



# Agrani SME Financing Company Limited

Committed to generate employment



ANNUAL  
**REPORT**  
2023





# Agrani SME Financing Company Limited

Committed to generate employment



ANNUAL  
**REPORT**  
2023

# CONTENTS

# FEATURES

3-23

Corporate Profile	(Page 3 of 23)
The Canvas of Our Existence	(Page 4 of 23)
Vision, Mission, Objectives, Moto and Values	(Page 5 of 23)
Business Ethics	(Page 6-7 of 23)
Code of Conduct	(Page 8 of 23)
Notice of the 13th Annual General Meeting	(Page 9 of 23)
Letter of Transmittal	(Page 10 of 23)
Board of Directors and Director's Profile	(Page 11-19 of 23)
Committees of The Board	(Page 20 of 23)
Chairman and MD & CEO's Since Inception	(Page 21 of 23)
Shareholders Information	(Page 22 of 23)
Key Indicators of ASFCL From 2011 to 2023	(Page 23 of 23)

24-47

Comparative Scenario 2023 and 2022	(Page 24-25 of 47)
Five Years Performance at a Glance	(Page 26-27 of 47)
Graphical Presentation of Five Years Performance	(Page 28-29 of 47)
Graphical Presentation of Financial Information 2023	(Page 30-32 of 47)
Awards and Accolades	Page 33-35 of 47)
Message of The Chairman	Page 36-38 of 47)
Chief Executive Officer (CEO)'s Overview	(Page 39-42 of 47)
Directors' Report to the Shareholders	(Page 43-47 of 47)

48-56

Disclosures on CAMD – Pillar III	(Page 48-51 of 56)
Value Added Statement	(Page 52 of 56)
Risk Management	(Page 53-56 of 56)

57-63

Statement on Corporate Governance	(Page 57-61 of 63)
Environmental Issues & Corporate Social Responsibility (CSR) activities of Agrani SME Financing Company Limited	(Page 62-63 of 63)

64-113

Independent Auditors' Report 2023	(Page 64-70 of 113)
Audited Financial Statements with Notes 2023	(Page 71-113 of 113)

114-124

Photo Gallery	(Page 114-120 of 124)
Branch Network with Branch Managers	(Page 121-124 of 124)



# Corporate Profile

## Agrani SME Financing Company Limited

## Genesis

December 31, 2023

Agrani SME Financing Company Limited has been incorporated as a Public Limited Company on 27 October, 2010 vide certificate of incorporation No. C- 87827/10. The Company has taken over the ongoing activities of Small Enterprise Development Project – SEDP (A Norway and Agrani Bank funded Project of Ministry of Finance, Bangladesh) on a going concern basis through a Vendor's Agreement signed between the Financial Institution Division, Ministry of Finance, People's Republic of Bangladesh, the Board of Directors on behalf of the Agrani Bank PLC (in that time of Agrani Bank Limited) and the Board of Directors on behalf of the Agrani SME Financing Company Limited on 27 December, 2011. The Company has set 31 December, 2011 as the effective date of handing over the SEDP operation to Agrani SME Financing Company Limited. The Company's current shareholdings comprise the Agrani Bank PLC. and six other shareholders nominated by the Bank. Though Agrani SME Financing Company Limited obtained license as a Non-bank Financial Institution (NBFi), 'License Number : DFIM(L)-31' from Bangladesh Bank on January 31, 2011, the Company started its operation as an NBFi from December 27, 2011. The Company has 53 branches (with no overseas branch) as on 31 December, 2023.

Legal Status	Public Limited Company (Governed by Financial Institution Act 1993 & 2023)
Chairman	Wahida Begum
Chief Executive Officer (CEO)	Md. Zahidul Haque
Company Secretary	Md. Muzahidul Islam Zoarder
Corporate Registered Office	Al-Amin Center, 25/A, 25/A/1 (6th Floor), Dilkusha, C/A, Motijheel, Dhaka-1000.
TIN & BIN Number	847717610370 & 000870801-0202
Authorized Capital	Tk. 500 Crore
Paid up Capital	Tk. 100 Crore
Operating Profit	Tk. 16.75 Crore
Profit Before Tax	Tk. 12.12 Crore
Net Profit	Tk. 5.89 Crore
Number of Employees	152
Number of Branches	53
Phone	+880 295 118 03-4, +880 257165764,+880 2223387126, +880 2223387307, +880 2223387381
Fax	+880 222 338 7301
E-mail	asfclbd@gmail.com

Auditors Name of the auditor	<b>HUSSAIN FARHAD &amp; CO. Chartered Accountants.</b> A.K.M Fazlul Haque FCA, Partner/Enrollment No: 1090 Registration No: 4/ 452/ ICAB-84 DVC No.: 2406121090AS478590 House # 15, Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212. Tel : +88 (02)8836015-7, Mobile: +8801681126120 e-mail: hfc@hfc-bd.com, web : www.hfc-bd.com
---------------------------------	--

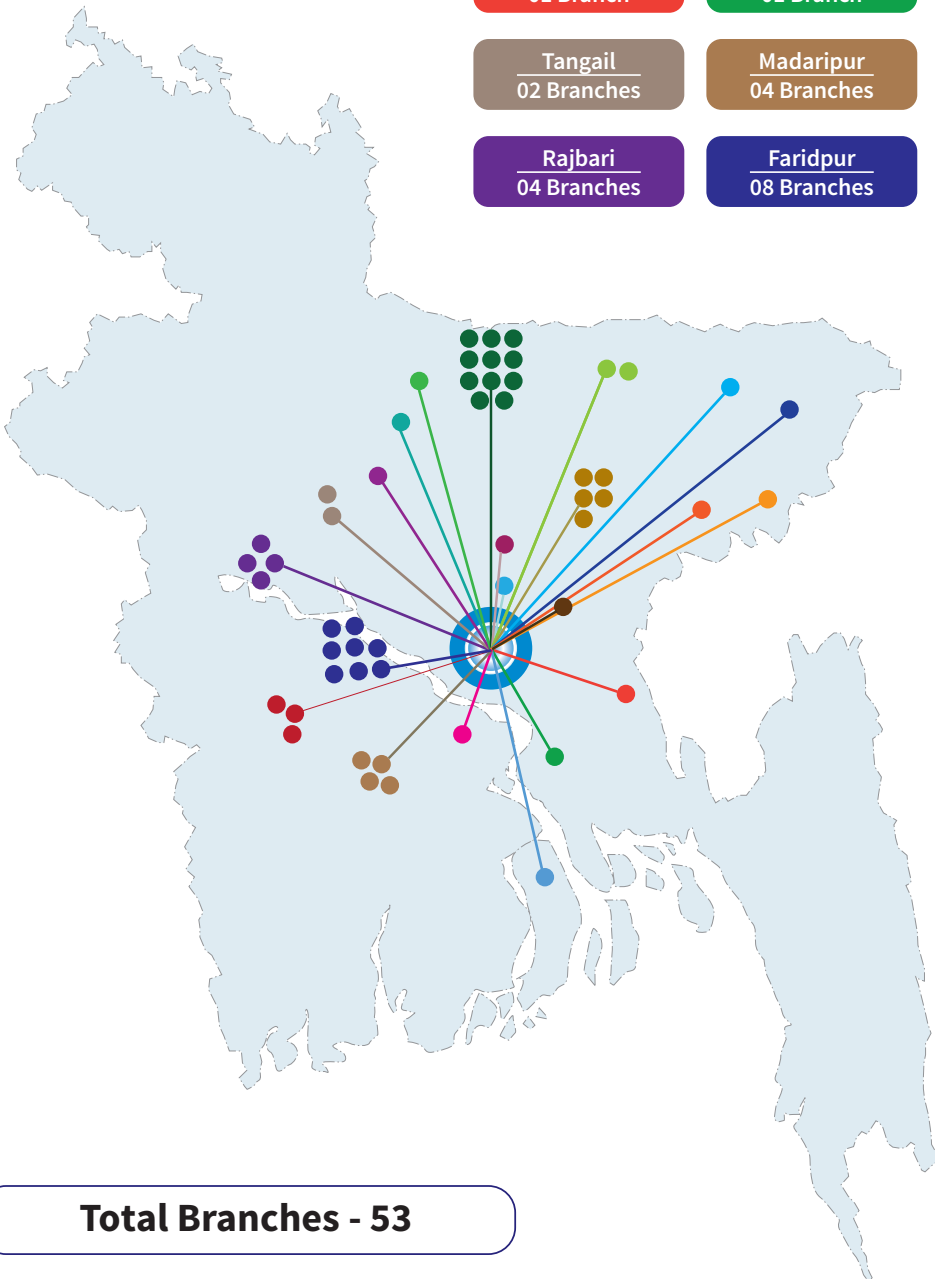
Income Tax Advisor	<b>S. A Taxes Law Firm</b> , "Eastern Commercial Complex", 10/16, 73, Kakrail, Dhaka-1000. Mobile: 01674-390325, 01790-582616, E-mail: ogoni71@gmail.com, sataxeslawfirm@gmail.com
--------------------	---



**The Canvas of  
Our Existence**

**Head Office  
Controlling Office**

Netrokona 02 Branches	Sunamganj 01 Branches	Kishoreganj 05 Branches
Sherpur 01 Branch	Sylhet 01 Branch	Gazipur 01 Branch
Jalalpur 01 Branch	Moulvibazar 01 Branch	Madhabdi, Narsingdi 01 Branch
Mymensingh 11 Branches	Shaistaganj, Habiganj 01 Branch	Dhaka 01 Branch
Cumilla 01 Branch	Chandpur 01 Branch	Pabna 01 Branch
Tangail 02 Branches	Madaripur 04 Branches	Shariatpur 01 Branches
Rajbari 04 Branches	Faridpur 08 Branches	Gopalganj 03 Branches
		Barishal 01 Branch



**Total Branches - 53**

01



## VISION

02

### Vision

The availability of financial support for economically vulnerable citizens is one of the most important aspects for attaining Sustainable Development Goal (SDG). The implementation of company's core activities through financing the Small and Medium Enterprises of missing middle section would contribute to the fulfillment of these objectives. Following the GOB strategy for the poverty alleviation, the vision of the company is to develop sustainable small and medium scale entrepreneurs to generate income and employment opportunities with special emphasis to the women entrepreneurs.

05



### Mission

To realize the vision, the company will implement small and medium credit servicing to the eligible entrepreneurs with particular emphasis to women entrepreneurs in the urban, semi-urban and rural areas. The potential entrepreneurs will be identified and entrepreneurship /skill development training will be conducted for giving them a hands-on-experience to skillfully run their enterprises along with providing credit facilities to implement his/her projects/enterprise. The mission of the company is to create successful entrepreneurs by providing financial assistance with intense super-vision and monitoring so as to ensure the fruitful implementation of the financed projects/enterprises.

## Objectives

The overall objectives of the Company include the following:

- To carry on the activities for the purposes of enhancing the income of, and employment generation for urban, semi-urban and rural people.
- To carry on business of SME financing by developing small and medium enterprise through financial assistance in the form of providing loans with the ultimate goal to develop entrepreneurship and to alleviate poverty.
- To carry on business of SME financing by developing small and medium scale labor intensive enterprise in order to create jobs for the unemployed people and increase income for the missing middle group of the country.
- To arrange entrepreneurship and skill development training programs for the existing and identified potential entrepreneurs and for their employees.
- To promote woman entrepreneurs with giving emphasis and encouragement to the woman entrepreneurs in carrying out small enterprise business so as to enabling them to start up their enterprises for changing their lots as well as to help developing the economy of the country.



## Moto

To adopt and adapt modern approaches to remain supreme in NBFi arena of Bangladesh with global presence.



## Values

We Value integrity, Transparency, accountability, dignity, diversity, growth and professionalism in providing high quality of service to all our customers and stakeholders inside and outside the country.





## Business Ethics

### Business Code

Agrani SME Financing Company Limited (ASFCL) is committed to conducting its business ethically, applying appropriate protection standards while dealing with and meeting the potential grievances of its borrowers/entrepreneurs.

### Integrity and Fairness

By integrity ASFCL means truthfulness, honesty, and trustworthiness; fairness is the attribute of being just, equitable, and impartial. Integrity and fairness relate to the general moral qualities of decision makers. At a minimum, business people are expected to comply with all extant laws and regulations. In addition, they should not willfully affect customers, clients, employees, or even other competitors through deception, misrepresentation, or coercion. Although business people often act in their own economic self-interest, ASFCL strongly believes that ethical business relations should be grounded on the corporate interest, fairness and justice.

### Human Significance

Agrani SME Financing Company Limited upholds the international human rights as outlined by the UN declaration and convention. No one in the Company shall in any way cause or contribute to the violation or circumvention of human privileges.

### Human Capital

Agrani SME Financing Company Limited is devoted to human capital initiative connecting with milestone training, performance coaching & development, key talent management, balancing of work/life choice and human capital development reviews.

### Health, Safety and Work Environment

Agrani SME Financing Company Limited is committed to providing effective arrangements to identify and to handle all work-related hazards and risks and promote health at work and continuously improve health, safety and work environment.

### Secrecy

Clear, honest and open communication is maintained in Agrani SME Financing Company Limited to ensure accountability maintaining standard of normal corporate privacy. The use of company confidential information before it is made public for personal gain is strictly prohibited and is perceived as an offence and deviance. ASFCL maintains secrecy of customer's information; but at the same time, it complies with the provisions of 'The Right to Information Act-2009'.

### Protection of Personal Data

Agrani SME Financing Company Limited's processing of personal data shall be subject to care and awareness, required by laws and regulations and relevant for information that might be sensitive, regardless of the data customers, officials or others.

### Fraud, Theft or illegal Activities

Human resources shall be alert and vigilant about waste, abuse, fraud, theft or illegal activity committed within the office. If any such activity comes to the attention of an employee, the employee must immediately report the same to the relevant Manager, Executive-in-Charge and to the Audit Division, who will arrange appropriate follow-up action. Failure to report of any such activity will be subject to due disciplinary action.

### Intellectual Property

Intellectual property such as know-how, methodology, concepts and ideas are important to Agrani SME Financing Company Limited's successes in the market. Unless otherwise specified by law or orders from other public authorities, no employee shall make disclosure of corporate secret or other information to unauthorized persons.







---

## Business Ethics

### **Nature and Environment**

Agrani SME Financing Company Limited is very much aware of the urgency of environmental protection, by minimizing environmental damages and by developing, promoting, and utilizing or harvesting environment-friendly technology.

### **Accounting**

Agrani SME Financing Company Limited has the highest concern for truth, completeness and accuracy in the recording of business transactions in full compliance with applicable Bangladesh laws & regulations, financial reporting standards, sound accounting practices as well as maintaining valid authorization and ensuring complete documentation. The annual accounts and interim accounts shall be in conformity with the law, BFRS, IFRS and good accounting practices. ASFCL strives to maintain the twin values of accuracy and transparency in financial reporting.

### **Contest**

Agrani SME Financing Company Limited is committed to staying over and above the prevailing market competition

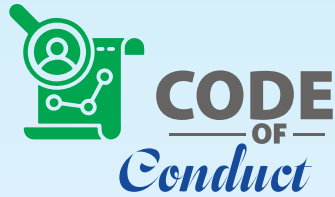
through constant innovation of technology-based products and efficiency enhancement, being responsive to the requirements of our customers and partners.

### **Corruption and Bribery**

Agrani SME Financing Company Limited is firmly opposed to all forms of corruption including bribery and malpractices. Bribery is fundamentally inconsistent with the institution's corporate values; any direct and indirect promise of payment which is perceived as personal advantage is totally unacceptable.

### **Money Laundering**

The Company has set its priority not to become implicated in any way, with individuals or firms involved in criminal activities and money laundering and employees are expected to exercise maximum caution in this regard. ASFCL is firmly opposed to all forms of money laundering, and takes due steps to prevent its financial transactions from being used by others to launder money.



### **Transparency and Disclosure**

The Company shall deal with borrowers/entrepreneurs in a continuously fair, equitable and professional manner.

### **Suitability**

The Company shall gather sufficient information from the borrowers/entrepreneurs to ensure that the product or service meets his or her financial needs.

### **Awareness and Education**

The Company shall provide borrowers/entrepreneurs with Key Fact Statement containing ample key information on the conditions of products or services, as well as a comprehensive list of the fees and charges collected by the Company.

### **Confidentiality (Secrecy and Data Protection)**

The Company shall protect the borrower/entrepreneurs' personal and financial information in compliance with Banking and Financial Secrecy Law and without prejudice to Anti-Money Laundering and Counter Financing law.

### **Complaints Handling**

An efficient mechanism is developed enabling borrower/entrepreneurs to submit their claims and guaranteeing fair and timely follow-up and outcome there of.

### **Ensuring the Consistency of Records**

Internal accounting information and borrower records must be accurate and maintained with authenticity and

consistency. Transactions must be reflected in an accurate and timely manner.

### **Providing Candor in Dealing with Auditors, Examiners, and Legal Counsel**

All employees should be required to respond honestly and candidly when dealing with internal auditors, independent auditors and regulators.

### **Avoiding Self-Dealings and Acceptance of Gifts or Favors**

All employees are prohibited from seeking or accepting anything of value (including services, discounts or entertainment) from borrower/entrepreneurs, suppliers or anyone else in return for any business (mainly granting loans), service or restricted information of the Company.

### **Observing Applicable Laws**

All employees must be aware of all applicable laws and regulations.

### **Involving Internal Auditor in Monitoring Corporate Code of Conduct or Ethics Policy**

ASFCL engages credible audit firm to monitor the operation of internal controls against self-dealing, conflict of interests and other violations of the Code of Conduct, identify weaknesses, and ensure corrective action is taken.



## **NOTICE OF THE 13<sup>TH</sup> Annual General Meeting**

---

Notice is hereby given to all Shareholders of Agrani SME Financing Company Limited that the 13<sup>th</sup> Annual General Meeting of the Company will be held on September 29, 2024 at 3.00 pm (revised date, original date was 17-09-2024 ) at the Board Room of its Holding Company, Agrani Bank PLC. (9/D, Dilkusha Commercial Area, Dhaka-1000) to transact the following business and adopt necessary resolutions:

### **Agenda**

- a. To confirm the minutes of the 12<sup>th</sup> Annual General Meeting held on August 10, 2023;
- b. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 December 2023, together with the Auditors' Report and the Directors' Report thereon;
- c. To elect/re-elect Directors;
- d. To appoint Auditor for the Year 2024 (as on 31-12-2024) and to fix their remuneration; and
- e. To transact any other related business with the permission of the Chair.

By Order of the Board of Directors

**Md. Muzahidul Islam Zoarder**  
Company Secretary

Dated : September 01, 2024





## LETTER OF TRANSMITTAL

Date : 29-09-2024

**All Shareholders**

Registrar of Joint Stock Companies & Firms  
Large Tax Payers Unit (LTU)  
Securities and Exchange Commission  
Bangladesh Bank, Head Office, Dhaka-1000.

**Sub: Annual Report for the year ended 31 December 2023.**

Dear Sir (s)

We are pleased to enclose herewith a copy of the Annual Report 2023, together with the Auditors' Report and the Audited Financial Statements of Agrani SME Financing Company Limited for your kind information and record.

Yours sincerely

**Md. Zahidul Haque**  
Chief Executive Officer (CEO)

# BOARD OF DIRECTORS



**Md. Murshedul Kabir**  
Ex-Chairman  
(Tenure ended on 19-09-2024)

**Wahida Begum**  
Chairman  
(Joined on 19-09-24)

**Md. Moshir Ali**  
Director  
(Joined on 18-10-2021)

**Mohammad Helal Uddin**  
Director  
(Joined on 28-07-2022)

**Md. Rafiqul Islam**  
Managing Director & CEO  
(Tenure ended on 13-12-2023)

**Md. Muzahidul Islam Zoarder**  
Managing Director & CEO  
(Current Charge)  
(14-12-2023 – 30-06-2024)

**Md. Zahidul Haque**  
Chief Executive Officer (CEO)  
(Joined on 30-06-2024)

## Board of Directors (Photographs)



**Md. Murshedul Kabir**  
Ex-Chairman  
(Tenure Ended on 19-09-2024)



**(Wahida Begum)**  
Chairman  
(Joined on 19-09-2024)



**Md. Moshir Ali**  
Director



**Mohammad Helal Uddin**  
Director



**Md. Rafiqul Islam**  
Ex-Managing Director & CEO  
(Tenure ended on 13-12-2023)



**Md. Muzahidul Islam Zoarder**  
MD & CEO (Current Charge)  
(14-12-2023 - 30-06-2024)



**Md. Zahidul Haque**  
Chief Executive Officer  
(Joined on 30-06-2024)

## PROFILE OF DIRECTOR



**Wahida Begum**  
Chairman

Wahida Begum joined as Chairman on 19-09-2024 of the company. Wahida Begum has been serving as Deputy Managing Director of Agrani Bank PLC. since 28th March 2023. She was also appointed director of the Board of Directors of Agrani SME Financing Company Limited, a subsidiary of Agrani Bank PLC., on 21st December 2023. Prior to her new assignment, she served

as Deputy Managing Director in Ansar- VDP Unnoyon Bank.

Ms Wahida Begum commenced her banking career with Rupali Bank PLC. as Senior Officer on 6th October, 1998, and gradually elevated to the position of General Manager on 11th September, 2018. During the illustrious working period of Rupali Bank PLC. She was involved in various operational capacities such as divisional head, area head, department head, and branch manager. She was senior faculty member of Rupali Bank Training Academy, Dhaka.

She played a key role as CEO of Rupali Bank Securities Ltd (A Subsidiary of Rupali Bank PLC.). She contributed her professional expertise as a director of Rupali

Investment Ltd (A Subsidiary of Rupali Bank PLC.).

Ms Wahida Begum was born in an aristocratic Muslim family in Noakhali. She obtained B.Sc. and M.Sc. in Economics from Jahangirnagar University. She also completed her Masters of Business Administration in Finance and Banking from Southeast University.

Ms Wahida Begum enriched her banking expertise by participating in various training courses, seminars and workshops on banking activities held at home and abroad and traveled to various countries in her long banking career.

# PROFILE OF DIRECTOR



**Md. Murshedul Kabir**  
Ex-Chairman

Md. Murshedul Kabir serves as the Chief Executive Officer (CEO) of Agrani Bank PLC. He joined as Chairman on August 28, 2022 and his tennure ended on 19-09-2024. With an extensive banking career spanning over 35 years, Mr. Kabir is widely recognized as a dynamic and innovative professional. He holds a strong academic background and has actively contributed to various sectors within the banking industry.

Mr. Kabir possesses a broad range of expertise in banking, including integrated treasury management, foreign exchange dealing, credit portfolio management, project finance, industrial credit, microcredit, strategic risk management, and human resource management. His comprehensive knowledge in these areas highlights his proficiency as a

seasoned banking professional.

Prior to his role as Chief Executive Officer (CEO) of Agrani Bank PLC., Mr. Kabir served as the Deputy Managing Director of Sonali Bank PLC., the largest state-owned commercial bank in Bangladesh, from October 27, 2020, to August 25, 2022. In October 2020, he was promoted to Deputy Managing Director at Janata Bank PLC. and subsequently assigned to Sonali Bank PLC. by the Financial Institution Division (FID) of the Ministry of Finance. Mr. Kabir holds a Master of Social Science degree in Economics from the University of Dhaka and an MBA degree in Human Resource Management. He is also a Diplomaed Associate of the Institute of Bankers, Bangladesh. Moreover, he has enriched his professional expertise by attending numerous domestic and international training programs, workshops, and seminars.

Mr. Kabir began his banking career as a Senior Officer at Janata Bank on February 23, 1988. Over the years, he gained valuable experience by working in different branches of Janata Bank. He has held various important positions, including CEO and Managing Director (additional charge), Head of Credit and Head of HR, Divisional Head, Area Head, Departmental Head, and Branch Manager, both at Janata Bank PLC. and Sonali Bank PLC.

Furthermore, Mr. Kabir has been appointed the Chairman of Agrani SME Financing Company Limited, Director of Agrani Equity and Investment Limited, Investment Corporation of Bangladesh and Padma Bank PLC., effective from August 28, 2022. Additionally, he serves as the director of Agrani Exchange House Pte Ltd in Singapore and Agrani Remittance House Sdn. Bhd. in Malaysia, both of which are subsidiary companies of Agrani Bank PLC. operating overseas. Mr. Kabir is a member of the Governing Board of the Bangladesh Institute of Bank Management (BIBM) and the Executive Committee of the Bangladesh Foreign Exchange Dealers Association (BAFEDA). He has served as an ex-officio Director of Bangladesh Commerce Bank Limited and Sonali Investment Limited. Additionally, he was a former Director of Carew & Co. (Bangladesh) Limited, Platinum Jubilee Jute Mills Limited, and Jessore Jute Industries Limited.

Beyond his notable professional achievements, Mr. Kabir is an internationally rated chess player and a member of the Association of Chess Players of Bangladesh (ACPB). He is also a life member of the Bangladesh Economic Association (BEA).

## PROFILE OF DIRECTOR



**Md. Moshir Ali**  
Director

Mr. Md. Moshir Ali was appointed Director of the Board of Directors of Agrani SME Financing Company Limited on the 27th November, 2016 and retired on the 23rd March 2017. Mr. Ali was re-appointed as Director of the Board of Directors of Agrani SME Financing Company Limited on the 18th October, 2021. He was also Director of the Board of Directors of Agrani Equity and Investment Company Limited (a subsidiary company of Agrani Bank PLC.) and Bangladesh Commerce Bank Limited.

Mr. Ali was an innovative professional banker with a sound academic status, exposed in banking sectors for over 35 years. He possessed through knowledge and expertise in all fields in banking industry in particular along with general banking, loans and advances, risk management, management information system, foreign exchange and HRPDOD operations.

Mr. Ali completed his B.com (hon's) and M.com in Finance from Dhaka University. He also did professional degree, DAIBB from IBB. He started banking career with state owned Agrani Bank on the 16th February, 1984 as a Senior Officer (Financial Analyst) and gained experiences in different branches of Agrani Bank. He took up responsibilities as Branch Manager in different branches and Divisional and Zonal Head of different Divisions and Zones. He worked as General

Manager and Deputy Managing Director in Agrani Bank PLC., a state owned reputed scheduled commercial bank in Bangladesh from the 13th February, 2013 to till PRL (21st December, 2017).

Mr. Ali received appreciation with letters from the then Managing Director & CEO of Agrani Bank on several occasions for outstanding performances in achieving the set business targets, mobilization of deposits and recovery of bad loans. Mr. Ali participated in a number of seminars, workshops and training in home and abroad.



# PROFILE OF DIRECTOR



**Mohammad Helal Uddin**  
Director

Mr. Mohammad Helal Uddin, has been appointed director of the Agrani SME Financing Company Limited on 28 July, 2022. Mr. Uddin, a career civil servant, started his career as a Banker and afterwards he joined Bangladesh Civil Services (Administration) Cadre. He wholeheartedly served the nation remarkably in cognizance and trial Court Magistrate, AC (Land), Election officer, Poursava Administrator, UNO, Executive Magistrate collaboration with RAB. He was entrusted with a variety of capacities in the Trade and Tariff Commission, Ministry of Food and Economic Relations Division of the Ministry of Finance.

Mr. Mohammad Uddin who has been assisting the Financial Institutions Division (FID) as Joint Secretary, inculcates a strong personality with sincerity, integrity and probity. Apart from his commitment, he has an excellent academic record including scholarship from primary to University amazingly 12(twelfth) Merit Position (Board Stand) in HSC from the historic Dhaka College. Then he accomplished his B.Com.(Hons.), M.Com and MBA in Accounting Information Systems (AIS) from the University of Dhaka. Furthermore, he was awarded Food and Agricultural Organization (FAO) Scholarship in 2019-2020 and pursued M.Sc. degree in International Management from the University of the West England, Bristol, UK.

He received higher professional trainings from the University of Illinois-Urbana-Champaign, USA, Mid-Career Training from NCGG, India, training on Management and Construction of Specialized Economic Zone, by TEDA in China, and higher training on Food Policy in Mahidol University, Thailand, Food management training at Asian Institute of Technology (AIT), Vietnam, APA training from the University of Technology Malaysia (UTM) to mention a few. Mr. Uddin who is associated with different social activities, hailed from Chandpur and he has keen interest in banking.



## PROFILE OF DIRECTOR



**Md. Rafiqul Islam**  
Ex-Managing Director & CEO  
(Tenure ended on 13-12-2024)

Mr. Md. Rafiqul Islam was appointed as Managing Director & CEO of Agrani SME Financing Company Limited on the 14th December, 2020. Mr. Islam is an innovative professional banker with a sound academic status, exposed in banking sectors for over 39 years. He possesses thorough knowledge and expertise in all fields in banking and NBFi industry in particular along with general banking, loans and advances, risk management, management information system, auditing and SME operations.

Mr. Md. Rafiqul Islam completed his B.com (hon's) and M.com in Accounting from Dhaka University. He also did professional degree, DAIBB from IBB. He started banking career with state owned Sonali Bank on the 18th August, 1983 as a Senior Officer (Financial Analyst) and gained experiences in different branches of Sonali Bank PLC.. He took up responsibilities as Branch Manager in different branches and Divisional and Zonal Head of different Divisions and Zones. He also worked as Deputy Managing Director in Agrani Bank PLC., a state-owned reputed schedule commercial bank in Bangladesh from the 20th September, 2017 to till PRL. Mr. Islam played a crucial role in bringing the Agrani SME Financing Company Limited to a new era and fostered significant changes in the Company to secure the Agrani SME Financing Company Limited as one of the leading NBFIs in Bangladesh.

Mr. Islam received appreciation with letters and crests from the then Managing Director & CEO of Sonali Bank PLC. on several occasions for outstanding performances in achieving the set business targets, mobilization of deposits and recovery of bad loans. Mr. Islam participated in a number of seminars, workshops and training in home and abroad. He also involved in the Dhaka University Alumni Association (DUAA), Accounting Alumni Association (AAA) along with various social organization to gear up the process of economic growth and welfare in the country.

# PROFILE OF DIRECTOR



**Md. Muzahidul Islam Zoarder**  
Managing Director & CEO  
(Current Charge)  
(14-12-2023 – 30-06-20)

Md. Muzahidul Islam Zoarder Served as the Managing Director and CEO (current Charge) of Agrani SME Financing Company Limited from December 14, 2023 to June 30, 2024. He also served as the Managing Director and CEO (Current Charge) of the Institution in the previous time from January 30, 2017 to April 12, 2017 and from April 13, 2020 to December 13, 2020 also.

Mr. Zoarder is an enterprising and innovative Executive bejeweled with a sound career in NGO, Garment conglomerates and in

Non-Bank Financial institution. He has vast experience of working with different level of Officials and multicultural people in dealing with organizational strategic planning and good Management/ Governance. He is also capable of working of his own initiative and can demonstrate high level of motivation required to meet the tightest of deadlines.

At present Mr. Zoarder is serving in the capacity of Deputy General Manager in the Agrani SME Financing Company Limited where he is entrusted with responsibilities of all duties as the Head of Human Resources and Administration, Finance, CIB and Credit Risk Management. Apart from discharging all the duties as stated above Mr. Zoarder is also the Company Secretary and CAMLCO of the Institution.

Mr. Zoarder completed his BCOM and MBA, Major in Finance from

the University of Dhaka. He has a post graduate diploma in Personal Management (PGDPM) from Bangladesh Institute of Management. He has another professional Diploma in Network Centered Computing (PNC) from NIIT (Beximco Limited, Dhaka).

Mr. Zoarder participated in number of seminars and completed numerous training courses in the country covering all aspects of financial Industry and has gathered different sorts of skills and acumen to hone his professional expertise.

Mr. Zoarder received most acclaimed 'the National Integrity Award' from the then Managing Director and CEO Agrani SME Financing Company Limited.



**Md. Zahidul Haque**  
Chief Executive Officer  
(Joined on 30-06-2024)

Md. Zahidul Haque serves as the Chief Executive Officer (CEO) of Agrani SME Financing Company Limited. He joined to this position on June 30, 2024.

With a multi-dimensional financial career for over 34 years at several banks & financial institutions, Mr. Haque is widely recognized as a dynamic and innovative professional leader.

Mr. Zahidul's academic journey is completely awe-inspiring. He is a holder of an Honors of Commerce and a Master in Finance and Banking from the University of Rajshahi. He bagged the coveted first class in his M.Com final examination.

Prior to his role as CEO of Agrani SME Financing Company Limited, Mr. Haque served as the Managing Director (MD) of Rajshahi Krishi Unnayan Bank (RAKUB) a public sector development bank providing loan facility in the field of agriculture and CMSME in the northern-west area of the country from September 7, 2022 to April 30, 2023.

He also served as the MD of Probashi Kallayn Bank (PKB) another specialized state-owned bank,

## PROFILE OF DIRECTOR

specially finance to the out-going expatriates and rehabilitate the returnee migrants from March 1, 2021 to September 6, 2022.

Earlier Mr. Zahidul served as the Deputy Managing Director (DMD) of Sonali Bank PLC the largest state-owned commercial bank in the country, from September 16, 2019 to February 28, 2021.

Mr. Haque served as the General Manager (GM) of Bangladesh House Building Finance Corporation (BHBFC) a public sector financial institution providing financial support in the housing sector of Bangladesh from September 7, 2016 to September 15, 2019. In September 2016 he was promoted to GM and subsequently assigned to BHBFC by the Financial Institutions Division (FID) of the Ministry of Finance.

Mr. Haque started his banking career on January 1, 1990 as a Senior Officer (Financial Analyst) at former Bangladesh Shilpa Bank (BSB), presently merged as Bangladesh Development Bank Limited (BDBL), a state-owned development bank providing industrial credit in Bangladesh. He joined BHBFC on November 19, 1995 as a Principal Officer. There he was promoted from Principal Officer to Senior Principal Officer and lastly as Deputy General Manager (DGM) on June 6, 2013.

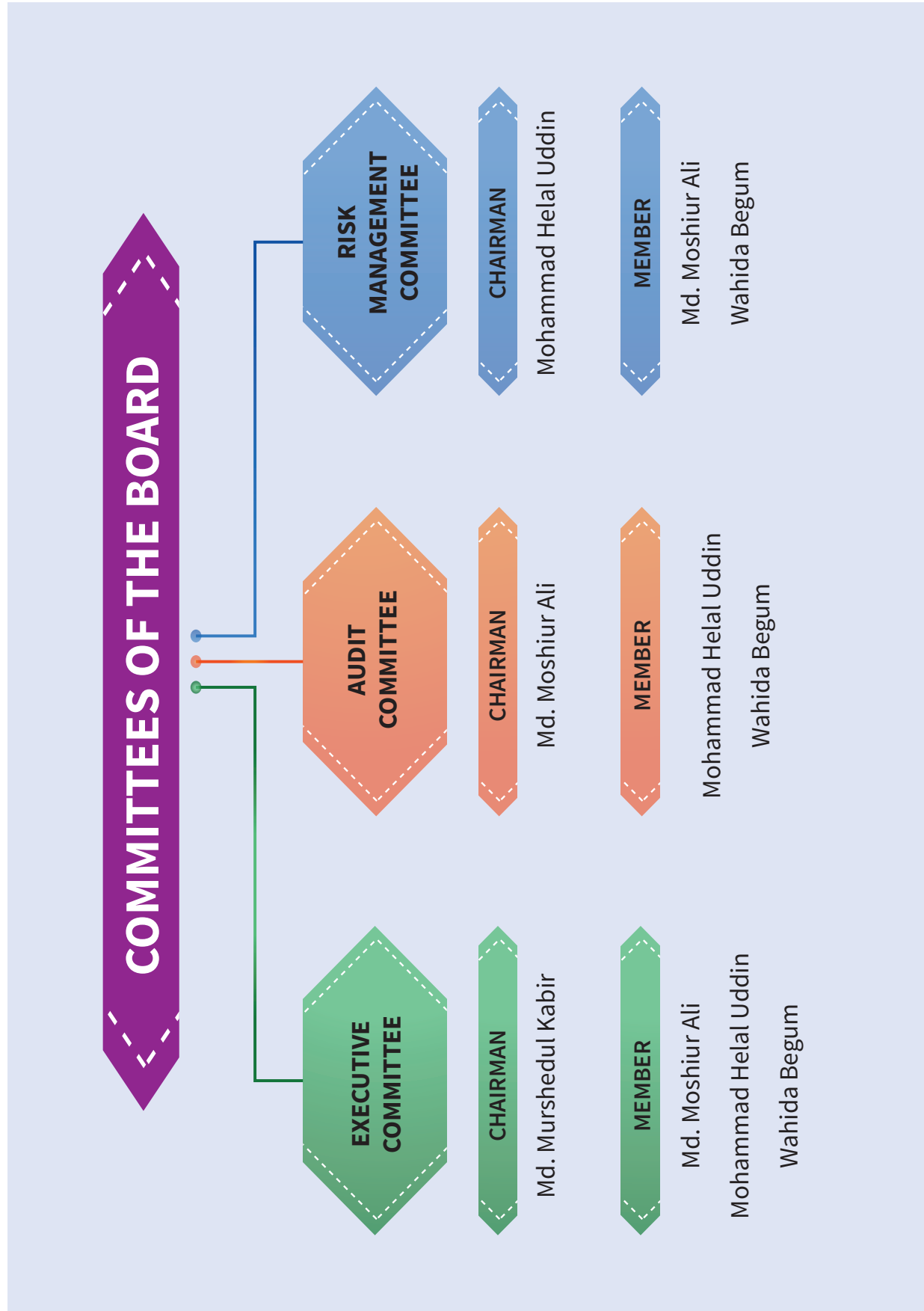
A seasoned bank & financial professional, Mr. Haque skilled in managing and developing banks and financial organizations, having expertise on managing portfolios, automation, business growth, negotiations, cost minimization,

profit maximization, human resource management and administration, project management, public relations, performance management & KPI, operational risk management and process automation, brand communication & marketing, credit administration & monitoring, development of policies and processes, extraordinary innovation, initiatives and process improvement support.

Mr. Haque's participation in seminars, training programs and workshops both national and international has further enhanced his repertoire of knowledge and skills. He visited the United State of America, Thailand, Australia etc.

Beyond his notable professional achievement Mr. Haque currently hold the esteemed position of President of the Finance Alumni Association of the University of Rajshahi (FAAUR).

A luminary in the field finance and banking Mr. Zahidul's illustrious career is marked by academic excellence, professional expertise and a relentless pursuit of knowledge. Throughout his career Mr. Zahid has personified excellence and commitment, inspiring countless individuals within and beyond the realm of Banking and Finance. His remarkable achievements and vast knowledge continue to shape the landscape of financial individuals and industry in Bangladesh.





**Agrani SME Financing Company Limited**  
**Chairman, Managing Director & CEOs**  
Since Inception

**Chairman of the Board**  
Since Inception

**Dr. Syed Abdul Hamid, FCA**  
06 Dec, 2010 – 29 July, 2016

**Mohammad Shams-Ul Islam**  
05 Aug, 2016 – 17 Oct, 2022

**Md. Murshedul Kabir**  
17 Oct, 2022 – 19 Sept, 2024

**Wahida Begum**  
22 Sept, 2024 to till date

**Managing Directors &  
Chief Executive Officers (CEO)**  
Since Inception

**A.K.M. Mujibur Rahman**  
[27 Oct, 2010 – 14 May, 2014]

**A.K.M. Mujibur Rahman**  
[15 May, 2014 – 10 Dec, 2016]

**Mrs. Selina Jaman**  
(Additional Charge)  
[11 Dec, 2016 – 29 Jan, 2017]

**Md. Muzahidul Islam Zoarder**  
(Current Charge)  
[30 Jan, 2017 – 12 April, 2017]

**Md. Nurul Haque**  
[13 April, 2017 – 12 April, 2020]

**Md. Muzahidul Islam Zoarder**  
(Current Charge)  
[14 April, 2020 – 13 Dec, 2020]

**Md. Rafiqul Islam**  
[14 Dec, 2020 – 13 Dec, 2023]

**Md. Muzahidul Islam Zoarder**  
(Current Charge)  
[14 Dec, 2023 – 30 June, 2024]

**Md. Zahidul Haque**  
[30 June, 2024 – till to date]

## Shareholders Information

Particulars	Distribution of Shares	
	31 <sup>st</sup> December 2023	31 <sup>st</sup> December 2022
Agrani Bank PLC. (Represented by Md. Murshedul Kabir Chairman, Board of Directors)	9,999,988	9,999,988
Directors*	12	12
General Public	-	-
<b>Total</b>	<b>100,00,000</b>	<b>100,00,000</b>

### Share held by Directors\*

Existing Directors:					
SLNo	Particulars	Status	No. of shares	Closing Position	Change
1	Md. Moshir Ali	Director	2	2	0%
2	Wahida Begum	Director	2	2	0%
3	Md. Zahidul Haque	Chief Executive Officer	2	2	0%
<b>Sub Total</b>			<b>6</b>	<b>6</b>	0%
Retired Directors but their shares have not been transferred yet:					
1	Md. Habibur Rahman Gazi	Director	2	2	0%
2	Md. Monirul Islam	Director	2	2	0%
3	Md. Anwarul Islam	Director	2	2	0%
<b>Sub Total</b>			<b>6</b>	<b>6</b>	0%
<b>Total</b>			<b>12</b>	<b>12</b>	0%

Dividend Distribution
i) 80 Percent stock dividend i.e 4 bonus shares for every 5 shares for the year 2011
ii) 2 Percent cash dividend i.e 2TK cash dividend for every 1 share for the year 2020
iii) 3 Percent cash dividend i.e 3TK cash dividend every 1 share for the year 2021
iv) 3 Percent cash dividend i.e 3TK cash dividend for every 1 share for the year 2022
v) 3 Percent (Proposed) cash dividend i.e 3TK cash dividend for every 1 share for the year 2023

## Key Indicators of ASFCCL From 2011 to 2023

(Tk. in Crore)

Particulars/Years	Loans & Advances	Classified Loans		Borrowings (OD & Re-finance)	Operating Profit	Total Provisional Expenses	Profit Before Tax	Provision For Tax	Net Profit	Man-powers	No. of Branch	Au- thorised Capital	Paid Up Capital	Equity	Dividend Information		Total Assets
		Amount	%												Cash	Stock	
2011	46.11	N/A	-	-	(0.16)	-	-	-	(0.16)	65	41	500.00	50.00	95.31	-	-	101.93
2012	44.70	4.41	9.87	-	4.96	-	4.96	2.11	2.85	80	41	500.00	100.00	108.07	-	40.00	124.05
2013	43.71	3.80	8.69	-	6.99	-	6.99	3.17	3.82	96	41	500.00	100.00	111.92	-	-	129.00
2014	47.49	5.32	11.15	-	9.16	-	9.16	3.14	6.02	139	42	500.00	100.00	117.93	-	-	135.85
2015	60.45	7.22	11.94	-	9.09	1.82	7.27	3.62	3.65	132	45	500.00	100.00	121.60	-	-	140.95
2016	78.79	5.53	7.02	-	3.03	1.00	2.03	1.06	0.97	195	50	500.00	100.00	122.57	-	-	146.24
2017	107.93	5.70	5.28	-	4.61	0.85	3.76	1.59	2.17	179	50	500.00	100.00	124.74	-	-	152.05
2018	158.90	6.70	4.22	41.23	8.92	1.20	7.71	3.18	4.53	170	50	500.00	100.00	129.27	-	-	197.10
2019	200.10	7.72	3.86	52.28	12.91	1.06	11.85	4.65	7.21	167	53	500.00	100.00	137.21	-	-	215.50
2020	225.70	6.36	2.82	70.49	14.43	1.85	12.58	6.24	6.34	167	53	500.00	100.00	143.56	2.00	-	240.55
2021	266.25	5.02	1.89	104.15	17.15	3.12	14.03	6.37	7.66	159	53	500.00	100.00	149.22	3.00	-	288.91
2022	356.72	9.32	2.61	187.82	18.59	2.80	15.79	7.02	8.77	156	53	500.00	100.00	154.99	3.00	-	387.74
2023	329.59	22.59	6.85	151.69	16.75	4.63	12.12	6.23	5.89	152	53	500.00	100.00	157.88	* 3.00	-	359.00

\* 3% cash dividend proposed for the year 2023



## Comparative Scenario 2023 and 2022

(Crore Tk. Unless Otherwise Specified)

Particulars/ Years	2023 Audited	2022	Increase (+)/ Decrease (-)	Change in Percentage
<b>Financial Position Analysis</b>				
Authorized Capital	500.00	500.00	-	-
Paid Up Capital	100.00	100.00	-	-
Reserve Fund	17.45	16.28	1.17	7.19
Retained Earnings	40.43	38.72	1.71	4.42
Total Shareholders' Equity	157.88	154.99	2.89	1.86
Borrowings (OD From ABL)	150.06	186.24	(36.18)	(19.43)
Borrowings From BB (Refinance: COVID-19)	1.63	1.58	0.05	3.16
Other Liabilities	49.43	44.93	4.50	10.02
Loans & Advances	329.59	356.72	(27.13)	(7.61)
Fixed Assets Excluding Lease	0.59	0.74	(0.15)	(19.73)
Lease Assets	1.56	0.36	1.20	334.44
Total Assets	359.00	387.74	(28.74)	(7.41)
<b>Financial Performance Analysis</b>				
Interest Income	39.60	38.31	1.29	3.37
Interest Expenses	(11.72)	(8.44)	(3.28)	38.92
Net Interest Income	27.88	29.87	(1.99)	(6.67)
Others Operating Income	2.19	1.15	1.04	90.10
Total Operating Income	30.07	31.03	(0.96)	(3.08)
Total Income	41.79	39.46	2.33	5.90
Total Expenditure	25.04	20.88	4.16	19.94
Operating Expenses	13.32	12.44	0.88	7.08
Profit Before Provision & Tax	16.75	18.59	(1.84)	(9.88)
Total Provisional Expenses	4.63	2.80	1.83	65.36
Profit Before Tax	12.12	15.79	(3.67)	(23.22)
Provision for Tax	6.23	7.02	(0.79)	(11.25)
Net Profit After Tax	5.89	8.77	(2.88)	(32.81)
<b>Capital Measures Analysis</b>				
Risk Weighted Assets	299.49	319.61	(20.12)	(6.30)
Capital Adequacy Ratio %	53.17	48.82	4.35	8.91
Required Capital (10% of Risk weighted Assets)	29.95	31.96	(2.01)	(6.30)
Core Capital (Tier-1)	157.88	154.99	2.89	1.86
Supplementary Capital (Tier-2)	1.36	1.04	0.32	30.77
Actual Capital Held	159.24	156.03	3.21	2.06
Minimum Required Capital	100.00	100.00	-	-
Capital Surplus/(Deficit)	59.24	56.03	3.21	5.73
<b>Loans &amp; Advances Related Information Analysis</b>				
No. of Loanee/ Enterprises	15,166	15,599	(433)	(3)
Outstanding Balance	329.59	356.72	(27.13)	(7.61)
No. of Loan Disburse:	2,460	5,548	(3,088)	(56)
a. Male	1,913	4,322	(2,409)	(56)
b. Female	547	1,226	(679)	(55)
Cumulative No. of Loan Disburse (From 2012)	39,820	37,360	2,460	7
Amount of Loan Disburse	96.16	208.33	(112.17)	(53.84)
Amount of Loan Recovery including interest and write off	165.97	158.42	7.55	4.77
No. of Write off Loanee/ Enterprises	1,393	1,501	(108)	(7)
Write off Outstanding Balance	3.18	3.50	(0.32)	(9.14)

## Comparative Scenario 2023 and 2022

(Crore Tk. Unless Otherwise Specified)

Particulars/ Years	2023	2022	Increase (+)/ Decrease (-)	Change in Percentage
<b>Credit Quality Analysis</b>				
Classified Loans	22.59	9.32	13.27	142.33
No. of Classified Loans	1,355	849	506	60
Percentage of Classified Loans to total Loans	6.85%	2.61%	-	-
Provision kept for Unclassified Loans	1.36	1.04	0.32	30.94
Provision kept for Classified Loans	9.98	4.74	5.24	110.60
Provision for Loans & Advances as Surplus	0.02	0.52	(0.51)	(96.76)
Total General Provision kept For Loans	11.35	6.30	5.05	80.23
Required General Provision For Loans	11.34	5.78	5.56	96.24
General Provision Surplus/(Deficit)	0.02	0.52	(0.51)	(96.94)
Special Provision for Loans (COVID-19)	2.43	4.38	(1.95)	(44.62)
Required Special Provision for Loans (COVID-19)	2.43	3.64	(1.21)	(33.37)
Excess/Short Special Provision for Loans (COVID-19)	-	0.74	(0.74)	-
Total Provision for Loans & Advances	13.78	10.68	3.10	29.02
Total Required Provision	13.76	9.42	4.35	46.15
Total Provision Surplus/(Deficit)	0.02	1.26	(1.25)	(98.73)
Provision as LRF/ LRCF	4.91	4.91	-	-
<b>Financial Ratios Analysis (%)</b>				
Return on Assets	1.58%	2.59%	-1.01%	(0.39)
Return on Equity	3.77%	5.77%	-2.00%	(0.35)
Equity to Assets	43.98%	39.97%	4.01%	0.10
Yield on Loans & Advances	11.52%	12.28%	-0.76%	(0.06)
Cost of Borrowing (OD Loan)	7.75%	6.75%	1.00%	0.15
<b>Performance Ratio Analysis</b>				
Income Per Employee (Lac)	27.49	25.30	2.20	8.69
Expenses Per Employee (Lac)	16.47	13.38	3.09	23.10
Operating Profit Per Employee (Lac)	11.02	11.91	(0.89)	(7.51)
Net Profit Per Employee (Lac)	3.88	5.62	(1.74)	(31.04)
Ratio of Interest Income	0.95	0.97	(0.02)	(2.39)
Cost to Income/ Efficiency Ratio	0.32	0.32	0.00	1.11
<b>Share Information Analysis</b>				
No. of Shares Outstanding (Lac)	100	100	-	-
No. of Shareholders	7	7	-	-
Earnings Per Share (Taka)	5.89	8.77	(2.88)	(32.84)
Net Asset Value Per Share (Taka)	157.88	154.99	2.89	1.86
Dividend for the year	3.00	3.00	-	-
<b>Others Information Analysis</b>				
No. of Branches	53	53	-	-
No. of Employees	152	156	(4)	(3)
No. of Male Employees	138	142	(4)	(3)
No. of Female Employees	14	14	-	-
<b>Others Information Analysis (Other than Company)</b>				
No. of Employment Creation (Approx)	8,500	18,300	(9,800)	(54)
a. Male	7,100	15,200	(8,100)	(53)
b. Female	1,400	3,100	(1,700)	(55)
Cumulative No. of Employment Creation (Approx)	104,800	96,300	8,500	9
a. Male	84,500	77,400	7,100	9
b. Female	20,300	18,900	1,400	7

## Agrani SME Financing Company Limited

### Five Years Performance at a Glance

(Crore Tk. Unless Otherwise Specified)

Particulars/ Years	2023 Audited	2022	2021	2020	2019
<b>Balance Sheet Matrix</b>					
Authorized Capital	500.00	500.00	500.00	500.00	500.00
Paid Up Capital	100.00	100.00	100.00	100.00	100.00
Reserve Fund	17.45	16.28	14.52	12.99	11.72
Retained Earnings	40.43	38.72	34.70	30.57	25.49
Total Shareholders' Equity	157.88	154.99	149.22	143.56	137.21
Borrowings (OD From ABL)	150.06	186.24	102.33	70.30	52.28
Borrowings From BB (Refinance: COVID-19)	1.63	1.58	1.81	0.19	-
Other Liabilities	49.43	44.93	35.54	26.51	26.01
Loans & Advances	329.59	356.72	266.25	225.70	200.10
Fixed Assets Excluding Lease	0.59	0.74	0.90	0.67	0.45
Lease Assets	1.56	0.36	0.48	-	-
Total Assets	359.00	387.74	288.91	240.55	215.50
<b>Income Statement Matrix</b>					
Interest Income	39.60	38.31	33.40	29.25	26.64
Interest Expenses	(11.72)	(8.44)	(4.68)	(3.63)	(2.98)
Net Interest Income	27.88	29.87	28.72	25.63	23.67
Others Operating Income	2.19	1.15	0.65	0.44	0.50
Total Operating Income	30.07	31.03	29.38	26.06	24.17
Total Income	41.79	39.46	34.06	29.69	27.15
Total Expenditure	25.04	20.88	16.90	15.26	14.24
Operating Expenses	13.32	12.44	12.22	11.63	11.26
Profit Before Provision & Tax	16.75	18.59	17.15	14.43	12.91
Total Provisional Expenses	4.63	2.80	3.12	1.85	1.06
Profit Before Tax	12.12	15.79	14.03	12.58	11.85
Provision for Tax	6.23	7.02	6.37	6.24	4.65
Net Profit After Tax	5.89	8.77	7.66	6.34	7.21
<b>Capital Measures</b>					
Risk Weighted Assets	299.49	319.61	242.12	200.13	173.64
Capital Adequacy Ratio %	53.17	48.82	61.92	72.04	79.48
Required Capital (10% of Risk weighted Assets)	29.95	31.96	24.21	20.01	17.36
Core Capital (Tier-1)	157.88	154.99	149.22	143.56	137.21
Supplementary Capital (Tier-2)	1.36	1.04	0.69	0.62	0.80
Actual Capital Held	159.24	156.03	149.91	144.18	138.01
Minimum Required Capital	100.00	100.00	100.00	100.00	100.00
Capital Surplus/(Deficit)	59.24	56.03	49.91	44.18	38.01
<b>Loans &amp; Advances Related Information</b>					
No. of Loanee/ Enterprises	15,166	15,599	13,538	12,921	12,598
Outstanding Balance	329.59	356.72	266.25	225.70	200.10
No. of Loan Disburse:	2,460	5,548	3,730	3,105	4,589
a. Male	1,913	4,322	2,921	2,401	3,552
b. Female	547	1,226	809	704	1,037
Cumulative No. of Loan Disburse (From 2012)	39,820	37,360	31,812	28,082	24,977
Amount of Loan Disburse	96.16	208.33	126.92	94.11	127.44
Amount of Loan Recovery including interest and write off	165.97	158.42	122.37	100.28	112.82
No. of Write off Loanee/ Enterprises	1,393	1,501	1,696	1,833	1,925
Write off Outstanding Balance	3.18	3.50	4.05	4.41	4.70

## Agrani SME Financing Company Limited Five Years Performance at a Glance

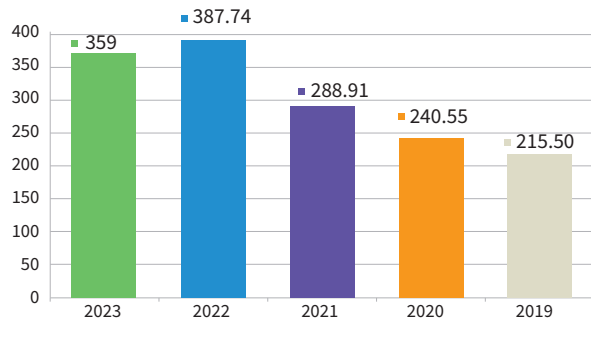
(Crore Tk. Unless Otherwise Specified)

Particulars/Years	2023 Audited	2022	2021	2020	2019
<b>Credit Quality</b>					
Classified Loans	22.59	9.32	5.02	6.36	7.72
No. of Classified Loans	1,355	849	666	808	1,000
Percentage of Classified Loans to total Loans	6.85%	2.61%	1.89%	2.82%	3.86%
Provision kept for Unclassified Loans	1.36	1.04	0.69	0.62	0.80
Provision kept for Classified Loans	9.98	4.74	3.35	3.07	4.01
Provision for Loans & Advances as Surplus	0.017	0.52	0.01	-	-
Total General Provision kept For Loans	11.35	6.30	4.05	3.69	4.81
Required General Provision For Loans	11.34	5.78	4.04	3.69	4.81
General Provision Surplus/(Deficit)	0.02	0.52	0.01	-	-
Special Provision for Loans (COVID-19)	2.43	4.38	4.38	2.26	-
Required Special Provision for Loans (COVID-19)	2.43	3.64	4.38	-	-
Excess/Short Special Provision for Loans (COVID-19)	-	0.74	-	2.26	-
Total Provision for Loans & Advances	13.78	10.68	8.43	5.95	4.81
Total Required Provision	13.76	9.42	8.42	3.69	4.81
Total Provision Surplus/(Deficit)	0.02	1.26	0.01	2.26	-
Provision as LRF/ LRCF	4.91	4.91	4.91	4.91	4.91
<b>Financial Ratios (%)</b>					
Return on Assets	1.58%	2.59%	2.89%	2.78%	3.49%
Return on Equity	3.77%	5.77%	5.24%	4.52%	5.41%
Equity to Assets	43.98%	39.97%	51.65%	59.68%	63.67%
Yield on Loans & Advances	11.52%	12.28%	13.55%	13.67%	14.11%
Cost of Borrowing (OD Loan)	7.75%	6.75%	6.75%	6.75%	6.75%
<b>Performance Ratio</b>					
Income Per Employee (Lac)	27.49	25.30	21.42	17.78	16.26
Expenses Per Employee (Lac)	16.47	13.38	10.63	9.14	8.53
Operating Profit Per Employee (Lac)	11.02	11.91	10.79	8.64	7.73
Net Profit Per Employee (Lac)	3.88	5.62	4.82	3.80	4.32
Ratio of Interest Income	94.76%	97.08%	98.06%	98.52%	98.12%
Cost to Income/ Efficiency Ratio	31.88%	31.52%	41.59%	44.63%	46.59%
<b>Share Information Matrix</b>					
No. of Shares Outstanding (Lac)	100	100	100	100	100
No. of Shareholders	7	7	7	7	7
Earnings Per Share (Taka)	5.89	8.77	7.66	6.34	7.21
Net Asset Value Per Share (Taka)	157.88	154.99	149.22	143.56	137.21
Dividend for the year	3.00	3.00	3.00	2.00	-
<b>Other Information</b>					
No. of Branches	53	53	53	53	53
No. of Employees	152	156	159	167	167
No. of Male Employees	138	142	144	151	150
No. of Female Employees	14	14	15	16	17
<b>Others Information (Other than Company)</b>					
No. of Employment Creation (Approx)	8,500	18,300	12,400	7,100	10,000
a. Male	7,100	15,200	10,300	5,800	8,400
b. Female	1,400	3,100	2,100	1,300	1,600
Cumulative No. of Employment Creation (Approx)	104,800	96,300	78,000	65,600	58,500
a. Male	84,500	77,400	62,200	51,900	46,100
b. Female	20,300	18,900	15,800	13,700	12,400

# 1. Graphical Presentation of Five Years Performance

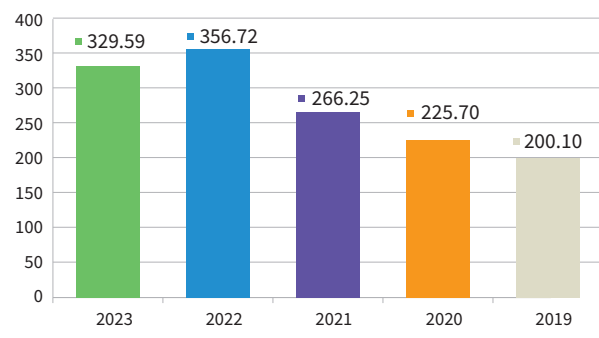
## 1. (a) Total Assets

Total Assets BDT in Crore



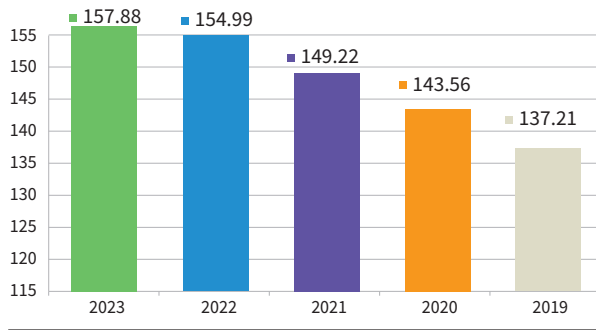
## 1.(b) Loans & Advances

Loan & Advances BDT in Crore



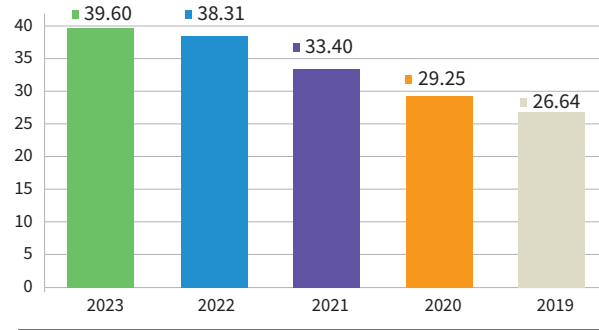
## 1.(c) Total Shareholders' Equity

Total Shareholder's Equity BDT in Crore



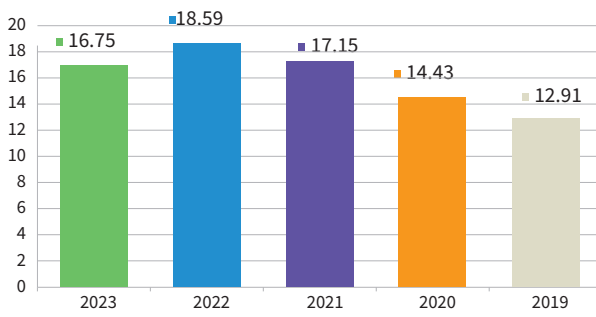
## 1.(d) Interest Income

Interest Income BDT in Crore



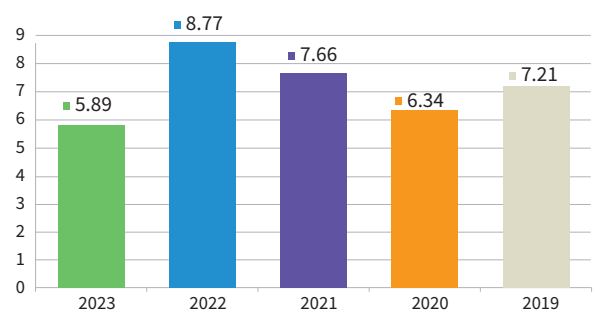
## 1.(e) Profit Before Provision & Tax

Profit Before Provision & Tax BDT in Crore



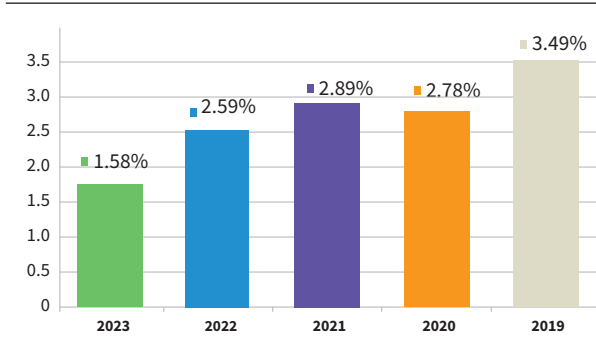
## 1.(f) Net Profit After Tax

Net Profit After Tax BDT in Crore

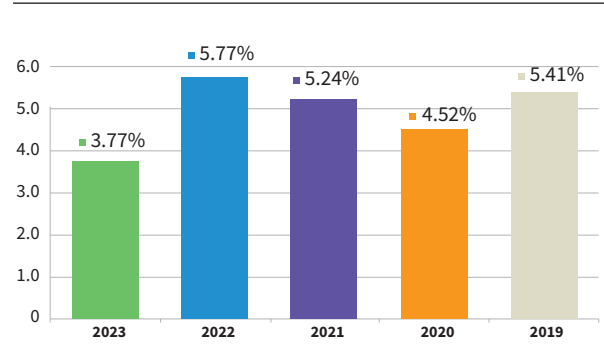


# 1. Graphical Presentation of Five Years Performance

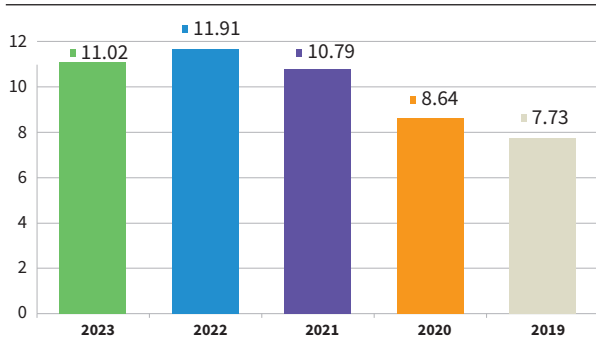
**1.(g) Return on Assets (ROA)**  
Return on Assets (ROA)



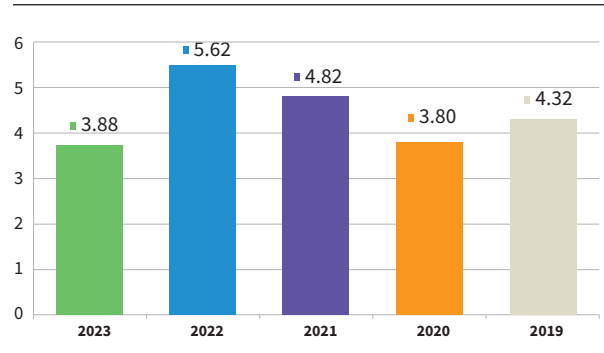
**1.(h) Return on Equity (ROE)**  
Return on Equity (ROE)



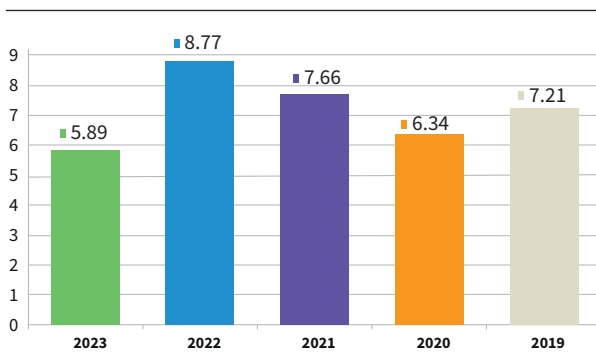
**1.(i) Operating Profit Per Employee**  
Operating Profit Per Employee BDT in Lac



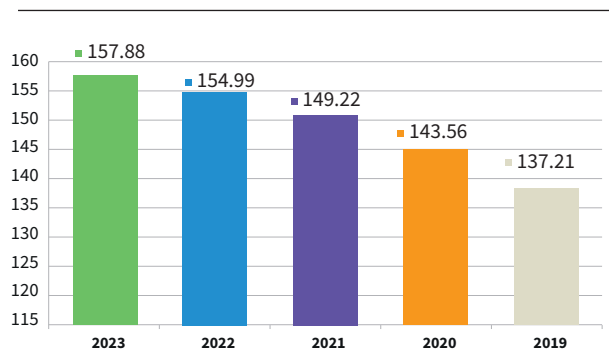
**1.(j) Net Profit Per Employee**  
Net Profit Per Employee BDT in Lac



**1.(k) Earnings Per Share (EPS)**  
Earnings Per Share BDT in Taka

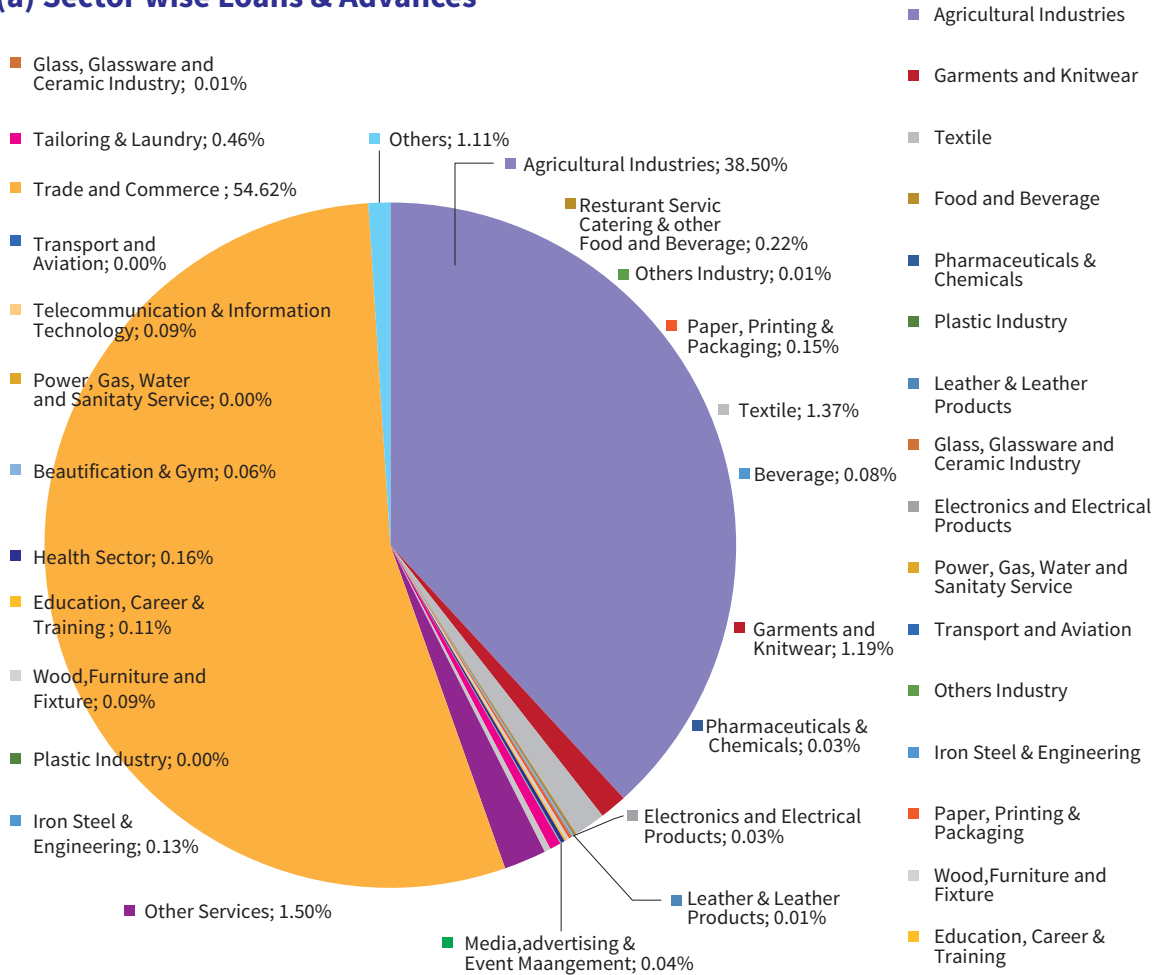


**1.(l) Net Asset Value (NAV) Per Share**  
Net Asset Value Per Share BDT in Taka

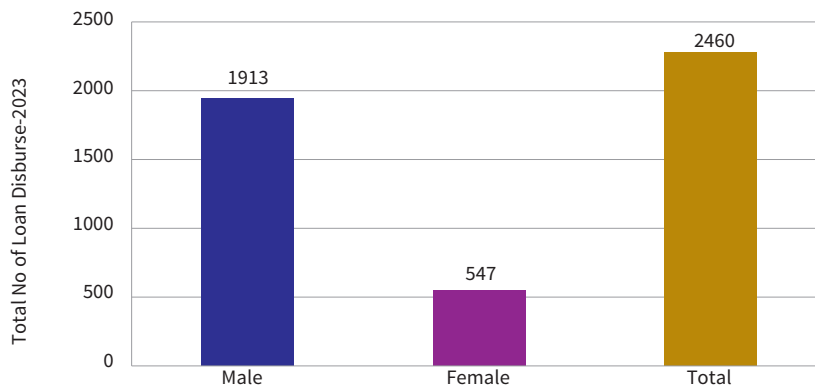


## 2. Graphical Presentation of Financial Information as on 31st December 2023

### 2. (a) Sector wise Loans & Advances



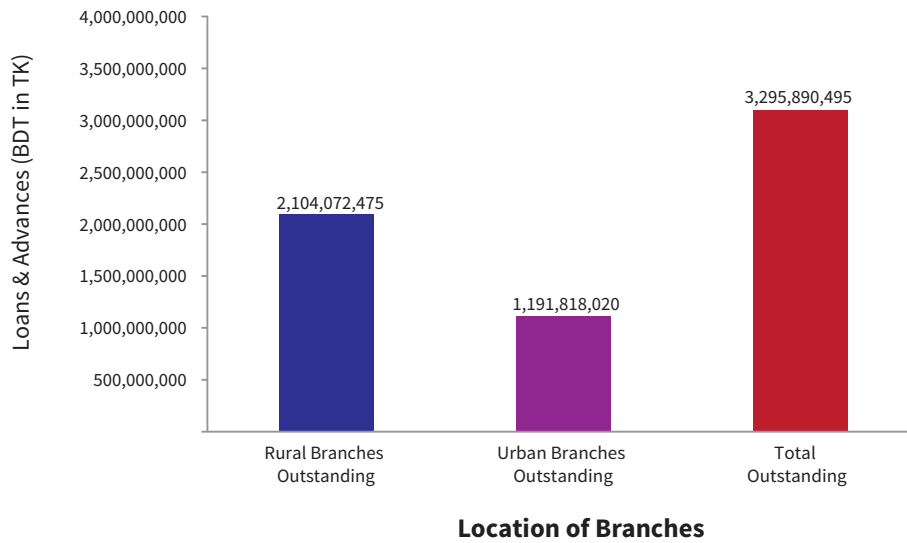
### 2. (b) No. of Loans Disbursed in Year 2023 (Categorized by Male & Female Entrepreneurs)



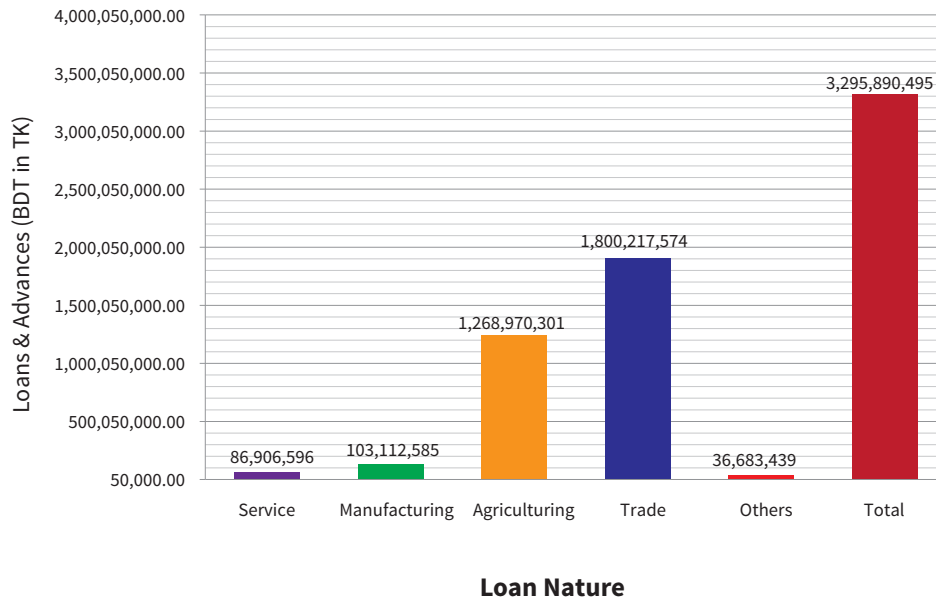


## 2. Graphical Presentation of Financial Information as on 31st December 2023

### 2. (c) Loans & Advances By (Rural & Urban Branches)- Geographic Location Wise

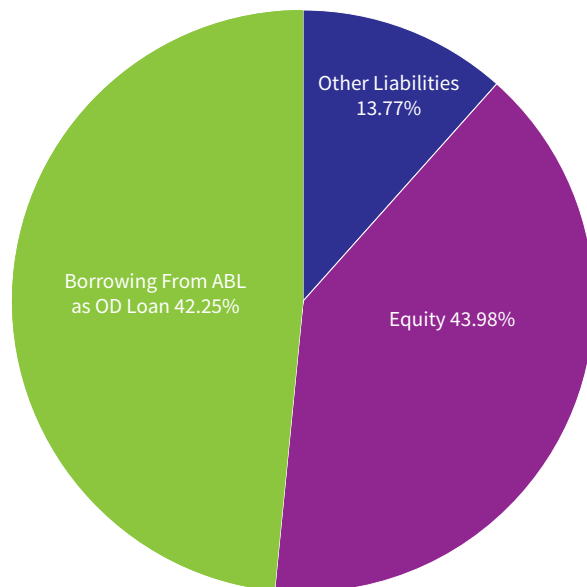


### 2. (d) Loans and Advances as per Loan Nature



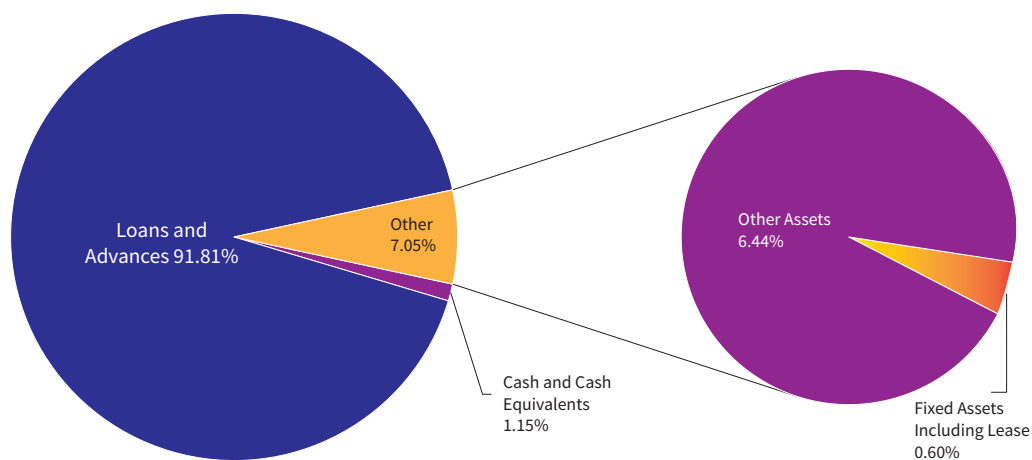
## 2. Graphical Presentation of Financial Information as on 31st December 2023

### 2. (e) Source of Fund



Sources of Fund

### 2. (f) Uses of Fund



# AWARDS & Accolades

## Awards & Accolades (2020-2023)

### Best Climate Focus Financial Institute in Bangladesh-2023



# AWARDS & Accolades

## Awards & Accolades (2020-2023)

বাংলাদেশ ব্যাংক থেকে শীর্ষ চার টেকসই আর্থিক প্রতিষ্ঠানের স্বীকৃতি পেল অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড



Sustainable Finance Department

### Sustainability Rating 2022

#### Top Banks and Financial Institutions (In Alphabetical Order)

Banks	Financial Institutions
BRAC Bank Limited	Agrani SME Financing Company Limited
Jamuna Bank Limited	Bangladesh Finance Limited
Prime Bank Limited	IDLC Finance Limited
Shahjalal Islami Bank Limited	Lanka Alliance Finance Limited
The City Bank Limited	
Trust Bank Limited	
United Commercial Bank Limited	

This recognition from Central Bank is the testament of our dedication to responsible financial practices, paving the way for a greener & more exclusive financial sector. Agrani SME Financing Company Limited has achieved this prestigious award for the second consecutive years for maintaining excellence in core banking sustainability, sustainable finance, green finance and CSR.

সাসটেইনেবিলিটি  
রিপোর্ট ২০২২



রেটিংপ্রাপ্ত ব্যাংক ও  
আর্থিক প্রতিষ্ঠান

#### ব্যাংক

ব্যাংক ব্যাংক লিমিটেড	দ্যা সিটি ব্যাংক লিমিটেড
যমুনা ব্যাংক লিমিটেড	ট্রাস্ট ব্যাংক লিমিটেড
প্রাইম ব্যাংক লিমিটেড	ইউনাইটেড কমার্শিয়াল ব্যাংক লিমিটেড
শাহজালাল ইসলামী ব্যাংক লিমিটেড	

#### আর্থিক প্রতিষ্ঠান

অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড	আইডিএলসি ফাইন্যান্স লিমিটেড
বাংলাদেশ ফাইন্যান্স লিমিটেড	লংকান অ্যালায়েন্স ফাইন্যান্স লিমিটেড

সূত্র: বাংলাদেশ ব্যাংক

**Agrani SME Financing Company Limited** বিগত কয়েক বছর ধরে প্রাতিষ্ঠানিক সুশাসন, সামাজিক দায়বদ্ধতা ও টেকসই অর্থায়ন করার ক্ষেত্রে নিরলস কাজ করে যাচ্ছে এবং এরই ধারাবাহিকতায় গতবারের ন্যায় এবারও বাংলাদেশ ব্যাংকের শীর্ষ ব্যাংক ও আর্থিক প্রতিষ্ঠানের তালিকায় স্থান পেয়েছে। সর্বনিম্ন খেলাপি ঋণ, ক্ষুদ্র ও অতিক্ষুদ্র উদ্যোক্তাদের অর্থায়ন, সবুজ পুনঃঅর্থায়ন, সামাজিক দায়বদ্ধতা কার্যক্রম ও মূল ব্যাংকিং কার্যক্রমের টেকসই সক্ষমতা রেটিংয়ের ক্ষেত্রে মানদণ্ড হিসেবে ব্যবহার হয়েছে। এছাড়া ব্যাংক ও আর্থিক প্রতিষ্ঠানের অভ্যন্তরীণ সবুজ ব্যাংকিংয়ের চর্চাকেও এ মানদণ্ডে অন্যতম নির্ধারক হিসেবে ব্যবহার করা হয়েছে।

# AWARDS & Accolades

## Awards & Accolades (2020-2023)

সাসটেইনেবিলিটি রিপোর্ট ২০২১

শীর্ষ ব্যাংক ও আর্থিক প্রতিষ্ঠান

ব্যাংক	
ব্যাংক এশিয়া	ইসলামী ব্যাংক বাংলাদেশ
ব্র্যাক ব্যাংক	এনআরবি ব্যাংক
ডাচ-বাংলা ব্যাংক	পূবালী ব্যাংক
ইস্টার্ন ব্যাংক	সাউথইস্ট ব্যাংক
এক্সিম ব্যাংক	দ্য সিটি ব্যাংক

আর্থিক প্রতিষ্ঠান	
অগ্রণী এসএমই ফাইন্যান্স	আইডিএলসি ফাইন্যান্স
বাংলাদেশ ফাইন্যান্স	আইপিডিসি ফাইন্যান্স
বিআইএফএফএল	

Agrani SME Financing Company Limited, an NBFIO Owned by Agrani Bank Limited has earned a Crest and reputation from Central Bank as one of the Top 5 Sustainable Financial Institutions of 2021. Governor of Bangladesh Bank Fazle Kabir handed over the crest and certificate of honor to the Chairman of the Institution and MD & CEO Mohammad Shams-ul Islam of Agrani Bank Limited. Also Present at the Ceremony were Deputy Governor of Bangladesh Bank Abu Farah Md. Nasser, MD & CEO of Agrani SME Financing Company Limited Md. Rafiqul Islam and other Senior executives and officials.



কেন্দ্রীয় ব্যাংক থেকে শীর্ষ পাঁচ টেকসই আর্থিক প্রতিষ্ঠান-২০২১ এর অন্যতম হিসাবে ক্রেস্ট ও সম্মাননা অর্জন করলো রাষ্ট্রায়ত্ত্ব অগ্রণী ব্যাংক লিমিটেডের মালিকানাধীন অ-ব্যাংক আর্থিক প্রতিষ্ঠান অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড। বাংলাদেশ ব্যাংকের গভর্নর ফজলে কবির সম্মাননা ক্রেস্ট ও সনদ তুলে দেন প্রতিষ্ঠানের চেয়ারম্যান এবং অগ্রণী ব্যাংক লিমিটেডের এমডি এন্ড সিইও মোহাম্মদ শামস-উল ইসলামের হাতে। এ সময় আরো উপস্থিত ছিলেন বাংলাদেশ ব্যাংকের ডেপুটি গভর্নর আবু ফারাহ মো. নাছের, অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেডের এমডি এন্ড সিইও মোঃ রফিকুল ইসলাম সহ উর্ধ্বতন নির্বাহী ও কর্মকর্তাগণ।

## Message of **the Chairman**



**Wahida Begum**  
Chairman, Board of Directors

Bismillahir Rahmanir Rahim,

AssalamuAlaikum



*On behalf of the Board of Directors of Agrani SME Financing Company Limited (ASFCL), I extend warm welcome to you all to the 13th Annual General Meeting of the company and have the privilege of placing before you the Annual Report and audited financial statements of the year 2023.*

**Global Economy:**

World economy was surprisingly resilient in 2023 after the global crisis induced by the Russia-Ukraine war. The global economy in 2022 witnessed stubbornly high inflation, tightening of economy by interest rate hikes in advanced economies, high level of sovereign debt and tremendous currency pressures in the emerging markets. As global inflation descended from its mid-2022 peak, economic activity grew steadily defying warnings of stagflation and global recession. Though global output growth for 2023 was projected at 2.8 percent, the estimated growth was 3.2 percent in 2023 as per the IMF's recent World Economic Outlook released in April 2024. The growth is projected to continue at the same pace in 2024 and 2025.



## **Bangladesh Economy:**

Bangladesh economy in 2023 is marked with tight liquidity condition, elevated inflation, rising interest rates, import restrictions, declining foreign exchange reserves and several policy transformation in the financial system. Bangladesh's economy has shown robust resilience and impressive growth recent years, achieving a real GDP growth of 6.94 in FY21 and 7.10 percent in FY22. However, in FY23, economic conditions worsened as inflation accelerated and the balance of payments deficit widened. Real GDP growth rate slowed to a 8-year low of 6.11 percent in FY23 – the lowest excluding the pandemic year in FY20 – due to a weakening of private consumption and investment. As of December 2023 point to point CPI inflation rose to 9.41 percent and 12 month average inflation rose to 9.48 percent respectively from 8.71 and 7.70 percent in December 2022.

The IMF said Bangladesh's GDP growth is likely to rise slightly to 6.6 percent in 2024-25 fiscal year. The World Bank earlier projected Bangladesh's GDP growth in the 2023-24 fiscal year to 5.6 percent and the Asian Development Bank to 6.1 percent.

## **Industry Outlook:**

In the year 2023, Non-Bank Financial Institutions (NBFIs) experienced slow growth in loans and advances, deposit collections and huge fall in operating earnings. All these affected overall business performances of NBFIs. Almost all of the listed NBFIs (out of 36 NBFIs) have reported lower earnings per share (EPS) for the first six months (January-June) of the year 2023, compared to the same period of last year. Irregularities in loan disbursement, fund crisis, scams and public distrust in financial institutions resulted distress continues in business performances. At present there are 36 NBFIs and more are getting permission to open their business. Bangladesh Bank has already issued a number of policies to support NBFIs for strengthening their position in the market. FIs in Bangladesh should take some serious initiatives to deliver short term results as well as long term vision while preparing for the coming changes. It is important to assess, detect and mitigate of risks as and when it occurs. New instrument may be introduced which will be emerged as an important tool and added a new dimension in the financial market.

## **Agrani SME Financing Company Limited: A Journey towards excellence**

Agrani SME Financing Company Limited passed a challenging year in 2023. The Company generated a consolidated operating profit of BDT 16.75 crore which was

BDT 18.75 crore in 2022 indicating 9.88% decrease in profit. Total loans and advances of the company is BDT 329.59 crore, an decrease of 7.61% in loans and advances from the the previous year. Classified loans of the company increased in 2023 due to overall unfavorable business conditions induced by COVID-19 pandemic and the Russia-Ukraine war.

Corporate governance is a prerequisite for sustainable growth for any organization. For this, we continuously review and update our policies regarding corporate governance. We always strive to reinforce our Anti-Money Laundering and Countering Financing of Terrorism Capabilities through system enhancements, new processes and awareness programs.

Our utmost priority is to safeguard the interest of our borrowers and stakeholders. We work towards providing excellence in customer experiences consistently through allof our activities. Our priority is to bring digital transformation at process level so that entrepreneurs can feel more comfortable.

With more effective processes, stringent procedures, capable people, Agrani SME Financing Company Limited was able to have better financial footing in a more sustainable manner. The most fundamental driver of our business is our sense of supporting the spirit of entrepreneurship among our talented countrymen in niche section of the economy. Providing timely and judiciously priced capital, offering advice on economic and market trends and maintaining strong communication channels with them ensures that we remain the preferred financial gateway in the operational areas. Moreover, in addition to loan disbursement, our Company provides comprehensive sets of advisory and capacity building services to the existing and probable new and potential borrowers.

In addition to performing the backward linkage function for graduating the entrepreneurs through providing smaller loans comparing with the loans that are being provided by the holding company i.e. Agrani Bank PLC., strengthening financial inclusion remained one of the core objectives of Agrani SME Financing Company Limited. The company always tries to bring the unbanked group of people into mainstream financial sectors to involve them towards socio-economic development. The worth of investing on individual or any business with more authority and control over its path is a vitally important process that helps to explore every day as a life transformation. I believe that our capital has humbly helped in the improvement of businesses and the quality of life of the entrepreneurs as a whole.

The activities of the Company are currently being operated in total 53 branches including a Principal branch situated at the premises of the Head office of the Company. With your support, our company attaches utmost priority in investing into CMSME that concerns peoples' basic needs, social welfare, poverty alleviation, and overall socio-economic development of the country. As our company continues to grow, we are firmly focused on adhering to the regulatory compliance. The annual financial statements are prepared following regulatory ambits.

The Company has always endeavored to implement and maintain high standard of Corporate Governance norms and has been practicing the principles of good corporate governance with limited human resources, trying to put sound internal control system and risk management framework in place, promoting ethical practices and complying with laws and regulations. We maintain highest standard of transparency and provide public disclosures to keep our stakeholders informed of our activities. Strong supervising role of Bangladesh Bank (BB) over the Company were continued in the year 2023 in this regard also.

I must mention that all along the way, we have kept a strict eye and a judicious control on the quality of our credit portfolio. Having maintained close contact with customers and effective monitoring of the investment portfolio, the company has been able to keep the non-performing investment lower than the industry average.

We have focused extensively on the repayment collection monitoring so that the classified loan could be kept within the tolerable limit. We put our best efforts in bringing down the NPL by engaging our entire human resources throughout the year which will continue in the coming days too.

**Acknowledgement:**

As the chairman, I am proud of the Agrani SME model of loan financing and greatly thankful to our sponsors and independent directors for their prudent board oversight and guidance in making what we are today. I am also indebted

to the management and employees of the Company for their dedication, managerial leadership and unwavering commitment to make Agrani SME such an excellent place to work. I reiterate that our capital, competency, intellectual rigor and operational fundamentals remain strong in building our capacity to lend and invest; unfolding a future that all the stakeholders can depend on. We will continue to innovate, adopt appropriate strategies to protect our capital, owner's trust to keep ourselves strongly relevant in this competitive and changing business scenario.

I would like to express our deep appreciation to our prudent Board for their support and unstinted cooperation and judicious guidance for consistent growth and development of the company. I would like to thank our external Auditors for carrying out the audit professionally and advising us for compliance as per IFRS and BFRS and with accounting principles. I would like to thank all our Management and staff, for their dedication and contribution to the success of this Financial Institution.

We believe that so far progress we have made in the recent years attest to the fact that we have equipped our people to anticipate and embrace constant change. We also thank our shareholders, customer/entrepreneurs, Bangladesh Bank, Financial Institutions Division, Ministry of Finance, GOB, Regulatory authorities, Parent Bank and other stakeholders for their continuing support in fostering growth and development of the Company and shall strive to achieve new heights of excellence

Signature



**Wahida Begum**  
Chairman, Board of Directors





**Md. Zahidul Haque**  
Chief Executive Officer (CEO)

## Chief Executive Officer (CEO)'s Overview

*Bismillahir Rahmanir Rahim, Assalamu Alaikum*

*Ladies and Gentlemen,*

*I feel privileged and honored to welcome you all to the 13th Annual General Meeting of Agrani SME Financing Company Limited, today, the 29<sup>th</sup> September, 2024. Thank you all for attending the meeting.*

*As conscientious global citizens, we remain acutely aware of the prevailing geopolitical challenges and their potential ramifications for our institution. Throughout 2023, we adeptly managed a series of significant global events, ranging from the Russia-Ukraine conflict to the tensions in the Middle East involving Israel and various Palestinian groups, as well as the enduring aftermath of COVID-19. Vigilantly monitoring these developments, we meticulously assessed their impacts on our investments, operations and risk management strategies.*

*We encountered a host of challenges, including but not limited to high inflation, fuel crisis, vulnerabilities in the financial sector, trade imbalances, dwindling foreign exchange reserves, market volatility, currency fluctuations and the looming threat of economic sanctions. Moreover, geopolitical tensions and the ongoing COVID-19 pandemic influenced consumer behaviors, investment trends and disrupted supply chains, further complicating our operational landscape.*

*Still, you will see that, our commitment to Bangladesh, its economy and its people, runs deep as if it were the inherent legacy of the patriotic people of Bangladesh. Our strategy aligns with supports the government's pathway towards stability and progress to create a diversified and knowledge-based economy. Our plans emphasize developing local talent, supporting local businesses and above all, perusing sustainable growth. We are humble to have been recognized as an exemplar of CMSME backward linkage institution/ NBFi of Agrani Bank PLC.. In fact, NBFIs like ours play a significant role through providing multiple services in our financial system thus contributing to economic growth and poverty reduction.*

The Company is one of the 36 NBFIs of the country rendering financial services to the existing and potential entrepreneurs. The prime goal of the Company is to develop entrepreneurship incottage, micro, small and medium scale labor intensive enterprises. The Company's lending policy is to support for the creation of employment opportunities as well as increasing income for the missing middle eligible entrepreneurs with particular emphasis to women entrepreneurs in the rural, urban and semi-urban areas. The activities of the Company are currently being operated in 53 branches in different districts of the country including a Principal Branch situated at the premises of the Head Office of the Company in Dilkusha, C/A, Dhaka-1000.

Aligned with our strong point of identifying niches and catering to specific customer requirements, we saw a great opportunity to create and finance entrepreneurs, specifically, targeting women entrepreneurs in the CMSME space. According to our research, the women segment provided us with an excellent opportunity to leverage our already strong CMSME franchisee and add value to their business. Our focus on improving for all our customers, mainly leading presence in serving cottage, micro, small and medium-sized enterprises have yielded strong result. Besides, through our ability to price risk well in what is traditionally thought of as a risk-prone segment, we are able to draw out relatively better premiums from the CMSME segment while keeping a strong eye on collections and customer accounts. In effect, we are creating mutually-beneficial, long-term relationships with a host of business owners who cumulatively, represent the engine of trade and commerce in the growing economy of Bangladesh.

Agrani SME Financing Company Limited commenced its operations as a Non-Bank Financial Institution on December 27, 2011 operating through a network of 53 branches. But unlike a fully-fledgedNBFi which can cater to all the activities like Corporate Finance, Consumer Finance, Agriculture Finance, SME Finance, Housing/real estate Finance, Equity Finance, Syndication Finance, Capital Market Investment, Bonds and Wealth Builder Scheme, Issuance of Bonds that are permitted in the Guidelines on Products and Services of Financial Institutions issued by Department of Financial Institutions and Markets, Bangladesh Bank in November,1993, ASFCL only offers a loan program that mirrors the Small Enterprises Development Project (SEDP) with the primary goal of enhancing the income and employment opportunities for the sub-urban, peri Urban and rural population through a condition delineated in License given by the Bangladesh Bank. However, despite the limitations catering to Business activities, ASFCL has been performing outstandingly in the niche section of CMSME since its inception till to date. **Like in the previous years a snapshot of how we performed as business organization during the year 2023:**

### Total Income

Total income reached to BDT 41.79 crore in 2023 which was BDT 39.46 crore in 2022 showing a progress of 5.90 percent, led by increase in interest income (from BDT 38.31 to BDT 39.31 crore). This indicates our unwavering effort and desire to grow up as a leading NBFi of the country.

### Operating Income

Total operating income reached to BDT 30.07 crore in 2023 which was BDT 31.03 crore in 2022 showing a decrease of 3.08 percent.

### Operating Expenses

We focused on cost control and extreme austerity and restricted some areas of expenditure throughout the year in line with Government's direction. As a result of our continuous effort, operating expenses slightly increased, only BDT 88 lac from the last year which was unavoidable expenses. We aim to keep our cost-to income ratio increase with our paced investment approach. Total operating expenses was BDT 13.32 crore in 2023 as against BDT 12.44 crore in 2022.

### Operating Profit (Profit before provision and tax)

Operating profit stood at BDT 16.75 crore at the end of 2023 which was BDT 18.59 Crore in 2022 demonstrating an decrease of 9.88%. A total provisional expense was BDT 4.63 crore in year 2023. So, Profit before Tax stood BDT 12.12 crore in year 2023 as against BDT 15.79 in year 2022.

### Net Profit after Tax

In 2023, the Company achieved net earnings of BDT 5.89 crore, which is 32.81% lower than that of the previous year's BDT 8.77 crore. It is mentionable that there is no shortage of provision rather BDT 2 lacs surplus provisions for loans and advances. It is also mentionable in year 2023 provision for tax has been kept BDT 6.23 crore. We committed to our journey of accelerating progress and striving for greater achievements.

### Loans and Advances

The Company experienced its 13th year of operation the total loans and advances was BDT 329.59 crore. In the year 2023, the Company has disbursed loan to 2460 borrowers. Among those, the numbers of female borrower/entrepreneurs were 547 which constitute nearly 22.24% of total disbursement portfolio of 2023. With a disbursement of Tk. 96.16 Crore to 2,460 entrepreneurs, the Company has created employment of approximately 8,500 people during the year. We hope the opportunity of employment generation will grow more in future days to come. During this period the Company recovered Tk. 165.97 Crore (Including Write off Tk. 0.32 Crore,

interest of Tk. 39.60 crore which is 4.77% higher than that of previous year, 2022 (158.42crore).

### **Total Assets and its Quality**

The Company ended the fiscal year with assets worth BDT 359.00 crore, emphasizing the importance of maintaining asset quality. Among total assets, loans and advances was BDT 329.59 crore Aligned with our strong point of identifying niches and catering to specific customer requirements, we saw a great opportunity to create and finance entrepreneurs, specifically, targeting women entrepreneurs in the CMSME space. According to our findings, the women segment provided us with an excellent opportunity to leverage our already strong CMSME franchisee and add value to their business. Our focus on improving for all our customers, mainly leading presence in serving cottage, micro, small and medium-sized enterprises have yielded strong result. Besides, through our ability to price risk well in what is traditionally thought of as a risk-prone segment, we are able to draw out relatively better premiums from the CMSME segment while keeping a strong eye on collections and customer accounts. In effect, we are creating mutually-beneficial, long-term relationships with a host of business owners who cumulatively, represent the engine of trade and commerce in the growing economy of Bangladesh.

### **ROE**

In year 2023, the ROE is 3.77% that was 5.77% in 2022. Though ROE reduced in 2023 than that of 2022, We are delighted to provide cash dividend to our shareholders last four years consequently. Building on this momentum, we're implementing strategic initiatives to enhance financial performance and deliver sustainable value to stakeholders.

### **EPS**

In 2023, our EPS reduced to BDT 5.89 (previous year was BDT 8.77) but NAV reached to BDT 137.88 from 134.99 in year 2022. EPS is a clear indicator of our company's profitability, highlighting our commitment to generating sustainable returns for shareholders. It demonstrates our ability to effectively utilize resources, manage risks, and capitalize on opportunities for maximum profitability.

### **Non-Performing Loan Management**

In 2023, total loans & advances was BDT 359.00 crore and classified loans amounted to BDT 22.59 crore, accounting for 6.85% of the total which was 2.61% in the year 2022. In 2022 Bangladesh Bank relaxed classified policy of loans and advances due to COVID-19's impact. As a result, in 2022 percentage of classified loans and advances was less than that of the year 2023. Yet, extensive efforts were made to maintain the classified amount at an optimal level, including strict follow-up measures, recovery strategies, and

incentivizing executives & officers. Various initiatives and programs were implemented to accelerate the recovery of classified loans, ensuring the highest possible recovery rate and minimizing future classifications.

### **Effective Governance and Regulatory Compliance**

Strong corporate governance is the foundation of our organization's success. Our Board of Directors plays a crucial role in shaping our governance structure, prioritizing the interests of entrepreneurs and stakeholders. We collaborate closely with regulators to ensure compliance. In 2023, we conducted business prudently within the regulatory framework, guided by our robust governance framework, policies, and procedures. We maintain vigilant oversight, identifying risks and opportunities to uphold the integrity of our operations. We met regulatory requirements such as Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR), enhancing asset quality and earnings. We are dedicated to achieving an optimal capital adequacy ratio. Currently, our capital adequacy ratio stands at 53.17%, with Common Equity (Tier-I) at 52.72%. Our surplus capital was BDT 56.03 Crore. Our commitment to stringent corporate governance, regulatory compliance, and a healthy capital position builds trust among stakeholders and strengthens our Company's foundation. We remain dedicated to these principles, effectively managing risks, seizing opportunities, and delivering value to all.

### **Digital Advancement**

Agrani SME Financing Company Limited introduced computer-based technology from the very beginning. It has achieved full branch automation with all 53 branches operating under Core Banking Software (CBS). Additionally, several other software systems have been introduced to enhance financing operations efficiency, including CPF and Gratuity software and Online CIB Reporting. So soon we are going to enhance Payroll & Staff Data Card Software with CPF and Gratuity software.

### **Sustainable and Green Financing**

Agrani SME Financing Company Limited prioritizes sustainability and has made significant progress in its sustainability initiatives. Our primary focus is on sustainable finance, policies and commitments, people and our own operations, and thought leadership and stakeholder engagement. By prioritizing these areas, we actively contribute to the achievement of the Sustainable Development Goals (SDGs). Agrani SME Financing Company Limited has been actively engaged in Green Banking since 2012. From 2021 to 2023, Agrani SME Financing Company Limited has achieved its sustainable financing target. We hope we will also achieve green financing target in 2024.

### **Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR) is crucial for the development of developing countries. CSR encompasses initiatives undertaken by companies to enhance the well-being of disadvantaged individuals while maintaining a balance between profit-making and community welfare. Agrani SME Financing Company Limited strongly believes in creating a better society and upholding ethical standards that prioritize human dignity and rights. Agrani SME Financing Company Limited's CSR efforts focus on supporting marginalized communities, addressing key issues like poverty reduction, education, healthcare, and preserving culture and the environment. In 2023, Agrani SME Financing Company Limited contributed BDT 8.40 Lac to various CSR activities, fulfilling their commitment to making a positive impact.

### **State Revenue Participation**

Agrani SME Financing Company Limited actively contributes to state revenue by efficiently collecting and depositing VAT and taxes to the government treasury. In 2023, we transferred BDT 6.70 crore (including collecting and depositing VAT BDT 28 Lac, Excise duty 27 Lac and TDS BDT 16 Lac) to the state exchequer, emphasizing our commitment to national development and financial progress.

We are committed to going on extraordinary length to help our customers in CMSMEs to cope up with these pandemic and post-pandemic on the path to eventual recovery. Our ethos of growing together is founded on the premise that sharing the prosperity of our customers in good times comes with the burden of responsibility in collaborating for a better future in hard times. We believe, 2024 would be a stepping stone for us towards transforming into a well-managed, highly professional and customer-oriented Company for becoming the top CMSME financing company of the country within a very short span of time. In the upcoming year with prudent guidance and leadership of the honorable Chairman of the Board, with the best wishes from respected Members of the Board and sincere efforts put in by our beloved Colleagues, we are confident to progress further in all aspects.

We are optimistic of achieving sustainable business growth with the whole hearted participation of our dedicated, capable and dynamic work force by applying stronger risk management skills. Above all, we will conduct every step of business within legal and ethical frame work determined by our regulators from time to time. Despite the possibility of a short to medium term slack in the economic activity, we believe our resources will to rise stronger; the credit standing of our borrowers would recover and the effective collaboration will yield better future for all our stakeholders I strongly believe, the competitive edge, the prudence and resilience of our Company will reflect in the attractive long term return from our efficiently allocated assets in the days to come.

### **Acknowledgement:**

Finally, I would like to take the pleasure to convey my sincere gratitude to our Honorable Chairman and Members of the Board of Directors of our Company, our hardworking colleagues and to all who care for us in the vicissitudes and tough times, Ministry of Finance, Bangladesh Bank and other regulators for their all-out cooperation and support. We are also grateful to the Management of Agrani Bank Limited for their valuable direction and counseling towards the betterment of the Company. We also like to convey our sincere gratitude to our external audit firm, Hussain Farhad & CO, Chartered Accountants Firm. We sincerely express our special gratitude to the members of Agrani Bank PLC. for their unwavering multidimensional support and cooperation in smooth running of the Company. Last but not the least; we are grateful for the generous support and trust of our customers, patrons and vendors in achieving our auspicious results.

Signature



**Md. Zahidul Haque**  
Chief Executive Officer

# Directors' Report to the Shareholders

**Bismillahir Rahmanir Rahim**

**Respected Shareholders**

**Assalamu Alaikum**

On behalf of the Board of Directors, I am indeed delighted to present before you the audited Financial Statements and Annual Report 2023 of Agrani SME Financing Company Limited. The report evaluates and analyses Company's overall operational performance of 2023 compared to that of 2022. I would request you to read the information and analysis in connection with the audited financial statements presented herewith. The report presents a concise scenario on the overall performance of the Company in perspective of global economy and Bangladesh economy.

## **Global Economy**

World economy was surprisingly resilient in 2023 after the global crisis induced by the Russia-Ukraine war. The global economy in 2022 witnessed stubbornly high inflation, tightening of economy by interest rate hikes in advanced economies, high level of sovereign debt and tremendous currency pressures in the emerging markets. As global inflation descended from its mid-2022 peak, economic activity grew steadily defying warnings of stagflation and global recession. Though global output growth for 2023 was projected at 2.8 percent, the estimated growth is 3.2 percent in 2023 as per the IMF's recent World Economic Outlook released in April 2024. The growth is projected to continue at the same pace in 2024 and 2025.

## **Bangladesh Economy**

Bangladesh economy in 2023 is marked with tight liquidity condition, elevated inflation, rising interest rates, import restrictions, declining foreign exchange reserves and several policy transformation in the financial system. Bangladesh's economy has shown robust resilience and impressive growth recent years, achieving a real GDP growth of 6.94 in FY21 and 7.10 percent in FY22. However, in FY23, economic conditions worsened as inflation accelerated and the balance of payments deficit widened. Real GDP growth rate slowed to a 8-year low of 6.11 percent in FY23 – the lowest excluding the pandemic year in FY20 – due to a weakening of private consumption and investment. As of December 2023 point to point CPI inflation rose to 9.41 percent and 12 month average inflation rose to 9.48 percent respectively from 8.71 and 7.70 percent in December 2022.

The IMF said Bangladesh's GDP growth is likely to rise slightly to 6.6 percent in 2024-25 fiscal year. The World Bank earlier projected Bangladesh's GDP growth in the 2023-24 fiscal year to 5.6 percent and the Asian Development Bank to 6.1 percent.

## **Industry Outlook**

In the year 2023, Non-Bank Financial Institutions (NBFIs) experienced slow growth in loans and advances, deposit collections and huge fall in operating earnings. All these affected overall business performances of NBFIs. Almost all of the listed NBFIs (out of 36 NBFIs) have reported lower earnings per share (EPS) for the first six months (January-June) of the year 2023, compared to the same period of last year due to interest caps celling by Bangladesh bank. Irregularities in loan disbursement, fund crisis, scams and public distrust in financial institutions resulted distress in business performances. At present there are 36 NBFIs and more are getting permission to open their business. Bangladesh Bank has already issued a number of policies to support NBFIs for strengthening their position in the market. FIs in Bangladesh should take some serious initiatives to deliver short term results as well as long term vision while preparing for the coming changes. It is important to assess, detect and mitigate of risks as and when it occurs. New instrument may be introduced which will be emerged as an important tool and added a new dimension in the financial market.

## **Financial Inclusion**

Under the financial inclusion program, the government has been delivering the regulated financial services at affordable costs to the sections of underprivileged and low-income segments of society. In order to develop sustainable economic structure, opportunity has been given to open a bank account only at Tk. 10 and also by offering various services with free of cost who are excluded from the regulated financial services such as laborers and farmers.

## **Digital Bangladesh**

Its true meaning lies in proper application of technology to implement the commitments of the government regarding education, health, employment and poverty alleviation. The main purpose of this idea is to improve the standards of living of the people by empowering them, ensuring transparency and accountability in all spheres of life, establishing good-governance and above all, bringing public services to their



doorsteps through the most effective use of technology. In short, Digital Bangladesh is a happy prosperous and enlightened Bangladesh, which is free from hunger, poverty, inequality and corruption and belongs completely to its people and is driven forward by digital technology.

### Overall Performance

We are pleased to report that Agrani SME Financing Company Limited made revenue of BDT 41.79 Crore, achieved profit after Tax of BDT 5.89 Crore and an Earnings Per Share Tk. 5.89. Interest income on loans and advances has increased side by side and interest expenses also increased significantly which reduced lower operating profit compare to that of previous year.

Company's Total Income remained at a better position with a growth of 5.90%. Operating results of during 2023 are summarized below:

(Crore Tk. Unless Otherwise Specified)

Particulars	2023	2022	2021	2020	2019
Total Income	41.79	39.46	34.06	29.69	27.15
Total Expenditure	25.04	20.88	16.90	15.26	14.24
Profit Before Provision & Tax	16.75	18.59	17.15	14.43	12.91
Total Provisional Expenses	4.63	2.80	3.12	1.85	1.06
Profit Before Tax	12.12	15.79	14.03	12.58	11.85
Provision for Tax	6.23	7.02	6.37	6.24	4.65
Net Profit After Tax	5.89	8.77	7.66	6.34	7.21
<b>Earnings Per Share (Taka)</b>	<b>5.89</b>	<b>8.77</b>	<b>7.66</b>	<b>6.34</b>	<b>7.21</b>

### Loans and Advances

Total loans and advances was Tk. 329.59 Crore at 31 December 2023 with higher recovery 4.77% than that of previous year. Movement of loans and advances was as under:

(Taka in Crore)

Particulars	2023	2022	2021	2020	2019
Opening balance	356.72	266.25	225.70	200.10	158.90
(+) Disbursement during the year	96.16	208.33	126.92	94.11	127.44
(+) Interest charges	42.55	40.56	33.16	29.49	25.47
(-) Recovery during the year (Including Interest)	165.84	158.42	119.53	98.00	111.10
(-) Write off during the year	-	-	-	-	0.61
Closing balance at 31 December	<b>329.59</b>	<b>356.72</b>	<b>266.25</b>	<b>225.70</b>	<b>200.10</b>

### Liquidity Position

Liquidity position of the Company is satisfactory. Details of liquidity assets of the Company were as under:

(Taka in Crore)

Particulars	2023	2022	2021	2020	2019
Cash in hand and Balance with Bangladesh bank	0.31	1.04	0.27	0.06	0.72
Short term deposit with other bank and financial institution	3.81	3.73	2.75	2.58	3.42
Fixed deposit with other bank and financial institutions	-	-	-	-	2.00
<b>Total:</b>	<b>4.12</b>	<b>4.77</b>	<b>3.02</b>	<b>2.64</b>	<b>6.14</b>

Total liquid asset represents 1.15% of total assets of the Company.

## Shareholders' Equity

Total shareholder equity at the end of the year is Tk. 157.88 Crore. Shareholders' equity as at 31 December, 2023 is summarized below:

Particulars	2023		2022		2021		2020		2019	
	(Taka in Crore)	%	(Tk. in Crore)	%	(Tk. in Crore)	%	(Tk. in Crore)	%	(Tk. in Crore)	%
Share Capital	100.00	63.34	100.00	64.52	100.00	67.02	100.00	69.66	100.00	72.88
Statutory Reserve	11.98	7.59	10.80	6.97	9.05	6.06	7.51	5.23	6.25	4.55
General Reserve	5.47	3.46	5.47	3.53	5.47	3.67	5.47	3.81	5.47	3.99
Retained Earnings /(Losses)	40.43	25.61	38.72	24.98	34.70	23.25	30.57	21.30	25.49	18.58
<b>Total:</b>	<b>157.88</b>	<b>100</b>	<b>154.99</b>	<b>100</b>	<b>149.22</b>	<b>100</b>	<b>143.55</b>	<b>100</b>	<b>137.21</b>	<b>100</b>

There have been no material changes and commitments between the end of year 2022 and the date of this report, affecting the financial position of the Company.

## Accounting Policies and Maintenance of Books of Accounts

The Directors consider that in preparing the Financial Statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed. In preparing financial statements, information has been obtained from the books of accounts, which have been maintained properly as required by the applicable rules and regulations.

## Directors' Responsibilities of Preparation of Financial Statements

The Directors are of the view that the Annual Report and Company's financial statements have been prepared in accordance with applicable laws and regulations and as per requirement of regulatory authorities. The Board confirms that a true and fair view of the state of the affairs of the Company has been ensured while preparing the Financial Statements of the Company.

## Observance of IAS, BAS, BFRS, IFRS & Applicable Laws

The Directors have the responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable us to ensure that the financial statements comply with the Companies Act, 1994, the Financial Institutions Act, 1993 & 2023 and the Bangladesh Securities and Exchange Rules, 1987. The Directors also confirm that the financial statements have been prepared in accordance with the IAS, BAS, BFRS, IFRS and other applicable rules and regulations, especially rules & regulation of Bangladesh Bank.

## Fairness of the Accounts

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with Bangladesh Financial Reporting Standards (BFRS), International Financial Reporting Standards (IFRS), the requirements of Companies Act, 1994 Financial Institution Act, 1993 & 2023 and as per requirements of Bangladesh Bank. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of their profits for the year ended 31 December, 2023.

## Internal Control

Internal control including financial, operational and compliance controls and risk management systems, maintained by Management and that was in place throughout the financial year and up to and as of the date of this report, is adequate to meet the needs of the Company in its current business environment. Management will follow up and review the status of actions on recommendations made by the internal control. The Board reviews regular reports from the management on the key operating statistics, as well as legal and regulatory matters. The Board also approves any changes or amendments to the Company's policies.

### Going Concern

The Board of Directors has reviewed the Company's overall business plans, strategies and pleased that the Company has adequate resources to continue its operations in the projected future. Directors feel it is appropriate to adopt going concern assumption and there is no material uncertainty in preparing the Financial Statements.

### Risk and Concerns

The Board of Directors is in charge of determining the Company's fundamental attitude toward risk while setting out the risk principles as well as the level of risk exposure. The Board of Directors are responsible for formulating risk policies, determining methods to measure and manage risk, setting commensurate risk limits and monitoring their performance. Fundamental principles of Agrani SME Financing Company Limited's risk management philosophy are:

Effectively managing and monitoring credit, interest rate, liquidity, market and operational risk and providing for appropriate allocation of capital among the types of risk.

Managing risk in a forward-looking manner and identifying and analyzing risks from the beginning with the help of steering risk strategies, models and parameters.

Creating maximum value for the shareholders, depositors and employees in long term.

Being financially reliable and strong and establishing business relations with the stakeholders that will last for many years by creating the image of a financial institution that will stay in business permanently.

Complying with Basel II and other guiding principles of Bangladesh Bank.

### Return to The Shareholders

The Company has always believed in giving good returns to the shareholders. This is the 13th year with full operation of the Company. In year 2011, The Company had been paid 80% bonus dividend amounting Tk. 40.00 Crore to the shareholders. In Year 2020, 2021, 2022 it has also been paid respectively 2% , 3% & 3% cash dividend. In year 2023, it has been also proposed 3% cash dividend to the shareholders. It is also mentionable that, amounting Tk. 40.43 Crore has been retained to pay dividend to the shareholders in future.

### Contribution to the National Exchequer and the Economy

Agrani SME Financing Company Limited actively contributes to state revenue by efficiently collecting and depositing VAT and taxes to the government treasury. In 2023, we transferred

BDT 6.70 crore (including collecting and depositing VAT BDT 28 Lac , Excises duty 27 Lac and TDS BDT 16 Lac) to the state exchequer, emphasizing our commitment to national development and financial progress.

### Human Resources

Efficient management of human capital plays the role of spirit of any organization. The scope of work of human resource management is not just to facilitate the administrative functions but also to work effectively considering the interest of the employees of the company. Human Resources department of the company works to improve the quality of work life creating and implementing new programs and policies including a revised organogram, revised service rules, performance-based promotion, posting and transfer at right place, employee welfare, training and skill development which affect all aspects of the business positively. We believe that long term sustainable growth can only be ensured with the proper induction and retention of the talents. In this context, human resources management ensure, " Right Person in the Right Position in Right Time in Right Number." The following table shows the number of male and female employees according to category:

Types	Male	Female	Total
Executive and Officers	132	14	146
Support Staff	6	0	6
Total	138	14	152

### Corporate Governance

The Company has always endeavored to implement and maintain high standards of Corporate Governance norms and has been practicing the principles of good corporate Governance. Corporate Governance principles as practiced by the Company rests upon the foundation of transparency, adequate disclosures, absolute compliance with the laws, fairness, professionalism, accountability and ultimately the target of maximizing the shareholders' value besides catering to the interests of the creditors, employees, the environment and the society at large. The Company is committed to conduct its business in a manner, which will ensure sustainable, capital efficient and long- term growth and in order to achieve this the Company has built up a strong foundation for making corporate Governance a way of life by having an independent board with experts of eminence and integrity, forming a core team of top level executives with proper delegation of executive powers, inducting competent professionals across the organization and putting on place best systems, process and technology.



## Shareholding Pattern

Shareholding patterns of the Company as at the end of the year 2023 is as under:

Name and address	Status	Date of original appointment	No. of shares held in the Bank
<b>Existing Directors:</b>			
Md. Murshedul Kabir (Representing Agrani Bank PLC.)	Chairman and Director	17.10.2022	9,999,988
Md. Moshur Ali	Director	18.10.2021	2
Wahida Begum	Director	21.12.2023	2
Md. Zahidul Haque	Chief Executive Officer	30.06.2024	2
<b>Retired Directors but their shares have not been transferred yet:</b>			
Md. Habibur Rahman Gazi	Director	12.12.2021	2
Md. Anwarul Islam	Director	22.08.2022	2
Md. Monirul Islam	Director	22.08.2022	2

## Board Meetings and Attendance by the Directors

During the year 2023, a total number of 08 Board Meetings were held and attendance by the Directors is summarized below:

Name and address	Status	Total Meetings Held in 2023	Number of meeting attended	Remuneration paid
Md. Murshedul Kabir (Representing Agrani Bank PLC.)	Chairman and Director	08	08	64,000/-
Md. Moshur Ali	Director	08	08	64,000/-
Mohammad Helal Uddin	Director	08	08	64,000/-
Md. Anwarul Islam	Director	06	06	48,000/-
Md. Rafiqul Islam	MD & CEO	09	09	No remuneration

## Auditors

Hussain Farhad & Co. have served as the External Auditors of the Company for year ending 31 December 2023. As per Bangladesh Bank's guidelines they are eligible for re-appointment and accordingly they have expressed their willingness to continue as Auditor in 2024. So, the M/S Hussain Farhad & Co., Chartered Accountant has been recommended as external Auditor for the year 2024 by the Board of Director of the Company. Bangladesh Bank has also given its consent to appoint the M/S Hussain Farhad & Co. Chartered Accountants as external auditor for the year 2024.

## Future Prospects

The continuing pressure of an ever changing global economic and the financial conditions and stronger competition pose strong challenges for the Company in achieving its targets. However, we believe that in the context of present economy of Bangladesh growth of small enterprises is getting pace and we also believe that we will be able to identify the sectors and markets that will command priority in an effort to be more focused which will then eventually be translated into achieving sustainable growth in future.

## Our Humble Submission

Everything we are today, everything we stand for, and everything we achieved during the year is a tribute to the commitment of our stakeholders. We are profoundly grateful for the dedication of all our members of staff and the loyalty of our customers, the trust of our partners and associates, and the support of Bangladesh Bank, the Securities and Exchange Commission and the other regulatory authorities that have guided us over the years.

For & on behalf of the Board of Directors



**Wahida Begum**  
Chairman

# Disclosures on Capital Adequacy and Market Discipline (CAMD) – Pillar III

## A) Scope of Application

### Qualitative Disclosures:

- These guidelines apply to the Agrani SME Financing Company Limited.
- The Agrani SME Financing Company Limited has no subsidiary companies.
- Not Applicable

### Quantitative Disclosures:

- Not Applicable

## B) Capital Structure

### (a) Qualitative Disclosures:

Summary information on terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or Tier 2.

### Tier 2 Capital includes:

- General provision up to a limit of 0.25% of Risk Weighted Asset (RWA) of Credit Risk.

### Conditions for maintaining regulatory capital:

- The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.

### (b) Quantitative Disclosures:

The amount of Tier 1 capital, with separate disclosure of:

Particulars	Amount in Crore Tk.
Paid up capital	100.00
Non-repayable share premium account	-
Statutory reserve	11.98
General reserve & other reserve	5.47
Retained earning	40.43
Dividend equalization account	-
A) Total amount of Tier 1 Capital	157.88
B) The total amount of Tier 2 capital	1.36

C) Other deductions from capital	-
<b>Total eligible capital</b>	<b>159.24</b>

## C) Capital Adequacy

### Qualitative Disclosures

- A summary discussion of AGRANI SME FINANCING COMPANY LIMITED's approach to assessing the adequacy of its capital to support current and future activities.

### Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)

AGRANI SME FINANCING COMPANY LIMITED has applied Standard Approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operational Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying capital charge for market risk and operational risk by reciprocal of the minimum capital adequacy ratio and adding the resulted figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Capital as numerator to derive Capital Adequacy Ratio.

Strategy to Achieve the Required Capital Adequacy:

- Rigorous monitoring of overdue loans to bring those under 30 days overdue
- Financing clients having good rating as per Company's policy
- Using benefit of credit risk mitigation by taking eligible collaterals against transactions
- Raise fresh capital by issuing bonus share/right issue.

### Quantitative Disclosures

Particulars	Amount in Crore Tk.
(b) Capital requirement for Credit Risk/Risk Weighted Asset for Credit Risk	273.25
(c) Capital requirement for Market Risk	-
(d) Capital requirement for Operational Risk	<b>26.25</b>
<b>Total Risk Weighted Asset/Gross Income</b>	<b>299.50</b>

#### Total capital and Tier 1 capital ratio:

Particulars	Ratio
CAR on Total capital basis (%)	53.17
CAR on Tier 1 capital basis (%)	52.72

#### D) Credit Risk

Credit Risk is the possibility that a borrower or counter party will fail to meet agreed obligations thus managing Credit Risk for efficient management of a financial institution (FI) has become the most crucial task. Given the fast changing, dynamic global economy and the increasing pressure of globalization, liberalization and consolidation, it is essential that FIs have robust Credit Risk management policies and procedures those are sensitive and responsive to these changes. At Agrani SME Financing Company Limited, Credit Risk may arise in the following forms:

- Default risk
- Exposure risk
- Recovery risk
- Counter party risk
- Related party risk
- Legal risk

#### Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to credit risk including:

- **Definitions of past due and impaired (for accounting purposes)**

As per the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Credit Risk Mitigation.

- **Description of approaches followed for specific and general allowances and statistical methods**

General provisions are maintained according to the relevant Bangladesh Bank Guideline and Specific provisions are maintained as per the AGRANI SME FINANCING COMPANY LIMITED's internal policy which is much more conservative than Bangladesh Bank Guidelines.

#### Discussion on FI's credit risk management policy:

Major Risk that the Agrani SME Financing Company Limited identifies detrimental to its return and market reputation is as follows:

#### Implementation of various strategies to minimize risk:

Here is an overview of some of the crucial steps carried out by Agrani SME Financing Company Limited to ensure successful risk management program:

- Integrating risk management policies into the Company's top priority;
- Maintaining those values via actions;
- Performing risk analysis;
- Implementation of various strategies to minimize it;
- Building of screening systems to encourage early warnings related to prospective risk;
- Periodic analysis of the management program;

#### To encounter and mitigate credit risk, the following control measures are taken place at the AGRANI SME FINANCING COMPANY LIMITED:

- ▲ **Vigorous monitoring and follow up by fully dedicated recovery and collection team;**
- ▲ **Strong follow up of compliance of credit policies by appraiser and credit department;**
- ▲ **Taking collateral, performing valuation and legal vetting on the proposed collateral by our own dedicated technical and legal expert;**
- ▲ **Seeking legal opinion from external lawyers for any legal issues if required;**
- ▲ **Regular review of market situation and industry exposures;**

In addition to the best industry practices for assessing, identifying and measuring risks, the AGRANI SME FINANCING COMPANY LIMITED also considers Guideline for Managing Core Risks of Financial Institutions issued by Bangladesh Bank for management of risks.

#### Approved Credit Policy by the Board of Directors

The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits and risk management strategies have been described/stated. Credit policy is regularly updated to cope up with the changing global, environmental and domestic scenarios.

### Separate Credit Administration Department

An independent Credit Administration Department is in place, at AGRANI SME FINANCING COMPANY LIMITED, to scrutinize all loans from risk-weighted point of view and assist the management in creating a high quality portfolio and maximize returns from assets. The Credit department assesses credit risks and suggests mitigations and ensures that adequate security documents are in place before sanction of loan and before disbursement of loans.

### Special Recovery and Collection Team

A strong recovery team monitors the performance of the loans and advances, identifies early sign of delinquencies in portfolio and takes corrective measures to mitigate risks, improve loan quality and to ensure recovery of loans in a timely manner including legal actions.

### Independent Internal Control & Compliance Department

Appropriate internal control measures are in place at the AGRANI SME FINANCING COMPANY LIMITED. An Internal Control & Compliance Department has been established to ensure compliance with all internal guidelines, Bangladesh Bank guidelines, operational procedures and adequacy of internal control and documentation procedures.

### Credit Evaluation

To mitigate credit risk, the AGRANI SME FINANCING COMPANY LIMITED searches for credit reports from Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by Credit Admin Department and Loan Operation Department to understand the liability condition and repayment behavior of the client. Depending on the reports, opinions are taken from the concerned related parties for better understanding about client's credit worthiness.

### Credit Approval Process

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loan are very frequent and comparatively less risky, lower sanctioning authority is set to improve processing time and associated risk. Bigger loans require more scrutiny as the associated risk is higher hence sanctioning authority is higher as well.

### Early Warning System

Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It helps the company to grow its credit portfolio with ultimate objective of protecting the interest of the stakeholders.

### Methods used to measure Credit Risk

As per the directives of Bangladesh Bank, 'The Standardize Approach' is applied by the company to measure its Credit Risk.

### E) Market Risk

Market Risk refers to the risk of fluctuation in a variety of markets such as interest rates, prices of securities where the values of assets and liabilities can change and there exists the risk of incurring losses.

### F) Operational Risk

Operational Risk is the potential loss arising from a breakdown in Company's systems and procedures, internal control, compliance requirement or corporate governance practices that results in human error, fraud, failure, damage of reputations, delay to perform or compromise of the Company's interests by employees. Operational Risk may also arise from the following:

- ◆ Turnover of trained staff;
- ◆ Risk of insider dealings;
- ◆ Leakage of sensitive information;
- ◆ Shortcomings of organizational structure;
- ◆ Changes in statutory requirements;

### Quantitative Disclosures

(i) Total gross credit risk exposures broken down by major types of credit exposure.

Particular	Amount in Crore Tk.
SME Financing	329.59

(ii) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.

Particulars	Amount in Crore Taka
Rural	210.41
Urban	119.18
<b>Total</b>	<b>329.59</b>

(iii) Sector wise/ as per nature details of loans and advances.

Particulars	Amount in Crore Taka
Trade & Commerce	180.02
Manufacturing(Industry)	10.31
Agriculture	126.90
Servicing	8.69
Others	3.67
<b>Total</b>	<b>329.59</b>

(iv) Loans and advances as per loan nature (General and COVID-19).

Particulars	Amount in Crore Taka
General loans and advances	328.61
Special loans and advances (COVID-19)	0.98
<b>Total</b>	<b>329.59</b>

(v) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Particulars	Amount in Crore Taka
Not more than 1 month term	11.01
1-3 months term	22.33
3-12 months term	99.11
1-5 years term	197.14
Above 5 Years term	-
<b>Total</b>	<b>329.59</b>

(vi) By major industry or counter party type.

The amount of classified loans and advances of AGRANI SME FINANCING COMPANY LIMITED are given below as per Bangladesh Bank guidelines:

**Specific, general and special provisions:**

Specific, general and special provisions were made on the amount of classified and unclassified loans and advances of AGRANI SME FINANCING COMPANY LIMITED.

Particulars	Amount in Crore Taka
Provision on classified loans and advances	10.00
Provision on unclassified loans and advances	1.36
Special provision for loans(Covid-19)	2.43
<b>Total</b>	<b>13.79</b>

(vii) Non Performing Assets/Classified Loans & Advances (NPA/CL) = 22.59 Crore in taka

Non Performing Assets/Classified Loans & Advances (NPAs/CL) to outstanding Loans and Advances =6.85%

**Movement of Non-Performing Assets/Classified Loans & Advances (NPAs/CL)**

Particulars	Amount in Crore Taka
Opening Balance	9.32
Additions	14.23
Reductions (CL Recovery)	(0.96)
Closing Balance	22.59

**Performance gap of executives and staff:**

AGRANI SME FINANCING COMPANY LIMITED's recruitment policy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. Favorable job responsibilities are increasingly attracting greater participation from different level of employees in the AGRANI SME FINANCING COMPANY LIMITED family. We aim to foster a sense of pride in working for AGRANI SME FINANCING COMPANY LIMITED and to be the employer of choice. As such there exists no performance gap in AGRANI SME FINANCING COMPANY LIMITED.

**Potential external events**

No such potential external event exists to raise operational risk of AGRANI SME FINANCING COMPANY LIMITED at the time of reporting.

**Policies and Procedure for mitigating operational risk**

AGRANI SME FINANCING COMPANY LIMITED has established a strong Internal Control Department to address operational risk and to frame and implement policies to deter such risks. Internal Control Department assesses operational risk across the company and ensures that appropriate framework exists to identify access and manage operational risk.

**Approach to calculating capital charge for operational risk**

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. AGRANI SME FINANCING COMPANY LIMITED uses basic indicator approach for calculating capital charge against operational-risk.

## Valued Added Statement

This value added statement provides a detailed account of total addition and the distribution of the value created by Agrani SME Financing Company Limited. The Company contributes positively to national socio-economic development by empowering employees through the payment of salaries and allowances; by assisting the regulatory capacities through paying taxes and of course keeping in mind Company's continuous expansion and growth.

(Taka in Crore)

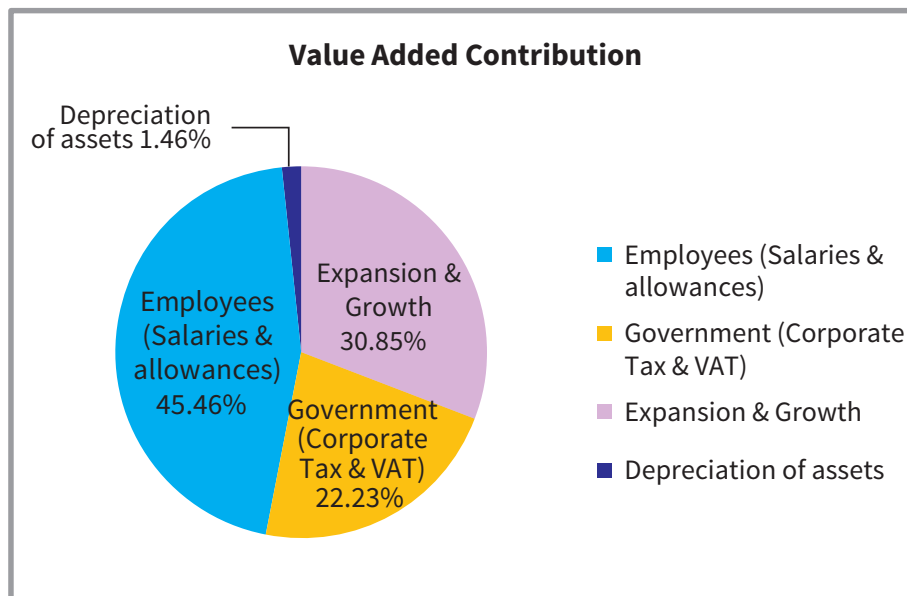
Particulars	2023		2022		2021		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Value Added</b>										
<b>Net interest Income</b>	27.88	99.18	29.87	101.91	28.72	102.26	25.63	104.03	23.67	104.89
<b>Other Income</b>	2.19	7.78	1.15	3.92	0.65	2.33	0.44	1.77	0.50	2.24
<b>Management expenses</b>	(1.96)	(6.96)	(1.71)	(5.83)	(1.29)	(4.58)	(1.43)	(5.80)	(1.61)	(7.12)
<b>Total Value Added by the Company</b>	<b>28.11</b>	<b>100.00</b>	<b>29.31</b>	<b>100.00</b>	<b>28.09</b>	<b>100.00</b>	<b>24.63</b>	<b>100.00</b>	<b>22.56</b>	<b>100.00</b>

### Value Added Contributed to

(Taka in Crore)

Particulars	2023		2022		2021		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Value added</b>										
<b>Employees: Salaries &amp; Allowances</b>	12.78	45.46	11.96	40.79	11.42	40.65	10.77	43.71	10.22	45.29
<b>Government: Corporate Tax Value Added Tax (VAT)</b>	6.25	22.23	7.08	24.15	6.43	22.90	6.33	25.68	4.75	21.06
<b>To Expansion and Growth:</b>										
<b>Retained Income</b>	8.67	30.84	9.91	33.81	9.79	34.84	7.19	29.20	7.21	31.93
<b>Depreciation</b>	0.41	1.47	0.37	1.26	0.45	1.61	0.35	1.41	0.39	1.72
<b>Total Distribution</b>	<b>28.11</b>	<b>100.00</b>	<b>29.31</b>	<b>100.00</b>	<b>28.09</b>	<b>100.00</b>	<b>24.63</b>	<b>100.00</b>	<b>22.67</b>	<b>100.00</b>

## Graphical Presentation of Value Added Contribution



## Risk Management

Risk is the element of uncertainty or possibility of loss that prevail in any business transaction in any place, in any mode and at any time. Risk is an integral part of financing business. Risk management entails the adoption of several measures to strengthen the ability of an organization to cope with the vagaries of the complex business environment in which it operates.

As a financial institution, Agrani SME Financing Company Limited is committed to ensuring that effective risk management policies and practices are incorporated as fundamental aspects of all its business operations. The Credit Risk Management process (CRM) of the Company has a comprehensive risk management in place, addressing areas such as Market Risk, Credit Risk and Operational Risk. This policy seeks to minimize the risk generated by the activities of the Company. Risk grading is assigned at the inception of lending considering the industry, business, financial and management risk associated with the financing. The Company has different activities for risk management and appropriate internal control measures are also in place to mitigate risk.

### Major Risk at Agrani SME Financing Company Limited

Major Risk that Agrani SME Financing Company Limited identifies detrimental to its return and market reputation is as follows:

#### Credit Risk

Credit Risk is the possibility that a borrower or counter party will fail to meet agreed obligations thus managing Credit Risk for efficient management of a financial institution (FI) has become the most crucial task. Given the fast changing, dynamic global economy and the increasing pressure of globalization, liberalization and consolidation, it is essential that FIs have robust Credit Risk management policies and procedures those are sensitive and responsive to these changes. At Agrani SME Financing Company Limited, Credit Risk may arise in the following forms:

**Default risk:** Default risk is the risk that a lender takes on in the chance that a borrower will be unable to make the required payments on their debt obligation. A higher level of default risk leads to a higher required return, and in turn, a higher interest rate

**Exposure risk:** Risk exposure is the measure of potential future loss resulting from a specific activity or event.

An analysis of the risk exposure for a business often ranks risks according to their probability of occurring multiplied by the potential loss if they do.

**Recovery risk:** Recovery risk refers to such uncertainty that arises at the time of default. Here, recovery risk designates the randomness of the proceeds from working out of a borrower's default.

**Counter party risk:** It comes from non-performance of a trading partner. The non-performance may arise from counterparty's refusal to perform due to an adverse price movement caused by systematic factors, or legal constraint that was not anticipated by the principals. Diversification is the major tool for controlling nonsystematic Counter Party Risk. Counterparty risk is like Credit Risk, but it is generally considered a transient financial risk associated with trading, rather than a standard creditor default risk associated with an investment portfolio. A Counterparty's failure to settle a trade can arise from many factors other than a credit problem.

**Related party risk:** Although such transactions are a common feature of business, they may give rise to specific risks of material misstatement of the financial statements, including the risk of fraud, because of the nature of related party relationships. Financial reporting often arises through the involvement of related parties.

**Legal risk:** Legal risk is the risk of financial or reputational loss that can result from lack of awareness or misunderstanding of, ambiguity in, or reckless indifference to, the way law and regulation apply to your business, its relationships, processes, products and services.

#### Market Risk

Market Risk refers to the risk of fluctuation in a variety markets such as interest rates, prices of securities where the values of assets and liabilities can change and there exists the risk of incurring losses.

#### Liquidity Risk

Liquidity Risk arises when a Company is unable to meet the short-term obligation to its lenders and stakeholders. This arises from the adverse mismatch of maturities of assets and liabilities.



### **Operational Risk**

Operational Risk is the potential loss arising from a breakdown in Company's systems and procedures, internal control, compliance requirement or corporate governance practices that results in human error, fraud, failure, damage of reputations, delay to perform or compromise of the Company's interests by employees. Operational Risk may also arise from the following:

- Turnover of trained staff;
- Risk of insider dealings;
- Leakage of sensitive information;
- Shortcomings of organizational structure;
- Changes in statutory requirements;

### **Enterprise Risk**

Risks faced by the enterprises in accomplishing its goal fall in this category. If goal of the Company is not compatible with the reality, then the Company might be entangled by a bad patch. And because of this Company's mission may become questionable.

### **Project Risk**

This is about particular risks associated with the undertaking of a project. If projects undertaken by the Company is not compatible with it and not feasible because of existing market scenario, the Company may run the risk of encumbered by loss projects.

### **Integrated Risk**

Integrated Risk management refers to integrating risk data into the strategic decision making of the Company and taking decisions, which take into account the set risk tolerance degrees of a department. In other words, it is the supervision of market, credit and liquidity risk at the same time or on a simultaneous basis.

### **Technology Risk**

It is the process of managing the risks associated with implementation of new technology. If a new technology is not compatible with business function of the Company, the Company may suffer in the long run. A non-compatible technology not only brings difficulty in all sorts of operations of the Company but also the risk of wasting money choosing the wrong one.

### **Risk Management Steps at Agrani SME Financing Company Limited**

Here is an overview of some of the crucial steps carried out by Agrani SME Financing Company Limited to ensure successful risk management program:

Integrating risk management policies into the Company's top priority;

Maintaining those values via actions;

Performing risk analysis;

Implementation of various strategies to minimize it;

Building of screening systems to encourage early warnings related to prospective risk;

Periodic analysis of the management program;

### **Performing Risk Analysis**

The persons involved for Credit Evaluation review the market and Credit Risk related to lending and recommend and implement appropriate measures to counter associated risks. Credit Risk Management (CRM) process is in place, at Agrani SME Financing Company Limited, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high-quality credit portfolio and maximize returns from risk assets. Persons involved in CRM regularly reviews market situation and exposure of the Company in various SMEs and industrial sectors.

To mitigate Credit Risk, Agrani SME Financing Company Limited searches for credit report from the Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by concerned personnel to understand the liability condition and repayment behavior of the client. Depending on the report, bankers' opinions are taken from client's banks. Suppliers' and buyers' opinion are taken to understand the market position and reputation of our proposed customers.

Appropriate internal control measures are in place at Agrani SME Financing Company Limited, to address operational risks. The Company has established Internal Control and Compliances Department (ICC) to address operational risk. The Company regularly assesses the prevailing market risk, analyzes the changes in interest rate, market conditions, carries out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk. To encounter liquidity risk, the Company also oversees the asset liability maturity position, recommends and implements appropriate measures.

### **Credit Risk Management Process at Agrani SME Financing Company Limited in a nut-shell**

The top management outlines the overall Credit Risk strategies by indicating the institution's willingness to grant credit to different sectors, geographical location, maturity, and profitability. In doing so, it recognizes the goals of credit quality, earnings, growth, and the risk-reward tradeoff for



its activities. The credit risk strategy is then communicated throughout the institution. The senior management of the Company is responsible to implement the Credit Risk strategy approved by the Board. This includes developing written procedures that reflect the overall strategy and ensuring its implementation. The procedures include policies to identify, measure, monitor, and control credit risk. Attention is given to diversification of portfolio by setting exposure limits on single counterparty, groups of connected counterparties, industries, economic sectors, geographical regions, and individual products. A proper credit administration of the Company includes efficient and effective operations related to monitoring documents, legal covenants, collateral etc., accurate and timely reporting to management, and compliance with management policies and procedures and applicable rules and regulations.

The Company operates under sound, well-defined credit-granting criteria to enable a comprehensive assessment of the true risk of the borrower or counterparty to minimize the adverse selection problem. The Company seeks information on many factors regarding the counterparty to which it wants to grant credit. These include among others, the purpose of the credit and the source of repayment, borrower's repayment history and current capacity to repay, enforceability of the collateral or guarantees, etc.

The Company has a clear and formal evaluation and approval process for new credits and extension of existing credits. Each credit proposal is subject to careful analysis by a credit analyst so that information can be generated for internal evaluation and rating. This is used for appropriate judgments about the acceptability of the credit. Granting credit involves accepting risks as well as producing profits.

Credit is priced in such a way so that it appropriately reflects the inherent risks of the counterparty and the embedded costs. In considering the potential credit, The Company establishes provisions for expected loss and holds adequate capital to absorb the unexpected losses. The Company uses collateral and guarantees to help mitigate risks inherent in individual transactions. Since collateral cannot be a substitute for comprehensive assessment of a borrower and hence strength of the repayment capacity of the borrower is given prime importance. The Company identifies and manages Credit Risk inherent in all of its assets and activities by carefully reviewing the risk characteristics of the asset or activity.

Special care is given particularly when the institution embarks on new activities and assets. In this regard, adequate

procedures and controls are taken to identify the new asset or activity. Finally, each and every month, sector wise loan concentration, top 100 borrowers loan concentration, position of loan without collateral and the position of top 20 defaulters are reviewed and required steps are taken.

### **Interest Rate Risk Management**

The overall objectives, strategies and policies of the Company are approved in such a manner so that it governs the interest rate risk of the Company. Other than approving the overall policies of the Company regarding interest rate risk, the top management that the Zonal and Branch management takes the necessary actions to identify, measure, monitor and control these risks.

Persons are engaged to ensure that the Company follows policies and procedures that enable the management of interest rate risk. These include maintaining an interest rate risk management review process, appropriate limits on risk taking, adequate systems of risk measurement, a comprehensive interest rate risk reporting system, and effective internal controls. The Company is able to identify the individuals responsible for interest rate risk management and defines the line of authority and responsibility. Pertinent to mention that at present, the Company has been running its credit operation entirely using its own capital. No deposit is being taken by the Company till to date. The Company does not have any foreign transaction either therefore; scope of market risk is not remarkable or foreseeable. However, the management of the Company is well aware of the market risk and carries out Asset-Liability maturity gap analysis and thereby taken effective measures to monitor and control the interest rate risk.

### **Liquidity Risk Management**

As a non-banking financial institution, managing liquidity is one of the most important functions of it. The top management makes sure that the Company's priorities and objectives for liquidity management are clear.

The essence of liquidity management problem arises from the fact that there is a trade-off between liquidity and profitability and mismatch between demand and supply of liquid assets. The Company now keeps protective reserves on top of planned reserves. While the planned reserves are derived from regulatory requirements and forecasts, the amount of the protective reserve depends on the management's attitude towards liquidity risk. The Company establishes a process of measuring and monitoring net funding requirements by assessing its cash inflows and

outflows. It is also important for the Company to assess the future funding needs. The Company has adequate internal controls over its liquidity risk management process that is a part of the overall system of internal control. An effective system has created a strong control environment and has an adequate process of identifying and evaluating liquidity risk. It has adequate information system that produces regular independent reports and evaluations to review adherence to established policies and procedures.

### **Operational Risk Management**

The top management develops the overall policies and strategies for managing operational risk. As operational risk can arise due to failures in people, processes, and technology, management of this risk is more complex. Senior management has established the desired standards of risk management and clear guidelines for practices that would reduce operational risks. In doing so, care is taken to include people, process, and technology risks that can arise in the institution. Given the different sources in which operational risk can arise, common standard for identification and management of these has been developed. Care is always given to tackle operational risk arising in different departments and organizational unit due to people, process, and technology. As such, a wide variety of guidelines and rules have been spelled out.

Given the complexity of operational risk, it is difficult to quantify it. Most of the operational risk measurement techniques are simple and experimental. The Company, however, gathers information of different risks from reports and plant that are published within the institution (like audit reports, management reports, business plans, operational plans etc.). A careful review of these documents reveals gaps that can represent potential risks. The data from the reports are then be categorized into internal and external factors and converted into likelihood of potential loss to the institution. Apart from these, to reduce the operational risk following operational systems are followed on regular basis:

At the end of day's transaction each Branch and Head office reconciles the physical cash balance with the record to save the organization from unwanted cash shortage situation.

Till to date no sorts of internal fraud, external fraud and lending fraud was identified.

No such risks with regard to damage to physical assets, Documentation lapse and Business disruption and System failure are faced by the organization till to date.

Loans are not covered by insurance. Although there exists some risk proposition in this regard because of being all the loans are small in category, the risk proposition, however, is minimum.

Corporate governance is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and better as well as timely financial reporting.

The Board of Directors is responsible for proper governance which includes setting out Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to the shareholders on their stewardships.

Agrani SME Financing Company Limited is committed to continually reviewing all corporate governance policies and practices to ensure the ongoing transparency of the Company's practices and the delivery of high standard quality information to stakeholders.

The maintenance of effective corporate governance remains a key priority of the Board of the Company. To exercise clarity about director's responsibilities towards the shareholders, corporate governance must be dynamic and remain focused on the business objectives of the Company and create a culture of openness and accountability. Keeping this in mind, clear structure and accountabilities supported by well understood policies and procedures to guide the activities of the Company's management have been instituted.

Agrani SME Financing Company Limited considers that its corporate governance practices comply with all the aspects of Bangladesh Bank's DFIM Circular No. 7 dated September 25, 2007 and DFIM Circular No. 9 dated October 10, 2007. In addition, to establishing high standards of corporate governance, the Company also considers best governance practices in its activities. The independent role of Board of Director's, separate and independent role of Chairman and Chief Executive Officer, distinct role of the Company Secretary and different Board Committees allows the Company to achieve excellence in best corporate governance practices.

# Statement On Corporate Governance

---

## Board of Directors

### Composition

In the best interest of the Board of the Company it considers that its membership should comprise of directors with an appropriate mix of skills, experience and personal attributes that allow the directors, individually and the Board, collectively, to discharge their responsibilities and duties, under the law, efficiently and effectively, understand the business of the Company and assess the performance of the management. The composition of the Board embraces diversity. The directors have a range of versatile experience and expertise, and specialized skills to assist with decision making and leading the Company for the benefit of shareholders.

The Board of Agrani SME Financing Company Limited comprises of nine directors who possess a wide sphere of skills and experience over a variety of professions, business and of services. The Company's directors bring in independent judgment and considerable knowledge to perform their roles effectively. The Board of directors ensures that the activities of the Company are always conducted with adherence to strict and highest possible ethical standards and the stakeholders.

### Selection and Appointment of New Directors

In relation to the selection and appointment of new directors, the existing Board of Directors has the following duties and responsibilities:

Regularly review the size and composition of the Board and the mix of expertise, skill, experience and perspectives that may be desirable to permit the Board to execute its functions;

Identify any competencies not adequately represented and agree the process necessary to be assured that a candidate nominated by the shareholders with those competencies is selected;

The directors are appointed by the shareholders in the Annual General Meeting (AGM). Causal vacancies, if any, are filled up by the Board in accordance with the stipulation of the Companies Act, 1994 and Articles of the Company.

### Retirement and Re-election of Directors

As per the Article of Association of the Company, one- third of the directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day; 1) Mr. Md. Moshir Ali, 2) Wahida Begum and 3) Md. Helal Uddin shall retire in this meeting and they are ineligible for re-election.

### Role and Responsibilities of the Board

The Board is committed to the Company seeking to achieve superior financial performance and long-term prosperity, while meeting stockholder's expectation of sound corporate governance practices. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive in respect of corporate governance and puts in place those arrangements which it considers are in the best interest of the Company and its shareholder, and consistency with its responsibilities to other stakeholders.

The Board duly complies with the guidelines issued by Bangladesh Bank regarding the responsibility and accountability of the Board, its Chairman and Chief Executive/Managing Director, vide DFIM Circular No. 7 dated September 25, 2007 and DFIM Circular No. 9 dated October 10, 2007. The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of Agrani SME Financing Company Limited set out its strategic focus and oversees the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company.

Status report on compliance with those guidelines is given below:

## Compliance Status (According to DFIM Circular No – 07)

Sl. No.	Particulars	Compliance Status
1	<b>Responsibilities and authorities of the Board of Directors:</b>	
	(a) Work-planning and strategic management:  (i) The Board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goal and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests the development of implementation of the work-plans.	Complied
	(ii) The Board shall have its analytical review incorporated in the Annual report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies	Complied
	(iii) The Board will set the Key Performance Indicator (KPI)s for the CEO and other senior executives and will evaluate half yearly / yearly basis.	Complied
	(b) Formation of sub-committee:	
	Executive Committee may be formed in combination with directors (excluding any alternate Director) and management of the Company only for rapid settlement of the emergency matters (approval of loan/lease application, write-off, rescheduling etc.) arisen from the regular business activities.	Complied
	(c) Financial management:	
	(i) Annual budget and statutory financial statements shall be adopted finally with the approval of the Board.	Complied
	(ii) Board shall review and examine in quarterly basis various statutory financial statements such as statement of income-expenses, statement of loan/lease, statement of liquidity, adequacy of capital, maintenance of provision, legal affairs including actions taken to recovery of overdue loan/ lease.	Complied
	(iii) Board shall approve the Company's policy on procurement and collection and shall also approve the expenditures according to policy. The Board shall delegate the authority on the Managing Director and among other top executives for approval of expenditure within budget to the maximum extend.	Complied
	(d) Management of loan/lease/investments:	
	(i) Policy on evaluation of loan/lease/investment proposal, sanction and disbursement and its regular collection and monitoring shall be adopted and reviewed by the Board regularly based on prevailing laws and regulations. Board shall delegate the authority of loan/lease/ investment specifically to management preferably on Managing Director and other top executives.	Complied
	(ii) No director shall interfere on the approval of loan proposal associated with him. The director concerned shall not give any opinion on that loan proposal	Complied
	(iii) Any syndicated loan/lease/investment proposal must be approved by the Board.	Complied
	(e) Risk management:	

Sl. No.	Particulars	Compliance Status
	Risk Management Guideline framed in the light of Core Risk Management Guideline shall be approved by the Board and reviewed by the Board regularly.	Complied
	(f) Internal control and compliance management:	
	A regular Audit Committee as approved by the Board shall be formed. Board shall evaluate the reports presented by the Audit Committee on compliance with the recommendation of internal auditor, external auditors and Bangladesh Bank Inspection team.	Complied
	(g) Human resource management:	
	Board shall approve the policy on Human Resources Management and Service Rule. Chairman and director of the Board shall not interfere on the administrative job in line with the approved Service Rule	Complied
	Only the authority for the appointment and promotion of the Managing Director/Deputy Managing Director/ General Manager and other equivalent position shall lie with the Board in compliance with the policy and Service Rule. No director shall be included in any Executive Committee formed for the purpose of appointment and promotion of others.	Complied
	(h) Appointment of CEO:	
	The Board shall appoint a competent CEO for the Company with the approval of the Bangladesh Bank and shall approve any increment of his salary and allowances.	Complied
	(i) Benefits offer to the Chairman:	
	Chairman may be offered an office room, a personal secretary, a telephone at the office, a vehicle in the business-interest of the Company subject to the approval of the Board.	Complied
<b>2</b>	<b>Responsibilities of the Chairman of the Board of Directors:</b>	
	(a) Chairman shall not participate in or interfere into the administrative or operational and routine affairs of the Company as he has no jurisdiction to apply executive power.	Complied
	(b) The minutes of the Board meetings shall be signed by the Chairman.	Complied
	(c) Chairman shall sign-off the proposal for appointment of Managing Director and increment of his salaries & allowances.	Complied
<b>3</b>	<b>Responsibilities of Chief Executive Officer:</b>	
	(a) Chief Executive Officer shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management.	Complied
	(b) Chief Executive Officer shall ensure compliance of Financial Institutions Act 1993 and other relevant circulars of Bangladesh Bank and other regulatory authorities;	Complied
	(c) All recruitment/ promotion/ training, except recruitment/ promotion/training of DMD, shall be vested upon the Chief Executive Officer. He shall act such in accordance the approved HR Policy of the Company.	Complied
	(d) Chief Executive Officer may re-schedule job responsibilities of employees;	Complied
	(e) Chief Executive Officer may take disciplinary actions against the employees except DMD;	Complied
	(f) Chief Executive Officer shall sign all the letters/statements relating to compliance of polices and guidelines. However, Departmental/Unit heads may sign daily letters/statements as set out in DFIM circular no. 2 dated 06 January 2009 if so authorized by MD	Complied

## **Chairman of the Board**

The Chairman of the Board is elected to the office of Chairman by the directors. The Board considers that the Chairman is independent.

## **Role of the Chairman**

The Chairman runs the Board. He serves as the primary link between the Board and management, and works with the CEO and Company Secretary to set of the agenda for Board meetings. It is the Chairman's responsibility to provide leadership to the Board and ensures that the Board works effectively and discharges its responsibilities as directors of the Company. Chairman of the Board & CEO of the Company are different persons. The Chairman of the Board is not the Chief Executive of the Company. The role of Chairman and the CEO & Managing Directors are independent and separate.

## **Role of the CEO & Managing Director**

The CEO & Managing Director performs three fundamentals roles in the Company:

- First, CEO as a leader establishes and directs the vision and mission of the team. In this capacity, the CEO is the source of visionary strength of the Company and keeps it on a consistent track to achieving the vision;
- Second, CEO is a manager. In this role, the CEO is responsible for directing the operational activities of the Company by scheduling the utilization of the Company's resources, including people and capital equipment. In this way, the CEO gets things done through the efforts of the people in the Company. The CEO is responsible for establishing and executing the Company's operating plan that is necessary to achieve the Company's objectives;
- Third, CEO is a coach, and as such picks the people for the management team and improves the performance of the staff-members through ongoing counseling. As a coach, the CEO works with employees to help them becoming greater contributors by helping them improve their efficiency and effectiveness.

## **Conduct for the Board Members**

The Board of Directors of Agrani SME Financing Company Limited is committed to the highest standards of conduct in their relationships with its employees, customers, patrons, shareholders, regulators and the public.

A Director of Agrani SME Financing Company Limited always:

- Seeks to use due care in the performance of his/her duties, be loyal to the Company, act in good faith and in a manner such director reasonably believes to be not opposed to the best interests of the Company;
- Avoids:
  - i) Appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as Board Member;
  - ii) Member, for personal gain; and
- Endeavors to avoid having his or her private interests interfere with the interests of the Company;
- Ensures that management is causing the Company's assets, proprietary information and resources to be used by the Company and its employees only for legitimate business purposes of the Company;
- Maintains the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain;



- Endeavors to deal fairly, and should promote fair dealing by the Company, its employees and agents, with customers, suppliers and employees;
- Complies and endeavors to ensure that the management is causing the Company to comply with applicable laws, rules and regulations;
- Endeavors to ensure that management is causing the Company to promote ethical behavior and to encourage employees to report evidence of illegal or unethical behavior to the CEO & Managing Director of the Company.

## **Board Meeting**

### **Holding of the Board meeting**

The meetings of the Board of Directors of the Company are normally held at the Registered Corporate Head Office of the Company. The meetings are held frequently, at least once in a month, to discharge its responsibilities and functions as mentioned above. Meeting is scheduled well in advance and the notice of each Board meeting is given, in writing, to each director by the Company Secretary.

### **Process of holding Board meeting**

At the suggestion of the MD & CEO, the Company Secretary prepares the detailed agenda for the meeting. The Board papers comprising the agenda, explanatory notes and proposed resolutions are circulated to the directors in advance for their review. The members of the Board have complete access to all information of the Company enabling them to work efficiently. The members of the Board are also free to recommend inclusion of any matter of the agenda for discussions. The Company Secretary always attends the Board meeting and other senior management, if needed, are also invited to attend Board meeting to provide additional inputs to the items being discussed by the Board and make necessary presentations.

There are procedures, at Agrani SME Financing Company Limited, for keeping the Board up-to-date with the Company's activities and relevant external developments. These include senior management presenting significant matters to the Board and it being able to seek further information on any issue relating to performance, strategy, outlook, etc.

It has been attempted in this report to present the governance practices and principles being followed at the Company as best suited to the needs of the Company's business and stakeholders. Disclosures and governance practices are continually revisited, reviewed and revised to respond to the needs of business and ensure that the standards are at par with the globally recognized practices of governance, so as to meet the expectations of all our stakeholders.

# Environmental Issues & Corporate Social Responsibility (CSR) activities of Agrani SME Financing Company Limited

## 1. Environmental Issues

To maintain a green office, several in-house environmental initiatives have been implemented:

01. Use both sides of paper for internal documents.
02. Maximize online communication.
03. Rely on daylight and proper ventilation over electric lights and air conditioning.
04. Use Eco Font for lighter printing on both sides of paper.
05. Opt for video/audio conferences instead of physical travel.
06. Efficiently use printer cartridges, photocopy toner and office supplies.
07. Share emails instead of paper memos.
08. Utilize solar and renewable energy sources.
09. Develop a Green Office Guideline to reduce information gaps, hazards and pollution while increasing efficiency and awareness.

Agrani SME Financing Company Limited integrates environmental risk into its credit and management, enhancing its risk management process. Following Bangladesh Bank's instruction, Agrani SME Financing Company Limited has issued guidelines on Environmental and Social Risk Management (ESRM). The company assess environmental and social risk in agriculture, small and medium enterprises, corporate finance and project finance using an Environmental and Social Due Diligence (ESDD) checklist, incorporating risk mitigation measures into its lending portfolio and avoiding investments in high-risk projects.

## 2. Corporate Social Responsibility (CSR)

To bring the concept of Social Responsibility into the main stream of the financial Sector, Bangladesh Bank has taken steps and encouraged banks and financial institutions to expand their various activities such as diester management, relief and humanitarian assistance etc. in 2008. As a result, different activities such as health/medical, education/training, environmental degrading, greening programs etc. has improved the fate of a lot of disadvantaged people.

Different kinds of direction were issued through new

structure of CSR cost budget through the DOC Circular No-01, dated 01-06-2008, and GBCSRD Circular No-07, dated 22-12-2014 in the implementation of Social Responsibility Activities by Bangladesh Bank. According to the direction of Circulars, Agrani SME Financing Company Limited had started its direct and indirect CSR activities from 2014 and BDT 15.75 lakhs were spent in the same field in the same year. It is very important to formulate policies and carry out activities in accordance with the policy of proper monitoring and keeping free from the influence of higher authorities. Accuracy of budget allocation is also significant of CSR activities. Getting the importance of Corporate Social Activities, Agrani SME Financing Company Limited has formulated CSR polices (or issued CSR polices) in 2015 based on the opinion of the Senior authorities for the betterment of the neglected or disadvantaged people of the society and according to that policy BDT 19.31 lakhs were spent in CSR sector in the year of 2015. Mention may be made that, no expenditure has been made, although budget has been allocated for CSR Sector from 2016 to 2021.

Subsequently, Bangladesh Bank has re-issued various guidelines for implementation of CSR activities through SFD Circular No-01, dated 09-01-2022 including allocation of CSR expenditure budget in the new structure. In addition, the Department of Sustainable Finance of Bangladesh Bank directed to deposit 5% of the amount from each year's CSR budget to the fund Account of 'The Prime Minister's Education help trust' against the net profit (audited/unaudited) of each year.

According to the direction as delineated in the CSR Guidelines/ Policy of 2015 and in line with the decision of financial institution Division, Ministry of Finance, it is pertinent that Agrani SME Financing Company Limited needs to incorporate things to add, subtract, change and modify with the CSR policy 2015. As a result, CSR Policy-2022 of Agrani SME Financing Company Limited has been redesigned and approved by Board of Director's of the company.

### a) CSR Activities during 2023 and 2024:

For CSR activities, Agrani SME Financing Company Limited has kept BDT 10 (ten) lakhs in the budget for the year 2024. It is mentionable we have already disbursed BDT TK. 5.50 lakhs including Tk. 1.50 lakhs to the Prime Minister's

Education Assistance Trust (PMEAT) Fund for helping poor & meritorious students in Bangladesh from the CSR budget of the year 2024. Last year (2023) we expensed BDT TK. 8.40 lakhs for CSR activities.

**b) Formation of Climate Risk Fund (CRF):**

As per Bangladesh Bank's guidelines, GBCSRD circular No. 04/2015, SFD circular No. 01/2016 and SFD circular No. 05, dated 23-11-2023, Agrani SME Financing Company Limited has formation Climate Risk Fund (CRF) from 2023. The balance of the fund is now Tk. 2.00 (Two) lakhs.

**c) Chief Advisor's Relief and Welfare Fund:**

The ongoing flood situation in the country has led to humanitarian disasters in various places. Even though public-private relief activities have started, people are spending

day's starvation-semi starvation in various areas. Especially the houses in Feni, Comilla, Lakhmipur and Noakhali and few Upazilas of Chittagong are still submerged in four to five feet of water. There is a food crisis among the people of these areas. In such a situation, a virtual meeting held on 27.08.2024 at Head office of Agrani SME Financing Company Limited, under the Chairmanship of Chief Executive Officer on "What to do in support of the flood victims affected by the recent flood in the country". A decision has fixed to assist of the flood victims. The decision is to deducts an amount equal to the basic salary of 1 (one) day at all levels of the employees of the company of the month of August/2024. So, a check amounting Taka 1,19,539 has been deposited to the Chief Advisor's Relief and Welfare Fund (Account Name: Chief Advisor's Relief and Welfare Fund; Sonali Bank Corporate Branch, Chief Adviser's Office; Account Number: 010733004093).

**Agrani Bank Limited**  
Amin Court Corporate Branch

010270259

Pay To Chief Advisor's Relief and welfare Fund; Sonali Bank Corporate Branch, chief Adviser's office; Account Number: 010733004093 Or Bearer

DATE 27 08 20 24  
D D M M Y Y Y Y

The Sum of Taka One Lac Nineteen Thousand Five = TK 1,19,539/-  
Hundred Thirty Nine Only = \_\_\_\_\_

Name : AGRANI SME FINANCING COMPANY LTD  
A/C No. : 0200001557000

For Agrani SME Financing Company Ltd.  
*[Signature]*  
Head of Accounts DGM & Company Secretary Managing Director & CEO

⑈4643830⑈ 010270259⑈ 0200001557000⑈ 11

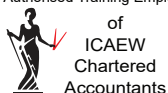
**Corporate Office:**

📍 : House # 15, Road # 12, Block # F, Niketon  
Gulshan-1, Dhaka-1212, Bangladesh.  
☎ : +88 (02)8836015-7 📠 : +88 01681126120  
✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

**Independent Auditors' Report**  
On  
**Financial Statements**  
Of  
**Agrani SME Financing Company Limited**  
**For The Year Ended 31<sup>st</sup> December, 2023**

**June 12, 2024**

Authorised Training Employer



**Chattogram Office:**

Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram- 4000 ☎ : +88 01810030701 ✉ ctg@hfc-bd.com

Member of



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE SHAREHOLDERS**  
**OF**  
**AGRANI SME FINANCING COMPANY LIMITED**

**Report on the audit of the Financial statement**

**Opinion**

We have audited the accompanying financial statements of **Agrani SME Financing Company Limited** which comprise the Balance Sheet as at 31st December 2023, and the Profit & Loss Account, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including 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 Company as at 31st December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable laws and regulations.

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter stated below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

**Revenue Recognition**

Key Audit Matters	Our response to the risk
<p>At year end the Company reported total revenue of BDT 300,684,368/-</p> <p>Revenue is measured from real transaction of Loan Investment, Income from CIB Processing Fees, Early Settlement Income and Other Operational Income.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation resulting from the pressure local management may feel to achieve performance targets.</p> <p>Note no. 18, 19, &amp; 20</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Segregation of duties in deposit slip creation and modification;</li> <li>• Verify and calculate interest income based on daily loan balance;</li> <li>• Verify the authentication of documents;</li> <li>• Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>• Obtaining supporting documentation for transactions recorded for fees &amp; commission such as appointment letter, physical verification of deposit slips, bank statement after the year end date to determine whether revenue was recognized in the correct period;</li> <li>• Verified the margin clients' portfolio, ledger and calculation of interest considering daily margin loan from the software generated data.</li> <li>• Obtained and verified supporting documents to confirm income such as declaration of dividend, bank statement, and receivable ledger, AIT against dividend and portfolio statement.</li> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and BB letter no FIID/(1-14/02)/2024-444.</li> </ul>





**Corporate Office:**

📍 : House # 15, Road # 12, Block # F, Niketon  
 Gulshan-1, Dhaka-1212, Bangladesh.  
 ☎ : +88 (02)8836015-7 📠 : +88 01681126120  
 ✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

<b>IT systems and controls</b>	
<b>Key Audit Matters</b>	<b>Our response to the risk</b>
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

**Other Matter**

The financial statements of Agrani SME Financing Company Limited for the year ended December 31, 2022, were audited by Islam Aftab Kamrul & Co. who expressed an unmodified opinion on those statements on April 30, 2023.

**Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



**Corporate Office:**

📍 : House # 15, Road # 12, Block # F, Niketon  
Gulshan-1, Dhaka-1212, Bangladesh.  
☎ : +88 (02)8836015-7 📠 : +88 01681126120  
✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for maintenance of the required books of accounts & records and preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 2.03 to the financial statements, and for such internal control as management determines in necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Financial Institutions Act, 1993 & the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Company. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

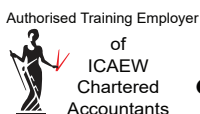
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosed in note 2.01, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the 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 auditor's 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 this financial statements.

As part of an audit in accordance with IASs, 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.



**Chattogram Office:**

Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram- 4000 ☎ : +88 01810030701 ✉ ctg@hfc-bd.com



**Corporate Office:**

📍 : House # 15, Road # 12, Block # F, Niketon  
Gulshan-1, Dhaka-1212, Bangladesh.  
☎ : +88 (02)8836015-7 📠 : +88 01681126120  
✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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.

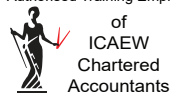
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020, Finance Company Act, 2023 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditures incurred were for the purpose of the Company's business for the year;
- (v) the financial statements of the Company have been drawn up in conformity with the Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- (vi) adequate provisions statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (vii) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

Authorised Training Employer



**Chattogram Office:**

Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram- 4000 ☎ : +88 01810030701 ✉ ctg@hfc-bd.com

Member of




**Corporate Office:**

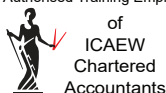
📍 : House # 15, Road # 12, Block # F, Niketon  
Gulshan-1, Dhaka-1212, Bangladesh.  
☎ : +88 (02)8836015-7 📠 : +88 01681126120  
✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

- (viii) the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- (ix) statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- (x) taxes and other duties were collected and deposited in the government treasury by the Company as per Government instructions found satisfactory based on test checking;
- (xi) nothing has come to our attention that the Company has adopted any unethical means i.e. 'Window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- (xii) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- (xiii) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- (xiv) the company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- (xv) we have reviewed over 80% risk weighted assets as shown in note-05 to the financial statements of the Company and we have spent around 1,862 person hours for the audit of the books and accounts of the Company;
- (xvi) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- (xvii) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report;

Firm Name : Hussain Forhad & Co. Chartered Accountants  
Registration No : 4/452/ICAB-84

Signature of the auditor :   
Name of the auditor : **A.K.M Fazlul Haque FCA, Partner/Enrollment No. 1090**  
DVC No. : 2406121090AS478590  
Place : Dhaka  
Dated : June 12, 2024

Authorised Training Employer



**Chattogram Office:**

Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram- 4000 ☎ : +88 01810030701 ✉ ctg@hfc-bd.com

Member of



**Agrani SME Financing Company Limited**

**Balance Sheet**

As at 31 December 2023

(Amount in BDT)

	Notes	As at 31-Dec-23	As at 31-Dec-22
<b>PROPERTY AND ASSETS:</b>			
<b>Cash and Cash Equivalents:</b>			
Cash	3	41,155,052	47,744,724
In hand		3,063,952	10,435,674
Balance with Bangladesh Bank and its agent bank		1,732,243	103,659
Balance with other Banks and Financial Institutions	4	1,331,709	10,332,015
Money at Call and Short Notice		38,091,100	37,309,050
Investments		-	-
Loans and Advances:		3,295,890,495	3,567,247,027
Loans, cash credit and overdrafts etc.	5	3,295,890,495	3,567,247,027
Fixed Assets including Premises, Furniture and Fixtures	8	21,581,611	11,044,329
Other Assets:	9	231,370,681	251,339,480
Non-financial Institution Assets		-	-
<b>Total Assets</b>		<b>3,589,997,839</b>	<b>3,877,375,560</b>
<b>LIABILITIES &amp; CAPITAL:</b>			
<b>Liabilities:</b>			
Borrowings from other Banks, Financial Institutions and agents	10	1,516,904,663	1,878,154,355
Deposit and Other Accounts:		-	-
Other Liabilities	11	494,304,198	449,307,287
<b>Total Liabilities</b>		<b>2,011,208,861</b>	<b>2,327,461,642</b>
<b>Shareholders' Equity /Capital:</b>			
Share Capital	12.2	1,000,000,000	1,000,000,000
Statutory Reserve	13	119,793,920	108,018,908
General Reserve	14	54,731,264	54,731,264
Retained Earnings	15	404,263,794	387,163,746
<b>Total Shareholders' Equity</b>		<b>1,578,788,978</b>	<b>1,549,913,918</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>3,589,997,839</b>	<b>3,877,375,560</b>
<b>Off Balance Sheet Items:</b>			
Contingent liabilities		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Indemnity bond		-	-
Other commitments		-	-
Undisbursed contracted loans		-	-
<b>Total Off-Balance Sheet Items</b>		<b>-</b>	<b>-</b>
<b>Net Asset Value Per Share</b>		<b>157.88</b>	<b>154.99</b>

The Annexed notes (1 to 33) form an integral part of these financial statements.

  
Head of Accounts

  
Chief Financial Officer

  
Managing Director & CEO  
(Current Charge)

  
Director

  
Director

  
Chairman

Place, Dhaka  
Date: June 12, 2024  
DVC: 2406121090AS478590

  
Hussain Farhad & Co.,  
Chartered Accountants

**Agrani SME Financing Company Limited**  
**Profit and Loss Account**  
For the year ended 31 December 2023

(Amount in BDT)

	Notes	Year ended 31-Dec- 2023	Year ended 31-Dec- 2022
<b>Operating Income:</b>		<b>278,820,367</b>	<b>298,736,630</b>
Interest income	18	396,016,199	383,099,722
Interest paid on deposits, borrowings etc.	19	(117,195,832)	(84,363,092)
<b>Net Interest Income:</b>		<b>278,820,367</b>	<b>298,736,630</b>
Other operating income	20	21,864,001	11,523,440
<b>Total Operating Income (A)</b>		<b>300,684,368</b>	<b>310,260,070</b>
<b>Operating Expenses:</b>			
Salaries and allowances	21	107,414,894	101,032,718
Directors' fees and allowances	22	264,000	312,000
Rent, taxes, insurance, electricity etc.	23	5,954,830	5,772,699
Legal expenses	24	175,596	208,959
Postage, stamp, telecommunication etc.	25	533,675	542,038
Stationery, printing, advertisement etc.	26	2,210,468	1,546,701
Chief Executive Officer's salary and allowances	27	1,872,904	1,960,000
Auditors' fees	28	410,000	380,000
Depreciation and Repair of Company's assets	29	5,674,995	5,601,236
Other expenses	30	8,695,931	7,023,459
<b>Total Operating Expenses (B)</b>		<b>133,207,293</b>	<b>124,379,810</b>
<b>Profit/(Loss) before Amortization, Provision &amp; Tax (C)=(A-B)</b>		<b>167,477,075</b>	<b>185,880,260</b>
Provision for loans and advances	31.1	27,810,000	17,000,000
Provision for incentive bonus	31.2	18,500,000	11,000,000
Provision for other assets	31.3	-	-
<b>Total Provision (D)</b>	<b>31</b>	<b>46,310,000</b>	<b>28,000,000</b>
<b>Net Profit/(Loss) Before Tax (E)= (C-D)</b>		<b>121,167,075</b>	<b>157,880,260</b>
<b>Provision for Tax :</b>	32	<b>62,292,015</b>	<b>70,155,362</b>
Current tax	32.1	62,386,432	70,185,017
Deferred tax	32.2	(94,417)	(29,655)
<b>Net profit/(loss) after tax</b>		<b>58,875,060</b>	<b>87,724,898</b>
<b>Less: Appropriations</b>		<b>11,775,012</b>	<b>17,544,980</b>
Transferred to statutory reserve	13	11,775,012	17,544,980
Transferred to general reserve		-	-
<b>Retained Surplus</b>		<b>47,100,048</b>	<b>70,179,918</b>
<b>Earnings Per Share (EPS)</b>	17	<b>5.89</b>	<b>8.77</b>

The Annexed notes (1 to 33) form an integral part of these financial statements.

  
Head of Accounts

  
Chief Financial Officer

  
Managing Director & CEO  
(Current Charge)

  
Director

  
Director

  
Chairman

Place, Dhaka  
Date: June 12, 2024  
DVC: 2406121090AS478590

  
Hussain Farhad & Co.,  
Chartered Accountants



**Agrani SME Financing Company Limited**  
**Statement of Changes in Equity**  
For the year ended 31 December 2023

(Amount in BDT)

Particulars	Paid up Capital	Revaluation Reserve on Government Securities	Statutory Reserve	General Reserve	Retained Earnings	Total
<b>Opening Balance as at 01 January 2023</b>	1,000,000,000	-	108,018,908	54,731,264	387,163,746	1,549,913,918
Prior Year Adjustments	-	-	-	-	-	-
Adjustment of advance tax	-	-	-	-	-	-
<b>Restated balance</b>	1,000,000,000	-	108,018,908	54,731,264	387,163,746	1,549,913,918
General reserve	-	-	-	-	-	-
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-
Bonus share issue	-	-	-	-	-	-
Cash dividend	-	-	-	-	(30,000,000)	(30,000,000)
Issue right share	-	-	-	-	-	-
Net profit for the year ended 31 December 2023	-	-	-	-	58,875,060	58,875,060
Statutory reserve	-	-	11,775,012	-	(11,775,012)	-
<b>Total Balance as at 31 December 2023</b>	1,000,000,000	-	119,793,920	54,731,264	404,263,794	1,578,788,978
<b>Total Balance as at 31 December 2022</b>	1,000,000,000	-	108,018,908	54,731,264	387,163,746	1,549,913,918

The Annexed notes (1 to 33) form an integral part of these financial statements.

  
Head of Accounts

  
Chief Financial Officer

  
Managing Director & CEO  
(Current Charge)

  
Director

  
Director

  
Chairman

Place, Dhaka  
Date: June 12, 2024

**Agrani SME Financing Company Limited**  
**Statement of Cash Flows**  
For the year ended 31 December 2023

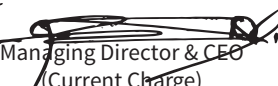
(Amount in BDT)

	2023	2022
<b>A. Cash flows from operating activities</b>		
Interest receipts in cash	397,720,886	370,288,442
Interest payments	(115,338,986)	(84,318,943)
Cash payment to employees	(123,462,595)	(113,569,166)
Cash receipts from other activities	5,246,221	11,523,440
Receipts from other operating activities	-	-
Payments for other operating activities	(19,773,505)	(17,771,518)
Income Tax Paid	(59,939,388)	(67,924,457)
Operating profit /(loss) before changing operating assets and liabilities	84,452,633	98,227,798
<b>(Increase) / decrease in operating assets</b>	<b>(961,550,000)</b>	<b>(2,083,300,000)</b>
Loan to customers	(961,550,000)	(2,083,300,000)
<b>Increase/(decrease) in operating liabilities</b>	<b>1,262,533,985</b>	<b>1,196,751,903</b>
Deposit from customers	-	-
Other liabilities	1,257,996	453,264
Loan recovered from customers	1,261,275,989	1,196,298,639
<b>Net cash from operating activities (A)</b>	<b>385,436,618</b>	<b>(788,320,299)</b>
<b>B. Cash flows from investing activities</b>		
Other Assets	141,531	124,179
Sales/(Purchase) of properties, plant & equipments	(918,129)	(954,430)
<b>Net cash from investing activities (B)</b>	<b>(776,598)</b>	<b>(830,251)</b>
<b>C. Cash flows from financing activities</b>		
Receipt/(payment) of long term borrowings	-	-
Receipt/(payment) from other borrowings	(361,249,692)	836,686,242
Cash dividend paid	(30,000,000)	(30,000,000)
<b>Net cash from financing activities (C)</b>	<b>(391,249,692)</b>	<b>806,686,242</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(6,589,672)</b>	<b>17,535,692</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>47,744,724</b>	<b>30,209,032</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>41,155,052</b>	<b>47,744,724</b>

The Annexed notes (1 to 33) form an integral part of these financial statements.

  
Head of Accounts

  
Chief Financial Officer

  
Managing Director & CEO  
(Current Charge)

  
Director

  
Director

  
Chairman

Place, Dhaka  
Date: June 12, 2024

**Agrani SME Financing Company Limited**  
**Liquidity Statement**

As at 31 December 2023

(Amount in BDT)

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5 years term	Total
<b>Assets</b>						
Cash in hand (including balance with Bangladesh Bank)	3,063,952	-	-	-	-	3,063,952
Balance with other banks and financial institutions	38,091,100	-	-	-	-	38,091,100
Money at call and short notice	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Loans, advances and leases	110,125,343	223,252,802	991,128,087	1,971,384,263	-	3,295,890,495
Fixed assets	-	-	-	-	21,581,611	21,581,611
Other assets	-	55,692	229,888,652	-	1,426,337	231,370,681
<b>Total assets</b>	<b>151,280,395</b>	<b>223,308,494</b>	<b>1,221,016,739</b>	<b>1,971,384,263</b>	<b>23,007,948</b>	<b>3,589,997,839</b>
<b>Liabilities</b>						
Borrowing from other banks and financial institutions	-	-	1,516,904,663	-	-	1,516,904,663
Deposits and other accounts	-	-	-	-	-	-
Provision and other liabilities	-	3,197,761	41,179,138	247,342,311	202,584,988	494,304,198
<b>Total liabilities</b>	<b>-</b>	<b>3,197,761</b>	<b>1,558,083,801</b>	<b>247,342,311</b>	<b>202,584,988</b>	<b>2,011,208,861</b>
<b>Net Liquidity Gap 2023</b>	<b>151,280,395</b>	<b>220,110,733</b>	<b>(337,067,062)</b>	<b>1,724,041,952</b>	<b>(179,577,040)</b>	<b>1,578,788,978</b>
<b>Net Liquidity Gap 2022</b>	<b>194,323,753</b>	<b>312,486,242</b>	<b>(437,111,263)</b>	<b>1,623,755,367</b>	<b>(143,540,181)</b>	<b>1,549,913,918</b>

Net result of the Liquidity Statement represents the Shareholders' Equity of the Company.

  
Head of Accounts

  
Chief Financial Officer

  
Managing Director & CEO  
(Current Change)

  
Director

  
Director

  
Chairman

Place, Dhaka  
Date: June 12, 2024

## **Agrani SME Financing Company Limited** **Notes to the Financial Statements**

As at and for the year ended 31 December 2023

### **1 BACKGROUND INFORMATION**

#### **1.1 Establishment and status of Agrani SME Financing Company Limited**

The Agrani SME Financing Company Limited (the Company) has been incorporated as a public limited company on 27 October, 2010 vide certificate of incorporation No. C- 87827/10. The company has taken over the ongoing work of Small Enterprise Development Project (A Norway and Agrani bank funded Project of Ministry of Finance, Bangladesh) on a going concern basis through a Vendor's Agreement signed among the Ministry of Finance of the People's Republic Bangladesh, the Board of Directors on behalf of the Agrani Bank Limited and the Board of Directors on behalf of the Agrani SME Financing Company Limited on the 27th December, 2011. The company has set 31 December, 2011 as the effective date of handing over the SEDP operation to Agrani SME Financing Company Limited. The Company's current shareholdings comprise the Agrani Bank Limited and six other shareholders nominated by the Bank. The company has 53 branches as on 31 December, 2023 (with no overseas branch).

#### **1.2 Nature of business**

The principal activities of the company are providing support to the Cottage, Micro, Small and Medium Enterprises (CMSME) all over the country providing loans and advances (as per Small Enterprise Development Project's guidelines) to the Entrepreneurs/Customers'.

### **2 SIGNIFICANT ACCOUNTING POLICIES**

#### **2.01 Statement of compliance**

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement which is stated at in accordance with the Companies Act 1994, Finance Company Act 2023, Bangladesh bank's guidelines and circulars, Securities and Exchange Commission's Rules, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No.: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been excluded in preparing the financial statements.

#### **2.02 Basis of measurement**

These financial statements have been prepared based on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

#### **2.03 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance of Bangladesh Bank's requirements**

Bangladesh Bank, Central Bank of Bangladesh is the prime regulatory body for Non-Banking Financial Institutions (NBFI) in Bangladesh. The Company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank.



Bangladesh Bank has issued template for financial statements which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include 'Other Comprehensive Income (OCI)' nor are the elements of Other Comprehensive Income allowed to be included in the Single Comprehensive Income (OCI) Statement. As such the company does not prepare the other comprehensive income statement. However, the company does not have any elements of OCI to be presented.

#### **2.04 Presentation and functional currency and level of precision**

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest BDT.

#### **2.05 Use of estimates and judgments**

The preparation of financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standard (IFRS) requires management to make estimates and assumptions that effect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent asset and liabilities at the date of the financial statements.

The most critical estimates and judgments are applied to the following:

- a. Provision for impairment of loans and advances;
- b. Gratuity fund and;
- c. Contributory provident fund (CPF)

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

#### **2.06 Directors' responsibility statement**

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

#### **2.07 Branch accounting**

The Company has 53 branches with no overseas branch as on December 31, 2023. Accounts of the branches are maintained at the branch office and finally these are consolidated with head office from which these accounts are drawn up.

#### **2.08 Accounting period**

The financial year of the company covers from 1 January 2023 to 31 December 2023.

#### **2.09 Loans and advances**

##### **2.09.1 Presentation of loans and advances**

Loans and advances are initially recognized at fair value, representing the cash advanced to the borrower plus the net of direct and incremental transaction costs, accrued interest, fees and charges. They are subsequently measured at amortized cost shown at gross amount.

##### **2.09.2 Provision for loans and advances**

- (a) Provision for loans and advances has been made on the basis of instructions contained in Bangladesh Bank DFIM



Master Circular No. 04 dated July, 26, 2021, DFIM Circular Letter No. 6 dated 1st November, 2022, DFIM Circular Letter No. 33 dated December, 19, 2021, DFIM(P) 1052/27/2022-6 dated January 02, 2022. DFIM Circular letter no. 27, date 21 December, 2022.

### 2.09.3 Others

Agrani SME Financing Company Limited disburses loans and advances basically to micro and small & cottage category of borrowers, to be exact, most of the loans and advances that are disbursed from the company fall within the amount of three to four lac. The missing middle entrepreneurs/borrowers those we provide loans and advances do not have audited financial statements. So, there is a very little scope to implement DIFM circular No. 08, dated 17 August, 2021 and recommendation of Financial Reporting Council.

## 2.10 Fixed assets and depreciation

### i) Recognition and measurement (Owned Assets)

Items of own property and equipments are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16 “Property, Plant and Equipment”.

### ii) Recognition and measurement

Subsequent expenditures are capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

### iii) Depreciation

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16 “Property, Plant and Equipment”. Depreciation is charged at day basis on addition and disposal of assets. Asset category wise depreciation rates are as follows:

Motor Vehicles	20%
Computer and Computer Accessories	20%
Furniture & Fixtures	10%
Other /Office Equipments	20%
Electrical Equipments	20%
Library Books	20%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss account. Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

## 2.11 Leases

IFRS 16: Leases has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). As Bangladesh Bank (BB) has no other alternative regulation or guidance regarding the same, Agrani SME Financing Company Limited has adopted IFRS 16 in preparing financial statements from 1 January 2021.

IFRS 16 Leases, defines a ‘lease’ as “A contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration”. In order for such a contract to exist the user of the asset needs to have the right





to:

- Obtain substantially all the economic benefits from the use of assets (identifiable assets)
- The right to direct the use of assets

Agrani SME Financing Company Limited applied IFRS 16 to measure the lease liability at the present value of the lease payments, discounted it using the company incremental borrowing rate (5%) at the date of initial application, and recognized a right-of-use asset at the date of initial application on a lease-by-lease basis. As per IFRS 16: Leases, summary of lease related information is stated in note no. 7.

## **2.12 Revenue recognition**

### **Interest income**

Interest on loans and advances and bank deposits/FDRs are recognized on accrual basis.

### **Other revenues**

Other charges on services rendered by the company are recognized as and when services are rendered.

## **2.13 Accounts receivables**

Accounts receivables at the balance sheet date is stated at amounts which are considered realizable.

## **2.14 Cash flow statements**

The cash flow statement is prepared using the method specified in Bangladesh Bank guidelines and format.

## **2.15 Write off**

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to an investment for which a return on the investment is not now possible or unlikely. The item's potential return is thus canceled and removed from ("written off") the Company's balance sheet.

## **2.16 Employees benefit obligation**

The company operates a retirement benefit scheme for its permanent employees, elements of which are as under:

### **a. Contributory Provident Fund (CPF)**

- Employees/members' subscription 10% and
- Company's contribution 8 and 1/3%

It is noted that a separate accounts has been maintained for CPF fund from 2016.

### **b. Gratuity Fund**

Permanent employees are entitled to get gratuity for 2 months of last basic pay for each completed year of services subject to completion of minimum of 3 years service.

It is noted that a separate accounts has been maintained for Gratuity fund from 2016.

## **2.17 Taxation**

### **i) Deferred tax**

Deferred tax has been calculated and accounted for in accordance with International Accounting Standard - 12, Income Taxes.

### **ii) Current tax**

Provisions for current tax has been made on the basis of the profit for the year as adjusted for taxation purposes in accordance with the provisions of Income Tax Ordinance, 1984, amendments made thereto and prevailing practice. The current tax rate for the Company is 40% on taxable income.



**2.18 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at bank and term deposits that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

**2.19 Earning per share (EPS)**

The Company calculates earning per share in accordance with International Accounting Standards (IAS) 33 “Earnings Per Share” which has been shown in the face of the Profit and Loss Account and in note No. 17 .

**2.20 Business commitments and contingencies**

There was no capital expenditure contracted but not incurred or provided for at 31 December 2023 (2022: nil). There was no material capital expenditure authorized by the Board but not contracted for at 31 December 2022. The Company had no claim, legal or other, against it which has not been acknowledged as debt at the balance sheet date.

**2.21 Related party disclosure**

As per International Accounting Standards (IAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with its related parties. Related party disclosures have been given in note 10.1.

**2.22 Contingent liabilities and contingent assets**

A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the Company or a present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably. At the end of the balance sheet date the company does not have any contingent liability and contingent asset to recognize and disclose.

**2.23 Particulars of audit committee**

The audit committee of the Board was duly constituted by the Board of Directors of the Company in accordance with the Bangladesh Bank’s DFIM circular no. 13 dated October 26, 2011.

The Audit Committee of the Board of Directors consisted of the following 5 (five) members of the Board:

SL	Name	Designation	Remarks
1	Md. Habibur Rahman Gazi	Chairman	Resigned but committee has not been reformed due to in availability of directors’.
2	Md. Moshir Ali	Member	
3	Mohammad Helal Uddin	Member	
4	Md. Anwarul Islam	Member	Resigned but committee has not been reformed due to in availability of directors’.
5	Md. Monirul Islam	Member	
	Md. Muzahidul Islam Zoarder	Company Secretary	

**2.24 Foreign remittance**

There was no foreign remittance during the year 2023.



## 2.25 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the year as per following bases:

- Balance with other bank and financial institutions are on the basis of their maturity term.
- Loans and advances are on the basis of their repayment/maturity schedule.
- Fixed assets are on the basis of their useful lives.
- Other assets are on the basis of their adjustment terms.
- Other liabilities are on the basis of their settlement terms.

## 2.26 Status of compliance of International Accounting Standards and International Financial Reporting Standards

In preparing the Financial Statements, Agrani SME Financing Company Limited applied following IAS:

Name of the IAS	IAS no.	Status
Presentation of Financial Statements	1	*
Inventories	2	N/A
Statement of Cash Flows	7	*
Accounting Policies, Changes in Accounting Estimates	8	Complied
Events after the Reporting Period	10	Complied
Construction Contracts	11	N/A
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Leases	17	N/A
Revenues	18	Complied
Employee Benefits	19	Complied
Accounting for Government Grants and Disclosure of	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	Complied
Related Party Disclosures	24	Complied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	N/A
Investment in Associates	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Disclosure and Presentation	32	*
Earnings per share	33	Complied
Interim Financial Reporting	34	Complied
Impairment of Assets	36	Complied
Provisions, Contingent Liabilities and Contingent Assets	37	Complied
Intangible Assets	38	Complied
Financial Instruments: Recognition and Measurement	39	*
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS no.	Status
First-time Adoption of IFRS	1	N/A
Share Base Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets held for sale and discontinued operation	5	N/A



Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	*
Operating Segments	8	Complied
Financial Instruments	9	Complied
Consolidated Financial Statements	10	N/A
Joined Arrangements	11	N/A
Disclosure of Interest in Other Entities	12	Complied
Fair Value Measurement	13	Complied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Complied
Leases	16	Complied
Insurance Contracts	17	N/A

\*As the regulatory requirements differ with the standards, relevant disclosures are made in accordance with Bangladesh Bank's requirements (please see note 2.03).

N/A= Not applicable.

## 2.27 BASEL II & Its implementation

To cope with the international best practices and to make the capital more risks sensitive as well as more shock resilient, guidelines on 'Basel Accord for Financial Institutions (BAFI)' have been introduced from 01 January 2012 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CDMD)" have come fully in force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance. As per CDMD guidelines Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10%. In line with CDMD guideline's requirement, Agrani SME Financing Company Limited has implemented the BASEL II accord.

## 2.28 Financial risk management

Agrani SME Financing Company Limited always concentrates on delivering high value to its stakeholders through appropriate tradeoff between risk and return. A well structured and proactive risk management system is in place within the Company to address risk relating to credit, market, liquidity and operations. In addition to the industry best practices for assessing, identifying and measuring risks, the Company is also committed to follow the guidelines for managing core risk of financial institutions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risk.

### Credit risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for customers maximum asset exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, annual review of clients, vigorous monitoring and follow up, taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, regular review of market situation and industry exposure etc.

### Market risk

The Company regularly meets to assess the changes in interest rate, market conditions, carry out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk, The Company has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings and financial strength.



### Liquidity Risk

Liquidity requirements are managed on a day-to-day basis by the Company which is responsible for ensuring that sufficient funds are available to meet short term obligations, even in a crisis scenario, and to maintain a diversity of funding sources. The Company maintains liquidity based on historical requirements, anticipated funding requirements from operation, current liquidity position, collections from financing, available sources of funds and risks and returns.

### Operational Risk

Appropriate internal control measures are in place, at Agrani SME Financing Company Limited, to address operational risks. Agrani SME Financing Company Limited has established an internal control & compliance department (ICCD) to address operational risk and to frame and implement policies to encounter such risks. The company have engaged experienced people to assess operational risk across the company as a whole and ensures that an appropriate framework exists to identify, access and manage operational risk.

### 2.29 Expenses

In terms of the provision of the International Accounting Standard (IAS-1) Presentation of Financial Statements, all expenses are recognized on accrual basis.

### 2.30 Particulars of Directors and their interest in the Agrani SME Financing Company Limited as on 31-12-2023

SL No.	Name and address	Status	Date of original appointment	No. of shares held in the Bank
1	Md. Murshedul Kabir (Representing Agrani Bank PLC.)	Chairman and Director	17.10.2022	9,999,988.00
2	Md. Moshirur Ali	Director	18.10.2021	2.00
3	Md. Habibur Rahman Gazi	Retired Director but share has not been transferred yet	12.12.2021	2.00
4	Md. Anwarul Islam	Retired Director but share has not been transferred yet	22.08.2022	2.00
5	Md. Monirul Islam	Retired Director but share has not been transferred yet	22.08.2022	2.00
6	Wahida Begum	Director	21.12.23	2.00
7	Md. Rafiqul Islam	Retired Director but share has not been transferred yet	14.12.2020	2.00
<b>Total</b>				<b>10,000,000</b>

### 2.31 Name of the Directors and their interest in different entities as on 31-12-2023

SL No.	Name of the Directors	Designation with Company	Entities where they have interest	"Position with the Entities"
1	Md. Murshedul Kabir (Representing Agrani Bank PLC.)	Chairman and Director	Agrani Bank PLC.	MD & CEO
2	Md. Moshirur Ali	Director	Agrani Bank PLC.	Ex. DMD
3	Mohammad Helal Uddin	Director	Ministry of Finance	Deputy Secretary
4	Wahida Begum	Director	Agrani Bank PLC.	DMD
5	Md. Muzahidul Islam Zoarder	MD and CEO (current charge)	Agrani SME Financing Company Limited	



### 2.32 Comparative Information

Comparative information have been disclosed in respect of year ended from 01 January 2022 to 31 December 2022 for all numerical information in the financial statements and also the narratives and descriptive information when it is relevant for understanding of the current year's financial statements.

### 2.33 Incentive Bonus

Incentive bonus amounting to Tk. 1,85,00,000 is charged against current year's profit as per confirmation from the management.

### 2.34 Dividend

Dividend is proposed, paid and recorded in line with all regulatory guidelines and on company policy. It has been complied with DFIM circular No-01, dated 24 February, 2021.

#### 2.33.1 Proposed dividend

Proposed dividend has not been recognized as a liability in the balance sheet in accordance with International Standard Accounting (IAS): 10 " Events After the Reporting Period".

### 2.35 Events after the reporting period

All materials events occurring after the reporting date have been considered and where necessary, adjusted for or disclosed in note 16.1.

The Board of Director of Agrani SME Financing Company Limited at its 127th Board Meeting held on 12/06/24 recommended to the shareholders a cash dividend @ 3% i.e BDT 3.00 per share (amounting to BDT 3,00,00,000) based on financial performance of 2023. This will be considered for approval by the shareholder at the 13th AGM (Annual General Meeting) of the company.

### 2.36 COVID-2019 Impacts

All over the world badly affected by Corona pandemic from 2020 and also continuing its impact till now. The economy of Bangladesh was not exception to that. As a result, the targeted performance of the company during the year 2023 had been affected a little bit.





		(Amount in BDT)	
	<u>Note</u>	<b>As at 31 Dec, 2023</b>	<b>As at 31 Dec, 2022</b>
<b>3 Cash</b>		<b>3,063,952</b>	<b>10,435,674</b>
Cash in hand	3.1	1,732,243	103,659
Balance with Bangladesh Bank and its agent bank		1,331,709	10,332,015
<b>3.1 Cash in hand</b>		<b>1,732,243</b>	<b>103,659</b>
Cash in hand (petty expenses)		29,088	37,159
Cash in hand (loan recovery)		1,703,155	66,500
<b>4 Balance with other Banks and Financial Institutions</b>		<b>38,091,100</b>	<b>37,309,050</b>
Short term deposit	Annexure-1	38,091,100	37,309,050
<b>4.1 Balance with other Banks and Financial Institutions</b>			
Local currency	4.1.1	38,091,100	37,309,050
Foreign currencies		-	-
<b>4.1.1 Local currency</b>		<b>38,091,100</b>	<b>37,309,050</b>
Head Office	Annexure-1	7,127,798	10,653,904
Branches	Annexure-1	30,963,302	26,655,146
<b>4.2 Balance with Banks and Financial Institutions</b>		<b>38,091,100</b>	<b>37,309,050</b>
Bank Balance with Agrani Bank PLC.	Annexure-1	33,099,204	34,203,286
Bank Balance with Others Bank (other than Agrani Bank PLC.)	Annexure-1	4,991,896	3,105,764
<b>4.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)</b>			
Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with Financial Institution Act, 1993 and 2023 & Financial Institution Regulations 1994 and FID Circular No. 06 dated November 06, 2003 and FID Circular No. 02 dated November 10, 2004. The company does not collect any deposit; therefore there is no need to maintain Cash Reserve Requirement (CRR). Yet, the Agrani SME Financing Company Limited had kept Tk. 30,63,952/- (note 3) as CRR on 31, December 2023.			
Statutory Liquidity Reserve (SLR) has been calculated at the rate of 2.5% on other liabilities. SLR is maintained in liquid assets in the form of cash in hand, deposits (notes & coin in BDT) in banks including Bangladesh Bank and other financial institutions. The company is maintaining bank accounts in head office and 53 branches with different banks where sufficient amount has been deposited (balance as on 31 December 2023 was Tk. 3,80,91,100/-) as Statutory Liquidity Reserve (SLR). Besides, the company is maintaining an account with Bangladesh Bank where as on 31 December 2023 the balance is Tk. 13,31,709/-.			
<b>5 Loans, cash credit and overdrafts etc.</b>	<b>Annexure-2</b>	<b>3,295,890,495</b>	<b>3,567,247,027</b>
<b>5.1 Sector wise details of loans and advances</b>			
<b>A. Trade and Commerce</b>		<b>1,800,217,574</b>	<b>1,939,409,928</b>
<b>B Industry</b>		<b>103,112,585</b>	<b>117,147,952</b>
a) Garments and Knitwear		39,208,301	45,381,418
b) Textile		45,229,731	52,350,666
c) Food Production and Processing Industry		2,653,622	3,439,900
d) Jute and Jute-Products		-	-
e) Plastic Industry		18	18
f) Leather and Leather-Goods		474,560	657,932
g) Iron, Steel and Engineering		4,185,425	2,009,100
h) Pharmaceuticals and Chemicals		1,688,835	1,221,972
i) Cement and Allied Industry		-	-
j) Paper, Printing, Packaging, Publishing & Allied Industry		5,043,747	4,939,445
k) Wood, Furniture and Fixture		2,827,235	5,037,421
l) Glass, Glassware and Ceramic Industry		300,341	448,668
m) Ship Manufacturing & Breaking		-	-
n) Electronics and Electrical Products		1,051,043	1,175,578
o) Power, Gas, Water and Sanitary Service		145,491	145,341
p) Transport and Aviation		-	-
q) Others		304,236	340,493



		(Amount in BDT)	
	<u>Note</u>	As at 31 Dec, 2023	As at 31 Dec, 2022
<b>C. Agriculture</b>		<b>1,268,970,301</b>	<b>1,363,289,812</b>
a) Crops		-	-
b) Forestry		-	-
c) Poultry & Livestock		1,139,121,014	1,187,020,516
d) Fisheries		28,728,390	46,511,200
e) Others (clod storage, Bio fuel, feed, agri related other institutions & services)		101,120,897	129,758,096
<b>D. Mining &amp; Quarrying</b>		-	-
<b>E. Housing</b>		-	-
<b>F. Financial Corporation</b>		-	-
<b>G. Service</b>		<b>86,906,596</b>	<b>111,078,067</b>
a. Education, Career & Training (Institution), Consultancy Supervisory		3,591,570	3,279,610
b. Tourism, Hospitality & Logistics		-	-
c. Health Sector		5,413,236	6,194,391
d. Media, Advertising & Event Management		1,196,520	1,029,168
e. Beautification & Gym		1,963,596	932,616
f. Tailoring & Laundry		15,183,446	18,583,286
g. Private Survey Institution		-	-
h. Restaurant Service, Catering & Online Food Supplier		7,409,501	10,130,608
i. Telecommunication & Information Technology		2,805,135	317,849
j. Others		49,343,592	70,610,539
<b>H. Consumer Finance</b>		-	-
<b>I. Others</b>		<b>36,683,439</b>	<b>36,321,268</b>
<b>Total</b>		<b>3,295,890,495</b>	<b>3,567,247,027</b>
<b>5.2 Loans and advances as per loan nature</b>			
i) Trading		1,800,217,574	1,939,409,928
ii) Manufacturing (industry)		103,112,585	117,147,952
iii) Agriculturing		1,268,970,301	1,363,289,812
iv) Servicing		86,906,596	111,078,067
v) Others		36,683,439	36,321,268
		<b>3,295,890,495</b>	<b>3,567,247,027</b>
<b>5.3 Loans and advances as per loan nature (General and COVID 19)</b>			
i) General loans and advances	Annexure-2	3,286,080,560	3,516,538,549
ii) Special loans and advances (COVID 19)	Annexure-2	9,809,935	50,708,478
		<b>3,295,890,495</b>	<b>3,567,247,027</b>
<b>5.3 Loans and advances as per geographical location-wise</b>			
Rural area	Annexure-2	2,104,072,475	2,259,672,486
Urban area	Annexure-2	1,191,818,020	1,307,574,541
<b>Total</b>		<b>3,295,890,495</b>	<b>3,567,247,027</b>



		(Amount in BDT)	
Note	As at 31 Dec, 2023	As at 31 Dec, 2022	
<b>5.4 Details of large loan / investments</b>			
There were no clients with outstanding amount and classified loans/investments exceeding 15% of total capital of the financial institution.			
<b>5.5 Particulars of Loans and advances</b>			
i)	Loans and advances considered good in respect of which the financial institution is fully secured	23,060,632	31,399,568
ii)	Loans and advances considered good against which the financial institution holds no security other than the debtors' personal guarantee.	-	-
iii)	Loans and advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	3,272,829,863	3,535,847,459
iv)	Loans and advances adversely classified for which no provision is created	-	-
v)	Loans and advances due by directors or officers of the financial institution or any of them either separately or jointly with any other persons.	-	-
vi)	Loans and advances due from companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in case of private companies, as members	-	-
vii)	Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the financial institution or any of them either separately or jointly with any other person.	-	-
viii)	Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the financial institutions have interest as directors, partners or managing agents or in the case of private companies, as member	-	-
ix)	Due from bank and financial institutions	-	-
	<b>Total outstanding</b>	<b>3,295,890,495</b>	<b>3,567,247,027</b>
<b>x) Classified Loans and advances</b>			
a)	Classified Loans and advances on which interest has not been charged	68,005,158	43,242,917
b)	Total general (classified and unclassified) provision on Loans and advances	113,548,942	63,005,355
c)	Provision kept against loans and advances classified as bad debts	56,656,579	34,858,644
d)	Interest credited to interest suspense account	25,729,552	8,399,291
	Interest debited to interest suspense account	14,941,085	6,906,912
	Balance at December 31, 2023	19,831,822	9,043,355
xi)	<b>Cumulative amount of written off loans and advances</b>	101,076,034	101,076,034
	Opening Balance	101,076,034	101,076,034
	Amount written off during the year	-	-
	Amount recovery from written off during the year	3,217,587	5,503,249
	Total cumulative amount principal realized against loans and advances previously written off	69,287,029	66,069,442
	Balance of write off Loans and advances as on 31 December 2023	31,789,005	35,006,592
xii)	a) Cumulative amount of Loans and advances for which law suits have been filed.	94,999,758	84,309,124
	b) The amount loans and advances for which law suits have been filed during the year	10,690,634	2,752,341
	c) Law suited Loans and advances (outstanding)	17,197,549	12,252,417



		(Amount in BDT)	
	<u>Note</u>	As at 31 Dec, 2023	As at 31 Dec, 2022
<b>5.6 Classification of loans, advances and leases</b>			
<b><u>Unclassified:</u></b>			
Standard loan		2,942,634,420	3,437,830,439
Special mention account (SMA)		127,401,037	36,218,732
<b>Sub. Total</b>		<b>3,070,035,457</b>	<b>3,474,049,171</b>
<b><u>Classified</u></b>			
Sub-standard		105,610,950	35,312,329
Doubtful		52,238,930	14,642,610
Bad / Loss		68,005,158	43,242,917
<b>Sub. Total</b>	Annexure-5	225,855,038	93,197,856
<b>Total</b>	Annexure-2	<b>3,295,890,495</b>	<b>3,567,247,027</b>
<b>5.7 Particulars of base for provision for loans and advances</b>			
<b>General Provision</b>		<b>Base for provision as at 31 Dec 2023</b>	<b>Base for provision as at 31 Dec 2022</b>
Loans and Advances (Excluding SMA)		2,942,634,420	3,437,830,439
Special mention account (SMA)		124,782,991	35,690,741
<b>Sub. Total</b>		<b>3,067,417,411</b>	<b>3,473,521,180</b>
<b>Specific Provision</b>			
Sub-standard		100,387,412	32,709,657
Doubtful		46,103,394	11,966,767
Bad / Loss		56,656,579	34,858,644
<b>Sub. Total</b>		<b>203,147,385</b>	<b>79,535,068</b>
<b>Total</b>		<b>3,270,564,796</b>	<b>3,553,056,248</b>
<b>5.8 Particulars of required provision for loans and advances</b>			
<b>General Provision</b>		<b>% of base for provision</b>	<b>Required for provision as at 31 Dec 2023</b>
Loans and Advances (Excluding SMA)	0.25%	7,356,586	8,594,576
Special mention account (SMA)	5%	6,239,150	1,784,537
<b>Sub. Total</b>		<b>13,595,736</b>	<b>10,379,113</b>
<b>Specific Provision</b>			
Sub-standard	20%	20,077,482	6,541,931
Doubtful	50%	23,051,697	5,983,384
Bad / Loss	100%	56,656,579	34,858,644
<b>Sub. Total</b>		<b>99,785,758</b>	<b>47,383,959</b>
<b>Total</b>		<b>113,381,494</b>	<b>57,763,072</b>



		(Amount in BDT)	
<b>Note</b>	<b>As at 31 Dec, 2023</b>	<b>As at 31 Dec, 2022</b>	
<b>5.9 Summary of provision (required and kept) for loans and advances</b>			
Required provision (general) for loans and advance	5.8	113,381,494	57,763,072
Total provision (general) maintained	11.2.b	113,548,942	63,005,355
<b>Excess / (short) general provision at 31 December, 2023</b>		<b>167,448</b>	<b>5,242,283</b>
Required special provision for loans (COVID 19)	Annexure-5	24,255,043	36,413,000
Maintained special provision for loans (COVID 19)	11.2.c	24,300,000	43,816,000
<b>Excess / (short) special provision at 31 December, 2023</b>		<b>44,957</b>	<b>7,403,000</b>
Total required provision		137,636,537	94,176,072
Total provision kept		137,848,942	106,821,355
<b>Excess / (short) total provision at 31 December, 2023</b>		<b>212,405</b>	<b>12,645,283</b>
<b>5.10 Details of sustainable finance as on 31-12-2023</b>			
Green finance		178,495,032	166,038,198
Sustainable link finance		1,070,699,351	1,131,564,726
<b>Total sustainable finance</b>		<b>1,249,194,383</b>	<b>1,297,602,924</b>
<b>Green equity (shareholder's equity/Total loans and advances*Sustainable finance)</b>		<b>598,385,877</b>	<b>563,788,495</b>



6. Fixed assets excluding lease as at 31 December 2023

(Amount in Taka)

SL No.	Name of assets	Value at cost				Rate %	Depreciation			Written down value as on 31-12-2023	Written down value as on 31-12-2022
		Opening	Addition	Disposal	Closing		Opening	Charged	Adjustment		
1	Land and Buildings	-	-	-	-	10%	-	-	-	-	-
2	Motor Vehicles	20,060,587	-	-	20,060,587	20%	1,382,357	-	17,398,787	2,661,800	4,044,157
3	Computers	10,528,898	623,800	55,221	11,097,477	20%	460,232	55,215	9,380,474	1,717,003	1,553,441
4	Furniture & Fixtures	9,504,614	203,126	6	9,707,734	10%	556,540	-	8,246,658	1,461,076	1,814,496
5	Other/Office Equipments	148,591	-	-	148,591	20%	-	-	148,452	139	139
6	Electrical Equipments	711,547	91,203	3	802,747	20%	8,816	-	702,267	100,480	18,096
7	Library Books	43,365	-	-	43,365	20%	159	-	43,223	142	301
	<b>Total</b>	<b>40,997,602</b>	<b>918,129</b>	<b>55,230</b>	<b>41,860,501</b>		<b>33,566,972</b>	<b>2,408,104</b>	<b>35,919,861</b>	<b>5,940,640</b>	<b>-</b>
	<b>Balance as at 31 December-2022</b>	<b>40,043,172</b>	<b>954,430</b>	<b>-</b>	<b>40,997,602</b>		<b>31,082,766</b>	<b>2,484,206</b>	<b>33,566,972</b>	<b>-</b>	<b>7,430,630</b>





**7. IFRS 16: Leases, summary of lease related information as at 31 December 2023**

**7.1 Right-of-use assets (ROU) as on 31.12.2023**

The company recognizes right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented below under fixed assets including lease (Note-8):

(Amount in Taka)

Year	Value at Cost			Depreciation			Written down value as on 31.12.2023	Written down value as on 31.12.2022
	Opening Balance	Addition/ (Termination)	Closing Balance	Opening Balance	Addition/ (Adjusted)	Accumulative depreciation		
2023	6,022,831	11,356,026	17,378,857	2,409,132	(671,246)	1,737,886	15,640,971	
2022	6,022,831	-	6,022,831	1,204,566	1,204,566	2,409,132		3,613,699

**7.2 Lease Liability as on 31.12.2023**

At the commencement date of lease, the company recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments. The details of Lease Liability (note 11.8) Amortization Schedule of 2022 and 2023 is as follows:

(Amount in Taka)

Year	Opening Balance	Addition	Termination	Leas/rent Payment	Interest expenses @ 5%	Accumulative payment and interest expenses	Balance as on 31.12.2023	Balance as on 31.12.2022
	1	2	3	4	5	6	7=(1+2-3-4+5)	8=(1+2-3-4+5)
2023	3,811,172	17,378,857	3,645,072	1,903,986	-	1,903,986	15,640,971	
2022	4,943,973	-	-	1,380,000	247,199	1,627,199		3,811,172

**7.3 Short-term lease and leases of low value assets**

The company has elected not to recognize ROU assets and lease liabilities for leases of low value assets and short-term lease, i.e. for which the lease term ends within 12 months of the date of initial application. The company recognizes lease payments associated with these leases as an expense. The contract for premises with branches and head office is considered for lease calculation. It is mentionable, as per simplified approach for short-term or low-value leases Agrani SME Financing Company Limited is considered TK.20,00,000.00 or above TK.20,00,000.00 as a Lease Assets. It is also mentionable that per month office rent of branches is between TK.5000.00 and TK.15,000.00 which means low-value leases. The impacts of the new standard on lessees' financial statements are:

- An increase in recognized assets and liabilities;
- More lease expenses recognized in early periods of lease, and less in the later periods of a lease;
- A shift in lease expense classification from rental expenses to interest expense and depreciation

**7.4 Lease assets (office rent) payment**

During the year (2023) total TK.19,03,986/- (including VAT TK. 2,48,346/-) has been paid to Shamsul Alamin Real Estate Limited as lease assets (office rent) payment.



		(Amount in BDT)	
	Note	As at 31 Dec, 2023	As at 31 Dec, 2022
<b>8 Fixed Assets including Premises, Furniture and Fixture</b>			
<b>8.1 Fixed assets excluding lease</b>	<b>6</b>		
Opening balance		40,997,602	40,043,172
Addition during the year		918,129	954,430
Revaluation during the year		-	-
Disposal during the year		(55,230)	-
<b>Closing balance</b>		<b>41,860,501</b>	<b>40,997,602</b>
<b>Less: Accumulative depreciation</b>	<b>6</b>		
Opening balance		33,566,972	31,082,766
Charge during the year		2,408,104	2,484,206
Adjustment during the year		(55,215)	-
<b>Closing balance</b>		<b>35,919,861</b>	<b>33,566,972</b>
<b>Written down value</b>		5,940,640	7,430,630
<b>8.2 Lease assets</b>	<b>7.1</b>		
Right of usage assets (ROU)		17,378,857	6,022,831
Less: Accumulative depreciation on lease assets		(1,737,886)	(2,409,132)
<b>Written down value of lease assets</b>		<b>15,640,971</b>	<b>3,613,699</b>
<b>Total written down value of fixed assets</b>		<b>21,581,611</b>	<b>11,044,329</b>
<b>9 Other Assets:</b>		<b>231,370,681</b>	<b>251,339,480</b>
Accrued Interest Income on Loans and Advances (COVID 19)		1,951,562	2,335,705
Advance Income Tax	9.1	227,836,792	247,374,334
Advance against other Expenses		55,692	41,211
Deferred Tax Assets	9.3	1,423,737	1,329,320
Advance Rent on Premises		100,298	256,310
Security Deposit		2,600	2,600
<b>9.1 Advance Income Tax</b>	<b>9.1.c</b>	<b>227,836,792</b>	<b>247,374,334</b>
Advance Tax deducted at sources (TDS)	9.1.a	418,094	3,801,439
Advance Income Tax (paid)	9.1.b	227,418,698	243,572,895
<b>9.1.a Advance Tax deducted at sources (TDS)</b>		<b>418,094</b>	<b>3,801,439</b>
Opening balance		3,801,439	3,726,434
Add: Addition during the year 2022		-	75,005
Add: Addition during the year 2023		110,321	-
Less: Adjustment for the year 2018		(1,805,954)	-
Less: Adjustment for the year 2019		(1,687,712)	-
<b>Closing balance</b>		<b>418,094</b>	<b>3,801,439</b>
<b>9.1.b Advance Income Tax (paid)</b>		<b>227,418,698</b>	<b>243,572,895</b>
Opening balance		243,572,895	175,723,443
Add: Addition for the year for 2018		862,989	143,000
Add: Addition for the year for 2019		423,469	-
Add: Addition for the year for 2020		-	-
Add: Addition for the year for 2021		-	16,511,392
Add: Addition for the year for 2022		18,641,116	51,195,060
Add: Addition for the year for 2023		40,011,814	-
Less: Adjustment for the year 2018		(31,834,889)	-
Less: Adjustment for the year 2019		(44,258,696)	-
<b>Closing balance</b>		<b>227,418,698</b>	<b>243,572,895</b>
<b>9.1.c Summary of advance tax</b>			
For income year 2018 (assessment year 2019-20)		-	32,777,854
For income year 2019 (assessment year 2020-21)		-	45,522,939
For income year 2020 (assessment year 2021-22)		54,428,088	54,428,088
For income year 2021 (assessment year 2022-23)		63,375,388	63,375,388
For income year 2022 (assessment year 2023-24)		69,911,181	51,270,065
For income year 2023 (assessment year 2024-25)		40,122,135	-
<b>Total</b>		<b>227,836,792</b>	<b>247,374,334</b>



		(Amount in BDT)	
	Note	As at 31 Dec, 2023	As at 31 Dec, 2022
<b>9.2 Provision for deferred tax liability (assets)</b>		<b>(94,417)</b>	<b>(29,655)</b>
Fixed Asset as per Accounts	6	5,940,640	7,430,630
Fixed Asset as per Tax base	Annexure-8	(9,499,982)	(10,753,929)
		<b>(3,559,342)</b>	<b>(3,323,299)</b>
Tax Rate		40.00%	40.00%
Deferred Tax Liability/(Assets)		(1,423,737)	(1,329,320)
<b>9.3 Deferred tax assets</b>		<b>1,423,737</b>	<b>1,329,320</b>
Opening balance		1,329,320	1,299,665
Add/(Less): Addition/(Deduction) during the year	9.2	94,417	29,655
<b>Closing balance</b>		<b>1,423,737</b>	<b>1,329,320</b>
<b>10 Borrowings from other Banks, Financial Institutions and agents</b>		<b>1,516,904,663</b>	<b>1,878,154,355</b>
Borrowing OD Loan from Agrani Bank Limited.	10.1	1,500,642,163	1,862,391,855
Borrowing from BD Bank (Refinance: COVID 19)	10.2	16,262,500	15,762,500
<b>10.1 Borrowing OD Loan from Agrani Bank Limited.</b>		<b>-</b>	<b>-</b>
Opening balance		1,862,391,855	1,023,340,613
Add: Addition during the year		376,450,308	1,041,151,242
Less: Payment made during the the year		(738,200,000)	(202,100,000)
<b>Closing balance</b>		<b>1,500,642,163</b>	<b>1,862,391,855</b>
<b>10.2 Borrowing from BD Bank (Refinance: COVID 19)</b>		<b>-</b>	<b>-</b>
Opening balance		15,762,500	18,127,500
Add: Addition during the year		16,262,500	16,181,600
Less: Payment made during the the year		(15,762,500)	(18,546,600)
<b>Closing balance</b>		<b>16,262,500</b>	<b>15,762,500</b>
<b>11 Other Liabilities</b>		<b>494,304,198</b>	<b>449,307,287</b>
Provision for expenses	11.1	675,268	363,080
Sundry creditors	11.2	1,259,418	246,098
Provision for loans and advances	11.3	137,848,942	106,821,355
Provision for CPF expenses		-	82,494
Provision for incentive bonus	11.4	18,804,901	14,479,698
Provision for current tax	11.5	247,342,311	264,543,130
Excise duty collection at source		2,474,350	-
Provision for tax deducted at source		15,170	188
Provision for VAT/VDS		32,973	21,348
Interest payable on refinance scheme: BB (COVID19)		645,997	311,793
Provision for audit fees		537,000	488,500
Interest suspense	11.6	19,831,822	9,043,355
Loan risk/ loan risk coverage fund	11.7	49,095,075	49,095,075
Climate risk fund (CRF)		100,000	-
Lease liabilities	11.8	15,640,971	3,811,172
<b>11.1 Provision for expenses</b>		<b>675,268</b>	<b>363,080</b>
Opening balance		363,080	139,395
Add: Addition during the period	11.1.1	584,188	272,000
Less: Adjusted/transfer during the period	31.1	(272,000)	(48,315)
<b>Closing balance</b>		<b>675,268</b>	<b>363,080</b>
<b>11.1.1 Provision for expenses added during this period</b>		<b>584,188</b>	<b>272,000</b>
Electricity and water and sewerage bill		35,000	35,000
Provision for office rent November and December 2022, HO		-	230,000
Corporate Social Responsibilities (CSR)		150,000	-
Maintenance of Software/ITIL		377,625	-
Provision for telephone bill		7,000	7,000
Provisional Expenses of Sadarpur Branch		14,563	-
<b>Closing balance</b>		<b>584,188</b>	<b>272,000</b>



		(Amount in BDT)	
	Note	As at 31 Dec, 2023	As at 31 Dec, 2022
<b>11.2 Sundry Creditors</b>		<b>1,259,418</b>	<b>246,098</b>
Opening balance		246,098	74,000
Add: Addition during the period		1,222,111	971,444
Less: Adjusted/transfer during the period		(208,791)	(799,346)
<b>Closing balance</b>		<b>1,259,418</b>	<b>246,098</b>
<b>11.2.1 Sundry creditors (loans and advances)</b>		<b>129,492</b>	<b>246,098</b>
Opening balance		246,098	74,000
Add: Addition during the period		92,185	971,444
Less: Adjusted/transfer during the period		(208,791)	(799,346)
<b>Closing balance</b>		<b>129,492</b>	<b>246,098</b>
<b>11.2.2 Sundry creditor (Return of Early Settlement Fees)</b>		<b>1,106,953</b>	-
Opening balance		-	-
Add: Addition during the period	Annexure-9	1,106,953	-
Less: Adjusted/transfer during the period		-	-
<b>Closing balance</b>		<b>1,106,953</b>	-
<b>11.2.3 Sundry creditor (Others)</b>		<b>22,973</b>	-
Opening balance		-	-
Add: Addition during the period		22,973	-
Less: Adjusted/transfer during the period		-	-
<b>Closing balance</b>		<b>22,973</b>	-
<b>11.3 Provision for loans and advances</b>			
Opening balance		106,821,355	84,318,106
Add: Addition during the year	Annexure-7	3,217,587	5,503,249
Add: Charge to Profit and Loss Account	31.1	27,810,000	17,000,000
Less: Write off during the year	Annexure-7	-	-
<b>Closing balance</b>		<b>137,848,942</b>	<b>106,821,355</b>
<b>11.2.a Summary of provision for loans and advances</b>			
General provision for loans and advances	11.2.b	113,548,942	63,005,355
Special provision for loans and advances (COVID 19)	11.2.c	24,300,000	43,816,000
<b>Total</b>		<b>137,848,942</b>	<b>106,821,355</b>
<b>11.2.b General provision for loans and advances</b>		<b>113,548,942</b>	<b>40,502,105</b>
Provision for unclassified loans and advances	5.8	13,595,736	10,379,113
Specific provision for classified loans and advances	5.8	99,785,758	47,383,959
Special provision for loans and advances as Surplus	Annexure-5	167,448	5,242,283
<b>11.1.c Special provision for loans and advances (COVID 19)</b>	Annexure-5	<b>24,300,000</b>	<b>43,816,000</b>
<p>The amount of TK. 2,43,000/- (2% of outstanding, who had taken advantages of 15% installment, as per Bangladesh Bank's Directive No. DFIM (P) 1052/27/2022-6 dated January 02, 2022.) had been kept as special provision for COVID 19 issues in year 2021. As per Bangladesh Bank's Directive No. DFIM (P) 1052/27/2022-6 dated January 02, 2022 the required provision in year 2023 for loans and advances (COVID 19) is TK. 2,42,55,043/-</p>			
<b>11.4 Provision for Incentive Bonus</b>		<b>18,804,901</b>	<b>14,479,698</b>
Opening balance		14,479,698	13,913,346
Add: Provision made during year for all employees	31.1.a	18,050,000	10,680,000
Add: Provision made during year for MD and CEO	31.1.a	450,000	320,000
Add: Return from K.Shamim Ara, PO		-	142,800
Less: Payment made during the year for all employees		(13,854,797)	(10,336,448)
Less: Payment made during the year MD and CEO		(320,000)	(240,000)
<b>Closing balance</b>		<b>18,804,901</b>	<b>14,479,698</b>



		(Amount in BDT)	
	Note	As at 31 Dec, 2023	As at 31 Dec, 2022
<b>11.5 Provision for Current tax</b>		<b>247,342,311</b>	<b>264,543,130</b>
Opening balance		264,543,130	194,358,113
Add: Provision made during the year	32	62,386,432	70,185,017
Less: Adjustment for the year 2018		(33,640,843)	-
Less: Adjustment for the year 2019		(45,946,408)	-
<b>Closing balance</b>		<b>247,342,311</b>	<b>264,543,130</b>
<b>11.5.a. Summary of provision for Current tax</b>			
Deferred Tax Liabilities/(Assets)		(1,329,320)	(1,329,320)
Provision for Current tax 2018 (assessment 2019-20)		-	32,634,854
Provision for Current tax 2019 (assessment 2020-21)		-	45,522,939
Provision for Current tax 2020 (assessment 2021-22)		54,428,088	54,428,088
Provision for Current tax 2021 (assessment 2022-23)		63,375,388	63,375,388
Provision for Current tax 2022 (assessment 2023-24)		69,911,181	69,911,181
Provision for Current tax 2023 (assessment 2024-25)		60,956,974	-
		<b>247,342,311</b>	<b>264,543,130</b>
Provision has been made TK.6,09,56,974/- for the year 2023. Besides, it has been also included provision of tax for the previous years (2020, 2021 and 2022) as tax assessment (assessment/ appeal/ appeal tribunal consequently) under processing by the tax authority. So provision of tax for the year ended '31 December 2020, 2021 and 2022 has been included in provision for current tax. These will be adjusted after final settlement.			
<b>11.6 Interest suspense</b>		<b>19,831,822</b>	<b>9,043,355</b>
Opening balance		9,043,355	7,550,976
Add: During this period	Annexure-6	25,729,552	8,399,291
Less: Transfer to interest income	Annexure-6	(14,941,085)	(6,906,912)
<b>Closing balance</b>		<b>19,831,822</b>	<b>9,043,355</b>
<b>11.7 Loan risk/ loan risk coverage fund</b>		<b>49,095,075</b>	<b>49,095,075</b>
Opening balance		49,095,075	49,095,075
Less: Transfer to provision for loans and advances		-	-
<b>Closing balance</b>		<b>49,095,075</b>	<b>49,095,075</b>
<b>11.8 Lease liabilities</b>		<b>15,640,971</b>	<b>3,811,172</b>
Opening balance		3,811,172	4,943,973
Add: During this period		17,378,857	-
Less: Adjusted during the year		(5,549,058)	(1,132,801)
<b>Closing balance</b>	7.2	<b>15,640,971</b>	<b>3,811,172</b>
<b>12 Share capital</b>			
<b>12.1 Authorized Capital :</b>		<b>5,000,000,000</b>	<b>5,000,000,000</b>
The authorized capital of the company is Taka 5,000,000,000 divided into 50,000,000 ordinary shares of Taka. 100.00 each.			
<b>12.2 Issued, subscribed and fully paid up capital :</b>			
Opening balance		1,000,000,000	1,000,000,000
Add: Issued bonus share		-	-
Add: Issued right share		-	-
<b>Closing balance</b>		<b>1,000,000,000</b>	<b>1,000,000,000</b>
<b>12.3 Capital Adequacy Ratio (CAR)</b>			

In terms of section 13(2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars nos. 01,14,10 and 05 dated January 08, 1996, November 25, 2002 and May 14, 2007 respectively required a capital of the Company at the close of the business on 31 December 2023 is Taka 1000,000,000 (10% of risk weighted assets i.e.) TK. 29,94,93,838/- or as per Bangladesh Bank DFID Circular no - 5 dated 24th July 2011 required paid up capital Tk. 1000,000,000) as against available core capital of TK.157,87,88,978/- and supplementary capital of TK.1,35,95,736/- making the total capital of TK. 159,23,84,714/- thereby showing a surplus capital/equity of TK. 59,23,84,714/- at that date. Details are shown below:



		(Amount in BDT)	
	Note	As at 31 Dec, 2023	As at 31 Dec, 2022
Total Asset including off balance sheet items		3,589,997,839	3,877,375,560
Total risk weighted asset		2,994,938,383	3,196,130,889
Required capital (10% of risk weighted asset)		299,493,838	319,613,089
Minimum Capital Required		1,000,000,000	1,000,000,000
Actual Capital Held		1,592,384,714	1,560,293,031
Core Capital (Tire -I)	12.3.2	1,578,788,978	1,549,913,918
Supplementary Capital (Tire -II)	12.3.3	13,595,736	10,379,113
<b>Total Capital Surplus/ (deficit)</b>		<b>592,384,714</b>	<b>560,293,031</b>
<b>12.3.1 Capital Adequacy Ratio (CAR) Based on  Basel II framework</b>		<b>53.17%</b>	<b>48.82%</b>
<b>12.3.2 Core Capital (Tier -I)</b>			
Paid up Capital		1,000,000,000	1,000,000,000
Statutory Reserve	13	119,793,920	108,018,908
General Reserve	14	54,731,264	54,731,264
Retained Earnings	15	404,263,794	387,163,746
		<b>1,578,788,978</b>	<b>1,549,913,918</b>
<b>12.3.3 Supplementary Capital (Tier - II)</b>			
General Provision maintained against unclassified loans	5.8	13,595,736	10,379,113
General Provision @ 1% against off balance sheet exposures		-	-
Asset revaluation reserve		-	-
Revaluation reserve for equity instruments up to 10%		-	-
Revaluation on investment		-	-
		13,595,736	10,379,113
<b>Total Actual Capital Maintained/held</b>		<b>1,592,384,714</b>	<b>1,560,293,031</b>
<b>13 Statutory reserve</b>			
Opening balance		108,018,908	90,473,928
Add: Transfer from appropriation of profit		11,775,012	17,544,980
<b>Closing Balance</b>		<b>119,793,920</b>	<b>108,018,908</b>
<b>14 General Reserve</b>		<b>54,731,264</b>	<b>54,731,264</b>
Opening balance		54,731,264	54,731,264
Add: Transfer from appropriation of profit		-	-
Less: Issuing bonus share		-	-
<b>Closing balance</b>		<b>54,731,264</b>	<b>54,731,264</b>
<b>15 Retained Earnings</b>		<b>404,263,794</b>	<b>387,163,746</b>
Opening balance		387,163,746	346,983,828
Add/less: Prior year adjustment		-	-
Add: Retained surplus during the year		47,100,048	70,179,918
Less: Paid cash dividend		(30,000,000)	(30,000,000)
Less: Issuing bonus share		-	-
<b>Closing balance</b>		<b>404,263,794</b>	<b>387,163,746</b>
<b>16 Events after the reporting period</b>			
<b>16.1 Dividend for the year 2023</b>		<b>30,000,000</b>	<b>30,000,000</b>
Cash dividend		30,000,000	30,000,000
Stock dividend		-	-
The Board of Director of Agrani SME Financing Company Limited at its 127th Board Meeting held on 12/06/2024 recommended to the shareholders a cash dividend @ 3% i.e BDT 3.00 per share (amounting to BDT 3,00,00,000) based on financial performance of 2023. This will be considered for approval by the shareholder at the 13th AGM (Annual General Meeting) of the company.			
<b>16.2 COVID-2019</b>			
It is noted that the COVID-2019 issues' impacts have been continuing also in 2023. For this reason, the targeted performance of the company during the year 2023 has affected to some extent.			
<b>17 Earnings Per Share (EPS)</b>			
Net profit/(loss) after tax		58,875,060	87,724,898
Weighted average number of ordinary shares		10,000,000	10,000,000
<b>Earnings Per Share (EPS)</b>		<b>5.89</b>	<b>8.77</b>
Earnings per Share (EPS) have been computed by dividing the profit after tax by the weighted average number of ordinary shares as on 31 December 2023.			





		(Amount in BDT)	
	<u>Note</u>	<b>For the year 2023</b>	<b>For the year 2022</b>
<b>18 Interest Income</b>		<b>396,016,199</b>	<b>383,099,722</b>
<b>18.1 Interest Income from Loans and Advances</b>		<b>395,181,734</b>	<b>382,399,993</b>
Interest on loans and advances (without COVID 19)	Annexure-3	391,389,895	375,761,153
Interest recovery from write off loans and advances	Annexure-3	1,292,997	2,061,420
Interest on loans and advances (COVID 19)	Annexure-3	2,498,842	4,577,420
<b>18.2 Interest Income from Bank Deposits</b>		<b>834,465</b>	<b>699,729</b>
Interest on short term deposits	Annexure-3	834,465	699,729
<b>19 Interest Paid on Borrowings</b>		<b>117,195,832</b>	<b>84,363,092</b>
Interest on OD Loan from Agrani Bank PLC.		116,100,307	83,899,843
Interest on Borrowing from BD Bank (refinance : COVID-19)		1,095,525	463,249
<b>20 Other Operating Income</b>	<b>Annexure-4</b>	<b>21,864,001</b>	<b>11,523,440</b>
<b>20.1 Income from Loan Processing and Supervision Charges</b>	<b>Annexure-4</b>	<b>20,069,710</b>	<b>7,703,077</b>
Income from loan processing	Annexure-4	2,389,200	5,071,811
CIB service charges	Annexure-4	1,062,730	2,631,266
Loan supervision charges	Annexure-4	16,617,780	-
<b>20.2 Others Income</b>	<b>Annexure-4</b>	<b>1,794,291</b>	<b>3,820,363</b>
Gain from sale of Fixed Assets	Annexure-4	12,655	-
Income from selling loan application form	Annexure-4	489,000	1,067,550
Income from legal charges recovery	Annexure-4	12,388	118,883
Charges of loan statement/certificates	Annexure-4	350	50
Income from early settlement of loans and advances	Annexure-4	1,237,404	2,546,480
Others income from resigned employees	Annexure-4	42,494	87,400
<b>21 Salaries &amp; Allowances</b>		<b>107,414,894</b>	<b>101,032,718</b>
Basic salaries (officer and staffs)		42,987,949	40,550,790
Special benefit allowances		1,184,217	-
Festival bonus		7,026,320	6,609,680
CPF expense		8,527,243	7,550,772
Conveyance allowances		46,800	64,200
Honorarium & fees (banking diploma and committee fees)		380,000	930,900
Medical allowances		2,799,629	2,829,864
Uniform & apparels washing charge		7,200	7,200
Overtime expenses		449,686	398,482
Lunch and iftar subsidy		7,241,000	7,484,600
Leave encashment		77,418	12,000
National integrity award		99,880	19,460
House rent allowances (officer and staffs)		18,667,571	17,587,700
Baishakhi allowances		697,432	655,768
Education allowances		356,000	314,500
Gratuity expenses		16,798,149	15,975,942
Hill/hawar allowances		68,400	40,860
<b>22 Directors' Fees and Allowances</b>		<b>264,000</b>	<b>312,000</b>
Honorarium & fees		264,000	312,000
Allowances		-	-

Each director (except MD & CEO) for every attendance in Board/Committee Meeting gets Tk. 8,000. No other charges or allowances have not been paid to the directors of the company.



		(Amount in BDT)	
	<u>Note</u>	For the year 2023	For the year 2022
<b>23 Rent, Taxes, Insurance, Electricity etc.</b>		<b>5,954,830</b>	<b>5,772,699</b>
Rents and interest charges on lease liability	23.1	5,060,884	4,985,222
Electricity bill/Lighting charge		586,038	497,239
Insurance charge on vehicles		195,801	196,400
Water & sewerage		112,107	93,838
<b>23.1 Rents and Interest Charges on Lease Liability</b>		<b>5,060,884</b>	<b>4,985,222</b>
Rent on premises (office)		4,342,015	4,053,816
Rent on premises (car parking)		67,260	67,260
Rent on premises (VAT)		651,609	616,947
Interest charges on lease liability		-	247,199
<b>24 Legal Expenses</b>		<b>175,596</b>	<b>208,959</b>
Court fees		39,784	88,366
Lawyer's fees		-	-
Other legal expenses		135,812	120,593
<b>25 Postage, Stamps, Telecommunication etc.</b>		<b>533,675</b>	<b>542,038</b>
Postages		279,514	308,107
Telephone charges (office)		207,617	204,206
Telephone charges (residence)		6,494	5,635
Stamps and revenues		40,050	24,090
<b>26 Stationery, Printing, Advertisement etc.</b>		<b>2,210,468</b>	<b>1,546,701</b>
Paper & table stationery		1,247,218	1,064,628
Printing & stationery		529,645	23,391
Advertisement & publicity		256,849	304,209
Newspaper & periodicals		176,756	154,473
<b>27 Chief Executive Officer's Salary and Allowances</b>		<b>1,872,904</b>	<b>1,960,000</b>
Basic salaries		913,548	960,000
House rent allowances		456,774	480,000
Domestic/house maintenance allowances		114,194	120,000
Entertainment allowances		114,194	120,000
Cook and gardener allowances		114,194	120,000
Festival bonus		160,000	160,000
<p>Managing Director of the company has received remuneration for the period from 1 January to 13 December 2023 at the rate of Tk. 150,000/- per month and two festival bonuses @ 80,000/- as per contract.</p>			
<b>28 Auditor's Fees</b>		<b>410,000</b>	<b>380,000</b>
Audit fees (statutory audit)		290,000	290,000
Audit fees (others)		120,000	90,000
<b>29 Depreciation and Repair of Company's assets</b>		<b>5,674,995</b>	<b>5,601,236.00</b>
<b>29.1 Depreciation of company's assets:</b>			
Buildings			-
Furniture & Fixtures		556,540	734,689
Motor Vehicles		1,382,357	1,382,357
Other/Office Equipments		-	241
Computers		460,232	357,973
Electrical Equipments		8,816	8,229
Library Books		159	717
<b>Sub total</b>		<b>2,408,104</b>	<b>2,484,206</b>

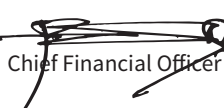


		(Amount in BDT)	
	Note	For the year 2023	For the year 2022
<b>29.2 Depreciation on lease assets</b>		<b>1,737,886</b>	<b>1,204,566</b>
<b>29.3 Repair and maintenance of company's assets</b>			
Repairs-furniture & fixtures		113,930	36,570
Repairs-motor vehicles		531,940	1,134,132
Repairs-office equipments		7,248	14,945
Repairs & maintenance of computers		734,956	609,247
Repairs elect. equipment & lighting materials		140,931	117,570
<b>Sub total</b>		<b>1,529,005</b>	<b>1,912,464</b>
<b>30 Other Expenses</b>		<b>8,695,931</b>	<b>7,023,459</b>
Petroleum, oil & lubricant for vehicles		2,048,485	1,645,808
Entertainment Expenses	30.1	779,262	750,780
Travelling expenses (inland)		984,412	460,301
Upkeep of office premises		536,862	452,739
Business development expenses		451,958	205,168
Training expenses		22,440	15,000
Washing charges		19,790	16,130
Closing expenses		300,000	311,000
Subscription to IBB		100,000	-
Fees & commission		42,744	235,676
AGM/EGM expenses		57,471	69,267
Bank Charge		80,815	82,482
Corporate social responsibilities	30.2	690,000	240,000
E-mail & internet		583,590	609,837
Excise duty		173,404	161,000
Maintenance of software		1,144,800	1,144,800
Other professional and legal expenses		48,300	48,300
VAT expenses		28,900	31,200
Conveyance allowances for recovery drive		602,698	543,971
Miscellaneous expenses		-	-
<b>30.1 Entertainment Expenses</b>		<b>779,262</b>	<b>750,780</b>
General entertainment		687,962	648,762
Board meeting entertainment		25,300	54,018
Entertainment charges (ceiling)		66,000	48,000
<b>30.2 Corporate social responsibilities</b>		<b>690,000</b>	<b>240,000</b>
Education		200,000	150,000
Health/Treatment		240,000	60,000
Climate risk fund (CRF)		200,000	-
Others		50,000	30,000



		(Amount in BDT)	
	Note	For the year 2023	For the year 2022
<b>31. Provisional Expenses</b>		<b>46,310,000</b>	<b>28,000,000</b>
31.1 Provision for loans and advances		27,810,000	17,000,000
31.2 Provision for incentive bonus	31.1.a	18,500,000	11,000,000
31.3 Provision for other assets		-	-
31.1.a Provision for incentive bonus			
Provision made during year for all employees		18,050,000	10,680,000
Provision made during year for MD and CEO		450,000	320,000
<b>Total</b>		<b>18,500,000</b>	<b>11,000,000</b>
<b>32 Provision for Taxes</b>		<b>62,292,015</b>	<b>70,155,362</b>
Provision Current tax	32.1	62,386,432	70,185,017
Deferred tax	32.2	(94,417)	(29,655)
32.1 Provision Current tax		<b>62,386,432</b>	<b>70,185,017</b>
Provision For Current tax for 2023		60,956,974	69,911,181
Prior tax/adjustment of deferred tax		1,429,458	273,836
32.2 <b>Provision for Deferred tax</b>		<b>(94,417)</b>	<b>(29,655)</b>
Provision for Deferred tax for 2023		(94,417)	(29,655)
<b>33 Performance Evaluation</b>			
Return on average investment		3.77%	5.77%
Return on average asset		1.58%	2.59%
Average yield on Loan & Advance		11.52%	12.28%
Earnings Per Share (Taka)	17	5.89	8.77
Net Asset Value Per Share (Taka)		157.88	154.99

  
Head of Accounts

  
Chief Financial Officer

  
Managing Director & CEO  
(Current Charge)

  
Director

  
Director

  
Chairman

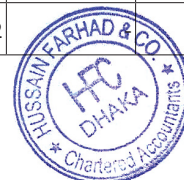


**Agrani SME Financing Company Limited  
Balance with other Banks**

As at 31 December 2023

Annexure-1  
(Amount in BDT)

SL No.	Branches/HO	" STD Revolving Bank A/C "	Operational Expenses Bank A/C	Recruitment Bank A/C	Others (if any)	2023	2022
1	Abdul Hamid Road Branch, Pabna	915,943.00	0.01			915,943	477,010
2	Alfadanga Branch	518,301.00	1,356.00			519,657	36,972
3	Baliakandi Branch	1,242,643.44	1,044.50			1,243,688	591,869
4	Bhaluka Branch	690,759.00	-			690,759	235,610
5	Bhanga Branch	87,584.82	-			87,585	326,596
6	Boalmari Branch	406,815.60	789.29			407,605	441,499
7	Chandpur Branch, Chadpur	11,252.63	668.30			11,921	131,990
8	Charbhadrasan Branch	249,040.48	-			249,040	454,588
9	Comilla Branch, Cumilla	354,081.12	-			354,081	274,471
10	Faridpur Branch, Faridpur	44,226.31	-			44,226	212,553
11	Fulbaria Branch	1,131,691.12	1,090.00			1,132,781	504,711
12	Gafargaon Branch	668,792.44	413.27			669,206	452,080
13	Gazipur Branch, Gazipur	111,666.30	523.95			112,190	507,576
14	Goalanda Branch	88,689.93	0.01			88,690	726,157
15	Gopalgonj Branch, Gopalgonj	1,099,400.00	6,505.81			1,105,906	564,168
16	Gopalpur Branch	47,467.30	-			47,467	246,168
17	Gouripur Branch	134,642.94	1,430.00			136,073	300,568
18	Haluaghat Branch	477,523.21	-			477,523	317,449
19	Ishwarganj Branch	438,220.02	0.52			438,221	922,641
20	Jamalpur Branch, Jamalpur	2,167,805.25	0.01			2,167,805	191,925
21	Kalkini Branch	455,243.96	327.50			455,571	1,694,668
22	Karimganj Branch	458,932.00	0.01			458,932	173,952
23	Katiadi Branch	923,578.74	46.04			923,625	602,557
24	Kendua Branch	1,643,299.13	0.01			1,643,299	720,950
25	Kishoreganj Branch, Kishoreganj	232,667.53	6,780.01			239,448	491,960
26	Kotalipara Branch	25,124.56	1,104.79			26,229	67,982
27	Madaripur Branch, Madaripur	120,411.13	760.46			121,172	1,059,044
28	Madhabdi Branch	281,338.75	-			281,339	802,692
29	Mithamoin Branch	501,748.86	277.27			502,026	816,593
30	Modhukhali Branch	1,456,417.13	1,254.00			1,457,671	855,051
31	Modhupur Branch	803,456.10	185.01			803,641	293,858
32	Moulivibazar Branch, Moulivibazar	623,187.11	-			623,187	114,704
33	Muktagacha Branch	660,948.37	1,197.34			662,146	361,275
34	Mymensingh Branch, Mymensingh	978,844.55	991.73			979,836	1,171,040
35	Nagarkanda Branch	458,896.37	13,683.00			472,579	84,782
36	Nandail Branch	223,439.93	635.34			224,075	438,742
37	Natun Bazar Branch, Barishal	695,183.36	3,098.01			698,281	684,457
38	Netrakona Branch, Netrakona	397,537.26	5,572.45			403,110	401,077
39	Pakundia Branch	637,745.87	-			637,746	596,863
40	Pangsha Branch	992,317.39	-			992,317	845,044
41	Phulpur Branch	588,275.51	0.01			588,276	798,859
42	Principal Branch, Dhaka	215,452.26	1,725.15			217,177	173,228
43	Rajbari Branch, Rajbari	874,585.07	0.01			874,585	1,996,662
44	Rajoir Branch	10,941.08	106.67			11,048	118,460
45	Sadarpur Branch	1,945,935.88	-			1,945,936	576,834
46	Shariatpur Branch, Shariatpur	308,622.51	-			308,623	509,276
47	Shayestaganj Branch	131,356.00	-			131,356	62,895
48	Sherpur Branch, Sherpur	949,927.20	0.01			949,927	143,291
49	Shibchar Branch	225,439.19	-			225,439	416,149
50	Sunamgonj Branch, Sunamgonj	4,926.35	-			4,926	48,326
51	Sylhet Branch, Sylhet	74,893.21	0.01			74,893	72,470
52	Trishal Branch	1,598,095.47	0.01			1,598,095	840,983
53	Tungipara Branch	526,020.89	401.01			526,422	703,821
	<b>Branches Total</b>	<b>30,911,335</b>	<b>51,968</b>	<b>-</b>	<b>-</b>	<b>30,963,302</b>	<b>26,655,146</b>
	<b>Head Office</b>	<b>6,903,237</b>	<b>224,504</b>	<b>57</b>	<b>-</b>	<b>7,127,798</b>	<b>10,653,904</b>
	<b>Grand total</b>	<b>37,814,572</b>	<b>276,472</b>	<b>57</b>	<b>-</b>	<b>38,091,100</b>	<b>37,309,050</b>
	Bank Balance with Agrani Bank PLC.	32,829,127	270,020	57	-	33,099,204	34,203,286
	Bank Balance with Others Bank (other than Agrani Bank PLC.)	4,985,444	6,452	-	-	4,991,896	3,105,764

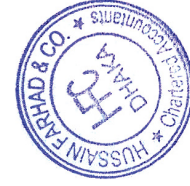


## Agrani SME Financing Company Limited Schedule of Loan Outstanding (Principal)

As at 31 December 2023

Annexure-2  
(Amount in BDT)

SL No.	Branches Name	Rural/ Urban Branches	Loan Outstanding as on 31.12.2023			Loan Outstanding as on 31.12.2022		
			Without COVID 19	COVID 19	Total	Without COVID 19	COVID 19	Total
1	Abdul Hamid Road Branch, Pabna	Urban Branch	80,961,807	642,189.00	81,603,996	85,124,015	553,364	85,677,379
2	Alfadanga Branch	Rural Branch	68,881,281	580,671.00	69,461,952	85,531,280	2,369,976	87,901,256
3	Baliakandi Branch	Rural Branch	67,716,808	21,829.00	67,738,637	66,815,107	1,478,174	68,293,281
4	Bhaluka Branch	Rural Branch	66,309,627	-	66,309,627	64,802,011	587,679	65,389,690
5	Bhanga Branch	Rural Branch	87,510,348	-	87,510,348	90,364,868	2,656,716	93,021,584
6	Boalmari Branch	Rural Branch	67,920,295	252,061.00	68,172,356	72,927,361	1,304,807	74,232,168
7	Chandpur Branch, Chadpur	Urban Branch	28,761,968	-	28,761,968	33,416,385	7,873	33,424,258
8	Charbhadrasan Branch	Rural Branch	51,828,618	40,799.00	51,869,417	51,183,919	304,718	51,488,637
9	Comilla Branch, Cumilla	Urban Branch	47,430,345	95,687.00	47,526,032	54,419,311	989,881	55,409,192
10	Faridpur Branch, Faridpur	Urban Branch	73,384,846	-	73,384,846	66,350,724	1,287,595	67,638,319
11	Fulbaria Branch	Rural Branch	47,293,495	298,746.00	47,592,241	38,742,235	1,652,171	40,394,406
12	Gafargaon Branch	Rural Branch	57,149,183	299,032.00	57,448,215	53,134,160	599,544	53,733,704
13	Gazipur Branch, Gazipur	Urban Branch	42,294,619	144,563.00	42,439,182	42,471,816	1,151,830	43,623,646
14	Goalanda Branch	Rural Branch	61,700,481	273,616.00	61,974,097	63,656,271	2,241,206	65,897,477
15	Gopalganj Branch, Gopalganj	Urban Branch	76,242,145	1,392,524.00	77,634,669	78,001,318	2,404,753	80,406,071
16	Gopalpur Branch	Rural Branch	50,948,870	-	50,948,870	47,247,052	267,107	47,514,159
17	Gouripur Branch	Rural Branch	31,811,629	-	31,811,629	31,002,717	262,822	31,265,539
18	Haluaghat Branch	Rural Branch	31,847,077	3,317.00	31,850,394	33,861,065	1,024,890	34,885,955
19	Ishwarganj Branch	Rural Branch	53,413,638	-	53,413,638	66,475,858	301,909	66,777,767
20	Jamalpur Branch, Jamalpur	Urban Branch	82,677,383	-	82,677,383	95,360,363	359,900	95,720,263
21	Kalkini Branch	Rural Branch	95,686,137	389,395.00	96,075,532	102,659,468	634,062	103,293,530
22	Karimganj Branch	Rural Branch	36,792,952	-	36,792,952	41,432,527	1,330,786	42,763,313
23	Katiadi Branch	Rural Branch	75,916,061	-	75,916,061	78,227,556	2,143,997	80,371,553
24	Kendua Branch	Rural Branch	52,696,296	-	52,696,296	58,265,694	1,002,936	59,268,630
25	Kishoreganj Branch, Kishoreganj	Urban Branch	62,508,497	107,029.00	62,615,526	61,060,109	223,887	61,283,996
26	Kotalipara Branch	Rural Branch	74,205,461	-	74,205,461	79,717,620	308,605	80,026,225





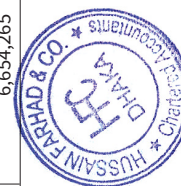


SL No.	Branches Name	Rural/ Urban Branches	Loan Outstanding as on 31.12.2023			Loan Outstanding as on 31.12.2022		
			Without COVID 19	COVID 19	Total	Without COVID 19	COVID 19	Total
27	Madaripur Branch, Madaripur	Urban Branch	60,653,478	-	60,653,478	86,787,220	-	86,787,220
28	Madhabdi Branch	Rural Branch	77,953,144	16,018.00	77,969,162	83,953,650	2,173,238	86,126,888
29	Mithamoin Branch	Rural Branch	30,844,061	-	30,844,061	30,277,634	87,366	30,365,000
30	Modhukhali Branch	Rural Branch	71,182,893	-	71,182,893	82,778,453	332,139	83,110,592
31	Modhupur Branch	Rural Branch	55,186,411	-	55,186,411	65,904,296	1,147,398	67,051,694
32	Moulivibazar Branch, Moulivibazar	Urban Branch	70,661,238	-	70,661,238	56,975,495	517,263	57,492,758
33	Mukttagacha Branch	Rural Branch	84,226,957	-	84,226,957	89,795,763	352,054	90,147,817
34	Mymensingh Branch, Mymensingh	Urban Branch	104,608,188	993,817.00	105,602,005	117,463,504	2,085,479	119,548,983
35	Nagarikanda Branch	Rural Branch	63,472,463	-	63,472,463	78,456,385	151,126	78,607,511
36	Nandail Branch	Rural Branch	40,423,191	-	40,423,191	42,960,179	331,848	43,292,027
37	Natun Bazar Branch, Barishal	Urban Branch	52,617,955	304,183.00	52,922,138	65,309,010	485,690	65,794,700
38	Netrakona Branch, Netrakona	Urban Branch	65,308,512	276,930.00	65,585,442	75,486,941	476,344	75,963,285
39	Pakundia Branch	Rural Branch	103,336,722	268,466.00	103,605,188	100,449,590	816,091	101,265,681
40	Pangsha Branch	Rural Branch	102,776,708	-	102,776,708	112,725,062	689,017	113,414,079
41	Phulpur Branch	Rural Branch	75,087,704	268,669.00	75,356,373	87,900,700	1,306,613	89,207,313
42	Principal Branch, Dhaka	Urban Branch	56,707,716	1,002,764.00	57,710,480	53,173,832	1,002,654	54,176,486
43	Rajbari Branch, Rajbari	Urban Branch	66,349,218	520,547.00	66,869,765	82,801,492	2,367,036	85,168,528
44	Rajoir Branch	Rural Branch	39,822,597	-	39,822,597	44,792,315	-	44,792,315
45	Sadarpur Branch	Rural Branch	45,625,268	-	45,625,268	47,252,803	265,408	47,518,211
46	Shariatpur Branch, Shariatpur	Urban Branch	50,105,163	281,192.00	50,386,355	57,570,932	991,610	58,562,542
47	Shayestaganj Branch	Rural Branch	41,908,958	463,477.00	42,372,435	29,949,103	630,592	30,579,695
48	Sherpur Branch, Sherpur	Urban Branch	86,007,336	753,679.00	86,761,015	96,140,391	3,213,054	99,353,445
49	Shibchar Branch	Rural Branch	65,875,169	-	65,875,169	72,364,865	703,497	73,068,362
50	Sunamgonj Branch, Sunamgonj	Urban Branch	46,961,847	-	46,961,847	50,011,787	1,211,572	51,223,359
51	Sylhet Branch, Sylhet	Urban Branch	30,941,920	118,735.00	31,060,655	30,172,013	148,098	30,320,111
52	Trishal Branch	Rural Branch	93,210,284	-	93,210,284	95,931,183	1,300,037	97,231,220
53	Tungipara Branch	Rural Branch	30,335,592	-	30,335,592	36,903,141	472,066	37,375,207
<b>Total Rural Branches (A)</b>			<b>2,100,896,379</b>	<b>3,176,096</b>	<b>2,104,072,475</b>	<b>2,228,441,891</b>	<b>31,230,595</b>	<b>2,259,672,486</b>
<b>Total Urban Branches (B)</b>			<b>1,185,184,181</b>	<b>6,633,839</b>	<b>1,191,818,020</b>	<b>1,288,096,658</b>	<b>19,477,883</b>	<b>1,307,574,541</b>
<b>Grand Total (A+B)</b>			<b>3,286,080,560</b>	<b>9,809,935</b>	<b>3,295,890,495</b>	<b>3,516,538,549</b>	<b>50,708,478</b>	<b>3,567,247,027</b>

**Agrani SME Financing Company Limited**  
**Schedule of Interest Income**  
**As at 31 December 2023**

Annexure-3  
(Amount in BDT)

SL No.	Name of Branch/HO	Interest Income from Loans and Advances			Interest on Short Term Deposits	Grand Total 2023	Grand Total 2022
		Interest on Loans & Advances (Without COVID-19)	Interest Recovered from Write-off Loans & Advances	Interest on Loans & Advances from COVID-19			
1	Abdul Hamid Road Branch, Pabna	9,245,903	-	63,399	6,000	9,309,302	9,478,379
2	Alfadanga Branch	8,764,544	561	113,327	27,561	8,878,432	10,199,665
3	Baliakandi Branch	7,765,520	808	29,795	-	7,796,123	7,398,310
4	Bhaluka Branch	7,802,909	-	14,090	38,380	7,855,379	7,436,369
5	Bhanga Branch	10,438,174	166,917	105,236	18,382	10,710,327	10,728,709
6	Boalmari Branch	8,031,948	3,288	88,616	15,733	8,139,585	8,205,036
7	Chandpur Branch, Chadpur	3,386,136	-	40	14,517	3,400,693	3,319,427
8	Charbhadrasan Branch	6,096,743	62,570	29,797	27,293	6,216,403	5,103,861
9	Comilla Branch, Cumilla	5,368,190	-	37,046	6,994	5,412,230	5,752,147
10	Faridpur Branch, Faridpur	8,138,109	24,619	40,377	10,540	8,213,645	7,305,143
11	Fulbaria Branch	5,045,270	-	84,214	-	5,129,484	4,398,893
12	Gafargaon Branch	6,399,344	-	54,007	11,881	6,465,232	6,269,167
13	Gazipur Branch, Gazipur	4,589,929	-	36,725	13,464	4,640,118	4,950,165
14	Goalanda Branch	7,388,437	47,500	117,316	8,256	7,561,509	7,378,400
15	Gopalgonj Branch, Gopalgonj	8,652,543	6,713	169,939	20,334	8,849,529	7,697,257
16	Gopalpur Branch	5,854,031	-	4,986	13,782	5,872,799	5,416,681
17	Gouripur Branch	3,650,462	38,470	4,583	-	3,693,515	3,351,075
18	Haluaghat Branch	3,776,286	91,946	55,732	-	3,923,964	4,261,740
19	Ishwarganj Branch	6,616,561	34,161	1,219	-	6,651,941	7,870,060
20	Jamalpur Branch, Jamalpur	10,492,432	68,101	14,416	-	10,574,949	9,292,747
21	Kalkini Branch	10,019,913	12,494	15,876	15,071	10,063,354	11,497,462
22	Karimganj Branch	4,431,829	-	39,445	-	4,471,274	5,074,034
23	Katiadi Branch	9,160,307	-	103,984	-	9,264,291	8,079,724
24	Kendua Branch	6,592,936	-	45,671	9,160	6,638,607	6,654,265



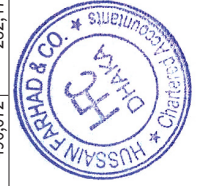


Sl. No.	Name of Branch/HO	Interest Income from Loans and Advances			Interest on Short Term Deposits	Grand Total 2023	Grand Total 2022
		Interest on Loans & Advances (Without COVID-19)	Interest Recovered from Write-off Loans & Advances	Interest on Loans & Advances from COVID-19			
25	Kishoreganj Branch, Kishoreganj	6,875,319	3,081	19,250	-	6,897,650	6,067,154
26	Kotalipara Branch	9,027,524	44,077	4,256	20,049	9,075,857	9,656,328
27	Madaripur Branch, Madaripur	8,685,301	45,033	-	-	8,730,334	9,183,158
28	Madhabdi Branch	9,608,270	-	84,850	25,924	9,693,120	9,832,247
29	Mithamoin Branch	3,591,020	-	1,627	10,481	3,592,647	3,034,369
30	Modhukhali Branch	8,838,435	844	7,375	17,693	8,846,654	8,864,347
31	Modhupur Branch	7,164,944	-	43,844	16,749	7,208,788	7,308,367
32	Moulivibazar Branch, Moulivibazar	7,180,696	-	30,178	-	7,210,874	7,210,874
33	Muktagacha Branch	10,416,312	27,081	15,417	16,955	10,458,810	4,652,851
34	Mymensingh Branch, Mymensingh	12,828,910	5,863	145,515	-	12,980,288	11,167,923
35	Nagarikanda Branch	8,302,933	27,800	641	11,027	8,331,374	9,734,031
36	Nandail Branch	4,855,345	5,529	8,192	11,695	4,869,066	7,942,675
37	Natun Bazar Branch, Barishal	6,912,233	-	42,456	18,916	6,954,689	4,861,592
38	Netrakona Branch, Netrakona	7,523,197	66,359	29,572	5,316	7,619,128	7,298,177
39	Pakundia Branch	12,009,548	-	55,124	16,836	12,064,672	8,968,399
40	Pangsha Branch	12,061,923	134,803	11,595	13,390	12,221,711	10,687,178
41	Phulpur Branch	8,993,722	94,890	59,744	15,971	9,148,356	12,956,029
42	Principal Branch, Dhaka	6,098,830	-	133,821	21,766	6,232,651	9,752,747
43	Rajbari Branch, Rajbari	8,654,257	32,585	123,920	29,227	8,810,762	6,254,417
44	Rajoir Branch	4,161,451	20	-	3,994	4,161,471	9,951,222
45	Sadarpur Branch	5,391,704	58,396	3,416	14,986	5,453,516	4,453,401
46	Shariatpur Branch, Shariatpur	6,345,813	85,946	35,214	3,812	6,466,973	5,468,502
47	Shayestaganj Branch	4,454,530	-	48,507	-	4,503,037	6,470,785
48	Sherpur Branch, Sherpur	10,909,240	23,547	191,741	-	11,124,528	4,503,037
49	Shibchar Branch	7,934,047	31,400	21,915	28,629	7,987,362	11,124,528
50	Sunamgonj Branch, Sunamgonj	5,630,511	-	23,006	8,695	5,653,517	8,015,991
51	Sylhet Branch, Sylhet	3,760,138	-	9,659	13,272	3,769,797	5,662,212
52	Trishal Branch	11,545,701	14,042	72,677	34,862	11,632,420	3,783,069
53	Tungipara Branch	3,919,585	33,553	5,494	7,800	3,958,632	11,667,282
	<b>Branch Total</b>	<b>391,389,895</b>	<b>1,292,997</b>	<b>2,498,842</b>	<b>625,393</b>	<b>395,181,734</b>	<b>382,991,726</b>
54	<b>Head Office</b>	-	-	-	<b>209,072</b>	-	<b>107,996</b>
	<b>Total</b>	<b>391,389,895</b>	<b>1,292,997</b>	<b>2,498,842</b>	<b>834,465</b>	<b>396,016,199</b>	<b>383,099,722</b>

**Agrani SME Financing Company Limited**  
**Schedule of Other Operating Income**  
**As at 31 December 2023**

Sl. No.	Name of Branch/HO	Income from Loan Processing and Supervision Charges				Others Income							Grand Total 2023	Grand Total 2022				
		Income from Loan Processing	CIB Service Charge	Supervision Charges	Total	Gain from sale of Fixed Assets	Income from Selling Loan Application Form	Legal Expenses Recovery	Charges of Loan Statement/ Certificates	Income from Early Settlement Fees					Others	Total		
										Total 2% Income	1% Return (15-01-23 to 31-12-23)	Actual Income						
1	Abdul Hamid Road Branch, Pabna	95,175		410,555	505,730		17,000					73,525	(35,565.50)	37,959.50		92,919	598,649	218,238
2	Alfadanga Branch	36,500		362,454	398,954		7,000					85,349	(39,104.50)	46,244.50		99,489	498,443	230,702
3	Baliakandi Branch	60,000		330,449	390,449		11,000					48,513	(21,550.00)	26,963.00		64,926	455,375	208,571
4	Bhaluka Branch	60,725		355,156	415,881		15,000					43,636	(20,654.50)	22,981.50		60,963	476,844	166,396
5	Bhanga Branch	116,050		462,134	578,184		22,400					30,193	(15,034.00)	15,159.00		52,718	630,902	244,196
6	Boalmari Branch	29,500		322,714	352,214		5,200					26,453	(13,210.00)	13,243.00		31,686	383,900	150,632
7	Chandpur Branch, Chadpur	27,375		150,074	177,449		4,600					15,248	(7,624.00)	7,624.00		19,848	197,297	77,641
8	Charbhadrasan Branch	45,450		270,729	316,179		8,600					12,587	(6,293.50)	6,293.50		21,187	337,366	137,187
9	Comilla Branch, Cumilla	11,750		211,206	222,956		2,200					24,148	(12,074.00)	12,074.00		26,348	249,304	125,037
10	Faridpur Branch, Faridpur	67,500		361,636	429,136		13,000	9,457				63,305	(31,186.00)	32,119.00		86,695	515,831	220,908
11	Fulbaria Branch	50,750		238,722	289,472		10,200					14,967	(6,548.50)	8,418.50		27,037	316,509	83,499
12	Gafargaon Branch	45,500		288,687	334,187		9,000					19,458	(9,329.50)	10,128.50		29,257	363,444	115,367
13	Gazipur Branch, Gazipur	40,750		191,191	231,941		7,400					42,055	(5,303.50)	36,751.50		80,903	312,844	137,595
14	Goalanda Branch	67,000		344,014	411,014		14,400					60,360	(28,937.00)	31,423.00		77,246	488,260	182,384
15	Gopalgonj Branch, Gopalgonj	53,250		341,489	394,739		10,400					50,267	(24,845.00)	25,422.00		61,244	455,983	169,166
16	Gopalpur Branch	60,175		284,703	344,878		14,600					27,926	(13,002.50)	14,923.50		44,447	389,325	115,678
17	Gouripur Branch	25,750		158,504	184,254		5,000					15,732	(7,866.00)	7,866.00		20,732	204,986	85,315
18	Haluaghat Branch	24,750		161,752	186,502		6,200					29,447	(14,723.50)	14,723.50		35,647	222,149	90,852
19	Ishwarganj Branch	7,250		262,102	269,352		1,600					17,283	(7,887.50)	9,395.50		20,391	289,743	166,509
20	Jamalpur Branch, Jamalpur	51,500		462,035	513,535		10,000					52,234	(26,117.00)	26,117.00		62,234	575,769	282,429
21	Kalkini Branch	33,000		364,645	397,645		7,000					34,838	(13,900.00)	20,938.00		48,876	446,521	158,624
22	Karimganj Branch	14,500		164,928	179,428		3,200					25,396	(12,364.00)	13,032.00		29,264	208,692	70,709
23	Katiadi Branch	67,000		424,722	491,722		12,600					72,622	(33,819.50)	38,802.50		90,205	581,927	213,405
24	Kendua Branch	30,550		300,419	330,969		6,600					42,145	(20,911.50)	21,233.50		49,067	380,036	108,787
25	Kishoreganj Branch, Kishoreganj	42,875		257,197	300,072		12,000					60,660	(29,639.50)	31,020.50		74,041	374,113	173,074
26	Kotalipara Branch	81,000		415,031	496,031		16,600					98,146	(40,312.00)	57,834.00		132,268	628,299	190,876
27	Madaripur Branch, Madaripur	32,000		370,776	402,776		6,200					85,231	(41,383.00)	43,848.00		93,896	496,672	282,471

Annexure-4  
(Amount in BDT)





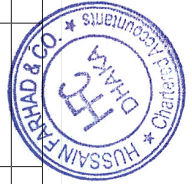
SL No.	Name of Branch/HO	Income from Loan Processing and Supervision Charges				Others Income						Grand Total 2023	Grand Total 2022			
		Income from Loan Processing	CIB Service Charge	Supervision Charges	Total	Gain from sale of Fixed Assets	Income from Selling Loan Application Form	Legal Expenses Recovery	Charges of Loan Statement/ Certificates	Income from Early Settlement Fees						
										Total 2% Income	1% Return (15-01-23 to 31-12-23)			Actual Income	OTHER	Total
28	Madhabdi Branch	68,375		443,196	511,571	12,000				58,145	(26,904.00)	31,241.00		74,482	586,053	205,647
29	Mithamoin Branch	42,050		171,151	213,201	9,600				40,898	(17,885.00)	23,013.00		55,626	268,827	151,845
30	Modhukhali Branch	40,250		389,339	429,589	7,200				52,574	(26,264.50)	26,309.50		59,819	489,408	253,899
31	Modhupur Branch	20,375		290,793	311,168	4,600			250	60,171	(30,037.00)	30,134.00		65,118	376,286	143,119
32	Moulivibazar Branch, Moulivibazar	79,650		317,998	397,648	16,200				38,754	(4,222.00)	4,322.00		24,844	422,492	133,891
33	Muktachaha Branch	35,000		396,186	431,186	6,600				32,741	(12,358.00)	20,383.00		46,026	477,212	167,180
34	Mymensingh Branch, Mymensingh	14,250		517,171	531,421	3,600				17,895	(7,474.00)	10,421.00		44,366	575,787	294,479
35	Nagarkanda Branch	18,875		349,313	368,188	3,600				25,683	(11,734.50)	13,948.50		24,442	392,630	191,593
36	Nandail Branch	33,500		222,332	255,832	8,200				94,705	(46,431.00)	48,274.00		36,097	291,929	110,254
37	Natun Bazar Branch, Barishal	36,125		287,814	323,939	8,000				47,266	(23,633.00)	23,633.00		104,548	428,487	132,358
38	Netrakona Branch, Netrakona	6,250		250,122	256,372	1,000				129,544	(63,055.50)	66,488.50		48,266	304,638	127,686
39	Pakundia Branch	105,525		556,889	662,414	21,400				66,937	(33,468.50)	33,468.50		154,377	816,791	374,838
40	Pangsha Branch	52,000		479,365	531,365	10,400				69,502	(34,751.00)	34,751.00		77,337	608,702	207,410
41	Phulpur Branch	20,325		250,255	270,580	5,000				34,840	(15,153.00)	19,687.00		74,502	345,082	158,295
42	Principal Branch, Dhaka	44,750		255,409	300,159	7,200				34,164	(17,082.00)	17,082.00		46,574	346,733	91,414
43	Rajbari Branch, Rajbari	32,000		353,742	385,742	7,000				22,242	(11,121.00)	11,121.00		41,164	426,906	178,458
44	Rajoir Branch	23,375		126,892	150,267	4,400				30,367	(14,041.50)	16,325.50		26,642	176,909	76,971
45	Sadarpur Branch	51,750		237,502	289,252	11,800			2,931	50,779	(24,194.50)	26,584.50		47,382	336,634	190,006
46	Shariatpur Branch, Shariatpur	39,750		273,836	313,586	7,800				30,283	(15,141.50)	15,141.50		60,969	374,555	148,978
47	Shayestaganj Branch	65,375		222,467	287,842	13,600				40,269	(20,069.00)	20,200.00		43,883	331,725	89,775
48	Sherpur Branch, Sherpur	36,750		484,720	521,470	8,000			100	47,238	(27,041.00)	20,197.00		48,500	569,970	247,054
49	Shibchar Branch	70,475		366,596	437,071	17,000				17,041	(8,198.00)	8,843.00		57,394	494,465	191,192
50	Sunamgonj Branch, Sunamgonj	33,125		233,824	266,949	6,400				26,482	(12,477.00)	14,005.00		24,086	291,035	70,531
51	Sylhet Branch, Sylhet	44,375		177,609	221,984	8,600				76,707	(36,559.00)	40,148.00		36,610	258,594	114,779
52	Trishal Branch	77,000		530,480	607,480	16,000				18,862	(9,431.00)	9,431.00		96,296	703,776	261,895
53	Tungipara Branch	20,300		164,755	185,055	4,800				<b>2,344,357</b>	<b>(1,106,953)</b>	<b>1,237,404</b>		23,662	208,717	89,489
	<b>Branch Total</b>	<b>2,389,200</b>	<b>-</b>	<b>16,617,780</b>	<b>19,006,980</b>	<b>489,000</b>	<b>12,388</b>	<b>350</b>	<b>-</b>	<b>2,344,357</b>	<b>(1,106,953)</b>	<b>1,237,404</b>	<b>-</b>	<b>2,976,546</b>	<b>21,983,526</b>	<b>8,809,284</b>
54	<b>Head Office</b>	<b>-</b>	<b>1,062,730</b>	<b>-</b>	<b>1,062,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,494</b>	<b>55,149</b>	<b>1,117,879</b>	<b>2,714,156</b>
	<b>Total</b>	<b>2,389,200</b>	<b>1,062,730</b>	<b>16,617,780</b>	<b>20,069,710</b>	<b>489,000</b>	<b>12,388</b>	<b>350</b>	<b>-</b>	<b>2,344,357</b>	<b>(1,106,953)</b>	<b>1,237,404</b>	<b>42,494</b>	<b>3,031,695</b>	<b>23,101,405</b>	<b>11,523,440</b>

During the year 2023, 2% early settlement fee has been received from adjusted (premature) loanees. As per direction (Letter no. DFIM(S) 1055/52/2024-1650, dated- 15/05/2024 of Bangladesh Bank, necessary steps have been taken to return 1% early settlement fee amounting TK. 11,06,953 to the adjusted loanees. For this reason income has been debited and sundry creditor (loans and advances) has been credited.

**Agrani SME Financing Company Limited**  
**Schedule of 'Classification of Loans and Advances' and 'Required Provision'**

As at 31 December 2023

Sl. No.	Branches Name	2023					2022					Increase/ (Decrease) of CL
		Classified Loans and Advances	Required Provision	Kept Provision	Surplus/ (Short)	Classified Loans and Advances	Required Provision	Kept Provision	Surplus/ (Short)	Surplus/ (Short)		
											Annexure-5 (Amount in BDT)	
1	Abdul Hamid Road Branch Pabna	5,542,791	2,525,007	2,525,007	-	1,807,402	1,146,685	1,146,685	-	3,735,389		
2	Alfadanga Branch	6,107,471	2,551,600	2,551,600	-	1,169,112	1,156,173	1,156,173	-	4,938,359		
3	Balrakandi Branch	2,444,925	1,362,284	1,362,284	-	427,767	307,777	307,777	-	2,017,158		
4	Bhaluka Branch	75,969	262,503	262,503	-	77,789	175,752	175,752	-	(1,820)		
5	Bhanga Branch	1,768,763	1,300,012	1,300,012	-	1,123,736	843,012	843,012	-	645,027		
6	Boalmari Branch	3,014,651	2,098,714	2,098,714	-	1,808,000	1,515,074	1,515,074	-	1,206,651		
7	Chandpur Branch Chadpur	3,551,034	2,837,156	2,837,156	-	2,895,596	2,188,804	2,188,804	-	655,438		
8	Charbhadrasan Branch	2,484,175	1,765,100	1,765,100	-	1,513,368	1,566,055	1,566,055	-	970,807		
9	Cumilla Branch Cumilla	8,802,357	2,981,545	2,981,545	-	1,369,916	496,052	496,052	-	7,432,441		
10	Faridpur Branch Faridpur	3,887,699	1,925,688	1,925,688	-	2,219,288	1,153,505	1,153,505	-	1,668,411		
11	Fulbaria Branch	1,356,915	849,499	849,499	-	574,330	238,576	238,576	-	782,585		
12	Gafargaon Branch	631,665	448,671	448,671	-	154,304	288,253	288,253	-	477,361		
13	Gazipur Branch Gazipur	6,329,111	4,061,293	4,061,293	-	3,921,043	1,763,935	1,763,935	-	2,408,068		
14	Goalanda Branch	941,753	533,246	533,246	-	139,628	219,822	219,822	-	802,125		
15	Gopalgonj Branch Gopalgonj	10,493,238	5,393,393	5,393,393	-	4,745,675	2,708,634	2,708,634	-	5,747,563		
16	Gopalpur Branch	-	127,372	127,372	-	-	118,785	118,785	-	-		
17	Gouripur Branch	2,330,211	811,074	811,074	-	1,285,361	479,377	479,377	-	1,044,850		
18	Haluaighat Branch	3,377,282	2,536,812	2,536,812	-	3,836,706	2,704,284	2,704,284	-	(459,424)		
19	Ishwarganj Branch	4,517,769	2,809,232	2,809,232	-	3,281,506	1,283,365	1,283,365	-	1,236,263		
20	Jamalpur Branch Jamalpur	1,748,424	1,005,944	1,005,944	-	-	239,301	239,301	-	1,748,424		
21	Kaikini Branch	27,688,345	11,359,055	11,359,055	-	6,030,178	2,997,755	2,997,755	-	21,658,167		
22	Karimganj Branch	5,076,583	2,197,519	2,197,519	-	1,369,804	771,051	771,051	-	3,706,779		
23	Katiadi Branch	767,127	803,435	803,435	-	607,511	748,461	748,461	-	159,616		
24	Kendua Branch	-	131,741	131,741	-	-	148,172	148,172	-	-		
25	Kishoreganj Branch Kishoreganj	7,561,726	2,993,180	2,993,180	-	2,672,328	1,222,120	1,222,120	-	4,889,398		
26	Kotalipara Branch	1,172,297	834,369	834,369	-	381,147	514,328	514,328	-	791,150		
27	Madaripur Branch Madaripur	470,216	551,096	551,096	-	545,156	751,412	751,412	-	(74,940)		
28	Madhabdi Branch	-	238,071	238,071	-	-	215,317	215,317	-	-		
29	Mithamoin Branch	79,529	156,440	156,440	-	88,529	163,200	163,200	-	(9,000)		





**Agrani SME Financing Company Limited**  
**Schedule of 'Classification of Loans and Advances' and 'Required Provision'**

As at 31 December 2023

Sl. No.	Branches Name	2023					2022					Increase/ (Decrease) of CL
		Classified Loans and Advances	Required Provision	Kept Provision	Surplus/ (Short)	Classified Loans and Advances	Required Provision	Kept Provision	Surplus/ (Short)			
30	Modhukhali Branch	554,637	391,174	391,174	-	562,437	341,807	341,807	-	(7,800)		
31	Modhupur Branch	4,908,469	1,533,634	1,533,634	-	324,038	233,821	233,821	-	4,584,431		
32	Moulivibazar Branch Moulivibazar	2,871,440	1,294,118	1,294,118	-	734,399	371,648	371,648	-	2,137,041		
33	Mukttagacha Branch	5,569,718	2,989,427	2,989,427	-	1,084,764	621,073	621,073	-	4,484,954		
34	Mymensingh Branch Mymensingh	4,651,297	2,032,440	2,032,440	-	266,505	601,146	601,146	-	4,384,792		
35	Nagarbanda Branch	3,378,624	1,494,648	1,494,648	-	921,367	827,052	827,052	-	2,457,257		
36	Nandail Branch	262,705	246,963	246,963	-	164,096	272,073	272,073	-	98,609		
37	Natun Bazar Branch Barishal	3,584,507	2,134,549	2,134,549	-	2,065,180	1,340,211	1,340,211	-	1,519,327		
38	Netrakona Branch Netrakona	12,662,088	4,417,265	4,417,265	-	2,838,197	1,118,297	1,118,297	-	9,823,891		
39	Pakundia Branch	-	259,013	259,013	-	-	253,164	253,164	-	-		
40	Pangsha Branch	13,669,509	5,628,551	5,628,551	-	6,421,845	2,873,415	2,873,415	-	7,247,664		
41	Phulpur Branch	14,859,716	4,504,816	4,504,816	-	1,534,002	1,304,483	1,304,483	-	13,325,714		
42	Principal Branch Dhaka	6,538,841	3,756,330	3,756,330	-	4,390,558	2,840,271	2,840,271	-	2,148,283		
43	Rajbari Branch Rajbari	6,278,362	2,940,930	2,940,930	-	1,857,341	911,020	911,020	-	4,421,021		
44	Rajoir Branch	19,806,105	14,770,647	14,770,647	-	17,749,945	10,756,046	10,756,046	-	2,056,160		
45	Sadarpur Branch	2,549,904	1,762,054	1,762,054	-	2,495,094	1,513,867	1,513,867	-	54,810		
46	Shariatpur Branch Shariatpur	2,318,704	1,423,672	1,423,672	-	1,836,701	955,600	955,600	-	482,003		
47	Shayestaganj Branch	-	105,931	105,931	-	-	76,449	76,449	-	-		
48	Sherpur Branch Sherpur	75,543	328,318	328,318	-	191,074	418,076	418,076	-	(115,531)		
49	Shibchar Branch	904,641	680,264	680,264	-	630,969	597,668	597,668	-	273,672		
50	Sunamgonj Branch Sunamgonj	4,648,388	1,446,886	1,446,886	-	1,522,559	378,624	378,624	-	3,125,829		
51	Sylhet Branch Sylhet	384,907	257,852	257,852	-	-	75,800	75,800	-	384,907		
52	Trishal Branch	762,005	398,127	398,127	-	277,110	283,960	283,960	-	484,895		
53	Tungipara Branch	2,392,902	1,132,834	1,132,834	-	1,284,495	672,464	672,464	-	1,108,407		
54	Head Office	-	-	167,448	167,448	-	-	5,242,283	5,242,283	-		
<b>Total</b>		<b>225,855,038</b>	<b>113,381,494</b>	<b>113,548,942</b>	<b>167,448</b>	<b>93,197,856</b>	<b>57,763,072</b>	<b>63,005,355</b>	<b>5,242,283</b>	<b>132,657,182</b>		
55	Special provision for loans (COVID 19)		24,255,043	24,300,000	44,957		36,413,000	43,816,000	7,403,000	-		
<b>Grand Total</b>		<b>225,855,038</b>	<b>137,636,537</b>	<b>137,848,942</b>	<b>212,405</b>	<b>93,197,856</b>	<b>94,176,072</b>	<b>106,821,355</b>	<b>12,645,283</b>	<b>132,657,182</b>		

Note: In 2022 special provision (required) for loans (COVID 19) was shown 4,38,16,000/- . But as per Bangladesh Bank's inspection team required provision has estimated 3,64,13,000/- .



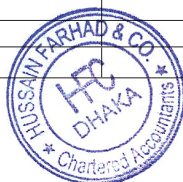
**Agrani SME Financing Company Limited**  
**Interest Suspense Account**

As at 31 December 2023

Annexure-6

(Amount in BDT)

SL No.	Branch Name	Opening Balance as on 01-01-2023	Addition during the year	Transfer to Interest Income	Closing Balance as on 31-12-2023
1	Abdul Hamid Road Branch, Pabna	189,236	443393	82,473.00	550,156
2	Alfadanga Branch	70,995	570504	276129	365,370
3	Baliakandi Branch	61,803	296007	69,425.00	288,385
4	Bhaluka Branch	15,426	33,963.00	18,507.00	30,882
5	Bhanga Branch	144,455	177885	110833	211,507
6	Boalmari Branch	124,919	410970	250738	285,151
7	Chandpur Branch, Chadpur	317,720	175852	189540	304,032
8	Charbhadrasan Branch	1,377	195109	94,738.00	101,748
9	Comilla Branch, Cumilla	58,261	1001446	344617	715,090
10	Faridpur Branch, Faridpur	217,160	356647	220073	353,734
11	Fulbaria Branch	24,506	249290	145733	128,063
12	Gafargaon Branch	-	150649	107661	42,988
13	Gazipur Branch, Gazipur	394,496	724647	388215	730,928
14	Goalanda Branch	-	113990	37,003.00	76,987
15	Gopalgonj Branch, Gopalgonj	573,089	1029652	475890	1,126,851
16	Gopalpur Branch	-	0	0	-
17	Gouripur Branch	186,369	168901	134814	220,456
18	Haluaghat Branch	179,117	118452	148226	149,343
19	Ishwarganj Branch	228,925	607463	307121	529,267
20	Jamalpur Branch, Jamalpur	-	144039	24,572.00	119,467
21	Kalkini Branch	669,681	2701220	1129951	2,240,950
22	Karimganj Branch	61,590	828018	509965	379,643
23	Katiadi Branch	47,327	33,794.00	22,139.00	58,982
24	Kendua Branch	-	4,085.00	4,085.00	-
25	Kishoreganj Branch, Kishoreganj	218,798	858619	392929	684,488
26	Kotalipara Branch	59,397	261382	209582	111,197
27	Madaripur Branch, Madaripur	15,527	14,234.00	14,499.00	15,262
28	Madhabdi Branch	-	90,561.00	67,082.00	23,479
29	Mithamoin Branch	1,020	30,528.00	31,548.00	-
30	Modhukhali Branch	-	34,142.00	437	33,705
31	Modhupur Branch	6,913	1022323	734333	294,903
32	Moulivibazar Branch	50,368	571291	323671	297,988
33	Muktagacha Branch	108,201	1208383	815067	501,517
34	Mymensingh Branch, Mymensingh	10,666	766749	363530	413,885
35	Nagarkanda Branch	111,152	425917	256449	280,620
36	Nandail Branch	54	16,938.00	14,710.00	2,282
37	Natun Bazar Branch, Barishal	219,780	411504	342556	288,728
38	Netrakona Branch, Netrakona	134,691	1733983	979225	889,449
39	Pakundia Branch	-	0	0	-
40	Pangsha Branch	705,635	1475851	897468	1,284,018
41	Phulpur Branch	210,069	2064956	1118888	1,156,137
42	Principal Branch, Dhaka	414,129	666875	366585	714,419
43	Rajbari Branch, Rajbari	119,426	703527	347842	475,111
44	Rajoir Branch	2,414,744	1017584	1223767	2,208,561
45	Sadarpur Branch	201,813	272175	303578	170,410
46	Shariatpur Branch, Shariatpur	166,932	299612	218039	248,505
47	Shayestaganj Branch	-	-	-	-
48	Sherpur Branch, Sherpur	20,904	39,804.00	48,712.00	11,996
49	Shibchar Branch	55,366	51,594.00	16,521.00	90,439
50	Sunamgonj Branch, Sunamgonj	109,825	660083	392149	377,759
51	Sylhet Branch, Sylhet	-	52,683.00	34,001.00	18,682
52	Trishal Branch	-	101585	74,244.00	27,341
53	Tungipara Branch	121,493	340693	261225	200,961
<b>Total</b>		<b>9,043,355</b>	<b>25,729,552</b>	<b>14,941,085</b>	<b>19,831,822</b>



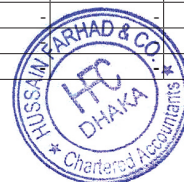
**Agrani SME Financing Company Limited  
Schedule of write-off loans and advances**

As at 31 December 2023

Annexure-7

(Amount in BDT)

SL No.	Branch Name	Opening Balance as on 01-01-2023	Write off During the Year 2023			Write off Recovery During the Year 2023			Closing Balance as on 31-12-2023
			Principal	Interest suspense	Total	Principal	Interest suspense	Total	
1	Abdul Hamid Road Branch, Pabna	-	-	-	-	-	-	-	-
2	Alfadanga Branch	919,252	-	-	-	94,364	-	94,364	824,888
3	Baliakandi Branch	787,160	-	-	-	9,192	-	9,192	777,968
4	Bhaluka Branch	-	-	-	-	-	-	-	-
5	Bhanga Branch	1,580,953	-	-	-	258,234	-	258,234	1,322,719
6	Boalmari Branch	1,724,782	-	-	-	67,711	-	67,711	1,657,071
7	Chandpur Branch, Chadpur	-	-	-	-	-	-	-	-
8	Charbhadrasan Branch	5,447,397	-	-	-	745,021	-	745,021	4,702,376
9	Comilla Branch, Cumilla	-	-	-	-	-	-	-	-
10	Faridpur Branch, Faridpur	1,288,238	-	-	-	69,459	-	69,459	1,218,779
11	Fulbaria Branch	184,291	-	-	-	43,697	-	43,697	140,594
12	Gafargaon Branch	89,831	-	-	-	500	-	500	89,331
13	Gazipur Branch, Gazipur	-	-	-	-	-	-	-	-
14	Goalanda Branch	58,846	-	-	-	10,941	-	10,941	47,905
15	Gopalganj Branch, Gopalganj	1,533,350	-	-	-	36,387	-	36,387	1,496,963
16	Gopalpur Branch	23,828	-	-	-	4,050	-	4,050	19,778
17	Gouripur Branch	536,171	-	-	-	37,328	-	37,328	498,843
18	Haluaghat Branch	1,034,656	-	-	-	294,454	-	294,454	740,202
19	Ishwarganj Branch	2,331,710	-	-	-	119,594	-	119,594	2,212,116
20	Jamalpur Branch, Jamalpur	268,411	-	-	-	31,424	-	31,424	236,987
21	Kalkini Branch	2,349,587	-	-	-	17,022	-	17,022	2,332,565
22	Karimganj Branch	33,734	-	-	-	2,000	-	2,000	31,734
23	Katiadi Branch	20,775	-	-	-	-	-	-	20,775
24	Kendua Branch	95,254	-	-	-	21,585	-	21,585	73,669
25	Kishoreganj Branch, Kishoreganj	350,079	-	-	-	93,119	-	93,119	256,960
26	Kotalipara Branch	695,678	-	-	-	104,723	-	104,723	590,955
27	Madaripur Branch, Madaripur	1,114,237	-	-	-	121,168	-	121,168	993,069
28	Madhabdi Branch	-	-	-	-	-	-	-	-
29	Mithamoin Branch	-	-	-	-	-	-	-	-
30	Modhukhali Branch	568,215	-	-	-	4,556	-	4,556	563,659
31	Modhupur Branch	51,499	-	-	-	-	-	-	51,499
32	Moulivibazar Branch, Moulivibazar	-	-	-	-	-	-	-	-
33	Muktagacha Branch	176,319	-	-	-	20,919	-	20,919	155,400
34	Mymensingh Branch, Mymensingh	666,641	-	-	-	35,853	-	35,853	630,788
35	Nagarkanda Branch	548,392	-	-	-	41,333	-	41,333	507,059
36	Nandail Branch	47,410	-	-	-	9,647	-	9,647	37,763
37	Natun Bazar Branch, Barishal	-	-	-	-	-	-	-	-
38	Netrakona Branch, Netrakona	174,769	-	-	-	52,161	-	52,161	122,608
39	Pakundia Branch	-	-	-	-	-	-	-	-
40	Pangsha Branch	351,982	-	-	-	83,391	-	83,391	268,591
41	Phulpur Branch	2,086,509	-	-	-	169,931	-	169,931	1,916,578
42	Principal Branch, Dhaka	-	-	-	-	-	-	-	-
43	Rajbari Branch, Rajbari	1,459,689	-	-	-	50,946	-	50,946	1,408,743
44	Rajoir Branch	2,889,522	-	-	-	73,980	-	73,980	2,815,542
45	Sadarpur Branch	545,276	-	-	-	74,874	-	74,874	470,402
46	Shariatpur Branch, Shariatpur	460,540	-	-	-	29,860	-	29,860	430,680
47	Shayestaganj Branch	-	-	-	-	-	-	-	-
48	Sherpur Branch, Sherpur	580,642	-	-	-	13,652	-	13,652	566,990
49	Shibchar Branch	827,897	-	-	-	167,806	-	167,806	660,091
50	Sunamgonj Branch, Sunamgonj	-	-	-	-	-	-	-	-
51	Sylhet Branch, Sylhet	-	-	-	-	-	-	-	-
52	Trishal Branch	220,484	-	-	-	24,458	-	24,458	196,026
53	Tungipara Branch	882,586	-	-	-	182,247	-	182,247	700,339
	<b>Total</b>	<b>35,006,592</b>				<b>3,217,587</b>		<b>3,217,587</b>	<b>31,789,005</b>



**Agrani SME Financing Company Limited**  
**Schedule of Fixed assets, including Premises, furniture and fixtures as per tax base**

As at 31 December 2023

Annexure-8  
(Amount in BDT)

SL No.	Name of assets	Value as per tax base on 01-01-2023	Addition during the year	Disposal during the year	Total asset value	Rate %	Depreciation charged	Value as per tax base on 31-12-2023
		3	4	5	6 = (3+4-5)	7	8	9 = (6-8)
1	Land and Buildings	-	-	-	-	-	-	-
2	Motor vehicles	5,204,010	-	-	5,204,010	20%	1,040,802	4,163,208
3	Computers	1,491,172	623,800	55,221	2,059,751	30%	617,925	1,441,826
4	Furniture and fixtures	3,903,149	203,126	6	4,106,269	10%	410,627	3,695,642
5	Other equipment	14,918	-	-	14,918	20%	2,984	11,935
6	Electrical equipment	122,003	91,203	3	213,203	20%	42,641	170,562
7	Library books	18,677	-	-	18,677	10%	1,868	16,809
	<b>Balance as at 31 December 2023</b>	<b>10,753,929</b>	<b>918,129</b>	<b>55,230</b>	<b>11,616,828</b>		<b>2,116,846</b>	<b>9,499,982</b>

SL No.	Name of assets	Value as per tax base on 01-01-2022	Addition during the year	Disposal during the year	Total asset value	Rate %	Depreciation charged	Value as per tax base on 31-12-2022
		3	4	5	6 = (3+4-5)	7	8	9 = (6-8)
1	Land and Buildings	-	-	-	-	-	-	-
2	Motor vehicles	6,505,012	-	-	6,505,012	20%	1,301,002	5,204,010
3	Computers	1,211,090	919,156	-	2,130,246	30%	639,074	1,491,172
4	Furniture and fixtures	4,307,968	28,865	-	4,336,833	10%	433,683	3,903,149
5	Other equipment	18,648	-	-	18,648	20%	3,730	14,918
6	Electrical equipment	146,095	6,409	-	152,504	20%	30,501	122,003
7	Library books	20,752	-	-	20,752	10%	2,075	18,677
	<b>Balance as at 31 December 2022</b>	<b>12,209,564</b>	<b>954,430</b>	<b>-</b>	<b>13,163,994</b>		<b>2,410,065</b>	<b>10,753,929</b>



**Agrani SME Financing Company Limited**  
**1% Return (15-01-23 to 31-12-23) Early Settlement Fees**

As at 31 December 2023

Annexure-9  
(Amount in BDT)

SL No.	Branches/ HO	2023
1	Abdul Hamid Road Branch, Pabna	35,566
2	Alfadanga Branch	39,105
3	Baliakandi Branch	21,550
4	Bhaluka Branch	20,655
5	Bhanga Branch	15,034
6	Boalmari Branch	13,210
7	Chandpur Branch, Chadpur	7,624
8	Charbhadrasan Branch	6,294
9	Comilla Branch, Cumilla	12,074
10	Faridpur Branch, Faridpur	31,186
11	Fulbaria Branch	6,549
12	Gafargaon Branch	9,330
13	Gazipur Branch, Gazipur	5,304
14	Goalanda Branch	28,937
15	Gopalganj Branch, Gopalganj	24,845
16	Gopalpur Branch	13,003
17	Gouripur Branch	7,866
18	Haluaghat Branch	14,724
19	Ishwarganj Branch	7,888
20	Jamalpur Branch, Jamalpur	26,117
21	Kalkini Branch	13,900
22	Karimganj Branch	12,364
23	Katiadi Branch	33,820
24	Kendua Branch	20,912
25	Kishoreganj Branch, Kishoreganj	29,640
26	Kotalipara Branch	40,312
27	Madaripur Branch, Madaripur	41,383
28	Madhabdi Branch	26,904
29	Mithamoin Branch	17,885
30	Modhukhali Branch	26,265
31	Modhupur Branch	30,037
32	Moulivibazar Branch, Moulivibazar	4,222
33	Muktagacha Branch	19,041
34	Mymensingh Branch, Mymensingh	12,358
35	Nagarkanda Branch	7,474
36	Nandail Branch	11,735
37	Natun Bazar Branch, Barishal	46,431
38	Netrakona Branch, Netrakona	23,633
39	Pakundia Branch	63,056
40	Pangsha Branch	33,469
41	Phulpur Branch	34,751
42	Principal Branch, Dhaka	15,153
43	Rajbari Branch, Rajbari	17,082
44	Rajoir Branch	11,121
45	Sadarpur Branch	14,042
46	Shariatpur Branch, Shariatpur	24,195
47	Shayestaganj Branch	15,142
48	Sherpur Branch, Sherpur	20,069
49	Shibchar Branch	27,041
50	Sunamgonj Branch, Sunamgonj	8,198
51	Sylhet Branch, Sylhet	12,477
52	Trishal Branch	36,559
53	Tungipara Branch	9,431
<b>Total</b>		<b>1,106,953</b>

During the year 2023, 2% early settlement fee has been received from adjusted (premature) loanees. As per direction (Letter no. DFIM(S) 1055/52/2024-1650, dated- 15/05/2024 of Bangladesh Bank, necessary steps have been taken to return 1% early settlement fee amounting TK. 11,06,953 to the adjusted loanees. For this reason income has been debited and sundry creditor (loans and advances) has been credited.



# Photo Gallery



Md. Murshedul Kabir, Chairman, Board of Directors



Md. Moshir Ali, Director, Board of Directors



Md. Helal Uddin DS, FID, Director, Board of Directors



Wahida Begum, DMD, ABL  
Representative of ABL



Md. Anwarul Islam Director, Board of Directors



Md. Rafiqul Islam, MD & CEO



Md. Muzahidul Islam Zoarder, DGM & Company Secretary




Sauji Akhter Khanam, AGM



Md. Jasim Uddin, Head Of Accounts



Shubra Paul, ACA, Representative Of Islam Aftab Kamrul & Co.

 **অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড**  
**১২তম বার্ষিক সাধারণ সভা**  
তারিখ : ১০ আগস্ট, ২০২৩ইং  
সময় : বেলা ১১.০০ ঘটিকা  
স্থান : প্রধান কার্যালয়  
অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড  
আল-আমিন সেন্টার, ২৫/এ, ২৫/এ/১, দিলকুশা, বা/এ,  
ঢাকা-১০০০।



# Photo Gallary



Md. Murshedul Kabir, Chairman, Board Of Directors



Md. Moshir Ali, Director, Board of Directors



Md. Helal Uddin DS, FID, Director, Board of Directors



Wahida Begum, Director, Board of Director



Md. Zahidul Haque, CEO



Md Muzahidul Islam Zoarder



অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড

**১২৮তম পরিচালনা পর্ষদ সভা**

তারিখ : ২৯ আগস্ট, ২০২৪ইং

সময় : দুপুর ১২.০০ ঘটিকা

স্থান : প্রধান কার্যালয়

অগ্রণী এসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড

আল-আমিন সেন্টার, ২৫/এ, ২৫/এ/১, দিলকুশা, বা/এ,

ঢাকা-১০০০।

# Photo Gallery



ব্যবসা উন্নয়ন ও নন পারফর্মিং লোন (NPL) হ্রাস বিষয়ক সেমিনার-২০২৩  
অংশগ্রহণ : ময়মনসিংহ, জামালপুর, শেরপুর, নেত্রকোনা, গাজীপুর, টাঙ্গাইল ও কিশোরগঞ্জ জেলা  
শাখা সমূহের সকল কর্মকর্তা ও কর্মচারীবৃন্দ।



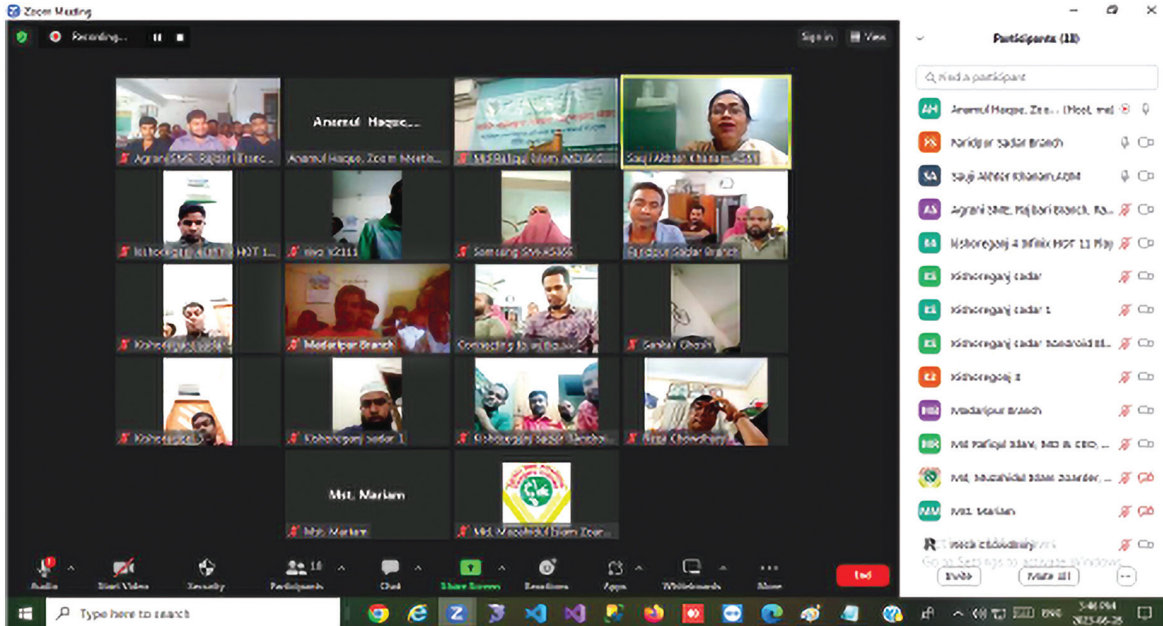
# Photo Gallery



ব্যবসা উন্নয়ন ও নন পারফর্মিং লোন (NPL) হ্রাস বিষয়ক সেমিনার-২০২৩  
অংশগ্রহণ : ফরিদপুর, মাদারীপুর, রাজবাড়ী, গোপালগঞ্জ, শরীয়তপুর, পাবনা, বরিশাল জেলা  
শাখা সমূহের সকল কর্মকর্তা ও কর্মচারীবৃন্দ।



# Photo Gallery



আর্থিক স্বাঙ্করতা কর্মসূচীর আওতায় কোম্পানীর বিভিন্ন শাখায় অনুষ্ঠিত “ডিজিটাল লেনদেন এর ব্যবহার ও উপকারিতা বিষয়ক আলোচনা সভা” এর একাংশ



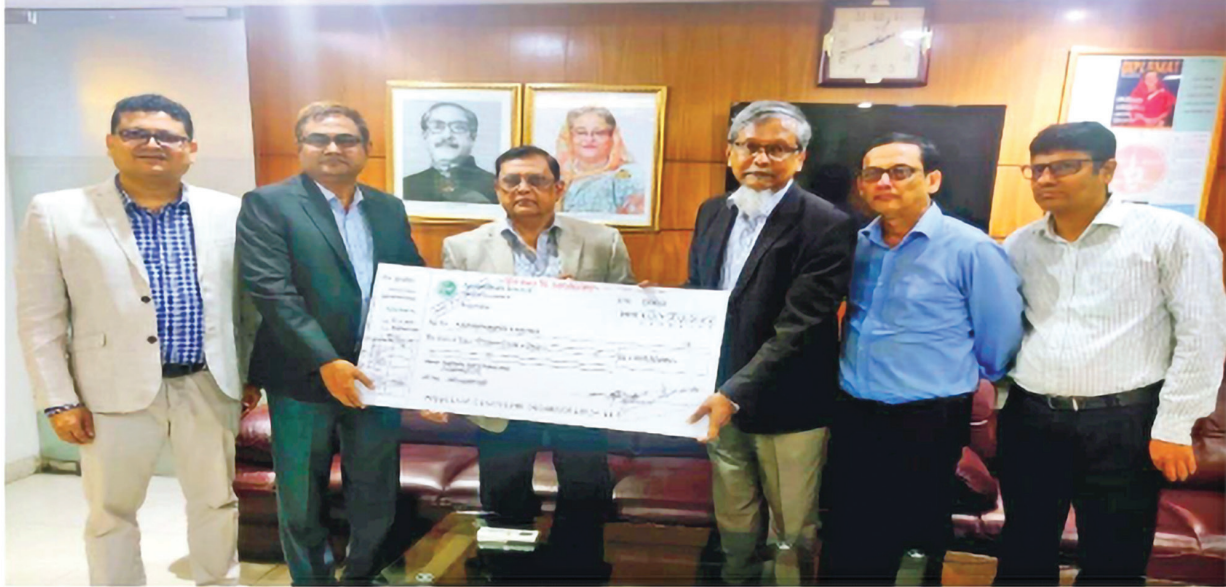
# Photo Gallery



অত্র প্রতিষ্ঠানের প্রধান কার্যালয়ে কর্মরত উপ-মহাব্যবস্থাপক মহোদয়কে ও বোয়ালমারী শাখা ফরিদপুর এর ব্যবস্থাপককে জাতীয় শুদ্ধাচার পুরস্কার-২০২২ প্রদান



# Pictorial View of Dividend Paid Ceremony



**= Not Over TK. 3,00,00,000/=**

STA 0314323 Account Number 0400800003202 Agrad Bank Ltd. Date: 12-12-2022 Pay to: Agrad Bank Limited For: 2% Cash Tk.	 <b>Agrad Bank Limited</b> MUNICIPAL BRANCH 010275359	STA 0314323 DATE: 12/12/2022 D D M M Y Y Y Y	Pay To <b>AGRANI BANK LIMITED</b> Or The Sum of Taka <b>=Three= Crore = Only =</b> <span style="border: 1px solid black; padding: 2px;">TK = 3,00,00,000/=</span>
B 12 L 4 09 27 535	Name : AGRANI SME FINANCING COMPANY LTD. A/C No : 0400800003202 <div style="text-align: right; margin-top: 10px;"> </div>		
*0314323* 010275359* 0400800003202*			





**অগ্রণীএসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড**  
**Branch Network with Branch Managers**

ক্রমিক নং	শাখার নাম	কর্মকর্তার নাম	পদবী	যোগাযোগের ঠিকানা	মোবাইল নং ও ই-মেইল
১	প্রধান শাখা	জনাব আবদুল্লাহ	ক্রেডিট অফিসার/ ব্যবস্থাপক	আল আমিন সেন্টার (৬ষ্ঠ তলা), ২৫/এ, ২৫/এ/১, দিলকুশা, বা/এ, ঢাকা -১০০০।	01818-672552 asfclprincipal0102@gmail.com
২	ফরিদপুর শাখা	জনাব মোঃ আহাদুল্লাহ	এসপিও/ব্যবস্থাপক	হোল্ডিং নংঃ ০০০৯-০০, নিলটলি, মুজিব সড়ক, আরজু সুপার মার্কেট, মৌজা- ১১৮, ডাকঘরঃ ফরিদপুর, ওয়ার্ড নংঃ ২০, পৌরসভাঃ ফরিদপুর, উপজেলাঃ ফরিদপুর সদর, জেলাঃ ফরিদপুর।	01711-472979 asmefsb@gmail.com
৩	আলফাডাঙ্গা শাখা	জনাব মিন্টু কুমার মন্ডল	সিনিয়র অফিসার/ ব্যবস্থাপক	হোল্ডিং নং-৩৮২, আর এম সেন্টার, কলেজ রোড, উপজেলা - আলফাডাঙ্গা, ফরিদপুর।	01866-745904 asfclalfa@gmail.com
৪	চরভদ্রাসন শাখা	জনাব আরিফা চৌধুরী	প্রিন্সিপাল অফিসার/ ব্যবস্থাপক	হোল্ডিং নং-৫৫৩, ভাই ভাই মার্কেট (২য় তলা) মৌজা-চরভদ্রাসন, ডাকঘর ঃ-চরভদ্রাসন, পোঃ কোডঃ- ৭৮১০, উপজেলা-চরভদ্রাসন, ফরিদপুর।	01718-731725 asfclchar@gmail.com
৫	ভাঙ্গা শাখা	জনাব মোঃ ওমর ফারুক	ক্রেডিট অফিসার/ ব্যবস্থাপক	মৌজা-সদরদী, জে,এল,নং ঃ ৫৫, খতিয়ান নং ঃ ২৭১২, দাগ নং ঃ ৭০, ৭২ উপজেলা ঃ ভাঙ্গা, জেলা ঃ ফরিদপুর।	01723-003447 asfclbhanga@gmail.com
৬	সদরপুর শাখা	জনাব মোঃ রেজোয়ান হাসান	সহকারী ক্রেডিট অফিসার/ ব্যবস্থাপক	সদরপুর ইয়াতিমখানা ও মাদ্রাসা মার্কেট ভবন (৩য় তলা) সতের রশি, সদরপুর বাজার, উপজেলা - সদরপুর, ফরিদপুর।	01714-667054 asfclsadarpur@gmail.com
৭	নগরকান্দা শাখা	জনাব সৈয়দ নবীরুল ইসলাম মিঠু	প্রিন্সিপাল অফিসার / ব্যবস্থাপক	হোল্ডিং নং-২৫, মৌজা-গাংজগদিয়া, জে,এল,নং ঃ ১৫৬, খতিয়ান নং ঃ ৩৯০, মহল্লা-মিরাকান্দা, পোষ্ট -নগরকান্দা, উপজেলা ঃ নগরকান্দা, জেলা ঃ ফরিদপুর।	01716-507708 asfclnagarkanda@gmail.com
৮	মধুখালী শাখা	জনাব মোঃ রফিকুল ইসলাম	ক্রেডিট অফিসার/ ব্যবস্থাপক	গ্রাম/মহল্লা-৪৫, গন্ডেরডিয়া কলেজ পাড়া, পোঃ - মধুখালি, পোঃ কোডঃ - ৭৮৫০, উপজেলা -মধুখালি, ফরিদপুর।	01729 689670 asfclmadhukhali1@gmail.com
৯	বোয়ালমারী শাখা	জনাব মোঃ আশফাকুর রহমান	সিনিয়র অফিসার/ ব্যবস্থাপক	হোল্ডিং নং -৫৩৬/১, শিবপুর, পোঃ- বোয়ালমারী, পোঃ কোডঃ - ৭৮৬০, উপজেলা - বোয়ালমারী, ফরিদপুর।	01717-840752 asfclboalmari@gmail.com
১০	রাজবাড়ী শাখা	জনাব সেলিম খান	সহকারী ক্রেডিট অফিসার/ ব্যবস্থাপক	হোল্ডিং ঃ ২৩৭ কলেজ রোড, বিনোদপুর বাজার, রাজবাড়ী।	01711-177750 asfclraj@gmail.com
১১	গোয়ালন্দ শাখা	জনাব বিমান চন্দ্র মন্ডল	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	হোল্ডিং নং ঃ ১৬১, মৌজা ঃ উত্তর উজানচর, উপজেলা ঃ গোয়ালন্দ, জেলা ঃ রাজবাড়ী।	01719 473515 asfclgoalanda@gmail.com
১২	পাংশা শাখা	জনাব মোঃ জুলহাস উদ্দিন আকন্দ	প্রিন্সিপাল অফিসার/ ব্যবস্থাপক	হোল্ডিং নং ঃ ৪৩৪ , মৌজা ঃ নারায়নপুর, ডাকঘর ঃ পাংশা, উপজেলা ঃ পাংশা জেলা ঃ রাজবাড়ী।	01712-347618 agranismepangsha@gmail.com
১৩	বালিয়াকান্দি শাখা	জনাব আজারী পারভীন হ্যাপী	প্রিন্সিপাল অফিসার / ব্যবস্থাপক	বালিয়াকান্দি মেইন রোড, ডাকঘরঃ বালিয়াকান্দি, উপজেলা বালিয়াকান্দি, জেলা ঃ রাজবাড়ী।	01712-878385 asfclbaliakandi@gmail.com
১৪	মাদারীপুর শাখা	জনাব শংকর কুমার ঘোষ	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	হোল্ডিং নং ঃ ৬১৯, হাওলাদার মার্কেট (২য় তলা), পুরান বাজার, পৌরসভাঃ মাদারীপুর, উপজেলা ঃ মাদারীপুর সদর, মাদারীপুর।	01717-457029 asfclmadaripur@gmail.com

**অগ্রণীএসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড**  
**Branch Network with Branch Managers**

১৫	কালকিনি শাখা	জনাব মোঃ রকিবুল ইসলাম	সিনিয়র অফিসার/ ব্যবস্থাপক	মৌজা ও চরবিভাগদী, হোল্ডিং নং : ১৩৩, খতিয়ান নং : ১১০, কালকিনি পুরান বাজার, উপজেলা : কালকিনি, জেলা : মাদারীপুর	01672-115949 asfclkalkini@gmail.com
১৬	রাজৈর শাখা	জনাব মোঃ দেলোয়ার হোসেন	সিনিয়র অফিসার/ ব্যবস্থাপক	অগ্রণী ব্যাংক লিঃ এর টেকেরহাট বাজার ভবন, ৩য় তলা, টেকেরহাট বাজার, ওয়ার্ড নং : ০৫, পৌরসভাঃ রাজৈর, উপজেলাঃ রাজৈর, জেলা : মাদারীপুর।	01717-272100 asfclrajair@gmail.com
১৭	শিবচর শাখা	জনাব মোঃ জাকির হোসেন	সিনিয়র অফিসার/ ব্যবস্থাপক	হোল্ডিং নং - ৪৬, গ্রাম/মহল্লা - গোয়াতলা বাহের চর, ডাকঘর - বরহামগঞ্জ, পোঃ কোড - ৭৯৩০, উপজেলা - শিবচর, মাদারীপুর।	01718-282175 asfclshibchar@gmail.com
১৮	শরীয়তপুর শাখা	জনাব মোঃ মাহমুদুল হাসান	ক্রেডিট অফিসার/ ব্যবস্থাপক	হোল্ডিং নং-৮৬৯, মৌজা : ৬০নং পালং বাজার, উপজেলা-শরীয়তপুর সদর, জেলা : শরীয়তপুর।	01916-325292 asfclshariatpur@gmail.com
১৯	গোপালগঞ্জ শাখা	জনাব দেবেন্দ্র নাথ বর্মন	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	মনোহর পট্টি, বাড়ী নং-৯৯, আলিয়া মাদ্রাসা রোড, ওয়ার্ড নং-০২, মৌজা- ১০৫ খাটরা, পৌরসভা-গোপালগঞ্জ, উপজেলা- গোপালগঞ্জ সদর, জেলা - গোপালগঞ্জ।	01926-308936 asfclgopalgonj@gmail.com
২০	টুঙ্গীপাড়া শাখা	জনাব বিপাশা রায় চৌধুরী	ক্রেডিট অফিসার/ ব্যবস্থাপক	১৫১, টুঙ্গীপাড়া, পোষ্ট ও টুঙ্গীপাড়া, থানা ও টুঙ্গীপাড়া, জেলা : গোপালগঞ্জ।	01823-934234 asfcltungipara@gmail.com
২১	কোটালীপাড়া শাখা	জনাব মোঃ সাইফুর রহমান	ক্রেডিট অফিসার/ ব্যবস্থাপক	হোল্ডিং নং- ২৭, গ্রাম/মহল্লা - ঘাঘর, ডাকঘর-কোটালীপাড়া, উপজেলা-কোটালীপাড়া, গোপালগঞ্জ।	01912-437392 asfclkotlipara@gmail.com
২২	ভালুকা শাখা	জনাব মোঃ এরশাদ আলী	ক্রেডিট অফিসার/ ব্যবস্থাপক	কলেজ রোড, নতুন বাসস্ট্যান্ড (আখতার উদ্দিন কমপ্লেক্স), মৌজা : ভালুকা, খতিয়ান নং : ১৫০৬, ১০১৭, ডাকঃ ভালুকা, পৌরসভা ও ভালুকা, উপজেলাঃ পৌরসভা, জেলা : ময়মনসিংহ।	01714-605803 bhaluka003@gmail.com
২৩	ফুলবাড়ীয়া শাখা	জনাব মোঃ শফিকুল আলম	এসপিও/ব্যবস্থাপক	হোল্ডিং নং : ৫৭৪, মৌজা : ফুলবাড়ীয়া প্রেরণা ম্যানসন মেইন রোড, ফুলবাড়ীয়া পৌরসভা, ফুলবাড়ীয়া, ময়মনসিংহ।	01711-142506 fulbaria004@gmail.com
২৪	গফরগাঁও শাখা	জনাব মোঃ হারুন অর রশিদ	প্রিন্সিপাল অফিসার/ ব্যবস্থাপক	জামতলা মোড় (শওকত মার্কেট), হোল্ডিং নং - ৪৩৯, গফরগাঁও পৌরসভা, উপজেলা - গফরগাঁও, জেলা - ময়মনসিংহ।	01718-218792 gafargaon005@gmail.com
২৫	গৌরীপুর শাখা	জনাব মোঃ মোফাজ্জল হোসেন সরকার	সিনিয়র অফিসার / ব্যবস্থাপক	১৩৪, কালিপুর মধ্যম তরফ, মৌজাঃ গৌরীপুর, গৌরীপুর পৌরসভা, উপজেলা-গৌরীপুর, ময়মনসিংহ।	01712-347836 gouripur006@gmail.com
২৬	হালুয়াঘাট শাখা	জনাব মোঃ ওমর ফারুক	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	মতিলাল ভবন, মৌজা : হালুয়াঘাট মেইন রোড, মধ্যবাজার, হালুয়াঘাট পৌরসভা উপজেলা-হালুয়াঘাট, ময়মনসিংহ।	01911-499990 haluaghat0007@gmail.com
২৭	ঈশ্বরগঞ্জ শাখা	জনাব রুপায়ন কুমার সরকার	প্রিন্সিপাল অফিসার/ ব্যবস্থাপক	'সাজেদা ভবন', হোল্ডিং নং : ৪৭/এ, মৌজা : ঈশ্বরগঞ্জ, উপজেলা কমপ্লেক্স সংলগ্ন, উপজেলা - ঈশ্বরগঞ্জ, জেলা- ময়মনসিংহ।	01716-743127 ishwarganj008@gmail.com

**অগ্রণীএসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড**  
**Branch Network with Branch Managers**

২৮	ময়মনসিংহ সদর শাখা	জনাব মোঃ সাহিদুজ্জামান খান	এসপিও/ ব্যবস্থাপক	হোল্ডিং নং : ৩০/১, সি.কে ঘোষ রোড (গঙ্গাপাড়া রেল ক্রসিং সংলগ্ন), ময়মনসিংহ সিটি কর্পোরেশন, জেলা : ময়মনসিংহ।	01711-156135 mymensinghsadar009@gmail.com
২৯	মুক্তাগাছা শাখা	জনাব মোঃ হাফিজুল ইসলাম	সিনিয়র অফিসার/ ব্যবস্থাপক	পাড়াটুঙ্গি, হোল্ডিং নং -৩৫, মহারাজা রোড, মুক্তাগাছা পৌরসভা, উপজেলা - মুক্তাগাছা, ময়মনসিংহ।	01745-645426 muktagacha0010@gmail.com
৩০	নান্দাইল শাখা	জনাব শূয়াইব আলম	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	হোল্ডিং নং-১৩৮, মৌজা : চণ্ডীপাশা, পন্ডিত ভবন মেইন রোড, নতুন বাজার, উপজেলা - নান্দাইল, ময়মনসিংহ।	01914-288303 nandail011@gmail.com
৩১	ফুলপুর শাখা	জনাব মোঃ ফরহাদ হোসাইন	সিনিয়র অফিসার/ ব্যবস্থাপক	হোল্ডিং নং- ০০০৮-২(৩য় তলা), ডাকঃ ফুলপুর, পৌরসভা : ফুলপুর, উপজেলা- ফুলপুর, জেলা : ময়মনসিংহ।	01846-803430 phulpur012@gmail.com
৩২	ত্রিশাল শাখা	জনাব মোঃ রুহুল আমীন	প্রিন্সিপাল অফিসার/ ব্যবস্থাপক	অগ্রণী ব্যাংক ভবন (২য় তলা), ত্রিশাল বাজার, ত্রিশাল পৌরসভা, উপজেলা- ত্রিশাল, জেলা : ময়মনসিংহ।	01716-627355 trishal0013@gmail.com
৩৩	কিশোরগঞ্জ সদর শাখা	জনাব মোঃ বোরহান উদ্দিন	সিনিয়র অফিসার/ ব্যবস্থাপক	'খান ভিলা', হোল্ডিং নং : ১০৩৯ খরম পট্টি, বেগম রোকেয়া সড়ক, কিশোরগঞ্জ পৌরসভা, কিশোরগঞ্জ।	01718-884997 kishoreganjsadar0014@gmail.com
৩৪	করিমগঞ্জ শাখা	জনাব মোঃ সজিব মিয়া	ক্রেডিট অফিসার/ ব্যবস্থাপক	মন্না প্রজা, হোল্ডিং নং-২০১/১, মধ্যপাড়া রোড, করিমগঞ্জ পৌরসভা, উপজেলা : করিমগঞ্জ, কিশোরগঞ্জ।	01735-647338 karimganj015@gmail.com
৩৫	কটিয়াদী শাখা	জনাব মোঃ বজলুর রশিদ	সিনিয়র অফিসার/ ব্যবস্থাপক	মাষ্টার ভবন, হোল্ডিং নং- ৩০২০, মৌজা : কটিয়াদি, জেএল নং : ৩৯, চর্চা খতিয়ান নং- ১৮২১, এস এ খতিয়ান নং- ২৯৪, এস এ দাগ নং : ৬৭২, আর এস দাগ নং-৬১০, উপজেলা রোড, কটিয়াদি পূর্ব পাড়া, উপজেলাঃ কটিয়াদি, জেলা : কিশোরগঞ্জ।	01712-455656 katiadi016@gmail.com
৩৬	পাকুন্দিয়া শাখা	জনাব মোঃ শাহিনুর রহমান	সিনিয়র অফিসার/ ব্যবস্থাপক	দাগ নংঃ ৩৮৫ এবং ৩৮৬, মৌজাঃ হাপানিয়া লক্ষ্মীয়া, ডাকঘরঃ পাকুন্দিয়া, উপজেলাঃ পাকুন্দিয়া, জেলা- কিশোরগঞ্জ।	01722-468900 pakundia017@gmail.com
৩৭	জামালপুর সদর শাখা	জনাব মোঃ সাইফুল ইসলাম	সিনিয়র অফিসার/ ব্যবস্থাপক	স্টেশন রোড, বাসা নং-১০৮(দ্বিতীয় তলা), রোড নং : ০১, মৌজা : সিংহজানী, জামালপুর পৌরসভা, উপজেলা : জামালপুর সদর, জেলা : জামালপুর।	01716-490587 jamalpursadar018@gmail.com
৩৮	শেরপুর সদর শাখা	জনাব সুমন আহমদ	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	মৌজা : শেরপুর, শেরপুর পৌরসভা, উপজেলা - শেরপুর সদর, জেলা-শেরপুর।	01917-842714 sherpursadar019@gmail.com
৩৯	নেত্রকোনা সদর শাখা	জনাব সৈয়দ মোঃ সাদেকুর রহমান	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	অগ্রণী ব্যাংক ভবন (২য় তলা), মৌজা : সাতপাই, মালিনি রোড, নেত্রকোনা, নেত্রকোনা সদর, নেত্রকোনা।	01817-059066 netrakonasadar020@gmail.com
৪০	কেন্দুয়া শাখা	জনাব মোঃ শাহরিয়ার খান	সহকারী ক্রেডিট অফিসার/ব্যবস্থাপক	অগ্রণী ব্যাংক ভবন (২য় তলা), হোল্ডিং নং : ১২৫, মৌজা : দিগদাইর, উপজেলা : কেন্দুয়া, জেলা : নেত্রকোনা।	01718-784728 kendua021@gmail.com
৪১	মধুপুর শাখা	জনাব মোহাঃ জিল্লুর রহমান সিদ্দিকী	ক্রেডিট অফিসার/ ব্যবস্থাপক	সাথীর মোড়, মধুপুর, ডাকঃ মধুপুর, পৌরসভাঃ মধুপুর, উপজেলাঃ মধুপুর, জেলাঃ টাঙ্গাইল।	01747-089792 madhupur022@gmail.com

**অগ্রণীএসএমই ফাইন্যান্সিং কোম্পানী লিমিটেড**  
**Branch Network with Branch Managers**

৪২	গোপালপুর শাখা	জনাব মোঃ খাইরুল হাবিব মিয়া	সিনিয়র অফিসার/ ব্যবস্থাপক	মেইন রোড, মৌজা ঃ কনোবাড়ী, ওয়ার্ড নং-০৩, ডাকঘর ঃ গোপালপুর, গোপালপুর পৌরসভা, উপজেলা- গোপালপুর, টাংগাইল।	01922-229942 gopalpur0023@gmail.com
৪৩	আব্দুল হামিদ রোড শাখা	জনাব আবু বকর সিদ্দিক	ক্রেডিট অফিসার/ ব্যবস্থাপক	হোল্ডিং নংঃ ১০২৮,রোকেয়া পয়েন্ট (রাধানগর কলেজ রোড সংলগান),পিআই রোড,ওয়ার্ড নংঃ ১১,মৌজা ঃ রাধানগর, পেরৌরসভাঃ পাবনা,উপজেলাঃ পাবনা, জেলাঃ পাবনা।	01735-819756 asfclpabna@gmail.com
৪৪	নতুন বাজার শাখা	জনাব মর্তুজা আলম জিকো	ক্রেডিট অফিসার/ ব্যবস্থাপক	চন্দ্রদ্বীপ ভবন, ওয়ার্ড নং ঃ ১৯, বরিশাল সিটি কর্পোরেশন, সদর রোড, বরিশাল সদর, জেলা ঃ বরিশাল।	01717-701143 asfclbaris@gmail.com
৪৫	চাঁদপুর শাখা	জনাব জহিরুল ইসলাম	ক্রেডিট অফিসার/ ব্যবস্থাপক	মৌজা ঃ ১২৯, বিষ্ণুদী, ডাকঘর ঃ বিষ্ণুদী মাদ্রাসা রোড, উপজেলা ঃ চাঁদপুর, জেলা ঃ চাঁদপুর।	01919-432431 asfclrc@gmail.com
৪৬	সুনামগঞ্জ শাখা	জনাব সুজন গোস্বামী	সিনিয়র অফিসার/ ব্যবস্থাপক	হোল্ডিং/দাগ নং ঃ ০৪৮২-০০, মৌজা ঃ তেঘরিয়া, মেজর ইকবাল রোড, থানা ঃ সুনামগঞ্জ, জেলা ঃ সুনামগঞ্জ।	01737-481524 raasmefclsugonj@gmail.com
৪৭	কুমিল্লা শাখা	জনাব মোঃ আসাদুজ্জামান খান	ক্রেডিট অফিসার / ব্যবস্থাপক	শাওন ম্যানসন, মৌজাঃ চাপাপুর, ডাকঃ চাপাপুর-৩৫০০, ওয়ার্ড নংঃ ০১, ইউনিয়নঃ ৬নং জগন্নাথপুর, উপজেলাঃ কুমিল্লা আদর্শ সদর,জেলা কুমিল্লা।	01725-891915 asfcl.cb@gmail.com
৪৮	গাজীপুর শাখা	জনাব সুকদেব সরকার	ক্রেডিট অফিসার/ ব্যবস্থাপক	তাজ টাওয়ার (৩য় তলা), হোল্ডিং নং ঃ ৮২, মৌজা ঃ জয়দেবপুর, শিববাড়ী মোড়, গাজীপুর।	01711-055929 asfclgazipur@gmail.com
৪৯	মাধবদী শাখা	জনাব মোঃ শাহ জালাল সরকার	এসপিও/ব্যবস্থাপক	অগ্রণী ব্যাংক ভবন (২য় তলা) রাজীব টাওয়ার, হোল্ডিং নং ঃ ২৫৪, মাধবদী পৌরসভা, নরসিংদী।	01816-854353 asme.madhabdi@gmail.com
৫০	মিঠামইন শাখা	জনাব মোঃ আল-আমিন সরকার	ক্রেডিট অফিসার/ ব্যবস্থাপক	রমজান আলী বন, মিঠামইন বাজার, মৌজা ঃ মিঠামইন, উপজেলা ঃ মিঠামইন, জেলা ঃ কিশোরগঞ্জ।	01818-948114 mithamoin048@gmail.com
৫১	মৌলভীবাজার শাখা	জনাব মোঃ মনির হোসেন	ক্রেডিট অফিসার/ ব্যবস্থাপক	হোল্ডিং নং- ১২৭৮/২, মৌজা - বড়হাট, ডাকঘর ঃ মৌলভীবাজার, উপজেলা ঃ মৌলভীবাজার, জেলা ঃ মৌলভীবাজার।	01675-298273 asfclmb@gmail.com
৫২	সিলেট শাখা	জনাব হারুন অর রশিদ	ক্রেডিট অফিসার/ ব্যবস্থাপক	হোল্ডি নং/ দাগ নং ঃ ১০/১১, মৌজা ঃ ভার্থখোলা, থানা ঃ দক্ষিণ সুরমা, জেলা ঃ সিলেট।	01672-097252 sylhet0053@gmail.com
৫৩	শায়েস্তাগঞ্জ শাখা	জনাব মোঃ হারুন অর রশিদ	সহকারী ক্রেডিট অফিসার/ ব্যবস্থাপক (ভারপ্রাপ্ত)	কে আলী প্রাজা (২য় তলা) মৌজা ঃ চরনুর আহমেদ, দাউদনগর বাজার, ডাকঘর ঃ শায়েস্তাগঞ্জ, শায়েস্তাগঞ্জ পৌরসভা, জেলা ঃ হবিগঞ্জ।	01798-912292 shayestaganj0054@gmail.com





## **Agrani SME Financing Company Limited**

**Committed to generate employment**

### **Head Office**

Al-Amin Centre, 25/A, 25/A/1 (6th floor) Dilkusha, Motijheel C/A  
Dhaka-1000, Phone: 02-9511803-4, 02-5716574 Fax: 02-223387301  
Email: asfcbd@gmail.com, Website: <https://agranisme.org>