

Annual Report

2011-2012



Bangladesh Bank

Annual Report

(July 2011-June 2012)



BANGLADESH BANK
(The Central Bank of Bangladesh)

Letter of Transmittal
BANGLADESH BANK

Dhaka
7 March 2013

The Secretary
Bank and Financial Institutions Division
Ministry of Finance
Government of the People's Republic of Bangladesh
Dhaka.

Dear Sir,

In terms of Article 40 (2) of the Bangladesh Bank Order, 1972 (P. O Number 127) I have the honour to submit to the Government of the People's Republic of Bangladesh the Annual Report of the Bangladesh Bank for the financial year 2011-2012. Audited Accounts of the Bank for the financial year was forwarded earlier on 30 August 2012.

Yours faithfully,



(Dr. Atiur Rahman)
Governor

Board of Directors

Dr. Atiur Rahman	Chairman
Mr. Md. Abul Quasem*	Director
Dr. Mohammad Tareque	Director
Dr. Nasiruddin Ahmed	Director
Dr. Mustafa Kamal Mujeri	Director
Prof. Sanat Kumar Saha	Director
Dr. Sadiq Ahmed	Director
Prof. Hannana Begum	Director
Mr. Md. Shafiqur Rahman Patwari	Director
Mr. Ahmed Jamal**	Secretary

* Mr. Md. Abul Quasem was appointed as Director of the Board in place of Mr. Md. Nazrul Huda with effect from 13 February 2012.

** Mr. Ahmed Jamal was appointed as Secretary of the Board in place of Mr. Md. Jahangir Alam with effect from 3 June 2012.

Note: Mr. Md. Jahangir Alam was Secretary of the Board up to 17 May 2012.

Governor

Dr. Atiur Rahman

Deputy Governors

Md. Abul Quasem

Abu Hena Mohd. Razee Hassan

Shitangshu Kumar Sur Chowdhury

Nazneen Sultana

Chief Economist

Dr. Hassan Zaman *

Executive Directors

A. H. M. Kai-Khasru

Md. Ahsan Ullah

Md. Ebtadul Islam

Sudhir Chandra Das

Das Gupta Asim Kumar

Md. Ataur Rahman

Md. Mahfuzur Rahman

S.M. Moniruzzaman

Md. Abdul Hamid

Md. Abdul Haque

Mohammad Naushad Ali Chowdhury

Ahmed Jamal

Economic Adviser

Dr. Md. Akhtaruzzaman

Note: Zea Uddin Ahmed, Executive Director is on deputation with Security Printing Corporation (Bangladesh) Limited as Managing Director.

* Dr. Hassan Zaman was appointed as Chief Economist with effect from 1 November 2012.

Departments of the Head Office and Department Heads*

Accounts & Budgeting Department	A.K.M. Rahmatullah, General Manager
Agricultural Credit & Financial Inclusion Department	Nirmal Chandra Bhakta, General Manager
Bangladesh Bank Training Academy	Subhankar Saha, General Manager
	Sheikh Abdullah, General Manager
	Sheikh Azizul Haque, General Manager
	Joarder Israil Hossain, General Manager
	Laila Bilkis Ara, General Manager
Banking Regulation & Policy Department	K.M. Abdul Wadood, General Manager
Bangladesh Financial Intelligence Unit	Debaprosad Debnath, General Manager
Central Bank Strengthening Project Cell	A.N.M. Abul Kashem, General Manager
Common Services Department-1	A.K.M. Fazlur Rahman, General Manager
Common Services Department-2	K.M. Nakibul Alam, General Manager
Credit Information Bureau	Gouranga Chakraborty, General Manager
Debt Management Department	Bishnu Pada Saha, General Manager
Deposit Insurance Department	Khagesh Chandra Debnath, General Manager
Department of Banking Inspection-1	Dr. Abul Kalam Azad, General Manager
Department of Banking Inspection-2	Abul Mansur Ahmed, General Manager
Department of Banking Inspection-3	Mohd. Humayun Kabir, General Manager
Department of Currency Management & Payment Systems	Md. Mozibar Rahman, General Manager
Department of Financial Institutions & Markets	Md. Sohrawardy, General Manager
Department of Off-site Supervision	S.M. Rabiul Hassan, General Manager
Department of Printing and Publications	F.M. Mokammel Hoq, General Manager
Expenditure Management Department	Mohammad Akkas Uddin, General Manager
Financial Stability Department	Debashish Chakraborty, General Manager
Foreign Exchange Investment Department	Muhammad Mijanur Rahman Joddar, General Manager
Foreign Exchange Operation Department	Md. Shafiqul Islam, General Manager
Foreign Exchange Policy Department	Md. Masud Biswas, General Manager
Foreign Exchange Inspection & Vigilance Department	Md. Saiful Islam, General Manager
Forex Reserve & Treasury Management Department	Kazi Sayedur Rahman, General Manager
Governor's Secretariat	A.F.M. Asaduzzaman, General Manager
Human Resources Department-1	K.M. Gousuzzaman, General Manager
Human Resources Department-2	Md. Azizur Rahman, General Manager
Information Systems Development Department	Md. Rizwanul Hoque, General Manager (Current Charge)
Internal Audit Department	Md. Sadrul Huda, General Manager
IT Operation & Communication Department	Qazi Nasir Ahmed, General Manager
Law Department	Ashok Kumar Dey, General Manager
Monetary Policy Department	Begum Sultana Razia, General Manager
Research Department	Md. Akhtaruzzaman, General Manager
	Mohammed Shahidul Alam, General Manager
	Bilkis Sultana, General Manager
Security Management Department	Lt. Col. (Retd.) Md. Mahmudul Haque Khan Chowdhury, General Manager
	Sukamal Sinha Chowdhury, General Manager
SME & Special Programmes Department	Md. Humayun Kabir, General Manager
Special Studies Cell	Md. Abdul Hye, General Manager
Statistics Department	Md. Abdus Sattar Miah, General Manager
	Bishwanath Sarker, General Manager
	Md. Nur-Un-Nabi, General Manager

As per alphabetical arrangement.

Note: 1) Md. Golam Mostafa, General Manager, Mohammad Mobarak Hossain, General Manager, Md. Serajul Islam, General Manager and Md. Shah Alam, General Manager are on deputation with IBB, Jubok Commission, EEF Unit and SPC (BD) Ltd. respectively.

2) Ahmed Ehteshamul Haider, General Manager and Md. Elias Sikder, General Manager are attached with HRD-1.

3) Dr. Md. Golam Mostafa, General Manager, is posted to the library under Research Department, Bangladesh Bank, for modernisation of library works.

* As of 30 June 2012.

Branch Offices and Office Heads*

Barisal	Nurul Alam Kazi, General Manager
Bogra	Md. Nazimuddin, General Manager
Chittagong	Mohammad Masum Kamal Bhuiyan, General Manager
Khulna	Shyamal Kumar Das, General Manager
Motijheel	Md. Abdur Rahim, General Manager Md. Saiful Islam Khan, Currency Officer (General Manager) Dr. Mihir Kanti Chakroborty, Chief Medical Officer (General Manager)
Rajshahi	Jinnatul Bakeya, General Manager
Rangpur	Md. Abdul Hamid, General Manager
Sadarghat	Md. Muslem Uddin, General Manager
Sylhet	Sultan Ahmed, General Manager

As per alphabetical arrangement.

* As of 30 June 2012.

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List of Abbreviations

ACC	Anti-Corruption Commission	BSBL	Bangladesh Samabaya Bank Limited
ACFID	Agricultural Credit and Financial Inclusion Department	BTMA	Bangladesh Textile Mills Association
ACRSL	ARGUS Credit Rating Services Limited	CAMD	Capital Adequacy and Market Discipline
ACSPD	Agricultural Credit & Special Programmes Department	CAMEL	Capital Adequacy, Asset Quality, Management, Earnings and Liquidity
ACU	Asian Clearing Union	CAMELS	Capital Adequacy, Asset Quality, Management, Earnings, Liquidity and Sensitivity to Market Risk
ADB	Asian Development Bank	CAMLCO	Chief Anti Money Laundering Compliance Officer
ADP	Annual Development Programme	CAR	Capital Adequacy Ratio
ADs	Authorised Dealers	CBSP	Central Bank Strengthening Project
ALM	Asset-Liability Management	CBU	Completely Built-Up
APF	Annual Performance Form	CFT	Combating Financing of Terrorism
APG	Asia Pacific Group on Money Laundering	CFT	Counterfeiting Financial Terrorism
APR	Annual Performance Report	CIB	Credit Information Bureau
ASA	Association for Social Advancement	CIPC	Customers' Interests Protection Centre
ASEAN	Association of South East Asian Nations	CIT	Cheque Imaging and Transaction
ATA	Anti-Terrorism Act	CKD	Completely Knocked Down
ATDP	Agro-based Industries and Technology Development Project	CMA	Change Management Advisor
ATF	Agreement on Trade Facilitation	CPF	Contributory Provident Fund
ATM	Automated Teller Machine	CPI	Consumer Price Index
BACH	Bangladesh Automated Clearing House	CRAB	Credit Rating Agency of Bangladesh Limited
BACPS	Bangladesh Automated Cheque Processing Systems	CRISL	Credit Rating Information & Services Limited
BAFI	Basel Accord for Financial Institutions	CRM	Credit Risk Management
BASIC	Bangladesh Small Industries and Commerce	CRR	Cash Reserve Requirement
BB	Bangladesh Bank	CSE	Chittagong Stock Exchange
BBS	Bangladesh Bureau of Statistics	CSR	Corporate Social Responsibility
BBTA	Bangladesh Bank Training Academy	CTRs	Cash Transaction Reports
BCA	Banking Companies Act	DBI-1	Department of Banking Inspection-1
BCBS	Basel Committee on Banking Supervision	DBI-2	Department of Banking Inspection-2
BCCB	Bangladesh Cricket Control Board	DBI-3	Department of Banking Inspection-3
BDT	Bangladesh Taka	DC	Data Centre
BEFTN	Bangladesh Electronic Fund Transfer Network	DCMPS	Department of Currency Management & Payment Systems
BFIU	Bangladesh Financial Intelligence Unit	DD	Demand Draft
BGMEA	Bangladesh Garment Manufacturers and Exporters Association	DFID	Department for International Development
BGTBs	Bangladesh Government Treasury Bonds	DFIM	Department of Financial Institutions & Markets
BIBM	Bangladesh Institute of Bank Management	DFIs	Development Financial Institutions
BIC	Basel Implementation Cell	DIS	Deposit Insurance Scheme
BICF	Bangladesh Investment Climate Fund	DITF	Deposit Insurance Trust Fund
BIFFL	Bangladesh Infrastructure Finance Fund Limited	DMD	Debt Management Department
BJMC	Bangladesh Jute Mills Corporation	DOS	Department of Off-site Supervision
BKB	Bangladesh Krishi Bank	DRS	Disaster Recovery Site
BKMEA	Bangladesh Knitwear Manufacturers & Exporters Association	DSE	Dhaka Stock Exchange
BMRE	Balancing, Modernisation, Rehabilitation and Expansion	DTI	Debt-to-Income
BO	Beneficiary Owner	EBR	Event Behaviour Result
BoP	Balance of Payments	ECAs	External Credit Assessment Institutions
BPO	Bangladesh Post Office	ECB	European Central Bank
BPSSR	Bangladesh Payment and Settlement Systems Regulations	ECF	Extended Credit Facility
BRAC	Bangladesh Rural Advancement Committee	ECRL	Emerging Credit Rating Limited
BRD	Business Requirement Document	EDF	Export Development Fund
BRDB	Bangladesh Rural Development Board	EDW	Enterprise Data Warehouse
BRPD	Banking Regulation & Policy Department	EEF	Equity and Entrepreneurship Fund
		EFT	Electronic Fund Transfer
		EGBMP	Enterprise Growth and Bank Modernisation Programme

EI	Expenditure-Income	IFRS	International Financial Reporting Standards
EPB	Export Promotion Bureau	IFS	International Financial Statistics
EPZ	Export Processing Zone	IIFM	Islami Interbank Fund Market
ERD	Economic Relations Division	IMF	International Monetary Fund
ERM	Environmental Risk Management	IOM	International Organisation for Migration
ERP	Enterprise Resource Planning	IPDC	Industrial Promotion and Development Company of Bangladesh Limited
ERQ	Exporters Retention Quota		
ETP	Effluent Treatment Plant	IPFF	Investment Promotion and Financing Facility
EU	European Union	IPO	Initial Public Offering
EWS	Early Warning System	ISA	International Standards on Auditing
FAO	Food and Agriculture Organisation	ISTCL	ICB Securities Trading Company Limited
FATF	Financial Action Task Force	IT	Information Technology
FCBs	Foreign Commercial Banks	JPY	Japanese Yen
FDI	Foreign Direct Investment	L/C	Letter of Credit
FEIVD	Foreign Exchange Inspection and Vigilance Department	LAN	Local Area Network
		LDCs	Least Developed Countries
FIs	Financial Institutions	LIBOR	London Interbank Offered Rate
FoB	Free on Board	LIC	Low Income Country
FSPSME	Financial Sector Project for the Development of Small and Medium Sized Enterprises	LoLR	Lender of Last Resort
		LSF	Liquidity Support Facility
FSRP	Financial Sector Reform Project	LST	Live Simulation Test
FY	Financial Year (July - June)	LTV	Loan-to-Value
GDE	Gross Domestic Expenditure	M2	Broad Money
GDP	Gross Domestic Product	MCPs	Microcredit Programmes
GDS	Gross Domestic Savings	MCR	Minimum Capital Requirement
GFET	Guidelines for Foreign Exchange Transactions	MDGs	Millennium Development Goals
GFSR	Global Financial Stability Report	MFI	Microfinance Institutions
GIIB	Government Islamic Investment Bond	MFS	Mobile Financial Services
GNS	Gross National Savings	ML	Money Laundering
GoB	Government of Bangladesh	MLPA	Money Laundering Prevention Act
GPF	General Provident Fund	MLT	Medium and Long Term
GRI	Global Reporting Initiative	MMT	Million Metric Tons
GSP	Generalised System of Preferences	MoC	Ministry of Commerce
GSTP	Global System of Trade Preferences	MoF	Ministry of Finance
H1	First Half	MoU	Memorandum of Understanding
H2	Second Half	MPD	Monetary Policy Department
HBFC	House Building Finance Corporation	MRA	Microcredit Regulatory Authority
HIES	Household Income and Expenditure Survey	MSFSCIP	Marginal and Small Farm System Crop Intensification Project
HRD-1	Human Resources Department-1		
HRD-2	Human Resources Department-2	MTM	Marking to Market
IAD	Internal Audit Department	MTMF	Medium Term Macroeconomic Framework
IADI	International Association of Deposit Insurers	NAFTA	North American Free Trade Agreement
IAMCL	ICB Asset Management Company Limited	NAMA	Non-Agricultural Market Access
IAS	International Accounting Standards	NAV	Net Asset Value
IASB	International Accounting Standards Board	NBFIs	Non-bank Financial Institutions
IBF	Islamic Bond Fund	NBR	National Board of Revenue
ICAAP	Internal Capital Adequacy Assessment Process	NC	Non Complaint
		NCC	National Coordination Committee
ICB	Investment Corporation of Bangladesh	NCDP	Northwest Crop Diversification Project
ICC	Internal Control & Compliance	NCRL	National Credit Rating Limited
ICC	International Credit Card	NCT	Net Current Transfer
ICML	ICB Capital Management Limited	NDA	Net Domestic Assets
ICRG	International Cooperation and Review Group	NDW	Nationwide Data Warehouse
ICT	Information and Communication Technology	NEER	Nominal Effective Exchange Rate
IDA	International Development Association	NFA	Net Foreign Assets
IDCOL	Infrastructure Development Company Limited	NFCD	Non-Resident Foreign Currency Deposit
IEA	International Energy Agency	NFI	Net Factor Income
IFC	International Finance Corporation	NGOs	Non-Governmental Organisations
IFC-BICF	International Finance Corporation-Bangladesh Investment Climate Fund	NII	Net Interest Income
		NIM	Net Interest Margin

NNPL	Net Non-Performing Loans	S&P	Standard and Poor's
NOC	No Objection Certificate	SAARC	South Asian Association for Regional Cooperation
NPLs	Non-Performing Loans	SAFTA	South Asian Free Trade Area
NPO	Non Profit Organisation	SBSRB	Ship Building and Ship Recycling Board
NPS	National Payment Switch	SCBs	State-owned Commercial Banks
NSD	National Savings Directorate	SCDP	Second Crop Diversification Project
NSS	National Savings Scheme	SDR	Special Drawing Rights
NSFR	Net Stable Funding Ratio	SEC	Securities and Exchange Commission
OECD	Organisation for Economic Cooperation and Development	SEF	Small Enterprise Fund
OMO	Open Market Operation	SHOGORIP	Shashya Gudam Rin Prokalpa
OMS	Open Market Sale	SIM	Subscriber Identity Module
OPEC	Organisation of Petroleum Exporting Countries	SIT	Systems Integration Test
OPGSPs	Online Payment Gateway Service Providers	SLR	Statutory Liquidity Ratio
PAU	Policy Analysis Unit	SMA	Special Mention Account
PCBs	Private Commercial Banks	SMEDP	Small and Medium Enterprise Development Project
PDs	Primary Dealers	SMEs	Small and Medium Enterprises
PE	Price Earnings	SOEs	State Owned Enterprises
PFDS	Public Food Distribution System	SPCBL	Security Printing Corporation Bangladesh Limited
PFIs	Participating Financial Institutions	SREP	Supervisory Review Evaluation Process
PIU	Project Implementation Unit	SRP	Supervisory Review Process
PKSF	Palli Karma Sahayak Foundation	STRs	Suspicious Transaction Reports
PMO	Project Management Office	TF	Terrorist Financing
PMS	Performance Management System	TIM	Trade Integration Mechanism
PO	Partner Organisations	TIN	Taxpayer's Identification Number
POL	Petroleum, Oil and Lubricants	Tk.	Taka
POS	Point of Sales	TRIPS	Trade Related Aspect of Intellectual Property Rights
PPE	Property, Plant & Equipment	UK	United Kingdom
PPP	Public Private Partnership	UN	United Nations
PRGF	Poverty Reduction and Growth Facility	UNDP	United Nations Development Programme
PSD	Payment Systems Division	UNODC	United Nations Office on Drugs and Crime
PSR	Profit Sharing Ratio	USA	United States of America
QIP	Quantum Index of Industrial Production	USD	US Dollar
RAKUB	Rajshahi Krishi Unnayan Bank	VAT	Value Added Tax
RBCA	Risk Based Capital Adequacy	VCF	Video Conferencing Facility
REER	Real Effective Exchange Rate	VGf	Vulnerable Group Feeding
Repo	Repurchase Agreement	WAN	Wide Area Network
RFCD	Resident Foreign Currency Deposit	WAR	Weighted Average Resilience
RIT	Rationalised Input Templates	WB	World Bank
RM	Reserve Money	WEO	World Economic Outlook
RMG	Ready Made Garments	WG	Working Group
RMP	Risk Management Paper	WIR	Weighted Insolvency Ratio
RMU	Risk Management Unit	WTO	World Trade Organisation
ROA	Return on Assets		
ROE	Return on Equity		
RTGS	Real Time Gross Settlement		
RWA	Risk Weighted Assets		