,827
Forestation funds		35,422,621	31,949,979
Grameen pension scheme-5 years (for staff)		61,539,918	35,055,242
Employees loan insurance savings fund		378,917,861	304,377,763
		69,262,730,298	67,291,475,455
Term-wise total deposits			
Current deposits		68,199,619	63,929,777
Savings deposits		67,905,069,238	66,958,662,704
Term deposits		136,947,774,961	125,046,798,509
Others deposits		21,645,430,699	16,278,225,125
		226,566,474,517	208,347,616,115

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
Other funds			
Employees welfare fund		539,252,281	415,916,095
Struggling members welfare fund		85,089,360	78,460,817
Award funds		207,130,753	191,266,011
Maintenance reserves		93,434,474	89,788,190
Cafeteria		3,406,958	3,005,489
Contingency fund	(Note:11.07)	1,115,669,339	958,713,826
Byabosa Bikash risk coverage funds		7,529,089	3,220,915
Risk fund-Grameen Byabosa Bikash		52,149,294	51,677,591
Deposit for Grameen Byabosa Bikash risk loan		2,104,107	2,104,107
House building revolving fund		4,260,834	4,122,500
Young entrepreneur loan risk funds		1,976,689	1,695,730
Higher education loan insurance fund		71,073,730	61,328,470
Vehicle insurance fund		10,182,998	8,464,955
Employees loan insurance fund		68,081,243	62,568,547
Loan insurance fund		1,085,000,846	1,085,000,846
Animal insurance funds		533,214,068	385,150,952
Grameen Bank disaster relief fund		2,168,884	2,168,884
Members welfare fund		6,073,923	5,717,253
Polly phone risk coverage fund		25,171,044	25,171,044
Revolving funds-special programme		8,033,492	8,033,492
Revolving funds-SIDE		16,476,555	16,476,555
Rehabilitation fund	(Note:11.08)	2,046,332,060	2,029,065,070
SVCF-Current Account		759,306	759,306
Claimable savings		6,388,242	6,513,988
Collection without centre meeting		-	4,278
		5,990,959,569	5,496,394,911
	(Note:11.09)	232,557,434,086	213,844,011,026

11.01 Fixed deposits

Grameen Bank started "fixed deposit scheme" vide its circular No. 02/2000 dated 16 May 2000 which is for minimum of 1 year and maximum of 3 years. Interest rates of fixed deposits were 8.75%, 9.25% and 9.50% for 1 year, 2 years and 3 years respectively. In the year 2015 interest rates on fixed deposit scheme had been fixed at 7.25%, 7.50% & 7.75% for 1, 2 & 3 years respectively vide circular No. 2-11/2015 dated 06 September 2015 with effect from 01 October 2015. During the year 2016, interest rates on non-members' fixed deposit scheme had been fixed at 4.75%, 5.00% & 5.25% for 1, 2 & 3 years respectively vide circular No. 2-13/2016 dated 27 June 2016 with effect from 01 July 2016. During the year 2017, interest rates on members' fixed deposit scheme have been fixed at 5.50%, 5.75% & 6.00% for 1, 2 & 3 years respectively vide circular No. 2-09/2017 dated 08 May 2017 with effect from 01 June 2017. During the year 2018, interest rates on members and non-members' fixed deposit scheme have been fixed again at 7.00%, 7.25% & 7.50% for 1, 2 & 3 years respectively vide circular No. 2-05/2018 dated 20 March 2018 with effect from 20 March 2018.

11.02 Grameen pension schemes

Grameen Bank Started "Grameen pension scheme" of 5 years and 10 years vide its circular No. 2-06/2000 dated 30 August 2000 for the financial assurance of their members and employees. Under this scheme Grameen Bank motivates their members and employees to small savings by opening "GPS Account" in the respective branches which rate of interest is 10% for 5 years and 12% for 10 years. During the year, the interest rates have been revised to 8% & 9% for 5 years and 10 years GPS respectively vide circular No. 2-14/2015 dated 14 September 2015. Subsequently, 10 years GPS have been discontinued and interest rate of 5 years GPS has been further reduced to 6% vide circular No.2-01/2016 dated 07 January 2016. Since 01 December 2017 the 10 years GPS has been re-opened determining the interest rate 6% vide circular No. 2-16/2017 dated 23 November 2017.

Notes to the Financial Statements

As at and for the year ended 31 December 2018

11.03 Double in 7 years deposit

Grameen Bank started “Double in 7 years deposit” scheme vide its circular No. 2-07/2000 dated 30 August 2000 for making financial strengths of rural civil society by increasing saving mentality. Any person can open his/her account by depositing minimum of Tk. 1,000.00 (One thousand) or its general multiplying amount for 7 years. After 7 years account holder for carrying his/her account fulfilling the all criteria will get double amount (consolidated principal and interest) of his/her investment. This product has been discontinued since 01 January 2011 vide circular No. 2-10/2010 dated 28 November 2010. This product has been introduced again on 01 July 2012 vide circular No. 2-04/2012 dated 20 June 2012 and discontinued from 01 November 2014 vide circular No. 2-06/2014 dated 15 October 2014.

11.04 Double in 8 years deposit

Grameen Bank started “Double in 8 years deposit” scheme vide its circular No. 2-10/2010 dated 28 November 2010 for making financial strengths of rural civil society by increasing saving mentality. Any person can open his/her account by depositing minimum of Tk. 1,000.00 (One thousand) or its general multiplying amount for 8 years. After 8 years account holder for carrying his/her account fulfilling the all criteria will get double amount (consolidated principal and interest) of his/her investment. This product has been discontinued since 01 July 2012 vide circular No. 2-04/2012 dated 20 June 2012. This product has been introduced again on 01 November 2014 vide circular No. 2-06/2014 dated 15 October 2014 and discontinued from 01 October 2015 vide circular No. 2-12/2015 dated 07 September 2015.

11.05 Double in 9 years deposit

Grameen Bank started “Double in 9 years deposit” scheme vide its circular No. 2-12/2015 dated 7 September 2015 with effect from 1 October 2015 for making financial strengths of rural civil society by increasing saving mentality. Any person could open his/her account by depositing minimum of Tk. 1,000.00 (One thousand) or its general multiplying amount for 9 years. After 9 years account holder for carrying his/her account fulfilling all the criteria will get double amount (consolidated principal and interest) of his/her investment. This product has also been discontinued vide letter No. GB/HO/CAD/25(2)/2015-14742 dated 21 December 2015. This product has been introduced again on 13 March 2018 vide letter No. GB/HO/CAD/25(2)/2018-1842 dated 13 March 2018.

11.06 Monthly profit schemes

In 2001, Grameen Bank introduced a term deposit product named ‘Monthly Profit Scheme’ with tenure of 5 and 10 years vide its circular No. 2-07/2001 dated 05 March 2001. This deposit scheme was open for both Members & Non-Members with a minimum deposit amount of Tk. 20,000.00. For each amount of Tk. 10,000.00 Grameen Bank was paying Tk. 80.00 and Tk. 85.00 per month for 5 and 10 years scheme respectively. During the year, the interest rates were revised at Tk. 62 and Tk. 64 for 5 years & 10 years scheme respectively vide circular No. 2-13/2015 dated 07 September 2015. Subsequently, 10 years Monthly Profit Scheme has been discontinued since 07 January 2016 vide circular No. 2-02/2016 dated 07 January 2016.

11.07 Contingency fund

Grameen Bank has created “Contingency Fund” to cover the loss (if any) arising from counterfeit, theft, lost, assault, robbery etc.

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
11.08 Rehabilitation fund			
Opening Balance		2,029,065,070	2,057,295,829
Payment during the year		67,370	42,432,777
Reimbursement during the year		17,334,360	14,202,018
		2,046,332,060	2,029,065,070
11.09 Maturity grouping of deposits and other funds			
Repayable on demand		-	-
Up to 1 month		9,145,145,965	8,587,927,069
Over 1 month but not more than 3 months		34,232,917,712	31,964,973,805
Over 3 months but not more than 1 year		95,737,594,233	89,501,926,652
Over 1 year but not more than 5 years		61,545,600,498	57,536,967,674
Over 5 years		31,896,175,678	26,252,215,826
		232,557,434,086	213,844,011,026

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
12.00 Other liabilities			
Interest payable on borrowings		6,224,150	6,591,397
Interest sundries		5,158,312	5,496,047
Bill or other payables		3,170,109	4,020,045
PF trustee board-current account		4,985,786	269,131
Contributory provident fund		-	42,537
Accounts for other institutions	(Note:12.01)	3,147,478	2,252,201
GB superannuation fund-current account		1,578,383,654	1,462,431,521
Retention money		1,828,486	1,128,021
Earnest money		2,315,505	1,486,521
Claimable deposits		478,041,147	477,471,132
Unpaid salary		2,782,959	1,765,370
VAT deducted at source		160,879	21,650
Sundry receipts		1,746,229	1,316,456
Farewell grant provision for daily basis workers		376,272,113	255,500,000
Sundry miscellaneous		455,313,468	429,114,673
Advance house rent		1,735,472	2,345,972
Struggling members programme		22,723,469	22,694,004
Provision reserve for doubtful rents		7,130,305	7,130,305
Provision reserves	(Note:12.02)	8,328,568,045	7,435,225,753
	(Note:12.03)	11,279,687,566	10,116,302,736
12.01 Accounts for other institutions			
Grameen Telecom		1,000	1,000
Grameen Communications		97,008	97,008
Grameen Shikkha		431,570	475,763
Grameen Krishi Foundation		4,000	4,000
Grameen Shamogree		1,000	1,000
Grameen Bank Borrowers' Investment Trust		2,612,900	1,673,430
		3,147,478	2,252,201
12.02 Provision reserves			
Specific provision against loans & advances and interest receivable (12.02.01)		5,145,055,640	3,840,963,502
General provision against loans & advances and interest receivable (12.02.02)		3,183,512,405	3,594,262,251
		8,328,568,045	7,435,225,753
12.02.01 Total specific provision against loans & advances and interest receivable			
Specific provision against loans & advances (a)		3,129,583,495	2,333,941,526
Specific provision against interest receivable (b)		2,015,472,145	1,507,021,976
		5,145,055,640	3,840,963,502
a) Specific provision against loans & advances			
Basic and flexible loans (100%)		2,948,102,111	2,173,234,998
Housing loans		1,729,916	526,483
Freeze loans-for Sidr (Patuakhali & Pirojpur)		10,225,351	10,302,451
Young entrepreneur loans		685,420	545,703
Freeze loans-for Ayla (Patuakhali & Khulna)		143,165,247	149,331,891
Freeze loans & interests-for Disaster (Sunamganj & Netrakona)		25,675,450	-
		3,129,583,495	2,333,941,526

Notes to the Financial Statements

As at and for the year ended 31 December 2018

		Notes	Amount in Taka	
			31. 12. 2018	31. 12. 2017
b) Specific provision against interest receivable				
Basic and flexible loans (100%)			1,926,587,065	1,415,248,155
Housing loans			233,152	313,537
Freeze interests-for Sidr (Patuakhali & Pirojpur)			2,823,798	2,851,153
Young entrepreneur Loans			473,263	363,560
Freeze interests-for Ayla (Patuakhali & Khulna)			85,354,867	88,245,571
			2,015,472,145	1,507,021,976
12.02.02 Total general provision against loans & advances and interest receivable				
Regular Basic loans & interests			1,455,520,801	1,367,945,060
Regular flexible loans (50%)			1,344,442,163	1,527,779,382
Regular flexible loan interests (50%)			373,099,270	691,378,481
Regular Housing loans & interests			10,221,361	6,913,018
Regular young entrepreneur loans			223,829	241,609
Regular young entrepreneur loan Interests			4,981	4,701
			3,183,512,405	3,594,262,251
12.03 Maturity grouping of other liabilities				
Repayable on demand			-	-
Up to 1 month			639,752,278	1,176,308,161
Over 1 month but not more than 3 months			1,258,464,586	105,852,037
Over 3 months but not more than 1 year			2,378,288,329	2,731,399,408
Over 1 year but not more than 5 years			3,457,238,673	5,964,743,130
Over 5 years			3,545,943,700	138,000,000
			11,279,687,566	10,116,302,736
Share capital				
13.01 Authorized				
100,000,000 ordinary shares of Tk. 100 each			10,000,000,000	10,000,000,000
13.02 Paid up capital				
8,980,923 ordinary shares of Tk. 100 each issued for cash			898,092,300	862,157,100
Shareholders for year ended December 2018		%	No. of Shares	Nominal Value of shares
Government of Bangladesh	23.40%	2,101,000	210,100,000	208,000,000
Sonali Bank	0.33%	30,000	3,000,000	3,000,000
Bangladesh Krishi Bank	0.33%	30,000	3,000,000	3,000,000
	24.06%	2,161,000	216,100,000	214,000,000
Borrowers :				
Male	2.21%	197,976	19,797,600	19,124,700
Female	73.73%	6,621,947	662,194,700	629,032,400
Total:	100%	8,980,923	898,092,300	862,157,100

As per section 7 of the Grameen Bank Act, 2013 the paid-up share capital of Grameen Bank shall be Tk. 3,000 million which shall be paid @ 25% by the Government or its controlled entity and remaining 75% by Grameen Bank's borrowers (shareholders). Grameen Bank has informed the Government about its existing shareholding ratio.

Notes to the Financial Statements

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	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
13.03 Capital adequacy ratio			
Tire-I (Core capital)			
Paid up capital		898,092,300	862,157,100
Capital & other reserves		14,385,078,991	11,564,606,061
Retained surplus		2,153,112,527	1,861,759,657
		<u>17,436,283,818</u>	<u>14,288,522,818</u>
Tire-II (Supplementary capital)			
General provision		3,183,512,405	3,594,262,251
Total capital (A)		<u>20,619,796,223</u>	<u>17,882,785,069</u>
Total assets		263,553,846,200	239,619,054,400
Total Risk Weighted Assets (RWA) (B)		218,562,094,224	200,570,522,231
Required capital based on Risk Weighted Assets (10% of RWA) - (C)		21,856,209,422	20,057,052,223
Core capital (Tire-I)		17,436,283,818	14,288,522,818
Supplementary capital (Tire-II)		3,183,512,405	3,594,262,251
Total		<u>20,619,796,223</u>	<u>17,882,785,069</u>
Surplus/(Shortage)-(A-C)		<u>(1,236,413,199)</u>	<u>(2,174,267,154)</u>
Capital to Risk-Weighted Assets (A/B)		9.43%	8.92%
14.00 Capital and other reserves			
Capital reserves	(Note:14.01)	3,765,914,839	3,765,914,839
General reserve		8,054,000,000	5,454,000,000
Dividend equalization fund		2,551,758,536	2,331,285,606
Other reserves	(Note:14.02)	13,405,616	13,405,616
		<u>14,385,078,991</u>	<u>11,564,606,061</u>
14.01 Capital reserves			
Revolving fund	(Note:14.01.01)	3,732,311,704	3,732,311,704
Grants	(Note:14.01.02)	13,503,135	13,503,135
MED revolving fund		20,100,000	20,100,000
		<u>3,765,914,839</u>	<u>3,765,914,839</u>
Capital reserve includes outstanding balances of revolving funds and grant as at 31 December 2011 which are no longer refundable.			
14.01.01 Revolving fund			
Revolving fund for G & C		1,544,811,573	1,544,811,573
Revolving fund for house loan		2,065,346,276	2,065,346,276
Revolving fund for staff house loan		122,153,855	122,153,855
		<u>3,732,311,704</u>	<u>3,732,311,704</u>
14.01.02 Grants			
Revolving fund for training		4,457,037	4,457,037
Revolving fund for MED		4,220,479	4,220,479
Revolving fund for housing rehabilitation		4,825,619	4,825,619
		<u>13,503,135</u>	<u>13,503,135</u>
14.02 Other reserves			
Training reserve fund		3,017,748	3,017,748
Training revolving fund		10,387,868	10,387,868
		<u>13,405,616</u>	<u>13,405,616</u>

Notes to the Financial Statements

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	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
15.00 Retained surplus			
Balance on 01 January		1,861,759,657	1,597,904,277
Net profit		3,485,288,424	2,275,295,084
Dividend paid		(258,647,130)	(256,144,620)
General reserve		(2,600,000,000)	(1,500,000,000)
Dividend equalization fund		(250,000,000)	(200,000,000)
Employee welfare fund		(85,288,424)	(55,295,084)
Balance on 31 December		2,153,112,527	1,861,759,657
Tax deductible at source on dividend paid to shareholders were paid, in line with the decision of the board, to keep the full dividend at the hand of the recipient.			
16.00 Interest income			
Loans and advances	(Note:16.01)	30,646,432,985	26,834,964,192
Deposits	(Note:16.02)	6,613,787,502	5,554,069,787
		37,260,220,487	32,389,033,979
16.01 Interest on loans and advances			
Members loan			
Basic loans		28,336,039,797	24,621,106,597
Flexible loans		1,011,172,876	1,090,104,853
Housing loans		61,209,349	26,564,310
Education loans		330,266,363	419,685,686
Young entrepreneur loans		4,671,276	4,855,415
Social forestation loans		324,935	325,373
Business support loan		78,116,678	34,155,089
		29,821,801,274	26,196,797,323
Employees Advances			
Staff loans & advances		287,211,366	158,913,437
Advance against PF		289,151,607	254,207,295
Household commodities loans		224,458,469	208,288,153
Medical loans		1,111,582	894,112
GPS Advance		22,698,687	15,863,872
		824,631,711	638,166,869
		30,646,432,985	26,834,964,192
16.02 Interest on deposits			
Short term deposits (STD)		77,265,541	31,545,076
Fixed deposits		6,536,521,961	5,522,524,711
		6,613,787,502	5,554,069,787
17.00 Interest/profit paid on deposits and borrowings etc.			
Interest on deposits	(Note:17.01)	17,177,966,126	15,777,023,191
Interest on borrowings	(Note:17.02)	54,063,702	42,807,186
		17,232,029,828	15,819,830,377
17.01 Interest on deposits			
Members deposit	(Note:17.01.01)	13,387,600,250	12,075,100,513
Non-Members deposit	(Note:17.01.02)	3,641,146,302	3,655,018,697
Others	(Note:17.01.03)	149,219,574	46,903,981
		17,177,966,126	15,777,023,191

Notes to the Financial Statements

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	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
17.01.01 Members deposit			
Fixed deposit		118,531,117	79,803,624
Savings deposit		1,157,776,681	866,075,684
Central emergency fund		4,620,560	4,606,601
Centre welfare fund		54,030,026	50,651,222
Grameen pension scheme-10 years		9,031,547,677	8,768,257,828
Double in 7 years deposit		332,663,188	375,510,902
Double in 8 years deposit		219,548,560	213,703,998
Double in 9 years deposit		49,270,012	16,333,359
Monthly profit scheme		13,697,205	15,159,781
Loan insurance savings fund		1,255,370,493	897,404,310
Loan insurance fund		26,156,004	67,860,048
Grameen pension scheme-5 years		1,112,102,643	710,018,909
Young entrepreneur loan insurance savings fund		162,039	136,152
Higher education loan insurance savings fund		7,031,378	5,924,480
Higher education loan insurance fund		5,092,667	3,653,615
		13,387,600,250	12,075,100,513
17.01.02 Non-members deposit			
Fixed deposit		143,793,518	115,699,378
Savings deposit		1,224,392,609	1,321,143,139
Grameen pension scheme-10 years (for staff)		244,053,654	215,139,353
Double in 7 years deposit		1,044,209,787	1,111,760,931
Double in 8 years deposit		568,708,303	539,713,331
Double in 9 years deposit		118,437,012	34,881,112
Monthly profit scheme		263,341,931	294,525,580
Grameen pension scheme-5 years (for staff)		3,112,078	1,491,695
Employees loan insurance savings fund		28,856,149	18,691,828
Forestation and other funds		1,445,013	1,310,072
Vehicle insurance fund		796,248	662,278
		3,641,146,302	3,655,018,697
17.01.03 Others			
Contingency fund		81,482,768	-
Struggling member welfare fund		6,665,238	3,735,657
Employees' welfare fund		35,471,276	17,156,537
GB superannuation fund-current account		8,493,902	10,176,198
Award funds		16,579,742	15,326,121
Accounts of other institutions		46,813	45,477
Cafeteria		247,201	217,567
Contributory provident fund		333	17,897
Grameen Bank Borrowers' Investment Trust		232,301	228,527
		149,219,574	46,903,981
17.02 Interest on borrowings			
2% IFAD 239 BA		3,384,009	3,549,469
NORAD		5,358,363	5,358,364
SIDA		4,776,972	4,776,973
JICA		8,007,344	9,083,042
Interest on short term loans		32,094,181	19,596,449
Dutch grant loan		442,833	442,889
		54,063,702	42,807,186

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
18.00 Dividend income from investments			
Grameen Mutual Fund-One		44,913,658	40,380,636
Share investments (CDBL)		5,000,000	5,000,000
		49,913,658	45,380,636
19.00 Other income			
Service charges		264,288,213	288,338,415
Bad debts recovery		957,381,306	1,151,944,026
Rent receipts		116,867,348	108,019,592
Polly phone service charge receipts		99,853,599	136,554,300
Sale proceeds of old newspapers		1,209,930	1,214,216
Income from health program		32,894	34,247
Sale proceeds of tender forms		159,700	115,500
Miscellaneous receipts	(Note:19.01)	776,364,888	1,014,490,242
		2,216,157,878	2,700,710,538
19.01 Miscellaneous receipts			
Profit on sale of fixed assets		1,187,205	1,230,023
Income from Training and publication		1,741,620	1,736,300
Income from closed accounts		763,911,231	1,004,173,242
Income from ROSA programme		415	25,109
Others		9,524,417	7,325,568
		776,364,888	1,014,490,242
20.00 Salaries and other related expenses			
Salaries		4,765,779,060	4,664,818,793
Leave encashment		101,659,642	135,769,334
Personal allowances		36,097	36,000
Dearness allowances		15,079	60,416
House rent allowances		1,961,685,309	1,946,349,100
Medical allowances		322,314,535	330,510,822
Conveyance allowances		250,872,284	255,339,731
Washing allowances		389,033	450,771
Contributory provident fund		2,900	34,725
Overtime		12,596,349	11,722,244
Watch and ward allowances		43,147	46,811
Hill allowances		7,955,951	7,882,143
Education assistance allowances		92,875,010	89,023,063
Festival & incentive bonus		1,193,902,663	1,164,006,412
Superannuation fund		2,855,864,472	2,797,493,885
Income tax expense on salaries		178,383,561	184,257,863
Bengali new year allowance		78,089,375	76,269,133
		11,822,464,467	11,664,071,246

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
21.00 Rent, rates, taxes, vehicle insurance, utilities etc.			
Rent, rates & taxes	(Note:21.01)	194,904,182	182,566,553
Insurance	(Note:21.02)	13,110,711	13,279,425
Water, electricity & gas		38,116,792	35,786,188
		246,131,685	231,632,166
21.01 Rent, rates & taxes			
Office rent		180,860,208	170,106,537
Rates & taxes		14,043,974	12,460,016
		194,904,182	182,566,553
21.02 Insurance			
Vehicle Insurance		176,312	181,859
Vehicle insurance fund		789,433	697,117
Group insurance		12,144,966	12,400,449
		13,110,711	13,279,425
22.00 Legal, professional fees and others			
Legal fees		2,988,752	3,227,617
Temporary help (Tax advisor's honorarium & others)		103,500	103,500
Wages for daily basis workers		380,057,905	388,746,515
Security service		3,206,018	3,475,304
Cleaning and messenger service		16,502,684	9,609,452
		402,858,859	405,162,388
23.00 Postage, stamp, telecommunication etc.			
Postage and courier service		841,258	847,286
Telephone		21,928,839	15,520,335
Fax, e-mail and internet		1,827,782	1,777,994
		24,597,879	18,145,615
24.00 Stationery, printing, advertisement etc.			
Printing & stationery			
Printing stationery		63,200,600	59,276,370
Work aid		20,693,048	16,130,303
Printing & photocopy		8,332,270	8,134,695
Office stationery		15,632,622	15,817,281
		107,858,540	99,358,649
Publication & advertisement		625,606	341,144
		108,484,146	99,699,793
25.00 Auditors' fees			
Statutory audit		1,495,000	1,495,000
Special audit		74,750	74,750
		1,569,750	1,569,750

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
26.00 Depreciation of fixed assets & investment property			
Fixed assets (Annexure-A)		56,527,441	56,562,518
Investment property (Annexure-B)		2,254,725	2,254,724
		58,782,166	58,817,242
27.00 Repairs and maintenance of bank's assets			
Property & assets		26,767,815	25,912,389
Vehicle running expenses		20,720,790	20,519,192
Office, electric, computer & mobile handset		6,210,187	5,475,932
		53,698,792	51,907,513
28.00 Other expenses			
Traveling & conveyance expenses		100,667,234	106,299,464
Entertainment		10,914,734	10,426,043
Liveries and uniform		835,422	392,071
Washing expenses		4,044,812	3,964,168
Welfare and recreation		138,860,843	2,295,450
Books and journals		1,400	6,188
IT Service & expenses		439,512,780	362,348,564
Bank charges		27,809,248	26,021,631
Expense for contingency fund		76,800,273	72,252,455
Training expenses		4,553,717	478,828
Special programme		18,842,172	1,118,143
Seminar & conference		5,488,911	7,278,200
Film and development		1,833,696	848,234
Lunch subsidy		832,405,176	868,408,660
Holiday work allowance		1,004,892	1,120,691
Assistance for festival & special subsidy		13,024,864	13,229,992
Felicitation allowance		392,208,938	383,684,315
Subscription		10,000	10,000
Miscellaneous expenses		428,953,318	29,631,521
		2,497,772,430	1,889,814,618
29.00 Provision for loans and advances			
Total specific provision for loans & advances and interest receivable		4,002,278,259	3,033,862,639
Specific provision for loans and advances (Note:29.01)		2,240,833,431	1,630,219,030
Specific provision for interest receivable (Note:29.02)		1,761,444,828	1,403,643,609
Total general provision for loans & advances and interest receivable		(410,090,662)	(415,025,278)
General provision for Regular flexible loan (50%)		(182,930,115)	(525,144,959)
General provision for Regular flexible loan interest (50%)		(318,031,936)	(164,510,915)
General provision for regular basic loans		87,574,603	269,855,994
General provision for regular housing loans		3,308,908	4,730,636
General provision for regular young entrepreneur loans		(11,839)	43,791
General provision for regular young entrepreneur interests		(283)	175
		3,592,187,597	2,618,837,361

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Notes	Amount in Taka	
		31. 12. 2018	31. 12. 2017
29.01	Provision for loans and advances (for specific)		
	Basic and Flexible loans	2,239,188,198	1,629,682,402
	Housing loans	1,505,516	374,966
	Young entrepreneur loans	139,717	161,662
		2,240,833,431	1,630,219,030
29.02	Provision for interest receivable (for specific)		
	Basic and Flexible loans	1,761,176,823	1,403,261,372
	Housing loans	163,146	279,154
	Young entrepreneur loans	104,859	103,083
		1,761,444,828	1,403,643,609

	Amount in Taka		Increase/ Decrease
	31. 12. 2018	31. 12. 2017	Taka

(Increase)/Decrease in operating assets:
30.00 Other assets

Printing stationery	19,966,916	13,875,700	6,091,216
Office stationery	332,211	213,693	118,518
Advance income tax	476,139,751	476,139,751	-
Inter-branch adjustments	69,607,260	90,975,722	(21,368,462)
Security deposits	567,684	554,734	12,950
Prepaid expenses	572,323	572,323	-
Advance against purchases	231,525	415,083	(183,558)
Advance against house rent	3,052,558	3,159,749	(107,191)
Stock & stores (general)	1,864,838	1,686,184	178,654
Suspense account	233,955,428	222,015,937	11,939,491
Advances to contractors	1,779,403	1,410,782	368,621
Workshop	57,490	25,755	31,735
Rent and other receivables from tenants	15,239,784	13,149,691	2,090,093
Receivable due	195,436,212	226,549,766	(31,113,554)
	1,018,803,383	1,050,744,870	(31,941,487)

Notes to the Financial Statements

As at and for the year ended 31 December 2018

	Amount in Taka		Increase/ Decrease
	31. 12. 2018	31. 12. 2017	Taka
Increase/(decrease) in operating liabilities:			
31.00 Other liabilities			
Bills payable	3,170,109	4,020,045	(849,936)
PF trustee board-current account	4,985,786	269,131	4,716,655
Contributory provident fund	-	42,537	(42,537)
Accounts for other institutions	3,147,478	2,252,201	895,277
GB superannuation fund-current account	1,578,383,654	1,462,431,521	115,952,133
Retention money	1,828,486	1,128,021	700,465
Earnest money	2,315,505	1,486,521	828,984
Claimable deposits	478,041,147	477,471,132	570,015
VAT deducted at source	160,879	21,650	139,229
Sundry receipts	1,746,229	1,316,456	429,773
Farewell grant provision for daily basis staff	376,272,113	255,500,000	120,772,113
Sundry Miscellaneous	455,313,468	429,114,673	26,198,795
Advance house rent	1,735,472	2,345,972	(610,500)
Struggling members programme	22,723,469	22,694,004	29,465
Provision reserve for doubtful rents	7,130,305	7,130,305	-
Provision reserves	8,328,568,045	7,435,225,753	893,342,292
	11,265,522,145	10,102,449,922	1,163,072,223
Total provisions for loans and advances			(3,592,187,597)
			(2,429,115,374)

	Amount in Taka	
	31. 12. 2018	31. 12. 2017
32.00 Cash and bank balances at the end of the period		
Cash in hand	9,993	161,573
Balances with Bangladesh Bank	3,052,965	1,434,127
Balances with other banks (excluding fixed deposits with other banks)	1,655,616,461	1,546,884,073
BO Account	10,227	10,227
	1,658,689,646	1,548,490,000

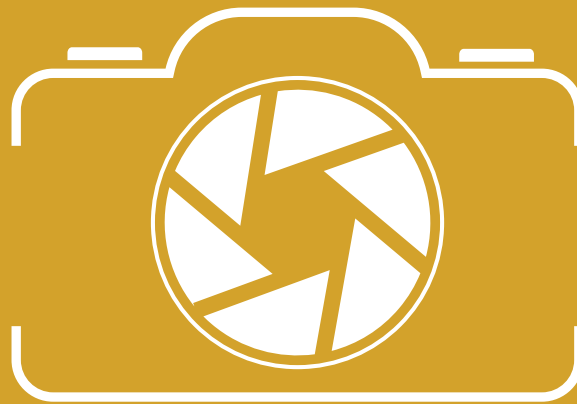
Annexure-A
STATEMENT OF FIXED ASSETS AS AT 31 DECEMBER 2018

Category of Assets	COST PRICE			
	Balance on January 1, 2018	Additions during the year	Disposals/ adjustments during the year	Balance at December 31, 2018
	Taka	Taka	Taka	Taka
Land	247,887,659	4,800	-	247,892,459
Building & other structures (Own Property)	1,418,816,336	44,199,629	835,986	1,462,179,979
Development of leasehold property	987,576	-	-	987,576
Vehicles	180,941,025	21,749,425	11,895,262	190,795,188
Computer equipment	26,130,252	1,627,790	1,511,178	26,246,864
Office equipment	112,289,116	9,275,073	1,097,303	120,466,886
Electric equipment	86,037,202	3,148,121	1,145,561	88,039,762
Furniture & fixtures	295,147,708	2,121,842	885,961	296,383,589
Capital work in progress	20,954,218	2,291,904	17,073,470	6,172,652
Mobile handset	13,823,054	2,349,254	2,172,611	13,999,697
Total 2018 Taka	2,403,014,146	86,767,838	36,617,332	2,453,164,652
Total 2017 Taka	2,362,224,750	79,247,022	38,457,626	2,403,014,146

Rate of Dep. (%)	DEPRECIATION				WDV
	Balance on January 1, 2018	Charge during the year	Disposals/ Adjustments during the year	Balance at December 31, 2018	Balance at December 31, 2018
	Taka	Taka	Taka	Taka	Taka
-	-	-	-	-	247,892,459
1.7%	375,408,401	24,516,085	115,566	399,808,920	1,062,371,059
10%	987,576	-	-	987,576	-
20%	146,217,777	11,163,214	9,839,304	147,541,687	43,253,501
30%	22,586,338	2,244,707	1,607,807	23,223,238	3,023,626
15%	103,907,812	3,030,613	1,571,499	105,366,926	15,099,960
10%	69,646,566	3,532,213	913,596	72,265,183	15,774,579
10%	256,503,570	9,669,770	649,969	265,523,371	30,860,218
-	-	-	-	-	6,172,652
33.33%	9,889,380	2,370,839	2,144,489	10,115,730	3,883,967
	985,147,420	56,527,441	16,842,230	1,024,832,631	1,428,332,021
	951,300,027	56,562,518	22,715,125	985,147,420	1,417,866,726

Annexure-B
STATEMENT OF INVESTMENT PROPERTY AS AT 31 DECEMBER 2018

Category of Assets	Cost Price				Rate of Dep. (%)	Depreciation				WDV
	Balance on January 1, 2018	Additions during the year	Disposals/ Adjustments during the year	Balance at December 31, 2018		Balance on January 1, 2018	Charge during the year	Disposals/ Adjustments during the year	Balance at December 31, 2018	Balance at December 31, 2018
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
Building & Other Structures :										
Administrative Building	18,115,658	-	-	18,115,658	1.7%	8,947,577	307,966	-	9,255,543	8,860,115
Head Office Building	114,515,216	-	-	114,515,216	1.7%	40,307,936	1,946,759	-	42,254,695	72,260,521
Total 2018 Taka	132,630,874	-	-	132,630,874		49,255,513	2,254,725	-	51,510,238	81,120,636
Total 2017 Taka	132,630,874	-	-	132,630,874		47,000,789	2,254,724	-	49,255,513	83,375,361



PHOTOGRAPHY

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