

**National Bank Limited**  
18, Dilkusha Commercial Area  
Dhaka 1000

National Bank Limited

Auditors' report and consolidated financial statements  
for the year ended December 31, 2019

**Rahman Mostafa Alam & Co.**  
Chartered Accountants

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**Independent Auditors' Report  
To the Shareholders of National Bank Limited  
Report on the Audit of the Consolidated and Separate Financial Statements**

**Opinion**

We have audited the consolidated financial statements of National Bank Limited and its subsidiary (the "Group") as well as the separate financial statements of National Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at December 31, 2019 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at December 31, 2019, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable Laws and Regulations as explained in note 2.

**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 consolidated and separate financial statements section of our report. We are independent of the group and the bank 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 opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matters
<b>Measurement of provision for loans and advances</b>	
Refer note no 8 and 15.2 to the financial statements	
The process for estimating the provision for customer loans and advances associated with credit risk is significant and complex.  For the individual analysis these provisions consider the estimates of future business	We tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> <li>• Tested credit appraisal, loan disbursement and monitoring procedures, 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>



<p>performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculation for the provision estimates of complex design and implementation.</p> <p>At year end of 2019 the group and the bank reported total gross loans and advances of BDT 363,715,005,682 (2018: BDT 317,393,034,581) and BDT 360,769,737,295 (2018: BDT 314,507,263,171) respectively and the Bank reported provision for loans and advances of BDT 16,320,143,695 (2018: BDT 14,701,582,780).</p>	<p>submitted to Bangladesh Bank;</p> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines and;</li> <li>• Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information;</li> <li>• Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> <li>• Finally, compared the amount of provision requirement as determined by Bangladesh Bank Department of Banking Inspection (DBI) team to the actual amount of provision maintained.</li> </ul>
<p><b>Valuation of treasury bill and treasury bond</b></p>	
<p>Refer note no 7.1.1 to the financial statements</p>	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Group to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over financial instruments valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
<p><b>Measurement of deferred tax assets</b></p>	
<p>Refer note no 10.1.3 to the financial statements</p>	
<p>At year end of 2019 the Bank reported total net deferred tax assets of BDT 129,500,648 (2018: BDT 139,545,393) and deferred tax expense of BDT 10,044,745 (2018: Income BDT 71,132,887).</p> <p>Significant judgment is required in relation to deferred tax assets as their</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable</p>





<p>recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>income. The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
<p><b>IT systems and controls</b></p>	
<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>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively</p>	<p>We tested the design and operating effectiveness of the Bank'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 Bank'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>
<p><b>Legal and regulatory matters</b></p>	
<p>We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>





### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **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 financial statements of the Group and also separate financial statements of the Bank in accordance with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable Laws and Regulations 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 Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. 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 Bank'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 Bank 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 Bank's financial reporting process.

### **Auditors' 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 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 consolidated and separate financial statements



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 Group's and the Bank'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 Bank 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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.



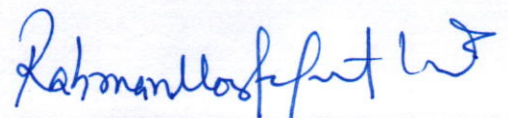


### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Banking Companies Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (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) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
  - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities;
- (iii) financial statements of all subsidiaries of the Bank which have been audited by other auditors have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) 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;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 3,192 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

**Dated: Dhaka**  
June 29, 2020



**Rahman Mostafa Alam & Co.**  
Chartered Accountants





National Bank Limited and Its Subsidiaries  
Consolidated Balance Sheet  
As at December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>		<b>24,361,375,116</b>	<b>20,700,260,203</b>
In hand (including foreign currencies)	3	4,155,331,793	3,290,281,287
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	20,206,043,323	17,409,978,916
<b>Balance with other banks and financial institutions</b>	<b>5</b>	<b>4,733,424,814</b>	<b>4,806,844,364</b>
In Bangladesh		3,473,839,676	3,879,714,515
Outside Bangladesh		1,259,585,138	927,129,849
<b>Money at call and on short notice</b>	<b>6</b>	<b>91,300,000</b>	<b>91,300,000</b>
<b>Investments</b>	<b>7</b>	<b>59,958,541,121</b>	<b>54,635,972,783</b>
Government		50,231,204,874	45,182,483,694
Others		9,727,336,247	9,453,489,089
<b>Loans and advances</b>	<b>8</b>	<b>363,715,005,682</b>	<b>317,393,034,581</b>
Loans, cash credits, overdrafts, etc.		358,432,032,668	309,746,999,284
Bills purchased and discounted		5,282,973,014	7,646,035,297
<b>Fixed assets including premises, furniture and fixtures</b>	<b>9</b>	<b>2,769,590,163</b>	<b>2,473,199,881</b>
<b>Other assets</b>	<b>10</b>	<b>7,783,212,752</b>	<b>6,639,118,130</b>
<b>Non-banking assets</b>	<b>11</b>	<b>299,479,400</b>	<b>335,820,241</b>
<b>Total assets</b>		<b>463,711,929,048</b>	<b>407,075,550,183</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	<b>12</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>
<b>Deposits and other accounts</b>	<b>13</b>	<b>366,079,335,612</b>	<b>314,686,457,859</b>
Current deposit and other accounts		26,804,331,592	25,003,225,512
Bills payable		3,337,258,268	3,557,774,516
Savings bank deposits		51,550,288,418	47,036,369,863
Fixed deposits		140,421,645,700	140,200,871,603
Term deposit		143,965,811,634	98,888,216,365
<b>Subordinated bonds</b>	<b>14</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>
<b>Other liabilities</b>	<b>15</b>	<b>36,590,371,576</b>	<b>34,997,315,383</b>
<b>Total liabilities</b>		<b>415,007,425,662</b>	<b>362,552,910,016</b>
<b>Shareholders' equity</b>			
<b>Total shareholders' equity</b>		<b>48,704,503,386</b>	<b>44,522,640,167</b>
Paid-up capital	16.2	29,203,987,040	26,549,079,130
Statutory reserve	17	15,835,709,954	14,380,830,197
General reserve	18	29,809,840	29,468,778
Other reserve	19	965,975,208	902,123,990
Retained earnings	20	2,668,896,278	2,661,018,720
		<b>48,704,378,320</b>	<b>44,522,520,815</b>
Non-controlling (minority) interest		125,066	119,352
<b>Total liabilities and shareholders' equity</b>		<b>463,711,929,048</b>	<b>407,075,550,183</b>





**National Bank Limited and Its Subsidiaries**  
Consolidated Balance Sheet  
As at December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>		<b>49,810,608,861</b>	<b>51,869,443,826</b>
Acceptances and endorsements		14,367,515,122	18,547,717,728
Letters of guarantee	21	10,638,586,888	9,369,024,272
Irrevocable letters of credit		18,349,715,772	17,745,352,737
Bills for collection		6,454,791,079	6,207,349,089
Other contingent liabilities		-	-
<b>Other commitments</b>		<b>594,359,000</b>	<b>967,382,900</b>
Lease rental commitments		-	-
Documentary credits and short term trade-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		-	-
Spot and forward foreign exchange rate contracts		594,359,000	967,382,900
Other exchange contracts		-	-
<b>Total off-balance sheet items including contingent liabilities</b>		<b>50,404,967,861</b>	<b>52,836,826,726</b>

Accompanying notes 01 to 43 form an integral part of these financial statements.



Managing Director



Director



Director



Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka  
June 29, 2020



Rahman Mostafa Alam & Co.  
Chartered Accountants






**National Bank Limited and Its Subsidiaries**  
**Consolidated Profit and Loss Statement**  
For the year ended December 31, 2019


Particulars	Notes	Amount in BDT	
		2019	2018
Interest income	22	34,670,034,614	27,720,894,914
Less: Interest paid on deposits and borrowings, etc.	23	24,247,709,885	19,407,085,970
<b>Net interest income</b>		<b>10,422,324,729</b>	<b>8,313,808,944</b>
Investment income	24	3,133,069,095	4,732,190,569
Commission, exchange and brokerage	25	1,684,156,185	1,590,896,866
Other operating income	26	689,626,779	1,174,148,775
		<b>5,506,852,059</b>	<b>7,497,236,210</b>
<b>Total operating income</b>		<b>15,929,176,788</b>	<b>15,811,045,154</b>
Salaries and allowances	27	3,995,902,062	4,060,874,943
Rent, taxes, insurance, electricity, etc.	28	822,607,456	858,615,663
Legal expenses	29	24,064,367	50,232,808
Postage, stamp, telecommunication, etc.	30	82,383,407	91,322,698
Stationery, printing, advertisement, etc.	31	191,456,345	120,401,969
Managing Director's salary and allowances	32	10,440,000	9,990,387
Directors' fees and other benefits	33	4,323,459	5,269,663
Auditors' fees	34	1,971,414	1,588,656
Charges on loan losses		465,571,851	30,332,050
Repairs, maintenance and depreciation	35	712,675,065	687,148,809
Other expenses	36	804,497,651	905,857,547
<b>Total operating expenses</b>		<b>7,115,893,077</b>	<b>6,821,635,193</b>
<b>Profit before provision</b>		<b>8,813,283,711</b>	<b>8,989,409,961</b>
<b>Provision for loans and advances</b>			
Specific provision	15.2(a)	1,500,000,000	2,040,000,000
General provision (Including off-balance sheet items)	15.2(b)	-	-
Provision for good borrowers	15.2(d)	10,000,000	-
		<b>1,510,000,000</b>	<b>2,040,000,000</b>
Provisions for other classified assets	15.4	45,655,340	-
<b>Total provision</b>		<b>1,555,655,340</b>	<b>2,040,000,000</b>
<b>Total profit before taxes</b>		<b>7,257,628,371</b>	<b>6,949,409,961</b>
<b>Provision for taxation</b>			
Current tax	15.1	3,124,375,595	3,163,864,604
Deferred tax	10.1.3	10,044,745	(71,132,887)
		<b>3,134,420,340</b>	<b>3,092,731,717</b>
<b>Net profit after tax</b>		<b>4,123,208,031</b>	<b>3,856,678,244</b>
<b>Net profit after tax attributable to:</b>			
<b>Non-controlling interest</b>		<b>5,714</b>	<b>3,135</b>
<b>Equity holders of parent company</b>		<b>4,123,202,317</b>	<b>3,856,675,109</b>
<b>Net profit after taxation without non-controlling interests</b>		<b>4,123,202,317</b>	<b>3,856,675,109</b>
Retained earnings brought forward from previous year		2,661,018,720	3,084,723,413
		<b>6,784,221,037</b>	<b>6,941,398,522</b>
<b>Appropriations</b>			
Statutory reserve	17	(1,454,879,757)	(1,435,835,612)
Dividend paid by overseas subsidiaries		(5,537,092)	-
<b>Dividend</b>			
Bonus shares 10% for 2018 and 12% for 2017		(2,654,907,910)	(2,844,544,190)
		<b>(4,115,324,759)</b>	<b>(4,280,379,802)</b>
<b>Retained earnings carried forward</b>		<b>2,668,896,278</b>	<b>2,661,018,720</b>
<b>Earnings per share (EPS) restated</b>	39.02	<b>1.41</b>	<b>1.32</b>

Accompanying notes 01 to 43 form an integral part of these financial statements

  
Managing Director

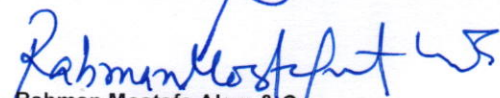
  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date

Dated: Dhaka  
June 29, 2020

  
Rahman Mostafa Alam & Co.  
Chartered Accountants



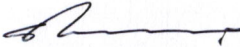



National Bank Limited and Its Subsidiaries  
Consolidated Statement of Changes in Equity  
For the year ended December 31, 2019

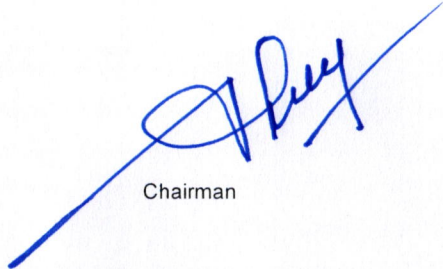
Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Other Reserve	Retained Earnings	Total	Non-controlling interest	Total equity
	Amount in BDT							
Balance on January 01, 2019	26,549,079,130	14,380,830,197	29,468,778	902,123,990	2,661,018,720	44,522,520,815	119,352	44,522,640,167
Net profit for the year	-	-	-	-	4,123,202,317	4,123,202,317	5,714	4,123,208,031
Bonus shares for 2018 issued during the year	2,654,907,910	-	-	-	(2,654,907,910)	-	-	-
Cash dividend paid by overseas subsidiaries	-	-	-	-	(5,537,092)	(5,537,092)	-	(5,537,092)
Transferred to statutory reserve	-	1,454,879,757	-	-	(1,454,879,757)	-	-	-
Revaluation of Government treasury bills, bonds and other investment	-	-	-	63,851,218	-	63,851,218	-	63,851,218
Addition during the year	-	-	341,062	-	-	341,062	-	341,062
Adjustment for prior year (overseas operation)	-	-	-	-	-	-	-	-
Transferred from general reserve (overseas oper.)	-	-	-	-	-	-	-	-
<b>Balance at December 31, 2019</b>	<b>29,203,987,040</b>	<b>15,835,709,954</b>	<b>29,809,840</b>	<b>965,975,208</b>	<b>2,668,896,278</b>	<b>48,704,378,320</b>	<b>125,066</b>	<b>48,704,503,386</b>
<b>Balance at December 31, 2018</b>	<b>26,549,079,130</b>	<b>14,380,830,197</b>	<b>29,468,778</b>	<b>902,123,990</b>	<b>2,661,018,720</b>	<b>44,522,520,815</b>	<b>119,352</b>	<b>44,522,640,167</b>

Accompanying notes 01 to 43 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Director

  
Chairman





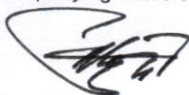


National Bank Limited and Its Subsidiaries

Consolidated Cash Flow Statement  
For the year ended December 31, 2019

Particulars	Note	Amount in BDT	
		2019	2018
<b>A) Cash flows from operating activities</b>			
Interest received		34,645,855,927	27,718,358,478
Interest paid		(23,406,065,181)	(18,224,347,210)
Income from Investment		2,742,437,999	3,816,396,421
Fees, commission, exchange and brokerage		1,684,156,185	1,590,896,866
Cash paid to employees		(3,960,665,521)	(3,841,134,993)
Cash paid to suppliers		(1,443,307,573)	(1,325,122,434)
Income taxes paid	15.1	(3,016,316,145)	(3,827,182,164)
Received from other operating activities		683,240,098	723,119,356
Paid for other operating activities		(804,407,310)	(905,851,204)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>7,124,928,479</b>	<b>5,725,133,116</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Sale of trading securities		331,936,244	836,870,663
Purchase of trading securities		(729,848,313)	(985,746,553)
Loans and advances to other banks		-	-
Loans and advances to customers		(47,695,277,036)	(64,084,003,129)
Other assets		(1,073,487,911)	(1,804,278,176)
Deposits from other banks		(1,939,031,864)	8,341,242,337
Deposits from customers		53,331,909,617	33,743,123,206
Other liabilities		(46,690,321)	161,237,864
		<b>2,179,510,416</b>	<b>(23,791,553,788)</b>
<b>Net cash from / (used in) operating activities</b>		<b>9,304,438,895</b>	<b>(18,066,420,672)</b>
<b>B) Cash flows from investing activities</b>			
Proceeds from sale of Government and unquoted securities		9,266,228,237	13,076,696,385
Investment made during the year (Govt. and unquoted securities)		(13,811,140,084)	(9,092,476,155)
Purchase of property, plant and equipment		(659,951,205)	(237,714,390)
Sale proceeds of fixed assets		6,889,306	642,428,925
<b>Net cash from / (used in) investing activities</b>		<b>(5,197,973,746)</b>	<b>4,388,934,765</b>
<b>C) Cash flows from financing activities</b>			
Borrowings from other banks, financial institutions and agents		(531,418,300)	3,656,869,234
Issued / (Redemption) of sub-ordinated bonds		-	1,250,000,000
<b>Net cash from / (used in) financing activities</b>		<b>(531,418,300)</b>	<b>4,906,869,234</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>3,575,046,849</b>	<b>(8,770,616,673)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>		<b>11,007,914</b>	<b>12,526,737</b>
		<b>3,586,054,763</b>	<b>(8,758,089,936)</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>25,606,728,267</b>	<b>34,364,818,203</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>29,192,783,030</b>	<b>25,606,728,267</b>
<b>Cash and cash equivalents at end of the year</b>			
Cash in hand (including foreign currencies)		4,155,331,793	3,290,281,287
Balances with Bangladesh Bank and its agent bank (s)		20,206,043,323	17,409,978,916
Balances with other banks and financial institutions		4,733,424,814	4,806,844,364
Money at call and on short notice		91,300,000	91,300,000
Prize bonds		6,683,100	8,323,700
		<b>29,192,783,030</b>	<b>25,606,728,267</b>

Accompanying notes 01 to 43 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Director

  
Chairman







National Bank Limited  
Balance Sheet  
As at December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>		<b>24,258,474,172</b>	<b>20,656,674,512</b>
In hand (including foreign currencies)	3	4,052,430,849	3,246,695,596
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	20,206,043,323	17,409,978,916
<b>Balance with other banks and financial institutions</b>	5	<b>4,184,674,936</b>	<b>4,525,414,965</b>
In Bangladesh		3,246,661,798	3,775,745,848
Outside Bangladesh		938,013,138	749,669,117
<b>Money at call and on short notice</b>	6	<b>91,300,000</b>	<b>91,300,000</b>
<b>Investments</b>	7	<b>62,877,817,458</b>	<b>57,869,853,468</b>
Government		50,231,204,874	45,182,483,694
Others		12,646,612,584	12,687,369,774
<b>Loans and advances</b>	8	<b>360,769,737,295</b>	<b>314,507,263,171</b>
Loans, cash credits, overdrafts, etc.		355,486,764,281	306,861,227,874
Bills purchased and discounted		5,282,973,014	7,646,035,297
<b>Fixed assets including premises, furniture and fixtures</b>	9	<b>2,709,978,117</b>	<b>2,445,155,936</b>
<b>Other assets</b>	10	<b>8,383,317,066</b>	<b>6,795,921,380</b>
<b>Non-banking assets</b>	11	<b>299,479,400</b>	<b>335,820,241</b>
<b>Total assets</b>		<b>463,574,778,444</b>	<b>407,227,403,673</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12	<b>8,337,718,474</b>	<b>8,869,136,774</b>
<b>Deposits and other accounts</b>	13	<b>366,298,512,993</b>	<b>315,206,033,967</b>
Current deposit and other accounts		26,805,405,622	25,004,329,794
Bills payable		3,337,258,268	3,557,774,516
Savings bank deposits		51,550,288,418	47,036,369,863
Fixed deposits		140,421,645,700	140,200,871,603
Term deposit		144,183,914,985	99,406,688,191
<b>Subordinated bonds</b>	14	<b>4,000,000,000</b>	<b>4,000,000,000</b>
<b>Other liabilities</b>	15	<b>35,900,988,654</b>	<b>34,342,879,865</b>
<b>Total liabilities</b>		<b>414,537,220,121</b>	<b>362,418,050,606</b>
<b>Shareholders' equity</b>			
<b>Total shareholders' equity</b>		<b>49,037,558,323</b>	<b>44,809,353,067</b>
Paid-up capital	16.2	29,203,987,040	26,549,079,130
Statutory reserve	17	15,835,709,954	14,380,830,197
Other reserve	19	965,975,208	902,123,990
Retained earnings	20	3,031,886,121	2,977,319,750
<b>Total liabilities and shareholders' equity</b>		<b>463,574,778,444</b>	<b>407,227,403,673</b>





National Bank Limited  
Balance Sheet  
As at December 31, 2019

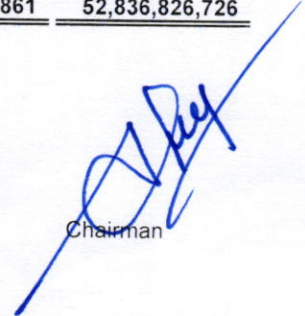
Particulars	Notes	Amount in BDT	
		2019	2018
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
		<b>49,810,608,861</b>	<b>51,869,443,826</b>
Acceptances and endorsements		14,367,515,122	18,547,717,728
Letters of guarantee	21	10,638,586,888	9,369,024,272
Irrevocable letters of credit		18,349,715,772	17,745,352,737
Bills for collection		6,454,791,079	6,207,349,089
Other contingent liabilities		-	-
<b>Other commitments</b>			
		594,359,000	967,382,900
Lease rental commitments		-	-
Documentary credits and short term trade-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		-	-
Spot and forward foreign exchange rate contracts		594,359,000	967,382,900
Other exchange contracts		-	-
<b>Total off-balance sheet items including contingent liabilities</b>		<b>50,404,967,861</b>	<b>52,836,826,726</b>

Accompanying notes 01 to 43 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka  
June 29, 2020

  
Rahman Mostafa Alam & Co.  
Chartered Accountants







**National Bank Limited**  
**Profit and Loss Statement**  
For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
Interest income	22	34,703,590,148	27,911,303,982
<b>Less:</b> Interest paid on deposits and borrowings, etc.	23	24,247,709,885	19,407,085,970
<b>Net interest income</b>		<b>10,455,880,263</b>	<b>8,504,218,012</b>
Investment income	24	3,097,038,216	4,668,998,649
Commission, exchange and brokerage	25	1,425,106,973	1,379,704,687
Other operating income	26	678,364,861	1,164,626,685
		<b>5,200,510,050</b>	<b>7,213,330,021</b>
<b>Total operating income</b>		<b>15,656,390,313</b>	<b>15,717,548,033</b>
Salaries and allowances	27	3,887,611,628	3,952,728,827
Rent, taxes, insurance, electricity, etc.	28	795,650,537	818,779,512
Legal expenses	29	24,064,367	50,207,993
Postage, stamp, telecommunication, etc.	30	78,540,082	86,440,317
Stationery, printing, advertisement, etc.	31	175,380,834	117,449,940
Managing Director's salary and allowances	32	10,440,000	9,990,387
Directors' fees and other benefits	33	2,225,248	3,205,073
Auditors' fees	34	575,000	575,000
Charges on loan losses		465,571,851	30,332,050
Repairs, maintenance and depreciation	35	679,663,220	664,179,793
Other expenses	36	752,268,763	764,481,083
<b>Total operating expenses</b>		<b>6,871,991,530</b>	<b>6,498,369,975</b>
<b>Profit before provision</b>		<b>8,784,398,783</b>	<b>9,219,178,058</b>
<b>Provision for loans and advances</b>			
Specific provision	15.2(a)	1,500,000,000	2,040,000,000
General provision (including off-balance sheet items)	15.2(b)	-	-
Provision for good borrowers	15.2(d)	10,000,000	-
		<b>1,510,000,000</b>	<b>2,040,000,000</b>
Provision for other classified assets	15.4	-	-
<b>Total provision</b>		<b>1,510,000,000</b>	<b>2,040,000,000</b>
<b>Total profit before tax</b>		<b>7,274,398,783</b>	<b>7,179,178,058</b>
<b>Provision for taxation</b>			
Current tax	15.1	3,100,000,000	3,150,000,000
Deferred tax	10.1.3	10,044,745	(71,132,887)
		<b>3,110,044,745</b>	<b>3,078,867,113</b>
<b>Net profit after tax</b>		<b>4,164,354,038</b>	<b>4,100,310,945</b>
Retained earnings brought forward from previous year		2,977,319,750	3,157,388,607
		<b>7,141,673,788</b>	<b>7,257,699,552</b>
<b>Appropriations</b>			
Statutory reserve	17	(1,454,879,757)	(1,435,835,612)
<b>Dividend</b>			
Bonus shares 10% for 2018 and 12% for 2017		(2,654,907,910)	(2,844,544,190)
		(4,109,787,667)	(4,280,379,802)
<b>Retained earnings carried forward</b>		<b>3,031,886,121</b>	<b>2,977,319,750</b>
<b>Earnings per share (EPS) restated</b>	39.02	<b>1.43</b>	<b>1.40</b>

Accompanying notes 01 to 43 form an integral part of these financial statements.

  
Managing Director

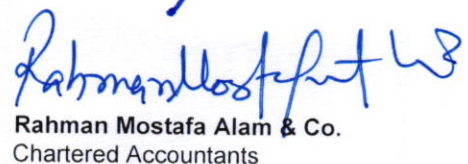
  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka  
June 29, 2020

  
Rahman Mostafa Alam & Co.  
Chartered Accountants





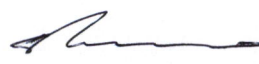


**National Bank Limited**  
**Statement of Changes in Equity**  
For the year ended December 31, 2019

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Amount in BDT				
Balance at on January 01, 2019	26,549,079,130	14,380,830,197	902,123,990	2,977,319,750	44,809,353,067
Net profit for the year	-	-	-	4,164,354,038	4,164,354,038
Bonus shares for 2018 issued during the year	2,654,907,910	-	-	(2,654,907,910)	-
Transferred to statutory reserve	-	1,454,879,757	-	(1,454,879,757)	-
Revaluation of Govt. Treasury bills, bonds and other investment	-	-	63,851,218	-	63,851,218
<b>Balance at December 31, 2019</b>	<b><u>29,203,987,040</u></b>	<b><u>15,835,709,954</u></b>	<b><u>965,975,208</u></b>	<b><u>3,031,886,121</u></b>	<b><u>49,037,558,323</u></b>
<b>Balance at December 31, 2018</b>	<b><u>26,549,079,130</u></b>	<b><u>14,380,830,197</u></b>	<b><u>902,123,990</u></b>	<b><u>2,977,319,750</u></b>	<b><u>44,809,353,067</u></b>

Accompanying notes 01 to 43 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Director

  
Chairman







National Bank Limited  
Cash Flow Statement  
For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
<b>A) Cash flows from operating activities</b>			
Interest received		34,679,411,461	27,908,767,546
Interest paid		(23,406,065,181)	(18,224,347,210)
Income from investment		2,718,404,850	3,788,355,499
Fees, commission, exchange and brokerage		1,425,106,973	1,379,704,687
Cash paid to employees		(3,850,276,876)	(3,730,924,287)
Cash paid to suppliers		(1,363,419,973)	(1,254,463,042)
Income taxes paid	15.1	(3,016,316,145)	(3,827,182,164)
Received from other operating activities		671,978,180	713,597,266
Paid for other operating activities		(752,178,422)	(764,474,740)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>7,106,644,867</b>	<b>5,989,033,555</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Sale of trading securities-quoted shares		319,938,514	425,346,664
Purchase of trading securities-quoted shares		(412,913,321)	(813,615,638)
Loans and advances to other banks		-	-
Loans and advances to customers		(47,606,398,122)	(64,366,956,953)
Other assets	37	(1,514,998,002)	(1,661,010,940)
Deposits from other banks		(1,939,031,864)	8,341,242,337
Deposits from customers		53,031,510,890	34,093,476,215
Other liabilities	38	(11,606,790)	283,746,118
		<b>1,866,501,305</b>	<b>(23,697,772,197)</b>
<b>Net cash from/(used in) operating activities</b>		<b>8,973,146,172</b>	<b>(17,708,738,642)</b>
<b>B) Cash flows from investing activities</b>			
Proceeds from sale of Government and unquoted securities		9,266,228,237	13,076,696,385
Investment made during the year (Govt. and un-quoted securities)		(13,811,140,084)	(9,092,476,155)
Purchase of property, plant and equipment		(655,294,214)	(237,123,490)
Sale proceeds of fixed assets		6,889,306	642,428,925
<b>Net cash from/(used in) investing activities</b>		<b>(5,193,316,755)</b>	<b>4,389,525,665</b>
<b>C) Cash flows from financing activities</b>			
Borrowings from other banks, financial institutions and agents		(531,418,300)	3,656,869,234
Proceed from issue of sub-ordinated bond		-	1,250,000,000
<b>Net cash from/(used in) financing activities</b>		<b>(531,418,300)</b>	<b>4,906,869,234</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>3,248,411,117</b>	<b>(8,412,343,743)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>		<b>11,007,914</b>	<b>12,526,737</b>
		<b>3,259,419,031</b>	<b>(8,399,817,006)</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>25,281,713,177</b>	<b>33,681,530,183</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>28,541,132,208</b>	<b>25,281,713,177</b>
<b>Cash and cash equivalents at end of the year</b>			
Cash in hand (including foreign currencies)		4,052,430,849	3,246,695,596
Balances with Bangladesh Bank and its agent bank (s)		20,206,043,323	17,409,978,916
Balances with other banks and financial institutions		4,184,674,936	4,525,414,965
Money at call and on short notice		91,300,000	91,300,000
Prize bonds		6,683,100	8,323,700
		<b>28,541,132,208</b>	<b>25,281,713,177</b>

Accompanying notes 01 to 43 form an integral part of these financial statements.

Managing Director

Director

Director

Chairman







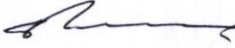
**National Bank Limited**  
Liquidity Statement (Analysis of Maturity of Assets and Liabilities)  
As at December 31, 2019

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
	Amount in BDT					
<b>Assets</b>						
Cash in hand	4,052,430,849	-	-	-	-	4,052,430,849
Balance with Bangladesh Bank and its agent bank	20,206,043,323	-	-	-	-	20,206,043,323
Balances with other banks and financial institutions	2,635,046,942	203,478,169	1,280,000,000	66,149,825	-	4,184,674,936
Money at call and short notice	91,300,000	-	-	-	-	91,300,000
Investments	119,121,775	495,491,238	4,264,613,380	24,050,293,073	33,948,297,992	62,877,817,458
Loans and advances	36,076,973,730	28,861,578,984	101,015,526,443	108,910,468,882	85,905,189,256	360,769,737,295
Fixed assets including premises, furniture and fixtures	14,104,541	28,209,082	127,424,681	551,603,928	1,988,635,885	2,709,978,117
Other assets	1,337,403,614	1,466,936,014	2,003,466,961	3,575,510,477	-	8,383,317,066
Non-banking assets	-	-	-	299,479,400	-	299,479,400
<b>Total assets</b>	<b>64,532,424,774</b>	<b>31,055,693,487</b>	<b>108,691,031,465</b>	<b>137,453,505,585</b>	<b>121,842,123,133</b>	<b>463,574,778,444</b>
<b>Liabilities</b>						
Borrowings from other banks, financial institutions and agents	673,301,869	2,413,179,865	5,251,236,740	-	-	8,337,718,474
Deposits and other accounts	41,274,603,268	41,663,701,445	110,856,074,557	103,139,734,242	69,364,399,481	366,298,512,993
Subordinated bond	-	-	-	2,400,000,000	1,600,000,000	4,000,000,000
Other liabilities	900,567,322	2,863,136,257	10,196,594,740	21,940,690,335	-	35,900,988,654
<b>Total liabilities</b>	<b>42,848,472,459</b>	<b>46,940,017,567</b>	<b>126,303,906,037</b>	<b>127,480,424,577</b>	<b>70,964,399,481</b>	<b>414,537,220,121</b>
<b>Net liquidity gap</b>	<b>21,683,952,315</b>	<b>(15,884,324,080)</b>	<b>(17,612,874,571)</b>	<b>9,973,081,008</b>	<b>50,877,723,652</b>	<b>49,037,558,323</b>

\*Structured liquidity profile as per Bangladesh Bank DOS Circular No.02 dated 29 March, 2011 has been shown in separate annexure

Accompanying notes 01 to 43 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Director

  
Chairman







## National Bank Limited

Notes to the financial statements  
For the year ended December 31, 2019

### 1. General information

#### 1.1 Status of the Bank

National Bank Ltd (NBL / the Bank) is incorporated in Bangladesh as a public limited company on 15 March 1983 under the Companies Act 1913. It obtained license from Bangladesh Bank to carry out banking business on 22 March 1983. The Bank has been engaged in banking activities through its two hundred nine (209) branches including sixteen (16) SME/Agric-branches throughout the country. The Bank is has opened 10 banking booth during the period for extending banking service at root level. The Bank is listed with both Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd.

#### 1.2 Principal activities

The principal activities of NBL are to provide a comprehensive range of financial services, personal and commercial banking, trade service, cash management, treasury, security and custodian services.

#### 1.3 Offshore Banking Unit (OBU)

The Offshore Banking unit, a separate business unit of NBL, governed under the Rules and guidelines of Bangladesh Bank. This Unit gives loans and advances (on and off-balance sheet exposures) and takes deposits only in freely convertible foreign currencies to and from non-resident persons or institutions, fully foreigner owned EPZ companies, etc. The Bank obtained the Offshore Banking permission from Bangladesh Bank vide letter no. BRPD/(P-3)744(97)/2008-2005 dated 01 June 2008. The unit commenced its operation from September 2008 and its office is located at 9, Mohakhali, Dhaka 1212. The second unit of Offshore Banking has started operation from November 2016 and its office is located at 48, Dilkusha, Dhaka.

#### 1.4 Subsidiaries of the Bank

The Bank has seven (7) subsidiaries as presented below. All the subsidiaries of NBL have been in operations on the same reporting date of 31 December.

##### NBL Securities Ltd

NBL Securities Ltd is a majority owned subsidiary company of NBL, incorporated as a Public Limited Company with the Registrar of Joint Stock Companies and Firms in Dhaka, Bangladesh bearing registration no. C-82154/10 dated 01 February 2010 under the Companies Act 1994 having registered office at 18, Dilkusha C/A (4th floor), Dhaka. The main objectives of the company are to carry on the business as a Stock Broker/ Stock Dealer of Stock Exchanges and other related business in connection with dealing of listed securities. Other objectives of the Company are to buy, sell, hold or otherwise acquire or invest the capital of the Company in shares and fixed income securities, etc. It has Corporate Trading Right Entitlement Certificate of Dhaka Stock Exchange and Chittagong Stock Exchange and the license of depository participants of Central Depository Bangladesh Limited.

##### NBL Capital and Equity Management Ltd

NBL Capital and Equity Management Ltd is a majority owned subsidiary company of NBL, incorporated as a private limited company with the Registrar of Joint Stock Companies and Firms in Dhaka, Bangladesh vide registration no. C-82157/10 dated 01 February 2010 under the Companies Act 1994. The functions of Merchant Banker were separated from NBL by forming a subsidiary company namely, NBL Capital and Equity Management Ltd as per Bangladesh Bank's BRPD Circular no. 12 dated 14 October 2009. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued a full-fledged Merchant Banker certificate bearing no. MB - 66/2011 dated 09 June, 2011 in favour of NBL Capital and Equity Management Ltd with effect from the same. Meanwhile the company registered as a custody depository participant by the BSEC bearing registration no. SEC/Registration/CDBL-DP-357 on 15 September, 2011. The main objectives of the company are to carry out the activities as a full-fledged Merchant Banker like, Issue Management, Portfolio Management, Underwriting, Corporate Advisory Service, etc. as per BSEC (Merchant Banker and Portfolio Manager) Regulations 1996.

##### NBL Money Transfer Pte Ltd (Singapore)

NBL Money Transfer Pte Ltd (Singapore) is a fully owned subsidiary company of NBL and incorporated as a private limited Company and domiciled in Singapore. The registered office and main place of business is located at 10A Roberts Lane, Singapore 218289. The Company has a branch at Blk 134 Jurong Gateway Road, #01-311, Singapore 600134. The principal activity of the Company is that of money remittance agency.

##### NBL Money Transfer Sdn Bhd (Malaysia)

NBL Money Transfer Sdn Bhd (Malaysia) is a fully owned subsidiary company of NBL. This company is a limited liability private company, incorporated and domiciled in Malaysia. The registered office of the company is located at Suite 4.33A, Level 4, Pertama Complex, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur. The principal place of business of the company is located at nos. 12 & 14, Ground Floor, Jalan Lebu Pudu, 50050 Kuala Lumpur. The company is principally engaged in business of currency remittance services.







#### **NBL Money Transfer (Maldives) Private Ltd**

NBL Money Transfer (Maldives) Private Ltd is a fully owned subsidiary of NBL. It incorporated under the Act no. 10/96 in the Republic of Maldives on 29 August 2011. It commenced its commercial operations on 23 December 2011. The company is a private limited company incorporated and domiciled in Maldives. The address of its registered office is situated at Gadhamoo Building (Ground floor), Boduthakurufaanu Magu, Henveiru, Male. The objective of the company is to operate in the area of money remittance and money exchange businesses.

#### **NBL Money Transfer Payment Foundation SA (Greece)**

NBL Money Transfer Payment Foundation SA (Greece) is a fully owned subsidiary company of NBL. This company was incorporated as a private limited company and domiciled in the Greece. The registered office and main place of business is located at 6, Theatrou Street 105 52, Athens, Greece. The principal activity of the company is that of money remittance agency.

#### **NBL Money Transfer Inc. (USA)**

NBL Money Transfer Inc. (USA) is a fully owned subsidiary company of NBL. This Company was incorporated on 9 March 2011 under the laws of the State of New York. On 11 June 2013 the company received license as an international money transmitter from the State of New York Department of Financial Services. NBL Money Transfer INC maintains its offices in New York. NBL Money Transfer signed a paying agent agreement with NBL. NBL distributes all funds to beneficiaries in Bangladesh.

## **2. Basis of preparation of financial statements and significant accounting policies**

### **2.1 Statement of compliance**

The consolidated financial statements of the Group and the financial statements of the bank have been prepared for the year ended 31 December 2019 in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Bangladesh Bank circulars, the Bank Companies Act 1991, the Companies Act 1994, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 1987, Listing Regulations of Dhaka and Chittagong Stock Exchanges and International Financial Reporting Interpretations (IFRI) as adopted by the Institute of Chartered Accountants of Bangladesh, and other applicable laws and regulations. In case any requirement of the Bank Companies Act 1991 and provisions and circulars issued by Bangladesh Bank (BB) differ those of IFRS, the requirements of the Bank Companies Act 1991, provisions and circulars issued by BB shall prevail. Material departure from the requirements of IFRS are as follows:

#### **i) Presentation of financial statement**

**IFRS:** As per IAS 1, a complete set of financial statements comprises of statement of financial position, comprehensive income statement, changes in equity, cash flows statement, adequate notes comprising summary of accounting policies and other explanatory information is required to be presented. As per para 60 of IAS 1, the entity shall also present current and non-current assets and current and non-current liabilities as separate classifications in its statement of financial position.

**Bangladesh Bank:** The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section 38) of the Bank Companies Act 1991 and BRPD Circular no. 14 dated 25 June 2003 and subsequent guidelines of BB. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

#### **ii) Investment in shares, mutual funds and other securities**

**IFRS:** As per requirements of IAS 39 "Financial Instruments: Recognition and Measurement" investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with IFRS 13 "Fair Value Measurement") at the year-end is taken to profit and loss account or revaluation reserve respectively.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per net assets value (NAV) of last audited balance sheet respectively. As per instruction of DOS circular letter 03 dated 12 March 2015, investment in mutual fund (closed-end) is revalued at lower of cost and higher of market value and 85% of NAV. As such, provision is made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

#### **iii) Revaluation gains/losses on Government securities**

**IFRS:** As per requirement of IAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of HFT assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

**Bangladesh Bank:** HFT securities are revalued on the basis of marked to market and at year end. Any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as part of equity.





#### HTM

Investments classified as HTM are non-derivative financial instruments with fixed or determinable future receipt on maturity that the Bank's management has the intention and ability to hold till maturity. These particular investments have been revalued as marked to market as at 31 December 2019, the revaluation gains on such securities have been shown in the financial statements as part of equity.

#### HFT

Investments classified as HFT are acquired mainly for the purpose of selling and repurchasing. Such investments are measured at marked to market method and any changes in the marked to market method are recognised in every week during the reporting year as per DOS circular letter no. 05 dated 28 January 2009.

#### iv) Provision on loans and advances/investments

**IFRS:** As per IAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

**Bangladesh Bank:** As per BRPD circular No.14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012 and BRPD circular No. 05 dated 29 May 2013 a general provision @ 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided @ 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision @ 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in-line with those prescribed by IAS 39.

#### v) Recognition of interest in suspense

**IFRS:** Loans and advances to customers are generally classified as 'loans and receivables' as per IAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified (other than bad loss), interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

#### vi) Other comprehensive income (OCI):

**IFRS:** As per IAS 1: OCI is a component of financial statements or the elements of OCI are to be included in a single OCI.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single OCI statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

#### vii) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IAS 39. As such full disclosure and presentation requirements of IFRS 7: "Financial Instruments: Disclosures" and IAS 32 "Financial Instruments: Presentation" cannot be made in the financial statements.

#### viii) Financial guarantees

**IFRS:** As per IAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

**Bangladesh Bank:** As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.





ix) **Cash and cash equivalents**

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7 "Statement of Cash Flows"

**Bangladesh Bank:** Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bonds are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

x) **Non-banking asset**

IFRS: No indication of non-banking asset is found in any IFRS.

**Bangladesh Bank:** As per BRPD 14, there must exist a face item named Non-banking asset.

xi) **Cash flow statement**

IFRS: The cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD circular no. 14, cash flow is the combination of direct and indirect methods.

xii) **Balance with Bangladesh Bank: (Cash Reserve Requirement)**

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

**Bangladesh Bank:** Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiii) **Presentation of intangible asset**

IFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38: "Intangible Assets".

**Bangladesh Bank:** There is no regulation for intangible assets in circular no. BRPD 14.

xiv) **Off-balance sheet items**

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD circular no. 14, off-balance sheet items (e.g. Letter of credit, Letter of guarantee, etc) must be disclosed separately on the face of the balance sheet.

xv) **Loans and advances/Investments net of provision**

IFRS: Loans and advances/Investments should be presented net of provision.

**Bangladesh Bank:** As per BRPD 14, provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

2.2 **Basis of preparation of financial statements**

The financial statements of the Bank as at 31 December 2019 have been prepared on a going concern basis under the historical cost convention and in accordance with the "First Schedule" of the Bank Companies Act 1991 (amended in 2013) and as per BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, IFRS, IASs, the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987, the listing Regulations of the Stock Exchanges and other laws and rules applicable in Bangladesh.

2.3 **Basis of consolidation**

The financial statements of the Bank include the financial statements of main operation of NBL and its two business unit namely, "Offshore Banking Units" operating in Bangladesh.

The consolidated financial statements include the financial statements of the Bank and seven subsidiary companies namely, NBL Securities Ltd, NBL Capital and Equity Management Ltd, NBL Money Transfer Pte Ltd (Singapore), NBL Money Transfer Sdn Bhd (Malaysia), NBL Money Transfer (Maldives) Private Ltd, NBL Money Transfer Payment Foundation SA (Greece), and NBL Money Transfer Inc. (USA) operating in Bangladesh and in others countries.

The consolidated financial statements have been prepared in accordance with IAS-27: 'Separate Financial Statements' and IFRS-10: 'Consolidated Financial Statements.' The consolidated as well as separate financial statements are prepared for a common financial year ended on 31 December 2019.

Consolidated financial statements of the group and separate financial statements of the Bank comprise of Balance Sheet, Profit and Loss Statement, Statement of Changes in Equity, Cash Flow Statement, Liquidity Statement and relevant notes and disclosures.





## 2.4 Use of estimates and judgment

Preparation of the financial statements in conformity with IFRS/IAS requires management to make judgments, estimates and assumptions. These judgments, estimates and assumptions affect the application of accounting policies and the reported amount of assets and liabilities as well as income and expenses in the financial statements presented. Actual result may differ from the estimates and assumption made.

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

## 2.5 Functional and presentation currency

The financial statements have been prepared and presented using Bangladeshi Taka (BDT) which is the functional currency of NBL.

## 2.6 Assets and basis of their valuation

### 2.6.1 Loans and advances

Loans and advances are stated in the Balance Sheet on a gross basis. General provisions on unclassified and contingent assets, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities.

Loans and advances are written-off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are pending as per guidelines of Bangladesh Bank. However, the write-off will not reduce the claim against the borrower. Detailed memorandum records for all of such written off accounts are maintained.

### 2.6.2 Lease finance

To comply with IAS-17: 'Leases', the books of account for leasing operation has been prepared under finance method of accounting since assets leased to customers under agreements transfer substantially all the risks and rewards associated with ownership, other than legal title, to the customers and all leases are full payout leases.

In accordance with the said standard, the aggregate lease receivables are recorded as gross lease receivables while the excess of gross lease receivables over the total acquisition cost including interest during the period of acquiring the lease equipment constitutes the unearned lease income.

At the execution of each lease, a portion of the unearned lease is recognised as revenue income in the period in which it is matured. The balance of the unearned lease income is amortised to revenue on a monthly basis over the primary lease term yielding a constant rate of return over the period.

### 2.6.3 Investments

Investments are classified broadly in three categories and accounted for as under.

#### a) Held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank management has the intention and ability to hold to maturity. If the Bank were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be reclassified as available for sale.

#### b) Held for trading

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designed as such by the management. After initial recognition, investments are measured at fair value and changes are recognised in the profit and loss statement or revaluation reserve account as expense/income for the period as per provision of Bangladesh Bank circulars and IAS-39: 'Financial Instruments: Recognition and Measurement'.

#### c) Sale and repurchase agreement

Securities sold under re-purchase agreement (REPO) at a fixed price on future date, the arrangement is accounted for as normal sale (out right sale) and the securities should be derecognised from the books.

#### d) Revaluation

As per Bangladesh Bank DOS circular letter no. 5 dated 28 January 2009, HFT securities are revalued each week using 'Marked to Market' concept and HTM securities are amortised once a year according to Bangladesh Bank guidelines. The HTM securities are also revalued if these are reclassified to HFT category with the Board approval. Value of investment has been determined as follows :

Items	Applicable accounting value
Government treasury bills (HTM)	At present value
Government treasury bills (HFT)	At market value
Bangladesh Government treasury bonds	At present value
Prize bond	At cost
BHBFC-debenture	Face value
Investments in shares	Book value
Foreign investment in share and FDR	At rolling exchange rate on Balance Sheet date



#### 2.6.4 Fixed assets and depreciation

- a) All fixed assets are stated at cost less accumulated depreciation as per IAS-16: 'Property, Plant and Equipment.' Land is measured at cost.

Depreciation is charged for the year using straight line method on all fixed assets other than land at the following rates :

Category of fixed assets	Rate of depreciation
Land	Nil
Building	2.50%
Furniture, fixtures	10.00%
General equipment	20.00%
Computer equipment	33.33%
Vehicles	20.00%
Books	20.00%

On additions to fixed assets depreciation is charged from the date of acquisition and no depreciation is charged in the year of disposal of the same. Gain or loss on sale of fixed assets is recognised in profit and loss statement as per provision of IAS 16 "Property, Plant and Equipment".

- b) Leases

NBL has applied IFRS 16 Leases for the first time with the date of initial application of 01 January 2019. As IFRS 16 supersedes IAS 17 Lease, the bank has made recognition, measurement and disclosure in the financial statements-2019 both as Lessee and Lessor as per IFRS 16.

Bank as lessee:

The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the bank consider the contract. The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The bank recognises lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease period as short term in line with the recognition threshold of ROU assets as per FA policy of the bank. In case of low value of lease assets, the bank has set a materiality threshold which is 0.10 % of Total capital of the Bank. However, as it's adopted for the first time, the bank used a flat threshold of BDT 20 million and above' which is 0.037 % of total capital of the bank as of 31- 12-2019. The reason behind considering the materiality threshold of BDT 20 million and above is that the bank operates many ATM booths, sub-branches with short and single contracts; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities. Moreover, frequent changes of those establishments would create misreporting as well as complexity in recording.

##### Right-of -use assets (ROU)

The bank recognises the right-of-use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term. The bank assessed all lease contracts live in 2019 and recognised as RoU of assets of all leases, except short term and low value of assets as per the Banks' own policy set as per IAS 16 and IFRS 16. As leases under IFRS 16 has been first time adopted by the bank, the bank has followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. Therefore, the bank considered a cut-off date beginning of the year 2019 and reassessed unadjusted advance payment and remaining lease period of each contract, and recognised those in the financial statements for the year ended 31 December 2019 without giving retrospective impact in earlier presentation.

##### Lease liability

At the commencement of the lease, the bank recognises lease liabilities measured at the present value of lease payments (initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for terminating the lease term.

In 2019, the bank reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2019. The lease liabilities are presented in the note 15 of these financial statements.



### **Bank as a lessor**

Leases where the bank does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets. Rental income is recorded as earned based on the contractual term of the lease. However, the Bank did not hold any such assets in 2019.

As per IFRS 16, when consideration is made by the bank under contract in exchange of use of rental premises or assets for a period not exceeding a period of twelve months, and or, the present value of the obligation plus initial payment under contract does not exceed the threshold limit of the bank, and substantially all the risk and benefit of ownership of those rental premises/assets does not transfer to the bank, then the bank considers the payment (other than advance payment) as rental expense under IFRS 15 Revenue from contracts with customers.

Therefore, in 2019, NBL recognised those payment against contracts that do not qualify as lease item under IFRS 16 as rental expense which is presented in note 28 of the financial statements for the year ended 31 December 2019. These are short term and low value contracts for ATM booths, godown and small /sub-branch premises that donot meet the materiality threshold for recognition of lease assets.

### **2.6.5 Non-banking assets**

The Bank has shown non-banking assets acquired by virtue of decree from Artha-Rin-Adalat at its market value as required by BRPD circular no. 14 dated 25 June 2003. Out of total non-banking assets, possession of some is required to be obtained by the Bank.

### **2.6.6 Other assets**

Other assets include all other financial assets, fees and other unrealised income receivable, advance for operating and capital expenditure and stocks of stationery and stamps.

### **2.7 Liabilities and provisions**

#### **2.7.1 Employees benefits**

##### **a) Short term benefits**

Short-term benefits are employee benefits which fall due wholly within twelve month after the end of the period in which the employees render the related service. The Bank provides various short term benefits to its employees like incentive bonus, medical services, leave fare assistance etc.

##### **b) Post-employment benefits**

###### **i) Defined contribution plan**

Defined contribution plan is post employment benefit plan under which an entity pays a fixed contributions into a separate entity (Fund) and will have no legal or constructive obligations to pay further. Obligation for contributions to defined contribution plan is recognised as an expense in the profit and loss statement when it is due.

###### **Provident fund**

The benefits of provident fund are given to the employees of the Bank in accordance with the recognised Provident Fund, Rules as per section 2(52) of Income Tax Ordinance 1984. The Provident Fund was recognised with effect from 31 March 1987. The Fund is operated by a Board of Trustees consisting of 6 (six) members of the Bank. All confirmed employees of the Bank contribute 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount to the Fund. Interest earned from the investments of fund is credited to the members account on yearly basis.

###### **ii) Defined benefit plans**

Defined benefit plans are post employment benefit plans other than defined contribution plans. The defined benefit plans of the Bank to its employees include:

###### **Gratuity**

The Bank operates a funded gratuity scheme with effect from 01 July 2005, which is administered by a Board of Trustees consisting of 4 (four) members. Provision has been made for liabilities under gratuity scheme in compliance with IAS-19: 'Employee Benefits.'

###### **Superannuation fund**

The Bank operates a Superannuation Fund govern by a Board of Trustees consisting of 5 (five) members. The death-cum-survival benefits are given to the employees as per the eligibility narrated in the Trust Rules. The fund got recognition from the National Board of Revenue with effect from 01 July 2005, as per Part-A of First Schedule of Income Tax Ordinance 1984. The Bank contributes to the fund annually as per superannuation fund rules.

##### **c) Other benefits**

Other benefits include leave encashment, house building loan, computer and car loan at a concessional rate.





## 2.7.2 Provision for liabilities

A provision is recognised in the Balance Sheet when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with IAS-37: 'Provisions, Contingent Liabilities and Contingent Assets.'

## 2.7.3 Provision for loans and advances

Provision against classified loans and advances is made on the basis of periodical review by the management and instruction contained in BCD circular no. 12 dated 04 September 1995, BRPD circular no. 16 dated 06 December 1998, BRPD circular no. 09 dated 14 May 2001, BRPD circular no. 02 dated 15 February 2005, BRPD circular no. 05 dated 27 April 2005 and BRPD circular no. 32 dated 27 October 2010, BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 08 dated 02 August 2015, BRPD Circular No. 15 dated 27 September 2017 and BRPD circular No.01 dated 20, February 2018. The provisioning rate as per Bangladesh Bank circulars are as follows:

Business unit		Rates of provisions				
		Standard	SMA	SS	DF	BL
Consumer	House building and professional	1%	1%	20%	50%	100%
	Loans to professionals	2%	2%	20%	50%	100%
	Other than house building and professional to setup business	5%	5%	20%	50%	100%
	Small and medium enterprise	0.25%	0.25%	20%	50%	100%
	BHs/MBs/ SDs against shares	2%	2%	20%	50%	100%
	Short term agri-credit	1%	1%	5%	5%	100%
	All others	1%	1%	20%	50%	100%

## 2.7.4 Provision against Off-balance sheet items

Provision against Off Balance Sheet items have been kept @ 1.00% as per BRPD circular no. 08 dated 07 August 2007, BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012.

## 2.7.5 Provision for taxation

### a) Current tax

Current tax is expected tax payable on taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment payable in respect of previous years. Provision for current income tax has been made @ 37.50% as prescribed in the Finance Act 2019 of the profit made by the Bank after considering major taxable allowances and disallowances.

### b) Deferred tax

Deferred tax is calculated on the taxable/ deductible temporary differences between tax base amount and carrying amount of assets and liabilities as required by IAS-12: 'Income Tax'.

Taxable temporary differences are temporary differences that will result in taxable amounts in determining taxable profit/ (loss) for future periods when the carrying amount of the asset or liability is recovered or settled.

Deductible temporary differences are differences that will result in amounts that are deductible in determining taxable profit/ (loss) of future periods when the carrying amount of asset or liability is recovered or settled.

## 2.7.6 Lease liabilities (present value of lease payments)

The bank recognised the lease liabilities which is present value of lease payments to be made over the lease term from the date of commencement. The lease payment include fixed and variable lease payment and the amount expected to be paid under residual value of guarantee. The lease liabilities has been discounted using bank rate.

## 2.8 Off-balance sheet items

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines.

## 2.9 Revenue recognition

The revenues during the year are recognised complying all conditions of revenue recognition as prescribed in IFRS-15: 'Revenue Recognition.'

## 2.9.1 Interest income

The interest receivable is recognised on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense account and in memorandum account. Interest on classified advances is accounted for on a cash receipt basis.







**2.9.2 Investment income**

Income on investment is recognised on realisation and accrual basis where applicable.

**2.9.3 Fees and commission income**

Fees and commission income arise on services provided by the Bank are recognised on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee is credited to income at the time of effecting the transactions.

**2.9.4 Dividend income on shares**

Dividend income from shares is recognised during the period in which they are actually received. Stock dividend is recognised as income in the year in which it is sold.

**2.9.5 Interest paid on borrowings and deposits**

Interest paid on borrowings and deposits is calculated on a day basis and recognised on accrual basis.

**2.9.6 Management and other expenses**

Expenses incurred by the Bank are recognised on actual or accrual basis whenever necessary.

**2.10 Shareholders' equity**

**Authorised capital**

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

**Paid-up capital**

Paid up capital represents total amount of share capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to receive any residual proceeds of liquidation.

**Statutory reserve**

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Companies Act 1991 until such reserve equal to its paid-up capital together with the share premium. Statutory reserve transferred in yearly basis.

**Non-controlling (minority) interest**

Minority interest (non-controlling interest) in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. NBL holds 99.99% of equity of NBL Securities Ltd, 99.95% of equity of NBL Capital and Equity Management Ltd, 100% of equity of NBL Money Transfer Pte Ltd (Singapore), 100% of equity of NBL Money Transfer Sdn Bhd (Malaysia), 100% of equity of NBL Money Transfer (Maldives) Private Ltd, 100% of equity of NBL Money Transfer Payment Foundation SA (Greece) and 100% of equity of NBL Money Transfer Inc. (USA). Minority interest belongs to a sponsor Director of the Bank and is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, minority interest is reported on the consolidated income statement reflects as a share of profit belonging to the minority shareholder.

**2.11 Foreign currencies translation and balance with other banks**

Amount in foreign currency are translated in accordance with the principles set forth in IAS-21: 'The Effects of Changes in Foreign Exchange Rates.' As per this standard monetary items not denominated in BDT and cash transactions not completed at the reporting date are translated into BDT using current market rates. Non-monetary items carried at fair value are translated into BDT using current market price at the reporting date and non-monetary items carried at cost are translated using the rate applicable at the time of acquisition. Transaction rates are used to translate the items related to income and expenses.

**2.12 Risk management**

**2.12.1 Asset liability management**

The Asset Liability Committee (ALCO) of the Bank monitors market risk and liquidity risk of the Bank. The market risk is defined as potential change in earnings due to change in rate of interest, foreign exchange rates which are not of trading nature. ALCO reviews liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingency plan. The primary objective of the ALCO is to monitor and avert significant volatility in Net Interest Income (NII), return on assets, investment value and exchange earnings. The ALCO also monitors the Capital Adequacy Ratio on monthly/quarterly basis.





#### 2.12.2 Money laundering risk management

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has a designated Chief Compliance Officer at Head Office and Compliance Officer at branches, who independently review the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and transaction profile has been introduced. Training has been continuously given to all categories of officers and executives for developing awareness and skill for identifying suspicious activities.

#### 2.12.3 Credit risk management

Credit Risk is defined as potential loss arising from the failure of a counter party to meet financial obligations as per contractual agreement with the Bank. For maintaining steady growth of the Bank and for economic development of the country, NBL manages credit risk meticulously. NBL extends credit facilities to different clients in different sectors after doing due diligence and mitigating risk factors properly as per guidelines set by Bangladesh Bank, Executive Committee of the Board of Directors and Management Credit Committee of the Bank.

The Bank has segregated duties of the executives/officers involved in credit related activities. A separate marketing division has been formed at Head Office which is entrusted with the duties of maintaining effective relationship with the customer, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed namely Credit Risk Management Division, Credit Administration Division and Law and Recovery Division. Credit Risk Management Division is entrusted with the duties of maintaining asset quality, assessing risk involved in lending, sanctioning credit, formulating policy/strategy for lending operation. Credit Risk Grading (CRG) is also made for individual borrowers. Credit Administration Division monitor the overall administration of advances after sanction and disbursement. A separate desk has been created in Law and Recovery Division to handle top 20 defaulters.

#### 2.12.4 Foreign exchange risk management

Foreign exchange risk is defined as the potential change in earnings arising due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at mark-to-market rate at the month-end. All Nostro accounts are reconciled on monthly basis and outstanding entries are reviewed by the management for its settlement on regular basis.

#### 2.12.5 Internal control and compliance management

Operational loss may arise from error and fraud due to lack of internal control and compliance. Management, through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the branches and departments at Head Office for review of the operation and compliance of statutory requirement. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

#### 2.12.6 ICT Risk Management

Transformation of business processes in response to technology driven customer's needs and services has brought in tremendous change in information technology platform in the bank. NBL has adopted measures to protect the information and communication platform from unauthorized access, modification, virus, disclosure and destruction in order to ensure business continuity, data safety and security thereby protecting customer's interest at large.

#### 2.13 Earnings per share (EPS)

EPS have been calculated in accordance with IAS-33: 'Earnings per Share,' which is shown on the face of the Profit and Loss Statement. This has been calculated by dividing the net profit after tax by the weighted average number of ordinary shares outstanding as on 31 December 2019.

#### 2.14 Cash flow statement

Cash flow statement has been prepared in accordance with IAS-7: 'Statement of Cash Flows' and under the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003. The cash flow statement shows the structure of changes in cash and cash equivalent during the financial year. It is segregated into operating activities, investing activities and financial activities.

#### 2.15 Statement of changes in equity

Statement of changes in equity has been prepared in accordance with IAS-1: 'Presentation of Financial Statements' and under the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

#### 2.16 Statement of liquidity

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on the reporting date.





**2.17 Reconciliation of inter-bank/books of accounts**

Books of account in regard to inter bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at a regular interval.

**2.18 Off-setting financial assets and financial liabilities**

Financial assets and financial liabilities are set off and the net amount reported in the Balance Sheet when, and only when the Bank has a legal right to offset the recognised amount and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards or for gains or losses arising from a group of similar transaction.

**2.19 Subordinated bonds**

Considering the regulatory, legal, present market condition and future capital requirement of the Bank, the NBL issued subordinated bonds valuing BDT 400 crore. This is eligible for Tier-II capital as per Basel III Guidelines of Bangladesh Bank. Details of terms and conditions are as follows:

Issue size	BDT 400 crore
First tranche issue	BDT 275 crore
2nd tranche issue	BDT 125 crore
Issue objectives	Raising of Tier -II capital to meet the requirement under Basel-III
Issue arranger	RSA Capital Limited
Nature of instrument	Un-secured, non-convertible, subordinated bond
Mode of placement	Private placement
Listing	Unlisted
Security	Unsecured
Rating status of the issue	A2
Redemption	Paid annually on prorata basis to bond holders in installment of 20% per year commencing at the third anniversary of the bonds from the date of issue.
Redemption value	At par
Tenure	7 years
Coupon rate	Base rate +2.50 % margin

**2.20 General**

- i) Figures appearing in these financial statements have been rounded to the nearest BDT.
- ii) Figures of previous year have been rearranged wherever necessary to conform to current year's presentation.





**National Bank Ltd**  
Notes to the financial statements  
For the year ended December 31, 2019

Amount in BDT				
Group		Bank		
2019	2018	2019	2018	
<b>3. Cash</b>				
<b>3.1 In hand (including foreign currencies)</b>				
Local currency	4,017,264,850	3,176,862,317	4,017,210,763	3,176,779,882
Foreign currencies	138,066,943	113,418,970	35,220,086	69,915,714
	<b>4,155,331,793</b>	<b>3,290,281,287</b>	<b>4,052,430,849</b>	<b>3,246,695,596</b>
<b>4. Balance with Bangladesh Bank and its agent bank (including foreign currencies)</b>				
<b>Balance with Bangladesh Bank</b>				
Local currency	18,496,962,021	15,557,644,864	18,496,962,021	15,557,644,864
Foreign currencies	543,139,327	722,153,139	543,139,327	722,153,139
	19,040,101,348	16,279,798,003	19,040,101,348	16,279,798,003
<b>Balance with agent bank (Sonali Bank Ltd)</b>				
	1,165,941,975	1,130,180,913	1,165,941,975	1,130,180,913
	<b>20,206,043,323</b>	<b>17,409,978,916</b>	<b>20,206,043,323</b>	<b>17,409,978,916</b>

An amount of BDT 4,000,000 has been marked as lien with Bangladesh Bank upto 30 June 2020 against TT discounting facilities by various branches of NBL.

**4.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)**

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of Banking Companies Act 1991 (amended upto 2013) and MPD circular no. 01 dated April 03, 2018 and MPD circular No. 02 dated December 10, 2013 issued by Bangladesh Bank.

The Cash Reserve Requirement on the Bank's time and demand liabilities @ 5.50% has been calculated and maintained with Bangladesh Bank in local currency and 13% Statutory Liquidity Ratio on the same liabilities has also been maintained in the form of cash in hand, balance with Bangladesh Bank and its agent bank (Sonali Bank Ltd), TT in transit and unencumbered approved securities. CRR and SLR maintained by the Bank are shown below:

**4.1.1 Cash Reserve Requirement (CRR)**

**Average time and demand liabilities (excluding inter-bank deposits)**

	<b>339,820,961,538</b>	<b>291,428,076,923</b>	<b>339,820,961,538</b>	<b>291,428,076,923</b>
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Required reserve (5.50% on average time and demand liabilities)

	18,690,152,885	16,028,544,231	18,690,152,885	16,028,544,231
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Actual reserve maintained

	19,383,660,000	16,199,250,207	19,383,660,000	16,199,250,207
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**Surplus**

	<b>693,507,115</b>	<b>170,705,976</b>	<b>693,507,115</b>	<b>170,705,976</b>
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**4.1.2 Statutory Liquidity Ratio (SLR)**

**Average time and demand liabilities (excluding inter-bank deposits)**

	<b>339,820,961,538</b>	<b>291,428,076,923</b>	<b>339,820,961,538</b>	<b>291,428,076,923</b>
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Required reserve (13% on average time and demand liabilities)

	44,176,725,000	37,885,650,000	44,176,725,000	37,885,650,000
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Actual reserve maintained (excluding CRR)

	55,449,577,694	49,559,360,509	55,449,577,694	49,559,360,509
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**Surplus**

	<b>11,272,852,694</b>	<b>11,673,710,509</b>	<b>11,272,852,694</b>	<b>11,673,710,509</b>
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**4.1.3 Composition of SLR maintained\***

Cash in hand

	4,052,430,849	3,246,695,596	4,052,430,849	3,246,695,596
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Balance with agent bank (Sonali Bank Ltd)

	1,165,941,975	1,130,180,913	1,165,941,975	1,130,180,913
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Unencumbered approved securities (HTM, HFT and reverse REPO)

	50,231,204,870	45,182,484,000	50,231,204,870	45,182,484,000
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	<b>55,449,577,694</b>	<b>49,559,360,509</b>	<b>55,449,577,694</b>	<b>49,559,360,509</b>
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\* As per statement submitted to Bangladesh Bank

**5. Balance with other banks and financial institutions**

In Bangladesh - in local currencies (note 5.1)  
Outside Bangladesh (note 5.2) (Annex - B)

3,473,839,676	3,879,714,515	3,246,661,798	3,775,745,848
1,259,585,138	927,129,849	938,013,138	749,669,117
<b>4,733,424,814</b>	<b>4,806,844,364</b>	<b>4,184,674,936</b>	<b>4,525,414,965</b>

**5.1 Inside Bangladesh**

**5.1.1 Current accounts**

Agrani Bank Ltd  
Janata Bank Ltd  
Rupali Bank Ltd  
Standard Chartered Bank  
Sonali Bank Ltd

53,353,132	72,920,587	53,353,132	72,920,587
81,813,505	90,632,617	81,813,505	90,632,617
2,299	49,529	2,299	49,529
6,779,859	3,340,846	6,779,859	3,340,846
55,085,009	74,313,949	55,085,009	74,313,949
<b>197,033,804</b>	<b>241,257,528</b>	<b>197,033,804</b>	<b>241,257,528</b>

**5.1.2 Short-notice deposit accounts**

Eastern Bank Ltd  
Janata Bank Ltd  
National Credit and Commercial Bank Ltd  
First Security Islami Bank Ltd  
Dhaka Bank Ltd  
Standard Chartered Bank  
Trust Bank Ltd

156,597	156,488	156,597	156,488
631,001	611,847	631,001	611,847
105,334	104,630	105,334	104,630
84,660	83,504	84,660	83,504
201,518	196,333	201,518	196,333
1,005,564	1,005,564	1,005,564	1,005,564
51,293,495	36,154,899	51,293,495	36,154,899
<b>53,478,169</b>	<b>38,313,265</b>	<b>53,478,169</b>	<b>38,313,265</b>





Amount in BDT			
Group		Bank	
2019	2018	2019	2018

**5.1.3 Fixed deposit accounts (in local currency)**

ICB Islamic Bank Ltd	66,149,825	66,175,055	66,149,825	66,175,055
NRB Global Bank Ltd	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Union Bank Ltd	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
	<b>2,846,149,825</b>	<b>2,846,175,055</b>	<b>2,846,149,825</b>	<b>2,846,175,055</b>
Other financial institutions	150,000,000	650,000,000	150,000,000	650,000,000
	<b>3,246,661,798</b>	<b>3,775,745,848</b>	<b>3,246,661,798</b>	<b>3,775,745,848</b>
Bank balance of subsidiaries	227,177,878	103,968,667	-	-
	<b>3,473,839,676</b>	<b>3,879,714,515</b>	<b>3,246,661,798</b>	<b>3,775,745,848</b>

**5.2 Outside Bangladesh**

**5.2.1 Fixed deposits accounts (interest bearing) :**

JP Morgan Chase Bank, Singapore	61,637,400	45,222,100	61,637,400	45,222,100
Eastern Bank Ltd, OBU	-	83,900,000	-	83,900,000
AB Bank Ltd., OBU	254,700,000	-	254,700,000	-
	<b>316,337,400</b>	<b>129,122,100</b>	<b>316,337,400</b>	<b>129,122,100</b>

**In demand deposit accounts (non-interest bearing):**

Standard Chartered Bank, Mumbai	54,036,485	84,909,107	54,036,485	84,909,107
Standard Chartered Bank, Frankfurt	853,524	1,790,891	853,524	1,790,891
Mashreq Bank, New York	33,116,914	32,980,217	33,116,914	32,980,217
JP Morgan Chase Bank, New York	8,411,527	18,680,724	8,411,527	18,680,724
Standard Chartered Bank, New York	223,105,765	72,583,151	223,105,765	72,583,151
Sonali Bank Ltd, Kolkata	30,786,529	36,457,468	30,786,529	36,457,468
Mashreq Bank, Mumbai	33,041,394	36,709,089	33,041,394	36,709,089
State Bank of India, Kolkata	519,764	513,642	519,764	513,642
United Bank, Karachi	2,650,190	2,618,975	2,650,190	2,618,975
NABIL Bank, Nepal	14,901,085	17,761,913	14,901,085	17,761,913
Standard Chartered Bank, Colombo	3,728,666	4,809,652	3,728,666	4,809,652
Myanmar Foreign Trade, Myanmar	11,703	11,566	11,703	11,566
AB Bank Ltd, Mumbai	38,826,147	99,262,230	38,826,147	99,262,230
Bank of Bhutan, Thimpu	34,446,675	24,299,548	34,446,675	24,299,548
ICICI Bank Ltd, Mumbai	3,248,127	3,209,869	3,248,127	3,209,869
HDFC Bank Ltd, India	21,891,329	43,063,214	21,891,329	43,063,214
Meezan Bank, Karchi	17,984,855	2,842,223	17,984,855	2,842,223
Commerz Bank, Frankfurt	4,219,089	744,795	4,219,089	744,795
Alpha Bank AE, Athens	746,811	19,115,102	746,811	19,115,102
BOT, Tokyo	1,016,067	73,160	1,016,067	73,160
Union Bank of Switzerland, Switzerland	624,682	558,957	624,682	558,957
Habib Bank AG, Zurich	361,857	194,068	361,857	194,068
Habib American Bank, New York	85,139,518	66,444,461	85,139,518	66,444,461
Standard Chartered Bank, Singapore	1,046,725	110,703	1,046,725	110,703
Citibank N.A, New York	6,960,310	50,802,292	6,960,310	50,802,292
	<b>621,675,738</b>	<b>620,547,017</b>	<b>621,675,738</b>	<b>620,547,017</b>
Bank Balance of subsidiaries	321,572,000	177,460,732	-	-
	<b>943,247,738</b>	<b>798,007,749</b>	<b>621,675,738</b>	<b>620,547,017</b>
	<b>1,259,585,138</b>	<b>927,129,849</b>	<b>938,013,138</b>	<b>749,669,117</b>

Details are shown in **Annex B**.

**5.3 Maturity grouping of balance with other banks and financial institutions**

On demand	1,367,459,420	1,143,233,944	818,709,542	861,804,545
Up to 1 month	1,816,337,400	2,129,122,100	1,816,337,400	2,129,122,100
More than 1 month but not more than 3 months	203,478,169	188,313,265	203,478,169	188,313,265
More than 3 months but not more than 1 year	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
More than 1 year but not more than 5 years	66,149,825	66,175,055	66,149,825	66,175,055
More than 5 years	-	-	-	-
	<b>4,733,424,814</b>	<b>4,806,844,364</b>	<b>4,184,674,936</b>	<b>4,525,414,965</b>

**6. Money at call and on short notice**

**Call money**

With banking companies (note 6.1)  
With non-banking financial institutions

91,300,000	91,300,000	91,300,000	91,300,000
-	-	-	-
<b>91,300,000</b>	<b>91,300,000</b>	<b>91,300,000</b>	<b>91,300,000</b>

**6.1 Call Money - with banking companies**

ICB Islamic Bank Ltd

91,300,000	91,300,000	91,300,000	91,300,000
<b>91,300,000</b>	<b>91,300,000</b>	<b>91,300,000</b>	<b>91,300,000</b>

With Financial Institutions

-	-	-	-
<b>91,300,000</b>	<b>91,300,000</b>	<b>91,300,000</b>	<b>91,300,000</b>

**7. Investments**

Government (note 7.1)  
Others (note 7.2)

50,231,204,874	45,182,483,694	50,231,204,874	45,182,483,694
9,727,336,247	9,453,489,089	12,646,612,584	12,687,369,774
<b>59,958,541,121</b>	<b>54,635,972,783</b>	<b>62,877,817,458</b>	<b>57,869,853,468</b>

**7.1 Government**

Treasury bonds (note 7.1.1)  
Bangladesh Govt. Treasury bills  
Prize bonds

49,499,124,924	45,174,159,994	49,499,124,924	45,174,159,994
725,396,850	-	725,396,850	-
6,683,100	8,323,700	6,683,100	8,323,700
<b>50,231,204,874</b>	<b>45,182,483,694</b>	<b>50,231,204,874</b>	<b>45,182,483,694</b>







	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>7.1.1 Treasury bonds</b>				
2 years Bangladesh Government treasury bonds	2,047,085,214	-	2,047,085,214	-
5 years Bangladesh Government treasury bonds	3,556,176,698	367,517,083	3,556,176,698	367,517,083
10 years Bangladesh Government treasury bonds	21,014,994,899	22,149,068,037	21,014,994,899	22,149,068,037
15 years Bangladesh Government treasury bonds	10,710,879,323	10,203,513,041	10,710,879,323	10,203,513,041
20 years Bangladesh Government treasury bonds	12,169,988,790	12,454,061,833	12,169,988,790	12,454,061,833
	<b>49,499,124,924</b>	<b>45,174,159,994</b>	<b>49,499,124,924</b>	<b>45,174,159,994</b>
<b>7.2 Others</b>				
Share (quoted and unquoted) (note 7.2.1)	8,473,091,247	7,999,294,089	11,392,367,584	11,233,174,774
Subordinated bond	1,250,000,000	1,450,000,000	1,250,000,000	1,450,000,000
Fixed capital investment in Myanmar (note 7.2.2)	4,245,000	4,195,000	4,245,000	4,195,000
	<b>9,727,336,247</b>	<b>9,453,489,089</b>	<b>12,646,612,584</b>	<b>12,687,369,774</b>
<b>7.2.1 In ordinary shares (quoted and unquoted)</b>				
<b>Quoted</b>				
Banking Companies	5,443,950,667	5,277,612,616	5,443,950,667	5,277,612,616
Non-Bank Financial Institutions	553,264,682	562,218,383	553,264,682	562,218,383
Insurance companies	115,402,713	124,165,598	115,402,713	124,165,598
Fuel & Power	220,331,166	251,534,197	220,331,166	251,534,197
Mutual Fund	39,739,141	38,731,654	39,739,141	38,731,654
Telecommunication companies	-	1,438,301	-	1,438,301
Textiles	32,376,638	23,636,583	32,376,638	23,636,583
Cement Industry	16,880,356	16,074,372	16,880,356	16,074,372
Engineering Companies	73,088,942	66,761,894	73,088,942	66,761,894
Paper & Printing	2,896,516	2,896,516	2,896,516	2,896,516
Pharmaceuticals & Chemicals	143,493,409	135,953,578	143,493,409	135,953,578
Travel & Leisure	39,784,899	39,747,599	39,784,899	39,747,599
Information Technology	19,831,685	21,524,469	19,831,685	21,524,469
Tannery Industry	1,302,803	24,132,893	1,302,803	24,132,893
Food and Allied	5,720,185	-	5,720,185	-
Service & Real Estate	5,895,165	-	5,895,165	-
Miscellaneous	32,361,527	32,411,947	32,361,527	32,411,947
	<b>6,746,320,494</b>	<b>6,618,840,600</b>	<b>6,746,320,494</b>	<b>6,618,840,600</b>
Investment made by subsidiary	979,486,925	662,778,854	-	-
	<b>7,725,807,419</b>	<b>7,281,619,454</b>	<b>6,746,320,494</b>	<b>6,618,840,600</b>
<b>Un-quoted</b>				
Karma Sangsthan Bank Ltd	90,000,000	90,000,000	90,000,000	90,000,000
Gulf Overseas Exchange LLC, Oman	27,506,250	27,176,250	27,506,250	27,176,250
Central Depository (Bangladesh) Ltd	6,277,770	6,277,770	6,277,770	6,277,770
Industrial & Infrastructure Development Fin. Co. Ltd	62,800,260	33,483,820	62,800,260	33,483,820
Society for Worldwide Inter Bank Financial Telecommunication (SWIFT)	5,785,599	5,822,846	5,785,599	5,822,846
NBL Securities Ltd	-	-	3,999,940,000	3,999,940,000
NBL Capital & Equity Management Ltd	-	-	249,865,000	249,865,000
NBL Money TRN SDN BHD Malaysia	-	-	20,650,000	20,095,800
NBL Money Transfer Pte. Ltd	-	-	18,876,450	18,332,130
NBL Money Transfer (Maldives) PVT. Ltd	-	-	16,980,000	16,780,000
NBL Money Transfer Inc., USA	-	-	81,504,000	80,544,000
NBL Money Trans. Payment Foundation SA Greece	-	-	34,697,812	34,852,609
Bangladesh Rating Agency Ltd	4,165,900	4,165,900	4,165,900	4,165,900
Lanka Bangla Securities Ltd	4,998,049	4,998,049	4,998,049	4,998,049
BD Venture Ltd	20,000,000	20,000,000	20,000,000	20,000,000
Membership with DSE & CSE	523,750,000	523,750,000	-	-
MSF Asset Management	2,000,000	2,000,000	2,000,000	2,000,000
	<b>747,283,828</b>	<b>717,674,635</b>	<b>4,646,047,090</b>	<b>4,614,334,174</b>
	<b>8,473,091,247</b>	<b>7,999,294,089</b>	<b>11,392,367,584</b>	<b>11,233,174,774</b>
Market value of the investments in quoted shares			<b>4,798,286,835</b>	<b>5,172,973,677</b>

**7.2.2 Fixed capital investment in Myanmar**

Fixed capital investment represents FDR for USD 50,000 bearing interest @ 1 % p.a. maintained with Myanmar Foreign Trade Bank for Representative Office of National Bank Ltd in Myanmar, translated into BDT using the rate prevailing at 31 December of the corresponding year.

**7.3 Maturity wise grouping on investments**

On demand	-	-	-	-
Up to 1 month	119,121,775	118,637,710	119,121,775	118,637,710
Over 1 month but not more than 3 months	495,491,238	2,616,952,679	495,491,238	2,616,952,679
Over 3 months but not more than 1 year	4,264,613,380	1,367,143,463	4,264,613,380	1,367,143,463
Over 1 year but not more than 5 years	24,050,293,073	22,381,055,935	24,050,293,073	22,381,055,935
Over 5 years	31,029,021,655	28,152,182,996	33,948,297,992	31,386,063,681
	<b>59,958,541,121</b>	<b>54,635,972,783</b>	<b>62,877,817,458</b>	<b>57,869,853,468</b>





	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>8. Loans and advances</b>				
Loans, cash credits, overdrafts, etc (note 8.1)	358,432,032,668	309,746,999,284	355,486,764,281	306,861,227,874
Bills purchased and discounted (note 8.2)	5,282,973,014	7,646,035,297	5,282,973,014	7,646,035,297
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>8.1 Loans, cash credits, overdrafts, etc</b>				
<b>In Bangladesh</b>				
Secured overdrafts	6,913,004,899	6,921,239,432	6,913,004,899	6,921,239,432
Cash credit	65,441,263,137	60,579,985,928	65,441,263,137	60,579,985,928
Over draft	110,916,465,758	91,933,497,194	110,916,465,758	91,933,497,194
Loans (general)	137,065,558,192	117,561,960,979	139,449,613,178	119,868,062,637
House building loans	17,695,271,809	15,376,663,289	17,695,271,809	15,376,663,289
Lease finance	106,379,558	140,862,665	106,379,558	140,862,665
Loan against trust receipts	5,248,431,116	4,690,864,193	5,248,431,116	4,690,864,193
Payment against documents	251,969,685	335,363,582	251,969,685	335,363,582
Credit card	1,158,950,923	1,382,833,867	1,158,950,923	1,382,833,867
Margin loan	5,329,323,373	5,191,873,068	-	-
Other loans and advances	8,305,414,218	5,631,855,087	8,305,414,218	5,631,855,087
	<b>358,432,032,668</b>	<b>309,746,999,284</b>	<b>355,486,764,281</b>	<b>306,861,227,874</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>358,432,032,668</b>	<b>309,746,999,284</b>	<b>355,486,764,281</b>	<b>306,861,227,874</b>
<b>8.2 Bills purchased and discounted</b>				
<b>In Bangladesh</b>				
Local bills purchased and discounted	1,698,788,542	1,513,089,073	1,698,788,542	1,513,089,073
Foreign bills/documents purchased and discounted	3,584,184,472	6,132,946,224	3,584,184,472	6,132,946,224
	<b>5,282,973,014</b>	<b>7,646,035,297</b>	<b>5,282,973,014</b>	<b>7,646,035,297</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>5,282,973,014</b>	<b>7,646,035,297</b>	<b>5,282,973,014</b>	<b>7,646,035,297</b>
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>8.3 Maturity wise grouping of loans and advances including bills purchased and discounted repayable</b>				
On demand	10,823,092,119	11,007,754,211	10,823,092,119	11,007,754,211
Up to 1 month	25,253,881,611	20,442,972,106	25,253,881,611	20,442,972,106
More than 1 month but not more than 3 months	28,861,578,984	22,015,508,422	28,861,578,984	22,015,508,422
More than 3 months but not more than 1 year	101,015,526,443	75,481,743,161	101,015,526,443	75,481,743,161
More than 1 year but not more than 5 years	108,910,468,882	94,944,586,416	108,910,468,882	94,944,586,416
More than 5 years	88,850,457,643	93,500,470,265	85,905,189,256	90,614,698,855
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>8.4 Loans and advances including bills purchased and discounted classified into</b>				
<b>In Bangladesh:</b>				
Loans	182,074,303,773	157,233,516,162	179,129,035,386	154,347,744,752
Cash credits	65,441,263,137	60,579,985,928	65,441,263,137	60,579,985,928
Overdrafts	110,916,465,758	91,933,497,194	110,916,465,758	91,933,497,194
Bills purchased and discounted	5,282,973,014	7,646,035,297	5,282,973,014	7,646,035,297
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>8.5 Loans and advances on the basis of significant concentration</b>				
<b>8.5.1 Loans and advances to directors, executives and others</b>				
Advances to directors and their allied concerns	230,086,580	124,924,624	230,086,580	124,924,624
Advances to CEO, senior executives and other staffs	2,408,364,008	2,079,282,137	2,408,364,008	2,079,282,137
Advances to customers (groupwise)	164,771,993,607	124,825,291,154	164,771,993,607	124,825,291,154
Industrial advances	67,423,416,634	51,018,222,003	67,423,416,634	51,018,222,003
Other customers	128,881,144,853	139,345,314,663	125,935,876,466	136,459,543,253
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>8.5.2 Loans and advances allowed to each customer exceeding 10% of Bank's total capital</b>				
Total loans and advances (funded and non-funded)*			17,659,120,000	14,888,860,000
No. of customers			25	23
Classified amount thereon			-	-
Measures taken for recovery of classified loans			N/A	N/A
*The amount represents the sum of total loans and advances to each customer exceeding 10% of total capital of the Bank (i.e. BDT 547.23 crore being 10% of total capital of BDT 5,472.32 crore) as at December 31, 2019.				
Details are shown in <b>Annex C</b> .				
<b>8.5.3 Industry wise concentration of loans and advances (Including bills purchased and discounted)</b>				
Agriculture	4,302,216,000	3,964,241,256	4,302,216,000	3,964,241,256
Term loan to small cottage industries	6,960,901,009	4,774,588,800	6,960,901,009	4,774,588,800
Term loan to large and medium industries	94,487,306,108	78,154,264,424	94,487,306,108	78,154,264,424
Working capital to industries	56,386,282,142	71,155,000,988	56,386,282,142	71,155,000,988
Export credit	15,188,138,122	8,905,314,277	15,188,138,122	8,905,314,277
Trade finance	114,756,826,347	76,196,182,444	114,756,826,347	76,196,182,444
Consumer credit	1,990,028,213	1,955,164,326	1,990,028,213	1,955,164,326
Credit cards	1,158,950,923	1,382,833,866	1,158,950,923	1,382,833,866
Others	68,484,356,818	70,905,444,200	65,539,088,431	68,019,672,790
	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>



**8.5.4 Geographical location-wise grouping  
In Bangladesh**

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
Dhaka Division	234,682,564,746	197,110,229,214	231,737,296,359	194,224,457,804
Chattagram Division	97,739,243,263	90,162,304,297	97,739,243,263	90,162,304,297
Khulna Division	6,042,355,061	6,148,108,195	6,042,355,061	6,148,108,195
Sylhet Division	1,368,471,441	1,367,881,268	1,368,471,441	1,367,881,268
Rangpur Division	3,826,679,976	4,018,230,545	3,826,679,976	4,018,230,545
Barisal Division	2,409,902,276	1,929,351,278	2,409,902,276	1,929,351,278
Rajshahi Division	13,759,979,346	12,679,528,668	13,759,979,346	12,679,528,668
Mymensingh Division	3,885,809,573	3,977,401,116	3,885,809,573	3,977,401,116
<b>Total</b>	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
<b>Outside Bangladesh</b>	-	-	-	-
<b>Total</b>	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>

**8.6 Grouping as per classification rules  
Unclassified:**

Standard	303,355,867,668	253,614,868,581	300,410,599,281	250,729,097,171
Special mentioned account	20,722,000,000	33,896,704,000	20,722,000,000	33,896,704,000
<b>Total</b>	<b>324,077,867,668</b>	<b>287,511,572,581</b>	<b>321,132,599,281</b>	<b>284,625,801,171</b>

**Classified:**

Sub-standard	7,501,557,250	1,005,912,000	7,501,557,250	1,005,912,000
Doubtful	3,383,231,271	1,010,971,000	3,383,231,271	1,010,971,000
Bad/loss	28,752,349,493	27,864,579,000	28,752,349,493	27,864,579,000
<b>Total</b>	<b>39,637,138,014</b>	<b>29,881,462,000</b>	<b>39,637,138,014</b>	<b>29,881,462,000</b>
<b>Total</b>	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>

**8.7 Particulars of loans and advances**

i) Loans considered good in respect of which the Bank is fully secured	315,211,308,616	267,409,353,835	312,266,040,229	264,523,582,425
ii) Loans considered good against which the Bank holds no security other than the debtors' personal guarantee	27,111,999,236	28,225,403,441	27,111,999,236	28,225,403,441
iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	21,391,697,830	21,758,277,305	21,391,697,830	21,758,277,305
iv) Loans adversely classified; provision not maintained there	-	-	-	-
<b>Total</b>	<b>363,715,005,682</b>	<b>317,393,034,581</b>	<b>360,769,737,295</b>	<b>314,507,263,171</b>
v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons.	2,638,450,588	2,204,206,761	2,638,450,588	2,204,206,761
vi) Loans due from companies or firms in which the directors of the bank have interest as directors, partners or managing agents or in case of private companies, as members.	230,086,580	124,924,624	230,086,580	124,924,624
vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the bank or any of them either separately or jointly with any other person.	2,638,450,588	2,204,206,761	2,638,450,588	2,204,206,761
viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies, as members.	230,086,580	124,924,624	230,086,580	124,924,624
ix) Due from banking companies	-	-	-	-
x) Information in respect of classified loans advances				
a) Classified loans for which interest is not credited to income	39,637,138,014	29,881,462,000	39,637,138,014	29,881,462,000
b) Provision kept against classified loans and	11,278,239,751	9,665,484,795	11,278,239,751	9,665,484,795
c) Interest credited to interest suspense account (note 15.3)	10,573,467,632	11,493,141,527	10,573,467,632	11,493,141,527





	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
xi) Cumulative amount of written-off loans:				
Opening balance	17,261,474,000	17,664,772,000	17,261,474,000	17,664,772,000
Amount written-off during the year	-	-	-	-
Amount recovered / provision released during the year against written-off loans	(146,500,000)	(371,168,000)	(146,500,000)	(371,168,000)
Waiver for final settlement	-	(32,130,000)	-	(32,130,000)
Balance of written-off loans and advances yet to be recovered	<b>17,114,974,000</b>	<b>17,261,474,000</b>	<b>17,114,974,000</b>	<b>17,261,474,000</b>
The amount of classified and written-off loans for which law suits have been filed	<b>72,792,759,000</b>	<b>66,569,049,000</b>	<b>72,792,759,000</b>	<b>66,569,049,000</b>
<b>8.8 Bills purchased and discounted (Maturity wise grouping of bills purchased and discounted)</b>				
Payable within 1 month	880,495,502	1,274,339,216	880,495,502	1,274,339,216
More than 1 month but less than 3 months	1,760,991,004	2,548,678,432	1,760,991,004	2,548,678,432
More than 3 months but less than 6 months	2,641,486,508	3,823,017,649	2,641,486,508	3,823,017,649
More than 6 months	-	-	-	-
	<b>5,282,973,014</b>	<b>7,646,035,297</b>	<b>5,282,973,014</b>	<b>7,646,035,297</b>
<b>9. Fixed assets including premises, furniture and fixtures</b>				
<b>Cost / Revaluation:</b>				
Land	693,216,752	693,216,752	693,216,752	693,216,752
Building	1,276,289,796	1,276,289,796	1,276,289,796	1,276,289,796
Furniture and fixtures	1,132,983,963	1,058,061,009	1,132,983,963	1,058,061,009
General equipments	1,132,270,824	1,069,991,620	1,132,270,824	1,069,991,620
Computer equipments	1,606,240,668	1,438,513,270	1,606,240,668	1,438,513,270
Vehicles	307,169,293	276,527,284	307,169,293	276,527,284
Right of use assets (leased assets)	280,322,323	-	280,322,323	-
Books	2,442,514	1,939,204	2,442,514	1,939,204
	<b>6,430,936,133</b>	<b>5,814,538,935</b>	<b>6,430,936,133</b>	<b>5,814,538,935</b>
Less: Accumulated depreciation	3,720,958,016	3,369,382,999	3,720,958,016	3,369,382,999
<b>Written down value at the end of the year</b>	<b>2,709,978,117</b>	<b>2,445,155,936</b>	<b>2,709,978,117</b>	<b>2,445,155,936</b>
Subsidiary companies balance	59,612,046	28,043,945	-	-
	<b>2,769,590,163</b>	<b>2,473,199,881</b>	<b>2,709,978,117</b>	<b>2,445,155,936</b>
<b>Details are shown in Annex A.</b>				
<b>10. Other assets</b>				
Income generating	-	-	-	-
Non-income generating (note 10.1)	7,783,212,752	6,639,118,130	8,383,317,066	6,795,921,380
	<b>7,783,212,752</b>	<b>6,639,118,130</b>	<b>8,383,317,066</b>	<b>6,795,921,380</b>
<b>10.1 Non-income generating other assets</b>				
Stock of stationery	54,284,588	30,407,234	54,284,588	30,407,234
Stamps in hand	5,421,602	4,538,408	5,421,602	4,538,408
Suspense account (note 10.1.1)	507,622,823	553,130,266	507,622,823	553,130,266
Advance and deposits	5,694,631	5,496,704	5,694,631	5,496,704
Interest and other receivables	1,573,150,869	1,490,708,440	1,573,150,869	1,490,708,440
Sundry assets (note 10.1.2)	338,222,313	221,425,658	338,222,313	221,425,658
Demand draft paid without advice	5,303,404	5,317,404	5,303,404	5,317,404
Bill purchased account - credit card	356,585,312	351,856,062	356,585,312	351,856,062
Deferred tax asset/liabilities(note 10.1.3)	128,496,769	138,541,514	129,500,648	139,545,393
Inter-branch adjustment account (net) (note 10.1.4)	1,205,581,490	1,419,068,487	1,205,581,490	1,419,068,487
Advance against cash assistance	2,819,368	10,166,298	2,819,368	10,166,298
Advance against branches*	13,122,623	16,573,731	13,122,623	16,573,731
Advance against NBL Towers	1,941,287,000	1,690,624,000	1,941,287,000	1,690,624,000
Advance against fixed assets	1,634,223,477	541,712,826	1,634,223,477	541,712,826
Others	11,396,483	159,551,098	610,496,918	315,350,469
	<b>7,783,212,752</b>	<b>6,639,118,130</b>	<b>8,383,317,066</b>	<b>6,795,921,380</b>
* The amount represents advance against new branches and for existing branches repair, renovation and maintenance.				
<b>10.1.1 Suspense account</b>				
Sundry debtors	150,550,055	171,008,490	150,550,055	171,008,490
Advance against TA/DA	137,000	424,283	137,000	424,283
Advance against postage	4,983	7,866	4,983	7,866
Encashment of PSP/ BSP	159,087,367	148,217,568	159,087,367	148,217,568
Encashment of wage earners development bond	197,843,418	233,472,059	197,843,418	233,472,059
	<b>507,622,823</b>	<b>553,130,266</b>	<b>507,622,823</b>	<b>553,130,266</b>
<b>10.1.2 Sundry assets</b>				
Cash remittance	97,789,937	20,000,000	97,789,937	20,000,000
Advance rent	213,432,995	178,183,241	213,432,995	178,183,241
Clearing adjustment account	62,411	127,066	62,411	127,066
Protested bill	23,300,940	18,922,887	23,300,940	18,922,887
Unexpired insurance premium	3,636,030	4,192,464	3,636,030	4,192,464
	<b>338,222,313</b>	<b>221,425,658</b>	<b>338,222,313</b>	<b>221,425,658</b>





Amount in BDT			
Group		Bank	
2019	2018	2019	2018

**10.1.3 Deferred tax assets/(liabilities)**

**Deferred tax assets:**

Opening balance	343,087,021	276,129,636	342,769,347	275,811,962
Add: Addition/(Adjusted) during the year	(1,418,016)	66,957,385	(1,418,016)	66,957,385
<b>Closing balance</b>	<b>341,669,005</b>	<b>343,087,021</b>	<b>341,351,331</b>	<b>342,769,347</b>

**Deferred tax liabilities:**

Opening balance	204,545,507	208,721,009	203,223,954	207,399,456
Add: Addition/adjustment during the year	8,626,729	(4,175,502)	8,626,729	(4,175,502)
<b>Closing balance</b>	<b>213,172,236</b>	<b>204,545,507</b>	<b>211,850,683</b>	<b>203,223,954</b>
<b>Net deferred tax (assets)/liabilities</b>	<b>128,496,769</b>	<b>138,541,514</b>	<b>129,500,648</b>	<b>139,545,393</b>
Deferred tax charge/(credit)	10,044,745	(71,132,887)	10,044,745	(71,132,887)

**10.1.4 Inter-branch adjustment account**

Inter-branch adjustment account represents outstanding Inter-branch and Head Office transactions (net) originated but yet to be responded at the balance sheet date. However, most of the same has been adjusted subsequently.

**11. Non-banking Assets**

	299,479,400	335,820,241	299,479,400	335,820,241
<b></b>	<b>299,479,400</b>	<b>335,820,241</b>	<b>299,479,400</b>	<b>335,820,241</b>

The Bank was awarded absolute ownership on few mortgaged properties through the verdict of Honourable High Court under section 33(7) of The Artha Rin Adalat Ain 2003 (Artha-rin Act). These were recorded as a non-banking assets. The value of assets received in addition to the loan outstanding or written off loans was kept as reserve against non-banking assets. The details are as follows in branches wise:

**Sl no. Branches**

1	Bangshal		1,100,000	1,400,000
2	Dilkusha		219,747,500	231,074,500
3	Dinajpur		-	2,566,000
4	Elephant road		450,000	450,000
5	Foreign exchange		8,660,000	8,660,000
6	Jessore		75,900	75,900
7	Jhalakathi		-	500,000
8	Saidpur		-	382,841
9	Malibagh		2,627,000	2,627,000
10	Mohakhali		-	21,265,000
11	Kawran bazar		15,019,000	15,019,000
12	Rajshahi		1,305,000	1,305,000
13	Rangpur		43,775,000	43,775,000
14	Narayanganj		6,720,000	6,720,000
	<b>Total</b>		<b>299,479,400</b>	<b>335,820,241</b>

**12. Borrowings from other banks, financial institutions and agents**

In Bangladesh (note 12.1.1)	8,244,328,474	8,649,906,493	8,244,328,474	8,649,906,493
Outside Bangladesh (note 12.1.2)	93,390,000	219,230,281	93,390,000	219,230,281
<b></b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>

**12.1.1 In Bangladesh**

Export Development Fund (EDF)	3,944,293,545	2,256,452,671	3,944,293,545	2,256,452,671
Agricultural credit on special program	279,622,429	1,972,655,697	279,622,429	1,972,655,697
Bangladesh Bank	612,500	798,125	612,500	798,125
IFIC Bank Limited	-	600,000,000	-	600,000,000
Mutual Trust Bank Ltd.	-	120,000,000	-	120,000,000
AB Bank Ltd.	700,000,000	-	700,000,000	-
Bangladesh Development Bank Ltd.	200,000,000	-	200,000,000	-
BASIC Bank Ltd.	1,400,000,000	-	1,400,000,000	-
Bank Asia Ltd.	900,000,000	-	900,000,000	-
Rupali Bank Ltd.	-	490,000,000	-	490,000,000
Sonali Bank Ltd.	500,000,000	1,990,000,000	500,000,000	1,990,000,000
Southeast Bank Ltd.	-	700,000,000	-	700,000,000
State Bank of India	150,000,000	120,000,000	150,000,000	120,000,000
Janata Bank Ltd.	-	400,000,000	-	400,000,000
Social Islami Bank Ltd.	169,800,000	-	169,800,000	-
<b></b>	<b>8,244,328,474</b>	<b>8,649,906,493</b>	<b>8,244,328,474</b>	<b>8,649,906,493</b>

**12.1.2 Outside Bangladesh**

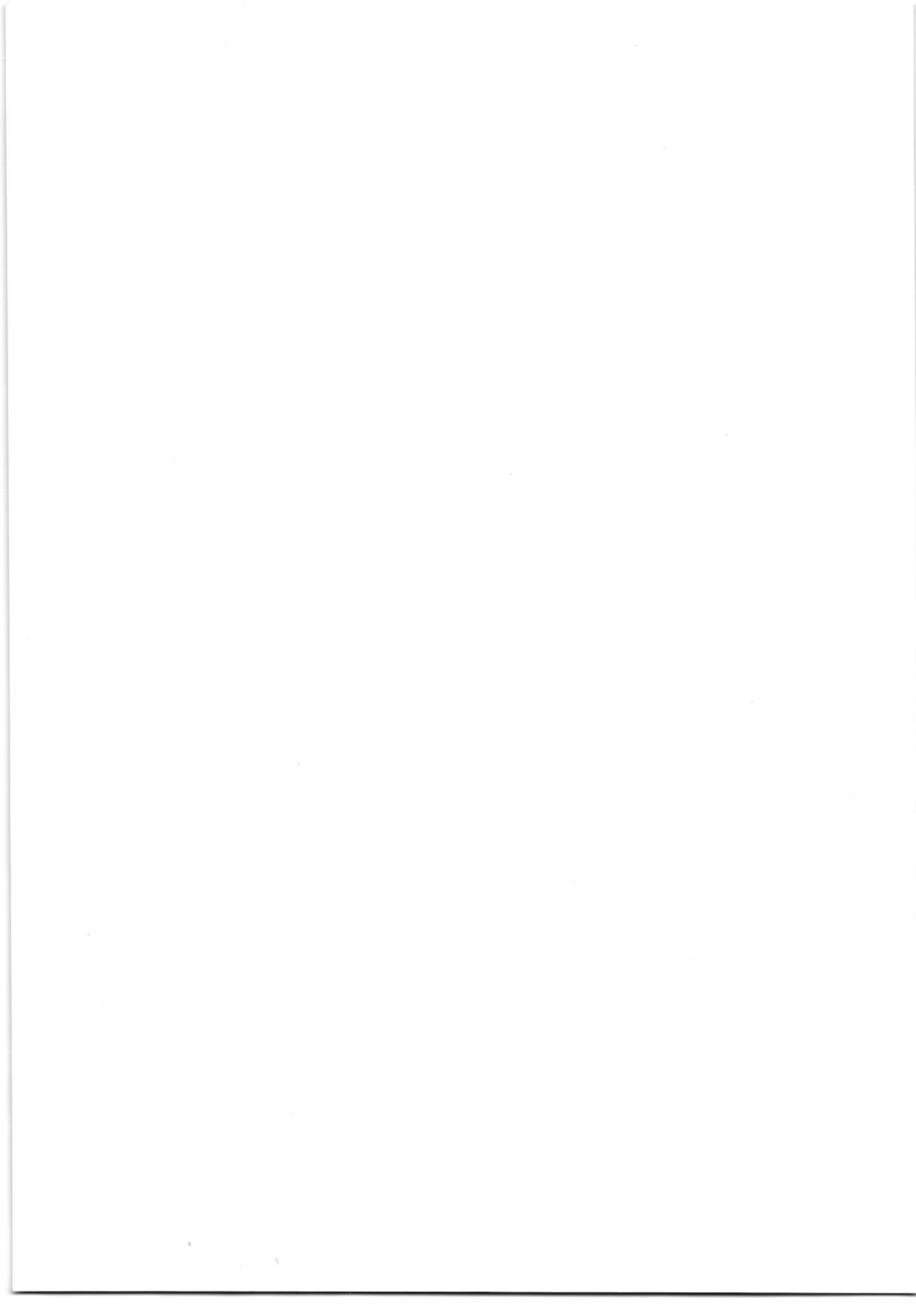
Emirates Islami Bank	93,390,000	219,230,281	93,390,000	219,230,281
<b></b>	<b>93,390,000</b>	<b>219,230,281</b>	<b>93,390,000</b>	<b>219,230,281</b>
<b></b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>

**12.2 Security wise breakup of borrowing from other banks, financial institutions and agents**

Secured borrowings	-	-	-	-
Unsecured borrowings	8,337,718,474	8,869,136,774	8,337,718,474	8,869,136,774
<b></b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>











Amount in BDT				
Group		Bank		
2019	2018	2019	2018	
<b>12.3 Maturity-wise grouping of borrowings</b>				
<b>Repayable</b>				
On demand	650,000,000	4,420,000,000	650,000,000	4,420,000,000
Up to 1 month	23,301,869	164,387,975	23,301,869	164,387,975
More than 1 month but within 3 months	2,413,179,865	1,682,647,552	2,413,179,865	1,682,647,552
More than 3 months but within 1 year	5,251,236,740	2,602,101,247	5,251,236,740	2,602,101,247
More than 1 year but within 5 years	-	-	-	-
More than 5 years	-	-	-	-
<b>8,337,718,474</b>	<b>8,869,136,774</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>	

**13. Deposits and other accounts (note 13.1)**

Current deposit and other accounts (note 13.2)	26,804,331,592	25,003,225,512	26,805,405,622	25,004,329,794
Bills payable (note 13.3)	3,337,258,268	3,557,774,516	3,337,258,268	3,557,774,516
Savings deposit	51,550,288,418	47,036,369,863	51,550,288,418	47,036,369,863
Fixed deposit	140,421,645,700	140,200,871,603	140,421,645,700	140,200,871,603
Term deposit (note 13.4)	143,965,811,634	98,888,216,365	144,183,914,985	99,406,688,191
<b>366,079,335,612</b>	<b>314,686,457,859</b>	<b>366,298,512,993</b>	<b>315,206,033,967</b>	

The Bank Management advised to various branches to take necessary steps for depositing the amount of unclaimed deposits through head office following the Bangladesh Bank guidelines.

**13.1 Deposit and other account**

Deposit from banks (in Bangladesh) (note 13.1.1)	18,000,008,862	19,939,040,726	18,000,008,862	19,939,040,726
Other than bank	348,079,326,750	294,747,417,133	348,298,504,131	295,266,993,241
<b>366,079,335,612</b>	<b>314,686,457,859</b>	<b>366,298,512,993</b>	<b>315,206,033,967</b>	

**13.1.1 Deposit from banks (in Bangladesh)**

**A. In current account**

AB Bank Ltd.	2,087	3,237	2,087	3,237
Al-Arafah Islami Bank Ltd	9,252,195	2,585,120	9,252,195	2,585,120
BRAC Bank Ltd	5,013,423	5,780,324	5,013,423	5,780,324
Bangladesh Krishi Bank Ltd	1,377,116	1,767,717	1,377,116	1,767,717
Dutch Bangla Bank Ltd	15,469	-	15,469	-
Islami Bank Bangladesh Ltd	25,891,738	5,699,176	25,891,738	5,699,176
Jamuna Bank Ltd	1,605,372	11,416,986	1,605,372	11,416,986
Mercantile Bank Ltd	28,487	227,516	28,487	227,516
Prime Bank Ltd	41,605	42,755	41,605	42,755
Bangladesh Development Bank Ltd	743,642	2,047,750	743,642	2,047,750
Rajshahi Krishi Unnayan Bank	9,999,827	1,265,829	9,999,827	1,265,829
Shahjalal Islami Bank Ltd	4,559	5,479	4,559	5,479
Southeast Bank Ltd	16,880	59,408	16,880	59,408
EXIM Bank Ltd	130,106	3,212	130,106	3,212
<b>54,122,506</b>	<b>30,904,509</b>	<b>54,122,506</b>	<b>30,904,509</b>	

**B. In short notice deposit accounts**

BRAC Bank Ltd	4,425,739	8,005,615	4,425,739	8,005,615
Dhaka Bank Ltd	149,434	5,862,584	149,434	5,862,584
Dutch-Bangla Bank Ltd	6,690,873	10,884,200	6,690,873	10,884,200
EXIM Bank Ltd	4,991,706	18,985,812	4,991,706	18,985,812
Jamuna Bank Ltd	884,769	7,939,030	884,769	7,939,030
Janata Bank Ltd	35,756	35,468	35,756	35,468
Mercantile Bank Ltd	1,289,425	1,034,433	1,289,425	1,034,433
Pubali Bank Ltd	673,244	648,382	673,244	648,382
Rajshahi Krishi Unnayan Bank	396,547,224	358,223,324	396,547,224	358,223,324
The Premier Bank Ltd	198,186	261,476	198,186	261,476
<b>415,886,356</b>	<b>411,880,324</b>	<b>415,886,356</b>	<b>411,880,324</b>	

**C. Term deposit accounts**

Rajshahi Krishi Unnayan Bank	600,000,000	2,416,255,893	600,000,000	2,416,255,893
Agrani Bank Ltd	3,000,000,000	4,000,000,000	3,000,000,000	4,000,000,000
Bank Alfalah Ltd	200,000,000	-	200,000,000	-
Bank Asia Ltd	1,000,000,000	1,600,000,000	1,000,000,000	1,600,000,000
Commercial Bank of Ceylon Plc	-	280,000,000	-	280,000,000
Eastern Bank Ltd.	1,430,000,000	-	1,430,000,000	-
National Credit & Commerce Bank Ltd	1,500,000,000	200,000,000	1,500,000,000	200,000,000
Janata Bank Ltd	500,000,000	1,500,000,000	500,000,000	1,500,000,000
Uttara Bank Ltd	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Bangladesh Development Bank Ltd	-	300,000,000	-	300,000,000
Rupali Bank Ltd	100,000,000	2,000,000,000	100,000,000	2,000,000,000
Sonali Bank Ltd	6,200,000,000	4,200,000,000	6,200,000,000	4,200,000,000
<b>17,530,000,000</b>	<b>19,496,255,893</b>	<b>17,530,000,000</b>	<b>19,496,255,893</b>	
<b>Total (A+B+C)</b>	<b>18,000,008,862</b>	<b>19,939,040,726</b>	<b>18,000,008,862</b>	<b>19,939,040,726</b>





	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>13.1.2 Maturity-wise grouping</b>				
<b>Deposits from banks</b>				
<b>Repayable</b>				
On demand	54,122,507	30,904,508	54,122,507	30,904,508
Up to 1 month	4,533,177,271	8,304,776,065	4,533,177,271	8,304,776,065
Over 1 month but within 6 months	8,066,354,542	6,938,752,130	8,066,354,542	6,938,752,130
Over 6 months but within 1 year	5,346,354,542	4,664,608,023	5,346,354,542	4,664,608,023
Over 1 year but within 5 years	-	-	-	-
Over 5 years but within 10 years	-	-	-	-
	<b>18,000,008,862</b>	<b>19,939,040,726</b>	<b>18,000,008,862</b>	<b>19,939,040,726</b>
<b>From others payable</b>				
<b>Repayable</b>				
On demand	20,581,834,832	20,316,186,948	20,581,834,832	20,316,186,948
Up to 1 month	16,105,468,658	15,298,662,386	16,105,468,658	15,298,662,386
Over 1 month but within 6 months	55,995,578,172	62,878,980,331	55,995,578,172	62,878,980,331
Over 6 months but within 1 year	83,111,488,746	70,669,063,194	83,111,488,746	70,669,063,194
Over 1 year but within 5 years	103,139,734,242	96,041,585,276	103,139,734,242	96,041,585,276
Over 5 years but within 10 years	69,145,222,100	29,542,938,998	69,364,399,481	30,062,515,106
	<b>348,079,326,750</b>	<b>294,747,417,133</b>	<b>348,298,504,131</b>	<b>295,266,993,241</b>
	<b>366,079,335,612</b>	<b>314,686,457,859</b>	<b>366,298,512,993</b>	<b>315,206,033,967</b>
<b>13.2 Current deposit and other accounts</b>				
Current deposit	15,374,769,381	15,317,811,125	15,375,843,411	15,318,915,407
Foreign currency deposit	290,713,076	285,663,907	290,713,076	285,663,907
Exchange company Taka account	551,191,705	486,567,048	551,191,705	486,567,048
Exporters' foreign currencies account	296,514,068	250,523,601	296,514,068	250,523,601
Sundry deposits	10,291,143,362	8,662,659,831	10,291,143,362	8,662,659,831
	<b>26,804,331,592</b>	<b>25,003,225,512</b>	<b>26,805,405,622</b>	<b>25,004,329,794</b>
<b>13.3 Bills payable</b>				
Payment order	3,316,249,640	3,536,440,241	3,316,249,640	3,536,440,241
Demand draft	21,008,628	21,334,275	21,008,628	21,334,275
	<b>3,337,258,268</b>	<b>3,557,774,516</b>	<b>3,337,258,268</b>	<b>3,557,774,516</b>
<b>13.4 Term deposit</b>				
Short notice deposit	24,054,099,933	24,757,514,169	24,272,203,284	25,275,985,995
Non-resident foreign currency deposit	437,584,073	449,660,694	437,584,073	449,660,694
Resident foreign currency deposit	551,390,771	541,323,299	551,390,771	541,323,299
Non-resident investment Taka account	311,912	311,912	311,912	311,912
Monthly saving scheme	39,781,109,723	35,302,253,066	39,781,109,723	35,302,253,066
Special deposit scheme	79,141,315,222	37,837,153,225	79,141,315,222	37,837,153,225
	<b>143,965,811,634</b>	<b>98,888,216,365</b>	<b>144,183,914,985</b>	<b>99,406,688,191</b>
<b>14. Subordinated bonds</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>
	<b>4,000,000,000</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>

Bank issued subordinated bonds valuing BDT 400 crore . The process of redemption is paid annually on prorata basis to bond holders in installment of 20% per year commencing at the 3rd year from the issued date. Coupon rate of the bond is base rate plus 2.50 % margin and redeemed at par at 7 years.

Sl. No	Bond Holders	2019	2018	2019	2018
1	Agrani Bank Ltd	250,000,000	250,000,000	250,000,000	250,000,000
2	AB Bank Ltd.	1,250,000,000	1,250,000,000	1,250,000,000	1,250,000,000
3	One Bank Ltd	250,000,000	250,000,000	250,000,000	250,000,000
4	Rupali Bank Ltd	900,000,000	900,000,000	900,000,000	900,000,000
5	Sadharan Bima Corporation	100,000,000	100,000,000	100,000,000	100,000,000
6	Sonali Bank Ltd	500,000,000	500,000,000	500,000,000	500,000,000
7	Mutual Trust Bank Ltd	250,000,000	250,000,000	250,000,000	250,000,000
8	Uttara Bank Ltd.	500,000,000	500,000,000	500,000,000	500,000,000
	<b>Totals</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>

<b>15 Other liabilities</b>				
Un-paid dividend	10,009,092	10,009,092	10,009,092	10,009,092
Provision for bonus	293,523,189	419,861,758	293,523,189	419,861,758
Tax liability (note 15.1)	3,613,826,012	3,505,766,562	3,390,444,234	3,306,760,379
Provision for loans & advances (including off-B/S items) (note 15.2)	16,320,143,695	14,701,582,780	16,320,143,695	14,701,582,780
Interest suspense account (note 15.3)	10,573,467,632	11,493,141,527	10,573,467,632	11,493,141,527
Provision for other assets (note 15.4)	621,371,795	580,216,455	102,120,772	106,620,772
Provision for gratuity (note 15.5)	50,000,000	100,000,000	50,000,000	100,000,000
ATM card holders' accounts	28,628,452	25,274,888	28,628,452	25,274,888
Foreign currencies adjustment account	219,489,113	307,076,296	219,489,113	307,076,296
Bills payable account MPS (CCD)	13,248,429	2,960,668	13,248,429	2,960,668
Adjusting account credit	4,425,712,230	3,584,067,526	4,425,712,230	3,584,067,526
Provision for LFA	96,474,860	91,404,583	96,474,860	91,404,583
Clearing adjusting account	4,737,608	1,623	4,737,608	1,623
Lease liabilities	221,682,960	-	221,682,960	-
Others	98,056,509	175,951,625	151,306,388	194,117,973
	<b>36,590,371,576</b>	<b>34,997,315,383</b>	<b>35,900,988,654</b>	<b>34,342,879,865</b>



	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>15.1 Tax liability</b>				
<b>Provision for current tax</b>				
<b>Opening balance</b>	15,605,346,651	12,441,482,047	15,375,498,946	12,225,498,946
<b>Add:</b> Provision made during the year	3,124,375,595	3,163,864,604	3,100,000,000	3,150,000,000
	<b>18,729,722,246</b>	<b>15,605,346,651</b>	<b>18,475,498,946</b>	<b>15,375,498,946</b>
<b>Less:</b> Adjustment made during the year	-	-	-	-
<b>Closing balance</b>	<b>18,729,722,246</b>	<b>15,605,346,651</b>	<b>18,475,498,946</b>	<b>15,375,498,946</b>
<b>Advance income tax</b>				
<b>Opening balance</b>	12,099,580,089	8,272,397,925	12,068,738,567	8,241,556,403
<b>Add:</b> Paid during the year	3,016,316,145	3,827,182,164	3,016,316,145	3,827,182,164
	<b>15,115,896,234</b>	<b>12,099,580,089</b>	<b>15,085,054,712</b>	<b>12,068,738,567</b>
<b>Less:</b> Adjustment made during the year	-	-	-	-
<b>Closing balance</b>	<b>15,115,896,234</b>	<b>12,099,580,089</b>	<b>15,085,054,712</b>	<b>12,068,738,567</b>
	<b>3,613,826,012</b>	<b>3,505,766,562</b>	<b>3,390,444,234</b>	<b>3,306,760,379</b>

**Status of pending assessments**

All the assessments of the Bank have been completed and necessary provisions have been made in the books of account except the assessment for the assessment years 1991-92, 1992-93 pending in Honorable High Court Division due to appeal filed by the Deputy Commissioner of Taxes. Adequate provisions for those assessment years have been made in the books of account. If any further provision is required it will be made upon receipt of final assessment order.

**15.1a Reconciliation of effective tax rate**

	%	Amount (BDT)
Profit before income tax as per profit and loss account		7,274,398,783
Income tax as per applicable tax rate	37.50%	2,727,899,544
<b>Factors affecting the tax charged in the current year</b>		
On non deductible expense	7.99%	581,077,394
Tax exempted income	-1.74%	(126,339,102)
Tax savings from reduced tax rate	-0.14%	(10,368,283)
Tax savings from reduced tax rate	-0.45%	(33,023,745)
Prior year adjustment (release of provision for excess amount)	-0.82%	(60,000,000)
<b>Total income tax expenses</b>	<b>42.33%</b>	<b>3,079,245,807</b>

**15.2 Provision for loans and advances (including off - balance sheet items)**

**(a) Specific provision against loans and advances**

Opening balance	9,665,484,795	6,892,351,864	9,665,484,795	6,892,351,864
Fully provided debt written-off	-	-	-	-
Release of provision	112,754,956	197,132,931	112,754,956	197,132,931
Transfer from general provision unclassified loans	-	423,000,000	-	423,000,000
Transfer from general provision off-balance sheet items	-	113,000,000	-	113,000,000
Provision made during the year	1,500,000,000	2,040,000,000	1,500,000,000	2,040,000,000
	<b>11,278,239,751</b>	<b>9,665,484,795</b>	<b>11,278,239,751</b>	<b>9,665,484,795</b>

As per Bangladesh Bank letter no. DBI-1/82/2020-1652 dated June 29, 2020 total required provision against classified loans and advances is BDT 1,856.53 crore against which Bank maintained an amount of BDT 1,127.82 crore and the balance amount will be provided within December 31, 2024 equally.

**(b) General provision against unclassified loans and advances (including provision for OBU)**

Opening balance	4,569,669,347	4,992,669,347	4,569,669,347	4,992,669,347
Transferred from/to other provision	-	(423,000,000)	-	(423,000,000)
Transferred from provision against off B/S items	-	-	-	-
Provision made during the year	-	-	-	-
<b>Closing balance</b>	<b>4,569,669,347</b>	<b>4,569,669,347</b>	<b>4,569,669,347</b>	<b>4,569,669,347</b>

**(c) General provision against Off Balance Sheet items (including provision for OBU)**

Opening balance	459,510,048	572,510,048	459,510,048	572,510,048
Provision made during the year	-	-	-	-
Transferred to/from other provision	-	(113,000,000)	-	(113,000,000)
Adjusted during the year	-	-	-	-
<b>Closing balance</b>	<b>459,510,048</b>	<b>459,510,048</b>	<b>459,510,048</b>	<b>459,510,048</b>

**Sub total (a)+ (b)+ (c)**

	<b>16,307,419,146</b>	<b>14,694,664,190</b>	<b>16,307,419,146</b>	<b>14,694,664,190</b>
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**(d) Provision for good borrowers**

Opening balance	6,918,590	9,954,590	6,918,590	9,954,590
Provision made during the year	10,000,000	-	10,000,000	-
Paid during the year	4,194,041	3,036,000	4,194,041	3,036,000
<b>Closing balance</b>	<b>12,724,549</b>	<b>6,918,590</b>	<b>12,724,549</b>	<b>6,918,590</b>
<b>Total</b>	<b>16,320,143,695</b>	<b>14,701,582,780</b>	<b>16,320,143,695</b>	<b>14,701,582,780</b>

As per Bangladesh Bank total required provision against UC Loans & Off B/S item (including provision for writs loans) is BDT. 1,848.43 crore against which Bank maintained an amount of BDT 504.19 crore and the balance amount will be provided within December 31, 2024 equally.





Amount in BDT			
Group		Bank	
2019	2018	2019	2018

**15.3 Interest suspense account**

Opening balance	11,493,141,527	9,830,085,612	11,493,141,527	9,830,085,612
<u>Add:</u> Amount transferred to "interest suspense" account during the year	2,135,618,909	3,719,625,473	2,135,618,909	3,719,625,473
	<b>13,628,760,436</b>	<b>13,549,711,085</b>	<b>13,628,760,436</b>	<b>13,549,711,085</b>
<u>Less:</u> Amount credited to income	2,896,472,652	2,056,569,558	2,896,472,652	2,056,569,558
Interest waived during the year	158,820,152	-	158,820,152	-
Amount written-off during the year	-	-	-	-
	<b>3,055,292,804</b>	<b>2,056,569,558</b>	<b>3,055,292,804</b>	<b>2,056,569,558</b>
Closing balance	<b>10,573,467,632</b>	<b>11,493,141,527</b>	<b>10,573,467,632</b>	<b>11,493,141,527</b>

**15.4 Provision for other assets**

**Provision for fall in market price of shares**

Opening balance	517,950,005	477,950,005	44,354,322	4,354,322
Transferred (to)/from other provision	-	40,000,000	-	40,000,000
<u>Less:</u> Adjusted during the year	-	-	-	-
<u>Add:</u> Addition during the year	45,655,340	-	-	-
Closing balance	<b>563,605,345</b>	<b>517,950,005</b>	<b>44,354,322</b>	<b>44,354,322</b>

Bangladesh Bank vide letter no. DBI-1/82/2020-1652 dated June 29, 2020 also advised to maintained provision of BDT 190.36 crore against Provision for fall in market price of shares.

**Provision for other classified assets**

Opening balance	62,266,450	102,266,450	62,266,450	102,266,450
Transferred from/(to) other provision	(4,500,000)	(40,000,000)	(4,500,000)	(40,000,000)
Closing balance	<b>57,766,450</b>	<b>62,266,450</b>	<b>57,766,450</b>	<b>62,266,450</b>
	<b>621,371,795</b>	<b>580,216,455</b>	<b>102,120,772</b>	<b>106,620,772</b>

**15.5 Provision for gratuity**

The gratuity fund is administered by a Board of Trustee consisting of four (4) members. Total fund balance as on December 2019 stood at BDT.160.48 crore considering contribution for the year 2019 against which fund liability for eligible employees stood at BDT.126.51 crore The movement is as under:

Opening balance	100,000,000	100,000,000	100,000,000	100,000,000
<u>Add:</u> Provision during the year	50,000,000	100,000,000	50,000,000	100,000,000
	<b>150,000,000</b>	<b>200,000,000</b>	<b>150,000,000</b>	<b>200,000,000</b>
<u>Less:</u> Transferred to fund account	100,000,000	100,000,000	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>
Closing balance	<b>50,000,000</b>	<b>100,000,000</b>	<b>50,000,000</b>	<b>100,000,000</b>

**16. Share capital**

**16.1 Authorised capital**

3,000,000,000 ordinary shares of BDT 10 each

30,000,000,000      30,000,000,000

**16.2 Issued, subscribed and fully paid-up capital**

	No. of shares		Amount in Taka	
	2019	2018	2019	2018
Issued for cash	23,730,000	23,730,000	237,300,000	237,300,000
Issued for other than cash (bonus share)	2,896,668,704	2,631,177,913	28,966,687,040	26,311,779,130
<b>Total</b>	<b>2,920,398,704</b>	<b>2,654,907,913</b>	<b>29,203,987,040</b>	<b>26,549,079,130</b>

**16.3 Percentage of shareholdings at the closing date**

Category	2019		2018	
	No. of shares	%	No. of shares	%
Sponsors and Directors	911,689,809	31.22%	860,542,613	32.41%
Financial institutions	607,288,344	20.79%	455,556,558	17.16%
Foreign investors	55,142,886	1.89%	66,246,688	2.50%
Non-resident Bangladeshi	11,073,905	0.38%	9,557,909	0.36%
General public	1,335,203,760	45.72%	1,263,004,145	47.57%
	<b>2,920,398,704</b>		<b>2,654,907,913</b>	





**16.4 Statement of slab list as on December 31, 2019**

**Group/ type**

De-materialization  
Materialization

De-materialization

**Range**

Less than 500  
500 to 5,000  
5,001 to 10,000  
10,001 to 20,000  
20,001 to 30,000  
30,001 to 40,000  
40,001 to 50,000  
50,001 to 100,000  
100,001 to 1,000,000  
Over 1,000,000

Materialization

**Range**

Less than 500  
500 to 5,000  
5,001 to 10,000  
10,001 to 20,000  
20,001 to 30,000  
30,001 to 40,000  
40,001 to 50,000  
50,001 to 100,000  
100,001 to 1,000,000  
Over 1,000,000

Amount in BDT			
Group		Bank	
2019	2018	2019	2018

No. of share holders	No. of shares	%	of share holding
74,134	2,888,623,127	98.91%	
4,210	31,775,577	1.09%	
<b>78,344</b>	<b>2,920,398,704</b>	<b>100%</b>	

No. of share holders	No. of shares	%	of share holding
18,178	3,308,070	0.11%	
33,170	66,431,309	2.27%	
8,700	61,642,692	2.11%	
6,444	89,925,945	3.08%	
2,475	60,097,305	2.06%	
1,316	45,372,200	1.55%	
760	34,243,193	1.17%	
1,591	110,028,602	3.77%	
1,273	290,868,262	9.96%	
227	2,126,705,549	72.82%	
<b>74,134</b>	<b>2,888,623,127</b>	<b>98.91%</b>	

No. of share holders	No. of shares	%	of share holding
2,468	357,700	0.01%	
1,362	2,508,526	0.09%	
174	1,223,343	0.04%	
95	1,381,333	0.05%	
47	1,119,397	0.04%	
15	519,903	0.02%	
12	527,789	0.02%	
20	1,358,847	0.05%	
11	3,331,776	0.11%	
6	19,446,963	0.67%	
<b>4,210</b>	<b>31,775,577</b>	<b>1.09%</b>	

**16.5 Capital adequacy ratio**

**Core capital (Tier - I)**

Paid up capital (note 16.2)  
Statutory reserve (note 17)  
General reserve (note 18)  
Non-controlling (minority) interest  
Retained earnings (note 20)

29,203,987,040	26,549,079,130	29,203,987,040	26,549,079,130
15,835,709,954	14,380,830,197	15,835,709,954	14,380,830,197
29,809,840	29,468,778	-	-
125,066	119,352	-	-
2,668,896,278	2,661,018,720	3,031,886,121	2,977,319,750
<b>47,738,528,178</b>	<b>43,620,516,177</b>	<b>48,071,583,115</b>	<b>43,907,229,077</b>

**Less:**

For short provision against quoted shares  
For short provision against loans and advances  
Intangible assets  
Deferred tax assets  
Reciprocal cross holding of banking and NBFi shares

1,760,700,000	1,421,144,232	1,898,300,000	1,395,404,548
-	-	-	-
46,000,000	79,529,926	46,000,000	79,529,926
341,669,005	343,087,021	341,351,331	342,769,347
104,600,000	107,446,680	104,600,000	107,446,680
<b>2,252,969,005</b>	<b>1,951,207,859</b>	<b>2,390,251,331</b>	<b>1,925,150,501</b>
<b>45,485,559,173</b>	<b>41,669,308,318</b>	<b>45,681,331,784</b>	<b>41,982,078,576</b>

**Supplementary Capital (Tier II)**

General provision maintained against unclassified loan  
General provision on off-balance sheet exposure  
Subordinated bonds  
Other reserve  
Less: Regulatory adjustment for revaluation reserve (60%)

4,582,393,896	4,576,587,937	4,582,393,896	4,576,587,937
459,510,048	459,510,048	459,510,048	459,510,048
4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
630,977,076	630,977,076	630,977,076	630,977,076
(630,977,076)	(504,781,661)	(630,977,076)	(504,781,661)
<b>9,041,903,944</b>	<b>9,162,293,400</b>	<b>9,041,903,944</b>	<b>9,162,293,400</b>

**A) Total capital**

B) Total risk weighted assets

C) Required capital

D) (Deficit)/Surplus (A-C)

<b>54,527,463,117</b>	<b>50,831,601,718</b>	<b>54,723,235,728</b>	<b>51,144,371,976</b>
408,767,800,000	364,390,500,000	408,851,700,000	364,254,800,000
51,095,975,000	43,271,371,875	51,106,462,500	43,255,257,500
<b>3,431,488,117</b>	<b>7,560,229,843</b>	<b>3,616,773,228</b>	<b>7,889,114,476</b>

**Capital adequacy ratio:**

On core capital - against standard of minimum 6.00%  
On supplementary capital  
On total capital - including capital conservation buffer 12.50% and 11.875%

	Actual			
11.13%	11.44%	11.17%	11.53%	
2.21%	2.51%	2.21%	2.51%	
<b>13.34%</b>	<b>13.95%</b>	<b>13.38%</b>	<b>14.04%</b>	





	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>17. Statutory reserve</b>				
Opening balance	14,380,830,197	12,944,994,585	14,380,830,197	12,944,994,585
Add: Addition during the year (20% of pre-tax profit)	1,454,879,757	1,435,835,612	1,454,879,757	1,435,835,612
Closing balance	<b>15,835,709,954</b>	<b>14,380,830,197</b>	<b>15,835,709,954</b>	<b>14,380,830,197</b>
<b>18. General reserve</b>				
Opening balance	29,468,778	38,683,490	-	-
Add: Addition during the year (overseas subsidiaries)	341,062	-	-	-
	<b>29,809,840</b>	<b>38,683,490</b>	-	-
Less: Adjustment during the year	-	-	-	-
Transferred from general reserve (overseas oper.)	-	(9,214,712)	-	-
	-	<b>(9,214,712)</b>	-	-
Closing balance	<b>29,809,840</b>	<b>29,468,778</b>	-	-
<b>19. Other reserve</b>				
Revaluation reserve (Govt. treasury bills and bonds) (note 19.1)	585,151,224	523,746,483	585,151,224	523,746,483
Revaluation reserve (foreign investment) (note 19.2)	26,818,969	24,372,492	26,818,969	24,372,492
Revaluation reserve (property) (note 19.3)	354,005,015	354,005,015	354,005,015	354,005,015
	<b>965,975,208</b>	<b>902,123,990</b>	<b>965,975,208</b>	<b>902,123,990</b>
<b>19.1 Revaluation reserve (Govt treasury bills and bonds)</b>				
Opening balance	523,746,483	169,269,984	523,746,483	169,269,984
Add: Addition during the year	124,890,634	1,005,133,928	124,890,634	1,005,133,928
	<b>648,637,117</b>	<b>1,174,403,912</b>	<b>648,637,117</b>	<b>1,174,403,912</b>
Less: Adjustment during the year	63,485,893	650,657,429	63,485,893	650,657,429
Closing balance	<b>585,151,224</b>	<b>523,746,483</b>	<b>585,151,224</b>	<b>523,746,483</b>
<b>19.2 Revaluation reserve (foreign investment)</b>				
Opening balance	24,372,492	24,279,896	24,372,492	24,279,896
Addition/(Adjustment) during the year	2,446,477	92,596	2,446,477	92,596
Closing balance	<b>26,818,969</b>	<b>24,372,492</b>	<b>26,818,969</b>	<b>24,372,492</b>
<b>19.3 Revaluation reserve (property)</b>				
Opening balance	354,005,015	370,354,926	354,005,015	370,354,926
Less: Adjustment during the year	-	16,349,911	-	16,349,911
Closing balance	<b>354,005,015</b>	<b>354,005,015</b>	<b>354,005,015</b>	<b>354,005,015</b>
Revaluation of foreign investments has been made in 2019 as per IAS -21 " Effect of changes in Foreign Exchange Rates". On the other hand, Govt. treasury bill and bonds have been valued at market price as per Bangladesh Bank BRPD Circular No. 05 dated October 31, 2005.				
<b>20. Retained earnings</b>				
Opening balance	2,661,018,720	3,084,723,413	2,977,319,750	3,157,388,607
Adjustment for prior year (overseas operation)	-	-	-	-
Transferred from general reserve (overseas operation)	-	-	-	-
Add: Post-tax profit for the year	4,123,202,317	3,856,675,109	4,164,354,038	4,100,310,945
	<b>6,784,221,037</b>	<b>6,941,398,522</b>	<b>7,141,673,788</b>	<b>7,257,699,552</b>
Less: Dividend	2,654,907,910	2,844,544,190	2,654,907,910	2,844,544,190
(Bonus share 10% for 2018 and 12% for the year 2017)	1,454,879,757	1,435,835,612	1,454,879,757	1,435,835,612
Transfer to statutory reserve	5,537,092	-	-	-
Dividend paid by overseas subsidiaries	-	-	-	-
	<b>4,115,324,759</b>	<b>4,280,379,802</b>	<b>4,109,787,667</b>	<b>4,280,379,802</b>
Closing balance	<b>2,668,896,278</b>	<b>2,661,018,720</b>	<b>3,031,886,121</b>	<b>2,977,319,750</b>
<b>21. Letters of guarantee</b>				
Directors	-	-	-	-
Government	6,795,794,741	4,825,505,284	6,795,794,741	4,825,505,284
Banks and other financial institutions	604,847,491	77,253,500	604,847,491	77,253,500
Others	3,977,919,443	5,095,460,113	3,977,919,443	5,095,460,113
	11,378,561,675	9,998,218,897	11,378,561,675	9,998,218,897
Less: Margin	739,974,787	629,194,625	739,974,787	629,194,625
	<b>10,638,586,888</b>	<b>9,369,024,272</b>	<b>10,638,586,888</b>	<b>9,369,024,272</b>
<b>22. Interest income</b>				
Interest on advances	34,532,363,914	27,464,575,079	34,565,919,448	27,654,984,147
Interest on money at call and short notice	1,083,010	4,998,972	1,083,010	4,998,972
Interest on placement with other banks	105,535,666	228,170,131	105,535,666	228,170,131
Interest on foreign currency balances	31,052,024	23,150,732	31,052,024	23,150,732
	<b>34,670,034,614</b>	<b>27,720,894,914</b>	<b>34,703,590,148</b>	<b>27,911,303,982</b>
<b>23. Interest paid on deposits and borrowings, etc</b>				
Interest on deposits	23,395,346,568	18,670,478,168	23,395,346,568	18,670,478,168
Interest on borrowings	826,351,479	719,820,449	826,351,479	719,820,449
Interest on lease liability	8,256,050	-	8,256,050	-
Discount	17,755,788	16,787,353	17,755,788	16,787,353
	<b>24,247,709,885</b>	<b>19,407,085,970</b>	<b>24,247,709,885</b>	<b>19,407,085,970</b>





	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>24. Investment income</b>				
<b>Dividend on shares</b>				
Local	200,489,076	163,308,409	176,455,927	135,267,487
Overseas	12,251,190	6,234,583	12,251,190	6,234,583
	<b>212,740,266</b>	<b>169,542,992</b>	<b>188,707,117</b>	<b>141,502,070</b>
Interest on treasury bills and bonds	2,409,540,702	3,542,176,371	2,409,540,702	3,542,176,371
Interest on debenture and bonds	124,157,778	102,249,091	124,157,778	102,249,091
Gain on Government securities	336,904,273	844,488,923	336,904,273	844,488,923
Profit from sale of share of listed company	49,700,576	73,693,542	37,702,846	38,542,544
Prize bonds	25,500	39,650	25,500	39,650
	<b>3,133,069,095</b>	<b>4,732,190,569</b>	<b>3,097,038,216</b>	<b>4,668,998,649</b>
<b>25. Commission, exchange and brokerage</b>				
Commission	1,122,270,638	1,036,573,712	862,601,280	834,876,050
Exchange gain net off exchange losses	561,885,547	554,323,154	562,505,693	544,828,637
Brokerage	-	-	-	-
	<b>1,684,156,185</b>	<b>1,590,896,866</b>	<b>1,425,106,973</b>	<b>1,379,704,687</b>
<b>26. Other operating income</b>				
Locker rent	5,812,386	5,599,954	5,812,386	5,599,954
Credit card and ATM	24,256	-	24,256	-
Confirmation charges	748,064	3,486,753	748,064	3,486,753
Gain from sales of assets	6,386,681	451,029,419	6,386,681	451,029,419
Remittance income	27,920,496	26,068,276	27,920,496	26,068,276
Other receipts	648,734,896	687,964,373	637,472,978	678,442,283
	<b>689,626,779</b>	<b>1,174,148,775</b>	<b>678,364,861</b>	<b>1,164,626,685</b>
<b>27. Salaries and allowances</b>				
Basic salary	1,891,479,176	1,805,018,383	1,783,188,742	1,696,872,267
Allowances	1,441,534,877	1,399,181,770	1,441,534,877	1,399,181,770
Bonus	269,277,254	390,499,632	269,277,254	390,499,632
Bank's contribution to provident fund	153,049,266	144,483,071	153,049,266	144,483,071
<b>Gratuity</b>	240,561,489	321,692,087	240,561,489	321,692,087
Provision for the year	50,000,000	100,000,000	50,000,000	100,000,000
Paid during the year	190,561,489	221,692,087	190,561,489	221,692,087
	<b>3,995,902,062</b>	<b>4,060,874,943</b>	<b>3,887,611,628</b>	<b>3,952,728,827</b>
<b>28. Rent, taxes, insurance, electricity, etc.</b>				
Rent, rates and taxes	455,730,058	507,431,886	428,773,139	467,595,735
Insurance	243,238,999	230,675,090	243,238,999	230,675,090
Electricity	123,638,399	120,508,687	123,638,399	120,508,687
	<b>822,607,456</b>	<b>858,615,663</b>	<b>795,650,537</b>	<b>818,779,512</b>
<b>29. Legal expenses</b>				
Law charges	19,095,652	48,143,788	19,095,652	48,143,788
Other professional charges	4,968,715	2,089,020	4,968,715	2,064,205
	<b>24,064,367</b>	<b>50,232,808</b>	<b>24,064,367</b>	<b>50,207,993</b>
<b>30. Postage, stamp, telecommunication, etc</b>				
Telephone - office	11,810,564	13,697,364	11,810,564	13,697,364
Telephone - residence	459,236	384,727	459,236	384,727
Telegram, telex, fax and e-mail	54,041,747	57,602,640	54,041,747	57,602,640
Postage	16,071,860	19,637,967	12,228,535	14,755,586
	<b>82,383,407</b>	<b>91,322,698</b>	<b>78,540,082</b>	<b>86,440,317</b>
<b>31. Stationery, printing, advertisement, etc</b>				
Printing and stationery	93,491,240	84,129,200	77,415,729	81,177,171
Publicity and advertisement	97,965,105	36,272,769	97,965,105	36,272,769
	<b>191,456,345</b>	<b>120,401,969</b>	<b>175,380,834</b>	<b>117,449,940</b>
<b>32. Managing Director's salary and allowances</b>				
Basic salary	5,400,000	4,973,129	5,400,000	4,973,129
Allowance	3,600,000	3,617,904	3,600,000	3,617,904
Bonus	900,000	900,000	900,000	900,000
Bank's contribution to provident fund	540,000	499,354	540,000	499,354
	<b>10,440,000</b>	<b>9,990,387</b>	<b>10,440,000</b>	<b>9,990,387</b>
<b>33. Directors' fees and other benefits</b>				
Fees	2,818,211	3,416,590	720,000	1,352,000
<b>Other benefits</b>				
Haltage, traveling and other	825,739	1,118,124	825,739	1,118,124
Refreshment	679,509	734,949	679,509	734,949
	<b>1,505,248</b>	<b>1,853,073</b>	<b>1,505,248</b>	<b>1,853,073</b>
	<b>4,323,459</b>	<b>5,269,663</b>	<b>2,225,248</b>	<b>3,205,073</b>

Each Director is paid an amount of BDT 8,000 per board meeting and per committee meeting attended as per BRPD circular letter no. 11 dated 04 October 2015.





	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>34. Auditors' fees</b>	<b>1,971,414</b>	<b>1,588,656</b>	<b>575,000</b>	<b>575,000</b>
<b>35. Repair, maintenance and depreciation</b>				
<b>A. Depreciation</b>				
Buildings	32,121,740	32,126,740	32,121,740	32,121,740
Furniture and fixture	83,695,217	84,638,511	83,695,217	84,638,511
General equipments	67,416,485	79,504,601	67,416,485	79,504,601
Computer equipments	141,827,103	274,311,457	141,827,103	274,311,457
Vehicles	14,399,176	11,814,909	14,399,176	11,814,909
Books	316,928	203,295	316,928	203,295
Right of use assets (Leased assets)	50,102,418	-	50,102,418	-
	<b>389,879,067</b>	<b>482,599,513</b>	<b>389,879,067</b>	<b>482,594,513</b>
<b>B. Repairs and maintenance</b>				
Office premises	21,102,998	18,975,541	21,102,998	18,975,541
Furniture and fixtures	4,145,086	4,088,746	4,145,086	4,088,746
Vehicles	8,500,110	6,442,022	8,500,110	6,442,022
Equipments	289,047,804	175,042,987	256,035,959	152,078,971
	<b>322,795,998</b>	<b>204,549,296</b>	<b>289,784,153</b>	<b>181,585,280</b>
<b>Totals (A+B)</b>	<b>712,675,065</b>	<b>687,148,809</b>	<b>679,663,220</b>	<b>664,179,793</b>
<b>36. Other expenses</b>				
Car expenses	135,907,961	130,449,746	135,907,961	130,449,746
Credit card expenses	55,687	105,191	55,687	105,191
Entertainment	87,741,462	76,912,364	87,741,462	76,912,364
Traveling expenses	24,566,246	19,032,590	24,566,246	19,032,590
Donations	330,638,389	426,981,125	330,638,389	426,981,125
Subscriptions	4,318,864	4,718,943	4,318,864	4,718,943
Periodicals	2,373,421	3,228,786	2,373,421	3,228,786
Cartage/freight	31,496,388	29,571,181	31,496,388	29,571,181
Medical expense	13,810,260	16,199,107	13,810,260	16,199,107
Overseas expenses	2,932,184	6,246,950	2,932,184	6,246,950
Uniform and liveries	11,408,803	8,513,777	11,408,803	8,513,777
Training expenses	9,392,328	6,870,290	9,392,328	6,870,290
Loss on sale of share/ property/ asset	90,341	6,343	90,341	6,343
Miscellaneous	149,765,317	177,021,154	97,536,429	35,644,690
	<b>804,497,651</b>	<b>905,857,547</b>	<b>752,268,763</b>	<b>764,481,083</b>
<b>37. Changes in other assets</b>				
<b>A. Balance at the beginning of the year</b>				
Stock of stationery			30,407,234	32,690,257
Stamps in hand			4,538,408	3,948,690
Suspense account			553,130,266	499,333,255
Advance deposits			5,496,704	5,354,197
Sundry assets			221,425,658	253,478,248
Demand draft paid without advice			5,317,404	5,310,433
Bill purchase account - credit card			351,856,062	318,846,560
Inter-branch adjustment account (Net)			1,419,068,487	206,802,382
Payment made against claim made by EBL for guarantee issued by BCCI			-	13,683,225
Advance against cash assistance			10,166,298	3,795,598
Advance against branches			16,573,731	15,356,321
Advance against NBL Tower			1,690,624,000	1,280,874,000
Advance against fixed assets			541,712,826	541,709,826
Others			315,350,469	323,473,615
			<b>5,165,667,547</b>	<b>3,504,656,607</b>
<b>B. Balance at the end of the year</b>				
Stock of stationery			54,284,588	30,407,234
Stamps in hand			5,421,602	4,538,408
Suspense account			507,622,823	553,130,266
Advance deposits			5,694,631	5,496,704
Sundry assets			338,222,313	221,425,658
Demand draft paid without advice			5,303,404	5,317,404
Bill purchase account - credit card			356,585,312	351,856,062
Inter-branch adjustment account (Net)			1,205,581,490	1,419,068,487
Advance against cash assistance			2,819,368	10,166,298
Advance against branches			13,122,623	16,573,731
Advance against NBL Tower			1,941,287,000	1,690,624,000
Advance against fixed assets			1,634,223,477	541,712,826
Others			610,496,918	315,350,469
			<b>6,680,665,549</b>	<b>5,165,667,547</b>
<b>Net changes (A-B)</b>			<b>(1,514,998,002)</b>	<b>(1,661,010,940)</b>
<b>38. Changes in other liabilities</b>				
<b>A. Balance at the beginning of the year</b>				
Un-paid dividend			10,009,092	10,009,092
Provision for bonus			419,861,758	284,898,598
ATM card holders' accounts			25,274,888	12,108,148
Foreign currencies adjustment account			307,076,296	292,904,553
Bills payable account MPS (CCD)			2,960,668	5,471,733
Provision for LFA			91,404,583	93,655,125
Clearing adjusting account			1,623	35,257
Others			194,117,973	67,878,257
			<b>1,050,706,881</b>	<b>766,960,763</b>



Amount in BDT			
Group		Bank	
2019	2018	2019	2018
<b>B. Balance at the end of the year</b>			
		10,009,092	10,009,092
Un-paid dividend		293,523,189	419,861,758
Provision for bonus		28,628,452	25,274,888
ATM card holders' accounts		219,489,113	307,076,296
Foreign currencies adjustment account		13,248,429	2,960,668
Bills payable account MPS (CCD)		96,474,860	91,404,583
Provision for LFA		4,737,608	1,623
Clearing adjusting account		221,682,960	-
Lease liabilities		151,306,388	194,117,973
Others		<u>1,039,100,091</u>	<u>1,050,706,881</u>
		<u>(11,606,790)</u>	<u>283,746,118</u>

**Net Changes (A-B)**  
**39. Calculation of NAV, EPS, NOCF per shares**  
**39.01 Calculation of Net Asset Value (NAV) per Share**

Total Net Asset Value (A)	48,704,503,386	44,522,640,167	49,037,558,323	44,809,353,067
Number of ordinary share outstanding (B)	2,920,398,704	2,654,907,913	2,920,398,704	2,654,907,913
<b>Net Asset Value (NAV) per Share (A/B)</b>	<b>16.68</b>	<b>16.77</b>	<b>16.79</b>	<b>16.88</b>

**39.02 Earnings per share (EPS) Restated**

(a) Net profit after tax	4,123,208,031	3,856,678,244	4,164,354,038	4,100,310,945
(b) Number of ordinary shares outstanding	2,654,907,913	2,654,907,913	2,654,907,913	2,654,907,913
(c) Issue of bonus shares during the year 10% of (b)	265,490,791	265,490,791	265,490,791	265,490,791
(d) Number of ordinary shares outstanding (d=b+c)	2,920,398,704	2,920,398,704	2,920,398,704	2,920,398,704
<b>Earnings per share (EPS) (a/d)</b>	<b>1.41</b>	<b>1.32</b>	<b>1.43</b>	<b>1.40</b>

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of December 31, 2019 in terms of IAS 33: "Earnings Per Share (EPS)". EPS for the year ended December 31, 2018 was restated for the issues of bonus share in 2019 for the year 2018.

**39.03 Calculation of Net Operating Cash Flow Per Share (NOCFPS)**

Net Operating Cash Flow (A)	9,304,438,895	(18,066,420,672)	8,973,146,172	(17,708,738,642)
Number of ordinary share outstanding (B)	2,920,398,704	2,654,907,913	2,920,398,704	2,654,907,913
<b>Net Operating Cash Flow Per Share (NOCFPS) (A/B)</b>	<b>3.19</b>	<b>(6.80)</b>	<b>3.07</b>	<b>(6.67)</b>

**39.04 Reconciliation of operating cash flow:**

Operating profit	8,813,283,711	8,989,409,961	8,784,398,783	9,219,178,058
<b>Adjustment for :</b>				
Income Tax paid	(3,016,316,145)	(3,827,182,164)	(3,016,316,145)	(3,827,182,164)
Gain on sale of Govt. Securities	(336,904,273)	(844,488,923)	(336,904,273)	(844,488,923)
Gain on sale of quoted securities	(49,700,576)	(73,693,542)	(37,702,846)	(38,542,544)
Gain on sale of fixed assets	(6,296,340)	(451,023,076)	(6,296,340)	(451,023,076)
Audit fee	1,971,414	1,588,656	575,000	575,000
Provision for gratuity and bonus	50,000,000	235,000,000	50,000,000	235,000,000
Charges on loan loss	465,571,851	30,332,050	465,571,851	30,332,050
Depreciation	389,879,067	482,599,513	389,879,067	482,594,513
	<u>(2,501,795,002)</u>	<u>(4,446,867,486)</u>	<u>(2,491,193,686)</u>	<u>(4,412,735,144)</u>
<b>Adjustment for changes in other assets and liabilities</b>				
Changes in interest receivables on loans and advances	(24,178,687)	(2,536,436)	(24,178,687)	(2,536,436)
Changes in interest receivables on securities	(4,026,247)	2,388,317	(4,026,247)	2,388,317
Changes in interest payables	841,644,704	1,182,738,760	841,644,704	1,182,738,760
	<u>813,439,770</u>	<u>1,182,590,641</u>	<u>813,439,770</u>	<u>1,182,590,641</u>
<b>Operating profit before changes in operating assets and liabilities</b>	<b>7,124,928,479</b>	<b>5,725,133,116</b>	<b>7,106,644,867</b>	<b>5,989,033,555</b>

**40. Number of employees**

The number of employees engaged for the whole year or part thereof who received a total remuneration of BDT 36,000 per annum or above were 4,740.







**National Bank Limited**  
Notes to the financial statements  
For the year ended December 31, 2019

**41. Audit committee**

An audit committee of the Board has been constituted by the Board of Directors of the Bank so that the committee can play an effective role in formulating an efficient and secured banking system. The audit committee consist of the following members:

Sl. no.	Name	Status with NBL	Status with the committee	Educational qualification
i)	Mr. Md. Mahbubur Rahman Khan	Independent Director	Chairman	
ii)	Mr. Mabroor Hossain	Director	Member	Graduate

During the year under review, the audit committee of the Board conducted 05 (Five) meetings in which, among others, the following issues were discussed:

- i) Review of Bank's financial statements and recommended for consideration of the Board.
- ii) Review of draft audited financial statements of subsidiary companies of the Bank.
- iii) Review of internal control and compliance system of the Bank.
- iv) Review of internal audit reports of different branches. Identification of minor/major lapses and compliances there against.
- v) Guidelines for audit program during the year 2020.
- vi) Review of working of the credit administration division of the Bank.
- vii) Review of Green Banking and stress Testing of the Bank.

**42. Event after the Balance Sheet date**

No material event had occurred after the balance sheet date except declaration of 5% Cash dividend & 5% Stock dividend.

**43. Related party disclosures**

- i) **Name of the Directors and the entities in which they have interest as on December 31, 2019:**

Name of Directors	Status with the Bank	Name of the firms / companies in which Directors are associated as proprietor, partner, director, managing agent, guarantor, employee etc.	Percentage (%) of holding/ interest in the concern
Mr. Zainul Haque Sikder	Chairman	<b>Chairman</b> Z H Sikder Women's Medical College & Hospital (Pvt) Ltd. Sikder Real Estate Ltd. Sikder Pharmaceuticals Ltd. Z H Sikder University of Science & Technology Monowara Sikder Medical College and Hospital. Alhaj Mokforuddin Sikder Foundation Zarina Sikder Trust	9.40% 10.00% 15.00%
Mrs. Monowara Sikder	Director	<b>Managing Director</b> Z H Sikder Women's Medical College & Hospital (Pvt) Ltd. Sikder Real Estate Ltd. Sikder Pharmaceuticals Ltd. Monowara Sikder Medical College and Hospital. Sikder Organic Market (Pvt) Ltd. <b>Vice Chairperson</b> Z H Sikder University of Science & Technology <b>Member</b> Alhaj Mokforuddin Sikder Foundation Zarina Sikder Trust	9.40% 20.00% 15.00%







Ms. Parveen Haque Sikder, MP	Director	<b>Chairperson</b>	
		Millennium International School	34.80%
		Mandy Dental College & Hospital	
		J & M Builders (Pvt) Ltd.	50.00%
		Western Bowling & Fitness Centre	100.00%
		Jeffrey Institute of Health Science & Technology	100.00%
		Powertech Holdings Ltd.	50.00%
		Golden Barn Kingdom (Pvt) Ltd.	
		ISO Tech Group	
		<b>Vice Chairperson</b>	
		Z H Sikder Women's Medical College & Hospital (Pvt.) Ltd.	9.40%
		Sikder Real Estate Ltd.	10.00%
		<b>Director</b>	
		Sikder Pharmaceuticals Ltd.	10.00%
<b>Treasurer</b>			
Z H Sikder University of Science & Technology			
<b>Proprietor</b>			
Z M Real Estate			
<b>Member</b>			
Monowara Sikder Medical College and Hospital.			
Alhaj Mokforuddin Sikder Foundation			
Zarina Sikder Trust			
Alhaj Khalilur Rahman	Director	<b>Chairman</b>	
		KDS Garments Ind. Ltd.	50.15%
		KDS Apparels Ltd.	49.88%
		KIY Steel Ind. Ltd.	95.00%
		KDS Fashion Ltd.	12.50%
		Steel Accessories Ltd.	50.00%
		KDS Logistics Ltd.	43.24%
		KDS IDR Ltd.	45.00%
		KDS Thread Ltd.	20.00%
		KDS Accessories Ltd.	55.17%
		KDS Poly Ind. Ltd.	74.00%
		<b>Managing Director</b>	
		KDS Textile Mills Ltd.	20.27%
		KYCR Coil Ind. Ltd.	9.21%
		KY Steel Mills Ltd.	98.00%
		Sky Securities Ltd.	42.46%
		<b>Shareholder</b>	
		Al-Arafah Islami Bank Ltd.	8,508,279 shares
		Pragati Insurance Ltd.	2,952,385 shares
		Pragati Life Insurance Ltd.	242,711 shares







Mr. Moazzam Hossain

Director

**Chairman**

Hosaf International Ltd.	22.93%
Hosaf Gene Cure Pharma Co. Ltd.	36.67%
Hosaf Proficient Energy Ltd.	50.00%
Shahjibazar Electric Generation Ltd.	32.00%

**Managing Director**

EnergyPrima Ltd.	30.43%
Hosaf Meter Industry Ltd.	97.89%
Citi Link Apartment Ltd.	99.98%
H F Power Limited	0.06%

**Proprietor**

Hosaf Consultancy	100.00%
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**Shareholder**

United Hospital Ltd.	0.42%
Pragati Life Insurance Ltd.	0.01%
Pragati Insurance Ltd. (Sponsor)	1.57%

Mr. Rick Haque Sikder

Director

**Chairman**

Power Pac Holdings Ltd.	50.00%
R & R Holdings Ltd.	50.00%
PowerPac Mutiara Keraniganj Power Plant Ltd. (100 MW)	50.00%
PowerPac Keraniganj-II Power Plant Ltd. (161 MW)	50.00%
PowerPac Mutiara Khulna Power Plant Ltd. (100 MW)	50.00%
PowerPac Mutiara Jamalpur Power Plant Ltd.(100 MW)	50.00%

**Director**

Z H Sikder Women's Medical College & Hospital (pvt) Ltd.	9.40%
Sikder Pharmaceuticals Ltd.	10.00%
Sikder Real Estate Ltd.	10.00%

**Managing Director**

R & R Aviation Ltd.	81.90%
BEL Construction SDN BHD Ltd.	80.00%

**Managing Partner**

Power Pac	50.00%
A1 Trade Center	50.00%

**Proprietor**

The River	100.00%
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**Member**

Z H Sikder University of Science & Technology
Monowara Sikder Medical College and Hospital.
Alhaj Mokforuddin Sikder Foundation
Zarina Sikder Trust







Mr. Ron Haque Sikder Director

<b>Managing Director</b>	
R & R Holdings Ltd.	50.00%
PowerPac Holdings Ltd.	50.00%
PowerPac Mutiara Keraniganj Power Plant Ltd. (100 MW)	50.00%
PowerPac Keraniganj-II Power Plant Ltd. (161 MW)	50.00%
PowerPac Mutiara Khulna Power Plant Ltd. (100 MW)	50.00%
PowerPac Mutiara Jamalpur Power Plant Ltd. (100 MW)	50.00%
<b>Director</b>	
Z H Sikder Women's Medical College & Hospital (ovt) Ltd.	9.40%
Sikder Pharmaceuticals Ltd.	10.00%
<b>Vice Chairman</b>	
Sikder Real Estate Ltd.	10.00%
<b>Managing Partner</b>	
Power Pac	50.00%
A1 Trade Center	50.00%
<b>Member</b>	
Z H Sikder University of Science & Technology	
Monowara Sikder Medical College and Hospital.	
Alhaj Mokforuddin Sikder Foundation	
Zarina Sikder Trust	

Mr. Zakaria Taher

Director

<b>Shareholder</b>	
R & R Aviation Ltd.	18.00%
<b>Chairman</b>	
Purbachal Drillers Ltd.	50.00%
T S Holdings Ltd.	60.00%
Zyta Garments Ltd.	59.97%
T S Packaging Ltd	40.00%
<b>Director</b>	
Jeans Culture Ltd.	40.00%
Clotes Labelon (BD) Ltd.	14.00%
<b>Managing Director</b>	
Armana Fashions Ltd.	50.50%
Armana Ltd.	40.00%
Armana Apparels Ltd.	50.00%
Zyta Apparels Ltd.	51.00%
Denimach Ltd.	15.00%
Denimach Washing Ltd.	10.00%
Denitex Ltd.	20.00%
Armach Logistics Ltd.	60.00%
<b>Sponsor shareholder</b>	
Pragati Life Insurance Ltd.	303,596 shares
Pragati Insurance Ltd.	285,908 shares







Mr. Mabroor Hossain	Director	<b>Director</b> Hosaf Meter Industry Ltd. 0.49% Hosaf International Ltd. 1.42% Hosaf Gene Cure Pharma Co. Ltd. 18.00% Euro Knitting & Dyeing Inds. Ltd. 25.00% Hosaf Proficient Energy Ltd. 40.00% EnergyPrima Ltd. 0.04% Shahjibazar Electric Generation Ltd. 10.00% Infozillion Teletech BD Ltd. 22.00% H F Power Limited 0.02%
		<b>Shareholder</b> Pragati Life Insurance Ltd 3.25% Pragati Insurance Ltd. 0.01%
		<b>Proprietor</b> M H Holdings 100.00%
Mr. Md. Mahbubur Rahman Khan	Independent Director	<b>Managing Director</b> Himalaya Trading Co. Ltd. Hotel Raffles Inn <b>Proprietor</b> M/s. Mahbubur Rahman Khan
Mr. Md. Badiul Alam	Representative Director (Sikder Insurance Company Limited)	

Mr. C. M. Ahmed                      Managing Director                      Nil                      Nil                      Nil

ii) Significant contracts where bank is a party and wherein Directors have interest:                      Nil

iii) Shares issued to Directors and executives without consideration or exercisable at discount:                      Nil

iv) **Related party transactions**

Name of the party	Nature of relation	Nature of transaction	2019 BDT (000)
KDS Garments Ltd	Alhaj Khalilur Rahman, Chairman and Mr. Salim Rahman, Managing Director of KDS Garments Limited and Director of the Bank.	LG	2,500.00
Z H Sikder Women's Medical College and Hospital (Pvt) Ltd	Common Director	Loan (Gen) & Term	94,172.00
Rick Haque Sikder and others	Director	SOD	135,915.00
NBL Securities Ltd	Subsidiary	Loan	2,384,054.98
<b>Total</b>			<u><u>2,616,641.98</u></u>

v) **Lending policies to related parties**

Related parties are allowed loans and advances as per general loan policy of the bank.

vi) Business other than banking business with any related concern of the Directors as per section 8(2) of the Banking Companies Act 1991: Nil

vii) Investments in the securities of Directors and their related concern : Nil

  
Managing Director

  
Director

  
Director

  
Chairman







National Bank Limited  
Schedule of fixed assets  
As at December 31, 2019

Annex - A

Particulars	Cost / Revaluation				Rate (%)	Depreciation				Written down value at December 31, 2019
	As at January 01, 2019	Addition During the year	Disposal/ adjustment	Total at December 31, 2019		Upto January 01, 2019	Charge During the year	Disposal/ adjustment	Total to December 31, 2019	
Land	693,216,752	-	-	693,216,752	-	-	-	-	-	693,216,752
Building	1,276,289,796	-	-	1,276,289,796	2.50%	234,376,461	32,121,740	-	266,498,201	1,009,791,595
Furniture and fixtures	1,058,061,009	80,770,547	5,847,593	1,132,983,963	10.00%	691,344,121	83,695,217	5,318,540	769,720,798	363,263,165
General equipment	1,069,991,620	77,075,118	14,795,914	1,132,270,824	20.00%	918,542,854	67,416,485	14,732,248	971,227,091	161,043,733
Computer equipment	1,438,513,270	175,003,632	7,276,234	1,606,240,668	33.33%	1,283,097,034	141,827,103	7,275,994	1,417,648,143	188,592,525
Vehicles	276,527,284	41,619,284	10,977,275	307,169,293	20.00%	240,380,757	14,399,176	10,977,268	243,802,665	63,366,628
Right of use assets		280,322,323	-	280,322,323	**	-	50,102,418	-	50,102,418	230,219,905
Books	1,939,204	503,310	-	2,442,514	20.00%	1,641,772	316,928	-	1,958,700	483,814
<b>As at December 31, 2019</b>	<b>5,814,538,935</b>	<b>655,294,214</b>	<b>38,897,016</b>	<b>6,430,936,133</b>		<b>3,369,382,999</b>	<b>389,879,067</b>	<b>38,304,050</b>	<b>3,720,958,016</b>	<b>2,709,978,117</b>
<b>As at December 31, 2018</b>	<b>5,827,628,090</b>	<b>237,123,490</b>	<b>250,212,645</b>	<b>5,814,538,935</b>		<b>2,945,595,282</b>	<b>482,594,513</b>	<b>58,806,796</b>	<b>3,369,382,999</b>	<b>2,445,155,936</b>

\*\*Amortized over the lease term(See note no. 2.6.4(b))







**National Bank Limited**  
Balance with other Banks and Financial Institutions (Outside Bangladesh)  
As at December 31, 2019

Annex- B

Particulars	Currency Name	2019			2018		
		Amount in Foreign Currency	Conversion Rate Per Unit F.C	Amount in BDT	Amount in Foreign Currency	Conversion Rate Per Unit F.C	Amount in BDT
<b>In fixed deposit accounts (interest bearing) with:</b>							
JP Morgan Chase Bank, Singapore	USD	726,000.00	84.9000	61,637,400	539,000.00	83.9000	45,222,100
Eastern Bank Ltd., OBU	USD	-	84.9000	-	1,000,000.00	83.9000	83,900,000
AB Bank Ltd., OBU	USD	3,000,000.00	84.9000	254,700,000	-	83.9000	-
<b>Sub-total</b>				<b>316,337,400</b>			<b>129,122,100</b>
<b>In demand deposit accounts (non interest bearing) with:</b>							
Mashreq Bank, New York	USD	390,069.66	84.9000	33,116,914	393,089.60	83.9000	32,980,217
JP Morgan Chase Bank New York	USD	99,075.70	84.9000	8,411,527	222,654.64	83.9000	18,680,724
Standard Chartered Bank, New York	USD	2,627,865.31	84.9000	223,105,765	865,115.03	83.9000	72,583,151
Standard Chartered Bank, Mumbai	ACU	636,472.14	84.9000	54,036,485	1,012,027.50	83.9000	84,909,107
Sonali Bank, Kolkata	ACU	362,621.07	84.9000	30,786,529	434,534.78	83.9000	36,457,468
Mashreq Bank, Mumbai	ACU	389,180.14	84.9000	33,041,394	437,533.84	83.9000	36,709,089
State Bank of India, Kolkata	ACU	6,122.07	84.9000	519,764	6,122.07	83.9000	513,642
United Bank, Karachi	ACU	31,215.43	84.9000	2,650,190	31,215.43	83.9000	2,618,975
NABIL Bank, Nepal	ACU	175,513.37	84.9000	14,901,085	211,703.37	83.9000	17,761,913
Standard Chartered Bank, Colombo	ACU	43,918.33	84.9000	3,728,666	57,326.01	83.9000	4,809,652
Myanmar Foreign Trade Bank Yangon	ACU	137.85	84.9000	11,703	137.85	83.9000	11,566
AB Bank Ltd., Mumbai	ACU	457,316.22	84.9000	38,826,147	1,183,101.67	83.9000	99,262,230
Bank of Bhutan, Thimpu	ACU	405,732.33	84.9000	34,446,675	289,625.13	83.9000	24,299,548
ICICI Bank Ltd., Mumbai	ACU	38,258.27	84.9000	3,248,127	38,258.27	83.9000	3,209,869
HDFC Bank, India	ACU	257,848.40	84.9000	21,891,329	513,268.34	83.9000	43,063,214
Meezan Bank, Karchi	ACU	211,835.75	84.9000	17,984,855	33,876.32	83.9000	2,842,223
Commerz Bank, Frankfurt	EURO	44,382.26	95.0625	4,219,089	7,800.00	95.4866	744,795
Standard Chartered Bank, Frankfurt	EURO	8,978.56	95.0625	853,524	18,755.42	95.4866	1,790,891
Alpha Bank AE Athens	EURO	7,856.00	95.0625	746,811	200,186.23	95.4866	19,115,102
BOT Tokyo	JPY	1,306,335.00	0.7778	1,016,067	96,760.00	0.7561	73,160
Union Bank of Switzerland	CHF	7,156.25	87.2918	624,682	6,613.55	84.5170	558,957
Habib Bank Zurich	CHF	4,145.37	87.2918	361,857	2,296.20	84.5170	194,068
Habib Bank, Karachi	ACU	-	84.9000	-	-	83.9000	-
Habib American Bank	USD	1,002,821.18	84.9000	85,139,518	791,948.28	83.9000	66,444,461
Standard Chartered Bank, Singapore	SGD	16,635.41	62.9215	1,046,725	1,811.62	61.1071	110,703
Wachovia Bank, New York	USD	-	84.9000	-	-	83.9000	-
Citibank N.A New York	USD	81,982.45	84.9000	6,960,310	605,510.04	83.9000	50,802,292
<b>Sub-total</b>				<b>621,675,738</b>			<b>620,547,017</b>
<b>Grand total</b>				<b>938,013,138</b>			<b>749,669,117</b>







National Bank Limited  
Status of large loan  
As at December 31, 2019

Annex- C

(Figures in crore)

SL no.	Name of the borrower	Funded	Non-funded	Total outstanding	Remarks
1	Abul Khair Group	55.17	64.18	119.35	
2	Adil Corporation	569.64		569.64	
3	Basundhara Group	685.75	174.99	860.74	
4	Basundhara Inport Export	560.51	-	560.51	
5	Basundhara Multi Food Product Ltd.	487.17	-	487.17	
6	Basundhara Oil & Gas Co Ltd.	38.58	5.38	43.96	
7	Beximco Group	835.04	4.50	839.54	
8	Beximco LPG Unit	752.14	178.61	930.75	
9	Bloom Success International Ltd.	601.41	-	601.41	
10	Bricks & Mortar	517.84	-	517.84	
11	BSM Group	500.20	20.69	520.89	
12	Dekko Group	400.79	248.49	649.28	
13	Ehsan Group	588.67	-	588.67	
14	FMC Group	957.50	73.42	1,030.92	
15	M H Group	442.32	-	442.32	
16	Maisha Group	2,086.55	122.26	2,208.81	
17	NAF Trading	695.14	-	695.14	
18	NASSA Group	1,135.54	79.16	1,214.70	
19	Pran RFL Group	469.20	18.63	487.83	
20	S Alam Group	786.53	14.42	800.95	
21	S Alam Super Edible Oil Ltd.	752.58	62.87	815.45	
22	S Alam Vegetable Oil & Allied Concern-Fairy Trade Int.	807.83	343.53	1,151.36	
23	Saad Musa Group	757.10	-	757.10	
24	TK Group	40.50	47.94	88.44	
25	Western Marine Shipyard Ltd.	676.35		676.35	
	<b>Total</b>	<b>16,200.05</b>	<b>1,459.07</b>	<b>17,659.12</b>	







**National Bank Limited**  
Status on REPO and Reverse REPO  
As at December 31, 2019

**Annex-D**

**A. i) Disclosure regarding outstanding REPO**  
As per DOS Circular No. 06 dated July 15, 2010.

(Figures in crore)

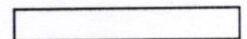
Counter party	Agreement date	Reversal date	Amount BDT
IFIC Bank Ltd.	30.12.2019	01.01.2020	80.36
Standard Chartered Bank	29.12.2019	01.01.2020	71.08
Commercial Bank of Cylon	30.12.2019	01.01.2020	59.57
Dhaka Bank Ltd.	30.12.2019	01.01.2020	20.71
<b>Total</b>			<b>231.72</b>

**ii) Disclosure regarding outstanding Reverse REPO**

Counter party	Agreement date	Reversal date	Amount BDT
NIL			
<b>Total</b>	-	-	-

**B. Disclosure regarding overall Transaction of REPO and Reverse REPO**

Counter party	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year
REPO/ALS			
Standard Chartered Bank	9.67	-	233.2
Bangladesh Bank	0.00	528.32	
Reverse REPO			
Midland Bank Ltd.	9.96	-	0.17
Mutual Trust Bank Ltd.	-	52.85	





**National Bank Limited**  
Structural Liquidity Profile  
As at December 31, 2019

Annex-E

\*As per Bangladesh Bank circular no. 02 dated 29 March 2011.

(BDT in crore)

Particulars	Call	2-7 Days	8 Days-1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 years	Total
<b>Assets (Inflow)</b>								
Cash in hand (LCY+FCY)	405.24	-	-	-	-	-	1,849.70	2,254.94
Balance with Bangladesh Bank (LCY)	-	-	-	-	-	-	-	-
Balance with Bangladesh Bank (FCY)	-	-	-	-	-	-	-	-
Balance with other banks and financial institutions	141.64	150	0	15.00	128.00	-	15.75	450.39
Money at call and on short notice	-	-	-	-	-	-	2,681.42	2,681.42
Investment in G-SEC	-	29.99	-	59.57	408.05	2,074.74	-	2,572.35
Other Investment (Share, Debenture and bond, MFU and others)	0.67	-	105.87	247.03	677.33	75.00	512.33	1,618.23
Loans and advances	1,009.47	18.45	4,127.83	5,570.92	9,256.20	9,729.72	4,561.69	34,274.28
Bills purchased and discounted	8.85	26.55	35.39	97.33	8.85	-	-	176.97
Reverse REPO with Bangladesh Bank	-	-	-	-	-	-	-	-
Reverse REPO with Others	-	-	-	-	-	-	-	-
Fixed assets including premises, furniture and fixtures	-	-	-	-	-	-	247.98	247.98
Other assets	-	-	-	-	-	-	2,242.61	2,242.61
Non-banking assets	-	-	-	-	-	-	29.95	29.95
Other receivables	-	-	-	-	-	-	-	-
<b>Total Inflows</b>	<b>1,565.87</b>	<b>224.99</b>	<b>4,269.09</b>	<b>5,989.85</b>	<b>10,478.43</b>	<b>11,879.46</b>	<b>12,141.43</b>	<b>46,549.12</b>
<b>Liabilities (Outflows)</b>								
Borrowing from Bangladesh Bank (Refinances etc)	2.27	15.88	49.89	136.13	218.28	-	-	422.45
REPO/LS with Bangladesh Bank	231.66	-	-	-	-	-	-	231.66
REPO with other banks and fis.	-	-	-	-	-	-	-	-
Borrowing from other banks and fis.	-	-	-	-	-	-	-	-
Money at call and on short notice	385.00	-	-	-	-	-	-	385.00
Demand Deposits	593.27	80.36	82.95	119.24	2,073.68	2,750.21	-	5,699.71
Savings bank deposit	59.85	63.09	62.63	69.59	69.59	4,314.76	-	4,639.51
Fixed Deposit	323.16	642.35	2,782.02	6,153.34	8,277.63	4,314.90	3,425.60	25,919.00
Bills Payable	33.45	167.26	33.57	33.15	66.30	-	-	333.73
Provision and other liabilities	-	-	1.32	137.51	1,910.95	10.21	60.34	2,120.33
Capital and Reserve	-	-	-	-	-	240.29	5,100.37	5,340.66
<b>Total Outflows</b>	<b>1,628.66</b>	<b>968.94</b>	<b>3,012.38</b>	<b>6,648.96</b>	<b>12,616.43</b>	<b>11,630.37</b>	<b>8,586.31</b>	<b>45,092.05</b>
Letter of Credit/Guarantees (Net of margin)	8.57	60.02	188.63	762.04	1,568.46	-	-	2,587.72
Other OBS Items (Net of margin)	57.74	404.18	557.99	1,052.18	-	-	-	2,072.09
Available Balance with BB (FCY)	-	54.31	-	-	-	-	-	54.31
Net Nostro a/c balance	66.31	27.49	-	-	-	-	-	93.80
<b>Net Mismatch</b>	-62.79	-1126.35	510.09	-2473.33	-3706.46	249.09	3555.12	-3054.63
<b>Cumulative Net Mismatch</b>	-62.79	-1189.14	-679.05	-3152.38	-6858.84	-6609.75	-3054.63	

Medium Term Funding Ratio (MTF):  
Maximum Cumulative Outflow (MCO):

0.84162907  
0.1475







**National Bank Limited**

Highlights on the activities of the Bank  
As at December 31, 2019

(BDT in Million)

Sl. No.	Particulars	2019	2018
1	Paid-up Capital	29,203.99	26,549.08
2	Total Capital (Tier-I+II)	54,723.24	51,144.37
3	Capital Surplus/ (Deficit)	3,616.77	7,889.11
4	Total Assets	463,574.78	407,227.40
5	Total Deposits	366,298.51	315,206.03
6	Total Loans and Advances	360,769.74	314,507.26
7	Total Contingent Liabilities and Commitments	50,404.97	52,836.83
8	Advance / Deposit Ratio (%)	95.27%	97.49%
9	Percentage of Classified Loans against total Loans and Advances	10.98%	9.50%
10	Profit after Provision & Tax	4,164.35	4,100.31
11	Amount of Classified Loans	39,637.14	29,881.46
12	Provision kept against Classified Loans	11,278.24	9,665.48
13	Provision Surplus / (Deficit) against classified loans	-	-
14	Cost of Fund (including operating cost)	8.98%	8.52%
15	Interest Earning Assets	416,870.59	365,612.68
16	Non-interest Earning Assets	46,704.19	41,614.72
17	Return on Investment (ROI)	5.13%	10.28%
18	Return on Assets (ROA)	0.96%	1.08%
19	Income from Investment	3,097.04	4,669.00
20	Earnings per Share (Taka)	1.43	1.40
21	Net income per Share (Taka)	1.43	1.40
22	Price Earning Ratio (Times)	5.68	6.77
23	Net Assets Value per shares (Taka)	16.79	16.88







National Bank Limited  
Offshore Banking Unit, Bangladesh

Balance Sheet  
As at December 31, 2019

Notes	2019		2018	
	USD	BDT	USD	BDT
<b>PROPERTY AND ASSETS</b>				
<b>CASH</b>				
In hand (including foreign currencies)	-	-	-	-
With Bangladesh Bank (Including foreign currencies)	-	-	-	-
<b>BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS (ON CURRENT AND OTHER ACCOUNTS) 3</b>				
In Bangladesh	3,142,023.64	266,757,807	3,667,950.05	307,741,010
Outside Bangladesh	-	-	-	-
	<b>3,142,023.64</b>	<b>266,757,807</b>	<b>3,667,950.05</b>	<b>307,741,010</b>
<b>MONEY AT CALL AND SHORT NOTICE</b>				
	-	-	-	-
<b>INVESTMENT</b>				
	-	-	-	-
<b>LOANS AND ADVANCES 4</b>				
i) Loans, cash credits, overdrafts, etc.				
In Bangladesh	3,885,375.40	329,868,371	2,654,348.02	222,699,799
Outside Bangladesh	-	-	-	-
	<b>3,885,375.40</b>	<b>329,868,371</b>	<b>2,654,348.02</b>	<b>222,699,799</b>
ii) Bills purchased and discounted				
Payable in Bangladesh	41,381,280.01	3,513,270,673	71,665,950.49	6,012,773,246
Payable outside Bangladesh	-	-	-	-
	<b>41,381,280.01</b>	<b>3,513,270,673</b>	<b>71,665,950.49</b>	<b>6,012,773,246</b>
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
<b>FIXED ASSETS 5</b>				
	20.00	1,698	80.04	6,716
<b>OTHER ASSETS 6</b>				
	630,594.75	53,537,494	1,214,202.21	101,871,565
<b>NON-BANKING ASSETS</b>				
	-	-	-	-
<b>TOTAL ASSETS</b>				
	<b>49,039,293.80</b>	<b>4,163,436,043</b>	<b>79,202,530.81</b>	<b>6,645,092,336</b>







Notes	2019		2018	
	USD	BDT	USD	BDT
<b>CAPITAL AND LIABILITIES</b>				
<b>BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS</b>				
7				
In Bangladesh	41,523,518.00	3,525,346,678	71,673,985.53	6,013,447,386
Outside Bangladesh	1,100,000.00	93,390,000	2,612,995.00	219,230,281
	<b>42,623,518.00</b>	<b>3,618,736,678</b>	<b>74,286,980.53</b>	<b>6,232,677,667</b>
	<b>42,623,518.00</b>	<b>3,618,736,678</b>	<b>74,286,980.53</b>	<b>6,232,677,667</b>
<b>DEPOSITS AND OTHER ACCOUNTS</b>				
8				
Current deposits and other accounts	3,701,951.73	314,295,702	2,926,223.41	245,510,144
Term deposits	1,815,229.76	154,113,007	884,547.00	74,213,493
	<b>5,517,181.49</b>	<b>468,408,709</b>	<b>3,810,770.41</b>	<b>319,723,637</b>
<b>OTHER LIABILITIES</b>				
9	<b>898,594.31</b>	<b>76,290,656</b>	<b>1,104,779.87</b>	<b>92,691,032</b>
<b>TOTAL LIABILITIES</b>				
	<b>49,039,293.80</b>	<b>4,163,436,043</b>	<b>79,202,530.81</b>	<b>6,645,092,336</b>
<b>CAPITAL/SHAREHOLDERS' EQUITY</b>				
Retained earnings brought forward from profit & loss account				
	-	-	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
	<b>49,039,293.80</b>	<b>4,163,436,043</b>	<b>79,202,530.81</b>	<b>6,645,092,336</b>
<b>Off balance sheet items</b>				
<b>Contingent liabilities</b>				
Acceptance and endorsements	1,719,800.00	146,011,020	3,258,900.00	273,421,710
Letter of guarantee - Banks	-	-	-	-
Letter of guarantee - Others	106,200.00	9,016,380	80,500.00	6,753,950
Bills for collection	4,358,700.00	370,053,630	5,403,800.00	453,378,820
Irrevocable letters of credit	432,000.00	36,676,800	892,100.00	74,847,190
Other commitments	-	-	-	-
	<b>6,616,700.00</b>	<b>561,757,830</b>	<b>9,635,300.00</b>	<b>808,401,670</b>







National Bank Limited  
Offshore Banking Unit, Bangladesh

Profit and Loss Account  
For the year ended December 31, 2019

Notes	2019		2018		
	USD	BDT	USD	BDT	
Interest income	10	4,474,848.33	379,914,623	4,431,351.42	371,790,384
Interest paid on deposits and borrowings	11	3,034,008.04	257,587,283	3,219,996.15	270,157,677
<b>Net interest income</b>		<b>1,440,840.29</b>	<b>122,327,340</b>	<b>1,211,355.27</b>	<b>101,632,707</b>
Commission, exchange and brokerage	12	53,205.25	4,517,126	91,156.63	7,648,041
Other Operating Income	13	100,211.09	8,507,921	116,521.15	9,776,124
<b>Total operating income</b>		<b>1,594,256.63</b>	<b>135,352,387</b>	<b>1,419,033.05</b>	<b>119,056,872</b>
Salary and allowances	14	29,767.61	2,527,270	38,618.26	3,240,073
Rent, taxes, Insurance, electricity etc.	15	13,382.10	1,136,140	13,170.15	1,104,975
Postage, stamps, telecommunication etc.	16	1,229.37	104,373	2,215.29	185,863
Repair, maintenance and depreciation	17	575.88	48,892	705.51	59,192
Other operating expenses	18	177.55	15,074	96.68	8,111
		<b>45,132.51</b>	<b>3,831,749</b>	<b>54,805.89</b>	<b>4,598,214</b>
<b>Profit before provision</b>		<b>1,549,124.12</b>	<b>131,520,638</b>	<b>1,364,227.16</b>	<b>114,458,658</b>
Less: General Provision against UC Loan	2.3	-	-	-	-
<b>Profit before income tax</b>		<b>1,549,124.12</b>	<b>131,520,638</b>	<b>1,364,227.16</b>	<b>114,458,658</b>
Less: Provision for income tax	2.3	-	-	-	-
<b>Net Profit after taxation</b>		<b>1,549,124.12</b>	<b>131,520,638</b>	<b>1,364,227.16</b>	<b>114,458,658</b>
Balance of Profit brought forward		-	-	-	-
Effect of changes in exchange rate		-	-	-	-
<b>Retained Earnings carried forward</b>		<b>1,549,124.12</b>	<b>131,520,638</b>	<b>1,364,227.16</b>	<b>114,458,658</b>
Less: Retained earnings transferred to central operation		1,549,124.12	131,520,638	1,364,227.16	114,458,658
		-	-	-	-





**National Bank Limited**  
**Offshore Banking Unit, Bangladesh**  
**Cash Flow Statement**  
**For the year ended December 31, 2019**

	2019		2018	
	USD	BDT	USD	BDT
<b>A) Cash flows from operating activities</b>				
Interest Income	4,474,848.33	379,914,623	4,431,351.42	371,790,384
Interest paid	(3,034,008.04)	(257,587,283)	(3,219,996.15)	(270,157,677)
Commission, exchange and brokerage	53,205.25	4,517,126	91,156.63	7,648,041
Received from other operating activities	100,211.09	8,507,921	116,521.15	9,776,124
Paid to employees	(29,767.61)	(2,527,270)	(38,618.26)	(3,240,073)
Paid to supplier	(15,127.31)	(1,284,308)	(15,906.47)	(1,334,552)
Paid for operating expense	(177.55)	(15,074)	(96.68)	(8,111)
<i>Operating profit before changes in operating assets and liabilities</i>	<u>1,549,184.16</u>	<u>131,525,735</u>	<u>1,364,411.64</u>	<u>114,474,136</u>
(Increase)/decrease in operating assets:				
Loan and advances to customers	29,053,643.10	2,392,334,001	(9,382,554.60)	(865,121,624)
Other Assets	583,607.46	48,334,071	(268,025.35)	(23,622,730)
Increase/(decrease) in operating liabilities:				
Effect of Changes in exchange rate	-	(79)	-	(318)
Deposits from Banks	-	-	-	-
Customers' deposits and other accounts	1,706,411.08	148,685,072	806,626.71	71,280,953
Borrowing from other banks and financial institution:	(31,663,462.53)	(2,613,940,989)	10,442,620.00	952,749,051
Other liabilities	(206,185.56)	(16,400,376)	495,228.95	42,281,162
	<u>(525,986.45)</u>	<u>(40,988,300)</u>	<u>2,093,895.71</u>	<u>177,566,494</u>
<b>Net cash provided from/(used in) operating activities</b>	<u>1,023,197.71</u>	<u>90,537,435</u>	<u>3,458,307.35</u>	<u>292,040,630</u>
<b>B) Cash flows from investing activities</b>				
Changes in fixed asset:	-	-	-	-
Fund placement	-	-	-	-
<b>C) Cash flows from financing activities</b>				
Profit remitted to Head Office	(1,549,124.12)	(131,520,638)	(1,364,227.16)	(114,458,658)
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>	<u>(525,926.41)</u>	<u>(40,983,203)</u>	<u>2,094,080</u>	<u>177,581,972</u>
<b>E) Opening cash and cash equivalents</b>	<u>3,667,950.05</u>	<u>307,741,010</u>	<u>1,573,869.86</u>	<u>130,159,038</u>
<b>F) Closing cash and cash equivalent (D+E)</b>	<u>3,142,023.64</u>	<u>266,757,807</u>	<u>3,667,950.05</u>	<u>307,741,010</u>
<b>G) Closing cash and cash equivalents</b>				
Cash In hand (including foreign currencies)	-	-	-	-
Balances with Bangladesh Bank and its agent bank (s)	-	-	-	-
Balances with other Banks and Financial Institutions	3,142,023.64	266,757,807	3,667,950.05	307,741,010
Money at call and short notice	-	-	-	-
Prize bonds	-	-	-	-
	<u>3,142,023.64</u>	<u>266,757,807</u>	<u>3,667,950.05</u>	<u>307,741,010</u>





**National Bank Limited**  
Offshore Banking Unit  
**Notes to the Financial Statements**  
For the year ended December 31, 2019

**1 Status**

Offshore Bank is a Bank located outside the country of residence of depositors, typically in the low tax jurisdiction (or tax haven) that provides financial and legal advantage. Offshore Banking Unit (the Unit), a separate business unit of National Bank Limited, is governed under the Rules and guideline of Bangladesh Bank. The Bank obtained the Offshore Banking permission vide letter No. BRPD/(P-3)744(97)/2008-2005 dated 01 June 2008. The unit commenced its operation from September, 2008 and its office is located at 9 Mohakhali, Dhaka. The second unit of the Offshore Bank has started its operation in November 2016 and its office is located at 48, Dilkusha, Dhaka.

**2 Significant Accounting policy**

**2.1 Basis of accounting**

The Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and other applicable directives issued by Bangladesh Bank.

**2.2 Loans and advances**

- a) These are stated in the Balance Sheet on gross basis and accumulated specific and general provisions for bad and doubtful debts being shown under other liabilities.
- b) Interest income is recognised on accrual basis to comply with the IAS-18 "Revenue", but cease to be taken into income in case of classified loans & advances. Interest on classified loans will be kept in interest suspense account and accounted for as income on cash receipt basis.
- c) Provision for Loans and Advances is made on the basis of period end review by the management and instructions contained in Bangladesh Bank BRPD circular 19 & 20 dated December 2005, BRPD circular No. 14 dated September 23, 2012, BRPD Circular No. 05 dated May 29, 2013.

**2.3 Common expenses**

- a. Expenditure for audit fees has not been separately accounted for in the Financial Statements.
- b. Provision for taxation, loans & advances and against off-Balance Sheet items have not been separately accounted for in these Financial Statements.

These are accounted for in the central accounts of NBL.

**3 Balance with other Banks and Financial Institutions**

**Inside Bangladesh**

	2019		2018	
	USD	BDT	USD	BDT
NBL Mohakhali Branch	97,812.38	8,304,271	299,039.65	25,089,427
Placement with NBL	2,761,715.00	234,469,604	2,874,870.00	241,201,593
Head Office ID	282,496.26	23,983,932	494,040.40	41,449,990
	<b>3,142,023.64</b>	<b>266,757,807</b>	<b>3,667,950.05</b>	<b>307,741,010</b>

**3.1 Balance with other Banks and Financial Institutions (according to remaining maturity grouping)**

**Payable**

On demand	3,142,023.64	266,757,807	3,667,950.05	307,741,010
Within one month	-	-	-	-
More than one month but not more than three months	-	-	-	-
More than three months but not more than one year	-	-	-	-
More than one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
	<b>3,142,023.64</b>	<b>266,757,807</b>	<b>3,667,950.05</b>	<b>307,741,010</b>

**4 Loans and advances**

**4.1 Loans, Cash Credit, Overdraft etc.**

**4.1.1 Inside Bangladesh**

Loans	3,885,375.40	329,868,371	2,654,348.02	222,699,799
Cash Credit	-	-	-	-
Loan against TR	-	-	-	-
Secured Overdraft	-	-	-	-
	<b>3,885,375.40</b>	<b>329,868,371</b>	<b>2,654,348.02</b>	<b>222,699,799</b>

**4.1.2 Outside Bangladesh**

	<b>3,885,375.40</b>	<b>329,868,371</b>	<b>2,654,348.02</b>	<b>222,699,799</b>
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**4.2 Bills purchased and discounted**

**4.2.1 Inside Bangladesh**

Local Bill Purchased	-	-	-	-
Foreign Bill Purchased	41,381,280.01	3,513,270,673	71,665,950.49	6,012,773,246
	<b>41,381,280.01</b>	<b>3,513,270,673</b>	<b>71,665,950.49</b>	<b>6,012,773,246</b>

**4.2.2 Outside Bangladesh**

	<b>41,381,280.01</b>	<b>3,513,270,673</b>	<b>71,665,950.49</b>	<b>6,012,773,246</b>
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>



	2019		2018	
	USD	BDT	USD	BDT
<b>4.3 Maturity grouping of loans and advances including bills discounted and purchased</b>				
Payable on demand	-	-	860,000.00	72,154,000
Less than three months	15,539,334.19	1,319,289,473	9,923,863.78	832,612,171
More than three months but less than one year	26,543,471.93	2,253,540,767	61,361,343.99	5,148,216,761
More than one year but less than five years	3,183,849.29	270,308,804	2,175,090.74	182,490,113
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
<b>4.4 Maturity analysis of bills purchased and discounted</b>				
Within one month	-	-	860,000.00	72,154,000
More than one month but less than three months	15,323,480.00	1,300,963,452	9,776,400.00	820,239,960
More than three months but less than six months	26,057,800.01	2,212,307,221	61,029,550.49	5,120,379,286
	<b>41,381,280.01</b>	<b>3,513,270,673</b>	<b>71,665,950.49</b>	<b>6,012,773,246</b>
<b>4.5 Loans and Advances on the basis of Significant Concentration</b>				
<b>4.5.1 Loans and Advances to Directors, Executive and Others</b>				
Advance to Directors and their allied concerns(including Ex-Directors)	-	-	-	-
Advances to CEO & Managing Director	-	-	-	-
Advances to Other executives and staffs	-	-	-	-
Advances to Customers (Group wise)	-	-	-	-
Industrial Advances	45,266,655.41	3,843,139,044	74,320,298.51	6,235,473,045
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
<b>4.6 Industry-wise Concentration of loans and advances</b>				
Air way sector (BBAW)	-	-	-	-
Pharmaceuticals Industries	-	-	647,210.87	54,300,992
Textile & Garments Industry	36,637,481.05	3,110,522,141	9,715,077.60	815,095,011
Cement Industry	-	-	-	-
Others	8,629,174.36	732,616,903	63,958,010.04	5,366,077,042
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
<b>4.7 Geographical location-wise concentration of Loans and advances</b>				
<b>Inside Bangladesh</b>				
Dhaka Division	45,266,655.41	3,843,139,044	74,320,298.51	6,235,473,045
Chittagong Division	-	-	-	-
Khulna Division	-	-	-	-
Rajshahi Division	-	-	-	-
Barishal Division	-	-	-	-
Sylhet Division	-	-	-	-
<b>Outside Bangladesh</b>				
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
<b>4.8 Classified, unclassified, doubtful and bad loans &amp; advances</b>				
<b>Unclassified</b>				
Standard	45,266,655.41	3,843,139,044	74,320,298.51	6,235,473,045
Special Mention Account	-	-	-	-
<b>Classified</b>				
Sub-standard	-	-	-	-
Doubtful	-	-	-	-
Bad/Loss	-	-	-	-
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>





	2019		2018	
	USD	BDT	USD	BDT
<b>4.9 Particulars of loans and advances</b>				
i) Debt considered good in respect of which the bank is fully secured	45,266,655.41	3,843,139,044	74,320,298.51	6,235,473,045
ii) Debt considered good for which the bank holds no other security than the debtor's personal security	-	-	-	-
iii) Debts considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors	-	-	-	-
iv) Debts considered doubtful or bad, not provided for	-	-	-	-
	<b>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
v) Debts taken by directors or executives or any of them taken jointly or separately with other persons	-	-	-	-
vi) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person and debts due by companies or firms in which the directors, partners or managing agent or in the case of private companies as	-	-	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the period to directors or managers or officers of the bank or any of them either severally or jointly with any other persons	-	-	-	-
viii) Maximum total amount of advances, including temporary advance granted during the period to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies	-	-	-	-
ix) Due from other banking companies	-	-	-	-
x) Classified loans and advances on which no interest is credited to income	-	-	-	-
<b>5 Fixed Assets</b>				
Furnitures, fixtures and fittings	1,807.35	153,444	1,807.35	151,637
Office Equipments	8,291.02	703,908	8,291.02	695,617
	<b>10,098.37</b>	<b>857,352</b>	<b>10,098.37</b>	<b>847,254</b>
Accumulated Depreciation	10,078.37	855,654	10,018.33	840,538
	<b>20.00</b>	<b>1,698</b>	<b>80.04</b>	<b>6,716</b>
<b>6 Other assets</b>				
Stationery in hand	-	-	-	-
Adjusting account debit	630,594.75	53,537,494	1,214,202.21	101,871,565
	<b>630,594.75</b>	<b>53,537,494</b>	<b>1,214,202.21</b>	<b>101,871,565</b>
<b>7 Borrowings from other Banks, Financial Institutions and Agents</b>				
<b>In Bangladesh</b>				
Head office, ID	41,523,518.00	3,525,346,678	71,673,985.53	6,013,447,386
Bangladesh Bank	-	-	-	-
	<b>41,523,518.00</b>	<b>3,525,346,678</b>	<b>71,673,985.53</b>	<b>6,013,447,386</b>
<b>Outside Bangladesh</b>	1,100,000.00	93,390,000	2,612,995.00	219,230,281
	<b>42,623,518.00</b>	<b>3,618,736,678</b>	<b>74,286,980.53</b>	<b>6,232,677,667</b>
<b>7.1 Classification based on types of security</b>				
Secured	-	-	-	-
Unsecured	42,623,518.00	3,618,736,678	74,286,980.53	6,232,677,667
	<b>42,623,518.00</b>	<b>3,618,736,678</b>	<b>74,286,980.53</b>	<b>6,232,677,667</b>
<b>7.2 Maturity grouping of borrowings from other Banks, Financial Institutions and Agents</b>				
Payable on demand	-	-	-	-
Payable within one month	1,337,000.00	113,511,300	1,337,000.00	112,174,300
More than one month but less than three months	3,217,500.00	273,165,750	3,217,500.00	269,948,250
More than three months but less than 1 year	21,791,200.00	1,850,072,880	23,304,195.00	1,955,221,961
More than 1 year but less than 5 years	16,277,818.00	1,381,986,748	46,428,285.53	3,895,333,156
	<b>42,623,518.00</b>	<b>3,618,736,678</b>	<b>74,286,980.53</b>	<b>6,232,677,667</b>
<b>8 Deposits and other accounts</b>				
<b>Current and other accounts</b>				
Current account	2,009,887.54	170,639,452	372,536.10	31,255,779
Sundry deposits	1,692,064.19	143,656,250	2,553,687.31	214,254,365
	<b>3,701,951.73</b>	<b>314,295,702</b>	<b>2,926,223.41</b>	<b>245,510,144</b>
Term deposits	1,815,229.76	154,113,007	884,547.00	74,213,493
	<b>5,517,181.49</b>	<b>468,408,709</b>	<b>3,810,770.41</b>	<b>319,723,637</b>







	2019		2018	
	USD	BDT	USD	BDT
<b>8.1 Maturity grouping of deposits and other accounts</b>				
Payable on demand	3,701,951.73	314,295,702	2,926,223.41	245,510,144
Payable within one month	-	-	-	-
More than one month but less than three months	1,815,229.76	154,113,007	884,547.00	74,213,493
More than three months but less than one year	-	-	-	0
More than one year but less than five years	-	-	-	-
	<b>5,517,181.49</b>	<b>468,408,709</b>	<b>3,810,770.41</b>	<b>319,723,637</b>
<b>9 Other liabilities</b>				
Adjusting Account Credit	898,594.31	76,290,656	1,104,779.87	92,691,032
	<b>898,594.31</b>	<b>76,290,656</b>	<b>1,104,779.87</b>	<b>92,691,032</b>
<b>10 Interest income</b>				
Interest on Advances	4,406,934.64	374,148,751	4,257,009.05	357,163,059
Interest on Money at Call and Short Notice	-	-	-	-
Interest on fund placement with HO, ID	67,913.69	5,765,872	174,342.37	14,627,325
Interest on Foreign Currency Balances	-	-	-	-
	<b>4,474,848.33</b>	<b>379,914,623</b>	<b>4,431,351.42</b>	<b>371,790,384</b>
<b>11 Interest paid on deposits and borrowings</b>				
Interest on Deposits	33,962.73	2,883,436	20,781.00	1,743,526
Interest on Borrowings	3,000,045.31	254,703,847	3,199,215.15	268,414,151
Discount	-	-	-	-
Interest on REPO	-	-	-	-
	<b>3,034,008.04</b>	<b>257,587,283</b>	<b>3,219,996.15</b>	<b>270,157,677</b>
<b>12 Commission, exchange and brokerage</b>				
Commission	53,205.02	4,517,106	91,153.86	7,647,809
Exchange gain net off exchange losses	0.23	20	2.77	232
Brokerage	-	-	-	-
	<b>53,205.25</b>	<b>4,517,126</b>	<b>91,156.63</b>	<b>7,648,041</b>
<b>13 Other Operating Income</b>				
Shipping Guarantee, Handling charges, service charges etc.	86,418.16	7,336,902	103,712.15	8,701,449
Courier	3,759.77	319,204	2,808.00	235,591
SWIFT	5,317.00	451,413	5,456.00	457,758
Remittance Income	500.00	42,450	430.00	36,077
Miscellaneous	4,216.16	357,952	4,115.00	345,249
	<b>100,211.09</b>	<b>8,507,921</b>	<b>116,521.15</b>	<b>9,776,124</b>
<b>14 Salaries and allowances</b>				
Basic Salary	16,537.35	1,404,021	23,120.19	1,939,784
Allowances	11,576.51	982,846	13,658.54	1,145,952
Bank's contribution to PF	1,653.75	140,403	1,839.53	154,337
Others	-	-	-	-
	<b>29,767.61</b>	<b>2,527,270</b>	<b>38,618.26</b>	<b>3,240,073</b>
<b>15 Rent, taxes, Insurance, electricity etc.</b>				
Rent Office	12,907.09	1,095,812	12,538.24	1,051,958
Electricity	475.01	40,328	631.91	53,017
	<b>13,382.10</b>	<b>1,136,140</b>	<b>13,170.15</b>	<b>1,104,975</b>
<b>16 Postage, stamps, telecommunication etc.</b>				
Telephone Office	-	-	-	-
Courier	141.53	12,016	89.20	7,484
Internet	133.82	11,361	386.00	32,385
SWIFT charges	954.02	80,996	1,740.09	145,994
	<b>1,229.37</b>	<b>104,373</b>	<b>2,215.29</b>	<b>185,863</b>







	2019		2018	
	USD	BDT	USD	BDT
<b>17 Repair, maintenance and depreciation</b>				
<b>Depreciation</b>				
Furnitures, fixtures, fittings etc.	60.04	5,097	184.48	15,478
Computer Equipment	-	-	-	-
Office Equipments	-	-	-	-
	<b>60.04</b>	<b>5,097</b>	<b>184.48</b>	<b>15,478</b>
<b>Repair &amp; maintainance</b>				
Office Premises	-	-	-	-
Office Equipments	515.84	43,795	521.03	43,714
Furnitures and fixtures	-	-	-	-
Others	-	-	-	-
	<b>515.84</b>	<b>43,795</b>	<b>521.03</b>	<b>43,714</b>
	<b>575.88</b>	<b>48,892</b>	<b>705.51</b>	<b>59,192</b>
<b>18 Other operating expenses</b>				
Registration and renewal fees	-	-	-	-
Stationary	-	-	96.68	8,111
Others	177.55	15,074	-	-
	<b>177.55</b>	<b>15,074</b>	<b>96.68</b>	<b>8,111</b>

**19 General**

19.1 Fixed assets of this unit are appearing in the books net off depreciation.

19.2 Assets and liabilities have been converted into Taka currency @ US\$ 1 = Tk 84.90 which represents the year-end mid rate of exchange as at December 31, 2019.

19.3 Previous year's figures have been rearranged, where considered necessary, to conform to current year's presentation.







National Bank Limited  
Offshore Banking Unit, Bangladesh  
Statement of Liquidity in US Dollar  
(Maturity analysis of assets and liabilities)  
As at December 31, 2019

Particulars	Maturity within 1 month	Maturity within 1 to 3 months	Maturity within 3 to 12 months	Maturity within 1 to 5 years	Maturity over 5 years	Total Amount
	USD					
<b>ASSETS</b>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	3,142,023.64	-	-	-	-	3,142,023.64
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customers	-	15,539,334.19	26,543,471.93	3,183,849.29	-	45,266,655.41
Fixed assets	-	-	20.00	-	-	20.00
Other assets	-	630,594.75	-	-	-	630,594.75
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>3,142,023.64</b>	<b>16,169,928.94</b>	<b>26,543,491.93</b>	<b>3,183,849.29</b>	<b>-</b>	<b>49,039,293.80</b>
<b>LIABILITIES</b>						
Borrowings from other banks & financial institutions	1,337,000.00	3,217,500.00	21,791,200.00	16,277,818.00	-	42,623,518.00
Deposits & other accounts	3,701,951.73	1,815,229.76	-	-	-	5,517,181.49
Other liabilities	-	898,594.31	-	-	-	898,594.31
<b>Total Liabilities</b>	<b>5,038,951.73</b>	<b>5,931,324.07</b>	<b>21,791,200.00</b>	<b>16,277,818.00</b>	<b>-</b>	<b>49,039,293.80</b>
<b>Net Liquidity Difference</b>	<b>(1,896,928.09)</b>	<b>10,238,604.87</b>	<b>4,752,291.93</b>	<b>(13,093,968.71)</b>	<b>-</b>	<b>-</b>







**National Bank Limited**  
**Offshore Banking Unit, Bangladesh**  
**Statement of Liquidity in BDT**  
**(Maturity analysis of assets and liabilities)**  
**As at December 31, 2019**

Particulars	Maturity within 1 month	Maturity within 1 to 3 months	Maturity within 3 to 12 months	Maturity within 1 to 5 years	Maturity over 5 years	Total Amount
<b><u>ASSETS</u></b>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	266,757,807	-	-	-	-	266,757,807
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customer	-	1,319,289,473	2,253,540,767	270,308,804	-	3,843,139,044
Fixed assets	-	-	1,698	-	-	1,698
Other assets	-	53,537,494	-	-	-	53,537,494
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>266,757,807</b>	<b>1,372,826,967</b>	<b>2,253,542,465</b>	<b>270,308,804</b>	<b>-</b>	<b>4,163,436,043</b>
<b><u>LIABILITIES</u></b>						
Borrowings from other banks & financial institutions	113,511,300	273,165,750	1,850,072,880	1,381,986,748	-	3,618,736,678
Deposits & other accounts	314,295,702	-	154,113,007	-	-	468,408,709
Other liabilities	-	76,290,656	-	-	-	76,290,656
<b>Total Liabilities</b>	<b>427,807,002</b>	<b>349,456,406</b>	<b>2,004,185,887</b>	<b>1,381,986,748</b>	<b>-</b>	<b>4,163,436,043</b>
<b>Net Liquidity Difference</b>	<b>-161,049,195</b>	<b>1,023,370,561</b>	<b>249,356,578</b>	<b>(1,111,677,944)</b>	<b>-</b>	<b>-</b>

