

**GSP FINANCE COMPANY (BANGLADESH) LIMITED  
INDEPENDENT AUDITORS' REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**



**Independent Auditor's Report**

**To the Shareholders of GSP Finance Company (Bangladesh) Limited**

**Report on the Audit of the Consolidated and Separate Financial Statements**

**Opinion**

We have audited the consolidated financial statements of GSP Finance Company (Bangladesh) Limited and its subsidiary (the "Group") as well as the separate financial statements of GSP Finance Company (Bangladesh) Limited (the "Company"), which comprise the consolidated and separate balance sheet as at 31 December 2021, and the consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity and consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for effect of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Company as at 31 December 2021, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Financial Institutions Act, 1993, the Rules and Regulations issued by the Bangladesh Bank, the Companies Act, 1994 and other applicable Laws and Regulations.

**Basis for Qualified Opinion**

- The company has significant investments in Term Deposit Receipts (TDR) of BDT 138,700,000 and BDT 13,570,247 in Premier Leasing & Finance Ltd and FAS Finance & Investment Ltd. respectively. This investments represents 1.55% of the consolidated total assets and is therefore material to the financial statements. The company has not received any interest on these investments in the current financial year. This exposes the company to considerable financial risk as both the investments are non-performing investments.
- The company has maintained an Employees Gratuity Fund in line with Bangladesh Labour Act 2006, against which a provision of BDT 64,00,000 has been recognized as "Other Liabilities" in the Statement of Financial Position as at 31<sup>st</sup> December 2021. This provision remains unadjusted and is being carried forward on and year on year basis, as the company is not transferring balance to the gratuity fund.
- The company has a subsidiary GSP Investments Limited that is audited by us has been furnished and our opinion is as so far as it related to the amounts included based on the report. Therefore, we draw attention to the GSP Investments Limited auditors report on following matters.
  - The company has margin loan of BDT 3,362,810,672 against which a provision of BDT 441,098,096 was recognized in the financial statements. The provision reflects the loss arising on the difference between cost and the market value of the securities.





- The income tax provision amounting to BDT 73,982,396 is presented in the financial statements, and the entity has advance income tax of BDT. 1,444,588 (refer to note 6). This is resulting in the provision for income tax balance to increase every year due to the non-payment or non-adjustment to the related advance income tax.

We conducted our audit in accordance with International Standards on Auditing (ISAs), our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the current period (2021). These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters.

- Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the consolidated and separate financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Description of key audit matters	Our response to key audit matters
Risk	Our response to the risk
<b>Measurement of Provision for Leases, Loans &amp; Advances</b>	
The process for estimating the provision for leases, loans and advances portfolio associated with credit risk is significant and complex.	We tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"><li>• Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li><li>• Identification of loss events, including early warning and default warning indicators;</li><li>• Reviewed quarterly Classification of Loans (CL);</li></ul>
For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.	
For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the	
	Our substantive procedures in relation to the

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<p>provision estimates of complex design and implementation.</p> <p>As at 31 December 2021 the Group reported total gross leases, loans and advances of BDT 7,816,747,276 (2020: BDT 7,724,035,465) and it represents 79.67% of total assets. Provision for leases, loans and advances was of BDT 646,356,509 (2020: BDT 558,520,547).</p> <p>We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> <li>• Completeness and timing of recognition of loss events in accordance with criteria set out in FID circular no 08, dated 03 August 2002, FID circular no 03, dated 03 May 2006 and FID circular no 03 dated 29 April 2013;</li> <li>• For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows;</li> <li>• Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates;</li> </ul>	<p>provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the companies general and specific provisions in line with Bangladesh Bank guidelines;</li> <li>• Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information;</li> <li>• Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and</li> <li>• Finally compared the amount of loan provision and lone classification disclosed in the financial statements with the quick summary report prepared by Bangladesh Bank.</li> </ul> <p>The said BB Circular has also instructed to consider all installments payable during the period from 1 January 2020 to 31 December 2020 as deferred and reschedule the number of installment and amount from 01 January 2021. As a result, the number of installments unpaid during January to December 2020 shall be added with the revised repayment schedule.</p> <p>No penal interest or additional fee/charge/commission shall be imposed on these deferred installments.</p> <p>We have verified as compliance of above Bangladesh Bank instructions. However, due to the past uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgment applied by management in assessing recoverability of interest income may be different.</p>
See note no 07(a) & 14.2 to the financial statements	
<b>Provision for diminution in value of investment in share</b>	
<p>At the year-end of 2021 group investments comprise of marketable ordinary shares of BDT 498,323,874 (2020: BDT 547,066,369) and it represents 5.07% of total assets. Provision for diminution in value of investment of BDT 64,599,471 (2020: BDT 40,289,658).</p> <p>This was an area for our audit and significant audit effort was directed.</p>	<p>Our audit approach was a combination of test of internal control and substantive procedures.</p> <ul style="list-style-type: none"> <li>• We obtained sufficient audit evidence to conclude that the inputs and methodologies used for the valuation of the investments are within a reasonable range and that valuation policies were consistently applied by the management of the company.</li> </ul>





<p>Invested in quoted shares and unquoted shares are valued at cost. However, the company made provision for diminution in value of investment as per FID circular no 08, dated 03 August 2002.</p> <p>We focused on this area because of the significance of the investments in the financial statements, and departure from the recognition and presentation criteria of IFRS 9, IFRS 7 &amp; IAS 32 to comply the above circular of Bangladesh Bank for determining the valuation methodology and presentation to be applied by the management of the company.</p>	<ul style="list-style-type: none"> <li>• We assessed the design and operating effectiveness of the Group's key controls supporting the identification, measurement and oversight of valuation risk of financial assets.</li> <li>• We tested the calculations of provision for diminution in value of investment and checked the presentation and disclosure of investment in compliance with FID circular no. 8 dated 3 August 2002.</li> </ul>
See note no. 6 & 14.3 to the financial statements	
<b>Term Deposit</b>	
<p>Term Deposit of the group BDT 1,925,199,905 which is decreased by 15.16% from the last year.</p> <p>Significant judgment is required for Term Deposit, which has a vice-versa relation with interest income on interest expense on deposits.</p>	<p>We have tested operating effectiveness of key controls on the following:</p> <ul style="list-style-type: none"> <li>• Tested the deposit attraction policy and procedure.</li> <li>• Identification of reinvestment rate of with the combination of deposit receiving rate.</li> <li>• Tested the investment maturities ladder compile with deposit tenure.</li> <li>• Conducted analysis for understanding industry practice on deposit interest rate compare to inflation rate.</li> <li>• Tested penalty practice on early settlement of deposit.</li> <li>• Finally assess the reinvest appropriateness in against of the receiving deposit.</li> </ul>
See note no. 13(a) to the financial statement	
<b>Measurement of Deferred Tax Liabilities (DTL)</b>	
<p>The Company reports net Deferred Tax Liabilities (DTL) amounted to BDT 16,835,106 as at 31 December 2021. (2020: BDT 14,281,599). Deferred tax expense accounted for during the year 2021 BDT 2,553,507 (Deferred tax expense in 2020: BDT 2,218,521)</p> <p>Significant judgment is required in relation to deferred tax assets/ liabilities as their recoverability is dependent on</p>	<p>We obtained an understanding, evaluated the design and have tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTLs and the assumptions used in estimating the Group's future taxable income.</p> <ul style="list-style-type: none"> <li>• We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</li> <li>• We involved tax specialists to assess key</li> </ul>





forecasts of future profitability over a number of years.	<p>assumptions, controls, recognition and measurement of DTLs.</p> <ul style="list-style-type: none"> <li>Finally assessed the appropriateness and presentation of disclosures against "IAS-12" Income Tax.</li> </ul>
See note no 36.2 to the financial statements	
<b>Revenue</b>	
<p>Revenue of BDT 626,059,088 is recognized in the Statement of Profit or Loss and Other Comprehensive Income of the Group. Revenue has increased by 46.30% since last year. This was an area of focus for our audit and significant audit effort was directed. Against this background, the proper application of the accounting standards is considered to be complex and to a certain extent based on estimates and assumptions made by management.</p>	<p>Our audit procedures included obtaining our understanding of the process of interest income, investment income, brokerage commission, profit on investment ascertaining the balance and the interest charged over the financial year.</p> <p>Additionally,</p> <ul style="list-style-type: none"> <li>Carried out cut-off testing to ensure the income was recognized in correct period.</li> <li>Reviewed the carrying balance of the total figure.</li> <li>Our audit approach was a combination of test of internal control and substantive procedures.</li> <li>We also tested journal entries recognized to revenue focusing on unusual or irregular transactions.</li> <li>In addition, we performed substantive analytical to understand how the revenue has trended over the year among other parameters, we performed a detailed testing on transactions around the year—end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions.</li> <li>Evaluate the Group's work to implement "IFRS-15" and assessed whether accounting principles comply with the new accounting standard.</li> </ul>
See note no 20(a), 22(a), 23(a) & 24(a) to the financial statements	
<b>IT systems and controls</b>	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p>	<p>We tested the design and operating effectiveness of the Group's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p>



	<p>We tested the Group's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>
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#### **Other Information**

The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. We obtained Director's report and performance analysis with the management committee prior to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

**Our opinion on the consolidated and separate financial statements does not cover 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 consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### **Responsibilities of Management and Those Charged with Governance for the consolidated and separate financial statements and internal controls**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Group and also separate financial statements of the Company in accordance with IFRSs as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Financial Institutions Act, 1993 and the Bangladesh Bank guidelines require the Management to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.





### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Groups and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, the Financial Institutions Act 1993 and the rules and regulations issued by Bangladesh Bank, we also report the following:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- iii. the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- iv. the expenditures incurred and payments made were for the purpose of the Company's business for the year;
- v. the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- vi. adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Banks instructions in this regard have been followed properly;
- vii. the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- viii. the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- ix. statement sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- x. taxes and duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;



- xi. nothing has come to our attention that the Company has adopted any unethical means i.e. "Window dressing" to inflate the profit and mismatch between the maturity of assets and liabilities;
- xii. proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- xiii. based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- xiv. the Company has complied with relevant laws pertaining to capital, reserve, and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/ leases found satisfactory;
- xv. we have reviewed over 80% of the risk weighted assets of the Group & Company and we have spent around 930 person hours for the audit of the books and accounts of the Company;
- xvi. the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- xvii. the Company has complied with the "First Schedule" of the Financial Institutions Act, 1993 in preparing these financial statements; and
- xviii. all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

**Dated: Dhaka  
08 August, 2022**

**Md. Iqbal Hossain FCA**  
Partner, Enrolment No.: 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants  
DVC: 2209010596AS647513





**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT DECEMBER 31, 2021**

	Notes	Amount in Taka	
		2021	2020
<b>PROPERTY AND ASSETS</b>			
Cash		16,556,205	17,685,934
In hand (including foreign currencies)	3.1(a)	150,226	134,211
Balance with Bangladesh Bank and its agents bank(s) (including foreign currencies )	3.2(a)	16,405,979	17,551,723
Balance with other banks and financial institutions	4(a)	385,768,675	373,733,266
In Bangladesh		385,768,675	373,733,266
Outside Bangladesh		-	-
Money at call and short notice	5(a)	-	-
Investments	6(a)	498,323,874	547,066,369
Government		-	-
Others		498,323,874	547,066,369
Leases ,loans and advances	7(a)	7,816,747,276	7,724,035,465
Bills purchased and discounted	8(a)	-	-
Fixed assets including premises, furniture and fixtures	9(a)	974,001,734	967,855,945
Other Assets	10(a)	119,015,814	93,344,478
Non-business assets	11	-	-
<b>Total Assets</b>		<b>9,810,413,578</b>	<b>9,723,721,457</b>
<b>LIABILITIES AND CAPITAL</b>			
Liabilities			
Borrowings from banks ,other financial institutions and agents:	12(a)	1,680,347,117	1,839,288,500
Deposits and other accounts	13(a)	1,925,199,905	2,269,458,671
Current deposits		-	-
Bills payable		-	-
Savings deposits		-	-
Term deposits		1,925,199,905	2,269,458,671
Bearer certificate of deposit		-	-
Other deposits		-	-
Other liabilities	14(a)	2,850,683,401	2,487,528,414
<b>Total Liabilities</b>		<b>6,456,230,423</b>	<b>6,596,275,585</b>
<b>Capital / Shareholders' Equity</b>			
Paid up capital	15.2	1,570,685,850	1,427,896,230
Statutory reserve	16	554,818,003	515,405,831
Other reserve	17	916,689,624	916,689,624
Retained earnings:			
Retained earnings balance	18(a)	311,989,621	267,454,135
Total equity attributable to equity holders of the company		3,354,183,098	3,127,445,820
Non-controlling interest		57	52
<b>Total liabilities and Shareholders' equity</b>		<b>9,810,413,578</b>	<b>9,723,721,457</b>







**OFF-BALANCE SHEET ITEMS :**

**Contingent liabilities**

Acceptances and endorsements

Letter of guarantee

Irrevocable letter of credit

Bills for collection

Other contingent liabilities

18.1

Amount in Taka	
2021	2020

-	-
-	-
-	-
-	-
-	-
-	-

**Other commitments**

Documentary credits and short term trade and related transactions

Forward assets purchased and forward deposits placed

Undrawn note issuance and revolving underwriting facilities

Undrawn formal standby facilities, credit lines and other commitments

Others

18.2

-	-
-	-
-	-
-	-
-	-
-	-

**Total off-balance sheet items including contingent liabilities**

**Net Assets Value (NAV) per share (2020 restated)**

-	-
<b>21.35</b>	<b>19.91</b>

The accompanying notes form an integral part of these financial statements.

Company Secretary

Director

Managing Director & CEO

Signed as per our annexed report of even date

Dated, Dhaka  
August 08, 2022

**Md. Iqbal Hossain FCA**  
Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants





**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

		Amounts in Taka	
		2021	2020
	Notes		
Interest income from leases, loans and advances	20(a)	878,223,677	870,745,022
Interest expenses on borrowings, deposits, etc	21(a)	(395,689,480)	(496,277,580)
<b>Net interest income</b>		<b>482,534,197</b>	<b>374,467,442</b>
Investment income	22(a)	100,652,195	14,196,202
Commission, exchange and brokerage	23(a)	7,014,716	5,070,434
Other operating income	24(a)	35,857,980	34,190,831
<b>Total operating income</b>		<b>626,059,088</b>	<b>427,924,909</b>
Salary and allowances	25(a)	31,646,962	43,664,122
Rent, taxes, insurance, electricity, etc.	26(a)	1,596,560	1,432,149
Legal expenses	27(a)	170,000	220,000
Postage, stamp, telecommunication, etc.	28(a)	635,042	437,937
Stationery, printing, advertisements, etc.	29(a)	1,397,376	1,422,294
Managing Director's salary and allowances	30(a)	5,128,333	4,485,035
Directors' fees	31(a)	704,000	584,000
Audit fees	32(a)	218,500	218,500
Charges on loan losses		-	-
Depreciation and repairs of company's assets	33(a)	4,418,793	5,034,211
Other operating expenses	34(a)	7,308,393	8,605,271
<b>Total operating expenses</b>		<b>53,223,959</b>	<b>66,103,518</b>
<b>Profit before provision</b>		<b>572,835,130</b>	<b>361,821,392</b>
Provision for leases, loans and advances & investments	35(a)	205,969,866	5,264,100
Other provision		-	-
<b>Total provision</b>		<b>205,969,866</b>	<b>5,264,100</b>
<b>Total profit before income tax</b>		<b>366,865,264</b>	<b>356,557,292</b>
Provision for income tax			
Current Tax		137,574,473	133,708,983
Deferred tax		2,553,507	2,218,521
<b>Total Provision for income tax</b>	36(a)	<b>140,127,980</b>	<b>135,927,504</b>
<b>Net profit after income tax</b>		<b>226,737,284</b>	<b>220,629,787</b>
<b>Attributable to</b>			
Shareholders of the company		226,737,279	220,629,784
Non-controlling interest		5	3
Retained earnings brought forward from previous year		267,454,135	223,131,030
		<b>494,191,419</b>	<b>443,760,817</b>
<b>Appropriations:</b>			
Statutory reserve	16	39,412,172	40,624,229
Dividend paid from Retained earnings, for the year 2020		142,789,620	135,682,450
		<b>182,201,792</b>	<b>176,306,679</b>
<b>Retained earnings carried to the balance sheet</b>	18(a)	<b>311,989,621</b>	<b>267,454,135</b>
<b>Earnings per share (2020 restated)</b>	38(a)	<b>1.44</b>	<b>1.40</b>

The accompanying notes form an integral part of these financial statements

Company Secretary

Director

Managing Director & CEO

Signed as per our annexed report of even date

Dated, Dhaka  
August 08, 2022

**Md. Iqbal Hossain FCA**  
Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants



**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Amount in Taka	
	2021	2020
<b>Cash flows from operating activities:</b>		
Interest receipt in cash	875,773,663	848,627,521
Interest payment	(385,923,737)	(489,277,580)
Dividend receipts	15,869,329	13,731,276
Commission, Exchange and brokerage	7,014,716	5,070,434
Recoveries of loan previously written-off	-	-
Income taxes paid	(4,671,310)	(4,548,736)
Receipts from other operating activities	120,640,846	34,655,757
Payments for other operating activities	(48,990,714)	(61,340,107)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>579,712,793</b>	<b>346,918,565</b>
<b>Increase / decrease in operating assets and liabilities</b>		
Statutory deposit	-	-
Trading securities	-	-
Leases, loans and advances	(92,711,811)	129,679,444
Other assets	(18,550,013)	39,076,675
Deposit and other accounts	(344,258,766)	(540,532,596)
Other liabilities on account of customers	-	-
Trading liabilities	-	-
Other liabilities	7,038,400	44,210,087
	(448,482,190)	(327,566,390)
<b>Net cash flow from operating activities</b>	<b>131,230,603</b>	<b>19,352,175</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of securities	139,402,575	414,685
Payments for purchases of securities	(90,660,080)	(3,060,685)
Purchase of fixed assets	(10,126,035)	(191,699)
Proceeds from sale of fixed assets	-	-
Payment against lease obligation	-	-
<b>Net cash used by investing activities</b>	<b>38,616,460</b>	<b>(2,837,699)</b>
<b>Cash flows from financing activities:</b>		
Receipts of borrowings from banks, other financial institutions and agents	91,296,159	96,070,420
Repayment of borrowings from banks, other financial institutions and agents	(250,237,542)	(101,096,850)
Receipts against issue of share capital	-	-
Dividend paid in cash	-	-
<b>Net cash flow/used by financing activities</b>	<b>(158,941,383)</b>	<b>(5,026,430)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>10,905,680</b>	<b>11,488,046</b>
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	391,419,200	379,931,154
<b>Cash and cash equivalents at the end of the year</b>	<b>402,324,880</b>	<b>391,419,200</b>



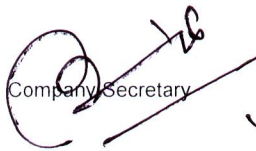


**Cash and cash equivalents at the end of the year**

cash in hand (including foreign currencies)  
Balance with Bangladesh Bank and its agent bank(s)  
(including foreign currencies)  
Balance with banks and other financial institutions  
Money at call and short notice

**Net Operating Cash Flow per share (2020 restated)**

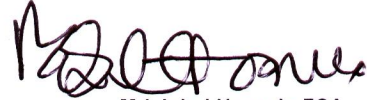
Amount in Taka	
2021	2020
150,226	134,211
16,405,979	17,551,723
385,768,675	373,733,266
-	-
<b>402,324,880</b>	<b>391,419,200</b>
<b>0.84</b>	<b>0.12</b>

  
Company Secretary

  
Director

  
Managing Director & CEO

Signed as per our annexed report of even date



**Md. Iqbal Hossain FCA**  
Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

Dated, Dhaka  
August 08, 2022





**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Particulars	Attributable to equity holders of the company					Non-controlling interest (Tk.)	Total equity (Tk.)
	Paid up capital (Tk.)	Capital Reserve (Tk.)	Statutory Reserve (Tk.)	Retained Earnings (Tk.)	Total (Tk.)		
Balance as at January 01, 2020	1,292,213,780	916,689,624	474,781,602	223,131,030	2,906,816,036	49	2,906,816,085
Issue of share Capital	-	-	-	-	-	-	-
Net profit after tax for the year 2020	-	-	-	220,629,784	220,629,784	3	220,629,787
Transferred to statutory reserve	-	-	40,624,229	(40,624,229)	-	-	-
Issue of share Capital	-	-	-	-	-	-	-
Transferred to provision for Tax	-	-	-	-	-	-	-
Dividend paid (2019)	135,682,450	-	-	(135,682,450)	-	-	-
Revaluation of properties	-	-	-	-	-	-	-
<b>Balance as at 31st December 2020</b>	<b>1,427,896,230</b>	<b>916,689,624</b>	<b>515,405,831</b>	<b>267,454,135</b>	<b>3,127,445,820</b>	<b>52</b>	<b>3,127,445,872</b>
Changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance</b>	<b>1,427,896,230</b>	<b>916,689,624</b>	<b>515,405,831</b>	<b>267,454,135</b>	<b>3,127,445,820</b>	<b>52</b>	<b>3,127,445,872</b>
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investment	-	-	-	-	-	-	-
Issue of share Capital	-	-	-	-	-	-	-
Dividend paid (2020)	142,789,620	-	-	(142,789,620)	-	-	-
Net profit after tax for the year	-	-	-	226,737,279	226,737,279	5	226,737,284
Transferred to statutory reserve	-	-	39,412,172	(39,412,172)	-	-	-
<b>Balance as at 31st December 2021</b>	<b>1,570,685,850</b>	<b>916,689,624</b>	<b>554,818,003</b>	<b>311,989,621</b>	<b>3,354,183,098</b>	<b>57</b>	<b>3,354,183,156</b>

The accompanying notes form an integral part of these financial statements.

Company Secretary

Director

Managing Director & CEO

Signed as per our annexed report of even date

Dated, Dhaka  
August 08, 2022

Md. Iqbal Hossain FCA  
Partner, Enrolment No. 596 (ICAB)  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants







## GSP FINANCE COMPANY (BANGLADESH) LIMITED

BALANCE SHEET  
AS AT DECEMBER 31, 2021

	Notes	Amount in Taka	
		2021	2020
<b>PROPERTY AND ASSETS</b>			
Cash	3	16,522,253	17,664,363
In hand (including foreign currencies)		116,274	112,640
Balance with Bangladesh Bank and its agents bank(s) (including foreign currencies )		16,405,979	17,551,723
Balance with other banks and financial institutions	4	383,746,215	367,941,520
In Bangladesh		383,746,215	367,941,520
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments	6	476,260,301	508,537,103
Government		-	-
Others		476,260,301	508,537,103
Leases , loans and advances	7.1	6,947,558,002	7,014,405,970
Bills purchased and discounted	8	-	-
Fixed assets including premises, furniture and fixtures	9	970,886,799	964,023,658
Other Assets	10	367,371,186	342,955,105
Non-business assets	11	-	-
<b>Total Assets</b>		<b>9,162,344,756</b>	<b>9,215,527,719</b>
<b>LIABILITIES AND CAPITAL</b>			
Liabilities			
Borrowings from banks ,other financial institutions and agents:	12	1,680,347,117	1,839,288,500
Deposits and other accounts	13	1,925,199,905	2,269,458,671
Current deposits		-	-
Bills payable		-	-
Savings deposits		-	-
Term deposits		1,925,199,905	2,269,458,671
Bearer certificate of deposit		-	-
Other deposits		-	-
Other liabilities	14	2,325,918,612	2,072,962,286
<b>Total Liabilities</b>		<b>5,931,465,634</b>	<b>6,181,709,457</b>
<b>Capital / Shareholders' Equity</b>		<b>3,230,879,123</b>	<b>3,033,818,262</b>
Paid up capital	15.2	1,570,685,850	1,427,896,230
Statutory reserve	16	554,818,003	515,405,831
Other reserve	17	916,689,624	916,689,624
Retained earnings:			
Retained earnings balance	18	188,685,646	173,826,577
<b>Total liabilities and Shareholders' equity</b>		<b>9,162,344,756</b>	<b>9,215,527,719</b>





**OFF-BALANCE SHEET ITEMS :**

**Contingent liabilities**

Acceptances and endorsements  
Letter of guarantee  
Irrevocable letter of credit  
Bills for collection  
Other contingent liabilities

18.1

Amount in Taka	
2021	2020

-	-
-	-
-	-
-	-
-	-
-	-

**Other commitments**

Documentary credits and short term trade and related transactions  
Forward assets purchased and forward deposits placed  
Undrawn note issuance and revolving underwriting facilities  
Undrawn formal standby facilities, credit lines and other commitments  
Others

18.2

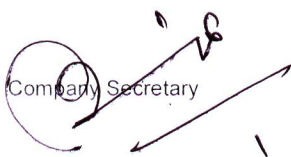
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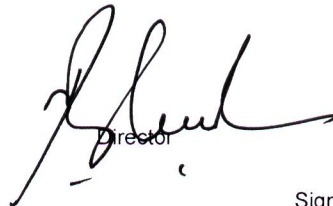
**Total off-balance sheet items including contingent liabilities**

-	-
<b>20.57</b>	<b>19.32</b>

**Net assets value (NAV) per share (2020 restated)**

The accompanying notes form an integral part of these financial statements.


  
Company Secretary

  
Director

  
Managing Director & CEO

Signed as per our annexed report of even date

Dated, Dhaka  
August 08, 2022

  
**Md. Iqbal Hossain FCA**  
Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants



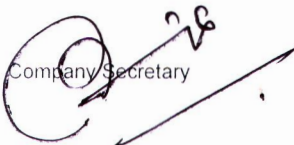


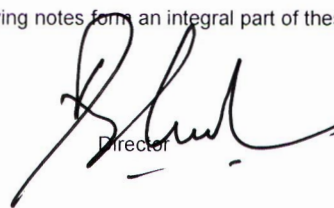


**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

		Amounts in Taka	
		2021	2020
	Notes		
Interest income from leases, loans and advances	20	744,867,783	764,100,004
Interest expenses on borrowings, deposits, etc	21	(395,689,480)	(496,277,580)
<b>Net interest income</b>		<b>349,178,303</b>	<b>267,822,423</b>
Investment income	22	95,472,982	13,621,154
Commission, exchange and brokerage	23	-	-
Other operating income	24	35,784,348	34,126,124
<b>Total operating income</b>		<b>480,435,633</b>	<b>315,569,701</b>
Salary and allowances	25	29,455,588	40,886,688
Rent, taxes, insurance, electricity, etc.	26	1,518,145	1,432,149
Legal expenses	27	150,000	220,000
Postage, stamp, telecommunication, etc.	28	634,473	433,172
Stationery, printing, advertisements, etc.	29	1,362,141	1,409,079
Managing Director's salary and allowances	30	4,825,000	2,738,335
Directors' fees	31	440,000	392,000
Audit fees	32	195,500	195,500
Charges on loan losses		-	-
Depreciation and repairs of company's assets	33	3,670,462	4,112,405
Other operating expenses	34	6,655,760	7,866,506
<b>Total operating expenses</b>		<b>48,907,068</b>	<b>59,685,833</b>
<b>Profit before provision</b>		<b>431,528,565</b>	<b>255,883,868</b>
Provision for leases, loans and advances & investments	35	112,145,575	(72,659,594)
Other provision		-	-
<b>Total provision</b>		<b>112,145,575</b>	<b>(72,659,594)</b>
<b>Total profit before income tax</b>		<b>319,382,990</b>	<b>328,543,463</b>
<b>Provision for income tax</b>			
Current Tax	36	119,768,621	123,203,798
Deferred tax	36	2,553,507	2,218,521
<b>Total Provision for income tax</b>		<b>122,322,128</b>	<b>125,422,319</b>
<b>Net profit after income tax</b>		<b>197,060,861</b>	<b>203,121,144</b>
Retained earnings brought forward from previous year		173,826,577	147,012,112
		<b>370,887,439</b>	<b>350,133,256</b>
<b>Appropriations:</b>			
Statutory reserve	16	39,412,172	40,624,229
Dividend paid from Retained earnings for the year 2020		142,789,620	135,682,450
		<b>182,201,792</b>	<b>176,306,679</b>
<b>Retained earnings carried to the balance sheet</b>	18	<b>188,685,646</b>	<b>173,826,577</b>
<b>Earning per share (EPS) (2020 restated)</b>	38	<b>1.25</b>	<b>1.29</b>

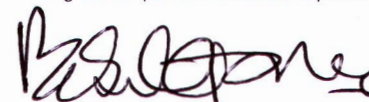
The accompanying notes form an integral part of these financial statements

  
 Company Secretary

  
 Director

  
 Managing Director & CEO

Signed as per our annexed report of even date



**Md. Iqbal Hossain FCA**  
 Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
 Chartered Accountants

Dated, Dhaka  
 August 08, 2022



**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Amount in Taka	
	2021	2020
<b>Cash flows from operating activities:</b>		
Interest receipt in cash	742,417,769	741,982,497
Interest payment	(385,923,737)	(489,277,580)
Dividend receipts	15,532,143	13,344,580
Recoveries of loan previously written-off	-	-
Income taxes paid	(4,478,562)	(4,357,060)
Receipts from other operating activities	115,725,187	34,402,698
Payments for other operating activities	(45,445,154)	(55,361,228)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>437,827,646</b>	<b>240,733,907</b>
<b>Increase / decrease in operating assets and liabilities</b>		
Statutory deposit	-	-
Trading securities	-	-
Leases, loans and advances	66,847,968	235,217,399
Other assets	(17,487,506)	37,744,471
Deposit and other accounts	(344,258,766)	(540,532,596)
Other liabilities on account of customers	-	-
Trading liabilities	-	-
Other liabilities	8,492,879	42,417,382
	(286,405,425)	(225,153,344)
<b>Net cash flow from operating activities</b>	<b>151,422,221</b>	<b>15,580,563</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of securities	120,409,602	293,235
Payments for purchases of securities	(88,132,800)	(2,754,505)
Purchase of fixed assets	(10,095,055)	(142,249)
Proceeds from sale of fixed assets	-	-
Payment against lease obligation	-	-
<b>Net cash used by investing activities</b>	<b>22,181,747</b>	<b>(2,603,519)</b>
<b>Cash flows from financing activities:</b>		
Receipts of borrowings from banks, other financial institutions and agents	91,296,159	96,070,420
Repayment of borrowings from banks, other financial institutions and agents	(250,237,542)	(101,096,850)
Dividend paid in cash	-	-
<b>Net cash flow/used by financing activities</b>	<b>(158,941,383)</b>	<b>(5,026,430)</b>
Net increase / (decrease) in cash and cash equivalents	14,662,585	7,950,614
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	385,605,883	377,655,268
<b>Cash and cash equivalents at the end of the year</b>	<b>400,268,468</b>	<b>385,605,883</b>





**Cash and cash equivalents at the end of the year**  
cash in hand (including foreign currencies)  
Balance with Bangladesh Bank and its agent bank(s)  
(including foreign currencies)  
Balance with banks and other financial institutions  
Money at call and short notice

**Net Operating Cash Flow per share (2020 restated)**

Amount in Taka	
2021	2020
116,274	112,640
16,405,979	17,551,723
383,746,215	367,941,520
-	-
<b>400,268,468</b>	<b>385,605,883</b>
<b>0.96</b>	<b>0.10</b>

  
Company Secretary

  
Director

  
Managing Director & CEO

Signed as per our annexed report of even date



**Md. Iqbal Hossain FCA**  
Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

Dated, Dhaka  
August 08, 2022

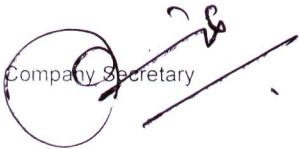


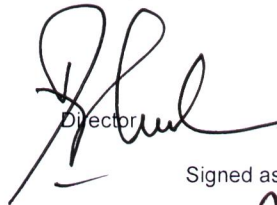


**GSP FINANCE COMPANY (BANGLADESH) LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Particulars	Paid up capital (Tk.)	Capital Reserve(Tk.)	Statutory Reserve(Tk.)	Retained Earnings (Tk.)	Total (Tk.)
Balance as at January 01, 2020	1,292,213,780	916,689,624	474,781,602	147,012,112	2,830,697,118
Surplus/deficit on account of revaluation of properties					-
Profit for the year				328,543,463	328,543,463
Transferred to statutory reserve	-	-	40,624,229	(40,624,229)	-
Transferred to provision for Tax				(125,422,319)	(125,422,319)
Dividend paid (2019)	135,682,450	-	-	(135,682,450)	-
Revaluation of properties		-		-	-
<b>Balance as at 31st December 2020</b>	<b>1,427,896,230</b>	<b>916,689,624</b>	<b>515,405,831</b>	<b>173,826,577</b>	<b>3,033,818,262</b>
Changes in accounting policy	-	-	-	-	-
<b>Restated balance</b>	<b>1,427,896,230</b>	<b>916,689,624</b>	<b>515,405,831</b>	<b>173,826,577</b>	<b>3,033,818,262</b>
Surplus/deficit on account of revaluation of properties	-	-	-	-	-
Surplus/deficit on account of revaluation of investment	-	-	-	-	-
Issue of share Capital (including premium)	-	-	-	-	-
Dividend paid (2020)	142,789,620	-	-	(142,789,620)	-
Net profit after tax for the year	-	-	-	197,060,861	197,060,861
Transferred to statutory reserve	-	-	39,412,172	(39,412,172)	-
<b>Balance as at 31st December 2021</b>	<b>1,570,685,850</b>	<b>916,689,624</b>	<b>554,818,003</b>	<b>188,685,646</b>	<b>3,230,879,123</b>

The accompanying notes form an integral part of these financial statements.

  
Company Secretary

  
Director

  
Managing Director & CEO

Signed as per our annexed report of even date



**Md. Iqbal Hossain FCA**  
Partner, Enrolment No. 596 (ICAB)  
**Zoha Zaman Kabir Rashid & Co.**  
Chartered Accountants

Dated, Dhaka  
August 08, 2022

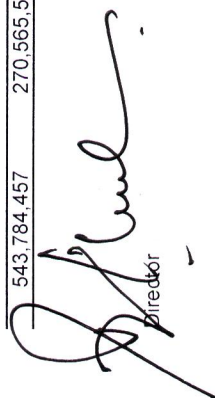




**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**LIQUIDITY STATEMENT**  
(Analysis of maturity of assets and liabilities)  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

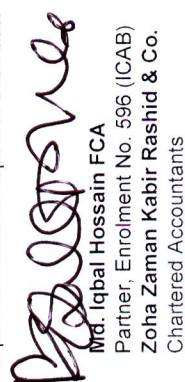
Particulars	Up to 1 month Taka	1-3 months Taka	3-12 months Taka	1-5 years Taka	Above 5 years Taka	Total Taka
<b>Assets :</b>						
Cash in hand	116,274	-	-	-	-	116,274
Balance with Bangladesh Bank and its agents	16,405,979	-	-	-	-	16,405,979
Balance with banks and other financial institutions	63,318,125	4,575,721	315,852,369	-	-	383,746,215
Money at call and short notice	-	-	-	-	-	-
Investments	466,852,469	-	6,838,382	-	2,569,450	476,260,301
Leases, loans and advances	502,308,444	914,298,633	858,023,413	4,672,927,512	-	6,947,558,002
Fixed assets including premises, furniture and fixtures	-	-	12,027,521	4,227,507	954,631,771	970,886,799
Other assets	-	-	75,575,408	41,795,818	249,999,960	367,371,186
Non-business assets	-	-	-	-	-	-
<b>Total assets (A)</b>	<b>1,049,001,291</b>	<b>918,874,354</b>	<b>1,268,317,093</b>	<b>4,718,950,837</b>	<b>1,207,201,181</b>	<b>9,162,344,756</b>
<b>Liabilities :</b>						
Borrowings from banks, other financial institutions and agents	153,447,586	97,124,063	420,144,819	1,009,630,649	-	1,680,347,117
Deposits and other accounts	332,096,984	551,184,733	526,954,141	403,136,860	111,827,187	1,925,199,905
Provision and other liabilities	19,672,264	-	-	2,306,246,348	-	2,325,918,612
<b>Total liabilities (B)</b>	<b>505,216,833</b>	<b>648,308,796</b>	<b>947,098,960</b>	<b>3,719,013,858</b>	<b>111,827,187</b>	<b>5,931,465,634</b>
<b>Net liquidity gap (A - B)</b>	<b>543,784,457</b>	<b>270,565,558</b>	<b>321,218,133</b>	<b>999,936,979</b>	<b>1,095,373,994</b>	<b>3,230,879,123</b>

  
Company Secretary

  
Director

  
Managing Director & CEO

Signed as per our annexed report of even date

  
Md. Iqbal Hossain FCA  
Partner, Enrolment No. 596 (ICAB)  
Zoha Zaman Kabir Rashid & Co.  
Chartered Accountants



Dated, Dhaka  
August 08, 2022

A member of





**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**NOTES TO THE CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**1.0 CORPORATE INFORMATION:**

**1.1 Legal Status**

GSP Finance Company (Bangladesh) Limited is a Financial Institution (FI) incorporated in Bangladesh on October 29, 1995 as a Public Limited Company under the Companies Act, 1994. The Company offers lease finance of all types of plant, machinery, equipment and vehicles both for industrial and commercial use. The Company received its certificate of commencement of business on January 14, 1996 and its license on March 04, 1996 as required under Section 4(1) of the Financial Institutions Act, 1993. The Company went into commercial operation on April 17, 1996. The Company was listed with Chittagong and Dhaka Stock Exchanges on March 14, 2012 and March 28, 2012 respectively.

The registered office of the Company is situated at 1, Paribagh, Mymensingh Road, Dhaka-1000.

**1.2** The Company also got a separate license from Bangladesh Securities and Exchange Commission on August 24, 1999 for working as a Merchant Bank. But pursuant to the requirement of Bangladesh Securities and Exchange Commission, GSP Finance Company (Bangladesh) Limited formed a subsidiary in the name of "GSP Investments Limited" with a view to separate its existing Merchant Banking operation which was approved by Bangladesh Securities and Exchange Commission vide their letter no. SEC/Reg./MB/SUB-16/2011/113 dated August 14, 2014. GSP Investments Limited is duly incorporated with the Registrar of Joint Stock Companies and Firms (RJSC) as a private limited company with authorised and paid up capital are Tk. 50 crore and Tk.25 crore respectively.

The principal activities of GSP Investments Limited are:

Issue Management  
Underwriting  
Portfolio Management  
Corporate Advisory Services  
Securities Trading Services  
Margin Loan

**1.3 Nature of Business**

The Company carries out the following types of business:

Lease Financing  
Term Finance  
Acceptance of Term Deposits  
Working Capital Finance  
Syndication Finance  
Money Market Operation

**2.00 SIGNIFICANT ACCOUNTING POLICIES :**

**2.1 Basis of Accounting**

These Financial Statements have been prepared under historical cost convention following accrual basis of accounting and in compliance with the requirements of Companies Act 1994, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and Financial Institution Act 1993.

**2.1.1 Basis of consolidation of operation of subsidiary**

The Financial Statements of the Company and its subsidiary have been consolidated in accordance with International Accounting Standards 27 "Consolidated and Separate Financial Statements". The consolidation of the financial statement has been made after eliminating all material Inter Company balances, income and expenses arising from inter Company transactions.

**2.1.2 Statement of compliance**

The consolidated financial statements and separate financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and investment in marketable securities which are stated at market value in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), except the circumstances where local regulations differ, and the Companies Act, 1994, the Financial Institutions Act, 1993, Securities and Exchange Rules 1987, the Listing Regulations of Dhaka & Chittagong Stock Exchanges and other applicable laws and regulations. The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements







**2.2 Components of the financial statements**

The financial statements comprise of (As per DFIM Circular No. 11, Dated 23 December 2009):

- a) Consolidated and Separate Balance Sheet as at 31 December 2021;
- b) Consolidated and Separate Profit and Loss Account for the year ended 31 December 2021;
- c) Consolidated and Separate Statement of Cash Flows for the year ended 31 December 2021;
- d) Consolidated and Separate Statement of Changes in Equity for the year ended 31 December 2021;
- e) Liquidity Statement of the Company for the year ended 31 December 2021 and
- f) Notes to the Consolidated and Separate Financial Statements for the year ended 31 December 2021.

**2.3 Directors' responsibility statement**

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

**2.4 Use of estimates and judgments**

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

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

- \* Provision for impairment of loans, leases and investments
- \* Gratuity
- \* Useful life of depreciable assets

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

However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognised in the period in which the estimates are revised. In accordance with the guidelines as prescribed by IAS 37: "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized in the following situations:

**Provisions**

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Interest is recognized as and when it is accrued. Lease interest outstanding over 2 months are recognized as interest suspense and not as revenue. Fee based income and delinquent charges from lease operations are accounted for on cash basis.

**2.5 Separate Books of Accounts**

The company maintains separate office and books of accounts for its subsidiary as required under the regulations of Bangladesh Securities and Exchange Commission.

**2.6 Investment in securities**

Investment in marketable ordinary shares has been shown at cost or market price, whichever is lower, on an aggregate portfolio basis. Investment in non-marketable shares has been valued at cost or intrinsic value whichever is lower.

Full provision for diminution in value of shares as on closing of the year on an aggregate portfolio basis is made in the financial statements as required by Bangladesh Bank DFIM circular No. 02 dated January 31, 2012.

**2.7 Borrowing Costs**

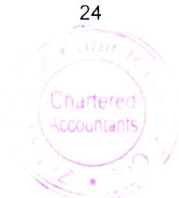
Borrowing costs are recognized as expenses in the period in which those are incurred in accordance with benchmark treatment of IAS 23.

**2.8 Revenue Recognition**

As per IAS 18, revenue is recognized when it is expected that the economic benefits associated with the transaction will flow to Company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliably.

**2.8.1 Lease Financing**

Interest is recognized as and when it is accrued. Lease interest outstanding over 2 months are recognized as interest suspense and not as revenue. Fee based income and delinquent charges from lease operations are accounted for on cash basis.



**2.8.2 Interest on Direct Finance**

Interest on term finance is recognized when interest is accrued. No interest on loan is accounted for as revenue where any portion of capital or interest is in arrear for more than 2 months. Fee based income and delinquent charges from loan operations are accounted for on cash basis.

**2.9 Changes in significant accounting policies - IFRS 16 Leases  
As a Lessee**

GSP Finance Company (Bangladesh) Limited does not have any rented premises or lease assets under definition of IFRS 16. However if GSPB availed any lease assets under IFRS 16 then GSPB will treat the matter under IFRS 16.

**As a lessor**

GSPB is not required to make any adjustments on transitions to IFRS 16 for leases in which it acts as a lessor.

**2.10 Accounting for Direct Finance**

Direct finance consisting of short term & long term finance are maintained based on the accrual method of accounting. Outstanding amount of long term loans has been shown in the balance sheet as assets under the head of Direct finance. Interest earnings are recognized as operational revenue.

**2.11 Property and equipment****i) Recognition and measurement**

Items of fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per Bangladesh Accounting Standard (IAS) 16: "Property, Plant and Equipment".

**ii) Subsequent expenditure on fixed assets**

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

**2.12 Depreciation**

Fixed Assets for Company's own use are depreciated at different ranges from 10% to 20% applying straight line method throughout the estimated span of useful life ranging from five to ten years. Rate of depreciation is as follows:

Type of Assets	Rate
Land & Land Development	0%
Office Building	10%
Furniture & Fixtures	10%
Telephone System	20%
Motor Vehicles	20%
Electrical Goods & Installation	20%
Office Equipment	20%
Generator & Installation	20%
House Property	10%

**2.13 Provisions for Doubtful loss on Leases and Direct Finance**

Provisions for classified and unclassified leases and direct finance receivables have been made as per guidelines of Bangladesh Bank through FID circular no. 08 of 2002, FID circular no.03 May 03 of 2006, DFIM circular no: 04 of 2022 and other directives as applicable as follows:

1 to 2	Unclassified (SME)	0.25%
1 to 2	Unclassified	1%
3 to 5	SMA	5%
6 to 11	Sub-standard	20%
12 to 17	Doubtful	50%
18 and over	Bad or Loss	100%

**2.14 Employees Benefits Scheme****2.14.1 Defined Contribution Plan****2.14.1.1 Provident fund**

The Company operates a contributory provident fund for its permanent employees. This is a funded one and duly approved by NBR. Provident fund is administered by a Board of Trustees and is funded by contributions equally from the employees and from the company at a predetermined rate. The fund is handled & invested separately by the Board of Trustees.







**2.14.1.2 Other long term benefits**

The Company operates a group term life insurance scheme for all of its permanent employees. It maintains a health insurance for hospitalisation of all of its permanent employees, which include their spouses.

**2.14.2 Defined benefit Plan**

**2.14.2.1 Gratuity**

The Company operates an unfunded gratuity scheme. Employees are entitled to gratuity benefit after completion of minimum ten years continuous and uninterrupted service in the company. The gratuity payment is calculated on the basis of Actuarial Report. The proposal for funding facilities of the gratuity fund is under consideration of NBR.

**2.15 Corporate Tax**

**2.15.1 Current Tax**

Provision for Taxation for the Company has been sufficiently kept and the company has sufficient fund to meet taxation liabilities arising out of tax refunds of previous years.

**2.15.2 Deferred Tax**

The Company has conducted an exercise to find out deferred tax asset/(liability) based on temporary differences arising from the carrying amount of an asset or (liability) in the balance sheet and its tax base. Accordingly deferred tax is recognized as per IAS-12.

**2.16 Trade Receivables**

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

**2.17 Payable and Accruals**

Liabilities are recognized for the amounts to be paid in future for goods and services received.

**2.18 Provisions**

A provision is recognized in the Balance Sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**2.19 Statutory reserves**

As per Financial Institutions Regulation 1994, every Non Banking Financial Institution (NBFI) is required to transfer at least 20% of its current year's profit to the fund until such reserve fund equals to its paid up share capital and share premium (if any). In conformity with the above requirement, GSPB transfers 20% of net profit to statutory reserve before declaration of dividend.

**2.20 General**

**Comparative Information**

Comparative information has been disclosed in respect of the year 2020 for all numerical information in the Financial Statements and also the narrative and descriptive information where it is relevant for understanding of the current year's Financial Statements.

Previous year figures have been rearranged wherever considered necessary to conform to current year's presentation.

**2.21 Renewal of FDR and interest thereon**

FDR if not encashed on due date, is considered automatically renewed with interest earned upto maturity date and due at the equivalent current rate of interest.

**2.22 Rounding off**

Monetary figures in the financial statements have been rounded off to the nearest Taka.





- 2.23 In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, GSPB applied following IASs and IFRSs:

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Earnings per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status
Share Based payment	2	N/A
Business combination	3	N/A
Insurance Contracts	4	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Revenue from Contracts with customers	15	Applied
Lease	16	Applied

N/A= Not Applicable

#### 2.24 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, term deposits and investment in call loan that are readily convertible to a known amount of cash (with less than three months maturity) and that are subject to an insignificant risk of change in value.

#### 2.25 Earnings Per Share (EPS)

The Company calculates earnings per share in accordance with International Accounting Standards (IAS) 33: "Earnings Per Share" which has been shown in the face of the Profit and Loss Account and the computation is stated in note 38.





		Amount in Taka	
		2021	2020
<b>3.00 CASH</b>			
3.1 Cash in hand			
In local currency		116,274	112,640
In foreign currency		-	-
		<b>116,274</b>	<b>112,640</b>
3.1(a) Cash in hand (consolidated)			
GSP Finance Company (Bangladesh) Limited		116,274	112,640
GSP Investments Limited		33,952	21,571
		<b>150,226</b>	<b>134,211</b>
3.2 Balance with Bangladesh Bank and its agents Bank(s)			
In local currency		16,405,979	17,551,723
In foreign currency		-	-
		<b>16,405,979</b>	<b>17,551,723</b>
3.2(a) Balance with Bangladesh Bank and its agents Bank(s) (consolidated)			
GSP Finance Company (Bangladesh) Limited		16,405,979	17,551,723
GSP Investments Limited		-	-
		<b>16,405,979</b>	<b>17,551,723</b>
3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)			
Cash Reserve Requirement @ 1.5% and Statutory Liquidity Reserve @ 5% have been calculated and maintained in accordance with FID Circular # 02, 06 and 03 dated 10 November 2004, 31 May 2001 and June 21, 2020 respectively.			
a) Cash Reserve Requirement			
Required Reserve		11,020,499	12,929,380
Actual Reserve maintained (note- 3.2)		16,405,979	17,551,723
Surplus / (deficit)		<b>5,385,480</b>	<b>4,622,343</b>
b) Statutory Liquidity Reserve			
Required Reserve		147,134,656	146,516,880
Actual Reserve maintained (note-3.1, 3.2 and 4)		400,268,468	385,605,883
Surplus / (deficit)		<b>253,133,812</b>	<b>239,089,003</b>
<b>4 Balance with banks and other financial institutions</b>			
In Bangladesh (note -4.1)		383,746,215	367,941,520
Outside Bangladesh		-	-
		<b>383,746,215</b>	<b>367,941,520</b>
The company does not maintain any account outside of Bangladesh			
<b>4(a) Balance with banks and other financial institutions (consolidated)</b>			
GSP Finance Company (Bangladesh) Limited		383,746,215	367,941,520
GSP Investments Limited		2,022,460	5,791,746
		<b>385,768,675</b>	<b>373,733,266</b>
<b>4.1 Current deposits</b>			
Nationalised Commercial Bank		-	-
Private Commercial Bank		-	-
Foreign Commercial Bank		-	-
		<b>-</b>	<b>-</b>
<b>Short-term deposits</b>			
Nationalised Commercial Bank		-	-
Private Commercial Bank		90,203,087	77,198,509
Foreign Commercial Bank		329,362	261,250
		<b>90,532,449</b>	<b>77,459,759</b>





		Amount in Taka	
		2021	2020
	<b>Fixed deposits (FDR)</b>		
	Nationalised Commercial Bank	-	-
	Private Commercial Bank	140,943,519	176,911,514
	Foreign Commercial Bank	-	-
	Financial Institutions	152,270,247	113,570,247
		<b>293,213,766</b>	<b>290,481,762</b>
		<b>383,746,215</b>	<b>367,941,520</b>
4.2	Maturity grouping of balance with banks and other financial institutions		
	On demand	63,318,125	55,191,228
	Up to 1 month	4,575,721	4,000,000
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	315,852,369	308,750,292
	Over 1 year but not more than 5 years	-	-
	Over 5 years	-	-
		<b>383,746,215</b>	<b>367,941,520</b>
5	<b>Money at call and short notice:</b>	-	-
5(a)	<b>Money at call and short notice (consolidated)</b>	-	-
	GSP Finance Company (Bangladesh) Limited	-	-
	GSP Investments Limited	-	-
6	<b>Investments</b>		
	Investment classified as per nature:		
	Government (note -6.1)	-	-
	Others (note-6.2)	476,260,301	508,537,103
		<b>476,260,301</b>	<b>508,537,103</b>
6(a)	<b>Investments (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	476,260,301	508,537,103
	GSP Investments Limited	22,063,573	38,529,266
		<b>498,323,874</b>	<b>547,066,369</b>
6.1	Government Securities:		
	Treasury bills	-	-
	National investment bonds	-	-
	Bangladesh Bank bills	-	-
	Government notes / bonds	-	-
	Prize bonds	-	-
	Others	-	-
6.2	Other investments:		
	Investment in shares (Annexure-A)	476,260,301	508,537,103
	Debenture and bonds	-	-
	Other investment	-	-
	Gold etc.	-	-
		<b>476,260,301</b>	<b>508,537,103</b>
6.3	Maturity grouping of investments:		
	On demand	466,852,469	455,983,653
	Up to 1 month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	6,838,382	49,984,000
	Over 1 year but not more than 5 years	-	-
	Over 5 years	2,569,450	2,569,450
		<b>476,260,301</b>	<b>508,537,103</b>







		Amount in Taka	
		2021	2020
6.4	Other investments:		
	Investment in quoted Shares	473,690,851	455,983,653
	Investment in unquoted Shares	2,569,450	52,553,450
		<u>476,260,301</u>	<u>508,537,103</u>
<b>7</b>	<b>Leases , Loans and advances :</b>		
7.1	a) Inside Bangladesh		
	Leases (note -7.2)	1,340,418,204	1,384,993,701
	Loans and advances	5,607,139,798	5,629,412,269
	Cash credits	-	-
	Overdrafts	-	-
		<u>6,947,558,002</u>	<u>7,014,405,970</u>
	b) outside Bangladesh	-	-
		<u>6,947,558,002</u>	<u>7,014,405,970</u>
7.1.1	<b>Lease Finance</b>		
	Principal Outstanding	1,090,294,744	1,146,935,888
	Account receivable	250,123,460	238,057,813
	Total	<u>1,340,418,204</u>	<u>1,384,993,701</u>
	<b>Principal Outstanding</b>		
	Gross lease rental receivable	1,354,298,752	1,484,743,523
	Unearned lease income	264,004,008	337,807,635
	Total	<u>1,090,294,744</u>	<u>1,146,935,888</u>
7.2	Leases	1,340,418,204	1,384,993,701
	Advances for leases (note -7.2.1)	-	-
		<u>1,340,418,204</u>	<u>1,384,993,701</u>
7.2.1	Advance for leases		
	These represent disbursements made to clients for procuring assets under lease and on execution advances are transferred to lease finance.	-	-
		<u>-</u>	<u>-</u>
7.3	Sector wise leases, loans and advances		
	Public sector	-	-
	Co-operative sector	349,739,364	360,732,265
	Private sector	6,597,818,638	6,653,673,705
		<u>6,947,558,002</u>	<u>7,014,405,970</u>
7.4	Residual maturity grouping of leases,loans and advances		
	On demand	-	-
	Up to 1 month	502,308,444	433,789,694
	Over 1 month but not more than 3 months	914,298,633	907,027,563
	Over 3 months but not more than 1 year	858,023,413	758,711,075
	Over 1 year but not more than 5 years	4,672,927,512	4,914,877,638
	Over 5 years	-	-
		<u>6,947,558,002</u>	<u>7,014,405,970</u>





### 7.5 Leases, loans and advances on the basis of significant concentration

- a) Leases, loans and advances to Directors and organizations related to Directors (fully secured)
- b) Leases, loans and advances to Chief Executive Officer and other senior executives
- c) Leases, loans and advances to customers groups:

- i) Leases
- ii) Loans

Amount in Taka	
2021	2020
-	8,764,352
-	-
-	-
-	-
1,340,418,204	1,376,229,349
5,607,139,798	5,629,412,269
<u>6,947,558,002</u>	<u>7,014,405,970</u>

### d) Leases, loans and advances on sector basis:

- i) Textiles
- ii) Garments and Accessories
- iii) Transport
- iv) Chemicals and pharmaceuticals
- v) Iron, Steel and Engineering
- vi) Agricultural Equipments and Agro Industries
- vii) Power and Energy
- viii) Electronics and Electrical
- ix) Information technology (IT)
- x) Paper printing and Packaging
- xi) Plastic
- xii) Real Estate and Housing
- xiii) Food and Beverage
- xiv) Glass and Ceramics
- xv) Services
- xvi) Others

288,119,159	322,400,085
568,471,487	583,416,087
526,426,560	530,437,847
509,065,916	439,946,456
171,752,531	180,142,417
41,020,445	43,313,297
117,100,209	117,100,209
-	-
112,389,783	122,248,793
172,231,842	173,907,859
-	-
-	-
79,204,755	135,505,698
-	-
984,200,466	1,065,072,028
3,377,574,849	3,300,915,194
<u>6,947,558,002</u>	<u>7,014,405,970</u>

### 7.6 Leases, loans and advances on geographical basis:

#### Inside Bangladesh:

##### Urban :

- Dhaka Division
- Chittagong Division
- Khulna Division
- Rajshahi Division
- Barisal Division
- Sylhet Division

6,548,845,866	6,623,664,580
398,712,136	390,741,390
-	-
-	-
-	-
-	-
<u>6,947,558,002</u>	<u>7,014,405,970</u>

##### Rural :

- Dhaka Division
- Chittagong Division
- Khulna Division
- Rajshahi Division
- Barisal Division
- Sylhet Division

-	-
-	-
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>

#### Outside Bangladesh:

##### Total

-	-
<u>6,947,558,002</u>	<u>7,014,405,970</u>







		Amount in Taka	
		2021	2020
7.7	Classification of Leases, loans and advances :		
	<b>Unclassified :</b>		
	Standard	5,409,977,153	5,003,660,168
	Special mention account	422,993,020	793,117,022
		<u>5,832,970,173</u>	<u>5,796,777,190</u>
	<b>Classified :</b>		
	Sub-standard	-	-
	Doubtful	-	-
	Bad/Loss	1,114,587,829	1,217,628,781
		<u>1,114,587,829</u>	<u>1,217,628,781</u>
	<b>Total</b>	<u>6,947,558,002</u>	<u>7,014,405,970</u>
7.8	Net Leases ,loans and advances :		
	Total Leases , loans and advances (note- 7.1)	6,947,558,002	7,014,405,970
	<b>Less :</b>		
	Non-performing leases, loans and advances (note-7.7)	1,114,587,829	1,217,628,781
	Interest suspenses (note-14.5)	298,158,367	292,688,568
	Provision for leases, loans and advances	533,048,017	558,520,747
		<u>1,945,794,213</u>	<u>2,068,838,096</u>
		<u>5,001,763,789</u>	<u>4,945,567,874</u>
7.9	Particulars of Leases, loans and advances:		
	a) Lease, loans and advances considered good and in respect of which the financial institution is fully secured	3,916,526,966	3,734,592,397
	b) Lease , loans and advances considered good against which the financial institution holds no security other than the debtors personal guarantee	-	-
		1,987,409,637	2,221,234,896
	c) Lease , loans and advances considered good secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
		1,043,621,399	1,058,578,677
	d) Lease , loans and advances adversely classified : provision not maintained there	-	-
	e) Lease , loans and advances due by directors or officers of the financial institution or any of them either separately or jointly with any other person	-	-
	f) Lease , loans and advances due from companies or firms in which the directors of the financial institution have interest as directors, partners, managing agents or in case of the private companies , as members	-	-
	g) Maximum total amount of leases , loans and advances including temporary advances made in any time during the year to the directors or managing directors or officers of the financial institution or any of them either separately or jointly with any other person	-	-
	h) Maximum total amount of leases, loans and advances including temporary advances granted during the year to companies or firms in which the directors of the financial institution have interest as directors, partners, managing agents or in case of the private companies, as members	-	-
	i) Due from banks and other financial institutions	-	-
	j) Classified leases , loans and advances:		
	i) Classified leases, loans and advances on which no interest has been charged	<u>1,114,587,829</u>	<u>1,217,628,781</u>
	ii) Provision on classified leases , loans and advances	<u>434,637,303</u>	<u>474,932,475</u>
	iii) Provision kept against leases, loans and advances classified as bad debts	<u>434,637,303</u>	<u>474,932,475</u>
	iv) Interest credited to interest suspense account (note-14.5)	<u>298,158,367</u>	<u>292,688,568</u>



Amount in Taka	
2021	2020

k) Cumulative amount of written-off leases, loans and advances:

Opening balance

Amount written -off during the year

Amount realized against leases, loans and advances

The amount of written-off / classified leases, loans and advances for which law suites has been filed

-	-
-	-
-	-
-	-

7.10 Suits filed by the Company :

As at 31 December 2021 , GSP Finance Company (Bangladesh) Limited filed 23 suits against 23 clients under Artha Rin Adalat Ain -2003, Total suit amount was Tk. 1,738,839,776/-

7(a) Leases ,Loans and advances (consolidated)

GSP Finance Company (Bangladesh) Limited

GSP Investments Limited

Less: Inter company transaction (Loan to GSPI)

6,947,558,002	7,014,405,970
3,362,810,672	2,915,705,953
10,310,368,674	9,930,111,923
2,493,621,398	2,206,076,458
7,816,747,276	7,724,035,465

8 Bills purchased and discounted

Payable in Bangladesh

Payable outside Bangladesh

-	-
-	-
-	-

8(a) Bills purchased and discounted (consolidated)

GSP Finance Company (Bangladesh) Limited

GSP Investments Limited

-	-
-	-
-	-

9 Fixed assets including premises, furniture and fixtures:

Cost:

Opening Balance

Addition during the year

Revaluation surplus during the year

Adjustment during the year

Closing Balance (A)

1,043,830,046	1,043,687,797
10,095,055	142,249
-	-
1,053,925,101	1,043,830,046
-	-
1,053,925,101	1,043,830,046

Less : Accumulated Depreciation :

Opening Balance

Charged during the year:

Adjustment during the year

Closing Balance (B)

Written Down Value (A-B) (Annexure -C )

79,806,388	75,711,783
3,231,914	4,094,605
83,038,302	79,806,388
-	-
83,038,302	79,806,388
970,886,799	964,023,658





		Amount in Taka	
		2021	2020
<b>9(a) Fixed assets including premises, furniture and fixtures (consolidated)</b>			
GSP Finance Company (Bangladesh) Limited	970,886,799	964,023,658	
GSP Investments Limited	3,114,935	3,832,287	
Written Down Value (Annexure -B )	<b>974,001,734</b>	<b>967,855,945</b>	
<b>10 Other assets</b>			
Corporate Tax paid in advance and Tax at source	95,042,909	90,564,347	
Advance, Deposits and Prepayments	28,450	28,450	
Sundry Debtors	22,299,867	2,362,348	
Investment in Subsidiary : GSP Investments Limited	249,999,960	249,999,960	
	<b>367,371,186</b>	<b>342,955,105</b>	
<b>10(a) Other assets (consolidated)</b>			
GSP Finance Company (Bangladesh) Limited	367,371,186	342,955,105	
GSP Investments Limited	1,644,588	1,451,840	
	<b>369,015,774</b>	<b>344,406,945</b>	
Less: Inter company transaction	249,999,960	251,062,467	
	<b>119,015,814</b>	<b>93,344,478</b>	
<b>11 Non-business assets</b>	-	-	
As at 31 December 2021, GSP Finance Company (Bangladesh) Limited does not have any non-business assets.	-	-	
<b>12 Borrowings from banks ,other financial institutions and agents:</b>			
In Bangladesh (note-12.1)	1,680,347,117	1,839,288,500	
Outside Bangladesh (note-12.2)	-	-	
	<b>1,680,347,117</b>	<b>1,839,288,500</b>	
<b>12.1 In Bangladesh</b>			
<b>Call borrowing</b>			
Nationalised Commercial Bank	69,000,000	75,000,000	
Private Commercial Bank	9,000,000	110,500,000	
	<b>78,000,000</b>	<b>185,500,000</b>	
<b>Term loan</b>			
Nationalised Commercial Bank	-	-	
Private Commercial Bank	1,079,991,778	1,070,969,567	
Foreign Commercial Bank	209,746,526	246,756,207	
Bangladesh Bank (Refinance)	312,608,813	336,062,726	
	<b>1,602,347,117</b>	<b>1,653,788,500</b>	
	<b>1,680,347,117</b>	<b>1,839,288,500</b>	
<b>12.2 Outside Bangladesh</b>	-	-	
As at December 31, 2021 the Company does not have any borrowing from outside of Bangladesh.	-	-	
<b>12.3 Analysis by Security against borrowing from banks, other financial institutions and agents.</b>			
Secured	1,289,738,304	1,317,725,774	
Unsecured	390,608,813	521,562,726	
	<b>1,680,347,117</b>	<b>1,839,288,500</b>	

Borrowing from banks, other financial institutions and agents are secured by floating charges with R.J.S.C on all moveable and immovable assets of the Company ranking Pari-Passu security sharing agreement among the lenders.





		Amount in Taka	
		2021	2020
12.4	Maturity grouping of borrowings from banks, other financial institutions and agents.		
	Repayable on demand	78,000,000	185,500,000
	Up to 1 month	75,447,586	81,664,409
	Over 1 month but not more than 3 months	97,124,063	107,046,591
	Over 3 months but not more than 1 year	420,144,819	430,589,484
	Over 1 year but not more than 5 years	1,009,630,649	1,034,488,017
	Over 5 years	-	-
		<b>1,680,347,117</b>	<b>1,839,288,500</b>
12(a)	<b>Borrowings from banks ,other financial institutions and agents (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	1,680,347,117	1,839,288,500
	GSP Investments Limited	2,493,621,398	2,206,076,458
		<b>4,173,968,515</b>	<b>4,045,364,958</b>
	Less: Inter company transaction (Loan to GSPI)	<b>2,493,621,398</b>	<b>2,206,076,458</b>
		<b>1,680,347,117</b>	<b>1,839,288,500</b>
13	<b>Deposits and other accounts:</b>		
	Current deposits (note-13.1)	-	-
	Bills payable (note-13.2)	-	-
	Savings deposits (note-13.3)	-	-
	Term deposits ( note-13.4)	1,925,199,905	2,269,458,671
	Bearer certificate of deposit ( note-13.5)	-	-
	Other deposits ( note-13.6)	-	-
		<b>1,925,199,905</b>	<b>2,269,458,671</b>
13.1	Current deposits	-	-
	To confirm the Bangladesh Bank's guidelines regarding deposits, the Company does not operate any current deposit account.		
13.2	Bills payable	-	-
	As at 31 December 2021 the company does not have any bills payable		
13.3	Savings deposits	-	-
	To conform with the Bangladesh Bank's guidelines regarding deposits, the company does not operate any savings deposit account.		
13.4	Term deposits		
	Deposits from banks and other financial institutions	1,190,500,000	1,407,500,000
	Deposits from other than banks and financial institutions	734,699,905	861,958,671
		<b>1,925,199,905</b>	<b>2,269,458,671</b>
13.4.1	Deposits from banks and other financial institutions		
	Nationalised Commercial Bank	800,000,000	800,000,000
	Private Commercial Bank	350,000,000	557,500,000
	Financial Institutions	40,500,000	50,000,000
		<b>1,190,500,000</b>	<b>1,407,500,000</b>
13.4.2	Deposits from other than banks and financial institutions		
	Deposits from general public	432,268,871	564,581,782
	Deposits from companies	302,431,034	297,376,889
		<b>734,699,905</b>	<b>861,958,671</b>
13.5	Bearer certificate of deposit	-	-
	To conform with the Bangladesh Bank's guidelines regarding deposits, the company does not have any bearer certificate of deposit.		

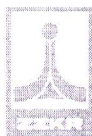






		Amount in Taka	
		2021	2020
13.6	Other deposits	-	-
As at 31 December 2021, the company does not have any other deposit account.			
13.7	Maturity grouping of deposits and other accounts:		
	Repayable on demand	-	-
	Up to 1 month	332,096,984	398,289,997
	Over 1 month but not more than 6 months	551,184,733	642,937,641
	Over 6 months but not more than 1 year	526,954,141	616,146,811
	Over 1 year but not more than 5 years	403,136,860	490,883,911
	Over 5 years but not more than 10 years	111,827,187	121,200,311
	Over 10 years	-	-
		<b>1,925,199,905</b>	<b>2,269,458,671</b>
13(a)	Deposits and other accounts (consolidated)		
	GSP Finance Company (Bangladesh) Limited	1,925,199,905	2,269,458,671
	GSP Investments Limited	-	-
		<b>1,925,199,905</b>	<b>2,269,458,671</b>
14	Other liabilities		
	Expenditure and other payable (note-14.1)	20,342,264	7,900,000
	Provision for leases, loans and advances (note-14.2)	533,048,017	558,520,747
	Special provision 2% (15% payment for deferral clients)	113,308,492	-
	Provision for investment in share (note-14.3)	64,599,471	40,289,658
	Provision for income tax (note-14.4)	1,274,208,881	1,151,886,753
	Interest suspense account (note-14.5)	298,158,367	292,688,568
	Advance rental / installment against leases, loans and advances	11,236,216	13,093,195
	Provision for gratuity	6,400,000	4,000,000
	Unclaimed Dividend	4,616,903	4,583,366
		<b>2,325,918,612</b>	<b>2,072,962,286</b>
14.1	Expenditure and other payable		
	Sundry Creditors	34,500	34,500
	Accrued interest on deposits	16,765,743	7,000,000
	TDS Payable	2,676,521	-
	Audit Fee	195,500	195,500
	Security Deposit (Tenancy-BCDL)	500,000	500,000
	Security Deposit (Tenancy- GH)	170,000	170,000
		<b>20,342,264</b>	<b>7,900,000</b>
14.2	Provision for leases, loans and advances		
This represents the amount calculated as per circular issued by the Bangladesh Bank in this regard to cover all the required provision of the company as at 31 December 2021. Total provision is made up as follows:			
<b>Movements in provision on classified leases, loans and advances (A)</b>			
	Balance on 01 January	474,932,475	428,793,978
	Provision made during the year	(35,295,172)	46,138,497
	Balance at 31 December	<b>439,637,303</b>	<b>474,932,475</b>
<b>Movements in provision on unclassified leases, loans and advances (B)</b>			
	Balance at 01 January	83,588,272	96,600,776
	Provision made during the year	9,822,442	(13,012,504)
	Balance at 31 December	<b>93,410,714</b>	<b>83,588,272</b>
	<b>Total (A+B)</b>	<b>533,048,017</b>	<b>558,520,747</b>
14.3	Provision for investment in shares		
	Balance at 01 January	40,289,658	146,075,245
	Provision made / (adjustment) during the year	24,309,813	(105,785,587)
	Balance at 31 December (Annexure -A for detail)	<b>64,599,471</b>	<b>40,289,658</b>





		Amount in Taka	
		2021	2020
14.4	Provision for income tax:		
	Balance at 01 January	1,151,886,753	1,026,464,433
	Provision made during the year	122,322,128	125,422,319
		<u>1,274,208,881</u>	<u>1,151,886,753</u>
	Adjustment for the year	-	-
	Balance at 31 December	<u><b>1,274,208,881</b></u>	<u><b>1,151,886,753</b></u>
	This is arrived as at under:		

Year	Opening balance	Current tax provision	Adjusted as per assessment/reversal	Closing balance
Year ended 2001	-	32,578,393	28,338,015	4,240,378
Year ended 2002	4,240,378	42,882,847	10,506,502	36,616,723
Year ended 2003	36,616,723	-	793,103	35,823,620
Year ended 2004	35,823,620	-	-	35,823,620
Year ended 2005	35,823,620	-	-	35,823,620
Year ended 2006	35,823,620	23,049,759	30,526,868	28,346,511
Year ended 2007	28,346,511	13,860,932	5,906,787	36,300,656
Year ended 2008	36,300,656	12,810,773	-	49,111,429
Year ended 2009	49,111,429	19,936,977	2,490,200	66,558,206
Year ended 2010	66,558,206	55,954,412	2,010,128	120,502,490
Year ended 2011	120,502,490	30,011,498	-	150,513,988
Year ended 2012	150,513,988	73,814,410	21,356,557	202,971,841
Year ended 2013	202,971,841	65,873,374	8,197,378	260,647,837
Year ended 2014	260,647,837	80,428,947	4,599,991	336,476,792
Year ended 2015	336,476,792	126,724,116	10,485,823	452,715,085
Year ended 2016	452,715,085	194,058,596	30,193,616	616,580,065
Year ended 2017	616,580,065	206,241,562	-	822,821,627
Year ended 2018	822,821,627	177,571,617	82,677,196	917,716,048
Year ended 2019	917,716,048	108,748,385	-	1,026,464,433
Year ended 2020	1,026,464,433	125,422,319	-	1,151,886,752
Year ended 2021	1,151,886,752	122,322,128	-	1,274,208,881

The company's tax assessment has been completed upto Assessment Year 2020-2021. Sufficient provision for taxation has been made for the year.

#### 14.5 Interest suspense account

This represents interest on lease and loans income not recognized as income according to Bangladesh Bank's FID circular # 03 of 2006. Details are as follows:

Balance at 01 January	292,688,568	225,734,391
Add: Amount transferred to interest suspense account during the year	40,804,622	75,129,833
Less: Amount recovered from interest suspense account during the year	(35,334,823)	(8,175,656)
Balance at 31 December	<u><b>298,158,367</b></u>	<u><b>292,688,568</b></u>

#### 14.5.1 Details of interest suspense account

Interest suspense for unclassified leases, loans and advances (A)

Standard	111,405,158	70,600,536
Special mention account	62,413,272	90,606,489
	<u>173,818,430</u>	<u>161,207,025</u>

Interest suspense for classified leases, loans and advances (B)

Sub - standard	-	-
Doubtful	-	-
Bad/Loss	124,339,937	131,481,543
	<u>124,339,937</u>	<u>131,481,543</u>

**Total (A+B)**

<u><b>298,158,367</b></u>	<u><b>292,688,568</b></u>
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#### 14(a) Other liabilities (consolidated)

GSP Finance Company (Bangladesh) Limited	2,325,918,612	2,072,962,286
GSP Investments Limited	524,764,789	415,628,638
	<u><b>2,850,683,401</b></u>	<u><b>2,488,590,924</b></u>
Less: Inter company transaction	-	1,062,510
	<u><b>2,850,683,401</b></u>	<u><b>2,487,528,414</b></u>







### 15 Share Capital:

		Amount in Taka	
		2021	2020
15.1	Authorized capital 200,000,000 Ordinary shares of Tk. 10 each	2,000,000,000	2,000,000,000
15.2	Issued, Subscribed & Paid up Capital : 157,068,585 Ordinary shares of Tk.10 each	1,570,685,850	1,427,896,230
	% of share holding 2021		
	Domestic Shareholding Position	85.99%	1,350,632,762
	Foreign Shareholding Position	14.01%	220,053,088
		100.00%	1,570,685,850

- 15.3 Raising of share capital  
GSP Finance Company (Bangladesh) Limited raised its share capital as follows:

Year	Type of issue of paid up capital	No. of shares	Value of shares	Cumulative paid up capital
1995	Opening capital	22,505	2,250,500	2,250,500
1995	Allotment	25,000	2,500,000	4,750,500
1996	Allotment	1,429,177	142,917,700	147,668,200
1997	Allotment	23,318	2,331,800	150,000,000
2000	Allotment	100,000	10,000,000	160,000,000
2001	Allotment	100,000	10,000,000	170,000,000
2005	Bonus	170,000	17,000,000	187,000,000
2007	Bonus	187,000	18,700,000	205,700,000
2008	Bonus	102,850	10,285,000	215,985,000
2010	Bonus	6,047,580	60,475,800	276,460,800
2012	Allotment (IPO)	20,000,000	200,000,000	476,460,800
2012	Bonus	4,764,608	47,646,080	524,106,880
2013	Bonus	7,861,603	78,616,030	602,722,910
2014	Bonus	7,232,675	72,326,740	675,049,650
2015	Bonus	37,127,730	371,277,300	1,046,326,950
2017	Bonus	24,588,683	245,886,830	1,292,213,780
2019	Bonus	13,568,245	135,682,450	1,427,896,230
2020	Bonus	14,278,962	142,789,620	1,570,685,850

- 15.4 Holding of shares as on 31 December 2021 classified by number of shares as follows:

Range of share Quantity	Number of Shares	Number of Holders	Holding Position in %	Amount Tk.
Less than 500 shares	468,978	2,988	0.30%	4,689,780
501 to 5000 shares	9,082,040	4,926	5.78%	90,820,400
5001 to 10000 shares	5,732,390	746	3.65%	57,323,900
10001 to 20000 shares	7,787,120	527	4.96%	77,871,200
20001 to 30000 shares	5,897,123	229	3.75%	58,971,230
30001 to 40000 shares	4,116,360	116	2.62%	41,163,600
40001 to 50000 shares	4,628,139	98	2.95%	46,281,390
50001 to 100000 shares	14,898,377	202	9.49%	148,983,770
100001 to 1000000 shares	41,846,728	169	26.64%	418,467,280
Above 1000000 shares	62,611,330	10	39.86%	626,113,300
<b>Total</b>	<b>157,068,585</b>	<b>10,011</b>	<b>100%</b>	<b>1,570,685,850</b>





15.5

Capital adequacy requirement

As per Clause 4(Gha) of The Financial Institutions Regulations 1994 and Bangladesh Bank's circulars in this regard, status of the company's capital adequacy is as under:

A. Eligible Capital :

1. Tier-1 Capital

2. Tier-2 Capital

3. Total Eligible Capital (1+2)

B. Total Risk Weighted Assets (RWA)

C. Capital Adequacy Ratio (CAR) (A3/B)\*100

D. Core Capital to RWA (A1/B)\*100

E. Supplementary Capital to RWA (A2/B)\*100

F. Minimum Capital Requirement Based on Risk Weighted Assets (10% of B)

Surplus/(Deficit) (A3-F)

Amount in Taka	
2021	2020

2,314,189,499 2,117,128,638

579,473,528 580,236,774

2,893,663,027 2,697,365,412

11,996,430,464 12,045,729,232

24.12 22.39

19.29 17.58

4.83 4.82

1,199,643,046 1,204,572,923

1,694,019,981 1,492,792,488

570,685,850 427,896,230

Surplus/(Deficit) (as per DFIM Circular No.-5 dated 24 July 2011 and Circular No.-9 dated 04 November 2009)

Tier-1 (Core Capital):

Paid up Capital

Statutory Reserve

Share Premium

Non-Controlling interest

Retained Earnings

1,570,685,850 1,427,896,230

554,818,003 515,405,831

- -

- -

188,685,646 173,826,577

2,314,189,499 2,117,128,638

Tier-2 (Supplementary Capital):

General Provision (Unclassified loans upto specified limit+SMA+off

Balance Sheet Exposure)

Assets Revaluation Reserve upto 50%

121,128,716 121,891,962

458,344,812 458,344,812

579,473,528 580,236,774

Risk Weighted Assets (RWA)

A. Credit Risk

On-Balance Sheet

Off-Balance Sheet

B. Market Risk

C. Operational Risk

9,690,297,303 9,751,356,941

- -

815,630,550 831,493,100

1,490,502,611 1,462,879,191

11,996,430,464 12,045,729,232

15.5.1

Capital adequacy requirement (Consolidated)

As per Clause 4(Gha) of The Financial Institutions Regulations 1994 and Bangladesh Bank's circulars in this regard, status of the company's capital adequacy is as under:

A. Eligible Capital :

1. Tier-1 Capital

2. Tier-2 Capital

3. Total Eligible Capital (1+2)

B. Total Risk Weighted Assets (RWA)

C. Capital Adequacy Ratio (CAR) (A3/B)\*100

D. Core Capital to RWA (A1/B)\*100

E. Supplementary Capital to RWA (A2/B)\*100

F. Minimum Capital Requirement Based on Risk Weighted Assets (10% of B)

Surplus/(Deficit) (A3-F)

2,437,493,531 2,210,756,248

593,139,810 588,274,035

3,030,633,341 2,799,030,282

13,848,967,191 12,762,236,466

21.88 21.93

17.60 17.32

4.28 4.61

1,384,896,719 1,276,223,647

1,645,736,622 1,522,806,636

570,685,850 427,896,230

Surplus/(Deficit) (as per DFIM Circular No.-5 dated 24 July 2011 and Circular No.-9 dated 04 November 2009)

Tier-1 (Core Capital)

Paid up Capital

Statutory Reserve

Share Premium

Non-Controlling interest

Retained Earnings

1,570,685,850 1,427,896,230

554,818,003 515,405,831

- -

57 52

311,989,621 267,454,135

2,437,493,531 2,210,756,248





		Amount in Taka	
		2021	2020
<b>Tier-2 (Supplementary Capital)</b>			
General Provision (Unclassified loans upto specified limit+SMA+off Balance Sheet Exposure)		134,794,998	129,929,223
Assets Revaluation Reserve upto 50%		458,344,812	458,344,812
		<u>593,139,810</u>	<u>588,274,035</u>
<b>Risk Weighted Assets (RWA)</b>			
A. Credit Risk			
On-Balance Sheet	10,783,599,831	10,394,337,816	
Off-Balance Sheet	-	-	
B. Market Risk		844,630,550	759,693,100
C. Operational Risk		2,220,736,810	1,608,205,550
		<u>13,848,967,191</u>	<u>12,762,236,466</u>
<b>16</b>	<b>Statutory reserve</b>		
	Balance at 01 January	515,405,831	474,781,602
	Add: Transferred during the year	39,412,172	40,624,229
	Balance at 31 December	<u>554,818,003</u>	<u>515,405,831</u>
<b>17</b>	<b>Other Reserve:</b>		
	<b>Capital Reserve/ Revaluation Reserve :</b>		
	Balance at 01 January	916,689,624	916,689,624
	Add: Addition during the year	-	-
	Balance at 31 December	<u>916,689,624</u>	<u>916,689,624</u>
<b>18</b>	<b>Retained earnings</b>		
	Balance at 01 January	173,826,577	147,012,112
	Less: Dividend paid for the year 2020	(142,789,620)	(135,682,450)
	Add: Net profit for the year 2021	197,060,861	203,121,144
		228,097,818	214,450,806
	Less: Transfer to statutory reserve	(39,412,172)	(40,624,229)
	Balance at 31 December	<u>188,685,646</u>	<u>173,826,577</u>
	<b>Apportionment:</b>		
	Retained earnings balance	188,685,646	173,826,577
	Note: Retained earnings balance includes WPPF @ 5% for 2021 Tk. 7,882,434/- for 2020 Tk. 8,124,846/- for 2019 Tk. 7,350,606/-	188,685,646	173,826,577
	<b>Total</b>	<u>23,357,886/-</u>	
<b>18(a)</b>	<b>Retained earnings (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	188,685,646	173,826,577
	GSP Investments Limited (Note 18aa)	123,303,975	93,627,558
		<u>311,989,621</u>	<u>267,454,135</u>
<b>18(aa)</b>	<b>Retained earnings of subsidiary</b>		
	Balance at 01 January	93,627,558	76,118,918
	Add: Net profit for the year	29,676,417	17,508,640
		<u>123,303,975</u>	<u>93,627,558</u>
<b>18.1</b>	<b>Contingent liabilities</b>		
	Acceptances and endorsements	-	-
	Letter of guarantee (18.1.1)	-	-
	Irrevocable letter of credit	-	-
	Bills for collection	-	-
	Other contingent liabilities	-	-
		<u>-</u>	<u>-</u>
<b>18.1.1</b>	<b>Letter of guarantee</b>		
	Claims lodged with the company which is not recognized as loan	-	-
	Money for which the company is contingently liable in respect of the following:	-	-
	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	others	-	-
		<u>-</u>	<u>-</u>



		Amount in Taka	
		2021	2020
18.2	Other commitments		
	Documentary credits and short term trade and related transactions	-	-
	Forward assets purchased and forward deposits placed	-	-
	Undrawn note issuance and revolving underwriting facilities	-	-
	Undrawn formal standby facilities, credit lines and other commitments	-	-
	Others	-	-
As at 31 December 2021, the Company does not have any liabilities , which was not shown in the accounts.			
19	<b>Income statement</b>		
	<b>Income :</b>		
	Interest, discount and similar income (note-19.1)	840,340,765	777,721,158
	Dividend income	-	-
	Commission, exchange and brokerage (note-23)	-	-
	Gains less losses arising from dealing in securities	-	-
	Gains less losses arising from dealing in foreign currencies	-	-
	Other operating income (note-24)	35,784,348	34,126,124
	Profit less losses on interest rate changes	-	-
		<u>876,125,113</u>	<u>811,847,282</u>
	<b>Expenses:</b>		
	Interest expenses on deposits, borrowings, etc. (note-21)	395,689,480	496,277,580
	Charges on losses regarding leases, loans and advances	-	-
	Administrative expenses (note-19.2)	38,580,847	47,706,923
	Other operating expenses (note-34)	6,655,760	7,866,506
	Depreciation and repair of company's fixed assets (note-33)	3,670,462	4,112,405
		<u>444,596,549</u>	<u>555,963,413</u>
	<b>Surplus of income over expenditure</b>	<u><b>431,528,565</b></u>	<u><b>255,883,870</b></u>
19(a)	<b>Income statement (Consolidated)</b>		
	<b>Income :</b>		
	Interest, discount and similar income	978,875,872	884,941,224
	Dividend income	-	-
	Commission, exchange and brokerage	7,014,716	5,070,434
	Gains less losses arising from dealing in securities	-	-
	Gains less losses arising from dealing in foreign currencies	-	-
	Other operating income	35,857,980	34,190,831
	Profit less losses on interest rate changes	-	-
		<u>1,021,748,568</u>	<u>924,202,489</u>
	<b>Expenses:</b>		
	Interest expenses on deposits, borrowings, etc.	395,689,480	496,277,580
	Charges on losses regarding leases, loans and advances	-	-
	Administrative expenses	41,496,773	52,464,036
	Other operating expenses	7,308,393	8,605,271
	Depreciation and repair of company's fixed assets	4,418,793	5,034,211
		<u>448,913,439</u>	<u>562,381,097</u>
	<b>Surplus of income over expenditure</b>	<u><b>572,835,130</b></u>	<u><b>361,821,392</b></u>
19.1	Interest, discount and similar income		
	Interest income on leases, loans and advances (note-20)	744,867,783	764,100,004
	Investment income (note-22)	95,472,982	13,621,154
		<u>840,340,765</u>	<u>777,721,158</u>
19.2	Administrative expenses		
	Salary and allowances (note-25)	29,455,588	40,886,688
	Rent, taxes, insurance, electricity, etc. (note-26)	1,518,145	1,432,149
	Legal expenses (note-27)	150,000	220,000
	Postage, stamp, telecommunication etc. (note-28)	634,473	433,172
	Stationery, printing, advertisement etc. (note-29)	1,362,141	1,409,079
	Managing Director's salary and allowances (note-30)	4,825,000	2,738,335
	Directors' fees (note-31)	440,000	392,000
	Audit fees (note-32)	195,500	195,500
		<u>38,580,847</u>	<u>47,706,923</u>







		Amount in Taka	
		2021	2020
20	<b>Interest income on leases, loans and advances:</b>		
	Lease income	89,188,419	109,361,283
	Interest on loans and advances	274,557,345	319,139,532
	Interest on loan to GSP investments Ltd	380,444,942	334,593,063
	Interest during grace period	-	-
	Total interest income on leases, loans and advances	744,190,706	763,093,878
	Interest on balance with banks and other financial institutions	677,077	1,006,126
		<b>744,867,783</b>	<b>764,100,004</b>
20(a)	<b>Interest income on leases, loans and advances (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	744,867,783	764,100,004
	GSP Investments Limited	513,800,836	441,238,081
		<b>1,258,668,619</b>	<b>1,205,338,085</b>
	Less: Inter company transaction	<b>380,444,942</b>	<b>334,593,063</b>
		<b>878,223,677</b>	<b>870,745,022</b>
21	<b>Interest expenses on deposits, borrowings, etc. :</b>		
a)	<b>Interest expenses on borrowings :</b>		
	Interest on term loans	136,893,825	170,024,293
	Interest on call loans	5,265,508	6,510,454
	Interest on Bank over draft	7,550,588	13,596,664
	Bank charges	830,105	622,916
		150,540,026	190,754,328
b)	<b>Interest expenses on deposits :</b>	245,149,454	305,523,252
	<b>Total</b>	<b>395,689,480</b>	<b>496,277,580</b>
21(a)	<b>Interest expenses on deposits, borrowings, etc. (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	395,689,480	496,277,580
	GSP Investments Limited	380,444,942	334,593,063
		<b>776,134,422</b>	<b>830,870,643</b>
	Less: Inter company transaction	<b>380,444,942</b>	<b>334,593,063</b>
		<b>395,689,480</b>	<b>496,277,580</b>
22	<b>Investment income:</b>		
	Dividend on Share	15,532,143	13,344,580
	Profit on Share Trading	79,940,839	276,574
		<b>95,472,982</b>	<b>13,621,154</b>
22(a)	<b>Investment income (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	95,472,982	13,621,154
	GSP Investments Limited	5,179,213	575,048
		<b>100,652,195</b>	<b>14,196,202</b>
23	<b>Commission , exchange and brokerage</b>		
	Commission , exchange and brokerage	-	-
23(a)	<b>Commission , exchange and brokerage (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	-	-
	GSP Investments Limited	7,014,716	5,070,434
		<b>7,014,716</b>	<b>5,070,434</b>
24	<b>Other operating income:</b>		
	Income from FDR	8,838,967	14,584,579
	Documentation charge	28,380	137,510
	Delinquent interest	23,648,102	16,654,375
	Service charge	504,000	560,000
	Transfer price on lease finance	585,818	215,198
	Processing fees	100,000	50,000
	Income from house property	2,079,000	1,717,000
	Profit on sale of fixed assets	-	-
	Miscellaneous earnings	81	207,462
		<b>35,784,348</b>	<b>34,126,124</b>





		Amount in Taka	
		2021	2020
<b>24(a) Other operating income (consolidated)</b>			
GSP Finance Company (Bangladesh) Limited		35,784,348	34,126,124
GSP Investments Limited		73,632	64,707
		<b>35,857,980</b>	<b>34,190,831</b>
<b>25 Salary and allowances:</b>			
Basic pay and allowances		24,176,307	35,113,425
Bonus (note-25.1)		1,807,880	2,715,019
Company's contribution to provident fund		1,071,401	1,558,244
Retirement benefit and gratuity		2,400,000	1,500,000
		<b>29,455,588</b>	<b>40,886,688</b>
<b>25.1 Bonus</b>			
Festival		1,807,880	2,715,019
Performance		-	-
		<b>1,807,880</b>	<b>2,715,019</b>
<b>25(a) Salary and allowances(consolidated)</b>			
GSP Finance Company (Bangladesh) Limited		29,455,588	40,886,688
GSP Investments Limited		2,191,374	2,777,434
		<b>31,646,962</b>	<b>43,664,122</b>
<b>26 Rent, taxes, insurance, electricity, etc.:</b>			
Rent, rate and taxes		77,135	77,235
Insurance		251,551	244,900
Power and electricity		1,189,459	1,110,014
		<b>1,518,145</b>	<b>1,432,149</b>
<b>26(a) Rent, taxes, insurance, electricity, etc.(consolidated)</b>			
GSP Finance Company (Bangladesh) Limited		1,518,145	1,432,149
GSP Investments Limited		78,415	-
		<b>1,596,560</b>	<b>1,432,149</b>
<b>27 Legal expenses :</b>			
Legal expenses		150,000	220,000
		<b>150,000</b>	<b>220,000</b>
<b>27(a) Legal expenses (consolidated)</b>			
GSP Finance Company (Bangladesh) Limited		150,000	220,000
GSP Investments Limited		20,000	-
		<b>170,000</b>	<b>220,000</b>
<b>28 Postage,stamp,telecommunication etc.:</b>			
Postage and courier		10,972	5,454
Telephone, fax, internet and mobile		602,661	403,019
Stamp and court fee		20,840	24,699
		<b>634,473</b>	<b>433,172</b>
<b>28(a) Postage,stamp,telecommunication etc.(consolidated)</b>			
GSP Finance Company (Bangladesh) Limited		634,473	433,172
GSP Investments Limited		569	4,765
		<b>635,042</b>	<b>437,937</b>
<b>29 Stationery, printing, advertisement, etc.:</b>			
Printing and stationery		354,921	320,204
Advertisement and publicity		1,007,220	1,088,875
		<b>1,362,141</b>	<b>1,409,079</b>







		Amount in Taka	
		2021	2020
29(a)	<b>Stationery, printing, advertisement, etc.(consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	1,362,141	1,409,079
	GSP Investments Limited	35,235	13,215
		<b>1,397,376</b>	<b>1,422,294</b>
30	<b>Managing Director's salary and allowances :</b>		
	Remuneration	4,500,000	2,538,335
	Other benefits	325,000	200,000
		<b>4,825,000</b>	<b>2,738,335</b>
30(a)	<b>Managing Director's salary and allowances (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	4,825,000	2,738,335
	GSP Investments Limited	303,333	1,746,700
		<b>5,128,333</b>	<b>4,485,035</b>
31	<b>Directors' fees :</b>		
	Directors fees	440,000	392,000
		440,000	392,000
	Other benefits	-	-
		440,000	392,000
31(a)	<b>Directors' fees (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	440,000	392,000
	GSP Investments Limited	264,000	192,000
		<b>704,000</b>	<b>584,000</b>
32	<b>Audit fees:</b>	195,500	195,500
		<b>195,500</b>	<b>195,500</b>
32(a)	<b>Audit fees (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	195,500	195,500
	GSP Investments Limited	23,000	23,000
		<b>218,500</b>	<b>218,500</b>
33	<b>Depreciation and repairs of company's assets:</b>		
	Depreciation on company's fixed assets (Annexure-C)	3,231,914	4,094,605
	Repairs of companies fixed assets	438,548	17,800
		<b>3,670,462</b>	<b>4,112,405</b>
33(a)	<b>Depreciation and repairs of company's assets (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	3,670,462	4,112,405
	GSP Investments Limited	748,331	921,806
		<b>4,418,793</b>	<b>5,034,211</b>
34	<b>Other operating expenses:</b>		
	Office maintenance	1,828,195	1,833,659
	Travelling and conveyances	313,012	372,893
	Motor vehicle running expenses	285,245	334,509
	Fees and subscriptions	2,588,976	2,259,970
	Staff welfare expenses	132,458	169,728
	Newspaper, books and periodicals	-	5,317
	Entertainment expenses	442,500	495,021
	Business promotion	315,500	847,197
	Commission on TDR	15,230	388,500
	Annual General Meeting Expenses (34.1)	734,644	609,711
	CSR Expenses (34.2)	-	550,000
		<b>6,655,760</b>	<b>7,866,506</b>



		Amount in Taka	
		2021	2020
34.1	Annual General Meeting Expenses		
	Printing of Annual Reports and data base	544,750	489,345
	Publication of Notice	136,813	99,366
	Others	53,081	21,000
		<u>734,644</u>	<u>609,711</u>
34.2	CSR Expenses		
	COVID-19 fund BLFCA	-	500,000
	COVID-19 fund (Cholo Corona joy kori)	-	50,000
		<u>-</u>	<u>550,000</u>
34(a)	Other operating expenses(consolidated)		
	GSP Finance Company (Bangladesh) Limited	6,655,760	7,866,506
	GSP Investments Limited	652,633	738,765
		<u>7,308,393</u>	<u>8,605,271</u>
35	Provision for leases, loans and advances & investments:		
	Provision for classified leases, loans and advances	(35,295,172)	46,138,497
	Provision for unclassified leases, loans and advances	9,822,442	(13,012,504)
	Special provision 2% (15% payment for deferral clients)	113,308,492	-
	Provision for Investment in Share	24,309,813	(105,785,587)
		<u>112,145,575</u>	<u>(72,659,594)</u>
35(a)	Provision for leases, loans and advances & investments (consolidated)		
	GSP Finance Company (Bangladesh) Limited	112,145,575	(72,659,594)
	GSP Investments Limited	93,824,291	77,923,694
		<u>205,969,866</u>	<u>5,264,100</u>
36	Provision for income tax:		
	Current tax (36.1)	119,768,621	123,203,798
	Deferred tax (36.2)	2,553,507	2,218,521
		<u>122,322,128</u>	<u>125,422,319</u>

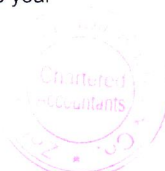
36.1 Provisions for current tax has been made on the basis of the profit for the year in accordance with the provisions of Income Tax Ordinance, 1984 and amendments made thereto. The current tax rate for the Company is 37.50% on taxable income.

### 36.2 Deferred tax asset/(liabilities)

Deferred tax has been calculated based on deductible/(taxable) difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12 "Income Taxes".

Deferred tax asset/(liabilities) is arrived at as follows:

	Carrying amount at balance sheet	Tax base	(Taxable)/deductible temporary difference
	Taka	Taka	Taka
<b>Assets:</b>			
Fixed assets net off depreciation	970,886,799	919,593,184	(51,293,615)
<b>Liabilities:</b>			
Employee gratuity	6,400,000	-	6,400,000
<b>Total</b>	<u>977,286,799</u>	<u>919,593,184</u>	<u>(44,893,615)</u>
Applicable tax rate			37.50%
Deferred tax asset/(liabilities) as on December 31, 2021			(16,835,106)
Deferred tax asset/(liabilities) as on December 31, 2020			(14,281,599)
Deferred tax income/(expenses) accounted for during the year			<u>(2,553,507)</u>







		Amount in Taka	
		2021	2020
36(a)	<b>Provision for income tax (consolidated)</b>		
	GSP Finance Company (Bangladesh) Limited	122,322,128	125,422,319
	GSP Investments Limited	17,805,852	10,505,185
		<b>140,127,980</b>	<b>135,927,504</b>
37	<b>Dividend :</b> 2.50% Cash Dividend and 7.50 % Stock Dividend for the year 2021 has been proposed by the Board of Directors in its 237 <sup>th</sup> meeting held on August 08, 2022 (Subject to approval of Bangladesh Bank).		
38	<b>Earning per share :</b> Earning per share (EPS) is calculated in accordance with International Accounting Standard No. 33. Earning per share has been calculated as follows:		
	Net profit after tax	197,060,861	203,121,144
	Number of ordinary shares outstanding	157,068,585	157,068,585
	<b>Earning per share (2020 restated)</b>	<b>1.25</b>	<b>1.29</b>
38(a)	<b>Earning per share (Consolidated) :</b>		
	Net profit after tax	226,737,284	220,629,787
	Number of ordinary shares outstanding	157,068,585	157,068,585
	<b>Earning per share (2020 restated)</b>	<b>1.44</b>	<b>1.40</b>
	No diluted EPS is required to be calculated for the year since there was no scope of dilution of share during the year under review.		
39	<b>Net Asset Value per share (NAV):</b>		
	Total Shareholders' equity	3,230,879,123	3,033,818,262
	Number of shares outstanding	157,068,585	157,068,585
	<b>NAV per share (2020 restated)</b>	<b>20.57</b>	<b>19.32</b>
39(a)	<b>Net Asset Value per share (NAV) (Consolidated):</b>		
	Total Shareholders' equity	3,354,183,155	3,127,445,872
	Number of shares outstanding	157,068,585	157,068,585
	<b>NAV per share (2020 restated)</b>	<b>21.35</b>	<b>19.91</b>
40	<b>Net Operating Cash Flow per share:</b>		
	Net cash flow from operating activities	151,422,221	15,580,563
	Number of shares outstanding	157,068,585	157,068,585
	<b>NOCFPS (2020 restated)</b>	<b>0.96</b>	<b>0.10</b>





40(a) **Net Operating Cash Flow per share (Consolidated):**

	Amount in Taka	
	2021	2020
Net cash flow from operating activities	131,230,603	19,352,175
Number of shares outstanding	157,068,585	157,068,585
<b>NOCFPS (2020 restated)</b>	<b>0.84</b>	<b>0.12</b>

41 **Composition of Shareholders' Equity :**

Paid up capital	1,570,685,850	1,427,896,230
Statutory reserve	554,818,003	515,405,831
Other reserve	916,689,624	916,689,624
Retained earnings (Note: Retained earnings balance includes WPPF @ 5% ie Tk.23,357,886/=)	188,685,646	173,826,577
<b>Total:</b>	<b>3,230,879,123</b>	<b>3,033,818,262</b>

41(a) **Composition of Shareholders' Equity (Consolidated):**

Paid up capital*	1,570,685,850	1,427,896,230
Statutory reserve	554,818,003	515,405,831
Other reserve	916,689,624	916,689,624
Retained earnings	311,989,621	267,454,135
Non-controlling interest	57	52
	<b>3,354,183,155</b>	<b>3,127,445,872</b>

**\*Date of issue & other information:**

Date	Types of Paid up Capital	No. of Shares	Face Value Per Share	Taka
01-10-1995	Promoter Share	22,505	100	2,250,500
29-11-1995	Allotment	25,000	100	2,500,000
15-06-1996	Allotment	1,429,177	100	142,917,700
26-02-1997	Allotment	23,318	100	2,331,800
06-07-2000	Allotment	100,000	100	10,000,000
15-02-2001	Allotment	100,000	100	10,000,000
23-04-2006	Bonus @ 10%	170,000	100	17,000,000
26-04-2008	Bonus @ 10%	187,000	100	18,700,000
12-04-2009	Bonus @ 5%	102,850	100	10,285,000
	<b>Before Split</b>	<b>2,159,850</b>		<b>215,985,000</b>
	<b>After Split</b>	<b>21,598,500</b>	10	<b>215,985,000</b>
15-02-2011	Bonus @ 28%	6,047,580	10	60,475,800
02-04-2012	IPO	20,000,000	10	200,000,000
13-05-2012	Bonus @ 10%	4,764,608	10	47,646,080
08-06-2013	Bonus @ 15%	7,861,603	10	78,616,030
20-02-2014	Bonus @ 12%	7,232,675	10	72,326,740
23-02-2015	Bonus @ 55%	37,127,730	10	371,277,300
14-03-2018	Bonus @ 23.50%	24,588,682	10	245,886,830
30-09-2020	Bonus @ 10.50%	13,568,245	10	135,682,450
30-09-2021	Bonus @ 10.00%	14,278,962	10	142,789,620
<b>Total</b>		<b>157,068,585</b>		<b>1,570,685,850</b>





### 42 Reconciliation of Operating Activities of Cash Flows:

	Amount in Taka	
	2021	2020
Net Profit After Tax	197,060,861	203,121,144
Depreciation	3,231,914	4,094,605
Provision for lease and loans	112,145,575	(72,659,594)
Provision for taxation	122,322,128	125,422,319
Decrease in lease and loans	66,847,968	235,217,399
Income tax paid	(4,478,562)	(4,357,060)
Decrease in deposit and other accounts	(344,258,766)	(540,532,596)
Increase in other liabilities	16,038,609	27,529,875
Decrease in other assets	(17,487,506)	37,744,471
<b>Cash flows from operating activities</b>	<b>151,422,221</b>	<b>15,580,563</b>

### 42(a) Reconciliation of Operating Activities of Cash Flows (Consolidated):

Net Profit After Tax	226,737,284	220,629,787
Depreciation	3,980,245	5,016,411
Provision for lease and loans	205,969,866	5,264,100
Provision for taxation	140,127,980	135,927,504
Decrease in lease and loans	(92,711,811)	129,679,444
Income tax paid	(4,671,310)	(4,548,736)
Decrease in deposit and other accounts	(344,258,766)	(540,532,596)
Increase in other liabilities	14,607,129	28,839,585
Decrease in other assets	(18,550,013)	39,076,675
<b>Cash flows from operating activities</b>	<b>131,230,603</b>	<b>19,352,175</b>

### 43 Related party disclosures :

#### a. Particulars of Directors and their interest in different entities

Sl no	Name of the Director	Status in GSPB	Entities where they have interest	Status in interested entity
01	Mr. Feroz U. Haider	Chairman	1.GSP Investments Limited 2. Republic Insurance Company Ltd. 3. S.F. Haider	1. Chairman 2. Director 3. Chairman
02	Mr. Saber Hossain Chowdhury	Director & Vice Chairman	1.GSP Investments Limited 2. Karnaphuli Group of Companies. 3. Republic Insurance Company	1. Director 2. Managing Director 3. Director
03	Dr. ATM Shamsul Huda	Director & Vice Chairm		
04	Mr. Wolf-Peter Berthold	Director		
05	Ms. Silwat A. Haider	Director		
06	Mr. Moin U. Haider	Director & Chairman E	GSP Investments	Director
07	Mr. Mohamed Abdul Jalil	Director		
08	Mr. Wajid Ali Khan Panni	Independent Director		
09	Mr. F. A. Shamim Ahmed	Independent Director	GSP Investments	Director

#### b. Significant contract where the Company is party and wherein Directors have interest - Nil

#### c. Related party transactions

The Company in normal course of business carried out a number of transactions with other parties that fall within the definition of related party as per IAS 24:Related Party Disclosures. These related party loans/Leases were made at the competitive terms including interest rates and collateral requirements, as those offered to other customers of similar terms & conditions.

Name of the related party	Relationship	Nature of Transaction	Closing Balance 2021	Closing Balance 2020
Container & Terminal service Ltd	Common Directors	Loan and Advances	-	8,764,352
GSP Investments Limited	Subsidiary Company	Loan and Advances	2,493,621,398	2,206,076,458
			<b>2,493,621,398</b>	<b>2,214,840,810</b>







d. Share issued to Directors and executives without consideration or exercisable at a discount - Nil

e. Lending policy to related parties

Related parties are allowed Loans and Advances as per General Loan Policy of the Company.

f. Investment in the Securities of Directors and their related concern - Nil

g. Receivable from Directors-Nil

**44 Unacknowledged debt :**

The Company had no claim against it, which has not been acknowledged as debt at the balance sheet date.

**45 Number of employees :**

The total number of full time employees of the Company and their remuneration above Tk.48,000/- per annum were 31.

There were no employees earning less than Tk. 48,000/- per year.

**46 Number of Board meeting and remuneration for attending thereof :**

Total number of 7 (seven) Board of directors meetings were held during the year and directors remuneration for attending was paid as per Company Law and Bangladesh Bank guidelines. No director has been paid any remuneration for any special service rendered.

**47 Receivable from directors :**

No amount is due from any of the directors of the Company.

**48 Disclosure regarding branch :**

As at December 31, 2021, the company has no branch in or outside of Bangladesh.

**49 Disclosure of Executive Committee :**

To conform with the Bangladesh Bank guidelines, the Board of Directors of GSP Finance Company (Bangladesh) Limited constituted the Executive Committee of the Board comprising members from the Board

**50 Disclosure on Audit Committee:**

**50.1 Particulars of Audit Committee**

According to the guidelines of Bangladesh Bank, the Board of Directors of GSP Finance Company (Bangladesh) Limited constituted the Audit Committee of the Board. Details of the committee members are as follows:

Name	Status in the company	Status with the committee
Mr. Wajid Ali Khan Panni	Independent Director	Chairman
Mr. Saber Hossain Chowdhury	Director	Member
Dr. ATM Shamsul Huda	Director	Member
Mr. Mohamed Abdul Jalil	Director	Member
Mr. Moin U. Haider	Director	Member

**50.2 Activities of the audit committee during the year.**

In the year 2021 the Audit Committee carried out the following activities:

- Reviewed the financial and other systems including internal control and its reporting procedure;
- Reviewed the duties, responsibilities, functions, degree of independence, due diligence with due care, objectivity and staffing of internal audit department;
- Recommend to the Board regarding appointment of the external auditors and their terms of appointment;
- Reviewed all the operational policies before being approved by the Board;
- Reviewed the effectiveness and independence for the statutory auditors;
- Reviewed along with the management, the quarterly and the half yearly financial statements before submission to the Board for approval;
- Reviewed along with the management, the annual financial statements before submission to the Board for approval;
- Ensured Strict adherence and compliance of the Bangladesh Accounting Standards and recommended the best accounting practices;
- Reviewed the delinquent portfolio and provided suitable guidelines;





50.3 Effective internal control and security documentation of the Company:

Having assessed the internal financial controls, information system and reporting models, the committee is of the opinion that:

- Procedures followed by the management for internal control of the company's activities under the manual set by the management in line with Bangladesh Bank's guidelines are satisfactory.
- Company's assets are reasonably safeguarded and the financial position of the company is on sound footing.
- Overdue and litigation position of the company as stated by the management presents a true and fair view.

51 Subsequent events :

No material events occurred after the balance sheet date, non disclosure of which could affect the ability of the users of the financial statements to make proper evaluation and decisions.

52 Highlights on the overall activities :

Sl no.	Particulars	Amount in Taka	
		2021	2020
1	Paid up capital	1,570,685,850	1,427,896,230
2	Total eligible capital (note - 15.5.A)	2,893,663,027	2,697,365,412
3	Capital surplus / (deficit)	570,685,850	427,896,230
4	Total assets	9,162,344,756	9,215,527,719
5	Total deposits	1,925,199,905	2,269,458,671
6	Total leases, loans and advances	6,947,558,002	7,014,405,970
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	3.61	3.09
9	Percentage of classified leases, loans and advances against total leases, loans and advances	16.04	17.36
10	Profit after provisions and income tax	197,060,861	203,121,144
11	Leases, loans and advances classified for the year ended	1,114,587,829	1,217,628,781
12	Provision kept against classified leases, loans and advances	439,637,303	474,932,475
13	Provision surplus / (deficit)	4,986,000	4,000,000
14	Cost of fund	10.15	10.21
15	Interest earning assets	7,807,564,518	7,890,884,593
16	Non-interest earning assets	1,354,780,238	1,324,643,126
17	Return on assets (ROA) %	2.15	2.20
18	Return on investment (ROI) %	9.89	10.83
19	Income from investment	95,472,982	13,621,154
20	Earnings per share	1.25	1.42
21	Net Income per share	1.25	1.42
22	Price earnings ratio (times)	21.52	14.06

Company Secretary

Director

Managing Director & CEO







**GSP FINANCE COMPANY (BANGLADESH) LIMITED  
INVESTMENT IN SHARES  
AS AT DECEMBER 31, 2021**

ANNEXURE - A

Sl. No.	Name of the issuer company	No. of Shares	Cost price as at Dec. 31, 2021 (Tk)	Market Price as at Dec. 31, 2021 (Tk.)	Provision required as at Dec. 31, 2021 (Tk.)
<b>Investment in quoted shares:</b>					
1	ADN Telecom Ltd.	350,000	5,250,000	18,340,000	13,090,000
2	Aftab Automobiles Ltd.	729,120	50,390,408	19,904,976	(30,485,432)
3	British American Tobacco Bangladesh Co. Ltd	32,500	18,489,905	20,657,000	2,167,095
4	BRAC Bank Ltd.	142,786	8,418,949	7,896,066	(522,883)
5	BSRM Steels Limited	95,023	8,343,847	6,756,135	(1,587,712)
6	Energypac Power Generation Ltd.	1,192,800	49,984,000	47,234,880	(2,749,120)
7	Esquire Knit Composite Ltd.	20,890	940,050	731,150	(208,900)
8	Grameenphone Ltd.	169,909	69,105,428	59,383,196	(9,722,232)
9	Heidelberg Cement Bangladesh Ltd.	58,360	27,783,136	15,897,264	(11,885,872)
10	IDLC Finance Ltd.	42,440	2,694,030	2,559,132	(134,898)
11	Keya Cosmetics Ltd.	98,687	1,166,509	680,940	(485,569)
12	Krishibid Feed Industries Ltd.	86,526	865,260	865,260	-
13	LankaBangla Finance Ltd.	840,181	20,759,458	31,338,751	10,579,294
14	National Bank Ltd.	3,430,676	28,122,253	25,730,070	(2,392,183)
15	Olympic Industries Ltd.	183,375	47,449,941	29,450,025	(17,999,916)
16	Peoples Leasing and Financial Services Ltd.	181,498	6,838,382	not traded	(6,838,382)
17	RAK Ceramics BD Ltd	13,533	654,995	600,865	(54,130)
18	Robi Axiata Ltd.	580,000	23,984,814	20,068,000	(3,916,814)
19	Runner Automobiles Ltd.	7,566	540,450	388,136	(152,314)
20	Shahjalal Islami Bank Ltd.	2,425,500	49,280,000	52,875,900	3,595,900
21	Square Pharmaceuticals Ltd.	216,880	50,354,773	46,477,384	(3,877,389)
22	Titas Gas Transmission & Distribution Ltd.	16,200	762,478	588,060	(174,418)
23	Union Capital Limited	62,804	1,465,354	621,760	(843,594)
24	Union Insurance Company Limited	4,643	46,430	46,430	-
<b>Investment in unquoted shares:</b>					
1	CDBL	571,181	2,569,450	2,569,450	-
<b>Total</b>			<b>476,260,301</b>	<b>409,091,380</b>	<b>(64,599,471)</b>

\*Investment in quoted shares

\*Investment in unquoted shares

**Total:**

**Cost Price**

473,690,851

2,569,450

**476,260,301**







**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**SCHEDULE OF FIXED ASSETS (CONSOLIDATED)**  
**AS AT 31 DECEMBER 2021**

**ANNEXURE - B**

SL No.	Particulars	COST					Rate %	DEPRECIATION				Written Down Value as on 31.12.21
		Opening Balance on 01.01.21	Addition during the year	Revaluation during the year	Adjustment during the year	Closing Balance as on 31.12.21		Opening Balance on 01.01.21	Charged during the year	Adjustment During the year	Closing Balance as on 31.12.21	
1	Land & Land Development	953,437,500	-	-	-	953,437,500	-	-	-	-	-	953,437,500
2	Office Building	20,535,534	-	-	-	20,535,534	10	19,308,809	385,842	-	19,694,651	840,882
3	Office Equipment	31,152,932	110,255	-	-	31,263,187	20	23,813,674	1,951,032	-	25,764,705	5,498,481
4	Furniture & Fixtures	8,734,967	15,780	-	-	8,750,747	10	8,025,445	206,432	-	8,231,877	518,870
5	Software	1,340,000	-	-	-	1,340,000	20	1,201,391	27,722	-	1,229,113	110,887
6	Office Decoration	695,534	-	-	-	695,534	10	520,724	17,481	-	538,205	157,329
7	Telephone Systems	1,196,991	-	-	-	1,196,991	20	1,192,369	2,387	-	1,194,756	2,235
8	Motor Vehicle	9,932,725	10,000,000	-	-	19,932,725	20	5,107,822	1,389,352	-	6,497,174	13,435,550
9	Electrical Goods & Installation	4,095,278	-	-	-	4,095,278	20	4,095,277	-	-	4,095,277	2
10	Generator & Installation	1,128,896	-	-	-	1,128,896	20	1,128,896	-	-	1,128,896	-
11	House Property	20,950,712	-	-	-	20,950,712	10	20,950,711	-	-	20,950,711	1
<b>AS AT 31 DECEMBER 2021</b>		<b>1,053,201,068</b>	<b>10,126,035</b>	<b>-</b>	<b>-</b>	<b>1,063,327,103</b>		<b>85,345,116</b>	<b>3,980,245</b>	<b>-</b>	<b>89,325,363</b>	<b>974,001,734</b>
<b>AS AT 31 DECEMBER 2020</b>		<b>1,053,009,368</b>	<b>191,699</b>	<b>-</b>	<b>-</b>	<b>1,053,201,068</b>		<b>80,328,706</b>	<b>5,016,411</b>	<b>-</b>	<b>85,345,116</b>	<b>967,855,945</b>





**GSP FINANCE COMPANY (BANGLADESH) LIMITED**  
**SCHEDULE OF FIXED ASSETS**  
**AS AT 31 DECEMBER 2021**

## ANNEXURE - C

SL No.	Particulars	COST					Rate %	DEPRECIATION				Written Down Value as on 31.12.21
		Opening Balance on 01.01.21	Addition during the year	Revaluation during the year	Adjustment during the year	Closing Balance as on 31.12.21		Opening Balance on 01.01.21	Charged during the year	Adjustment During the year	Closing Balance as on 31.12.21	
1	Land & Land Development	953,437,500	-	-	-	953,437,500	-	-	-	-	-	953,437,500
2	Office Building	20,535,533	-	-	-	20,535,534	10	19,308,809	385,840	-	19,694,649	840,885
3	Office Equipment	30,141,758	95,055	-	-	30,236,814	20	23,028,116	1,904,818	-	24,932,934	5,303,877
4	Furniture & Fixtures	8,653,382	-	-	-	8,653,382	10	7,975,017	201,937	-	8,176,954	476,427
5	Telephone Systems	1,196,991	-	-	-	1,196,991	20	1,192,369	2,387	-	1,194,756	2,235
6	Motor Vehicle	3,690,000	10,000,000	-	-	13,690,000	20	2,127,195	736,932	-	2,864,127	10,825,873
7	Electrical Goods & Installation	4,095,278	-	-	-	4,095,278	20	4,095,276	-	-	4,095,276	2
8	Generator & Installation	1,128,896	-	-	-	1,128,896	20	1,128,896	-	-	1,128,896	-
9	House Property	20,950,712	-	-	-	20,950,712	10	20,950,711	-	-	20,950,711	1
<b>AS AT 31 DECEMBER 2021</b>		<b>1,043,830,046</b>	<b>10,095,055</b>	<b>-</b>	<b>-</b>	<b>1,053,925,101</b>		<b>79,806,388</b>	<b>3,231,914</b>	<b>-</b>	<b>83,038,302</b>	<b>970,886,799</b>
<b>AS AT 31 DECEMBER 2020</b>		<b>1,043,687,797</b>	<b>142,249</b>	<b>-</b>	<b>-</b>	<b>1,043,830,046</b>		<b>75,711,783</b>	<b>4,094,605</b>	<b>-</b>	<b>79,806,388</b>	<b>964,023,658</b>

