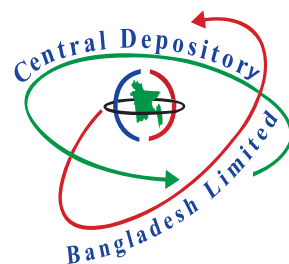


# ANNUAL REPORT | 2019



Central Depository Bangladesh Limited

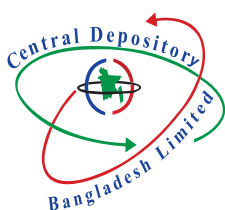
# DIGITAL BANGLADESH

## Free SMS Alert !!!

Giving daily Debit-Credits in  
your BO Account  
Directly from CDBL System



To get the service please provide your  
mobile phone number to your DP for  
entering it into the CDBL System



## Central Depository Bangladesh Limited

BDBL Bhaban (18<sup>th</sup> Floor), 12 Kawran Bazar, Dhaka-1215  
Tel : 550 11924, 550 11934, Fax : +88-02-550 11933  
E-mail : [info@cdbl.com.bd](mailto:info@cdbl.com.bd), Web : [www.cdbl.com.bd](http://www.cdbl.com.bd)

# ANNUAL REPORT 2019



**Central Depository Bangladesh Limited**

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## Notice of The Nineteenth Annual General Meeting

Notice is hereby given that the NINETEENTH Annual General Meeting of the Shareholders of Central Depository Bangladesh Limited will be held on **Wednesday, 11<sup>th</sup> December 2019 at 12:30 pm at the Level-1 Hall room of Samson H Chowdhury Center of Dhaka Club Limited, Ramna, Dhaka - 1000** to transact the following business:-

1. To receive, consider and adopt the Directors' Report for the year ended 30<sup>th</sup> June 2019.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30<sup>th</sup> June 2019 together with the Auditors' report thereon and the notes to the Financial Statements.
3. To elect Directors in place of retiring Directors.
4. To consider and declare dividends as recommended by the Board of Directors of the Company for the year ended 30<sup>th</sup> June 2019.
5. To appoint Auditors of the Company for the year to 30<sup>th</sup> June 2020 and fix their remuneration.

By Order of the Board



**ASM Sayem**, FCS  
Company Secretary

Dhaka, 19<sup>th</sup> November 2019

Notes:

1. A Shareholder entitled to attend and vote at the meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, a specimen of which is enclosed, must be duly stamped and submitted to the Registered Office of the Company not later than 48 hours before the day of the Annual General Meeting.
2. The Record Date is Sunday, 27<sup>th</sup> October 2019, Members, whose names appeared in the Company's register (depository) at the close of business on the Record Date, will be entitled to attend the Annual General Meeting.
3. Shareholders are requested to submit their queries, if any, on the Directors' Report / Audited Financial Statements at the Registered Office of the Company at least 72 hours before the Meeting.

## Mission

Mission of Central Depository Bangladesh Limited (CDBL) is to have a sound management team with carefully-chosen, highly-motivated staff fostering a spirit of enthusiasm balanced with prudent policies to achieve a high level of sophistication and expertise in the performance of its personnel by consistently striving to provide high quality services that are reliable, transparent and efficient by:

- Emphasizing the importance of the customer,
- Unleashing employee initiative by empowering them,
- Viewing activities of the business as processes and the goal of continuous improvement.

Management's leadership endeavour is to forge a passionate, inspired, motivated and cohesive team to operate from a fully common bottom line, sharing the same agenda, driven by the same vision to achieve the best possible results, not only for the shareholders and the employees but also to boost public confidence in CDBL's growing strength as an independent, professionally managed institution.

## Vision

Vision of Central Depository Bangladesh Limited (CDBL) is to be a dynamic, forward looking institution committed to adding value to the business of its clients. It will be equipped with up-to-date Information Technology to ensure prompt customer response and provide innovative solutions to the needs of the capital market playing a pivotal role in Bangladesh's financial services sector.



# CDBL Overview

Central Depository Bangladesh Limited (CDBL) is engaged in the operations of the Central Depository System (CDS), a major financial market infrastructure in Bangladesh established as a part and parcel of the overall financial sector reforms initiative spearheaded by the Ministry of Finance. CDBL was incorporated on 20<sup>th</sup> August 2000 sponsored by the country's Nationalized Commercial Banks (NCBs), Investment Corporation of Bangladesh (ICB), Private Commercial Banks (PCBs), Foreign Banks, Merchant Banks, Publicly Listed Companies, Insurance Companies and Dhaka & Chittagong Stock Exchanges with the collaboration of the Asian Development Bank (ADB). The Company received registration from the Bangladesh Securities and Exchange Commission (BSEC) on 11<sup>th</sup> September 2001 under Depository Regulations, 2000 and subsequently obtained business commencement certificate on 23<sup>rd</sup> December 2003 from the BSEC. The main objective of the Company is to assist listed companies in the handling of scriptless delivery, settlement and transfer of ownership of securities through computerized book entry system.

Legal basis for CDBL's operations is set out in the Depository Act, 1999; Depository Regulations, 2000; Depository (User) Regulations, 2003 and the CDBL Bye Laws.

CDBL's core services cover the efficient delivery, settlement and transfer of securities through computerized book entry system i.e. recording and maintaining securities accounts and registering transfer of securities; changing the ownership without any physical movement or endorsement of certificates and execution of transfer instruments. The Central Depository System (CDS) operated by CDBL has proved to be a convenient and reliable means to settle securities transaction. The investor has been freed from the hassles of physical handling of certificates, errors in paper work and the risks associated with damaged, lost and forged certificates. CDBL eliminated the risks and problems caused by the cumbersome process of physical transaction of shares at Dhaka and Chittagong stock exchanges by Electronic Book Entry Transfers.

CDBL's operations are carried out in its Main Data Centre which is linked to a remote Disaster Recovery Centre operating as a backup with data update taking place simultaneously. Live operations of the CDS commenced with the inauguration of the Electronic Government Securities Registry (EGSR) by the Governor of Bangladesh Bank on 20<sup>th</sup> October 2003. Equity market securities dematerialization process i.e. eliminating physical certificate as record of security ownership by electronic book entry record in the CDS commenced on 24<sup>th</sup> January 2004 with the entry of Square Pharmaceuticals Limited into the CDS. CDBL's Software application VeDAS (Versatile engine for Depository Accounting System) is built with . (dot) Net and Web based technologies at the Front End and Oracle at the Back End centralized database. Network connectivity to Depository Participants (DPs), Issuers, Banks, Stock Exchanges and Bangladesh Securities and Exchange Commission is through Front End interfaces accessed by fiber optics network connections.

CDBL is continuously enhancing its knowledge and capabilities in order to respond to any dynamic business environment to achieve better result. CDBL as a member of Asia Pacific Central Securities Depository (CSD) Group (ACG) hosted the 17<sup>th</sup> ACG General Meeting in 2013 and 11<sup>th</sup> ACG cross training seminar in 2009 at Dhaka. Since 14<sup>th</sup> February 2003 CDBL has been acting as National Numbering Agency for International Securities Identification Number (ISIN) and Classification of Financial Instruments (CFI) in Bangladesh, initially as a partner and since 3<sup>rd</sup> June 2010 as a full member of Association of National Numbering Agencies (ANNA). CDBL is also an associate member of South Asian Federation of Exchanges (SAFE).

## Board of Directors

### Mr. Sheikh Kabir Hossain

Chairman  
Nominee of Bangladesh Insurance  
Association (BIA)

### Mr. A K M Nurul Fazal Bulbul

Vice-Chairman  
Nominee of Bangladesh Association  
of Banks (BAB)

### Mr. Azam Jahangir Chowdhury

Director  
Nominee of Prime Bank Limited

### Maj Gen Mohammad Shamim Chowdhury

nwc, psc (Retd.)  
Director  
Nominee of Chittagong Stock Exchange Limited (CSE)

### Mr. Tapan Chowdhury

Director  
Nominee of Square Pharmaceuticals Limited

### Mr. Syed Manzur Elahi

Director  
Nominee of Mutual Trust Bank Limited

### Professor Dr. Abul Hashem

Director  
Nominee of Dhaka Stock Exchange Limited (DSE)

### Mr. Md. Abul Hossain

Director  
Nominee of Investment Corporation of Bangladesh (ICB)

### Mr. Sajjad Hussain

Director  
Nominee of AB Bank Limited

### Professor Shibli Rubayat Ul Islam

Director  
Nominee of Sadharan Bima Corporation

### Mr. Md. Ataur Rahman Prodhan

Director  
Nominee of Nationalized Commercial Banks

### Mr. Salman F Rahman

Director  
Nominee of Bangladesh Association of Publicly  
Listed Companies (BAPLC)

### Mr. AKM Shamsuddin

Director  
Nominee of Standard Chartered Bank

### Mr. Shuvra Kanti Choudhury, FCA

Managing Director & CEO  
Central Depository Bangladesh Limited





**Mr. Sheikh Kabir Hossain**

Chairman

Nominee of Bangladesh Insurance Association (BIA)



**Mr. A K M Nurul Fazal Bulbul**

Vice-Chairman

Nominee of Bangladesh Association of Banks (BAB)



**Mr. Azam Jahangir Chowdhury**  
Director  
Nominee of Prime Bank Limited



**Maj Gen Mohammad Shamim Chowdhury, nwc, psc (Retd.)**  
Director  
Nominee of Chittagong Stock Exchange Limited (CSE)



**Mr. Tapan Chowdhury**  
Director  
Nominee of Square Pharmaceuticals Limited



**Mr. Syed Manzur Elahi**  
Director  
Nominee of Mutual Trust Bank Limited



**Professor Dr. Abul Hashem**  
Director  
Nominee of Dhaka Stock Exchange Limited (DSE)



**Mr. Md. Abul Hossain**  
Director  
Nominee of Investment Corporation of Bangladesh (ICB)



**Mr. Sajjad Hussain**  
Director  
Nominee of AB Bank Limited



**Professor Shibli Rubayat Ul Islam**  
Director  
Nominee of Sadharan Bima Corporation



**Mr. Md. Ataur Rahman Prodhan**  
Director  
Nominee of Nationalized Commercial Banks



**Mr. Salman F. Rahman**  
Director  
Nominee of Bangladesh Association of Publicly Listed Companies (BAPLC)



**Mr. AKM Shamsuddin**  
Director  
Nominee of Standard Chartered Bank

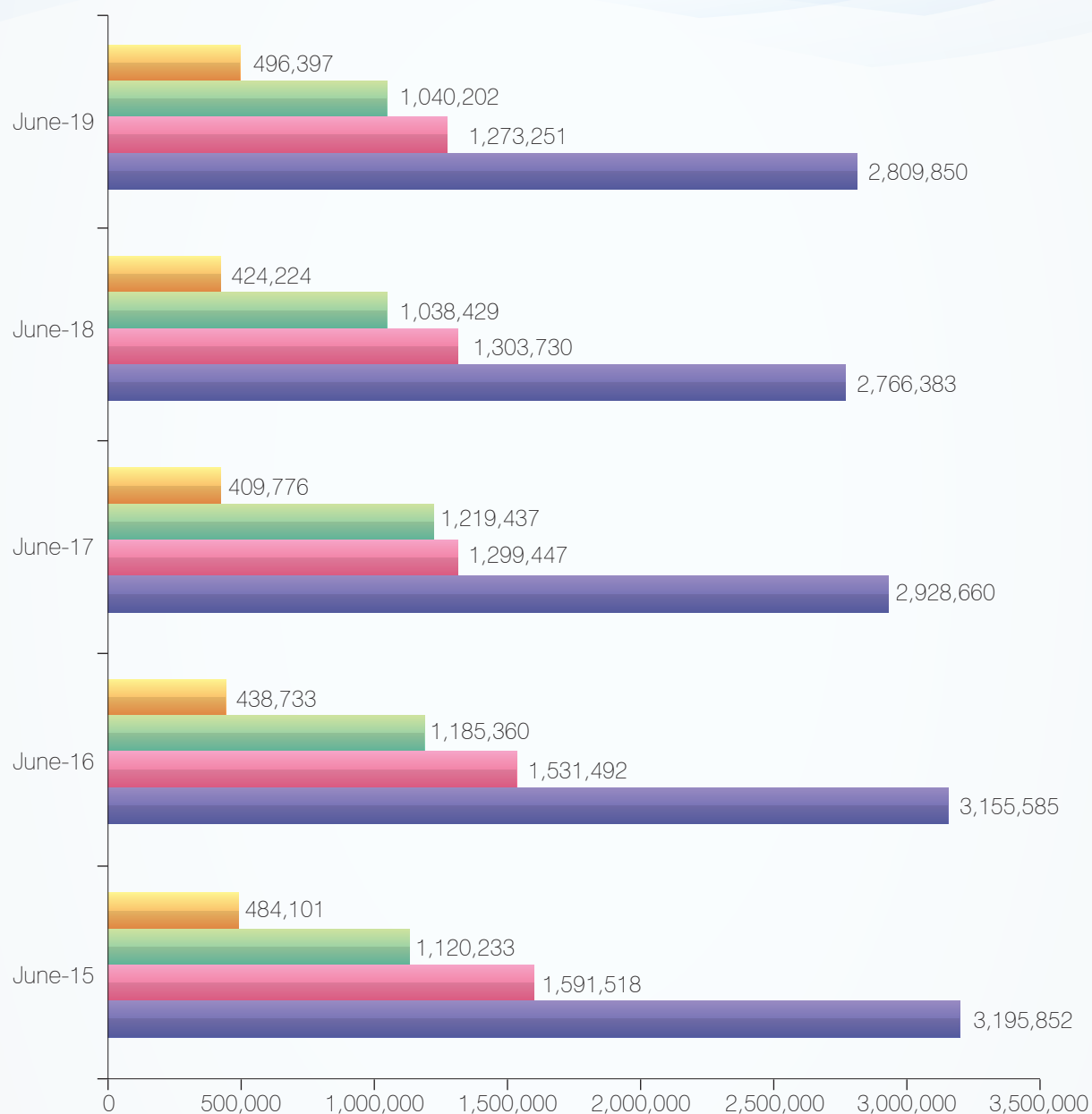


**Mr. Shuvra Kanti Choudhury, FCA**  
Managing Director & CEO  
Central Depository Bangladesh Limited

## Operational Highlights

	FINANCIAL YEARS ENDED 30 <sup>th</sup> JUNE				
Depository elements	2015	2016	2017	2018	2019
Investors Accounts set up in the CDS	6,007,787	6,304,714	6,461,024	6,672,937	6,981,200
Investors Accounts in operable state in the CDS	3,195,852	3,155,585	2,928,660	2,766,383	2,809,850
Growth of operable Investors Accounts	8%	-1.3%	-7.2%	-5.5%	1.57%
Investors Accounts with Share Balances	1,591,518	1,531,492	1,299,447	1,303,730	1,273,251
Investors Accounts with Zero Balances	1,120,233	1,185,360	1,219,437	1,038,429	1,040,202
Investors Accounts never used	484,101	438,733	409,776	424,224	496,397
Depository Participants	386	393	402	405	411
Growth of Depository Participants	3%	2%	2%	1%	1.5%
Securities in the CDS - Issuers	346	357	372	390	412
Growth of Issuers entry in the CDS	7%	3%	4%	5%	6%
Number of Shares in the CDS (in millions)	50,874	54,948	59,035	64,524	66,435
Growth of Shares in the CDS	15%	8%	7%	9%	3%
Market value of shares in the CDS (in Tk. billions)	1,776.16	1,832.42	2,325.40	2,264.59	2,521.10
Growth of market value of shares in the CDS	13%	3%	27%	-3%	11%
% of stock exchange turnover settled in the CDS	100%	100%	100%	100%	100%

## Investors Accounts at a Glance



Investors Accounts never used

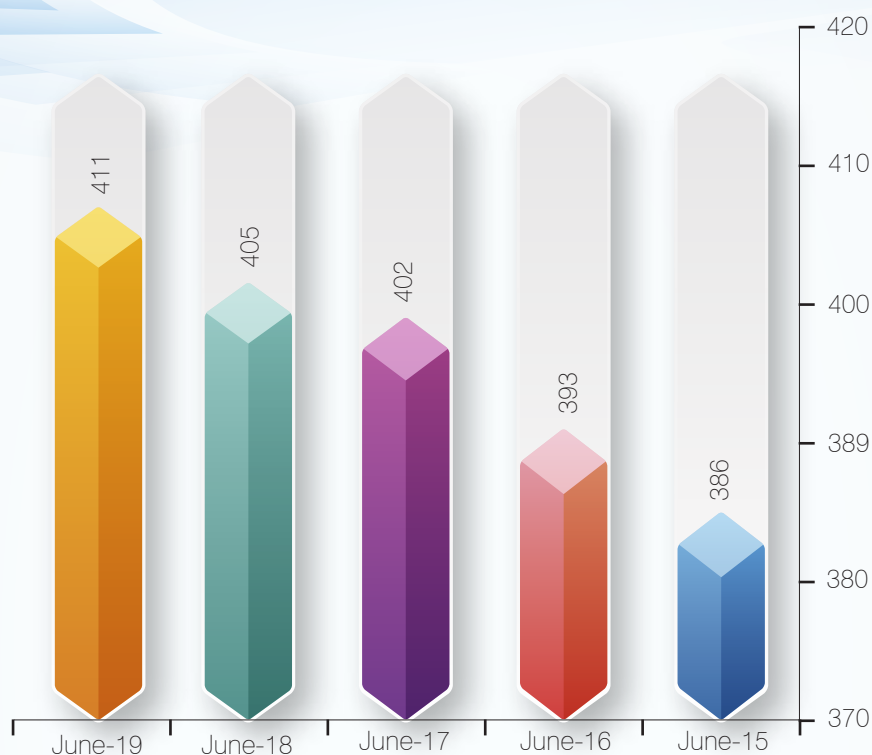
Investors Accounts with Zero Balances

Investors Accounts with share Balances

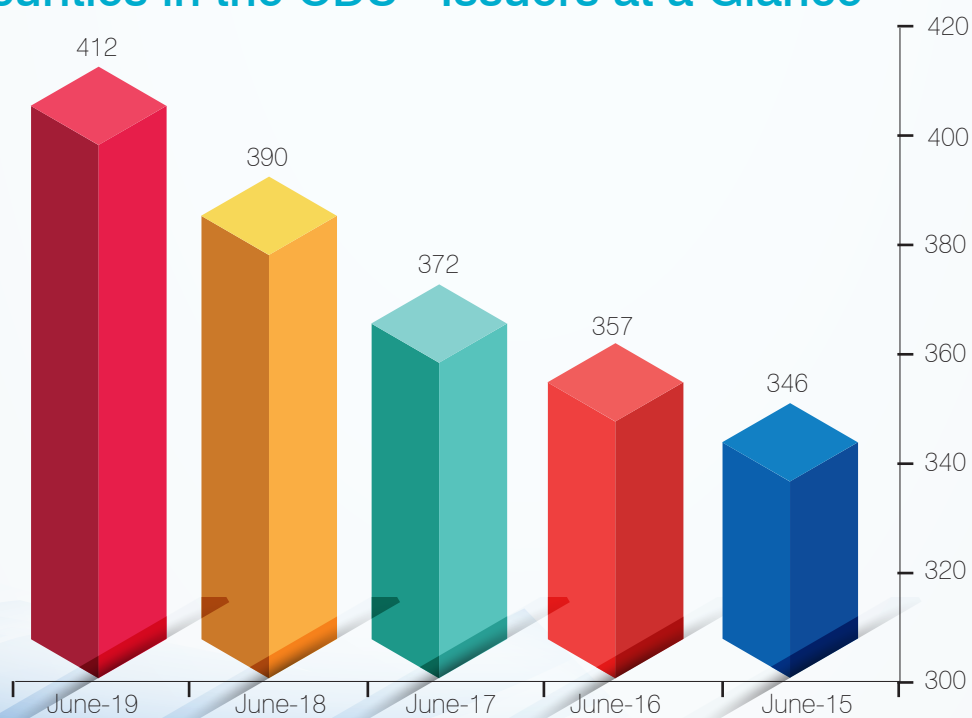
Investors Accounts in operable state in the CDS



## Depository Participants (DPs) at a Glance



## Securities in the CDS - Issuers at a Glance





## Financial Highlights

	FINANCIAL YEARS ENDED 30 <sup>th</sup> JUNE				
Balance Sheet - Taka	2015	2016	2017	2018	2019
Paid-up Capital	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Retained Earnings	571,801,690	545,788,130	702,331,131	607,096,649	546,488,576
Reserve:					
CDS up-gradation	500,000,000	600,000,000	700,000,000	800,000,000	900,000,000
Headquarter building	2,650,000,000	2,850,000,000	2,950,000,000	3,050,000,000	3,150,000,000
Investor Protection	150,000,000	200,000,000	250,000,000	300,000,000	350,000,000
Shareholder's Equity	5,871,801,690	6,195,788,130	6,602,331,131	6,755,096,649	6,946,488,576
% Increase/(Decrease)	7.01	5.51	6.56	2.31	2.83
Total Liabilities	539,966,187	546,877,563	472,261,080	315,624,702	307,980,294
% Increase/(Decrease)	(22.35)	1.27	(13.64)	(33.17)	(2.42)
Total Asset	6,411,767,877	6,742,665,693	7,074,592,211	7,072,721,351	7,254,468,870
% Increase/(Decrease)	3.70	5.16	4.92	(0.02)	2.57
Operational Results - Taka					
Operating Income	1,004,473,997	947,949,630	910,210,318	797,214,423	831,111,742
% Increase/(Decrease)	(3.74)	(5.63)	(3.98)	(12.41)	4.25
Other Income	612,272,167	549,772,080	477,473,403	482,226,976	556,543,238
% Increase/(Decrease)	(5.19)	(10.21)	(13.15)	1.00	15.41
Total Income	1,616,746,164	1,497,721,710	1,387,683,721	1,279,441,399	1,387,654,980
% Increase/(Decrease)	(4.29)	(7.36)	(7.35)	(7.80)	8.45
Total Expenses before depreciation	156,796,228	159,574,601	167,117,654	206,378,523	199,353,662
% Increase/(Decrease)	13.0	1.77	4.73	23.50	(3.40)
Profit Before Taxation	1,366,998,838	1,256,504,847	1,342,412,333	1,000,731,206	1,094,403,929
% Increase/(Decrease)	(10.71)	(8.08)	6.84	(25.45)	9.36
Profit After Taxation	884,743,266	823,986,440	906,543,001	654,765,518	689,391,927
% Increase/(Decrease)	(9.60)	(6.87)	10.02	(28.00)	5.00
Earnings Per Share	4.42	4.12	4.53	3.27	3.45
% Increase/(Decrease)	(9.60)	(6.87)	9.95	(28.00)	5.00

**CDBL  
Team**

Managing Director & CEO  
**Shuvra Kanti Choudhury, FCA**

Chief Technology Officer  
Mohammad Abdul Mutaleb

Md. Tohabin Huq, A Hasib Rahman,  
G M Ahsanul Haque, Md. Moinul Haque,  
Raquibul Islam Chowdhury,  
K M Shaberul Islam, Md. Shahidul Islam

Md. Faruque Ahmed, Quazi Ghulam Shakur  
Mashrur Sakib, Saber Mahmud  
Md. Imam Hossain Sayem, Parvin Khan, ASM Sayem

Md. Shafiqul Islam, Jayanta Biswau Mondal, Shafaet Ahmed Siddique,  
Md. Monirul Islam, Kazi Minhaz Uddin, Md. Muniruzzaman Rana

Ms. Rumana Rahman, Shihab Bari, Ms. Shanaz Begum

Md. Tajul Islam, Md. Abeed Omor,  
Md. Yeaqub Ali, Manna Dey, Ms. Nurjahan Begum, Md. Afsar Uddin,  
Sharif Ali Irteza, Al Amin Hossain, Kazi Jalal Uddin, Almas Arefin, Ms. Supria Florence Biswas

Mohammad Shaiful Alam,  
Shah Alam Masum, Md. Muzaffar Mahmud, Md. Shahidul Islam,  
Minuddin Ahammed, Md. Arif Hossain, Mohammad Saiful Islam, Abul Hasan Sojib

Md. Touhidul Ahsan, Md. Abdul Latif Khandaker, Md. Abul Kalam Asad,  
Md. Habibur Rahman Tarafder, Sajal Chandra Das, Ijack Baroi, Faizul Islam Shetu,  
K M Mahiuddin Masum, Afikur Rahman, Imran Miah, Ariful Islam Sarker, Sharif Sinthia

Nasrin Haque, Taslima Akhter, Falguni Biswas, Md. Golam Rabbani

Md. Abdus Salam, Humayun Kabir, Md. Moniruzzaman Sheikh,  
Mamun, Md. Shafikul Islam, Md. Sarower Hossain

## Eighteenth Annual General Meeting



The 18<sup>th</sup> Annual General Meeting of Central Depository Bangladesh Limited (CDBL) was held on Wednesday 19<sup>th</sup> December 2018 at the Samson H Chowdhury Centre of Dhaka Club Limited presided over by Mr. Sheikh Kabir Hossain, Chairman of the Company. Directors present (from right to left) Mr. Md. Obayed Ullah Al Masud, Mr. Sajjad Hussain, Mr. Syed Shahriyar Ahsan, Mr. A K M Nurul Fazal Bulbul, Mr. Sheikh Kabir Hossain, Mr. Shuvra Kanti Choudhury, Professor Dr. Abul Hashem and Representative of the Auditor of the Company Mr. A F Nesaruddin, FCA.



The Board of Directors with the Shareholders present at the 18<sup>th</sup> Annual General Meeting of Central Depository Bangladesh Limited (CDBL) held on Wednesday 19<sup>th</sup> December 2018 at the Samson H Chowdhury Centre of Dhaka Club Limited.



## CDBL News

### Reception to Foreign Minister and Adviser to PM



Mr. Sheikh Kabir Hossain, Chairman, CDBL congratulated Dr. A K Abdul Momen, MP, Honorable Minister, Ministry of Foreign Affairs, People's Republic of Bangladesh with bouquet of flowers during the reception program hosted by CDBL in honor of Foreign Minister Dr. A K Abdul Momen, MP and Mr. Salman F Rahman, MP, Honorable Adviser on Private Industry and Investment to the Honorable Prime Minister of People's Republic of Bangladesh.

### Mr. Sheikh Kabir Hossain re-elected Chairman of CDBL



The Board of Directors of CDBL congratulated Mr. Sheikh Kabir Hossain, Chairman, CDBL and Mr. A K M Nurul Fazal Bulbul, Vice-Chairman, CDBL with bouquet of flowers on their reelection as Chairman and Vice-Chairman of CDBL for a period of two years till 2020.

## CDBL attended Global Conference of CSDs



The Chairman Mr. Sheikh Kabir Hossain, Vice-Chairman Mr. A K M Nurul Fazal Bulbul and Managing Director & CEO Mr. Shuvra Kanti Choudhury, FCA attended Global Conference of Central Securities Depositories held at Marrakech, Morocco from 8<sup>th</sup> to 12<sup>th</sup> April 2019.



The Chairman Mr. Sheikh Kabir Hossain exchanged views with Ms. Nezha Hayat, Chairperson and CEO Moroccan Capital Market Authority on the development of their respective Capital Markets in sideline of the Global Conference of Central Securities Depositories held at Marrakech, Morocco from 8<sup>th</sup> to 12<sup>th</sup> April 2019



## CDBL attended Annual General Meeting of ANNA



The Vice-Chairman Mr. A K M Nurul Fazal Bulbul, Managing Director & CEO Mr. Shuvra Kanti Choudhury, FCA and Head, System Administration and Inspection & Compliance Mr. K M Shaberul Islam attended the Annual General Meeting of the Association of National Numbering Agencies (ANNA) at Frankfurt, Germany from 12<sup>th</sup> to 14<sup>th</sup> June 2018.

## CDBL has become partner of IFGICT



Mr. Syed Javed Ahmad, Country Manager, Bangladesh of International Federation of Global & Green Information Communication Technology (IFGICT) handed over the Certificate of Partnership to the Managing Director & CEO of CDBL Mr. Shuvra Kanti Choudhury, FCA.



### CDBL CEO was the Panelist in the Seminar organized by BSEC



Dr. M. Khairul Hossain, Chairman, Bangladesh Securities and Exchange Commission (BSEC) presented crest to the Managing Director & CEO of CDBL Mr. Shuvra Kanti Choudhury, FCA for his participation as a panelist in the "Seminar on Corporate Governance" organized by BSEC on the occasion of Silver Jubilee of Bangladesh Securities and Exchange Commission.

### CDBL organized Seminar on "Investors Education and Protection"



Professor Md. Helal Uddin Nizami, Commissioner, Bangladesh Securities and Exchange Commission was the Chief Guest in the Seminar on the "Investors Education and Protection" organized by CDBL on 8<sup>th</sup> October 2018 during World Investors Week 2018.

## CDBL & CSE jointly organized Seminar on “Sustainable Economic Growth through Capital Market”



CDBL & CSE jointly organized Seminar on “Sustainable Economic Growth through Capital Market” at Chittagong on 13<sup>th</sup> September 2018 on the occasion of Silver Jubilee of Bangladesh Securities and Exchange Commission.

## CDBL participated in the CAMLCO Conference



The Managing Director & CEO of CDBL Mr. Shuvra Kanti Choudhury, FCA (2<sup>nd</sup> from the left) participated as a panelist in the Working Session of the Chief Anti Money Laundering Compliance Officer (CAMLCO) Conference 2019 for Capital Market Intermediaries.





# Directors' Report



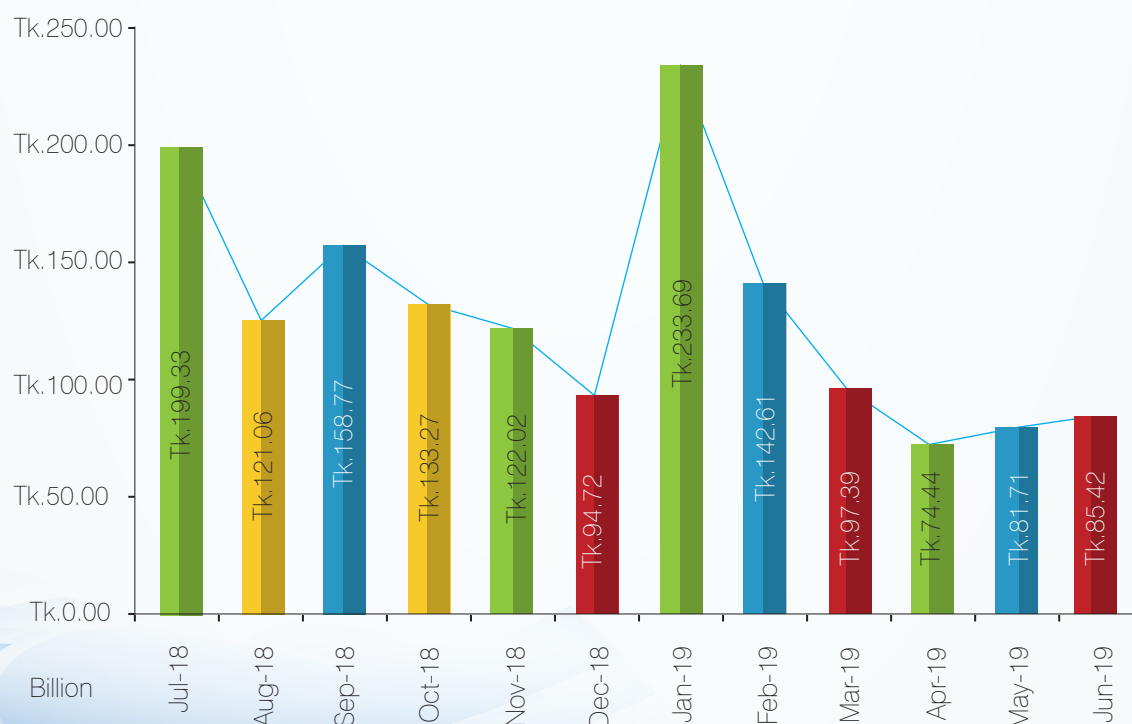
The Board of Directors of Central Depository Bangladesh Limited (CDBL) is pleased to present the audited financial statements of the Company for the year ended 30<sup>th</sup> June 2019, Auditors' Report thereon along with a market overview relating to the Company's operations.

## Market Overview

The stock market performance during the year ended 30<sup>th</sup> June 2019 was more or less steady. The market witnessed a sharp surge in January 2019 with increase in both volume and value of daily turnover. However, both decreased steadily in the next three months period from February 2019 to April 2019. The performance of the primary market was similar to last year. IPOs were oversubscribed and gave the opportunity to investors to book some quick profits on their IPO subscriptions.

Over the year Broad Index, DSEX, of Dhaka Stock Exchange (DSE) went up by 0.31% from 5,405 on 30<sup>th</sup> June 2018 to 5,422 on 30<sup>th</sup> June 2019. Chittagong Stock Exchange (CSE) index was also increased from 16,559 to 16,634, a gain of around 0.45% during the year.

Turnover of DSE was Tk. 1,460 billion as against Tk. 1,591 billion in the previous year which was down by 8.23%. CSE's turnover at Tk. 85 billion, compared to Tk. 110 billion in the previous year, decreased by 22.73%. Monthly combined turnover movement of both the exchanges during the year ended 30<sup>th</sup> June 2019 is depicted hereunder:-



Taking the combined turnovers at both DSE & CSE during the year the top turnover performers list was headed by the United Power Generation and Distribution Company Limited as tabulated below:-

Company	Turnover Tk. Billion
United Power Generation and Distribution Company Limited	57.10
Khulna Power Company Limited	45.71
BBS Cables Limited	32.66
Square Pharmaceuticals Limited	28.68
Monno Ceramic Industries Limited	27.42

Market Capitalization at the close of the year ended 30<sup>th</sup> June 2019 stood at Tk. 3,998.16 billion (US\$ 47.31 bln) as against Tk. 3,847.35 billion (US\$ 45.97 bln) at the end of 30<sup>th</sup> June 2018 registering a gain of 3.92% during the year. Share price movements of the largest contributors to market capitalization decreased during the year, with just one exception, as indicated below:-

Company	Market Cap. Tk. Billion	Closing Price Tk.	% Price Gain/ (Decline)
Grameenphone Limited	492.45	364.70	(6.22)
British American Tobacco Bangladesh Company Limited (BATBC)	246.26	1,368.10	(60.42)
Square Pharmaceuticals Limited	208.53	264.30	(9.83)
United Power Generation Distribution Company Limited	179.71	375.10	50.28
Renata Limited	96.51	1,198.40	(7.57)

Total number of listed securities at DSE stood at 363 at the end of the year made up of 317 companies, 37 mutual funds, 8 debentures and 1 corporate bond excluding 221 Bangladesh Government Treasury Bonds. Number of shares, debentures, corporate bonds and mutual funds at DSE was 71,666 million and issued capital of these securities stood at Tk.719.98 billion as at 30<sup>th</sup> June 2019.

Thirteen entities tapped the market for around Tk. 5,669.45 million through Initial Public Offerings (IPO) as tabulated below:-

Subscription Date		Company	IPO Issue	Times Over Subscribed
Opening	Closing		Tk. Million	
08.07.18	19.07.18	M L Dying Limited	200.00	31.30
29.07.18	05.08.18	Silva Pharmaceuticals Limited	300.00	25.77
09.08.18	16.08.18	Indo-Bangla Pharmaceuticals Limited	200.00	34.24
28.08.18	13.09.18	Kattali Textile Limited	340.00	25.18
28.10.18	07.11.18	S S Steel Limited	250.00	34.80
18.11.18	29.11.18	Genex Infosys Limited	200.00	35.75
02.12.18	13.12.18	SEML FBLSL Growth Fund	729.45	Under Subscribed
06.01.19	20.01.19	Esquire Knit Composite Limited (IPO under Book Building Method : Offer Price per share for General Public Tk. 40; Cut-Off Price per share Tk.45)	1,500.00	9.05
31.01.19	10.02.19	Runner Automobiles Limited (IPO under Book Building Method : Offer Price per share for General Public Tk. 67; Cut-Off Price per share Tk.75)	1,000.00	14.40
18.02.19	03.03.19	New Line Clothing Limited	300.00	27.74
07.03.19	19.03.19	Silco Pharmaceuticals Limited	300.00	27.73
31.03.19	09.04.19	Coppertech Industries Limited	200.00	38.58
23.04.19	06.05.19	Sea Pearl Beach Resort & Spa Limited	150.00	49.72
			<b>5,669.45</b>	

Moneys raised through IPOs were around 1% more in comparison to the previous year when 12 companies raised around Tk. 5,632.50 million through Initial Public Offerings.



## Central Depository System (CDS) Operations

### Depository Participants (DPs)

Depository Participants (DPs) increased by 6 from 405 to 411 during the year ended 30<sup>th</sup> June 2019 as detailed below:-

Depository Participants (DPs) admitted to CDBL	30 <sup>th</sup> June 2018	30 <sup>th</sup> June 2019
Brokers / Dealers – Full Service DPs	325	328
Custodian DPs	78	81
Stock Exchanges	2	2
<b>Total</b>	<b>405</b>	<b>411</b>

### Investors' Accounts

Investors' accounts in operation, as tabulated below, increased by 43,467 during the year

Investors' Accounts	30 <sup>th</sup> June 2018	30 <sup>th</sup> June 2019
Individual Accounts	1,747,406	1,769,329
Joint Accounts	1,007,065	1,027,223
Company Accounts	10,485	11,863
Omnibus Accounts	199	192
Principal Accounts	486	490
Clearing Accounts	742	753
<b>Total</b>	<b>2,766,383</b>	<b>2,809,850</b>

### Securities in CDS

Securities of 24 entities came into the CDS whilst ICB AMCL First NRB Mutual Fund and ICB AMCL Second NRB Mutual Fund were delisted from the exchanges and went out of the CDS during the year. Out of the 412 companies 13 are in the OTC market whereas 38 Unit Funds, Shares of Dhaka and Chittagong Stock Exchanges shares are not listed securities.

Number of shares held in the CDS increased around 3% during the year by 1,910,808,025 taking the total from 64,524,381,311 as at 30<sup>th</sup> June 2018 to 66,435,189,336 as at 30<sup>th</sup> June 2019. Market value of the shares held in CDS as at 30<sup>th</sup> June 2018 amounted to around Tk. 2,264.59 billion which increased to Tk. 2,521.10 billion as at 30<sup>th</sup> June 2019 registering a gain of around 11%.

Share trades settlement in the depository relating to combined stock exchange trades of DSE & CSE during the year were higher in comparison to the previous year, the transaction value which went up around 9%

whereas number of shares traded was down in comparison to the previous year as tabled below:-

Year Ended	No. of Shares in CDS	No. of Trades (Mln)	No. of Shares Traded (Mln)	Turnover Tk.(Bln)
30 <sup>th</sup> June 2019	66,435,189,336	35.73	39,371	1,545
30 <sup>th</sup> June 2018	64,524,381,311	31.76	49,272	1,701
<b>% Increase/(decrease)</b>	<b>2.96%</b>	<b>12.50%</b>	<b>(20.09%)</b>	<b>(9.17%)</b>

100% of the DSE & CSE combined daily trades during the year ended 30<sup>th</sup> June 2019 was settled in the demat market segment.

Corporate Actions relating to bonus shares issues were higher compared to the previous year while there was no right issue during the year. Consequently, credit of number of shares to the investors depository accounts as well as number of accounts credited in the Central Depository System (CDS) of CDBL arising from Corporate Actions of issuers were decreased during the year. However, the value of shares credited were increased compared to the previous year as depicted below:-

Year Ended	No. of Shares		Total		
	Bonus	Rights	Shares	A/Cs credited	Value Tk. Billion
30 <sup>th</sup> June 2019	3,858,183,627	-	3,858,183,627	1,982,257	355.32
30 <sup>th</sup> June 2018	3,412,940,107	894,536,272	4,307,476,379	1,999,229	158.91
<b>% Increase/(decrease)</b>	<b>13.05</b>	<b>(100)</b>	<b>(10.43)</b>	<b>(0.85)</b>	<b>123.60</b>

## System Operations

Technological advancements of Central Depository System (CDS) operated by CDBL is an ongoing continuous process arising from new requirements from the regulators and users to meet policy changes as well as enhancing the performance of the Depository Application software itself by fine-tuning the modules that are in operation.

During the year as per instruction from Bangladesh Securities and Exchange Commission CDBL implemented a new module in the Depository Software to block debit and credit transactions of BO Accounts of director's / sponsor's / placement holders to prevent buy or sale without prior declaration or payment of tax where applicable, by them.

Central Depository Hardware systems operations were satisfactory during the year ended 30<sup>th</sup> June 2019 except for some parts replacements.

The CDS data communication network ran smoothly during the year and the overall performance remained fault-free.

## Cyber Security

ISO 27001:2013 certification on Information Security Management System (ISMS) has been awarded to CDBL and in order to continually keep the company's ICT infrastructure aligned with ISO requirements, periodic Internal Audit and Management Review Meeting are being conducted on regular intervals. ISO lead auditors also conducted a mandatory surveillance audit during May 2019 and few minor Non-Conformities (NCs), Observations and Opportunities for Improvements were discussed and corrected with appropriate corrective actions.

In order to address growing concern regarding Information Security including Cyber Threat, Information Security Department and Computer Incident Response Team (CIRT) have been created in CDBL.

## Personnel

Workforce of the Company at the end of 30<sup>th</sup> June 2019 was the same as at the end of the previous year at 66 of whom 43 were IT professionals.

The 22<sup>nd</sup> Asia-Pacific Central Securities Depository Group (ACG) General Meeting held at Colombo, Sri Lanka from 26<sup>th</sup> to 29<sup>th</sup> November 2018 was attended by the Managing Director & CEO and a senior IT personnel of the Company.

The 21<sup>st</sup> Asia-Pacific Central Securities Depository Group (ACG) Cross-Training Seminar held at Yogyakarta, Indonesia from 4<sup>th</sup> to 7<sup>th</sup> March 2019 was attended by the Chief Technology Officer, two senior IT personnel and Chief Accountant of the Company.

The Company has continued to outsource its security and cleaning services.

## Financial Results

Nevertheless around 9% decline in turnover at the exchanges the Operating Income of the Company slightly increased in the year by Tk. 33,897,319 i.e. over 4% from Tk. 797,214,423 in the previous year ended 30<sup>th</sup> June 2018 to Tk. 831,111,742 in the year ended 30<sup>th</sup> June 2019 due to the increased earnings from corporate actions by 154%. The Other Income of the Company also increased by Tk. 74,316,262 i.e. around 15%. The Operating Expenses before depreciation and provision against investment decreased during the year ended 30<sup>th</sup> June 2019 by Tk. 7,024,861 i.e. 3.40% in spite of substantial rise in Annual Maintenance Charges of depository application software. Consequently, Net Profit of the Company increased by around 5% in comparison to the previous year ended 30<sup>th</sup> June 2018. The Earnings per Share (EPS) of the Company increased to Tk. 3.45 from Tk. 3.27 reflecting the effect of the increased profitability of the Company.

The key figures relating to the financial results of the Company for the year ended 30<sup>th</sup> June 2019 compared to the previous year are given below:-

Particulars	30 <sup>th</sup> June 2019 Taka	30 <sup>th</sup> June 2018 Taka	% increase /(decrease)
Operating income	831,111,742	797,214,423	4.25
Other income	556,543,238	482,226,976	15.41
Operating expenses before depreciation and provision for investment	199,353,662	206,378,523	(3.40)
Depreciation and provision for investment	93,897,389	72,331,670	29.81
Net profit before tax	1,094,403,929	1,000,731,206	9.36
Income tax including deferred tax expenses	405,012,002	345,965,688	17.06
Net profit after tax	689,391,927	654,765,518	5.00
Paid up capital	2,000,000,000	2,000,000,000	-
Earnings per share (EPS)	3.45	3.27	5.00

## Dividend

Considering the financial results attained by the Company and the higher operations costs in coming years as well as present depressed condition of the capital market as a whole, the Board of Directors in its meeting held on 2<sup>nd</sup> October 2019 decided to keep dividend at the same level as the previous year and accordingly recommended a cash dividend of 25% i.e. Tk. 2.5 per ordinary share of Tk. 10 each for the year ended 30<sup>th</sup> June 2019 to the shareholders in the register of members as on Sunday 27<sup>th</sup> October 2019 for consideration at the 19<sup>th</sup> Annual General Meeting of the shareholders of the Company.

## Appropriations

Appropriations of the profit of the Company are depicted below:-

Particulars	Taka
Net profit after taxation	689,391,927
Un-appropriated profit brought forward	607,096,649
Cash dividend @ 25% paid for the year ended 30 <sup>th</sup> June 2018	(500,000,000)
Transferred to CDS Up-gradation Reserve	(100,000,000)
Transferred to Headquarter Building Reserve	(100,000,000)
Transferred to Investor Protection Fund	(50,000,000)
Profit available for appropriation	546,488,576
Dividend proposed for the year ended 30 <sup>th</sup> June 2019 – Cash Dividend @ 25%	(500,000,000)
Un-appropriated profit carried forward	46,488,576

## Contribution to the National Exchequer

During the year ended 30<sup>th</sup> June 2019 the Company paid Tk. 367,897,471 as direct tax.

## Outlook

The overall business outlook for the Company in the coming year will be dependent on the daily turnover at the exchanges which will be the single most important factor affecting the financial health of the Company. In order to follow best practices, increase product diversity and ease of inclusion of new segment in the market Bangladesh Securities and Exchanges Commission has promulgated Clearing & Settlement Rules, 2017 to form a Central Counterparty in Bangladesh. Accordingly, Central Counterparty Bangladesh Limited (CCBL) has been incorporated on 14<sup>th</sup> January 2019 to carry out post trade cash clearing in a more efficient manner. CCBL has already collected subscription money from its subscribers to the memorandum and now working to choose the model of its operation and design its system infrastructure. Commencement of the operation of CCBL shall pave the way for introducing new products in the market making the market more vibrant. However, CDBL has well positioned itself to handle infrastructural changes in the market operation as well as any upsurge in trade volumes at the stock exchanges. Meanwhile, the Company will remain focused on improvements in its services to depository participants and issuers.

## Changes in Directorship:

During the year changes that occurred in the directorship of the Company were as follows:

15 <sup>th</sup> January 2019	Maj Gen Mohammad Shamim Chowdhury, nwc, psc (Retd.), Chairman, Chittagong Stock Exchange Ltd (CSE) replaced Dr. A K Abdul Momen as nominee of CSE.
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## Election of Directors

Pursuant to Article 117 to 120 of the Company Mr. A K M Nurul Fazal Bulbul, Mr. Tapan Chowdhury, Mr. Syed Manzur Elahi, Mr. Sajjad Hussain and Mr. Salman F Rahman Directors of the Company will retire and being eligible, offer themselves for re-election.

## Appointment of Auditors

The auditors of the Company, Hoda Vasi Chowdhury & Co. Chartered Accountants, retire as per Section 210 of the Companies Act 1994 and being eligible have offered themselves for re-election.

## Conclusion

The Board of Directors is grateful for the assistance and support rendered to the Company by the Bangladesh Securities and Exchange Commission. The trust and confidence reposed on the Board and extended to the Company by the sponsor shareholders and the increasing number of users of the Company's Central

Depository System (CDS) is most heartening and deeply appreciated as also the wholehearted support extended to CDBL by the Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE).

The Board of Directors is also pleased to record its appreciation for the relentless efforts of the Company's staff at all levels in achieving good financial results in difficult circumstances during the year. The support extended by the Company's IT Solution provider, Tata Consultancy Services Limited and hardware maintenance team of HP Singapore and its local partner Flora Limited in keeping the CDS up and running is also duly acknowledged and appreciated by the Board.

For and on behalf of the Board of Directors



**Sheikh Kabir Hossain**

Chairman



# Auditors' Report & Financial Statements



**HodaVasi Chowdhury & CO**  
**Chartered Accountants**

**INDEPENDENT AUDITORS' REPORT**

To the Shareholders of  
Central Depository Bangladesh Limited

## **Report of the Audit of the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of Central Depository Bangladesh Limited (hereinafter referred to as "the Company" or "CDBL"), which comprise the statement of financial position as at 30 June 2019, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

### **Basis for Opinion**

We have 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 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.

### **Emphasis of Matters**

Without qualifying our report, we draw attention to the fact that no provision has been made for WPPF & WF in the accompanying financial statements.

### **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 year. 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.

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**National Office:** BTMC Bhaban (6<sup>th</sup> & 7<sup>th</sup> Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh  
**Chittagong Office:** Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh

## Other Information

Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of this auditors' 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.

## Management's Responsibility for the Financial Statements

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

## Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (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 these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. We have not come across any key audit issue for the year under audit, and as such nothing is reportable.

#### **Report on Other Legal and Regulatory Requirements:**

In accordance with the Companies Act, 1994 and International Standards on Auditing (ISAs), we also report the following:

- a) 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;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes 1 to 25 dealt with by the report are in agreement with the books of account; and
- d) the expenditures incurred and payments made were for the purposes of the Company's affairs.

Dhaka, 03 October 2019

*Hoda Vasi Chowdhury*  
Chartered Accountants

# Central Depository Bangladesh Limited Statement of Financial Position

As at 30 June 2019

	Notes	2019 Taka	2018 Taka
<b>ASSETS:</b>			
<b>Non-current assets:</b>		<b>1,148,300,488</b>	<b>664,435,184</b>
Property, plant and equipment - at cost less accumulated depreciation	4	336,426,751	379,371,174
Leasehold land	5	29,873,737	-
Investment in shares	6	602,000,000	-
Investment in bonds - at cost	7	180,000,000	275,000,000
Deferred tax assets	8	-	10,064,010
<b>Current assets:</b>		<b>6,106,168,382</b>	<b>6,408,286,167</b>
Accounts receivable	9	100,472,165	96,962,531
Interest receivable	10	233,121,473	224,758,856
Advance, deposits and prepayments	11	6,827,187	5,304,920
Loans	12	20,385,152	24,525,848
Cash and cash equivalents	13	5,745,362,405	6,056,734,012
<b>TOTAL ASSETS</b>		<b>7,254,468,870</b>	<b>7,072,721,351</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES:</b>			
<b>Shareholders' equity:</b>		<b>6,946,488,576</b>	<b>6,757,096,649</b>
Share capital	14	2,000,000,000	2,000,000,000
Retained earnings		546,488,576	607,096,649
Reserves:			
CDS upgradation		900,000,000	800,000,000
Headquarter building		3,150,000,000	3,050,000,000
Investor protection		350,000,000	300,000,000
<b>Non-current liabilities:</b>		<b>165,980,476</b>	<b>156,850,000</b>
Security deposits	15	164,582,000	156,850,000
Deferred tax liability	8	1,398,476	-
<b>Current liabilities:</b>		<b>141,999,818</b>	<b>158,774,702</b>
Accounts payable and other liabilities	16	31,845,378	74,914,580
Unearned revenue		16,415,957	15,773,683
Provision for income tax - net off advance tax	17	93,738,483	68,086,439
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>7,254,468,870</b>	<b>7,072,721,351</b>

These financial statements should be read in conjunction with annexed notes

  
Chairman

  
Director

  
Managing Director & CEO

  
Company Secretary

Auditor's Report to the Shareholders  
See annexed report of date

Dhaka, 03 October 2019

  
Chartered Accountants



**Central Depository Bangladesh Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**

For the year ended 30 June 2019

	Notes	2019 Taka	2018 Taka
Operating income	18	831,111,742	797,214,423
Operating and administrative expenses	19	(293,251,051)	(278,710,193)
<b>Operating profit</b>		<b>537,860,691</b>	<b>518,504,230</b>
Other income	20	556,543,238	482,226,976
<b>Net profit before income tax</b>		<b>1,094,403,929</b>	<b>1,000,731,206</b>
Current tax expense	17	(393,549,516)	(345,404,389)
Deferred tax expense	8	(11,462,486)	(561,299)
<b>Net profit after tax for the year</b>		<b>689,391,927</b>	<b>654,765,518</b>
Accumulated profit brought forward from previous year		607,096,649	702,331,131
<b>Profit available for appropriation</b>		<b>1,296,488,576</b>	<b>1,357,096,649</b>
Dividend paid in cash		(500,000,000)	(500,000,000)
Transferred to reserves			
CDS upgradation		(100,000,000)	(100,000,000)
Headquarter building		(100,000,000)	(100,000,000)
Investor protection		(50,000,000)	(50,000,000)
		(250,000,000)	(250,000,000)
<b>Accumulated profit transferred to retained earnings</b>		<b>546,488,576</b>	<b>607,096,649</b>
<b>Earnings per share</b>	22	<b>3.45</b>	<b>3.27</b>

These financial statements should be read in conjunction with annexed notes

  
Chairman

  
Director

  
Managing Director & CEO

  
Company Secretary

Auditor's Report to the Shareholders  
See annexed report of date

Dhaka, 03 October 2019

  
Chartered Accountants



# Central Depository Bangladesh Limited

## Statement of Changes in Equity

For the year ended 30 June 2019

Particulars	Share capital	Retained earnings	Reserves	Total
	Taka	Taka	Taka	Taka
Balance as at 01 July 2017	2,000,000,000	702,331,131	3,900,000,000	6,602,331,131
Net profit for the year	-	654,765,518	-	654,765,518
Cash dividend paid for the year 2016-2017	-	(500,000,000)	-	(500,000,000)
<b>Reserves:</b>				
CDS upgradation	-	(100,000,000)	100,000,000	-
Headquarter building	-	(100,000,000)	100,000,000	-
Investor protection	-	(50,000,000)	50,000,000	-
<b>Balance as at 30 June 2018</b>	<b>2,000,000,000</b>	<b>607,096,649</b>	<b>4,150,000,000</b>	<b>6,757,096,649</b>
Balance as at 01 July 2018	2,000,000,000	607,096,649	4,150,000,000	6,757,096,649
Net profit for the year	-	689,391,927	-	689,391,927
Cash dividend paid for the year 2017-2018	-	(500,000,000)	-	(500,000,000)
<b>Reserves:</b>				
CDS upgradation	-	(100,000,000)	100,000,000	-
Headquarter building	-	(100,000,000)	100,000,000	-
Investor protection	-	(50,000,000)	50,000,000	-
<b>Balance as at 30 June 2019</b>	<b>2,000,000,000</b>	<b>546,488,576</b>	<b>4,400,000,000</b>	<b>6,946,488,576</b>

  
Chairman

  
Director

  
Managing Director & CEO

  
Company Secretary

Auditor's Report to the Shareholders  
See annexed report of date

Dhaka, 03 October 2019

  
Chartered Accountants

**Central Depository Bangladesh Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2019

	2019 <u>Taka</u>	2018 <u>Taka</u>
<b>A. Cash flows from operating activities</b>		
Cash received from customers and others	828,244,381	806,892,381
Cash payment to suppliers and employees for operating and administrative expenses	(211,162,670)	(216,446,266)
Cash paid against BO A/C maintenance fee collected on behalf of BSEC and Government	(42,572,500)	(64,438,250)
Cash receipts against security deposits	7,732,000	5,400,000
Cash (paid)/receipts against advance, deposits and prepayments	(1,522,267)	3,885,610
Cash receipts/(paid) against advance and loans to employees	4,140,696	(10,212,152)
<b>Cash generated from operations</b>	<b>584,859,640</b>	<b>525,081,323</b>
Income tax paid	(367,897,471)	(390,504,235)
<b>Net cash generated from operating activities</b>	<b>216,962,169</b>	<b>134,577,088</b>
<b>B. Cash flows from investing activities</b>		
Interest received	547,817,621	454,672,492
Payments for property, plant and equipment	(69,514,397)	(166,649,430)
Proceeds from sale of property, plant and equipment	363,000	120,000
Investment in shares	(602,000,000)	
Divestment of bonds	95,000,000	328,640,757
<b>Net cash used in /generated from investing activities</b>	<b>(28,333,776)</b>	<b>616,783,819</b>
<b>C. Cash flows from financing activities</b>		
Dividend paid	(500,000,000)	(500,000,000)
<b>Net cash used in financing activities</b>	<b>(500,000,000)</b>	<b>(500,000,000)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(311,371,607)</b>	<b>251,360,907</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>6,056,734,012</b>	<b>5,805,373,105</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>5,745,362,405</b>	<b>6,056,734,012</b>

  
Chairman

  
Director

  
Managing Director & CEO

  
Company Secretary

Auditor's Report to the Shareholders  
See annexed report of date

Dhaka, 03 October 2019

  
Chartered Accountants

## Central Depository Bangladesh Limited Notes to the Financial Statements

For the year ended 30 June 2019

### 1. Background and objective of the Company

Central Depository Bangladesh Limited (hereinafter referred to as "CDBL" or "the Company") was incorporated on 20 August 2000 in Bangladesh as a public limited company for running a central securities depository operation, first of its kind in Bangladesh. The Company was sponsored by the country's Nationalised Commercial Banks (NCBs), Investment Corporation of Bangladesh (ICB), Private Commercial Banks (PCBs), Foreign Banks, Merchant Banks, Publicly Listed Companies, Insurance Companies, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited with the collaboration of the Asian Development Bank (ADB). The Company obtained registration from the Bangladesh Securities & Exchange Commission (BSEC) on 11 September 2001 under Depositories Regulations 2000 and subsequently obtained business commencement certificate on 23 December 2003 from the BSEC. However, the Company commenced depository operations of Government securities from 20 October 2003 and that of listed securities from 24 January 2004. The main objective of the Company is to assist listed companies in handling of scripless transfer of ownership of shares, debentures, mutual funds and corporate bonds.

### 2. Significant accounting policies

#### 2.1 Basis of preparation and presentation of financial statements

These financial statements have been prepared in compliance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Depositories Act, 1999, the Depositories Regulations, 2000 and the Depository (User) Regulations, 2003 and other applicable laws.

#### 2.2 Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The applicable IASs and IFRSs are as follows:

IAS-1	Presentation of Financial Statements
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-32	Financial Instruments: Presentation
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IAS-39	Financial Instruments: Recognition and Measurement
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-15	Revenue from Contracts with Customers
IFRS-16	Leases

## **2.3 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

## **2.4 Property, plant and equipment (PPE)**

### **a) Acquisition of Property, plant and equipment**

Operating fixed assets are capitalised at cost inclusive of the cost of installation and erection. These are stated at cost less accumulated depreciation. Expenditures relating to 'site preparation and office renovation' has been capitalised whilst incidental expenses in relation to repairs and maintenance, renewals, and systems' maintenance and fine-tuning are charged to the statement of profit or loss and other comprehensive income.

### **b) Depreciation of PPE**

The Company uses straight line depreciation method. Depreciation is charged when the assets are available for use. In respect of addition to fixed assets, depreciation is charged from the month of addition while no depreciation is charged in the month of disposal.

## **2.5 Amortization of Leasehold Land**

The leasehold land is amortized using the straight-line method over its amortization year calculated on the basis of leased years.

## **2.6 Provision**

The Company recognises provisions when it has a legal or constructive obligation resulting from past events, the resolution of which would result in outflow of resources embodying economic benefits from the Company.

## **2.7 Foreign currency transactions**

Foreign currency transactions are converted into Bangladesh Taka at the rate of exchange prevailing on the transaction dates.

## **2.8 Taxation**

### **a) Current tax**

Current income tax is recognised on the basis of Company's computation based on the best estimated assessable profit for the year @ 35% pursuant to provisions of Income Tax Ordinance, 1984. The tax rate for the year is applied on the basis of Finance Act, 2019.

**b) Deferred tax**

Deferred tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognised in the statement of profit or loss and comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognised in the current period. The deferred tax asset/income or liability/ expense does not create a legal recoverability/liability to and from the income tax authority. The resulting impact of deferred tax assets/ liabilities is included in the statement of profit or loss and comprehensive income.

**2.9 Revenue recognition**

Consistent to previous practice, the income of the Company is recognised based on the services rendered and invoices raised thereagainst on accrual basis except annual accounts maintenance fee which is recognised on cash basis.

**2.10 Employee benefits****a) Provident fund**

The Company operates a recognised provident fund scheme with equal contribution by the employees and the Company @ 10% on monthly basic salary.

**b) Gratuity**

The gratuity fund is maintained in accordance with the rules of gratuity fund which is approved by the National Board of Revenue (NBR). Employees having six months and above but below 10 years of services are eligible to get one month's last drawn pay and employees having 10 years and above are eligible to get 1.5 month's last drawn pay for each completed year of service.

**2.11 Earnings per share (EPS)****a) Basic earnings per share**

Earnings per share (EPS) has been calculated in accordance with the IAS-33: "Earnings Per Share". Computation of basic earnings per share has been done by dividing the earnings attributable to the number of ordinary shares held by the shareholders during the year.

**b) Diluted earnings per share**

No diluted earnings per share is required to be calculated during the year as there is no scope for dilution under review.



### 2.12 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed when material as per IAS-10: "Events after the Reporting Period".

### 2.13 Reporting period

The reporting period of the Company covers one year from 01 July to 30 June consistently.

### 2.14 Reserves

The Company maintains reserves for Central Depository System (CDS) upgradation, headquarter building and investor protection. CDS upgradation reserve was created for future upgradation and modernization of central depository system to ensure uninterrupted services to the clients. Headquarter building reserve was created to build a premise on the Company's own land in future. Investor protection reserve was created to protect the Company from any future risks of loss arising from a genuine and bonafide claim made by any client.

## 3 General

- (i) Figures appearing in these financial statements have been rounded off to the nearest Taka; and
- (ii) Previous year's figures have been rearranged or reclassified, wherever considered necessary, to conform with current year's presentation.



## 4 Property, plant and equipment - at cost less accumulated depreciation

Figures in Taka

Particulars	C O S T			D E P R E C I A T I O N				Written down value as at 30 June 2019
	Balance as at 01 July 2018	Additions during the year	Disposals during the year	Balance as at 30 June 2019	Charged during the year	Disposals during the year	Balance as at 30 June 2019	
Central Depository System (CDS):								
Software	269,940,219	38,902,547	142,623,383	166,219,383	33,243,976	142,623,383	53,291,323	112,928,060
Hardware	362,025,920	95,650	182,757,874	179,363,696	35,872,639	182,757,874	71,257,268	108,106,428
Network equipment, LAN and WAN	42,096,193	29,400	25,078,227	17,047,366	3,409,473	25,078,227	5,774,737	11,272,629
<b>Sub-total</b>	<b>674,062,332</b>	<b>39,027,597</b>	<b>350,459,484</b>	<b>362,630,445</b>	<b>72,526,088</b>	<b>350,459,484</b>	<b>130,323,328</b>	<b>232,307,117</b>
Computers and accessories	8,951,922	243,700	-	9,195,622	527,678	-	7,899,821	1,295,801
Office and electrical equipment	42,470,842	17,350	-	42,488,192	7,725,275	-	19,632,382	22,855,810
Furniture and fixtures	4,495,724	-	-	4,495,724	31,777	-	4,433,525	62,199
Air conditioners	6,402,549	225,750	-	6,628,299	838,165	-	4,439,054	2,189,245
Site preparation and office renovation	2,956,602	-	-	2,956,602	36,969	-	2,841,977	114,625
Power generator	6,421,235	-	-	6,421,235	772,868	-	4,166,942	2,254,293
Auto sensor fire alarm	2,060,260	-	-	2,060,260	-	-	2,060,064	196
Motor vehicles	13,203,000	-	-	13,203,000	-	-	13,202,896	104
Land	75,347,361	-	-	75,347,361	-	-	-	75,347,361
<b>Sub-total</b>	<b>162,309,495</b>	<b>486,800</b>	<b>-</b>	<b>162,796,295</b>	<b>9,932,732</b>	<b>-</b>	<b>58,676,661</b>	<b>104,119,634</b>
<b>Grand total as at 30 June 2019</b>	<b>836,371,827</b>	<b>39,514,397</b>	<b>350,459,484</b>	<b>525,426,740</b>	<b>82,458,820</b>	<b>350,459,484</b>	<b>188,999,989</b>	<b>336,426,751</b>
<b>Grand total as at 30 June 2018</b>	<b>487,431,108</b>	<b>350,333,219</b>	<b>1,392,500</b>	<b>836,371,827</b>	<b>72,331,670</b>	<b>1,392,500</b>	<b>457,000,653</b>	<b>379,371,174</b>

**5 Leasehold land**

Acquisition cost  
Less: Amortization during the year

**2019**  
**Taka**

**2018**  
**Taka**

30,000,000	-
126,263	-
<b>29,873,737</b>	<b>-</b>

Ministry of Housing and Public Works vide letter under reference 25.00.0000.049.33.044.16 / 398 dated 26th December 2018 allotted a 0.164 acre land under plot no. F-16/A-1 of Sher-e-Bangla Nagar Administrative Area, Dhaka to the Company for constructing headquarter building. The Company deposited Tk. 3 crore to the National Exchequer on 5th December 2018 on account of the price of aforesaid land as per letter under reference 25.00.0000.049.33.046.16 – 368 dated 3rd December 2018 of the Ministry of Housing and Public Works. Management of CDBL has taken possession of the allotted plot on 4th February 2019 and signed a lease agreement with the Ministry of Housing and Public Works for 99 years.

**6 Investment in Shares**

Central Counterparty Bangladesh Limited (CCBL)  
CCBL on behalf of Strategic Investor (note-6.1)  
Disaster Recovery Site Bangladesh Limited (note-6.2)

300,000,000	-
300,000,000	-
2,000,000	-
<b>602,000,000</b>	<b>-</b>

- 6.1 This represents payment for subscription money of 10% shares of Central Counterparty Bangladesh Limited to be issued for the time being in the name of Central Depository Bangladesh Limited on behalf of Strategic Investor as per Bangladesh Securities and Exchange Commission (Clearing and Settlement) Regulations, 2017. Central Depository Bangladesh Limited shall hold these shares until Strategic Investors are found for Central Counterparty Bangladesh Limited when Central Depository Bangladesh Limited shall transfer the shares to the Strategic Investor.
- 6.2 This represents payment for 1% seed money of CDBL's equity investment in the Disaster Recovery Site Bangladesh Limited. The Board of Directors of CDBL in its 116th meeting held on 6th May 2018 resolved to invest Taka 20 crore (4% of paid-up capital of Taka 500 crore) in the equity of the Disaster Recovery Site Bangladesh Limited initiated by the state owned Banks & Financial Institutions for establishing and maintaining a Disaster Recovery Site (DRS) at Jessore.

**7 Investment in bonds - at cost**

Trust Bank Limited  
United Commercial Bank Limited  
Social Islami Bank Limited

-	40,000,000
20,000,000	35,000,000
160,000,000	200,000,000
<b>180,000,000</b>	<b>275,000,000</b>

**8 Deferred tax assets**

Deferred tax has been calculated in accordance with the provision of IAS-12: "Income Taxes" based on temporary differences arising due to differences in the carrying amount of the assets or liabilities and their tax base which resulted in a deferred tax liability of Taka 1,398,476 arrived as follows:

Tax base value of fixed assets except land	240,053,517	313,583,387
Less: Carrying amount of fixed assets except land	261,079,390	304,023,813
(Taxable)/deductible temporary differences	(21,025,873)	9,559,574
Provision for gratuity fund	-	14,471,088
Provision for leave encashment	2,314,641	1,446,635
Provision for bad debts	3,277,017	3,277,017
Provision for investment	11,438,569	-
Total (taxable)/deductible temporary differences	(3,995,646)	28,754,314
Applicable tax rate	35%	35%
Deferred tax (liability)/assets at the end of the year	(1,398,476)	10,064,010
Deferred tax assets at the beginning of the year	10,064,010	10,625,309
Deferred tax expense for the year	<b>(11,462,486)</b>	<b>(561,299)</b>

	2019 Taka	2018 Taka
<b>9 Accounts receivable</b>		
Participants	57,539,257	64,455,804
Issuers	46,209,925	35,783,744
	103,749,182	100,239,548
Less: Provision for bad debts	3,277,017	3,277,017
	<b>100,472,165</b>	<b>96,962,531</b>
<b>10 Interest receivable</b>		
FDR/TDR interest receivable	232,288,433	222,742,964
Bond interest receivable	833,040	2,015,892
	<b>233,121,473</b>	<b>224,758,856</b>
<b>11 Advance, deposits and prepayments</b>		
<b>Advance</b>		
Chittagong Stock Exchange - Innovation workshop	552,222	-
<b>Deposits</b>		
Bangladesh Development Bank Limited - office rent	2,546,220	2,546,220
RAJUK - Uttara Industrial Plot	2,500,000	2,500,000
Bangladesh General Insurance Company Limited - office rent	258,700	258,700
	5,304,920	5,304,920
<b>Prepayments</b>		
Pioneer Insurance	461,012	-
Metlife - insurance premium	509,033	-
	970,045	-
	<b>6,827,187</b>	<b>5,304,920</b>
<b>12 Loans</b>	<b>20,385,152</b>	<b>24,525,848</b>
The above amount includes Taka 4,520,708 house loan bearing 5% interest granted to the employees and the rest amount represents interest free loans granted to the employees on different personal grounds which are being recovered from monthly salaries.		
<b>13 Cash and cash equivalents</b>		
Cash in hand	377,431	552,326
<b>Cash at bank:</b>		
Current account with Standard Chartered Bank, Dhaka	479,886	375,056
<b>Short term deposits with:</b>		
Sonali Bank Limited, Dhaka	1,246,727	1,207,844
Standard Chartered Bank, Dhaka	14,664,429	40,325,533
Bangladesh Development Bank Limited, Dhaka	29,412,946	9,285,139
Southeast Bank Limited, Dhaka	131,949,572	66,030,629
	177,273,674	116,849,145
Term deposits (note-13.1)	5,567,231,414	5,938,957,485
	<b>5,745,362,405</b>	<b>6,056,734,012</b>

**13.1 Term deposits**

	<b>2019 Taka</b>	<b>2018 Taka</b>
Investment Corporation of Bangladesh	430,000,000	430,000,000
Southeast Bank Limited	390,000,000	380,000,000
Standard Bank Limited	330,000,000	380,000,000
Commercial Bank of Ceylon PLC	300,000,000	270,000,000
Al-Arafah Islami Bank Limited	280,000,000	220,000,000
ONE Bank Limited	270,000,000	403,020,500
EXIM Bank Limited	270,000,000	130,000,000
BRAC Bank Limited	240,000,000	250,000,000
Mutual Trust Bank Limited	230,000,000	150,000,000
AB Bank Limited	220,000,000	401,346,985
IFIC Bank Limited	220,000,000	230,000,000
Mercantile Bank Limited	210,000,000	200,000,000
Jamuna Bank Limited	210,000,000	180,000,000
NCC Bank Limited	200,000,000	110,000,000
First Security Islami Bank Limited	170,000,000	240,000,000
NRB Global Bank Limited	170,000,000	150,000,000
NRB Bank Limited	146,358,414	111,538,000
Social Islami Bank Limited	130,000,000	230,561,500
Shahjalal Islami Bank Limited	130,000,000	50,000,000
Dhaka Bank Limited	100,000,000	30,000,000
Bank Asia Limited	70,000,000	110,000,000
Madhumati Bank Limited	70,000,000	70,000,000
United Commercial Bank Limited	70,000,000	-
Premier Bank Limited	65,000,000	65,000,000
Trust Bank Limited	60,000,000	-
City Bank Limited	50,000,000	230,000,000
Bangladesh Commerce Bank Limited	50,000,000	120,000,000
Shimanto Bank Limited	50,000,000	100,000,000
Union Bank Limited	50,000,000	80,000,000
Padma Bank Limited	50,000,000	51,530,000
Delta Brac Housing Limited	50,000,000	40,000,000
IDLC Finance Limited	34,050,000	64,050,000
Bay Leasing Limited	33,500,000	43,500,000
United Finance Limited	30,000,000	50,000,000
Uttara Finance & Investment Limited	30,000,000	30,000,000
Eastern Bank Limited	30,000,000	-
Prime Finance & investment Limited	25,000,000	25,000,000
International Leasing & Finance Limited	21,788,000	20,000,000
Premier Leasing and Finance Limited	21,035,000	20,000,000
Meghna Bank Limited	20,000,000	-
National Housing & Finance Limited	12,500,000	19,500,000
People Leasing & Finance Services Limited	11,438,569	10,910,500
Industrial and Infrastructure Development Finance Company Limited	10,000,000	15,000,000
Midas Finance Limited	10,000,000	10,000,000
Union Capital Limited	8,000,000	8,000,000
Southbangla Bank Limited	-	100,000,000
NRB Commercial Bank Limited	-	50,000,000
Midland Bank Limited	-	20,000,000
Lankabangla Finance Limited	-	20,000,000
IPDC Finance Limited	-	20,000,000
	<b>5,578,669,983</b>	<b>5,938,957,485</b>
Less: Provision for investment	11,438,569	-
	<b><u>5,567,231,414</u></b>	<b><u>5,938,957,485</u></b>



**14 Share capital****14.1 Authorised capital**

300,000,000 ordinary shares of Taka 10 each

**2019**  
**Taka****2018**  
**Taka****3,000,000,000** **3,000,000,000****14.2 Issued, subscribed and paid up capital**

200,000,000 ordinary shares of Taka 10 each

**2,000,000,000** **2,000,000,000****14.3 Composition of shareholders:**

<u>Name of Shareholders</u>	<u>No. of Shares</u>	<u>Taka</u>	<u>Taka</u>
Nationalized and specialized banks	36,956,295	369,562,950	369,562,950
Private commercial and specialized banks	59,741,103	597,411,030	597,411,030
Foreign commercial banks	19,569,444	195,694,440	195,694,440
Insurance companies	14,810,778	148,107,780	148,107,780
Publicly listed companies	19,777,788	197,777,880	197,777,880
NBFIs and Merchant Banks	7,084,495	70,844,950	70,844,950
Dhaka Stock Exchange Limited (DSE)	13,612,555	136,125,550	136,125,550
Chittagong Stock Exchange Limited (CSE)	13,612,555	136,125,550	136,125,550
Investment Corporation of Bangladesh (ICB)	6,112,555	61,125,550	61,125,550
Sadharan Bima Corporation	6,112,555	61,125,550	61,125,550
Private limited companies	2,174,188	21,741,880	21,741,880
Other individuals	435,689	4,356,890	4,356,890
	<u><b>200,000,000</b></u>	<u><b>2,000,000,000</b></u>	<u><b>2,000,000,000</b></u>

**14.4 Classification of shares by holding:**

<u>Slabs by number</u>	<u>No. of holders</u>	<u>No. of shares</u>	<u>Holding %</u>	<u>Holding %</u>
Less than 25,000	-	-	-	-
From 25,000 to 100,000	2	59,938	0.03	0.03
From 100,001 to 1,000,000	60	32,969,818	16.48	16.48
Above 1,000,000	47	166,970,244	83.49	83.49
	<u><b>109</b></u>	<u><b>200,000,000</b></u>	<u><b>100.00</b></u>	<u><b>100.00</b></u>

**15 Security deposits**

Participants	53,200,000	52,200,000
Issuers	110,832,000	104,100,000
Direct accountholders	550,000	550,000
	<u><b>164,582,000</b></u>	<u><b>156,850,000</b></u>

**16 Accounts payable and other liabilities****Other liabilities**

Bangladesh Securities & Exchange Commission for annual account maintenance fee (note-16.1)	5,701,050	14,215,550
Government of Bangladesh for annual account maintenance fee (note-16.2)	20,846,800	54,904,800
Sundry creditors- Telephone and other bills	488,000	481,000
Leave encashment provision	2,314,653	1,446,635
Contribution to provident fund	501,118	320,800
Contribution to gratuity fund	-	341,088
Audit fee including VAT	838,000	711,500
Financial literacy fair and conference (note - 16.3)	1,155,757	2,493,207
	<u><b>31,845,378</b></u>	<u><b>74,914,580</b></u>

**16.1** The amount presents Bangladesh Securities & Exchange Commission's portion of annual account maintenance fee (Taka 50 per BO account) collected by the Company.

**16.2** The amount represents Government of Bangladesh's portion of annual account maintenance fee (Taka 200 per BO account) collected by the Company.

### 16.3 Financial Literacy Fair and Conference

	<b>2019</b> <b>Taka</b>	<b>2018</b> <b>Taka</b>
Opening balance	2,493,207	2,480,520
Collection during the year	-	2,499,141
Less: Disbursement during the year	1,337,450	2,486,454
Closing balance	<b>1,155,757</b>	<b>2,493,207</b>

The amount represents balance of Financial Literacy Fair and Conference participation fee collected by the company from various brokerage houses and capital market related associations on behalf of Bangladesh Securities & Exchange Commission.

### 17 Provision for income tax - net off advance tax

Opening balance	68,086,439	113,186,286
Add: Provision made for current year	393,549,516	345,404,389
	461,635,955	458,590,675
Less: Advance and payments made during the year		
Tax deducted at source on interest on short term deposits	1,166,999	729,905
Tax deducted at source on interest on fixed term deposits	50,821,459	39,877,659
Tax deducted at source on interest on bonds	1,384,973	3,032,341
Tax deducted by the depository participants and issuers on bills	9,490,596	6,731,039
Advance income tax paid during the year	260,165,000	250,165,000
Income tax paid during the year	44,868,446	89,968,292
	367,897,472	390,504,236
	<b>93,738,483</b>	<b>68,086,439</b>

### 18 Operating income

Dematerialization of securities	1,375,395	1,400,850
Settlement of securities transactions	386,101,801	425,644,745
Annual accounts maintenance fee	272,100,150	263,167,400
Issuers book entry demat register maintenance fee	33,324,519	32,453,741
Documentations	69,500	62,500
CDS connections	5,118,507	5,037,500
Rematerialization of securities	278,760	1,166,623
Corporate actions	53,946,432	21,264,177
Pledging and unpledging of securities	11,589,665	10,842,401
Suspensions and revocations	30,370	75,790
Fresh issues (IPO)	2,506,828	2,032,178
Transfers and transmissions	63,768,337	33,214,168
Radio link connections	801,000	789,750
Freeze	6,400	7,500
Internet balance inquiry	38,300	52,300
Confiscations	55,778	2,800
	<b>831,111,742</b>	<b>797,214,423</b>

## 19 Operating and administrative expenses

	2019 Taka	2018 Taka
Salaries and allowances	93,043,771	103,828,865
Office rent	14,177,393	15,402,716
Electricity and water	4,916,314	5,460,922
Depository system maintenance	53,983,416	28,720,844
Insurance	1,495,307	1,475,811
Motor car maintenance	985,704	738,879
Advertisement expenses	110,250	643,750
Entertainment expenses	132,273	179,165
Printing, postage and stationery	770,877	878,832
WAN, telephone and internet	3,508,356	3,658,020
Traveling and conveyance	315,324	380,491
License fees and subscriptions	934,261	1,059,218
Legal and professional fees	1,512,318	1,681,336
Training and development	5,772,652	4,325,298
Marketing and capacity building	6,653,743	5,392,346
Refectory expenses	437,839	587,949
Security services	2,010,471	2,083,642
Repairs and maintenance	883,063	447,418
Office cleaning	165,388	150,766
Bank charges and excise duty	3,149,161	2,905,607
Audit fee including VAT	769,000	711,500
Meetings and participant conferences	889,480	1,052,788
Directors fee	1,500,000	3,500,000
Other expenses	141,038	212,360
Provision for investment	11,438,569	-
Depreciation (note-4)	82,458,820	72,331,670
Amortization cost of leasehold land	126,263	-
Corporate social responsibility	970,000	20,900,000
	<b>293,251,051</b>	<b>278,710,193</b>

## 20 Other income

Interest income on term deposits	517,760,073	429,981,665
Interest income on bonds	26,516,607	44,673,542
<b>Interest income on STD accounts:</b>		
Sonali Bank Limited	43,204	41,856
Bangladesh Development Bank Limited	1,424,461	766,440
Southeast Bank Limited	10,057,898	6,375,754
Standard Chartered Bank	144,422	115,003
	11,669,985	7,299,053
Interest income from staff house loan	233,573	152,716
Profit on sale of fixed assets	363,000	120,000
	596,573	272,716
	<b>556,543,238</b>	<b>482,226,976</b>

## 21 Proposed dividend

The Directors in their meeting held on 2nd October 2019 have proposed a cash dividend @ 25% i.e. Taka 2.5 per ordinary share of Taka 10 each. The financial statements for the year ended 30 June 2019 do not include the effects of the above cash dividend which will be accounted for in the period in which it is paid.


_____	_____
_____	_____
=====	=====

A former employee of the Company filed a case (Case no.616/2018) on 24 July 2018 against Company in the First Labor Court, Dhaka under Bangladesh Labor Act, 2006 (amended in 2013) section 132(1) claiming share of Workers' Profit Participation Fund including compensation. The Company is contesting the case and strongly believes that it has cogent ground to get the decision in favor of the Company. Trial of the Court hearing of the case is concluded on 07 March 2019 and now awaits curia advisory vault (CAV), i.e. waiting for the Court's order.

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_____	_____
=====	=====

  
Chairman

  
Director

  
Managing Director & CEO

  
Company Secretary





## Central Depository Bangladesh Limited

BDBL Bhaban (18<sup>th</sup> Floor), 12 Kawran Bazar, Dhaka - 1215, Bangladesh. Tel: 880-2-550 11924, 550 11934, Fax: 55011933

### Proxy Form

I / We.....

of.....

being a Member of Central Depository Bangladesh Limited do hereby appoint

Mr. / Ms. ....

of.....

Or (failing him/her) Mr. / Ms. ....

as my/our proxy, to vote for me/us and on my/our behalf at the NINETEENTH Annual General Meeting of the Company to be held on Wednesday, 11<sup>th</sup> December 2019 at the Level-1 Hall room of Samson H Chowdhury Center of Dhaka Club Ltd and at any adjournment thereof or at any ballot to be taken in consequence thereof.

Revenue  
Stamp  
Tk. 10

Signed this ..... day of December, 2019

Signature of Proxy ..... Signature of Shareholder.....

*NB: IMPORTANT*

1. This Form of Proxy, duly completed, must be deposited at least 48 hours before the meeting at the Company's Registered Office. Proxy is invalid if not signed and stamped.
2. Signature of the Shareholders should agree with the Specimen Signature registered with the Company.  
.....



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### ATTENDANCE SLIP

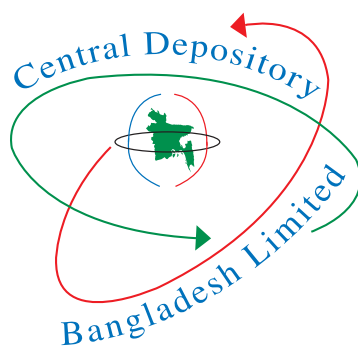
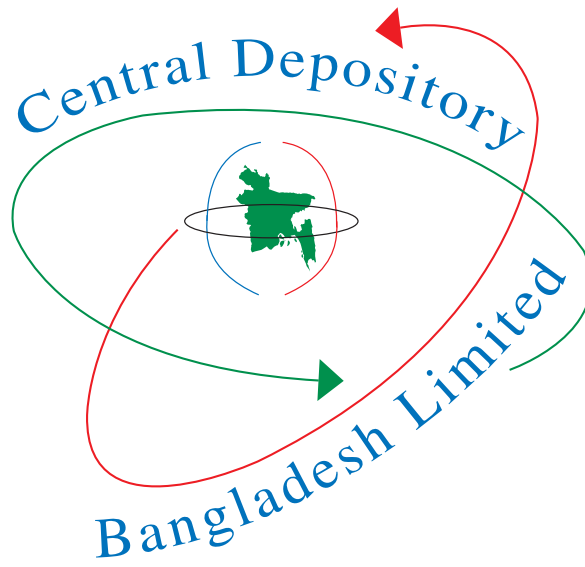
I hereby record my attendance at the NINETEENTH Annual General Meeting of the Central Depository Bangladesh Limited being held on Wednesday, 11<sup>th</sup> December 2019, at the Level-1 Hall room of Samson H Chowdhury Center of Dhaka Club Limited, Ramna, Dhaka - 1000.

Name of Member/Proxy .....

Date: 11<sup>th</sup> December 2019

.....  
Signature

N.B: Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and deposit the same at the meeting attaching their business card.

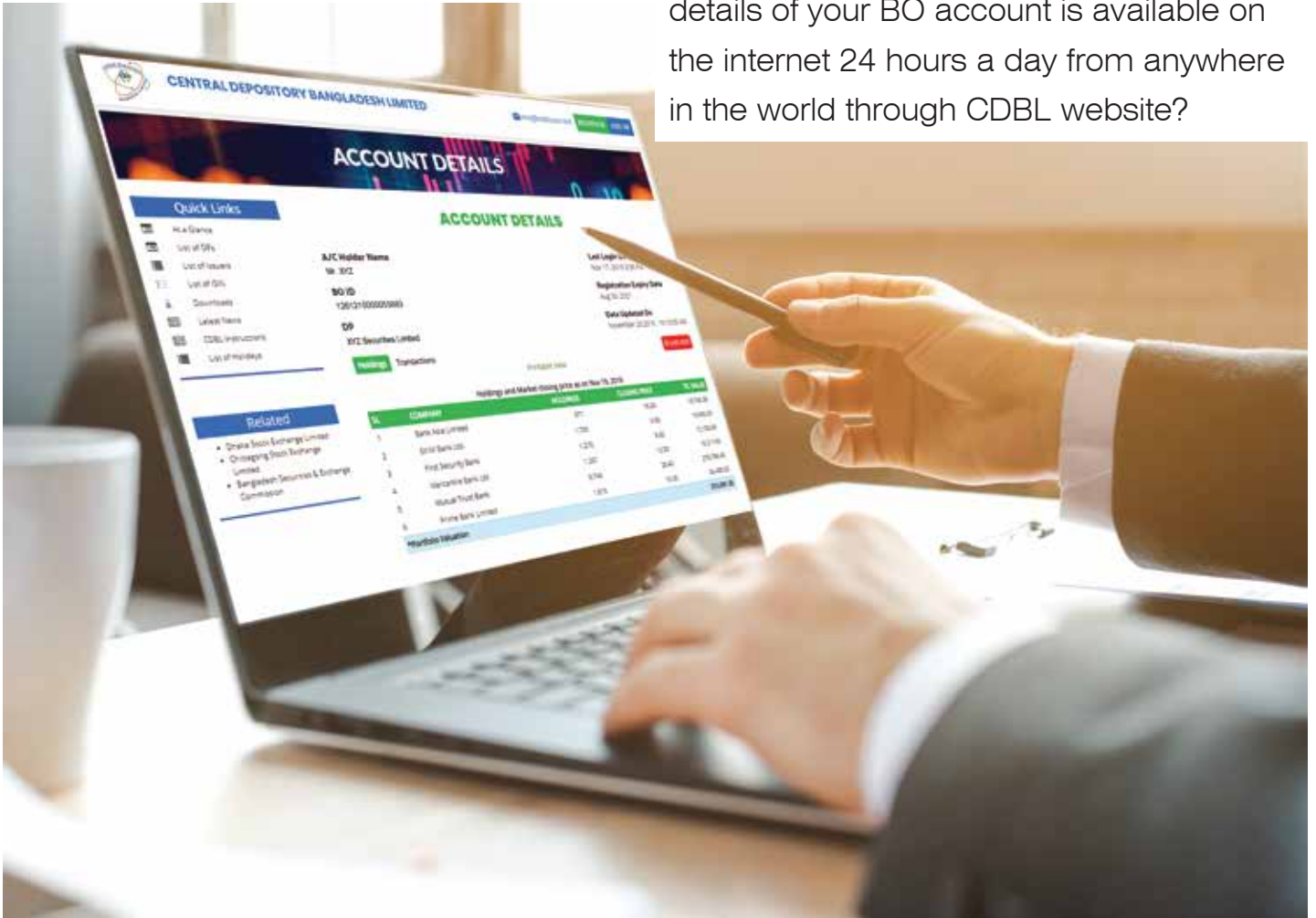


# DIGITAL BANGLADESH

Share Portfolio and Last One Month's Transaction

Details of your BO account at Your Fingertip

Do you know share balance, portfolio valuation and last one month's transaction details of your BO account is available on the internet 24 hours a day from anywhere in the world through CDBL website?

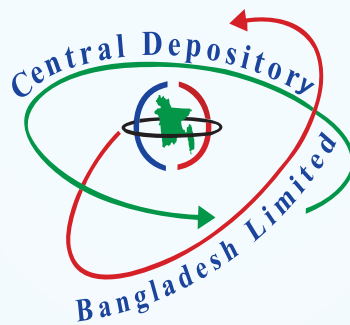


For Online Registration please visit  
CDBL website [www.cdbl.com.bd](http://www.cdbl.com.bd)



**Central Depository Bangladesh Limited**

BDBL Bhaban (18<sup>th</sup> Floor), 12 Kawran Bazar, Dhaka-1215  
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E-mail : [info@cdbl.com.bd](mailto:info@cdbl.com.bd), Web : [www.cdbl.com.bd](http://www.cdbl.com.bd)



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