

**BRAC EPL Stock Brokerage Limited**  
**Statement of Financial Position**  
**As at 31 March 2023**

Assets	Notes	Mar'23 Taka	Dec'22 Taka
<b>Non-current assets</b>			
Property, plant and equipment	5	34,575,196	32,423,698
Intangible assets	6	1,239,207	1,419,361
Right of use asset	7	74,152,829	75,514,166
Investment in exchanges	8	96,986,595	96,986,595
Deferred tax	9	13,417,835	12,705,938
<b>Total non-current assets</b>		<b>220,371,662</b>	<b>219,049,758</b>
<b>Current assets</b>			
Investment in shares	10	460,670,119	445,516,367
Account receivables	11	103,447,662	115,876,454
Inter-company receivables	12	355,493	-
Margin loan receivables	13	572,089,019	430,098,513
Advances, deposits and prepayments	14	53,219,495	39,575,419
Other receivables	15	5,371,109	1,984,234
Cash and cash equivalents	16	752,260,340	931,621,052
<b>Total current assets</b>		<b>1,947,413,237</b>	<b>1,964,672,039</b>
<b>Total assets</b>		<b>2,167,784,899</b>	<b>2,183,721,797</b>
<b>Equity and liabilities</b>			
<b>Shareholder's equity</b>			
Share capital	17	1,009,373,500	1,009,373,500
Retained earnings		320,618,767	334,233,807
Revaluation reserve for TREC license	18	87,688,970	87,688,970
Capital reserve	19	33,523,303	25,792,593
<b>Total equity</b>		<b>1,451,204,540</b>	<b>1,457,088,870</b>
<b>Non-current liabilities</b>			
Lease liability	20	63,280,964	65,035,826
<b>Current liabilities</b>			
Lease liability	20	18,594,382	17,077,807
Payable to clients	21	510,652,889	554,869,794
Account payables	22	48,031,923	28,095,728
Specific provision	23	5,720,890	4,300,985
Inter-company payables	24	-	-
Provision & Accrual	25	53,139,504	38,485,319
Provision for income tax	26	17,159,807	18,767,468
<b>Total current liabilities</b>		<b>653,299,395</b>	<b>661,597,101</b>
<b>Total liabilities</b>		<b>716,580,359</b>	<b>726,632,927</b>
<b>Total equity and liabilities</b>		<b>2,167,784,899</b>	<b>2,183,721,797</b>

The annexed notes 1 to 36 form an integral part of these financial statements.  
Annexure-1 is integral part of these financial statements.



Chief Executive Officer

**Ahsanur Rahman**  
Chief Executive Officer  
BRAC EPL Stock Brokerage Ltd

Dhaka,

12 - APRIL - 23



Head of Finance & Accounts

**PROTTAY KUNDU**  
Head of Finance & Accounts  
BRAC EPL Stock Brokerage Ltd.

**BRAC EPL Stock Brokerage Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period ended 31 March 2023**

	<u>Notes</u>	<u>Mar'23</u> <u>Taka</u>	<u>Mar'22</u> <u>Taka</u>
<b>Service Revenue</b>	27	84,737,383	137,972,269
Direct expenses	28	(18,251,469)	(30,052,027)
<b>Gross profit</b>		<b>66,485,914</b>	<b>107,920,242</b>
Operating expenses	29	(64,023,091)	(53,774,789)
<b>Operating profit</b>		<b>2,462,823</b>	<b>54,145,453</b>
Investment income	30	4,093,242	3,114,559
Finance income	31	2,532,809	3,319,613
Other income	32	-	-
Finance expenses	33	(2,676,731)	(2,942,314)
<b>Profit before tax</b>		<b>6,412,143</b>	<b>57,637,311</b>
Income tax expenses	34	(12,296,473)	(25,487,401)
<b>Net profit after tax</b>		<b>(5,884,330)</b>	<b>32,149,910</b>
<b>Other comprehensive income</b>			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
<b>Other comprehensive income, net of tax</b>		-	-
<b>Total comprehensive income/(loss)</b>		-	-

The annexed notes 1 to 36 form an integral part of these financial statements.



**Chief Executive Officer**  
**Ansanur Rahman**  
 Chief Executive Officer  
 BRAC EPL Stock Brokerage Ltd

Dhaka,  
 12-Apr-23



**Head of Finance & Accounts**  
**PROTTAY KUNDU**  
 Head of Finance & Accounts  
 BRAC EPL Stock Brokerage Ltd.

**BRAC EPL Stock Brokerage Limited**  
**Statement of Changes in Equity**  
**For the period ended 31 March 2023**

Particulars	Amount in Taka			
	Share capital	Capital reserve	Retained earnings	Revaluation reserve for TREC license
<b>Balance as at 1 January 2022</b>	841,144,600	-	450,948,202	87,688,970
Issue of bonus shares	168,228,900	-	(168,228,900)	-
Transfer to capital reserve	-	25,792,593	(25,792,593)	-
Net profit for the year ended 2021	-	-	77,307,098	-
<b>Balance as at 31 December 2022</b>	<u>1,009,373,500</u>	<u>25,792,593</u>	<u>334,233,807</u>	<u>87,688,970</u>
Issue of bonus shares	-	-	-	-
Transfer to capital reserve	-	7,730,710	(7,730,710)	-
Net profit for the period ended 31 March 2023	-	-	(5,884,330)	-
<b>Balance as at 31 March 2023</b>	<u>1,009,373,500</u>	<u>33,523,303</u>	<u>320,618,767</u>	<u>87,688,970</u>

1,451,204,540



Chief Executive Officer

**Ahsanur Rahman**  
 Chief Executive Officer  
 BRAC EPL Stock Brokerage Ltd

Dhaka,  
 12-Apr-23



Head of Finance & Accounts

**PROTTAY KUNDU**  
 Head of Finance & Accounts  
 BRAC EPL Stock Brokerage Ltd.

**BRAC EPL Stock Brokerage Limited**  
**Statement of Cash Flows**  
**For the period ended 31 March 2023**

	<b>Mar'23</b> <b>Taka</b>	<b>Mar'22</b> <b>Taka</b>
<b>A. Cash flows from operating activities:</b>		
Brokerage commission	66,841,572	124,479,654
Payments to creditors and other expenses	(65,784,532)	(64,025,394)
Loans and advances	(167,242,825)	(113,231,188)
<b>Cash generated from operating activities</b>	<b>(166,185,785)</b>	<b>(52,776,928)</b>
Bank interest income	2,363,287	3,240,713
Income from margin loan	16,687,415	10,162,999
Dividend income	13,422,745	13,827,164
Gain/(loss) on sale of shares	(7,573,401)	(7,902,894)
Other operating income	(2,178,478)	(2,758,768)
Income tax paid	(14,116,032)	(23,473,431)
<b>Cash generated used in other operating activities</b>	<b>8,605,535</b>	<b>(6,904,217)</b>
<b>Net cash flows from operating activities</b>	<b>(157,580,250)</b>	<b>(59,681,144)</b>
<b>B. Cash flows from investing activities:</b>		
Acquisition of property, plant and equipment	(4,455,780)	(722,616)
Acquisition of intangible assets	-	(1,374,250)
Sale of property, plant and equipment	-	-
Lease rental receipt	414,375	269,590
Investment in shares	(16,909,853)	(34,926,378)
<b>Net cash flows (used)/from investing activities</b>	<b>(20,951,258)</b>	<b>(36,753,654)</b>
<b>C. Cash flows from financing activities:</b>		
Finance cost	(829,204)	(1,390,920)
<b>Net cash used in financing activities</b>	<b>(829,204)</b>	<b>(1,390,920)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(179,360,712)</b>	<b>(97,825,718)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>931,621,052</b>	<b>1,462,583,456</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>752,260,340</b>	<b>1,364,757,738</b>



Chief Executive Officer

Dhaka, **Ahsanur Rahman**  
12-Apr-23 Chief Executive Officer  
BRAC EPL Stock Brokerage Ltd



Head of Finance & Accounts

**PROTTAY KUNDU**  
Head of Finance & Accounts  
BRAC EPL Stock Brokerage Ltd.

**BRAC EPL Stock Brokerage Limited**  
**Notes to the Financial Statements**  
**For the period ended 31 March 2023**

**1 Company and its activities**

**1.1 Background and legal status**

BRAC EPL Stock Brokerage Limited (hereinafter referred to as the "Company" or "BESL") was incorporated in Bangladesh on 16 May 2000 as a private limited company under the Companies Act 1994 initially in the name of Equity Partners Securities Limited, the name of which was changed to BRAC EPL Stock Brokerage Limited on 04 October 2009. The company converted into a Public Limited Company through its EGM dated 30th January 2018 which subsequently got certified by RJSC on 21 January 2020. The registered office of the Company is located at DSE Annex Building, Dhaka.

**1.2 Nature of business**

The main objectives of the Company are to carry on the business of stock brokers/stock dealers and other related business in connection with the dealings of listed securities. Other objectives of the Company are to buy, sell, hold or otherwise acquire or invest the capital of the Company in shares, stocks and fixed income securities, etc. It has corporate membership of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

**2 Basis of preparation of financial statements**

**2.1 Components of the financial statements**

The financial statements referred to here comprise:

- a) Statement of Financial Position
- b) Statement of Profit or Loss and Other Comprehensive Income
- c) Statement of Changes in Equity
- d) Statement of Cash Flows; and
- e) Notes to the Financial Statements
- f) Separate report about the accuracy of the computation in the financial statements as per the sub-rule (8) of rule 9 of Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019.

**2.2 Reporting Period**

These financial statements cover one calendar year from 1 January 2022 to 31 March 2023.

**2.3 Statement of compliance**

The financial statements of the Company have been prepared on going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), the Companies Act 1994, the Securities and Exchange Commission Rules 2020, Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 and other applicable laws and regulations applicable in Bangladesh. In case there are differences between IFRS and local statutory requirements, the local regulation has been prevailed.

**2.4 Basis of Measurements**

The financial statements have been prepared on the accrual basis under the historical cost convention except for investment in shares which have been recognized at market price and/or NAV (in case of unquoted and open end mutual fund) valued on aggregate basis. No adjustments have been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous years.

## **2.5 Functional and presentational currency**

These financial statements are prepared in Bangladesh Taka (Taka/Tk), which is the company's functional currency. All financial information presented in Taka has been rounded to the nearest integer, except where otherwise indicated.

## **2.6 Use of estimates and judgments**

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

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

### **2.6.1 Judgments**

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in Note 3 – significant accounting policies

### **2.6.2 Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 Mar 2023 is included in the following notes:

Note 5	Depreciation on property and equipment
Note 6	Amortization of intangible asset
Note 7	Right of use asset under lease agreement
Note 9	Deferred Tax
Note 25	Provision for income tax

## **2.7 Going concern**

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

## **2.8 Employee benefit Obligation**

### **2.8.1 a. Defined contribution plan**

The Company operates a contributory provident fund for its permanent employees in accordance with the Provident Fund Rules which is recognized by National Board of Revenue. The fund is administered separately by a Board of Trustees consisting of four members and is funded by the equal contribution both by the Company and employees at a predetermined rate.

### **2.8.2 b. Defined benefit plan (Gratuity scheme)**

The Company has a funded gratuity scheme for all permanent employees in accordance with the Gratuity Fund Rules which is approved by National Board of Revenue. Required amount of gratuity is calculated on the basis of last basic pay depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the respective financial year.

## **3 Significant accounting policies**

### **3.1 Property, plant and equipment**

#### **Recognition and measurement**

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner. The cost of self constructed asset includes the cost of material, direct labor and any other cost directly attributable to bringing the assets to a working condition for their intended use.

#### **Subsequent costs**

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

#### **Depreciation**

The company uses straight line method for charging depreciation. Full month depreciation is charged on additions irrespective of date of its acquisition whereas no depreciation is charged in the month of disposal. The rates of depreciation on various classes of property, plant and equipment are as under:

<b>Name of the assets</b>	<b><u>2023</u> Rates (%)</b>	<b><u>2022</u> Rates (%)</b>
Office floor space	2%	2%
Furniture and fixture	12.50%	12.50%
Office decoration	15%	15%
Computers and accessories	25%	25%
Air cooler and ceiling fans	20%	20%
Electrical and office	20%	20%
Vehicles	20%	20%

#### **Retirement and disposals**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined by the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

### **3.2 Intangible assets**

#### **Recognition and measurement**

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be measured reliably.

Intangible assets comprise the value of computer software. An intangible asset is measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and accumulated impairment losses (if any).

### **Amortization of intangible assets**

Amortization is recognized in the Statement of Profit or Loss and Other Comprehensive Income on straight line basis from the date that they are available for use. Amortization on intangible assets is charged for the full month from the month of acquisition. In case of disposals, amortization is charged up to the immediate previous month of disposal. Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 3 years. The rate of amortization is 33.33% per annum for software. Amortization methods and amortization rate are reviewed at each reporting date and adjusted if appropriate.

### **Subsequent expenditure**

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditures are expensed as incurred.

### **3.3 Right of use assets**

The company lease land and buildings for its office space in different locations. Leases are recognized, measured and presented in line with IFRS 16 'Leases'. The company adopted the standards as from January 2019 and used modified retrospective approach and therefore, the comparative information has not been restated in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The company has applied the cost model to right of use assets except for those assets that meet the definition of investment property.

The application of IFRS 16 requires the company to make judgements that affect the valuation of the lease liabilities (Note-19) and the valuation of right of use assets (Note-7). These includes: determining contracts in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows. Some leases include an option to renew the lease for an additional period of the after the end of the contract term. Some leases provide for additional rent payments as per incremental clause in the contracts. The company has elected not to recognize right of use assets and liabilities for leases where the total lease term is less than or equal

The lease term determined by the company non-cancellable period of lease contracts, periods covered by an option to extend the lease if the company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option.

The company recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The lease liability initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discounted rate.

BESL has a sub-lease arrangement with BRAC EPL Investments Ltd. (hereinafter referred to as "BEIL") known as lessee, where leases out the partial office in exchange of periodic rentals. The Company derecognized the right-of use asset (to the extent that it is subject to the sub-lease) and recognized a finance lease receivable as 'Receivable from Sub-lease with BEIL' (Note-11). The finance lease receivable is presented under "Accounts receivable" in Statement of Financial Position. Sublease income for the reporting period shown under 'Finance Income' (Note-29.1).



### **3.4 Valuation and recognition of investment**

The listed securities are valued at the closing quoted market price only on the Dhaka Stock Exchange on the date of valuation i.e. on 31 Mar 2023. Resultant unrealized gain/(loss) is calculated on portfolio basis. The Company shall categorize the investments either as "fair value through profit or loss" or as "fair value through other comprehensive income" as it deems prudent according to the provisions of IFRS-9. However, for those IPO shares the trading of which not yet started are shown at cost price.

### **3.5 Cash and cash equivalents**

In the Statement of Cash Flows, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### **3.6 Provisions**

The company recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

### **3.7 Taxation**

#### **a) Current tax :**

Current tax has been made on the basis of the Finance Act 2021. Income tax withheld from the transactions of traded securities in accordance with section 53BBB @ 0.05% is the minimum tax of the Company under section 82C of Income Tax Ordinance (ITO) 1984. Income tax provision is made on capital gains on sale of shares of listed company @ 10% as per SRO No. 269/Law/Income Tax/2010 dated 1 July 2010 whereas it is @ 30% on other than Brokerage income as per tax laws.

#### **b) Deferred tax:**

The Company provides disclosures based on the classes of assets and liabilities related to the temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognized for all taxable temporary differences and it is probable that temporary differences will not reverse in the foreseeable future. Both the Deferred tax assets and liabilities are reviewed at each reporting date considering the probability of benefit or detriment realizable.

The Company provides disclosures based on the classes of assets and liabilities related to the temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognized for all taxable temporary differences and it is probable that temporary differences will not reverse in the foreseeable future. Both the Deferred tax assets and liabilities are reviewed at each reporting date considering the probability of benefit or detriment realizable.

### **3.8 Contingencies**

Contingencies arising from claims, litigation assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

#### **Contingent liability**

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liability should not be recognized in the financial statements, but may require disclosure. A provision should be recognized in the period in which the recognition criteria of provision have been met.

**Contingent asset**

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognized. Only when the realization of the related economic benefit is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

**3.10 Revenue recognition**

Revenue is only recognized when the company satisfies a performance obligation in the contract with a customer and when it meets five steps model framework as per IFRS 15. Details of revenue recognition policies are given as under:

- (i) Brokerage commission is recognized as income when selling or buying orders are executed.
- (ii) Interest income on FDR and STD accounts is recognized when accrued.
- (iii) Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis and applied to the customers' account on quarterly basis.
- (iv) Cash dividend income is recognized on the declaration of dividend and subsequent receipt of such dividend; and
- (v) Stock dividend (bonus shares) have been recognized at zero cost and added with existing shares resulted decrease in per unit cost price of the existing shares.
- (vi) Capital gains on sale of shares are recognized both on realization and unrealization.

**Cost of services**

Cost of services includes laga and howla charges of stock exchanges booked on daily basis as per trading after receiving the trade reports and the charges of Central Depository Bangladesh Ltd. (CDBL) booked on monthly basis, after receiving the bills from CDBL.

**3.11 Service charge**

A memorandum of understanding (MOU) between BRAC Bank Limited (BBL) and BRAC EPL Stock Brokerage Limited (BESL) has been signed on 27 March 2011 which states that BESL will be charged a 5% fee for all disbursements made by BBL to cover overhead expenses.

**3.12 Margin loan to clients**

Margin loans are given as per margin loan policy of the Company. Normally clients are required to deposit Taka 25 lac for entitlement of margin loan.

**3.13 General**

- i) Amounts appearing in these financial statements have been rounded off to the nearest Taka; and
- ii) Figures relating to previous year have been rearranged wherever considered necessary to confirm with current year's presentation.

**4.00 Application of International Accounting Standards (IASs):**

The Financial Statements have been prepared in compliance with requirement of IAS/IFRS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

	Note	Mar'23 Taka	Dec'22 Taka
<b>5 Property, plant and equipment</b>			
Cost at the beginning of the year		152,263,629	136,105,318
Add: Addition during the period		4,455,780	16,953,881
Less: Disposal during the period		-	269,153
Less: Adjustment during the period		-	526,417
Cost at the end of the period		<b>156,719,409</b>	<b>152,263,629</b>
Accumulated depreciation at the beginning of the year		119,839,931	114,478,055
Add: Depreciation during the period		2,304,282	9,026,841
Less: Disposal during the period		-	264,517
Less: Adjustment during the period		-	3,400,448
Accumulated depreciation the end of the period		<b>122,144,213</b>	<b>119,839,931</b>
<b>Carrying amount as at 31 Mar 2023</b>		<b>34,575,196</b>	<b>32,423,698</b>
A schedule of property, plant and equipment is given in Annexure - 1.			
<b>6 Intangible assets</b>			
Cost at the beginning of the year		28,494,477	26,803,243
Add: Addition during the period		-	1,374,250
Add: Adjustment during the period		-	316,984
Cost at the end of the period		<b>28,494,477</b>	<b>28,494,477</b>
Accumulated amortization at the beginning of the year		27,075,116	26,037,595
Add: Amortization during the period @ 33.33%		180,154	720,537
Add: Adjustment during the period		-	316,984
Accumulated amortization at the end of the period		<b>27,255,270</b>	<b>27,075,116</b>
<b>Carrying amount as at 31 Mar 2023</b>		<b>1,239,207</b>	<b>1,419,361</b>
<b>7 Right of use asset under lease agreement</b>			
Cost at the beginning of the year		100,682,468	120,916,674
Add: Addition during the period		3,802,611	28,488,962
Less: Adjustment/disposal during the period		1,695,252	48,723,168
Cost at the end of the period		<b>102,789,827</b>	<b>100,682,468</b>
Accumulated depreciation at the beginning of the year		25,168,302	52,010,367
Add: Depreciation during the period		5,163,947	20,093,875
Less: Adjustment/disposal during the period		1,695,252	46,935,940
Accumulated depreciation the end of the period		<b>28,636,997</b>	<b>25,168,302</b>
<b>Carrying amount as at 31 Mar 2023</b>		<b>74,152,829</b>	<b>75,514,166</b>
A schedule of right of use asset is given in Annexure - 1.			
<b>8 Investments in exchanges</b>			
Dhaka Stock Exchange Limited (DSE)	8.1	54,113,295	54,113,295
Chittagong Stock Exchange Limited (CSE)	8.2	42,873,300	42,873,300
		<b>96,986,595</b>	<b>96,986,595</b>
<b>8.1 Dhaka Stock Exchange Limited (DSE)</b>			
Floated (40%)		28,860,424	28,860,424
Blocked (35%)		25,252,871	25,252,871
		<b>54,113,295</b>	<b>54,113,295</b>
<b>8.2 Chittagong Stock Exchange Limited (CSE)</b>			
Floated (40%)		17,149,320	17,149,320
Blocked (60%)		25,723,980	25,723,980
		<b>42,873,300</b>	<b>42,873,300</b>

Investments for membership of DSE and CSE were initially recognized at cost of BDT 6,920,500 and BDT 4,107,250, subsequently re-measured in accordance with section 8 (Gha) of the Exchanges Demutualization Act 2013. Both stock exchanges have issued shares against membership with Tk. 10 each. The company initially recognized 40% value of Investment in DSE (BDT 28,860,424) and CSE (BDT 17,149,320) in 2013 creating a corresponding Suspense Account of the same value. In 2018, the company recognized the remaining 60% value of both DSE and CSE before receiving the sale proceeds of 25% of DSE shares to Strategic Partner (Chinese Consortium named Shenzhen Stock Exchange and Shanghai Stock Exchange). Membership at cost of both exchanges are adjusted with Revaluation Reserve after de-recognizing the existing Suspense Account.

Shares issued by	No. of shares	No. of shares
Dhaka Stock Exchange Limited (DSE)	5,411,330	5,411,330
Chittagong Stock Exchange Limited (CSE)	4,287,330	4,287,330
<b>Total</b>	<b>9,698,660</b>	<b>9,698,660</b>

Out of total 11,502,436 shares of DSE (7,215,106) and CSE (4,287,330), 40% shares (4,600,974 for Tk 10 each) was transferred by both the Exchanges to Company's BO account. Remaining 60% shares of both Exchanges (6,901,462) were kept in blocked account for disposal in due course. In 2018, DSE sold 25% shares (1,803,777) to Chinese Consortium, remaining 35% shares of DSE (2,525,287) are kept in blocked account along with 60% shares of CSE.

## 9 Deferred tax

Balance at the beginning of the year	12,705,938	9,252,825
Deferred tax income for the year	711,897	3,453,113
	<b>13,417,835</b>	<b>12,705,938</b>

	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference	Taxable/ (deductible) temporary difference
Property, plant and equipment	34,491,662	63,577,172	(29,085,510)	(28,989,586)
Intangible assets	1,239,207	1,013,213	225,993	261,403
Right of use of asset less prepayments	66,008,744	-	66,008,744	68,488,690
Lease Liabelity	(81,875,346)	-	(81,875,346)	(82,113,634)
	<b>19,864,267</b>	<b>64,590,385</b>	<b>(44,726,118)</b>	<b>(42,353,127)</b>
Applicable tax rate			30.00%	30.00%
<b>Deferred tax - Assets/(Liabilities)</b>			<b>13,417,835</b>	<b>12,705,938</b>

	<b>Note</b>	<b>Mar'23 Taka</b>	<b>Dec'22 Taka</b>
<b>10 Investment in shares</b>			
Investment in securities-IPO	10.1	-	-
Investment in securities-strategic fund	10.2	36,637,763	36,637,763
Investment in securities- proprietary account	10.3	424,032,356	408,878,604
		<b>460,670,119</b>	<b>445,516,367</b>
<b>10.1 Investment in securities-IPO</b>			
Own subscription in IPOs, but shares not yet allotted/credited as at 31 Mar 2023, if any.			
<b>10.2 Investment in securities-strategic fund</b>			
Investment in securities-strategic fund	10.2.1	36,042,504	36,042,504
Ledger balance of portfolio		595,259	595,259
		<b>36,637,763</b>	<b>36,637,763</b>
<b>10.2.1 Proprietary Position in strategic investments</b>			
Value of listed strategic investments		36,042,504	36,042,504
Value of no- listed strategic investments		-	-
		<b>36,042,504</b>	<b>36,042,504</b>
<b>10.3 Investment in securities- proprietary account</b>	10.3.1		
<i>Investment in quoted shares</i>			
Bank		3,597,000	15,260,000
Cement		-	6,480,000
Ceramic		4,550,000	-
Engineering		989,417	-
Financial Institution		-	-
Food & Allied		57,057,000	85,487,162
Fuel & Power		11,685,000	11,685,000
Insurance		-	247,224
IT Sector		21,822,545	-
Jute		-	-
Miscellaneous		5,737,626	-
Paper & Printing		-	-
Pharmaceuticals & Chemicals		164,426,595	155,259,892
Services & Real Estate		22,078,435	-
Tannery Industries		-	-
Telecommunication		51,683,344	46,161,161
Textile		58,482,807	65,753,447
Travel & Leisure		-	-
		<b>402,109,769</b>	<b>386,333,886</b>
<i>Investment in quoted bonds</i>			
Corporate Bond		<b>6,922,500</b>	<b>7,000,500</b>
<i>Investment in unquoted shares</i>			
MF/GF/UF*		<b>15,000,086</b>	<b>15,544,218</b>
<b>Total</b>		<b>424,032,356</b>	<b>408,878,604</b>
*Mutual Fund/Growth Fund/Unit Fund			
<b>10.3.1 Proprietary positions in equity securities &amp; debt instruments</b>			
Value of "A" category instruments		387,946,517	354,601,647
Value of "B/C/N/..." category instruments		14,163,253	31,732,239
Value of "Z" category instruments		-	-
Value of listed funds		-	-
Value of non- listed funds		15,000,086	15,544,218
Value of listed debt instruments & ABSs		6,922,500	7,000,500
Value of non-listed debt instruments		-	-
		<b>424,032,356</b>	<b>408,878,604</b>

<b>11</b>	<b>Account receivables</b>			
	Receivable from clients (broker)		6,667,478	7,341,636
	Receivable from exchanges	11.1	49,937,699	70,036,224
	Receivable from merchant banker	11.2	44,623,704	36,819,606
	Receivable from Sub-lease with BEIL		7,671,904	7,191,485
			<b>108,900,785</b>	<b>121,388,951</b>
	Provision for bad debts		5,453,123	5,512,497
			<b>103,447,662</b>	<b>115,876,454</b>
<b>11.1</b>	<b>Receivable from exchanges</b>		<b>49,937,699</b>	<b>70,036,224</b>
	<b>DSE (broker)</b>		<b>49,020,301</b>	<b>67,581,499</b>
	ABG&N		48,250,091	67,399,658
	Z		770,210	181,841
	<b>DSE (dealer)</b>		<b>365,671</b>	-
	ABG&N		365,671	-
	<b>CSE (broker)</b>		<b>551,727</b>	<b>2,454,725</b>
	ABG&N		551,727	2,454,725
	Z		-	-
<b>11.2</b>	<b>Receivable from merchant banker</b>			
	Receivable from third party		6,758,441	12,127
	Receivable from related party		37,865,263	36,807,479
			<b>44,623,704</b>	<b>36,819,606</b>
<b>12</b>	<b>Inter-company receivables</b>			
	BRAC EPL Investment Limited		355,493	-
			<b>355,493</b>	-
<b>13</b>	<b>Margin loan receivables</b>	13.1	<b>572,089,019</b>	<b>430,098,513</b>
<b>13.1</b>	<b>Amounts receivable from margin clients</b>			
	Clients having no margin or full erosion of clients' equity (e.g.no equity against debit balance)		-	-
	Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB)		191,947,002	122,323,145
	Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)		85,078,068	47,452,741
	Regular Margin Clients (e.g. equity is >150% of debit balance)		295,063,948	260,322,627
			<b>572,089,019</b>	<b>430,098,513</b>
The above amount represents loan entitled to clients against securities. The Company had started margin loan facilities from 01 October 2011. Loan limit to single client is maximum 50% of client's margin.				
<b>14</b>	<b>Advances, deposits and prepayments</b>			
	Advances	14.1	48,922,704	34,848,485
	Deposits	14.2	4,153,407	4,153,407
	Prepayments	14.3	143,384	573,527
			<b>53,219,495</b>	<b>39,575,419</b>
<b>14.1</b>	<b>Advances</b>			
	Software system		5,881,305	5,881,305
	Salary and allowances		227,500	140,000
	Employee's car loan		12,199,995	13,243,387
	Bank guarantee commission		2,584,778	306,667
	Capital expenditure		27,489,622	14,531,622
	Operational expenses		539,504	745,504
			<b>48,922,704</b>	<b>34,848,485</b>
<b>14.2</b>	<b>Security deposits</b>			
	Depository Participator (DP) for CDBL		102,500	102,500
	BTCL-Land Phone		23,705	23,705
	Grameen Phone		2,000	2,000
	Deposit to BRAC EPL Investment Limited		10,752	10,752
	Symphony Tower, Gulshan		3,170,100	3,170,100
	City Center, Motijheel		844,350	844,350
			<b>4,153,407</b>	<b>4,153,407</b>

<b>14.3</b>	<b>Prepayments</b>		
	Prepaid insurance	143,384	573,527
		<b>143,384</b>	<b>573,527</b>

<b>15</b>	<b>Other receivables</b>		
	Accrued interest and income	5,371,109	1,868,938
	Forfeiture amount of provident fund	-	115,296
		<b>5,371,109</b>	<b>1,984,234</b>

Interest on fixed deposit receipts is recognized on accrual basis. Interests are recognized as and when interest incomes are accrued.

<b>16</b>	<b>Cash and cash equivalents</b>		
	Cash in hand	150,099	125,099
	Cash balance with branches	666,551	716,486
		<b>816,650</b>	<b>841,585</b>

**Cash at bank**

Consolidate Customers' Account	16.1	526,468,096	746,653,141
Operational Account	16.2	34,452,801	8,936,433
Strategic Investment	16.3	2,484,500	1,896,893
IPO Block Account	16.4	124,114	125,189
Dealer Account	16.5	19,854,443	7,099,603
Investment in FDRs	16.6	168,059,736	166,068,208
		<b>751,443,690</b>	<b>930,779,467</b>
		<b>752,260,340</b>	<b>931,621,052</b>

<b>16.1</b>	<b>Consolidate Customers' Account</b>				
	<b>Bank name</b>	<b>Account Number</b>	<b>Type</b>	<b>526,468,096</b>	<b>746,653,141</b>
	BRAC Bank Limited	1501201363499001	SND	438,994,486	455,913,014
	Standard Chartered Bank	01-7503024-02	Current	25,335,817	72,545,810
	The City Bank Limited	3101063886001	SND	62,137,792	218,194,317
	The City Bank Limited	3102159661001	SND	-	-
	One Bank Limited	13000000558	SND	-	-

<b>16.2</b>	<b>Operational Account</b>				
	<b>Bank name</b>	<b>Account Number</b>	<b>Type</b>	<b>34,452,801</b>	<b>8,936,433</b>
	Standard Chartered Bank	01-7503024-01	Current	2,702,151	3,399,509
	BRAC Bank Limited	1513201363499001	Current	4,603,347	4,879,639
	BRAC Bank Limited	1513101363499001	STD	207,157	207,157
	BRAC Bank Limited	1513201363499002	Current	111,302	129,647
	BRAC Bank Limited	1513101363499002	STD	124,760	125,485
	BRAC Bank Limited	1513201363499004	Current	77,864	77,864
	One Bank Limited	13000000558	SND	26,626,220	117,132

<b>16.3</b>	<b>Strategic Investment</b>				
	<b>Bank name</b>	<b>Account Number</b>	<b>Type</b>	<b>2,484,500</b>	<b>1,896,893</b>
	BRAC Bank Limited	1501201363499002	Current	2,484,500	1,896,893

<b>16.4</b>	<b>IPO Block Account</b>				
	<b>Bank name</b>	<b>Account Number</b>	<b>Type</b>	<b>124,114</b>	<b>125,189</b>
	Standard Chartered Bank	02-7503024-03	SND	124,114	125,189

<b>16.5</b>	<b>Dealer Account</b>				
	<b>Bank name</b>	<b>Account Number</b>	<b>Type</b>	<b>19,854,443</b>	<b>7,099,603</b>
	Standard Chartered Bank	01-7503024-03	Current	19,838,672	7,033,257
	Standard Chartered Bank	02-7503024-02	SND	15,771	66,346

<b>16.6</b>	<b>Investment in FDRs</b>	<b>Account Number</b>	<b>168,059,736</b>	<b>166,068,208</b>
	BRAC Bank Limited	1513301363499005	15,165,839	15,165,839
	BRAC Bank Limited	1513301363499007	-	-
	BRAC Bank Limited	3013634990008	101,277,778	100,000,000
	Standard Chartered Bank	97503024001	22,682,867	22,673,672
	Standard Chartered Bank	97503024002	7,413,002	7,409,997
	Jamuna Bank Limited	0024-0330021008	9,990,390	9,900,272
	The Padma (Farmers) Bank Limited	124400017244	11,529,860	10,918,428

*The terms and conditions of the overdraft from BRAC Bank Limited are as follows:*

Loan limit	: BDT 500,000,000.00 (BDT Forty Five Hundred Million) only.
Repayment procedures	: From operational cash flow/or own sources of borrower.
Maximum tenor	: 360 days (maximum from date of each disbursement)
Purpose	: To meet daily settlement requirement and margin for exceeding Dhaka Stock Exchange (DSE)/ Chittagong Stock Exchange (CSE) daily trading limit.
Interest rate	: 9%
Expiry	: 28 February 2023

*The terms and conditions of the overdraft from Standard Chartered Limited are as follows:*

Loan limit	: BDT 50,000,000.00 (BDT Fifty Million) only.
Repayment procedures	: From operational cash flow/or own sources of borrower.
Maximum tenor	: 360 days (maximum from date of each disbursement)
Purpose	: To meet daily settlement requirement and margin for exceeding Dhaka Stock Exchange (DSE)/ Chittagong Stock Exchange (CSE) daily trading limit.
Interest rate	: 8%
Expiry	: 31 March 2023

	<b>Note</b>	<b>Mar'23 Taka</b>	<b>Dec'22 Taka</b>
<b>17</b>	<b>Share capital</b>		
<b>17.1</b>	<b>Authorized share capital</b>		
	20,000,000 ordinary shares of Taka 100 each	<b>2,000,000,000</b>	<b>2,000,000,000</b>
<b>17.2</b>	<b>Issued, subscribed and paid-up share capital</b>		
	Balance at the beginning of the year	1,009,373,500	841,144,600
	Add: Bonus shares issued (1,682,289 @ BDT 100)	-	168,228,900
		<b>1,009,373,500</b>	<b>1,009,373,500</b>

The Company's shareholding position at the date of statement of financial position was as follows:

Amount in Taka

Name of share-holders	Nationality/ incorporated in	No. of shares		Mar'23	Dec'22
		2023	Face value		
BRAC Bank Limited	Bangladesh	9,084,299	100	908,429,900	908,429,900
Mr. Saiful Islam	Bangladeshi	1,009,374	100	100,937,400	100,937,400
BRAC	Bangladesh	5	100	500	500
Mr. Selim R. F. Hussain	Bangladesh	15	100	1,500	1,500
Ms. Tamara Hasan Abed	Bangladesh	14	100	1,400	1,400
Dr. Zahid Hussain	Bangladesh	14	100	1,400	1,400
Mr. Mohammad Masud Rana	Bangladesh	14	100	1,400	1,400
		<b>10,093,735</b>		<b>1,009,373,500</b>	<b>1,009,373,500</b>

<b>18</b>	<b>Revaluation reserve for TREC license</b>		
	Revaluation Reserve for TREC License-DSE	48,922,920	48,922,920
	Revaluation Reserve for TREC License-CSE	38,766,050	38,766,050
		<b>87,688,970</b>	<b>87,688,970</b>

Investments for membership was initially recognized at cost and was subsequently re-measured in accordance with section 8 (Gha) of the Exchanges Demutualization Act 2013, both stock exchanges have issued shares against membership with Tk. 10 each. Surplus arising from changes in the value of investment for membership are transferred to Revaluation Reserve for TREC License.

<b>19</b>	<b>Capital reserve</b>		
	Opening balance	25,792,593	-
	Add: Addition during the year	7,730,710	25,792,593
		<b>33,523,303</b>	<b>25,792,593</b>
	Less: Adjustment during the year	-	-
	Closing balance	<b>33,523,303</b>	<b>25,792,593</b>



According to the Clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the Company maintained a mandatory provision @ 10% of profit after tax of last year as capital reserve with prospective effects from 30 June 2022.

**20 Lease liability under lease agreemen**

Balance at the beginning of the year	82,113,633	71,436,799
Add: Addition during the year	4,092,231	26,912,407
Add: Interest expense on leases	1,847,527	7,223,175
Less: Payment of lease instalments	6,178,046	21,160,788
Less: Disposal /termination of leases	-	2,297,960
Balance as at 31 Mar 2023	<b>81,875,346</b>	<b>82,113,633</b>

**20.1 Lease liabilities are presented in the statement of financial position as follows:**

Current	18,594,382	17,077,807
Non-current	63,280,964	65,035,826
	<b>81,875,346</b>	<b>82,113,633</b>

**21 Payable to clients**

21.1

<b>510,652,889</b>	<b>554,869,794</b>
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**21.1 Payable to merchant banker**

Payable to third party	493,549,901	544,741,172
Payable to related party	17,102,988	10,128,622
	<b>510,652,889</b>	<b>554,869,794</b>

This balance represents the clients' sale proceeds of shares and deposits against share purchase which is currently lying with the company's Consolidated Customers bank A/C.

**22 Account payables**

Payable to exchanges	22.1	9,928,238	701,139
Payable to merchant banker	22.2	14,287,057	5,582,961
Payable to Issuer (IPO)		2,005,000	-
Interest payable to clients'		21,811,628	21,811,628
		<b>48,031,923</b>	<b>28,095,728</b>

**22.1 Payable to exchanges**

<b>9,928,238</b>	<b>701,139</b>
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**DSE (broker)**

ABG&N	8,857,375	163,091
Z	724,136	28,444

**CSE (broker)**

ABG&N	346,570	509,604
Z	-	-

**DSE (dealer)**

ABG&N	158	-
Z	-	-

**22.2 Payable to Merchant Banker**

Payable to third party	8,331	249
Payable to related party	14,278,726	5,582,712
	<b>14,287,057</b>	<b>5,582,961</b>

**23 Specific provision**

Opening balance	4,300,985	-
Add: Addition during the year	1,419,905	4,300,985
	<b>5,720,890</b>	<b>4,300,985</b>
Less: Adjustment during the year	-	-
Closing balance	<b>5,720,890</b>	<b>4,300,985</b>

According to the Clause (ii) of (e) of Part B [rule (1) (b), rule 5(2)] of Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the Company maintained a mandatory provision @ 1% of all outstanding margin exposures as 'specific provision' with prospective effects from 30 June 2022.

**24 Inter-company payables**

BRAC EPL Investment Limited	-	-
	<b>-</b>	<b>-</b>

<b>25</b>	<b>Provision &amp; Accrual</b>			
	Performance bonus provision		27,123,338	26,469,878
	CDBL BO maintenance fees payable		2,887,500	-
	Withholdings tax and VAT payable		1,707,388	842,824
	Legal and professional fees payable		-	92,000
	Office premises lease rent payable		204,692	50,081
	Audit fee payable		471,500	471,500
	Electricity bills payable		521,830	261,956
	CDBL charges payable		795,835	437,502
	Repair and office maintenance payable		-	30,322
	Telephone and mobile bills payable		125,000	127,512
	Utilities and outsources payable		-	1,462
	Salary and other allowances payable		7,443,515	722,563
	Trading expenses payable		11,030,501	7,995,134
	Advertisement & publicity expenses		-	214,500
	Liability for board meeting fees		73,336	73,336
	Payable for capital expenditure		727,186	624,548
	Payable for operational expenses		27,884	70,201
			<b>53,139,504</b>	<b>38,485,319</b>
<b>1</b>	<b>Current tax liabilities</b>			
	Provision for tax	26.1	292,988,655	280,480,284
	Advance income tax	26.2	275,828,848	261,712,816
			<b>17,159,807</b>	<b>18,767,468</b>
<b>26</b>	<b>Provision for income tax</b>			
	Balance at the beginning of the year		280,480,284	724,534,702
	Add: Provision made during the year	34	13,008,371	94,528,018
	Adjustment of tax provision for previous year		500,000	538,582,436
			<b>292,988,655</b>	<b>280,480,284</b>
<b>14.1.1</b>	<b>Advance Income Tax</b>			
	Balance at beginning of the year		261,712,816	690,520,991
	Add: Deposits including deductions at source		14,116,032	86,709,837
	Add: Tax paid for previous years			12,761,145
			275,828,848	789,991,973
	Adjustment made for previous years		-	528,279,157
	<b>Balance as at 31 Mar 2023</b>		<b>275,828,848</b>	<b>261,712,816</b>
		<b>Note</b>	<b>Mar'23</b>	<b>Mar'22</b>
<b>27</b>	<b>Service Revenue</b>			
	Brokerage commission	27.1	66,841,572	124,479,654
	Income from margin loan		16,687,415	10,162,999
	Annual account maintenance fees		-	1,593,750
	BO account renewal fees		825,000	918,800
	Advisory income		-	-
	IPO Service Charge		880	16,275
	BO account opening fees		188,100	104,000
	Sale of BO form		-	25,500
	Others	27.2	194,416	671,291
			<b>84,737,383</b>	<b>137,972,269</b>
<b>27.1</b>	<b>Brokerage commission</b>			
	Brokerage commission- DSE (broker)		65,979,291	122,865,130
	Brokerage commission- DSE (dealer)		472,691	600,769
	Brokerage commission- CSE (broker)		389,590	1,013,755
			<b>66,841,572</b>	<b>124,479,654</b>
<b>27.2</b>	<b>Others</b>			
	Cheque dishonour charges		114,380	548,340
	Share pledging & transmission fees		80,036	122,951
			<b>194,416</b>	<b>671,291</b>

<b>28</b>	<b>Direct expenses</b>			
	Transaction cost	28.1	5,223,872	10,153,997
	CDBL charges		2,286,285	3,754,255
	Trading expense		10,741,312	16,143,775
			<u><b>18,251,469</b></u>	<u><b>30,052,027</b></u>
<b>28.1</b>	<b>Transaction cost</b>			
	Howla-DSE (broker)		4,050	-
	Laga-DSE (broker)		5,091,890	9,963,977
	Laga-DSE (dealer)		108,589	118,558
	Laga-CSE (broker)		19,343	71,462
			<u><b>5,223,872</b></u>	<u><b>10,153,997</b></u>
This represents Howla and Laga charges paid to DSE and CSE for the transactions of traded securities. Howla is paid based on number of transactions and Laga is paid based on turnover at applicable rate prescribed by DSE and CSE.				
<b>29</b>	<b>Operating expenses</b>			
	Administrative expenses	29.1	50,973,515	44,687,166
	Other operating expenses	29.2	13,049,577	9,087,623
			<u><b>64,023,091</b></u>	<u><b>53,774,789</b></u>
			<b>62%</b>	<b>65%</b>
<b>29.1</b>	<b>Administrative expenses</b>			
	Salary and allowances	29.1.1	39,474,938	35,014,661
	Depreciation on PPE	5	2,304,282	2,094,332
	Amortization of intangible assets	6	180,154	180,150
	Depreciation on right of use assets	7	5,163,947	4,126,715
	Internet bills		776,644	657,514
	Outsourcing expenses		1,994,194	1,736,152
	Insurance		451,508	363,746
	Networking expenses		426,878	159,398
	DSE, CSE and BSEC charges		200,969	354,498
			<u><b>50,973,515</b></u>	<u><b>44,687,166</b></u>
<b>29.1.1</b>	<b>Salary and allowances</b>			
	Salary and allowances		36,190,856	32,922,444
	Provident fund contribution		1,486,809	1,198,224
	Gratuity fund contribution		1,797,273	893,993
			<u><b>39,474,938</b></u>	<u><b>35,014,661</b></u>
		<b>Note</b>	<b>Mar'23</b>	<b>Mar'22</b>
			<b>Taka</b>	<b>Taka</b>
<b>29.2</b>	<b>Other operating expenses</b>			
	Utility expenses		1,565,489	1,037,549
	Entertainment		980,621	633,837
	Office maintenance		722,911	924,847
	Telephone and mobile bills		305,485	336,092
	Printing & stationery and photocopy		481,793	391,737
	Business promotional expenses		1,913,666	1,087,954
	Advertisement		956,094	150,965
	Fuel, lubricants and car maintenance		191,068	172,483
	Board meeting fees		91,666	183,340
	Travel and conveyance		492,537	643,181
	Postage and courier		54,947	25,375
	Professional fees		985,000	699,306
	Training and development		998,933	-
	Repair and software maintenance		470,008	689,843
	Fees & subscriptions and license & renewal		92,882	841,871
	News paper, books and periodicals		4,474	2,190
	Audit fee		-	100,000
	Reward and recognition		181,800	337,359
	VAT Expenses on Lease Rental/Office Rent		1,001,993	748,213
	Office Rent		113,304	-
	Wedding & new born baby gift and others		25,000	81,481
	Provision for Margin Loan		1,419,905	-
			<u><b>13,049,577</b></u>	<u><b>9,087,623</b></u>
<b>30</b>	<b>Investment income</b>			
	Realized gain/(loss)	30.1	(7,573,401)	(7,902,894)
	Unrealized gain/(loss) on investment	30.2	(1,756,102)	(2,809,711)
	Dividend income	30.3	13,422,745	13,827,164
			<u><b>4,093,242</b></u>	<u><b>3,114,559</b></u>

<b>30.1</b>	<b>Realized gain/(loss)</b>			
	Gain/(loss) on proprietary trading (dealer)		(7,573,401)	(8,000,942)
	Gain/(loss) on strategic investment		-	98,048
			<u>(7,573,401)</u>	<u>(7,902,894)</u>
<b>30.2</b>	<b>Unrealized gain/(loss)</b>			
	Unrealized gain/(loss) on proprietary trading (dealer)		(1,756,102)	(1,896,585)
	Unrealized gain/(loss) on strategic investment		-	(913,126)
			<u>(1,756,102)</u>	<u>(2,809,711)</u>
<b>30.3</b>	<b>Dividend income</b>			
	Dividend income from investment in exchanges	30.3.1	3,246,798	2,164,532
	Dividend income from proprietary trading (dealer)		9,437,258	11,393,178
	Dividend income from strategic investment		738,690	269,454
			<u>13,422,745</u>	<u>13,827,164</u>
<b>30.3.1</b>	<b>Dividend income from investment in exchanges</b>			
	Dhaka Stock Exchange Limited (DSE)		3,246,798	2,164,532
	Chittagong Stock Exchange Limited (CSE)		-	-
			<u>3,246,798</u>	<u>2,164,532</u>
<b>31</b>	<b>Finance income</b>			
	Interest income	31.1	2,532,809	3,319,613
			<u>2,532,809</u>	<u>3,319,613</u>
<b>31.1</b>	<b>Interest income</b>			
	Interest income from FDR investment		2,266,566	3,164,462
	Interest income from SND/STD bank accounts		-	-
	Interest income from consolidated customer bank accounts		-	-
	Interest on employees' car loan		96,721	76,251
	Interest Income on Sub-lease with BEIL		169,522	78,900
			<u>2,532,809</u>	<u>3,319,613</u>
	Less: Interest payable to clients' *		-	-
	Net interest income		<u>2,532,809</u>	<u>3,319,613</u>
* As per BSEC directive no.-BESC/CMRRCD/2009-193/21 dated 21 June 2021, this balance payable to the clients' which is currently lying with the company's Consolidated Customers bank A/C.				
<b>32</b>	<b>Other income</b>			
	Gain/(loss) on sale of fixed assets		-	-
	Gain on termination of lease agreement		-	-
	Forfeiture amount of provident fund		-	-
			<u>-</u>	<u>-</u>
<b>33</b>	<b>Finance Cost</b>			
	Bank guarantee commission		541,647	1,111,667
	Bank interest, charges and commission		287,557	279,253
	Finance charge (Interest expense- Lease Rent)		1,847,527	1,551,394
			<u>2,676,731</u>	<u>2,942,314</u>
<b>34</b>	<b>Income tax expenses</b>			
	Tax on brokerage commission	34.1	10,973,081	20,585,371
	Tax other than brokerage commission		2,035,290	3,218,311
	<b>Income tax expenses during the period</b>		<u>13,008,371</u>	<u>23,803,682</u>
	Adjustment for previous year		-	-
			<u>13,008,371</u>	<u>23,803,682</u>
	Deferred tax (income)/expense	9 & 34.1	(711,897)	1,683,719
			<u>12,296,473</u>	<u>25,487,401</u>

- 34.1** The amount has been deducted by Dhaka Stock Exchange Limited (DSE) & Chittagong Stock exchange Limited (CSE) from the transaction amount as per section 53BBB of the Income Tax Ordinance 1984.

Dhaka Stock Exchange (broker)	10,679,086	20,188,558
Dhaka Stock Exchange (dealer)	236,346	244,788
Chittagong Stock Exchange (broker)	57,649	152,025
	<u>10,973,081</u>	<u>20,585,371</u>

- 34.2** Deferred tax is provided using the liability method for timing differences arising between the tax base of assets and liabilities and their carrying values for reporting purposes as per International Accounting Standard (IAS) - 12. During the period net amount of Tk. 711,897 has been provided as deferred tax income.

**35 Number of employees engaged for drawing remuneration**

i) Up to Taka 3000 per month	-	-
ii) Above Taka 3000 per month	128	113
	<u>128</u>	<u>113</u>

**36 Financial risk management**

The management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments.

• credit risk	36.1
• liquidity risk	36.2
• market risk	36.3
• currency risk	36.4
• interest risk	36.5

**36.1 Credit risk**

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, clients are grouped according to their risk profile, i.e. their legal status, financial condition etc. Receivable from clients is the debit balance in the client ledger as a result of buy/sell of shares.

**36.2 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company ensures that it has sufficient cash and bank balances to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

**36.3 Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**36.4 Currency risk**

The Company has not entered into any transaction denominated by a currency other than the local currency during the year ended 30 June 2022.

**36.5 Interest rate risk**

The only interest bearing financial instrument for the Company is the short notice deposit (SND) account maintained by the Company with its commercial banks. These are highly liquid and very short term deposits with nominal interest rate. Interest rate fluctuation for such investment have little impact on financial statements. Therefore, interest rate risk for the Company is insignificant.