

4th Annual Report 2021-22



ccbl



Central Counterparty Bangladesh Limited

4th Annual Report 2021-22



Central Counterparty Bangladesh Limited

DSE Tower, Level-5, Plot # 46, Road # 21, Nikunja-2, Dhaka-1229

E-mail: info@ccbl.com.bd, Web: www.ccbl.com.bd

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NOTICE OF THE 4th ANNUAL GENERAL MEETING

Notice is hereby given that 4th Annual General Meeting (AGM) of the shareholders of Central Counterparty Bangladesh Limited (CCBL) will be held at the registered office at DSE Tower, Level-5, Plot #46, Road #21, Nikunja-2, Dhaka-1229 at 3:30 PM on Monday, February 27, 2023 to transact the following business:

- 1) To consider and adopt the Directors' report and the Audited Financial Statements of CCBL for the year ended June 30, 2022, together with the Auditors' Report thereon.
- 2) To declare dividend for the year ended June 30, 2022 as recommended by the Board.
- 3) To appoint Statutory Auditor(s) for the year 2022-2023 and fix their remuneration.
- 4) To consider and approve retirement and re-election of shareholder Directors.
- 5) To transact any other business with the permission of the chair.

By order of the Board

January 24, 2023



Ananta Kumar Sarker, FCS, ACMA
Company Secretary

Note: To attend the 4th AGM:

- A Shareholder entitled to attend and vote at the meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, a specimen of which is enclosed, must be duly stamped and emailed at info@ccbl.com.bd not later than 48 hours before the day of the Annual General Meeting.
- Shareholders are requested to submit their queries, if any, on the Directors' Report / Audited Financial Statements at info@ccbl.com.bd at least 72 hours before the Meeting.
- The Record Date: January 31, 2023

OVERVIEW OF CCBL

Automation of the trading system in Bangladesh started in the mid-90's. The objective was to make the capital market more efficient by providing all participants with quicker and more effective means of exchanging information.

As a part of the continuous modernization and increment in capacity of the capital market in Bangladesh, the market regulator and relevant stakeholders took different initiatives such as modernization of Stock Exchanges, the establishment of Central Securities Depository, etc. The Bangladesh Securities and Exchange Commission promulgated Bangladesh Securities and Exchange Commission (Clearing and Settlement) Rules, 2017 to form a Central Counterparty (CCP) in Bangladesh.

Under the purview of the aforesaid rules, Central Counterparty Bangladesh Limited (CCBL) was registered in January 2019. The company was established to act as a central counterparty to ensure the clearing and settlement of trades of securities in the stock exchanges. Clearing and settlement of payment is an essential component of all securities transactions, which is currently being undertaken by the stock exchanges themselves.

COMPANY INFORMATION

Name of the Company	:	Central Counterparty Bangladesh Limited
Nature of Business	:	Clearing & Settlement of Securities
Authorized Capital	:	BDT 5,000 Million
Paid up Capital	:	BDT 3,000 Million
Class of Share	:	Ordinary Share @ Tk. 10 each
Voting Rights	:	One Vote Per Ordinary Share
Company Registration No	:	C-149399/2019
Tax Identification No	:	171038294526
Statutory Auditor	:	Hoda Vasi Chowdhury & Co.
Registered Office	:	DSE Tower, Level-5, Plot # 46, Road # 21, Nikunja-2, Dhaka-1229
Web Address	:	www.ccbl.com.bd
E-mail Address	:	info@ccbl.com.bd



CCP FORMATION COMMITTEE

(From July 30, 2017 to January 13, 2019)

Name	Position
Professor Dr. Abul Hashem, then Chairman, DSE	Chairman
Mr. A.K. M. Nurul Fazal Bulbul, Vice Chairman, CDBL	Vice Chairman
Mr. M. Shaifur Rahman Mazumder, then MD, CSE	Member
Mr. Anis A. Khan, then Chairman Board of Governors, ABB	Member
Mr. K. A. M. Majedur Rahman, then MD, DSE	Member Secretary

PROMOTER DIRECTORS

(Certificate of Incorporation of CCBL from RJSC on January 14, 2019)

Name	Nominating Organization
Professor Dr. Abul Hashem	Dhaka Stock Exchange Ltd.
Mr. A. K. M. Nurul Fazal Bulbul	Central Depository Bangladesh Limited
Mr. M. Shaifur Rahman Mazumder	Chittagong Stock Exchange PLC
Mr. K. A. M. Majedur Rahman	Dhaka Stock Exchange Ltd.
Mr. Anis A. Khan	Shareholding Banks: Agrani Bank Limited Mercantile Bank Limited Modhumoti Bank Limited Mutual Trust Bank Limited National Bank Limited National Credit and Commerce Bank Limited NRB Bank Limited Global Islami Bank Limited Prime Bank Limited Rupali Bank Limited Social Islami Bank Limited Standard Bank Limited

FIRST BOARD OF DIRECTORS

(As on July 2, 2020)

Name	Designation
Independent Directors:	
Mr. Md. A. Salam Sikder	Chairman
Mr. Mohammed Habibus Samad, FCA	Independent Director
Mr. Mohammad Tajdiqul Islam, FCMA	Independent Director
Dr. Mohammed Jamal Uddin, FCMA	Independent Director
Mr. Md. Mostafizur Rahaman	Independent Director
Dr. Muhammad Asif Hossain Khan	Independent Director
Dr. Mohammad Tareq	Independent Director
Shareholder Directors:	
Mr. Md. Rakibur Rahman (up to October 4, 2021)	Director Nominated by DSE
Dr. A. K. M. Masud (from November 29, 2021)	Director Nominated by DSE
Mrs. Salma Nasreen ndc (from September 24, 2020)	Director Nominated by DSE
Mr. Asif Ibrahim	Director Nominated by CSE
Mr. A. K. M. Nurul Fazal Bulbul	Director Nominated by CDBL
Mr. Anis A. Khan	Director Nominated by Banks
Mr. A. K. M. Nurul Fazal Bulbul	Promoter Director was acted as the Managing Director up to December 31, 2020
Mr. Farhad Ahmed (from January 1, 2021)	Managing Director & CEO

BOARD OF DIRECTORS



Mr. Md. A. Salam Sikder
Chairman



Mr. Mohammed Habibus Samad, FCA
Independent Director



Mr. Mohammad Tajdiqul Islam, FCMA
Independent Director



Dr. Mohammed Jamal Uddin, FCMA
Independent Director



Mr. Md. Mostafizur Rahaman
Independent Director



Dr. Muhammad Asif Hossain Khan
Independent Director



Dr. Mohammad Tareq
Independent Director



Dr. A. K. M. Masud
Nominated Director
(from November 29, 2021)



Mrs. Salma Nasreen ndc
Nominated Director



Mr. Asif Ibrahim
Nominated Director



Mr. A. K. M. Nurul Fazal Bulbul
Nominated Director



Mr. Anis A. Khan
Nominated Director



Mr. Farhad Ahmed
Managing Director & CEO

SHAREHOLDING INFORMATION

Sl. No.	Name of Shareholders	No. of Shares	Amount (Tk.)	Percentage (%)
1	Dhaka Stock Exchange Ltd.	135,000,000	1,350,000,000	45.00%
2	Chittagong Stock Exchange PLC	60,000,000	600,000,000	20.00%
3	Central Depository Bangladesh Ltd.	60,000,000	600,000,000	20.00% ¹
4	Agrani Bank Limited	3,750,000	37,500,000	1.25%
5	Mercantile Bank Limited	3,750,000	37,500,000	1.25%
6	Modhumoti Bank Limited	3,750,000	37,500,000	1.25%
7	Mutual Trust Bank Limited	3,750,000	37,500,000	1.25%
8	National Bank Limited	3,750,000	37,500,000	1.25%
9	National Credit and Commerce Bank Limited	3,750,000	37,500,000	1.25%
10	NRB Bank Limited	3,750,000	37,500,000	1.25%
11	Global Islami Bank Limited	3,750,000	37,500,000	1.25%
12	Prime Bank Limited	3,750,000	37,500,000	1.25%
13	Rupali Bank Limited	3,750,000	37,500,000	1.25%
14	Social Islami Bank Limited	3,750,000	37,500,000	1.25%
15	Standard Bank Limited	3,750,000	37,500,000	1.25%
	Total	300,000,000	3,000,000,000	100%

¹ As per Bangladesh Securities and Exchange Commission (Clearing and Settlement) Rules, 2017 and Articles of Association, Strategic Investors, acceptable to the Commission shall hold maximum 10% of total issued and paid-up capital of the Company individually or collectively. The allocated 10% share for Strategic Investors has been issued in favor of Central Depository Bangladesh Limited (CDBL) till inclusion of any Strategic Investors and this 10% shares and any stock dividend thereon shall be preserved in a blocked account until it is transferred to the Strategic Investors.

FINANCIAL HIGHLIGHTS

All figures in Million BDT

Particulars	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Statement of Income				
Interest Income	198.18	209.40	269.54	68.99
Preliminary Expenses	-	-	-	9.99
Operating Expenses	67.48	25.09	1.04	1.73
Finance expenses	4.61	-	-	-
Net Profit before Tax	126.09	184.31	268.50	57.27
Net Profit after Tax	89.09	128.42	181.24	33.73
Earnings Per Share (EPS)	0.30	0.43	0.60	0.11
Statement of Financial Position				
Current Assets	3,290.69	3,353.18	3,336.89	3,068.12
Current Liabilities	215.62	165.52	122.10	34.60
Non-Current Assets	454.57	157.41	0.18	0.21
Non-Current Liabilities	97.15	1.68	-	-
Total Assets	3,745.25	3,510.59	3,337.07	3,068.33
Total Liabilities	312.77	167.20	122.10	34.60
Shareholder's Equity Information				
Paid up Capital	3,000.00	3,000.00	3,000.00	3,000.00
Retained Earnings	432.48	343.39	214.97	33.73
Net Asset Value Per Share (NAV)	11.44	11.13	10.71	10.11
Statement of Cash Flows				
Net Cash Flow from Operating Activities	(80.76)	(87.99)	(28.52)	(1.43)
Net Operating Cash Flows Per Share (NOCFPS)	(0.27)	(0.29)	(0.10)	(0.005)

MANAGEMENT TEAM



(From left) Mr. Md. Hasan Habib Iman, FCA, Head of Finance & Accounts, Mr. Mohammed Imam Hossain, GM & CTO (In-charge), Mr. A. S. M. Khairuzzaman, Deputy Managing Director & COO, Mr. Farhad Ahmed, Managing Director & CEO, Mr. Ananta Kumar Sarker, FCS, ACMA, Company Secretary and Mr. Mohammad Morshed Alam, Head of ITES.



Directors' Report

Dear Respected Shareholders,

Assalamu Alaikum,

On behalf of the Board of Directors of Central Counterparty Bangladesh Limited (CCBL), I would like to extend my sincere gratitude to all of you for participating in the 4th Annual General Meeting (AGM) of the company. I am pleased to present the Board of Directors' Report and Auditor's report together with the financial statements of CCBL to you for the year 2021-22.

Structure of the Board

The current Board consists of thirteen members including seven Independent Directors appointed by the Bangladesh Securities and Exchange Commission, five Shareholder Directors nominated by Dhaka Stock Exchange Limited (two Directors), Chittagong Stock Exchange PLC (one Director), Central Depository Bangladesh Limited (one Director), one director from shareholding banks and the Managing Director & CEO of CCBL (Ex Officio Director). In addition, one post of Director is reserved for the Strategic Investor(s) (10% shares of Strategic Investor is currently with the Central Depository Bangladesh Limited). The Chairman is elected from amongst the Independent Directors.

Shareholding Pattern

CCBL's shareholding pattern as on June 30, 2022, is described in note 14.3 of the Financial Statements of this Annual Report.

Board of Directors

Independent Directors

Sl No	Name
1.	Mr. Md. A. Salam Sikder
2.	Mr. Mohammed Habibus Samad, FCA
3.	Mr. Mohammad Tajdiqul Islam, FCMA
4.	Dr. Mohammed Jamal Uddin, FCMA
5.	Mr. Md. Mostafizur Rahaman
6.	Dr. Muhammad Asif Hossain Khan
7.	Dr. Mohammad Tareq

Shareholder's Directors

Sl	Shareholder's Name	Nominee
1	Dhaka Stock Exchange Limited	Dr. A. K. M. Masud Mrs. Salma Nasreen ndc
2	Chittagong Stock Exchange PLC	Mr. Asif Ibrahim
3	Central Depository Bangladesh Limited	Mr. A. K. M. Nurul Fazal Bulbul
4	Banks	Mr. Anis A. Khan



Retirement and re-election of Directors

Pursuant to Article 94 to 96 of the Articles of Association of the CCBL, Directors Mr. A. K. M. Nurul Fazal Bulbul and Mr. Anis A. Khan will retire and being eligible, offer themselves for re-election.

Status on the implementation of CCP system:

I. Status of CCP software:

CCBL published a Request for Proposal (RFP) on March 22, 2022 for selection of a vendor for implementation of the CCP Systems. This RFP is prepared considering best practices in the industry like CPMI IOSCO standard. CCBL also published the RFP notice in the Daily Star, the Financial Express, the Daily Bonik Barta and in The Strait Times of Singapore.

For evaluation of the bids, the Board formed a Technical Evaluation Committee (TEC) for selection of a vendor of CCP Systems where the Managing Directors of DSE, CSE and CDBL along with three external experts nominated by Bangladesh Securities and Exchange Commission were included.

In total, four (4) vendors submitted bid documents to CCBL for Supply and Implementation of the CCP System. CCBL opened technical and financial proposals of the qualified bidder as per conditions of the RFP. A Negotiation Committee has been formed by the Board for finalization of the contract, after which CCBL will sign the same with the selected vendor.

II. Status on the implementation of Data Center:

a) Appointment of Consultant for Data Center:

CCBL had appointed and signed an agreement with a Consortium of the Consulting Firm “MWT Informatics Ltd” and “Grant Thornton Bharat LLP” (MWT-GT) on March 13, 2022, for establishing Tier-III Data Centre (DC), Near Disaster Recovery (NDR) and Far Disaster Recovery (FDR). The Consultant will assist CCBL in designing and preparing the RFP and in implementing the DC, NDR and FDR of CCBL as per Tier-III Certifications standard of Uptime Institute Professional Services, LLC USA.

b) Agreement with Data Center Certified Authority for design and construction for Tier III certification of Data Center:

CCBL decided to take Tier III certification for design and construction of its Data Center to make sure that this meets international standards. In order to do so, CCBL signed an agreement with Uptime Institute Professional Services, LLC USA (UI) on June 21, 2022, for data center Tier-III Certifications i.e. (i) Tier Certification of Design Documents (TCDD) and (ii) Tier Certification of Constructed Facility (TCCF).

CCBL submitted the design documents to UI for their review of Tier-III Certification of Design Document (TCDD). CCBL has already received the inputs in respect of its Data Center design from UI and incorporated the same in the RFP for Tier-III Data Centre Passive Infrastructure at CCBL.

c) Implementation of Data Centre Passive Infrastructure

CCBL published a Request for Proposal (RFP) on September 6, 2022 for selection of Vendor for establishing Tier-III Data Centre Passive Infrastructure at CCBL Own Premises and DR (Co-location) & FDR (Co-location). This RFP, published on the basis of design reviewed by Uptime Institute Professional Services, LLC (UI) complies with the standards of UI.



In total, four (4) vendors submitted their bid documents to CCBL for establishing Tier- III Data Centre Passive Infrastructure at CCBL Own Premise and DR (Co-location) & FDR (Co-location). The Board formed a Bid Evaluation Committee (BEC) for selection of the vendor. CCBL opened technical and financial proposals of the qualified bidder as per RFP. After negotiation, CCBL will sign contract with the selected vendor.

d) Status on the implementation of DR and FDR Co-location:

CCBL sent Request for Quotation (RFQ) to the co-location provider of near Disaster Recovery (DR) site and Far Disaster Recovery (FDR) site after visiting few co-location sites located in Dhaka Metropolitan area, Gazipur and Jashore for the selection of DR and FDR location for CCBL. On the basis of RFQ response and negotiation, CCBL will select the co-location service provider for DR and FDR site.

e) Status on the implementation of Data Centre Active Infrastructure:

After selection of the CCP system vendor, CCBL will receive specifications and requirements of hardware from them, and on that basis CCBL will float a tender for procurement of the active infrastructure hardware.

Status on the implementation of the Legal framework:

In respect of formation of the legal framework, CCBL is working with its consultant Ernst & Young (EY), and the Consultant has submitted the first draft of the legal framework, which is currently under consideration of CCBL.

CCBL office set up:

CCBL issued a work order to the contractor on September 20, 2021 for supply, installation & commissioning of interior decoration materials and furniture for the office of CCBL. This job is done and CCBL shifted its office from Level-6 of DSE Tower to its own location in March 2022.

Financial Highlights

During the financial year, the company earned income only from interest on Fixed Deposit Receipts (FDR), Short Notice Deposits (SND) account, Zero-Coupon Bonds and Mudaraba Perpetual Bond. The details and comparison with other financial years are given below:

(Figures in BDT)

Particulars	2021-22	2020-21	2019-20	2018-19
Interest Income	198,178,799	209,402,426	269,542,467	68,987,117
Preliminary Expenses	-	-	-	9,991,164
Operating & Financial Expenses	72,093,071	25,087,925	1,040,193	1,728,875
Net Profit before Tax	126,085,728	184,314,501	268,502,274	57,267,078
Net Profit after Tax	89,093,277	128,418,378	181,235,717	33,732,177
Earnings Per Share (EPS)	0.30	0.43	0.60	0.11



Dividend

The Board of Directors at its 43th meeting held on December 29, 2022 adopted the financial statements for the year ended June 30, 2022. It then decided to recommend a cash dividend of 5% (Tk. 0.50 per ordinary share of Tk. 10 each) for the year ended on June 30, 2022 to the shareholders whose names were registered as members as on Tuesday, January 31, 2023, for consideration at the 4th Annual General Meeting of the shareholders of the Company. A summary of the company's net worth position before distribution of dividend is presented below:

Particulars	Amount
Paidup Capital	3,000,000,000
Retained Earnings as on 30 June, 2021	343,386,272
Shareholders Equity as on 30 June, 2021	3,343,386,272
Profit after tax for the year ended 30 June, 2022	89,093,277
Shareholders Equity as on 30 June, 2022	3,432,479,549
Net Asset Value (NAV) per share	11.44

Contribution to National Exchequer

The total contribution to the national exchequer by CCBL for the financial year ended June 30, 2022, was Tk. 38.36 million. Out of this amount, Tk. 27.84 million was deposited as income tax; Tk. 9.87 million as withholding income tax & VAT and Tk. 0.64 million as excise duty.

Related Party Transactions

Transactions with related parties are made on commercial basis on the principle of arm's length and are done in the ordinary course of business. Details of related parties and related party transactions are described in note 27 of the Financial Statements in this Annual Report, as per requirements of the relevant clause of International Financial Reporting Standards (IFRS).

Appointment of Auditors

The auditors of the Company, Hoda Vasi Chowdhury & Co. Chartered Accountants, will retire as per Section 210 of the Companies Act 1994 in the 4th AGM and being eligible have offered themselves for reappointment for consideration of the Shareholders.

The Board of Directors, at its' 43th meeting held on December 26, 2022, has recommended for the reappointment of Hoda Vasi Chowdhury & Co. Chartered Accountants as the statutory auditors for the year 2022-23 with a remuneration of BDT 100,000/- (Bangladesh Taka One Lac only) excluding VAT.



Acknowledgement

On behalf of the Board of Directors of CCBL, I wish to express my appreciation and thanks to the Bangladesh Securities and Exchange Commission (BSEC) for their continued support and guidance. The Board also gratefully acknowledges the support received from its esteemed shareholders. The Board also conveys its thanks to Bangladesh Bank, Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange PLC (CSE), Central Depository Bangladesh Limited (CDBL), Bangladesh Association of Banks (BAB), Association of Bankers, Bangladesh Ltd. (ABB), etc. who extended much-needed support and cooperation to CCBL and the capital market in general.

Finally, I would like to convey my special thanks to my fellow directors for their support, guidance and labour. Thanks, are also due to the Management of CCBL for their diligent efforts in driving the initial operations of the company.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Md. A. Salam Sikder', is written over a light blue circular stamp.

Md. A. Salam Sikder
Chairman
Central Counterparty Bangladesh Limited

December 29, 2022

PICTORIAL



The Statutory Meeting, 1st, 2nd and 3rd Annual General Meetings (AGM) presided by Mr. Md. A. Salam Sikder, Chairman of CCBL, were held on March 23, 2022. Among others, members of the Board, shareholders and representative of the Statutory Auditor attended the meeting.



A workshop on the roadmap for Asset Classes, Services and Risk Management System was arranged by CCBL on January 03, 2022 at the Multipurpose hall of the Commission (BSEC). Dr. Shaikh Shamsuddin Ahmed, Commissioner, BSEC attended the program as the Chief Guest.



Celebration of World Investor Week (WIW) 2022 of the International Organization of Securities Commissions (IOSCO), CCBL and CDBL jointly arranged Closing Program presided by Mr. A. K. M. Nurul Fazal Bulbul, Vice Chairman of CDBL on October 13, 2022. BSEC Commissioner, Dr. Shaikh Shamsuddin Ahmed graced the occasion as the Chief guest.



Board of Directors of CCBL: From left Dr. Mohammed Jamal Uddin, FCMA, Mr. Md. Mostafizur Rahaman, Dr. Mohammad Tareq, Dr. Muhammad Asif Hossain Khan, Mr. Asif Ibrahim, Mr. Md. A. Salam Sikder, Mr. A. K. M. Nurul Fazal Bulbul, Dr. A. K. M. Masud, Mrs. Salma Nasreen ndc, Mr. Mohammad Tajdiqul Islam, FCMA, Mr. Anis A. Khan, Mr. Farhad Ahmed and Mr. Mohammed Habibus Samad, FCA.



Presentation of flower bouquet by Chairman and member of Management team of CCBL to BSEC Chairman Professor Shibli Rubayat-Ul-Islam on July 24, 2022 on being elected as the Vice Chairman of the Asia Pacific Regional Committee (APRC) of International Organization of Securities Commissions (IOSCO).



On the occasion of 49th martyrdom of the Father of Nation Bangabandhu Sheikh Mujibur Rahman and his family members, CCBL arranged a Doah Mahfil on August 15, 2022.



Financial Statements of Central Counterparty Bangladesh Limited

For the year ended 30 June 2022

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Central Counterparty Bangladesh Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Central Counterparty Bangladesh Limited (hereinafter referred to as "the Company" or "CCBL"), which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* and we have fulfilled our 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 opinion.

Key Audit Matters

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

We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the financial statements section of our report, including in relation to this matter.

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

Recognition of Income Tax Expenses

The Company reported income tax expenses amounting to Taka 36,992,451 for the current year in the statement of profit or loss and other comprehensive income as per Income Tax Ordinance, 1984 and IAS 12: Income Taxes.

How the Scope of Our Audit Responded to the Key Audit Matter

- We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition of tax expenses.
- We assessed the completeness and accuracy of the calculation of current year tax expenses.
- We involved tax specialist to assess key assumptions, control, recognition and measurement of tax expenses.
- We also assessed the appropriateness of presentation of disclosures under IAS 12 - Income Taxes.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c. the Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes 1 to 30 dealt with by the report are in agreement with the books of account; and
- d. the expenditures incurred and payments made were for the purposes of the Company's affairs.

Dhaka, 29 December 2022

DVC: 2301080469AS433538



A F Nesaruddin, FCA
Senior Partner
Enrolment # 469
Hoda Vasi Chowdhury & Co
Chartered Accountants

Central Counterparty Bangladesh Limited

Statement of Financial Position

As at 30 June 2022

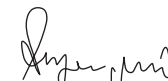
	Notes	2022 Taka	2021 Taka
ASSETS			
Non- current assets			
Property, plant and equipments - net	04	17,021,355	13,793,034
Intangible assets - net	05	196,624	-
Right-of-use asset - net	06	107,078,656	-
Capital work-in-progress	07	37,383,000	-
Investment in bonds - net of current portion	08	292,885,451	143,612,508
		454,565,086	157,405,542
Current assets			
Short term investments - FDRs	09	2,951,471,779	3,128,035,004
Investment in bonds - current portion	08	50,727,057	53,816,335
Interest receivables	10	66,256,847	46,129,179
Advance, deposit and prepayment	11	919,312	11,606,100
Advance income tax	12	98,160,514	70,316,267
Cash and cash equivalents	13	123,150,342	43,277,511
		3,290,685,851	3,353,180,396
		3,745,250,937	3,510,585,938
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	3,000,000,000	3,000,000,000
Retained earnings		432,479,549	343,386,272
		3,432,479,549	3,343,386,272
Non-current liability			
Lease obligation - net of current portion	15	95,364,218	-
Deferred tax liabilities	16	1,786,714	1,677,225
		97,150,932	1,677,225
Current liabilities and provision			
Lease obligation - current portion	15	6,973,144	-
Other payable		1,315,050	-
Liability for expenses	17	5,428,945	502,086
Provision for income tax	18	201,903,317	165,020,355
		215,620,456	165,522,441
		3,745,250,937	3,510,585,938
Net Asset Value (NAV) per share	25	11.44	11.13

These financial statements should be read in conjunction with the annexed notes.


Mohammad Tajdiqul Islam, FCMA
Director


Salma Nasreen ndc
Director


Md. Mostafizur Rahaman
Director


Md. A. Salam Sikder
Chairman



Farhad Ahmed
Managing Director & CEO


Ananta Kumar Sarker, FCS, ACMA
Company Secretary

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

Dhaka, 29 December 2022

DVC: 2301080469AS433538


A F Nesaruddin, FCA
Senior Partner
Enrolment # 469
Hoda Vasi Chowdhury & Co
Chartered Accountants



Central Counterparty Bangladesh Limited

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

	Notes	2022 Taka	2021 Taka
Revenue	19	-	-
Operating and administrative expenses	20	(67,478,603)	(25,087,925)
Operating loss		(67,478,603)	(25,087,925)
Interest income	21	198,178,799	209,402,426
Finance expenses	22	(4,614,467)	-
Net profit before tax		126,085,728	184,314,501
Income tax expenses	23	(36,992,451)	(55,896,123)
Net profit after tax		89,093,277	128,418,378
Profit for the year		89,093,277	128,418,378
Other comprehensive income		-	-
Total comprehensive income for the year		89,093,277	128,418,378
Earnings Per Share (EPS)	24	0.30	0.43

These financial statements should be read in conjunction with the annexed notes.


Mohammad Tajdiqul Islam, FCMA
Director


Salma Nasreen ndc
Director


Md. Mostafizur Rahaman
Director


Md. A. Salam Sikder
Chairman



Farhad Ahmed
Managing Director & CEO


Ananta Kumar Sarker, FCS, ACMA
Company Secretary

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

Dhaka, 29 December 2022

DVC: 2301080469AS433538


A F Nesaruddin, FCA
Senior Partner
Enrolment # 469
Hoda Vasi Chowdhury & Co
Chartered Accountants

Central Counterparty Bangladesh Limited

Statement of Changes in Equity
For the year ended 30 June 2022

Amount in Taka

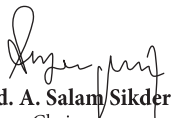
Particulars	Share capital	Retained earnings	Total equity
Balance as at 1 July 2021	3,000,000,000	343,386,272	3,343,386,272
Net profit after tax during the year	-	89,093,277	89,093,277
Balance as at 30 June 2022	3,000,000,000	432,479,549	3,432,479,549
Balance as at 1 July 2020	3,000,000,000	214,967,894	3,214,967,894
Net profit after tax during the year	-	128,418,378	128,418,378
Balance as at 30 June 2021	3,000,000,000	343,386,272	3,343,386,272

These financial statements should be read in conjunction with the annexed notes.


Mohammad Tajdiqul Islam, FCMA
Director


Salma Nasreen ndc
Director


Md. Mostafizur Rahaman
Director


Md. A. Salam Sikder
Chairman


Farhad Ahmed
Managing Director & CEO


Ananta Kumar Sarker, FCS, ACMA
Company Secretary

Central Counterparty Bangladesh Limited

Statement of Cash Flows
For the year ended 30 June 2022

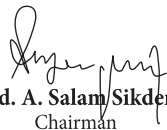
	Notes	2022 Taka	2021 Taka
A. Cash flows from operating activities			
Cash receipts from customers		-	-
Cash paid to suppliers, employees and others		(52,914,764)	(46,013,640)
Cash used in operating activities		(52,914,764)	(46,013,640)
Income tax paid		(27,844,247)	(41,980,910)
Net cash used in operating activities		(80,759,011)	(87,994,550)
B. Cash flows from investing activities			
Short term investment encashed		176,563,224	67,058,306
Investment in bonds		(146,183,665)	(197,428,843)
Acquisition of property, plant and equipments		(7,341,401)	(15,092,636)
Acquisition of intangible assets		(246,000)	-
Capital work-in-progress		(37,383,000)	-
Interest received		178,051,131	218,449,266
Net cash from investing activities		163,460,289	72,986,093
C. Cash flows from financing activities			
Lease payment - principal		(2,828,447)	-
Net cash used in financing activities		(2,828,447)	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)		79,872,831	(15,008,457)
Cash and cash equivalents at the beginning of the year		43,277,511	58,285,968
Cash and cash equivalents at the end of the year		123,150,342	43,277,511
Net Operating Cash Flow Per Share (NOCFPS)	26	(0.27)	(0.29)

These financial statements should be read in conjunction with the annexed notes.


Mohammad Tajdiquil Islam, FCMA
Director


Salma Nasreen ndc
Director


Md. Mostafizur Rahaman
Director


Md. A. Salam Sikder
Chairman


Farhad Ahmed
Managing Director & CEO


Ananta Kumar Sarker, FCS, ACMA
Company Secretary

Central Counterparty Bangladesh Limited

Notes to the Financial Statements

For the year ended 30 June 2022

1 Background and objective of the Company

1.1 Legal form of the Company

Central Counterparty Bangladesh Limited (hereinafter referred to as "the Company" or "CCBL"), was incorporated on 14 January 2019 as a Public Limited Company with the Registrar of Joint Stock Companies & Firms under the Companies Act, 1994 as well as under Bangladesh Securities and Exchange Commission (Clearing and Settlement) Rules, 2017. The Company was sponsored by the Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Central Depository Bangladesh Limited and 12 (twelve) commercial banks. The Company is yet to receive required license from Bangladesh Securities and Exchange Commission (BSEC). After getting the license, the Company will be the first clearing and settlement company in history of Bangladesh.

1.2 Registered office of the Company

Registered office of the Company is situated at DSE Tower (Level-5), Nikunja - 2, Dhaka - 1229.

1.3 Objectives of the Company

The main objectives of the Company are to carry on business of clearing and settlement of securities and to facilitate activities in relation to securities market and similar markets. However, the Company is in process to acquire necessary equipment and/or system to provide the above noted services/facilities.

2 Significant accounting policies

2.1 Basis of preparation and presentation of financial statements

These financial statements have been prepared in compliance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act, 1994, Bangladesh Securities and Exchange Commission (Clearing and Settlement) Rules, 2017 and other applicable laws.

The statement of financial position and the statement of profit or loss and other comprehensive income have been prepared according to IAS 1 "Presentation of Financial Statements" and statement of cash flows is prepared according to IAS 7 "Statement of Cash Flows".

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

The applicable IASs and IFRSs are as follows:

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

Other Regulatory compliances

The Securities and Exchange Ordinance, 1969
 The Securities and Exchange Rules, 2020
 The Income Tax Ordinance, 1984
 The Income Tax Rules, 1984
 The Value Added Tax and Supplementary Duty Act, 2012
 The Value Added Tax and Supplementary Duty Rules, 2016

2.3 Financial statements composition

The financial statements of the Company comprise of:

- a) Statement of financial position
- b) Statement of profit or loss and other comprehensive income
- c) Statement of changes in equity
- d) Statement of cash flows
- e) Notes to the financial statements

2.4 Accrual basis

The financial statements have been prepared under the accrual basis of accounting in which transactions are recognized when they occur, not when the related cash flows into or out of the entity.

2.5 Going concern

The financial statements have been prepared on going concern basis as the Company will continue in operation for the foreseeable future. The management has neither the intention nor the necessity to cease operation and/or liquidate the Company.

2.6 Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

2.7 Property, plant and equipment
Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the property plant and equipment.

Subsequent cost

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

Retirement and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset in the statement of profit or loss and other comprehensive income.

Depreciation of property, plant and equipment

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

Category of assets	Annual rate (%)
Office & network equipment	15%
Furniture and fixtures	15%
Vehicles	20%
Computer & peripherals	33%

Intangible assets and amortization

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably. Amortization rates are as follows:

Category of assets	Annual rate (%)
Tally accounting software	33.33%
Job application portal	33.33%

Impairment

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment in line with IAS 36 "Impairment of Assets". If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit or loss account. No such indication of impairment has been observed during the current year.

2.8 Leases

The Company assesses whether a contract is or contains a lease based on the definition of a lease, as explained in note 2.8.1.

2.8.1 Company as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date/transition date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

For leased asset, useful life has been determined shorter of lease term or useful life.

Depreciation rate of right-of-use asset is as follows:

Category	2022 In years	2021 In years
Office space	10	N/A

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses interest rate as the discount rate.

For lease term consideration, the Company considers non-cancellable period. Option to extend is considered only if that is a legally enforceable right.

The Company presents right-of-use asset and lease obligation separately in the statement of financial position.

2.9 Provision

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

2.10 Foreign currency transactions

Foreign currency transactions are converted into Bangladesh Taka at the rate of exchange prevailing on the transaction dates. There is no transaction incurred during this year.

2.11 Taxation**Current tax**

Current income tax is recognized on the basis of Company's computation based on the best estimated assessable profit for the year @ 27.5% pursuant to provisions of Income Tax Ordinance, 1984. The tax rate for the year is applied on the basis of Finance Act, 2022.

Deferred tax

Deferred tax has been recognized in accordance with IAS 12 "Income Taxes". It is provided using the balance sheet method for temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used for taxation purpose. Deferred tax is determined at the effective income tax rate prevailing at the reporting date.

2.12 Revenue recognition

Revenue is recognized when the Company satisfies a performance obligation by transferring promised goods or services to customer in compliance with IFRS 15 "Revenue from Contracts with Customers".

2.13 Non-operating income

Non-operating income includes interest income on short term investments and other interest income which is accrued on a time proportion basis that reflects an effective yield on the financial assets.

2.14 Earnings per share (EPS)**Basic earnings per share**

Earnings Per Share (EPS) has been calculated in accordance with the IAS 33: "Earnings Per Share". The Company presents its basic EPS for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

2.15 Related party disclosures

The Company has carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The information as required by IAS-24: "Related Party Disclosures" has been disclosed in a separate note in the financial statements.

2.16 Reporting period

The financial statements cover the financial year from 01 July 2021 to 30 June 2022 with comparative figures for the financial year from 01 July 2020 to 30 June 2021.

2.17 Comparative information and its rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements.

To facilitate comparison, certain relevant balances related to the previous year have been rearranged or reclassified whenever considered necessary to conform current year's presentation.

2.18 Date of authorization for issue of the financial statements

On 29 December 2022, the Board of Directors reviewed the financial statements and authorized for issue.

3 General

Figures appearing in these financial statements have been rounded off to the nearest Taka. As a result of these rounding off, in some instances the totals may not match the sum of individual balances.

4 Property, plant and equipments - net

Particulars	Cost			Rate %	Depreciation				Written down value
	Opening balance as at 01 July 2021	Addition during the period	Disposal during the period		Closing balance as at 30 June 2022	Opening balance as at 01 July 2021	Charged during the period	Disposal during the period	
Office & network equipment	213,298	807,918	-	1,021,216	89,239	62,045	-	151,284	869,932
Furniture and fixtures	280,739	-	-	280,739	29,909	42,111	-	72,020	208,719
Vehicles	12,272,000	6,299,683	-	18,571,683	870,675	3,119,435	-	3,990,110	14,581,573
Computer & peripherals	2,567,748	233,800	-	2,801,548	550,928	889,490	-	1,440,418	1,361,130
Total as at 30 June 2022	15,333,785	7,341,401	-	22,675,186	1,540,752	4,113,080	-	5,653,831	17,021,355
Total as at 30 June 2021	241,149	15,092,636	-	15,333,785	69,550	1,471,201	-	1,540,751	13,793,034

5 Intangible assets - net

Particulars	Cost			Rate %	Amortization			Written down value
	Opening balance as at 01 July 2021	Addition during the period	Disposal during the period		Closing balance as at 30 June 2022	Charged during the period	Disposal during the period	
Tally Accounting Software	-	120,000	-	33.33%	-	24,984	-	95,016
Job Application Portal	-	126,000	-	33.33%	-	24,392	-	101,608
Total as at 30 June 2022	-	246,000	-		-	49,376	-	196,624
Total as at 30 June 2021	-	-	-		-	-	-	-

6 Right-of-use asset - net

Particulars	Cost			Rate %	Depreciation			Written down value
	Opening balance as at 01 July 2021	Addition during the period	Disposal during the period		Closing balance as at 30 June 2022	Charged during the period	Disposal during the period	
Right-of-use asset (Lease hold asset)	-	115,760,709	-	10%	-	8,682,053	-	107,078,656
Total as at 30 June 2022	-	115,760,709	-		-	8,682,053	-	107,078,656
Total as at 30 June 2021	-	-	-		-	-	-	-

This represents the lease asset for the Head Office premises in DSE Tower (Level-5), Nikunja-2, Khilkhet, Dhaka. The amount is recognized and presented as right of use asset as per IFRS 16: Leases.

	2022 Taka	2021 Taka
7 Capital work-in-progress		
Head Office Interior Decoration Project	21,750,000	-
CCP System Implementation Project	14,490,000	-
DC- DR Infrastructure Project	1,143,000	-
	37,383,000	-
These will be capitalized when they are ready for intended use.		
7.1 Head Office Interior Decoration Project		
Work-in-progress for interior decoration works	21,500,000	-
Interior decoration consultancy fee	250,000	-
	21,750,000	-

The amount represents the various expenses for interior decoration works at CCBL Head Office at DSE Tower (Level-5), Nikunja-2, Khilkhet, Dhaka.

7.2 CCP System Implementation Project		
Consultancy fee paid to Ernst & Young Advisory Services Bangladesh Ltd.	14,490,000	-

The amount represents the expense incurred for CCP System Implementation Project of the Company.

8 Investment in bonds - net of current portion		
EXIM Bank Mudaraba Perpetual Bond	200,000,000	-
IDLC Zero Coupon Bond	143,612,508	197,428,843
	343,612,508	197,428,843
Less : Current portion	50,727,057	53,816,335
	292,885,451	143,612,508

During the year, the Company has invested Taka 200,000,000 in unsecured, contingent-convertible, fully paid up, non-cumulative EXIM Bank Mudaraba Perpetual Bond. Provisional rate of return will be maximum 10% and no less than 6% (subject to having available distributable profit). In the year 2021, the Company has invested Taka 197,428,843 in IDLC Zero Coupon Bond. The tenure of the bond is 4 years and repayable semiannually. The coupon rate is 6% per annum. Current portion represents amount receivable within 12 months from the statement of the financial position date.

9 Short term investments - FDRs		
EXIM Bank Limited	389,167,485	373,757,975
IFIC Bank Limited	333,185,728	347,459,514
Mercantile Bank Limited	331,889,028	172,977,975
Pubali Bank Limited	181,660,839	172,642,503
Southeast Bank Limited	383,050,037	363,372,643
Trust Bank Limited	179,994,221	171,542,850
IDLC Finance Limited	341,221,634	326,281,544
Sonali Bank Limited	316,160,000	300,000,000
Agrani Bank Limited	-	300,000,000
Janata Bank Limited	178,307,807	300,000,000
Rupali Bank Limited	316,835,000	300,000,000
	2,951,471,779	3,128,035,004

	2022 Taka	2021 Taka
10 Interest receivables		
Accrued interest on short term investments - FDRs	53,371,848	42,039,968
Accrued interest on EXIM Bank Mudaraba Perpetual Bond	1,293,699	-
Accrued interest on IDLC Zero Coupon Bond	11,591,300	4,089,211
	66,256,847	46,129,179
11 Advance, deposit and prepayment		
Advance to employees	413,312	-
Security deposits	506,000	-
Advance to DSE for office rent	-	11,606,100
	919,312	11,606,100
12 Advance income tax		
Opening balance	70,316,267	28,335,357
Add: Deducted at source from interest on FDR	17,359,642	21,455,353
Deducted at source from interest on SND account	202,105	420,557
AIT on vehicle registration	282,500	105,000
Advance income tax (U/s 64)	10,000,000	20,000,000
	98,160,514	70,316,267
13 Cash and cash equivalents		
Cash in hand	50,259	81,941
Cash at bank:		
Mutual Trust Bank Limited	13,652,066	13,510,938
IFIC Bank Limited	109,448,017	29,684,632
	123,100,083	43,195,570
	123,150,342	43,277,511
14 Share capital		
14.1 Authorized capital		
500,000,000 ordinary shares of Taka 10 each	5,000,000,000	5,000,000,000
14.2 Issued, subscribed & paid up capital		
300,000,000 ordinary shares of Taka 10 each	3,000,000,000	3,000,000,000

14.3 Composition of shareholders

The shareholding position is as under:

Name of the shareholders	Category	% of Holding	Number of Shares	Amount in Taka	
				30-Jun-22	30-Jun-21
a) Dhaka Stock Exchange Limited	Exchange	45%	135,000,000	1,350,000,000	1,350,000,000
b) Chittagong Stock Exchange PLC	Exchange	20%	60,000,000	600,000,000	600,000,000
c) Central Depository Bangladesh Limited	Depository	20%	60,000,000	600,000,000	600,000,000
d) Banks	Bank	15%	45,000,000	450,000,000	450,000,000
e) Strategic Investors	Strategic investors	0%	-	-	-
Total		100%	300,000,000	3,000,000,000	3,000,000,000

As per Articles of Association, Strategic Investors, acceptable to the Commission shall hold maximum 10% of total issued and paid up capital of the Company individually or collectively. The allocated 10% share for Strategic Investors has been issued in favor of Central Depository Bangladesh Limited (CDBL) till inclusion of any Strategic Investors and this 10% shares and any stock dividend thereon shall be preserved in a blocked account until it is transferred to the Strategic Investors.

The Company has issued 15% of its paid up capital to 12 (twelve) Banks equally i.e., each bank is holding 1.25% shares.

	2022 Taka	2021 Taka
15 Lease obligation		
Lease obligation - non-current portion	95,364,218	-
Lease obligation - current portion	6,973,144	-
	102,337,362	-

This amount represents the lease obligation for the Head Office premises at DSE Tower (Level-5), Nikunja-2. The lease tenure is 10 years. The amount is recognized and presented as right-of-use asset as per IFRS 16: Leases. The current portion represents the amount need to be paid within 12 months from the financial reporting date.

15.1 Amounts recognized in profit or loss		
Interest on lease obligations	4,614,467	-
Depreciation expense	8,682,053	-
	13,296,521	-
15.2 Amounts recognized in statement of cash flows		
Interest paid	3,603,267	-
Principal payment	2,828,447	-
Total cash-outflow for lease	6,431,714	-

	2022 Taka	2021 Taka
15.3 Movement of lease obligation as follows:		
Opening balance as at 01 July 2021	-	-
Add: Addition during the year	104,154,609	-
Add: Accrued interest	4,614,467	-
Less: Payment made during the year	(6,431,714)	-
Closing balance as at 30 June 2022	102,337,362	-
16 Deferred tax liabilities		
Opening balance	1,677,225	(8,242)
Addition during the year	109,489	1,685,467
Closing balance	1,786,714	1,677,225
16.1 Calculation of deferred tax		
Property, plant and equipments - carrying amount	17,021,355	13,793,034
Intangible assets - carrying amount	196,625	-
	17,217,979	13,793,034
Property, plant and equipments - tax base	10,549,837	8,202,284
Intangible assets - tax base	171,000	-
	10,720,837	8,202,284
Taxable temporary difference	6,497,142	5,590,750
Applicable tax rate	27.5%	30%
Deferred tax liability as on 30 June 2022	1,786,714	1,677,225
Less: Deferred tax liability as on 30 June 2021	1,677,225	(8,242)
Deferred tax expense for the year ended 30 June 2022	109,489	1,668,983
17 Liability for expenses		
Board meeting fees	201,671	33,334
TDS and VDS payable	307,784	199,448
Electricity bill	85,290	10,554
Service charge to DSE	4,747,950	-
Audit fee	86,250	258,750
	5,428,945	502,086
18 Provision for income tax		
Opening balance	165,020,355	110,809,699
Add: Provision made during the year	36,882,962	54,210,656
	201,903,317	165,020,355
19 Revenue		

The Company has not commenced its core operation yet (i.e., clearing and settlement of securities). Hence, there was no revenue from its core business to recognize during the year.

		2022 Taka	2021 Taka
20 Operating and administrative expenses			
Salary and allowances		22,099,161	8,595,493
Bonus		2,931,306	3,097,950
Utility bill		173,145	10,553
Advertisement expenses		530,080	257,715
Audit fee		86,250	86,250
Board meeting fees		3,153,395	3,749,028
Other meeting fees	20.1	3,383,449	3,802,537
CDBL fees and charges		558,500	-
Computer and electrical accessories		90,851	45,847
Conveyance		21,546	8,810
Crockeries and utensil		88,680	-
CSR expenses		11,439,723	500,000
Domain and license fee		200,312	2,721
Depreciation and amortization	20.2	12,844,509	1,471,201
Entertainment expenses		1,021,877	426,003
Insurance premium		399,474	314,103
Internet and WAN connection bill		73,821	15,503
Internship allowance		-	50,000
Legal fees		275,000	102,132
Office maintenance		215,819	1,020
Postage and stamp		5,148	767
Printing and stationery		743,298	44,807
Registration and license renewal		65,686	116,970
Bank charges and excise duty		651,214	1,507,788
Rent-a-car bill		112,379	-
Repair and maintenance		249,685	7,200
Support & security service fee		393,750	159,677
Service charge to DSE		4,747,950	-
Travelling and allowance		80,942	462,400
Vehicles fuel and maintenance		841,653	251,450
		67,478,603	25,087,925
20.1 Other meeting fees			
Honorarium for Audit Committee		350,007	523,064
Honorarium for Disciplinary Committee		-	163,013
Honorarium for Independent Directors Meeting		116,669	100,002
Honorarium for other meeting of directors		983,401	1,411,111
Honorarium for Recruitment Committee		-	777,556
Honorarium of Project Steering Committee		216,671	-
Honorarium of Technical Committee		1,566,698	827,791
Honorarium for Technical Evaluation Committee		150,003	-
		3,383,449	3,802,537

	2022 Taka	2021 Taka
20.2 Depreciation and amortization		
Depreciation on PPE	4,113,080	1,471,201
Amortization on intangible assets	49,376	-
Depreciation on right-of-use asset	8,682,053	-
	12,844,509	1,471,201
21 Interest income		
Interest income on short term investmens - FDRs	184,928,295	202,144,966
Interest income on SND accounts	2,021,051	3,168,249
Interest on Perpetual Bond	1,293,699	-
Interest on IDLC Zero Coupon Bond	9,935,754	4,089,211
	198,178,799	209,402,426
22 Finance expenses		
Interest expense on lease obligation	4,614,467	-
23 Income tax expense		
Major components of tax expenses		
In compliance with the requirements of Para 79 of IAS 12: "Income Taxes" the major components of tax expenses are given below:		
Current tax expense	36,882,962	54,210,656
Deferred tax expense	109,489	1,685,467
	36,992,451	55,896,123
24 Earnings per share (EPS)		
Basic earnings per share		
Net profit after tax for the year	89,093,277	128,418,378
Number of ordinary shares outstanding	300,000,000	300,000,000
Basic earnings per share	0.30	0.43
No diluted earning per share is required to be calculated as there was no scope for dilution for the year.		
25 Net Asset Value (NAV) per share		
Total assets	3,745,250,937	3,510,585,938
Less: Total liabilities	312,771,388	167,199,666
Net assets	3,432,479,548	3,343,386,272
Number of ordinary shares outstanding	300,000,000	300,000,000
NAV per share	11.44	11.13
26 Net operating cash flow per share (NOCFPS)		
Net operating cash flow	(80,759,011)	(87,994,550)
Number of ordinary shares outstanding	300,000,000	300,000,000
Net operating cash flow per share (NOCFPS)	(0.27)	(0.29)
27 Related party transactions		
The Company has carried out transactions with related parties in the normal course of business on an arms' length basis. The name of the related parties, nature of those transactions and their total value have been shown hereafter in accordance with the provisions of IAS 24: "Related Party Disclosures":		

Amount in Taka

Name of the party	Relationship	Nature of transaction	Opening Balance as on 01 July, 2021	Transaction during the year	Payment/ adjustment made during the year	Outstanding balance on 30 June 2022
Dhaka Stock Exchange (DSE)	Shareholders	Lease liability (Office rent)	-	104,154,609	1,817,246	102,337,362
Dhaka Stock Exchange (DSE)	Shareholders	Service charge	-	4,747,950	-	4,747,950
Dhaka Stock Exchange (DSE)	Shareholders	Electricity bill	-	159,805	74,515	85,290
Central Depository Bangladesh Limited	Shareholders	CDBL fees and charges	-	558,500	558,500	-
Central Depository Bangladesh Limited	Shareholders	Security deposit	-	500,000	500,000	Shown as security deposit
Total during the year	-			110,120,864	2,950,261	107,170,602

	2022 Taka	2021 Taka
28 Contingencies and commitments		
28.1 Contingencies		
i) Claims against the Company not acknowledged as debts	Nil	Nil
ii) Claims made by the Company not acknowledged as assets	Nil	Nil
28.2 Capital expenditure commitments:		
i) Contracted but not provided for in these accounts	48,270,437	Nil
ii) Approved by the Board but not contracted for	Nil	Nil
29 Particulars of employees		
The number of employees engaged by the Company for the year or part thereof:		
Above Taka 3,000 per month	6	6
Below Taka 3,000 per month	Nil	Nil


30 Events after reporting period

The Board of Directors of Central Counterparty Bangladesh Ltd at its 43rd meeting held on December 26, 2022 and adjourned meeting on December 29, 2022, recommended to the shareholders a cash dividend @ 5% i.e. BDT 0.50 per share (amounting to BDT 15,00,00,000). This will be placed for approval by the shareholders at the forthcoming Annual General Meeting. The financial statements for the year ended 30 June, 2022 do not include the effect of the cash dividend which will be accounted for the year when the shareholders' right to receive the payment is established.


Mohammad Tajdiul Islam, FCMA
 Director


Salma Nasreen ndc
 Director


Md. Mostafizur Rahaman
 Director


Md. A. Salam Sikder
 Chairman


Farhad Ahmed
 Managing Director & CEO


Ananta Kumar Sarker, FCS, ACMA
 Company Secretary

AGM	Annual General Meeting
BAS	Bangladesh Accounting Standards
BDT	Bangladesh Taka
BFRS	Bangladesh Financial Reporting Standards
BICM	Bangladesh Institute of Capital Market
BO	Beneficiary Owners
BSEC	Bangladesh Securities and Exchange commission
CCBL	Central Counterparty Bangladesh Limited
CCP	Central Counterparty
CDBL	Central Depository Bangladesh Limited
CSE	Chittagong Stock Exchange PLC
DCCI	Dhaka Chamber of Commerce and Industry
DP	Depository Participant
DSE	Dhaka Stock Exchange Ltd.
EPS	Earnings per Share
FBCCI	The Federation of Bangladesh Chambers of Commerce and Industry
FCA	Fellow Chartered Accountant
FCMA	Fellow Cost & Management Accountant
FDR	Fixed Deposit Receipt
FY	Financial Year
GDP	Gross Domestic Product
IFRS	International Financial Reporting Standards
RJSC	Registrar of Joint Stock Companies and Firms
SND	Special Notice Deposits
VAT	Value Added Tax



NOTE

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Central Counterparty Bangladesh Limited

DSE Tower, Level-5, Plot # 46, Road # 21, Nikunja-2, Dhaka-1229



PROXY FORM

I/We

of

being a Member of Central Counterparty Bangladesh Limited do hereby appoint

Mr./Ms

of Or

(failing him/her) Mr./Ms

as my / our proxy, to vote for me/us and on my/our behalf at the 4th Annual General Meeting of the Company to be held on Monday, February 27, 2023 at its registered office at DSE Tower, Level -5, Plot # 46, Road # 21, Nikunja-2, Dhaka-1229 and any adjournment thereof or at any Ballot be taken in consequence thereof.

Signed this day of, 2023.

Signature

Signature

Name

Name

(Proxy)

(Member)

Note :

- The proxy form, duly completed, must be stamped and emailed at info@ccbl.com.bd not later than 48 hours before the day of the Annual General Meeting.

ATTENDANCE SLIP

I hereby record my attendance at the 4th Annual General Meeting of the Central Counterparty Bangladesh Limited to be held on Monday, February 27, 2023 at the registered office at DSE Tower, Level -5, Plot # 46, Road # 21, Nikunja-2, Dhaka-1229 as a shareholder of the company.

Signature

Date: February 27, 2023

Name:

(Member)

Note:

- Shareholders attending the meeting or by proxy are requested to complete the attendance slip and email at info@ccbl.com.bd.



Central Counterparty Bangladesh Limited

DSE Tower, Level-5, Plot # 46, Road # 21, Nikunja-2, Dhaka-1229

E-mail: info@ccbl.com.bd, Web: www.ccbl.com.bd