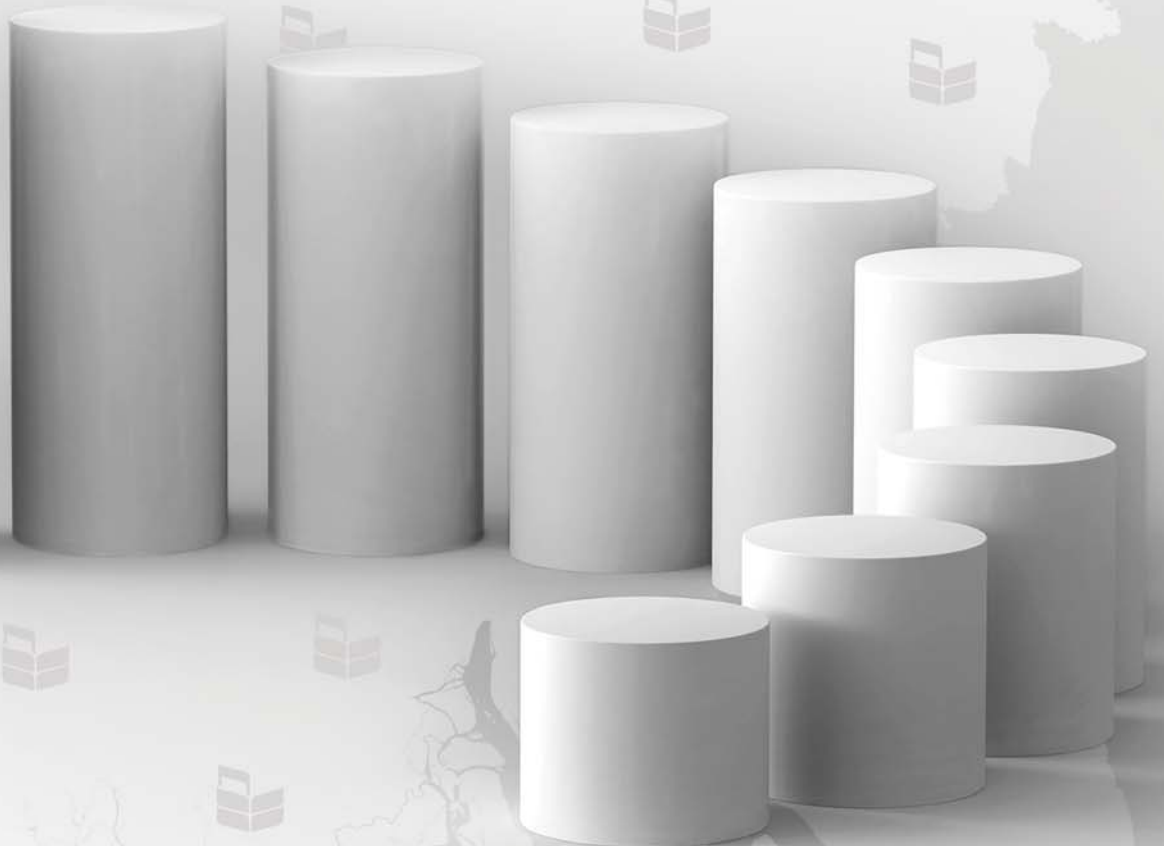




# ANNUAL REPORT 2019



**National Bank Limited**  
A Bank for Performance with Potential



## *Theme*

---

- More network more people
- Approach Banking services to rural and unbanked population through digital platform
- Sustainable growth

## NBL & Its Offshore Unit at a Glance in 2019

(Taka in million)

<b>Operating income</b> +13.61% <b>39,904 m</b> 2018: 35,125 m	<b>Operating profit</b> -4.72% <b>8,784 m</b> 2018: 9,219 m	<b>Total assets</b> +13.84% <b>463,575 m</b> 2018: 407,227 m
<b>Earnings per share</b> 2.14% <b>1.43 Taka</b> 2018: 1.40	<b>Market value per share</b> -14.74% <b>8.10 Taka</b> 2018: 9.50	<b>Return on assets</b> -11.11% <b>0.96%</b> 2018: 1.08%
<b>Employees</b> +1.78% <b>4,740 nos</b> 2018: 4,657 nos	<b>Branches &amp; SME centers</b> +2.96% <b>209 nos</b> 2018: 203 nos	<b>Price earnings ratio</b> -16.52% <b>5.66 times</b> 2018: 6.78 times
<b>Import</b> +9.85% <b>99,501 m</b> 2018: 90,580 m	<b>Export</b> +8.48% <b>54,545 m</b> 2018: 50,282 m	<b>Remittance</b> -6.85% <b>37,954 m</b> 2018: 40,743 m

Promoting Agriculture through Agri- Finance







Providing "Daridra Mukti Loan" to build up self Dependency of poor farmers

Encouraging Women Entrepreneurship through SME & Nari - Jagorani Finance



**OUR INITIATIVES IN 2019**








Promoting Industrialization through Finance in priority Sectors

**TO MAKE BANGLADESH PROSPER**

Contributing to CSR for Sustainable Development







Working as collector of Govt. Tax in addition to Direct Contributor as Tax payer

Agri-Loan disbursed Tk. 428.99 crore among 27,773 nos of farmers

Provide Tk. 15.00 crore under Daridra Mukti Finance among 2020 nos of poor farmers including 933 women

Disbursed Tk. 3,849.35 crore under SME finance among 7,747 nos of Entrepreneurs

Contribute Tk. 34.44 crore under CSR

Contribute Tk. 301.63 crore as Direct Tax

# CONTENT

## PARTICULARS

## PAGE NO.

• Vision	4
• Mission & Commitments	5
• Forward Looking Statements	6
• Core Values	7
• Core Indicators	8
• Segmental Information	9
• Value Added Statement	10
• Economic & Market Value Added Statement	11
• Our Corporate Strategies	12
• Delivering Growth	13
• Five Years Financial Summary	14
• Board of Directors	16
• Executive Committee, Audit Committee & Risk Management Committee	19
• Notice of the 37 <sup>th</sup> Annual General Meeting	26
• Standard Disclosure Index	27
• Corporate Governance Disclosure Checklist	30
• Chairman's Message	32
• From the Desk of the Managing Director & CEO	36
• Directors' Report	38
• Risk Management	61
• Sustainable Finance	85
• Green Banking	90
• Our People	94
• Corporate Governance	97
• Compliance Report under Condition No. 9.00 of BSEC	102
• Report of the Audit Committee of the Board	118
• Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements	119
• Auditors' Report and Financial Statements	121
• Offshore Banking Unit	181
• NBL Money Transfer Pte. Ltd., Singapore	191
• NBL Money Transfer Sdn. Bhd., Malaysia	211
• NBL Money Transfer (Maldives) Private Limited	227
• NBL Money Transfer Payment Foundation S.A., Greece	241
• NBL Money Transfer INC., USA	245
• NBL Securities Ltd.	251
• NBL Capital and Equity Management Ltd.	265
• Corporate Information	277
• Regional Office & Branch Network	278
• Pictorial Views	285



# VISION

Ensuring highest standard of clientele services through best application of latest information technology, making due contribution to the national economy and establishing ourselves firmly at home and abroad as a front ranking bank.

# MISSION

Efforts for expansion of our activities by adding new dimensions to our banking services are being continued unabated. Alongside, we are also putting highest priority in ensuring transparency, accountability, and improved clientele service as well as to our commitment to serve the society, through which we want to get closer and closer to the people of all strata. Winning an everlasting place in the hearts of the people as a caring companion in uplifting the national economic standard through continuous up gradation and diversification of our clientele services in line with national and international requirements is the desired goal we want to reach.



# COMMITMENTS



## Carrying Ourselves at Work

- Discipline
- Integrity
- Sincerity
- Caring
- Creativity

## In Serving the Bank

- Loyalty
- Total commitment & dedication
- Excellence through teamwork

## In Serving Customers

- Customer-first
- Quality-focus
- Credibility & secrecy

## WE HAVE ESTABLISHED POSITIVE TRENDS IN MARGIN, COST AND IMPAIRMENTS AND ARE WELL POSITIONED

### Forward looking statements

This annual report includes certain forward looking statements with respect to the business, strategy and plans of National Bank and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about National Bank or its directors and/or management's beliefs and expectations, are forward looking statements. Words such as 'believes', 'anticipates', 'estimates', 'expects', 'intends', 'aims', 'potential', 'will', 'would', 'could', 'considered', 'likely', 'estimate' and variations of these words and similar future or conditional expressions are intended to identify forward looking statements but are not the exclusive means of identifying such statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future.

Examples of such forward looking statements include, but are not limited to, projections or expectations of the Bank's future financial position including profit attributable to shareholders, provisions, economic profit, dividends, capital structure, expenditures or any other financial items or ratios; statements of plans, objectives or goals of NBL or its management including in respect of the integration and the achievement of certain synergy targets; statements about the future business and economic environments in Bangladesh and elsewhere including future trends in

interest rates, foreign exchange rates, credit and equity market levels and demographic developments and any impact on the Bank; statements about strategic goals, competition, regulation, disposals and consolidation or technological developments in the financial services industry; and statements of assumptions underlying such statements.

Except as required by any applicable law or regulation, the forward looking statements contained in this annual report are made as of the date hereof, and National Bank expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained in this annual report to reflect any change in NBL's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

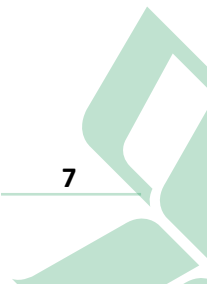
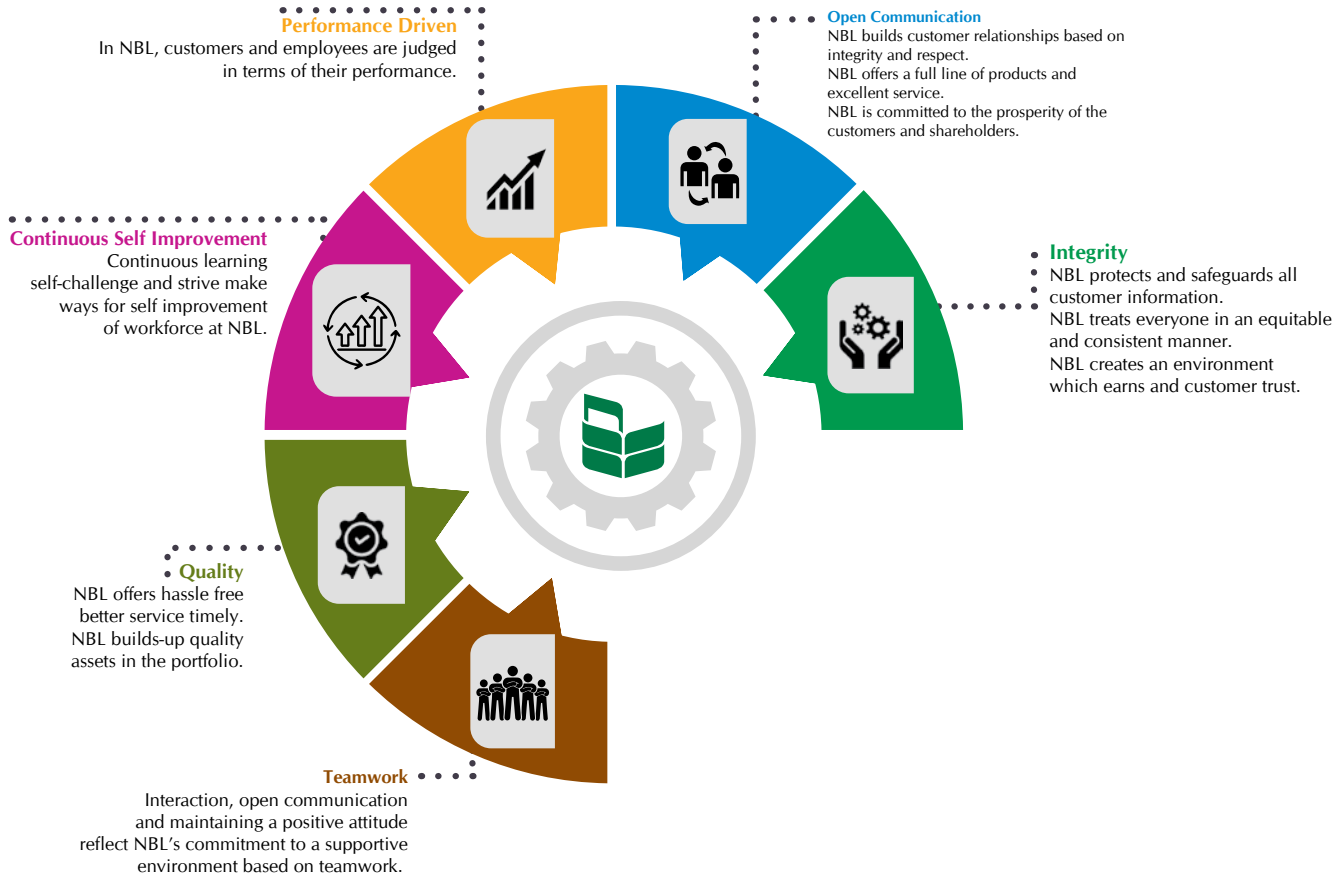
The future strength of the Bank remains where it has always been - with its people. This Annual Report makes clear, that the Bank was founded on principles of openness, transparency and sound governance. That these values continue to earn trust and confidence is evidenced by the steadfast support of all stakeholders.



# ENSURING ACCOUNTABILITY AND LOYALTY THROUGH QUALITY SERVICE IN EVERY ASPECT IS OUR PRIME STRATEGY

## Core Values

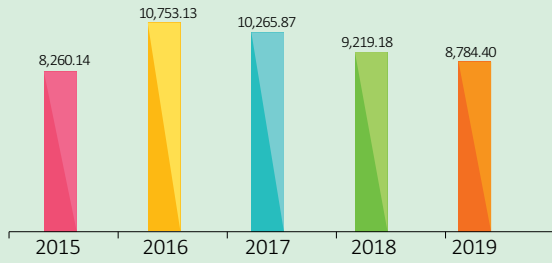
NBL's Core Values consist of 6 key elements. These values bind our people together with an emphasis that our people are essential to everything being in the Bank.



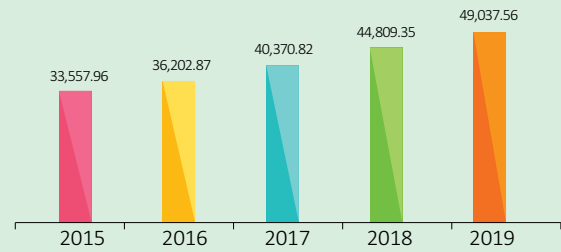


## Core Indicators

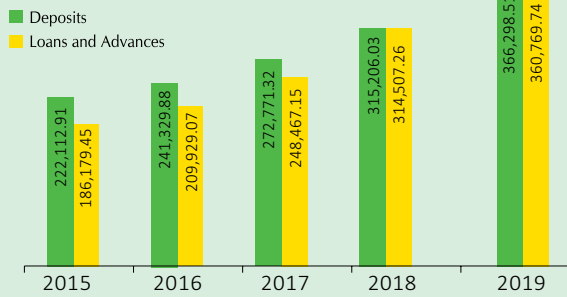
**Profit before tax & provision (Taka in million)**



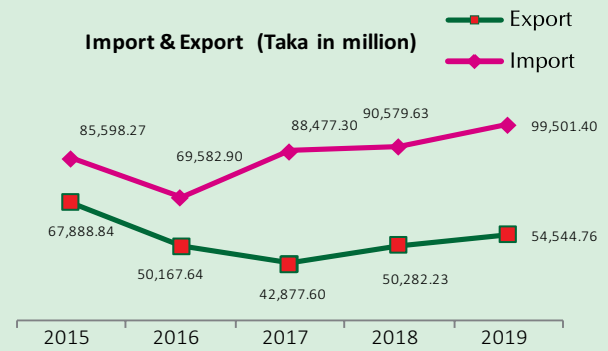
**Total Shareholders' equity (Taka in million)**



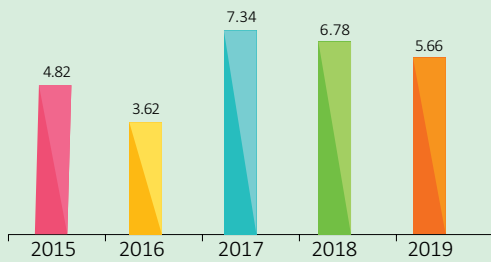
**Deposits & Loans and Advances (Taka in million)**



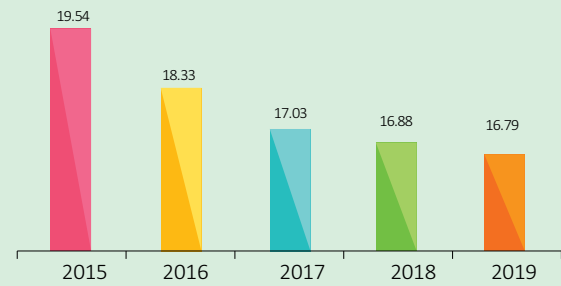
**Import & Export (Taka in million)**



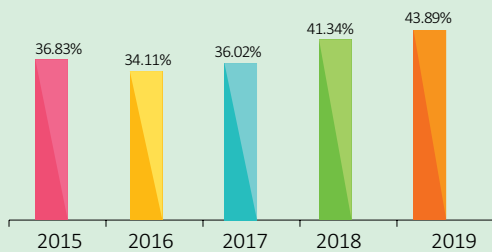
**Price earning ratio**



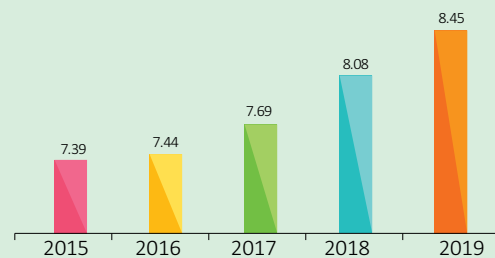
**Net assets value per share (Taka)**



**Cost to income ratio**

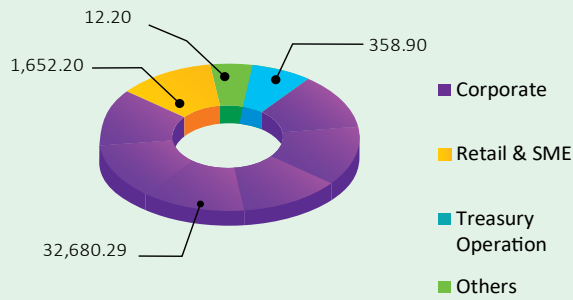


**Debt equity ratio**

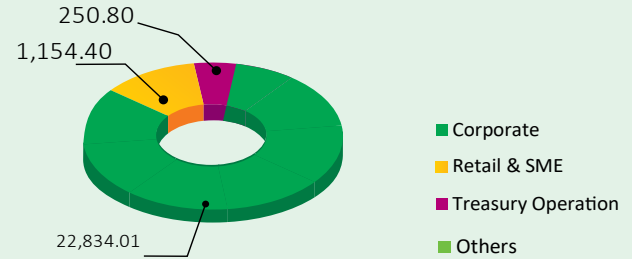


## SEGMENTAL INFORMATION

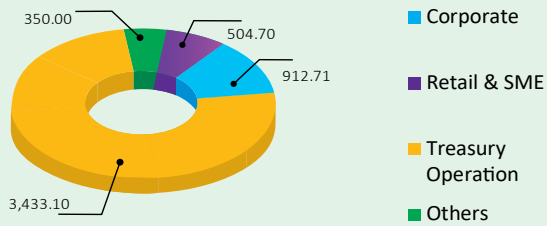
**Interest income (Taka in million)**



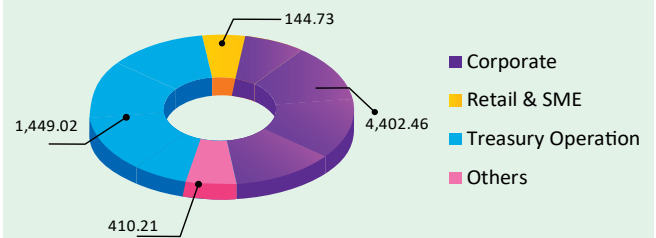
**Interest expenses (Taka in million)**



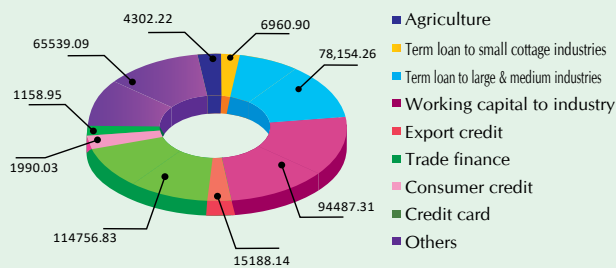
**Other operating income (Taka in million)**



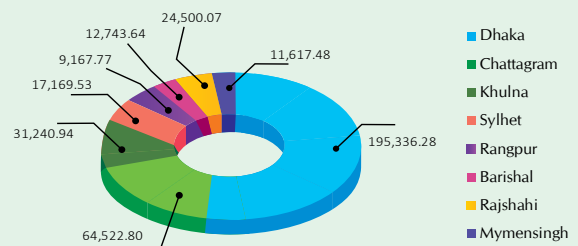
**Operating Expenses (Taka in million)**



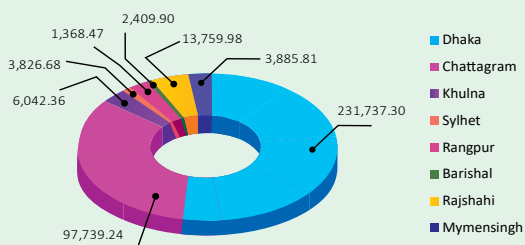
**Industrywise Loans & Advances (Taka in million)**



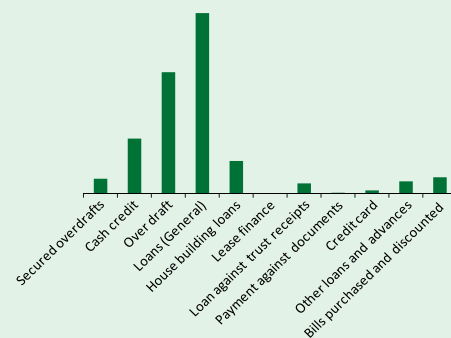
**Divisionwise Deposits (Taka in million)**



**Divisionwise Loans & Advances (Taka in million)**



**Productwise Exposure (Taka in Million)**



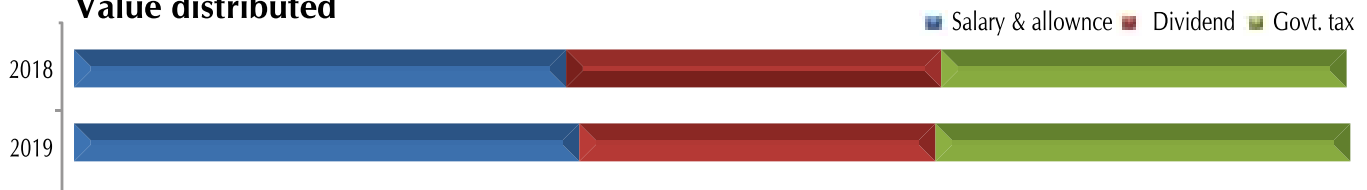
## Value added statement

### For the year ended 31<sup>st</sup> December

Value added is the wealth created by National Bank Ltd. through the banking services. Value created from the income from banking services is the excess of cost of service rendered. The value added statement shows the total wealth created, how it was distributed to meet certain obligations and reward those responsible for its creation, and the portion retained for the continued operation and expansion of the Bank. The comparative value added statement of the bank for the year 2019 and 2018 is given below:

	2019 Taka	%	2018 Taka	%
<b>Value created</b>				
Income from banking service	39,033,830,576		33,815,117,687	
Cost of service rendered	(26,831,770,720)		(21,460,142,218)	
	<b>12,202,059,856</b>		<b>12,354,975,469</b>	
Non banking income	870,269,622		1,309,516,316	
Provisions	(1,510,000,000)		(2,040,000,000)	
	<b>11,562,329,478</b>	<b>100.00</b>	<b>11,624,491,785</b>	<b>100.00</b>
<b>Value distributed</b>				
To Employees as salary & allowances	3,898,051,628	33.71	3,962,719,214	34.09
To Shareholders as dividend	2,920,398,704	25.26	2,654,907,913	22.84
To Govt. as income tax	3,110,044,745	26.90	3,078,867,113	26.49
	<b>9,928,495,077</b>	<b>85.87</b>	<b>9,696,494,240</b>	<b>83.42</b>
<b>Value retained</b> (to maintain and develop operations)				
Statutory reserve	1,454,879,757	12.58	1,435,835,612	12.35
Depreciation	389,879,067	3.37	482,594,513	4.15
Retained earnings	(210,924,423)	(1.82)	9,567,420	0.08
	<b>1,633,834,401</b>	<b>14.13</b>	<b>1,927,997,545</b>	<b>16.58</b>
	<b>11,562,329,478</b>	<b>100.00</b>	<b>11,624,491,785</b>	<b>100.00</b>

### Value distributed



### Value retained



Value created per share (Taka)



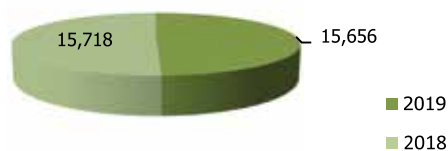
## Economic value added statement (EVA)

Economic value added (EVA) is a financial performance method to calculate the true economic profit of the bank. It provides a measurement of a company's economic success or failure over a period of time. Such a yardstick is useful to investors who wish to confidant with the company to retain their fund for better earnings as compared to other industry.

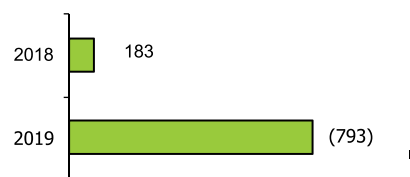
	2019 Taka	2018 Taka
Net operating income	15,656,390,313	15,717,548,033
Net operating expenses	(6,871,991,530)	(6,498,369,975)
<b>Operating profit (EBIT)</b>	<b>8,784,398,783</b>	<b>9,219,178,058</b>
Income tax	(3,110,044,745)	(3,078,867,113)
<b>Net operating profit after tax (NOPAT)</b>	<b>5,674,354,038</b>	<b>6,140,310,945</b>
Shareholders' equity	49,037,558,323	44,809,353,067
Provision for loans and others	1,510,000,000	2,040,000,000
<b>Economic bases for capital charges</b>	<b>50,547,558,323</b>	<b>46,849,353,067</b>
<b>Average Economic Bases</b>	<b>48,698,455,695</b>	<b>44,861,588,003</b>
Cost of capital*	13.28%	13.28%
Capital charges	6,467,154,916	5,957,618,887
<b>Economic value added (NOPAT- Capital charges)</b>	<b>(792,800,878)</b>	<b>182,692,058</b>
<b>Growth over last year</b>	<b>-533.95%</b>	<b>-89.81%</b>

\* Based on weighted average rate of Sanchay Patra issued by the Bangladesh Government plus 2% risk factor

Operating income (Taka in million)



Economic value added (Taka in million)



## Market value added statement

Unlike EVA, which measures internal performance, market value added (MVA) is a measure of external performance that indicates how the market has evaluated the company's performance in terms of market value of shares compared to book value of shares. The following statement indicates the MVA at the year end on 31st December.

	2019 Taka	2018 Taka
Market value of share outstanding	23,655,229,502	22,519,308,193
Book value of share outstanding	49,037,558,323	44,809,353,067
<b>Market value added</b>	<b>(25,382,328,821)</b>	<b>(22,290,044,874)</b>

Market value added ( Taka in million)



- Market value of share outstanding
- Book value of share outstanding
- Market value added

## OUR CORPORATE STRATEGIES

“Customer relationships are key to our strategy and important for all our businesses. The significant differences across the divisions/businesses means financial and non-financial strategic indicators for the development of customer relationships are tracked at a divisional level and commentary is included in the specific divisional commentaries.”

Our corporate strategy supports the Bank’s vision of being making due contribution to the national economy and establishing ourselves firmly at home and abroad as front ranking bank through providing best financial services. The strategy is focused on being a more conservative, ‘through the cycle’ relationship based business. We are a well diversified financial services company and have largest branch network and to provide Banking services among the corporate, retail & SME sectors. We have leading positions in many of the markets in which we participate specially SME and Agri Sector, a market leading distribution capability, well recognized brands and a large customer base are the main drivers. The scale of the organization provides us with the opportunity to further invest in products and services, systems and training that combined will offer unparalleled choice and service to our customers. Our corporate strategy is focused on:

### Developing strong customer franchises that are based on deep customer relationships

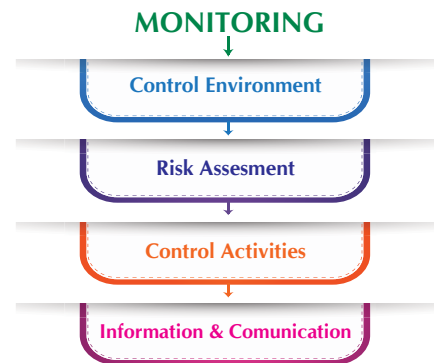
All our businesses are focused on extending the reach and depth of our customer relationships, whilst enhancing product capabilities to build competitive advantage. Ensuring we understand and effectively meet the needs of our customers from core banking products to the more specialist services such as brokerage, issue manager or corporate banking is at the heart of our business and is fundamental to ensuring we are developing long lasting customer relationships.

### STRATEGIC FOCUS

OUR BUSINESS FOCUS	LOW COST, LOW RISK, CUSTOMER FOCUSED, CORPORATE, SME, AGRI & RETAIL AND COMMERCIAL BANKING SERVICE		
OUR AIM	BEST BANK FOR CUSTOMERS	STRONG AND SUSTAINABLE SHARE HOLDER RETURNS	COMFORTABLE WORKING PLACE FOR THE EMPLOYEES
OUR STRATEGIC PRIORITIES	CREATING THE BEST CUSTOMER EXPERIENCE	BECOMING SIMPLER AND MORE EFFICIENT	DELIVERING SUSTAINABLE GROWTH

### Building a high performance organization

- In delivering a high performance organization the Bank is focused on improving our cost efficiency and utilizing our capital more effectively whilst maintaining a prudent approach to risk.
- The Bank aspires to have one of the lowest cost to income ratios amongst the banking financial institutions and further improving our processing efficiency and effectiveness will remain a priority. The anticipated synergies arising from the acquisition will be the key to further improving our efficiency.
- Utilizing capital more effectively is increasingly important in the current environment and capital will be rigorously allocated across our portfolio of businesses to support business growth.
- Our conservative and prudent approach to risk is core to the business model and the ‘through the cycle’ approach means we will continue to support our customers throughout the economic cycle. The risk structures and frameworks that have been implemented are the foundation for good business management.



### Managing our most valuable resource, our people

Executing our strategy effectively will only be possible if we ensure deliverables are effectively aligned with our corporate strategy and we manage our most valuable resource, our people, well. Our people have the skills and capabilities to deliver the strategy but in driving performance it is important to ensure we encourage, manage and develop our staff whilst creating a great place to work. The effective integration of the two businesses will be a significant challenge over the next few years, but comprehensive plans are in place and excellent progress is already being made. National Bank believes that the successful execution of its strategy to focus on core markets, customer and cost leadership, capital efficiency and a prudent risk appetite will enable the Bank to achieve its vision of being recognized as the best financial services company.

# Delivering Growth

Focusing on what really matters

Our aim is to be the best Bank for customers while providing strong and sustainable returns for shareholders. Customers are at the heart of everything we do, whether that be through our distribution network, our brands or our people. This commitment is supported by our stakeholders values of putting customers first, Keeping it simple and making a difference together.

We create value for our customers through our distinctive strengths, in particular our range of iconic and distinct brands, our superior customer insight, high quality, committed colleagues and relationship focus.



## Equality and Diversity

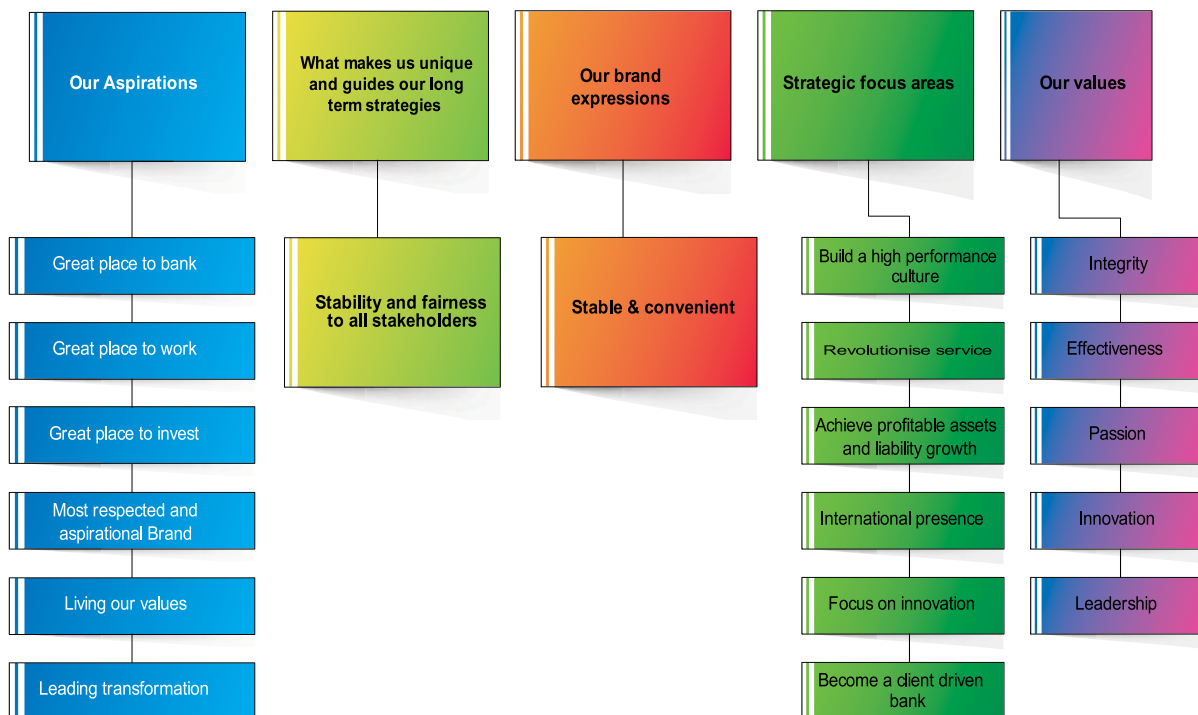
Diversity and inclusion is fundamental to our business success. Our customer base is very diverse and we need to ensure that we understand and can meet their needs if we are to be successful. Reflecting the diversity of the country in our own workforce helps us to achieve that goal. We are creating an environment where everyone can provide excellent service to our diverse customers and develop their individual careers, whatever their background.

Our commitment starts at the top of the organization taking the lead on initiatives that improve both the quality of our customer service and the working environment for our colleagues.

Through a range of initiatives and strategies we work hard to ensure NBL is inclusive for all colleagues and customers.

## Business focus and accountability

Managing risk effectively is a key focus and is one of the five criteria within the Group Balanced Scorecard on which business areas and individual performance are judged. Our approach to risk means that businesses remain accountable for risk but a strong and independent risk function also helps ensure adherence to the Group's risk and control frameworks. Continued investment in risk systems and processes help differentiate our risk management approach.



## Wide Branch network creates wide customer base

NBL is committed to provide modern Banking facilities among the mass people of the country. Expanding branch network NBL continuously bringing new people under the Banking net. NBL is working as pathfinder in various segments of Banking business specially in Agri & SME loan. Through various innovative and attractive products/services we are trying to help the people in the rural area and women entrepreneurs to become self dependent based on wide branch network, modern Banking facilities, brand image, customer trust, commitment, team work making our growth more concrete.

2015

2017

2013

2013

2014



# NBL

## at a glance in last



## years



2014



2013

2015

2016

2017

2014

2017

2017

2015

2015

2015

2013

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2017

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2015

2017

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2013

2015

## Five Years Financial Summary

(NBL and Its Offshore Banking Unit)

(Taka in million)

	2015	2016	2017	2018	2019
<b>Income Statement</b>					
Interest Income	19,504.69	18,947.93	22,546.17	27,911.30	34,703.59
Interest Expenses	16,571.69	14,872.88	16,107.01	19,407.09	24,247.71
Non-Interest Income	10,143.66	12,235.92	9,606.41	7,213.33	5,200.51
Non-Interest Expenses	4,816.51	5,557.84	5,779.71	6,498.37	6,871.99
Profit before Tax and Provision	8,260.14	10,753.13	10,265.87	9,219.18	8,784.40
Profit after Tax	3,854.03	5,567.87	4,696.01	4,100.31	4,164.35
<b>Balance Sheet</b>					
Authorized Capital	17,500.00	30,000.00	30,000.00	30,000.00	30,000.00
Paid-up Capital	17,177.20	19,753.78	23,704.53	26,549.08	29,203.99
Reserve Fund & Surplus	16,380.76	16,449.09	16,666.29	18,260.27	19,833.57
Total Shareholders' Equity	33,557.96	36,202.87	40,370.82	44,809.35	49,037.56
Deposits	222,112.91	241,329.88	272,771.32	315,206.03	366,298.51
Loans and Advances	186,179.45	209,929.07	248,467.15	314,507.26	360,769.74
Investments	59,658.52	60,665.88	60,338.45	57,869.85	62,877.82
Fixed Assets (including non banking assets)	3,084.08	3,501.52	3,217.85	2,780.98	3,009.46
Total Assets	281,569.21	305,616.76	350,760.83	407,227.40	463,574.78
Off Balance Sheet Exposure	51,470.56	46,987.50	56,641.57	52,836.83	50,404.97
<b>Foreign Exchange Business</b>					
Import	85,598.27	69,582.90	88,477.30	90,579.63	99,501.40
Export	67,888.84	50,167.64	42,877.60	50,282.23	54,544.76
Remittance	56,321.08	45,437.58	38,262.10	40,743.36	37,953.98
<b>Regulatory Capital Measures</b>					
Total Risk Weighted Assets	259,355.90	283,628.77	345,751.00	364,254.80	408,851.70
Core Capital (Tier I)	27,223.26	32,240.56	39,127.19	41,982.08	45,681.33
Supplementary Capital (Tier II)	4,041.07	5,181.77	8,567.57	9,162.29	9,041.90
Total Capital	31,264.33	37,422.33	47,694.76	51,144.37	54,723.24
Tier I Capital Ratio	10.50%	11.37%	11.32%	11.52%	11.17%
Tier II Capital Ratio	1.55%	1.82%	2.47%	2.52%	2.21%
Total Capital Adequacy Ratio	12.05%	13.19%	13.79%	14.04%	13.38%
<b>Credit Quality</b>					
% of NPLs to Total Loans and Advances	7.01%	10.35%	10.64%	9.50%	10.98%
<b>Share Information</b>					
No of Shareholders (In actual number)	91,585	85,519	89,483	84,202	78,344
No of Shares Outstanding (million)	1,717.72	1,975.38	2,370.45	2,654.91	2,920.40
Earnings Per Share (Re-stated)	1.95	2.35	1.77	1.40	1.43
<b>Dividend Per Share</b>					
Cash	-	-	-	-	5%
Stock	15%	20%	12%	10%	5%
<b>Market Capitalization</b>					
Market Price Per Share (Taka)	9.40	10.20	13.00	9.50	8.10
Price Earning Ratio (Times)	4.82	3.62	7.34	6.78	5.66
Net Assets Value Per Share (Taka)	19.54	18.33	17.03	16.88	16.79
<b>Operating Performance Ratio</b>					
Advance Deposit Ratio	83.82%	84.66%	89.03%	97.49%	95.27%
Cost of Funds	6.92%	5.58%	5.64%	6.53%	7.00%
Cost of Fund with Administrative Costs	8.80%	7.78%	7.63%	8.52%	8.98%
Yield on Loans and Advances	11.17%	10.00%	10.80%	11.39%	10.48%
Return on Assets	1.43%	1.90%	1.43%	1.08%	0.96%
Return on Equity	12.74%	15.96%	12.27%	9.63%	8.87%
Debt/ Equity Ratio (Times)	7.39	7.44	7.69	8.08	8.45
Cost/Income Ratio	36.83%	34.11%	36.02%	41.34%	43.89%
<b>Other Information</b>					
Number of Branches and SME Centres	191	191	200	203	209
Number of OBU Branches	1	2	2	2	2
Number of Employees	4,266	4,617	4,602	4,657	4,740
Number of Foreign Correspondents	493	587	567	527	503
Number of Subsidiaries	7	7	7	7	7
Number of associates-Gulf overseas	1	1	1	1	1
<b>Number of exchange company</b>					
Wholly or partly owned	5	5	5	5	5
Under agreement	52	49	40	39	39
<b>Ratings:</b>					
Long Term	AA	AA	AA	AA	AA
Short Term	ST-2	ST-2	ST-2	ST-2	ST-2



# *BOARD OF DIRECTORS*



**Mr. Zainul Haque Sikder**  
Chairman



**Mrs. Monowara Sikder**  
Director



**Ms. Parveen Haque Sikder, MP**  
Director



**Alhaj Khalilur Rahman**  
Director



**Mr. Moazzam Hossain**  
Director



**Mr. Rick Haque Sikder**  
Director



**Mr. Ron Haque Sikder**  
Director



**Mr. Zakaria Taher**  
Director



**Mr. Mabroor Hossain**  
Director



**Mr. Md. Mahbubur Rahman Khan**  
Independent Director



**Mr. Md. Naimuzzaman Bhuiyan Mukta**  
Independent Director



**Sikder Insurance Company Ltd.**  
Corporate Director



**Mr. Choudhury Moshtaq Ahmed**  
Managing Director & CEO

## Executive Committee

Ms. Parveen Haque Sikder, MP	Chairperson
Mrs. Monowara Sikder	Member
Alhaj Khalilur Rahman	Member
Mr. Moazzam Hossain	Member
Mr. Rick Haque Sikder	Member
Mr. Ron Haque Sikder	Member
Managing Director	Ex. Officio Member

## Audit Committee

Mr. Md. Naimuzzaman Bhuiyan Mukta	Chairman
Mr. Mabroor Hossain	Member
Mr. Md. Mahbubur Rahman Khan	Member

## Risk Management Committee

Ms. Parveen Haque Sikder, MP	Chairperson
Mr. Rick Haque Sikder	Member
Mr. Ron Haque Sikder	Member



36<sup>th</sup> Annual General Meeting of National Bank Limited



Shareholders attending the 36<sup>th</sup> Annual General Meeting of the Bank.

## Meeting



Meeting of the Board of Directors of the Bank.



Meeting of the Executive Committee of the Bank.

## Annual Business Conference 2020



The Management Team of the Bank is seen in a single frame



Honorable Director and Chairperson of Executive Committee of the Board of Directors, Ms. Parveen Haque Sikder, MP is seen in a single frame along with Mr. Mamtazul Haque, Honorable Director of Sikder Resort & Villas and Managing Director, Additional Managing Directors, Deputy Managing Directors and other Participants of Annual Business Conference 2020 of National Bank Limited held at Sikder Resort & Villas.





**Sitting from left :**

Mr. Arif Md. Shahedul Haque, DMD

Mr. Shah Syed Abdul Bari, DMD

Mr. Choudhury Moshtaq Ahmed, MD & CEO

Mr. A. S. M. Bulbul, AMD

Mr. Syed Rois Uddin, DMD



**Standing from left :**

Mr. Arun Kumar Halder, EVP  
Mr. Md Rafiqul Alam, VP  
Mr. Md. Sohel Faisal, SVP  
Mr. Ashish Kumar Lasker, SVP  
Mr. Md. Zahirul Islam, SVP  
Mr. Md Rajunur Rashid, SVP  
Mr. Krishna Kamal Ghose, FCA, SVP  
Mr. Hossain Akhtar Chowdhury, SEVP

Mr. Kazi Kamal Uddin Ahmed, SEVP  
Mr. Md. Moniruzzaman, SEVP  
Mr. Md. Mahfuzur Rahman, EVP  
Mr. Major Sk Md Yousuf Reza, (Rtd), EVP  
Mr. A. K. M Salah Uddin Khan, SVP  
Mr. A. N. M. Ahsan Habib, VP  
Mr. Mohammad Abu Rashed Nowab, VP

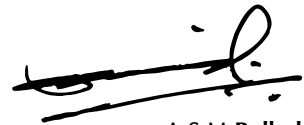
## NOTICE OF THE 37<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting of National Bank Limited will be held on Monday, the 12<sup>th</sup> October 2020 at 11.30 a.m. through digital platform in pursuant to the Bangladesh Securities and Exchange Commission's order No. SEC/SRMIC/04-231/932 dated 24 March 2020 to transact the following business:

### AGENDA

1. To receive, consider and adopt the Profit and Loss Accounts of the Company for the year ended 31<sup>st</sup> December, 2019 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare Dividend for the year ended 31<sup>st</sup> December, 2019 as recommended by the Board of Directors.
3. To elect/re-elect Directors in accordance with the provisions of the Articles of Association of the Company.
4. To appoint Auditors of the Company for the term until the conclusion of the next Annual General Meeting and to fix their remuneration.
5. To appoint the Compliance Auditors as per Corporate Governance Code for the year 2020 and to fix their remuneration.
6. To approve appointment of Independent Director.

By order of the Board of Directors



A S M Bulbul

AMD & Company Secretary

Dated: Dhaka  
29 June 2020

#### Notes:

- a) The Record Date is fixed on 9<sup>th</sup> August 2020. Trading of the Company's shares in the Stock Exchanges will remain suspended on the Record Date.
- b) The Board of Directors has recommended 5% cash and 5% stock Dividend for the year ended 31<sup>st</sup> December 2019. The Members whose name will appear in the Register of Members of the Company or in the Depository (CDBL) on the Record Date will be eligible to attend the AGM and receive the Dividend.
- c) Any member of the Company entitled to attend and vote at the general meeting may appoint a proxy to attend and vote on his/her behalf.
- d) The instrument appointing a proxy duly signed by the Member and stamped (Tk 20/-) must be submitted at the Registered Office of the Company at least 48 (Forty eight) hours before the meeting.
- e) As per provision of the Articles of Association of the Company, the Directors who shall retire at the meeting, being eligible, offered themselves for re-election.
- f) M/s Rahman Mostafa Alam & Co., Chartered Accountants, the current Auditors will retire from office in the 37<sup>th</sup> Annual General Meeting. Since they have audited the accounts of the Bank for 3<sup>rd</sup> year and as such as per Bangladesh Bank's BRPD circular letter No. 12 dated 11.07.2001, they are not eligible for re-appointment.
- g) In compliance with the restriction imposed by Bangladesh Securities and Exchange Commission vide their Circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013, Gift/ Gift Coupon/ Food Box etc. shall not be distributed at the 37<sup>th</sup> AGM of the Bank.

## Standard Disclosure Index

Particulars	Page No.
<b>Corporate Objectives, Values &amp; Structure</b>	
Vision and Mission	4-5
Overall strategic objectives	6,12-13
Core values and code of conduct/ethical principles	7
Profile of the Company	97-99, 112-113, 277
Directors' profiles and their representation on Board of other companies & Organization Chart	16-18, 170-174
<b>Management Report/ Commentary and analysis including Director's Report/Chairman's Review/CEO's Review etc.</b>	
A general review of the performance of the Company	
Description of the performance of the various activities / products / segments of the Company and its group companies during the period under review. (Weightage to be given for pictorial / graphical / tabular presentations used for this purpose)	32-37, 46-66
A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	61-84
A general review of the future prospects/outlook.	6, 13, 90-96
Information on how the Company contributed to its responsibilities towards the staff (including health & safety)	86-89
Information on Company's contribution to the national exchequer & to the economy	34, 50-60
<b>Sustainability Reporting</b>	
Corporate Social Responsibility Initiatives (CSR)	86-89
Environment related Initiatives	90-93
Environmental & Social Obligations	90-93
Integrated Reporting	N/A
<b>Appropriateness of Disclosure of Accounting policies and General Disclosure</b>	
Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, income and expenditure in line with best reporting standards.	
Any Specific accounting policies	138-147
Impairment of Assets	
Changes in accounting policies/Changes in accounting estimates	
<b>Segment Information</b>	
Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	
Availability of information regarding different segments and units of the entity as well as non segmental entities/units	
Segment analysis of	8-9
- Segment Revenue	
- Segment Results	
- Turnover	
- Operating profit	
- Carrying amount of Net Segment assets	
<b>Financial Statements (Including Formats)</b>	
Disclosures of all contingencies and commitments	127, 133
Comprehensive related party disclosures	170-174
Disclosures of Remuneration & Facilities provided to Directors & CEO	166

Particulars	Page No.
Statement of Financial Position / Balance Sheet and relevant schedules Income Statement / Profit and Loss Account and relevant schedules Statement of Changes in Equity / Reserves & Surplus Schedule Disclosure of Types of Share Capital Statement of Cash Flow Consolidated Financial Statement (CFS) Extent of compliance with the core IAS/IFRS or equivalent National Standards Disclosures / Contents of Notes to Accounts	121-180
<b>Information about Corporate Governance</b>	
Board Of Directors, Chairman and CEO Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management Ethics and Compliance Remuneration and other Committees of Board Human Capital Communication to Shareholders & Stakeholders Information available on website Other information Management Review and Responsibility Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports Any other investor friendly information	97-120
<b>Risk Management &amp; Control Environment</b>	
Description of the Risk Management Framework Risk Mitigation Methodology Disclosure of Risk Reporting	61-84
<b>Stakeholders Information</b>	
Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc)	112-113
Shares held by Directors/Executives and relatives of Directors/Executives Redressal of investors' complaints	163-164
<b>Graphical/ Pictorial Data:</b>	
Earnings per Share Net Assets Stock Performance Shareholders' Funds Return on Shareholders' Fund	2, 8-9
<b>Horizontal/Vertical Analysis including following</b>	
Operating Performance (Income Statement) - Total Revenue - Operating Profit - Profit Before Tax - Profit after Tax - EPS	2, 15
<b>Statement of Financial Position (Balance Sheet)</b>	
Shareholders' Fund Property, Plant & Equipment Net Current Assets Long Term Liabilities/Current Liabilities	126, 132, 175
<b>Profitability/Dividends/ Performance and Liquidity Ratios</b>	
Gross Profit Ratio Earning before Interest, Depreciation and Tax Price Earning Ratio Current Ratios Return on Capital Employed Debt Equity Ratio	15

Particulars	Page No.
<b>Statement of Value Added and Its Distribution</b>	
Government as Taxes	
Shareholders as dividend	
Employees as bonus/remuneration	
Retained by the entity	10
Market share information of the Company's product/services	
Economic value added	
<b>Additional Disclosures</b>	
For Example	
Human Resource Accounting	N/A
Any other good additional disclosures ( Independence certification e. g. GNV / GRI )	
<b>Specific Disclosures</b>	
Disclosure of Ratings given by various rating agencies for Instruments issued by /of Bank. For eg. FD, CD, Tier I perpetual Bonds	146-147
Details of Advances portfolio Classification wise as per the direction issued by the central Bank of the respective countries	152-155
Disclosure for Non Performing assets <ul style="list-style-type: none"> <li>- Movements in NPA</li> <li>- Sector-wise breakup of NPA</li> <li>- Movement of Provisions made against NPA</li> <li>- Details of accounts restructured as per regulatory guidelines</li> </ul>	154, 161-162
Maturity Pattern of Key Assets and Liabilities (ALM)	137
Classification and valuation of investments as per regulatory guidelines/Accounting Standards	142
Business Ratio/Information <ul style="list-style-type: none"> <li>- Statutory Liquidity Reserve (Ratio)</li> <li>- Net interest income as a percentage of working funds / Operating cost Efficiency ratio</li> <li>- Return on Average Asset</li> <li>- Cost / Income Ratio</li> <li>- Net Asset Value Per Share</li> <li>- Profit per employee</li> <li>- Capital Adequacy Ratio</li> <li>- Operating profit as a percentage of working funds</li> <li>- Cash Reserve Ratio / Liquid Asset Ratio</li> <li>- Dividend Cover Ratio</li> <li>- Gross Non-Performing assets to gross advances/Non-Performing Loans (Assets) to Total Loans (Assets)</li> </ul>	15, 148
Details of credit concentration / Sector wise exposures	152-153
The break-up of 'Provisions and contingencies' included in the Profit and Loss Account	144, 161-162
Disclosure under regulatory guidelines	
Details of Non-Statutory investment portfolio	
Disclosure in respect of assets given on operating & finance lease	61-93
Disclosures for derivative investments	
Bank's Network : List of Centers or Branches	

## Corporate Governance Disclosure Checklist

PARTICULARS	PAGE NO.
<b>1. BOARD OF DIRECTORS, CHAIRMAN AND CEO</b>	
1.1 Company's policy on appointment of directors disclosed.	60
1.2 Adequate representation of non executive directors i.e. one third of the board, subject to a minimum of two	N/A
1.3 At least one independent director on the board and disclosure/affirmation of the board on such director's independence.	102-104
1.4 Chairman to be independent of CEO	103
1.5 Responsibilities of the Chairman of the Board appropriately defined and disclosed. Disclosure of independence of Non Executive Directors	119-120
1.6 Existence of a scheme for annual appraisal of the board's performance and disclosure of the same.	38-60
1.7 Disclosure of policy on annual evaluation of the CEO by the Board.	15, 36-37
1.8 Disclosure of policy on training (including details of the continuing training program) of directors and type and nature of training courses organized for directors during the year. Existence of a scheme for annual appraisal of the boards performance	N/A
1.9 At least one director having thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting.	102
1.10 Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	113
1.11 Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	101
<b>2. VISION / MISSION AND STRATEGY</b>	
2.1 Company's vision / mission statements are approved by the board and disclosed in the annual report.	4-5
2.2 Identification of business objectives and areas of business focus disclosed	7
2.3 General description of strategies to achieve the Company's business objectives	12
<b>3. AUDIT COMMITTEES</b>	
<b>3.1 Appointment and Composition</b>	
3.1.1 Whether the Audit Committee Chairman is an independent Non – Executive Director and Professionally Qualified	107-109
3.1.2 Whether it has specific terms of reference and whether it is empowered to investigate /question employees and retain external counsel	118
3.1.3 More than two thirds of the members are to be Non Executive Directors	N/A
3.1.4 All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	169
3.1.5 Head of internal audit to have direct access to audit committee	
3.1.6 The committee to meet at least four times a year and the number of meetings and attendance by individual members disclosed in the annual report.	113
<b>3.2 Objectives &amp; Activities</b>	
3.2.1 Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	169
3.2.2 Statement to indicate audit committees role in ensuring compliance with Laws, Regulations and timely settlements of Statutory dues	

PARTICULARS	PAGE NO.
3.2.3 Statement of Audit committee involvement in the review of the external audit function: <ul style="list-style-type: none"> <li>• Ensure effective coordination of external audit function</li> <li>• Ensure independence of external auditors</li> <li>• To review the external auditors' findings in order to be satisfied that appropriate action is being taken</li> <li>• Review and approve any non audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditors.</li> <li>• Recommend external auditor for appointment/ reappointment 133</li> </ul>	118
3.2.4 Statement on Audit Committee involvement in selection of appropriate accounting policies that are in line will applicable accounting standards and annual review.	
3.2.5 Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases	
3.2.6 Reliability of the management information used for such computation	
<b>4. INTERNAL CONTROL &amp; RISK MANAGEMENT</b>	
4.1 Statement of Directors' responsibility to establish appropriate system of internal control	
4.2 Narrative description of key features of the internal control system and the manner in which the system is monitored by the Board, Audit Committee or Senior Management.	45
4.3 Statement that the Directors' have reviewed the adequacy of the system of internal controls	
4.4 Disclosure of the identification of risks the Company is exposed to both internally & externally	146-147
4.5 Disclosure of the strategies adopted to manage and mitigate the risks	
<b>5. Ethics and Compliance</b>	
5.1 Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc..	
5.2 Dissemination / communication of the statement of ethics & business practices to all directors and employees and their acknowledgment of the same	
5.3 Board's statement on its commitment to establishing high level of ethics and compliance within the organization	119-120
5.4 Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a hot line reporting of irregularities etc.	
<b>6. REMUNERATION COMMITTEE</b>	
6.1 Disclosure of the charter (role and responsibilities) of the committee	
6.2 Disclosure of the composition of the committee (majority of the committee should be non-executive directors, but should also include some executive directors)	
6.3 Disclosure of key policies with regard to remuneration of directors, senior management and employees	N/A
6.4 Disclosure of number of meetings and work performed	
6.5 Disclosure of Remuneration of directors, chairman, chief executive and senior executives.	
<b>7. HUMAN CAPITAL</b>	
7.1 Disclosure of general description of the policies and practices codified and adopted by the Company with respect to Human Resource Development and Management, including succession planning, merit based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling.	94-96
7.2 Organizational Chart	
<b>8. Communication to Shareholders &amp; Stakeholders</b>	
8.1 Disclosure of the Company's policy / strategy to facilitate effective communication with shareholders and other stake holders	
8.2 Disclosure of Company's policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM.	101-111
<b>9. Environmental and Social Obligations</b>	
9.1 Disclosure of general description of the Company's policies and practices relating to social and environmental responsibility of the entity	90-93
9.2 Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	86-89





## চেয়ারম্যানের বাণী

## Chairman's Message

ন্যাশনাল ব্যাংক লিমিটেড এর ৩৭তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে স্বাগত জানাতে পেরে আমি খুব আনন্দিত। কোভিড-১৯ মহামারী ছড়িয়ে পড়ার কারণে এই বছর আমাদের সরাসরি একত্রিত হওয়ার সুযোগ হাতছাড়া হয়েছে। এটি প্রকৃতপক্ষে এক অভূতপূর্ব সময় এবং আপনাদের সকলের স্বাস্থ্য সুরক্ষার বৃহত্তর স্বার্থে বিএসইসির নির্দেশনা অনুযায়ী এই বার্ষিক সভা ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিত হচ্ছে। ২০১৯ সালে ব্যাংকিং খাত পরিবর্তিত পরিবেশ এবং প্রতিযোগিতার মধ্য দিয়ে পার করেছে যেখানে ন্যাশনাল ব্যাংক লিমিটেড পূর্বের চেয়ে আরও ভাল অবস্থানে পৌঁছতে পূর্ণ প্রচেষ্টা অব্যাহত রেখেছিল।

ন্যাশনাল ব্যাংক লিমিটেড বিগত ৩৭ বছর ধরে অনেক চ্যালেঞ্জ এবং পরিস্থিতির মধ্য দিয়ে পার হয়ে আজকের এই বর্ধিত অবস্থানে উপনীত হয়েছে। আমরা কার্যকরভাবে দেশের ব্যাংকিং অঙ্গনে একটি শক্তিশালী অবস্থান প্রতিষ্ঠা করতে সক্ষম হয়েছি।

আমরা অতি দ্রুত অর্জিত স্বল্পস্থায়ী ও অকার্যকর সমৃদ্ধির তুলনায় দৃঢ় ও কৌশলগত সমৃদ্ধিতে বিশ্বাসী। যে কোনো অনুকূল পরিস্থিতিতে ভাল ফলাফল অর্জন করা সম্ভব, কিন্তু অনিশ্চিত পরিস্থিতিকে মোকাবেলা করে এই ফলাফল অর্জন করা সম্পূর্ণরূপে কঠিন এবং এ অবস্থায় সফলতা অর্জন করা হলে তা ব্যাংকের সফল ব্যবসায়িক নীতি ও একটি সুদক্ষ পরিচালনা কমিটির পরিচয় বহন করে।

It gives me an immense pleasure to welcome you all at the 37th Annual General Meeting of National Bank Ltd. Due to outbreak COVID-19 pandemic we missed the opportunity to come together physically. This is indeed an unprecedented time and for greater interest & safety of all of you, this AGM is organized through digital platform as per the directive BSEC. With the changing environment and competition in the accelerated business environment in the banking industry during the year 2019, National Bank Ltd strived hard with full efforts to transform into an even better bank than before.

National Bank Ltd has been thriving through many challenges and opportunities for last 37 years. We have effectively established a strong foothold in the country's banking arena.

We believe in well-built and strategic growth than a rapid futile growth that may disappear quickly. It may be easy to make good result under favorable conditions, however it is quite difficult to make good result in case of uncertainty and achieving success in that condition shows clear evidence of successful business policy

ব্যাংকের সকল স্টেকহোল্ডারদের প্রতি বিশেষ গুরুত্ব প্রদান আমাদের লক্ষ্য, যা ব্যাংকের সমৃদ্ধিকে গতিশীল করে এবং দীর্ঘমেয়াদী উন্নতিকে ত্বরান্বিত করে। ব্যাংকের আর্থিক সক্ষমতা এবং সম্পদ এটা নির্দেশ করে যে, আমাদের চারপাশের পরিবেশ-পরিস্থিতির সাথে আমরা সম্পূর্ণরূপে মানানসই। আমি অত্যন্ত আনন্দের সাথে জানাচ্ছি যে, ন্যাশনাল ব্যাংক লিমিটেড ২০১৯ সালে ৮৭৮.৪৪ কোটি টাকা মুনাফা অর্জন করেছে, একইসাথে ১৩.৮৪% সম্পদ প্রবৃদ্ধি অর্জিত হয়েছে। কোনো সন্দেহ নেই যে, সুদের হার হ্রাসের অসুবিধাসমূহ এবং মার্জিনের উপর অব্যাহত চাপ মোকাবেলা করে চ্যালেঞ্জিং ব্যবসায়িক পরিস্থিতিতে এই সাফল্য অর্জন করা নিঃসন্দেহ প্রশংসার দাবিদার। ঋণ ও আমানত বৃদ্ধি এবং গ্রাহক ভিত্তির উপর নির্ভর করে আমরা মূলধনের শক্ত ভিত ধরে রাখার চেষ্টা অব্যাহত রেখেছি। আলোচ্য বছরে গড় ঋণের প্রবৃদ্ধি ১৪.৭১% এবং গড় আমানতের প্রবৃদ্ধি ১৬.২১%। ঋণ ও অগ্রিম ক্ষেত্রে আমরা বেশ কিছু আকর্ষণীয় স্কিম চালু করেছি, যা আমাদের নীট সুদের মার্জিনকে স্থিতিশীল রেখেছে, যদিও বছরের অধিকাংশ সময় দীর্ঘমেয়াদী সুদের নিস্হহার অব্যাহত ছিল।

২০১৯ সালের প্রথমদিকে অর্থনৈতিক বাজার ছিল সম্পূর্ণরূপে অস্থিতিশীল, যা বাংলাদেশের ব্যাংকিং খাতকে প্রভাবিত করেছে। বাজার উঠা-নামার সময়ও ন্যাশনাল ব্যাংক লিমিটেড তার দৃঢ় অবস্থান ধরে রেখেছিল। কারণ, আমাদের মূলধনের ভিত্তি ছিল অত্যন্ত শক্তিশালী, Capital to Risk Weighted Asset Ratio (CRAR) নির্ধারিত মাত্রার চেয়ে বেশি ছিল। এছাড়াও আমাদের তারল্য পরিস্থিতি স্থিতিশীল ছিল।

আলোচ্য বছরে আমরা কিছু সমন্বিত ঘটনাপ্রবাহ লক্ষ্য করছিলাম যেগুলো প্রতিযোগী ক্ষেত্রগুলোর মৌলিক পরিবর্তন ঘটাইছিল। বিশেষতঃ গ্রাহকদের প্রত্যাশার দ্রুত পরিবর্তন, উদ্ভাবনী যান্ত্রিক কৌশল এবং সেবার নতুন আঙ্গিকসমূহ আমাদের মনযোগ আকর্ষণ করেছে। সম্মিলিতভাবে এই উপাদানগুলো গ্রাহককে সেবা প্রদানের ক্ষেত্রে পরিবর্তন এনেছে।

বর্তমানে আমরা একটি ভিন্নতর ব্যবসায়িক প্রেক্ষাপটে অবস্থান করছি, যা মাত্র কয়েক বছর আগের তুলনায় অত্যন্ত অস্থিতিশীল। এর অনিবার্য পরিণতি হিসাবে আর্থিক সেবা খাতসমূহ দ্রুত পরিবর্তিত হচ্ছে এবং ন্যাশনাল ব্যাংক লিমিটেড ধীরে কিন্তু স্থিতিশীলভাবে এই পরিবর্তনকে স্বাগত জানাচ্ছে।

আমাদের গ্রাহকদের জীবন যাপন প্রণালী এবং তাদের কর্মকান্ডসমূহ অনবরত পরিবর্তিত হচ্ছে। কারণ, তারা ডিজিটাল চ্যানেলসমূহের মাধ্যমে লেনদেন করে অধিকতর সুবিধা ভোগ করছে। তাদের ব্যবসা ও অর্থনৈতিক কর্মকান্ডসমূহ নিয়ন্ত্রণের উপর তাদের পছন্দ ক্রমাগত পরিবর্তিত হচ্ছে। আমরা এই পরিবর্তনশীল দিকগুলোকে আমাদের ব্যবসায়িক কৌশলের অন্তর্ভুক্ত করে গ্রাহকদের প্রত্যাশা পূরণ ও ব্যাংকের জন্য একটি দীর্ঘমেয়াদী সুবিধাজনক অবস্থান তৈরির লক্ষ্যে ব্যাংকিং নিয়মের মধ্যে থেকে বিনিয়োগ করছি। প্রযুক্তিগত ব্যাংকিং চাহিদা বৃদ্ধি পাওয়ায় ব্যাংকের ব্যবসায়িক কার্যক্ষেত্র দিন দিন বৃদ্ধি করা হচ্ছে।

আমাদের গ্রাহকদের সাথে সম্পর্ক উন্নয়ন ও বিভিন্ন দিকের সমন্বয় সাধনের লক্ষ্যে আমরা আমাদের ব্যবসায়ের বিভিন্ন দিকগুলোতে সেলাই সাজাচ্ছি।

বিদ্যমান নানামুখী কঠিন চ্যালেঞ্জ সত্ত্বেও ন্যাশনাল ব্যাংক লিমিটেড আলোচ্য বছরে উল্লেখযোগ্য সাফল্য অর্জনের মাধ্যমে তার সুসংহত ও ক্রমবর্ধমান অর্থনৈতিক কার্যক্রম বজায় রেখেছে। ব্যাংকের মোট আমানত, ঋণ ও অগ্রিম এবং মোট সম্পদের প্রবৃদ্ধির হার যথাক্রমে ১৬.২১%, ১৪.৭১% ও ১৩.৮৪%। ২০১৯ সালে আমাদের ব্যাংক কর-পূর্ববর্তী মুনাফা অর্জন করেছে ৭২৭.৪৪ কোটি টাকা এবং কর-পরবর্তী মুনাফা অর্জন করেছে ৪১৬.৪৪ কোটি টাকা। কর-পূর্ববর্তী এবং কর-পরবর্তী প্রবৃদ্ধির হার যথাক্রমে ১.৩৩% এবং ১.৫৬%, যা পূর্ববর্তী বছরের তুলনায় বেশি। সুসংহত ব্যবসায়িক সমৃদ্ধির

and efficient management. A good focus on value creation for all our stakeholders drives our target and achievement along with long term sustainability. Financial strength and asset quality are the key indicators of performance and ensure that we stay relevant to the communities we belong to. Accordingly it is my pleasure to report that National Bank Ltd has recorded a profit BDT Tk.878.44 Crore along with asset growth of 13.84% during 2019, sustaining its position as the most profitable conventional Bank in Bangladesh. No doubt it is a plausible performance in a challenging business environment with difficulties of decreasing interest rate and continued pressure on margin. We keep trying to place our strong capital position to work by increasing loans and deposits along with a good customer base. Average loan increased by 14.71% and average deposit by 16.21%. We also generate different schemes for loans and advances to attractive areas that have lead to steady development in our sustainability.

At the beginning of the year 2019 the financial market was tremendously unstable that affected the Banking sector in Bangladesh. Within this period of market inconsistency National Bank Ltd remained very stable. Our capital base was strong; our Capital to Risk Weighted Asset Ratio (CRAR) was above the level of regulatory requirement.

We observe a confluence of events that are creating some fundamental shifts in the competitive landscape. Of particular note, we see rapidly changing customer expectations, innovative digital technologies and new service models – all of which are changing the need of how customers' are served.

At present we are in a different business environment operation which is very unstable than just a few years back. Consequently the financial services industries are changing rapidly and NBL is embracing the change slowly but steadily.

The way our customers lead their lives and view their financial partners is constantly evolving because they gain more and more comfort with transacting via digital channels. We are slotting in these phase into our strategy and we are investing across the banking system to meet customers expectation and position ourselves for long term value creation. Our business platform is day by day more and more demanding and technologically varied.

We are re-arranging our business mix to line up with prospect where we have never been before by creating and maintaining close relationship with our customers.

Despite, the surge of difficult business challenges National Bank Ltd maintained a steady and growing financial performance with remarkable achievement. The Bank's deposit, loans and advances and total assets registered a growth of 16.21%, 14.71% and 13.84% respectively. Our Bank has earned a pre-tax profit of Tk.727.44 crore and profit after Tax Tk.416.44 Crore. The growth of pre-tax profit and after Tax profit are 1.33% and 1.56% respectively in 2019 over previous year. NBL could reach at this position due to focusing on

উপর গুরুত্ব আরোপ, ব্যয় যৌক্তিকীকরণ, দক্ষ সেবা প্রদান, মানব সম্পদের উৎকর্ষ সাধন, ডিউ ডিলিজেন্স, পেশাদারিত্ব ও ঝুঁকি ব্যবস্থাপনায় সক্ষমতা প্রভৃতির সম্মিলিত প্রয়াসের মাধ্যমে ন্যাশনাল ব্যাংক লিমিটেড এই অবস্থানে পৌঁছতে সক্ষম হয়েছে। নিয়মিত করদাতা হিসাবে ন্যাশনাল ব্যাংক লিমিটেড সরাসরি সরকারি কোষাগারে ৩০১.৬৩ কোটি টাকা অগ্রিম কর জমা করেছে।

ন্যাশনাল ব্যাংকের কাওরান বাজার অবস্থিত নিজস্ব জমিতে এনবিএল টুনই টাওয়ার ভবনের নির্মাণ কাজ পুরোদমে এগিয়ে চলেছে। মাঝে একটি অনাকাঙ্ক্ষিত ঘটনার জন্য কাজ একটু বিলম্বিত হয়েছে।

এনবিএল টাওয়ারের পাশ দিয়ে যখন ওয়াসার স্যুয়ারেজ এর লাইন যাচ্ছিল আমরা আদালতে আপত্তি দেয়া সত্ত্বেও ওয়াসা এই অবৈধ পাইপ লাইন স্থাপন করে। আপনাদের মনে আছে ভারতের প্রধানমন্ত্রীর আগমনের মাত্র পাঁচ দিন পূর্বে ওয়াসা লাইন রূপাচার হয়ে মিথেন গ্যাস সৃষ্টি হয়। সেখানে বিস্ফোরিত হয়ে আমাদের নির্মাণাধীন এনবিএল টুনই টাওয়ার সহ পাশ্ববর্তী রাস্তা ধসে যায়। যার ফলে আমাদের ব্যাপক ক্ষতি হয়। পরবর্তীতে নানান অনুমোদন, ডিজাইন পরিবর্তন করে আমরা কাজ শুরু করি। আমি আনন্দের সাথে জানাতে চাই ইতিমধ্যে চারটি বেজমেন্ট সম্পূর্ণ হওয়ার পাশাপাশি আমাদের এই ভবনের দৃশ্যমান অগ্রগতি হয়েছে। আমি আশা করছি আগামী দুই বছরের মধ্যে আমাদের টুনই টাওয়ারের কাজ সম্পূর্ণ সমাপ্ত হবে এবং এর মাধ্যমে ব্যাংকের প্রায় বিশ হাজার কোটি টাকার সম্পদ সৃষ্টি হবে। আমাদের বর্তমান সম্পদের সাথে এই বিশ হাজার কোটি টাকার সম্পদ যুক্ত হলে আমাদের ব্যাংক এমন একটি শক্ত ভিত্তির উপর দাঁড়াতে পারে মূলধনের জন্য আমাদের অন্যকারো দ্বারস্ত হতে হবে না।

২০১৯ সালের শেষে কোভিড-১৯ এর আবির্ভাব বিশ্বব্যাপী অর্থনৈতিক কার্যক্রমকে বাধাগ্রস্ত করেছে যার ফলশ্রুতিতে আমাদের দেশের আমদানি, রপ্তানী ও অন্যান্য ব্যবসায়িক কর্মকাণ্ড ব্যাপকভাবে প্রভাবিত হয়েছে। এটি সাম্প্রতিক পারফরম্যান্সের উপর বিরূপ প্রভাব ফেলেছে যা এপ্রিল, ২০২০ থেকে ঋণ ও অগ্রিমের উপর একক অঙ্কের সুদের প্রয়োগের ফলে আরও বেশি ঘনীভূত হয়েছে। ২০২০ সাল শুধু বেঁচে থাকার বছর যেখানে প্রতিটি ব্যবসায় প্রতিষ্ঠান অস্তিত্বের জন্য লড়াই করছে।

এই অভূতপূর্ব পরিস্থিতিতে আমাদের সরকার অর্থনৈতিক সঙ্কট থেকে পুনরুদ্ধারের জন্য ইতিমধ্যে বেশ কয়েকটি প্যাকেজ ঘোষণা করেছে। এখনি সময়, পরিস্থিতি মূল্যায়ন করার এবং আগামী দিনগুলিতে ক্ষতির সম্ভাবনাগুলি নিয়ন্ত্রণের জন্য একটি দীর্ঘমেয়াদী পরিকল্পনা প্রস্তুত করার। আমরা আগের চেয়েও অনেক বেশি সচেতন ভাবে পরিস্থিতি পর্যবেক্ষণ করে কর্মপরিকল্পনা নির্ধারণ করছি এই কোভিড-১৯ এর ক্ষতিকর প্রভাবে দক্ষতার সাথে মোকাবেলা করার জন্য এবং এই দুর্যোগকালীন মুহূর্তে সময় উপযোগী আর্থিক ও অন্যান্য ব্যবসায় বাস্তব নীতি গ্রহণের মাধ্যমে আমাদের প্রকৃত গ্রাহকদের পাশে থাকতে হবে। আমাদেরকে আরও দক্ষভাবে মন্দ ঋণের ব্যবস্থাপনা করতে হবে যেহেতু পুরো ব্যাংকিং ইন্ডাস্ট্রি ইতিমধ্যে মন্দ ঋণের প্রভাবে চরমভাবে ক্ষতিগ্রস্ত হচ্ছে এবং এই মহামারীটি আগামী দিনগুলিতে মন্দ ঋণের পরিমাণ আরও বাড়িয়ে দিতে পারে। এই বছরে আমাদের মূল লক্ষ্য হলো আমাদের সম্পদের গুণগত মানকে আর অবনতি না করে আমাদের ব্যবসা বজায় রাখা। ব্যাংকিং খাত আগামী দিনগুলিতে অধিক পরিমাণ অস্থিতিশীলতার মুখোমুখি হতে পারে এবং এই মুহূর্তে আমরা আর্থিক সংকট মোকাবিলার জন্য ও সম্ভাব্য ক্ষয়ক্ষতি নিয়ন্ত্রণের প্রস্তুতি নিচ্ছি।

এখানে আমি উল্লেখ করতে চাই যে, আমরা ২০২০ সালের মার্চ মাসে ব্যাংকের ৩৭তম প্রতিষ্ঠা বার্ষিকী পালন করেছি। এটা ন্যাশনাল ব্যাংক লিমিটেড এর জন্য

steady business growth, cost rationalization, skilled delivery service, competent human resources, due diligence, professionalism and risk management ability. As a regular tax payer the Bank made a direct contribution of Tk.301.63 crore in advance to Government Exchequer in 2019.

Construction work of NBL Twin Tower on its own land at Kawran Bazar is in full swing irrespective of the prevailing pandemic situation although for an unprecedented occurrence, the work has been delayed.

It is notable here that irrespective of our objection placed in the court, Dhaka WASA set up an illegal sewerage line just nearby the under construction area of NBL Twin Tower. You may remember that then methane gas was produced due to rupture of WASA pipeline just five days ahead of the visit of the Indian Prime Minister to Bangladesh. Consequently, a blast occurred there causing Collapse of NBL Twin Tower and its nearby road. This has caused us huge financial loss. Afterwards, it took substantial time and cost to remove the wastage of collapsed constructions and then a fresh start again upon obtaining new design and relevant approvals from the regulatory authorities. I am pleased to let you know that there has been a visible progress of the ongoing construction works with Completion of four basements by this time. It is expected that the entire construction works will be completed within next 02 (Two) years and an assets valuing Tk.20,000.00 Crore will be added in the Bank's portfolio. Consequently, our capital base will be stronger ever more that we won't require to depend on other sources.

Emergence of COVID-19 at the end of 2019 has remarkably affected the economic activities around the globe causing slowdown of import, export and other business movements of our country. This has an adverse impact on the overall scenario of the recent performance which aggravated further due to implementation of single digit interest on loans & advances since April, 2020. The year 2020 is a year of survival where each & every business houses are fighting for existence.

The Government has already declared several bail-out packages for the recovery economic crisis during this unprecedented situation. It is the time to assess the situation and prepare a long-term plan to control damages likely to occur in coming days. We are much more watchful than before in planning our strategies to confront the probable impacts of COVID-19 outbreak efficiently with special focus to stand aside our bona fide clients in this crucial period by means of financial and other favorable policy supports. We have to manage our NPL more judiciously since the whole banking industry is already suffering heavily due to NPLs and regrettably the pandemic may increase the level of NPLs in coming days. Our main focus in this year is to maintain our business without letting further degradation of asset quality. The banking industries might have to face significant instability in the upcoming days and we are engaged in damage-control at the moment and preparing for dealing with the forthcoming financial crisis.

I want to concede here that we celebrated our 37th anniversary in March 2020, which shows a key milestone of our National Bank Ltd,

একটি গুরুত্বপূর্ণ মাইলফলক এবং এটা সম্ভব হয়েছে জনগণ ও ব্যবসায়ীদের দ্বারা, যারা তাদের প্রয়োজন মেটাতে সর্বপ্রথম আমাদেরকে বিশ্বাস করেছে। সম্মানিত গ্রাহকগণ, আপনাদেরকে অশেষ ধন্যবাদ। আপনারা আমাদেরকে বিগত ৩৭ বছর যাবৎ আপনাদেরকে সেবা প্রদানের সুযোগ দিয়েছেন এবং আমরা অনাগত শতবর্ষের দিকে তাকিয়ে আছি। আমার সহকর্মীবৃন্দ, আপনাদের প্রত্যেককে আমি ব্যক্তিগতভাবে আন্তরিক ধন্যবাদ জানাতে চাই। এটা সম্ভব হয়েছে আপনাদের কঠোর পরিশ্রম ও আমাদের উদ্দেশ্যের প্রতি আপনাদের শ্রদ্ধাবোধ থাকার কারণে, যার ফলশ্রুতিতে আমি এখানে ২০১৯ সালের সফলতার বিস্তারিত তুলে ধরতে পেরেছি। ২০১৯ সালে আমরা যা অর্জন করেছি তা চমৎকার ও প্রশংসার যোগ্য এবং আমি উজ্জ্বলতর ২০২০ এর দিকে তাকিয়ে আছি।

ব্যাংকের টেকসই প্রবৃদ্ধির জন্য আমাদের ত্যাগের দিকটি আমি আর একবার উল্লেখ করতে চাই। আমরা যেমন আমাদের সাফল্যনির্ভর গল্প ও চ্যালেঞ্জসমূহ আপনাদের সাথে শেয়ার করেছি তেমনি ব্যাংকের সামগ্রিক কার্যক্রমকে গতিশীল রেখে গৌরবজনক সাফল্য অর্জনেরও প্রত্যয় ব্যক্ত করছি। এ কথা বিবেচনায় রেখে পরিচালনা পর্ষদ শেয়ারহোল্ডারদের জন্য ৫% স্টক ও ৫% ক্যাশ ডিভিডেন্ট ঘোষণা করেছে, যা সম্মানিত শেয়ারহোল্ডারদের দ্বারা বার্ষিক সাধারণ সভায় অনুমোদন লাভ করবে।

আমি বোর্ডের সহকর্মীদের সাথে আমার অনুভূতি ভাগ করে নিতে চাই এবং তাদেরকে ধন্যবাদ জ্ঞাপন করতে চাই, যাদের বাস্তবধর্মী পরামর্শ ও দূরদৃষ্টিসম্পন্ন দিকনির্দেশনা ব্যবস্থাপনা কর্তৃপক্ষকে আশাবাদী করেছে এবং আস্থার সাথে সম্মুখপাণে অগ্রসর হতে সাহায্য করেছে। আমি আমাদের ব্যবস্থাপনা টিম এবং দক্ষ ও বিশ্বস্ত মাঠ পর্যায়ের কর্মকর্তাদের সাধুবাদ জানাচ্ছি, যারা কঠোর পরিশ্রমের মাধ্যমে সকল প্রতিকূলতাকে অতিক্রম করেছেন। বাংলাদেশ ব্যাংক, সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন এবং অন্যান্য সকল রেগুলেটরী কর্তৃপক্ষকে কৃতজ্ঞতা জানিয়ে আমার বক্তব্য শেষ করছি এবং আসছে দিনগুলোতেও তাদের অব্যাহত সমর্থন, দিকনির্দেশনা ও সহযোগিতা পাব বলে আশা করছি।

পরিশেষে, আসুন আমরা কোভিড-১৯ মহামারীতে আক্রান্ত হয়ে যারা আমাদের ছেড়ে চলে গেছে তাদের সবার আত্মার মাগফেরাত কামনা করি এবং আমাদের সকলের সুস্বাস্থ্য, সুরক্ষা ও সমৃদ্ধির জন্য প্রার্থনা করি।

আল্লাহ হাফেজ



চেয়ারম্যান

and it was possible by the people and business that trust us to put their needs first. We once again reiterate thanks to our clients giving us the opportunity to serve you over the last 37 years. To our team members, I would like to personally thank from my heart to each and every one of you-it is because of dedication at work and adherence to our purpose that I am here to tell you about our success in 2019. What we achieved in 2019 was excellent and praiseworthy and I am looking forward towards a brighter 2020.

We share our success oriented strive and stories amid severe challenges and we feel proud in propelling our Bank collectively. Keeping this in view, the Board of Directors proposes 5% stock and 5% cash dividend to the shareholder to be approved by the honorable shareholders in this Annual General Meeting.

I would like to share my feeling and express my thanks to my colleagues in the Board whose practical propositions and farsighted co-operation made our Management positive and pro-active to step forward confidently. My appreciation goes to the Management Team and the trustworthy field level skilled officials for their hard effort for overcoming all the shortcomings and hurdles. I conclude by expressing my heartfelt gratitude to Bangladesh Bank, Security and Exchange Commission and all other regulatory bodies. We look forward to their support, guidance and cooperation in the coming days too.

In fine, Let us pray all together for the salvation of departed soul left as due to COVID-19 and also pray for the good health, safety & prosperity of all if us in this crucial time.

Allah Hafez!



Chairman



## From the Desk of the Managing Director & CEO

### Dear Shareholders,

I take this opportunity to express my gratitude for your continuous trust, co-operation and relentless support to the Bank. It gives me immense pleasure to share with you that your Bank crossed yet another milestone during the year 2019 with total operating profit of Tk.8,784.40 million, one of the highest amongst the private sector Commercial Banks currently doing conventional banking business in Bangladesh.

This is a remarkable year in the history since we are celebrating Birth centenary of our father of the nation Bangabondhu Sheikh Mujibur Rahman. We along with our whole nation are proud to be a part of this auspicious celebration.

You are aware that the Banking sector of Bangladesh is passing through a difficult phase. The asset quality of most of the banks has been under increasing pressure for the last few years. The problem turned even more crucial during 2019 as most of the banks faced unprecedented deterioration in asset quality. Profitability of the sector also witnessed a steep decline on account of increased

provisioning for non-performing assets.

Despite several odds & pitfalls, the major focus of the Bank remained on consolidation of the balance sheet to make it stronger and healthier on upcoming days. The Bank allocated a large amount of operating profit towards floating provisions, so as to have a stronger cushion against future uncertainties. The Bank risk culture promotes rational decision-making by integrating enhanced understanding of risk appetite across the Bank and effective technology driven communication including prompt escalation of important risk issues.

During the year 2019, with a view to ensure sustainable growth of the Bank we have initiated several action plans. We have diversified our portfolio in different sectors to have a holistic and focused approach towards accelerating the growth; result of this change has been very encouraging towards broad based growth in all business lines of the segment.

Few key indicators are furnished hereunder for your kind information:

Particulars	BDT in Million		
	2019	2018	Change (%)
Deposits	366,298.51	315,206.03	16.21%
Loans & Advances	360,769.74	314,507.26	14.71%
Export	54,544.76	50,282.23	8.48%
Import	99,501.40	90,579.63	9.85%
Inward Foreign Remittance	37,953.98	40,743.36	-6.85%
Total Assets	463,574.78	407,227.40	13.84%
Profit after Tax	4,164.35	4,100.31	1.56%
Return on Equity	8.87%	9.63%	-7.89%
Net Assets Value per share (Taka)	16.79	16.88	-0.53%
Total Capital	54,723.24	51,144.37	7.00%
Capital to Risk Weighted Asset Ratio	13.38%	14.04%	-4.70%

Liquidity crunch in the banking sector prevailed over the year due to slow growth of deposits and sluggish recovery of loans. Many actors and factors working together have created this undesirable situation. Funding for infrastructural development, high rate of savings certificate aggravated the deposit crisis further. For getting higher return offered by different banks and financial institutions, many of our existing customers have also shifted their fund. Despite the fact, we have maintained the positive phase of deposit growth during the period. With prudent fund management along with vigorous efforts for hunting fresh deposit along with retaining existing customers, we have managed to achieve 16.21% growth of deposit in 2019 compare to the position of to reach Tk.366,298.51 million; with continued focus towards improving low cost/core deposits mix of the Bank.

In line with our Bank's strategy of maintaining high asset quality, advances of our Bank grew by Tk.46,262.48 million to reach Tk.360,769.74 million; whereas average advances grew by 14.71%. Major growth was witnessed in long-term loans, commodity operations and working capital loans.

Bank's total assets base has increased by 13.84% to reach Tk.463,574.78 million as at December 31, 2019. Equity position of our Bank also witnessed sound growth of 9.44% to close at Tk.49,037.56 million as at December 31, 2019; reflecting strong financial strength and growth prospects. The Capital to Risk Weighted Asset Ratio of the Bank stood at 13.38% as at December 31, 2019, remaining well above the regulatory requirement and industry average. With strong capital adequacy and risk management parameters in place the Bank remains poised to capitalize on any uptick in credit appetite.

The Bank has been working vigorously to continue its footprints as the leading brand in the banking industry of Bangladesh. With added focus on Agriculture and SME portfolio, International Trade, tie-ups with Multilateral Agencies for various business initiatives including Trade Finance, Micro Finance. Diversification in Risk Asset, strengthening its productive sector portfolio, expansion of its footprints in strategic locations and continuous focus on understanding customer needs and creating solutions around them shall be the key priorities of the Bank.

Expanding footprint to assist financial inclusion of unbanked population remained key area of focus of our Bank. During 2019, the Bank expanded its branch network by 06 new branches including 03 rural and 03 urban branches. With the addition of these branches in urban and rural areas, the overall network of the Bank reached 209. In addition 14 Sub Branches have been opened with expand the network. Concurrent focus was also made in enhancing Alternate Delivery Channels (ADC) with the addition of 07 new ATMs to reach 47 ATMs in total deployed across Bangladesh. We have also connected with National Payment Switch of Bangladesh Bank for interbank ATM Fund Transfer through NPSB network under ITCL platform that has been mandatory by Bangladesh Bank.

In view of supporting progressive development of the nation by extending diversified Corporate Social Responsibility (CSR) activities, NBL has been constantly contributing to various aid programs and events, encompassing art, heritage, education, health, security and sports sectors to its range of CSR initiatives.

In line with strategic objectives of the Bank, focused induction of efficient workforce to support ever expanding branch network, development of existing and new capabilities through useful learning platform and provision of rewarding career growth for consistent

performers through enabling work environment remained a key strategic objective. The Bank has been actively providing trainings to its human resources in order to not just gain short term increase in efficiency and effectiveness but to attain overall development as an individual that will help them excel to their potential and capabilities.

### Future outlook

The world witnessed one of the gravest pandemic of human civilization, the menace of COVID-19. With the sudden emergence of this pandemic, our economy along with that of whole world is facing a severe blow in its path of progress & development. With a view to repair the damages of COVID19 pandemic on the overall economy, the Government has declared several bailout packages to boost up the economic activities of the country and maintain the phase of growth that has been witnessing during last few years. We are committed to work together with the government for implementing different damage control strategies to face the ensuing challenges and also stand aside our bonafide customers by means of various financial and policy supports during this hard time. It's time to think bigger, act faster and drive higher with greater strength, swiftness and enthusiasm towards escalate the Bank to newer heights. Our strong financial and business position, supported by wide branch network with good teamwork, has taken us to a strong position to address the needs of our customers and move towards our vision of ensuring highest standard of services through the best application of latest information technology. Making due contribution to the national economy and establishing ourselves firmly at home and abroad as a front-ranking bank of the country are our cherished vision.

### Acknowledgment

At the end, I would like to acknowledge the hard work and dedication of all employees of National Bank Limited, who are undoubtedly the core asset of our bank. It is my utmost belief that committed and professional team is the main assets of National Bank Limited over its peers. I would like to express my appreciation and gratitude to our regulatory authorities including Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), Registrar of the Joint Stock Companies and Firms (RJSC&F), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Government Agencies and all Stakeholders for providing support in our endeavors. I am also greatly indebted to the guidance of our Honorable Chairman, Board of Directors & our business partners who helped us in making 2019 another profitable year for the Bank. I feel humbled for getting the opportunity to not only represent one of the leading banks of Bangladesh but also to be the member of this team having a glorious past, meaningful present and promising future.

C. M. Ahmed



Managing Director & CEO

# Focus on our work for expansion of Financial Network

## পরিচালকমন্ডলীর প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহিম

### সম্মানিত শেয়ারহোল্ডারগণ,

আসসালামু আলায়কুম

ন্যাশনাল ব্যাংকের পরিচালকমন্ডলী এবং ব্যবস্থাপনা কর্তৃপক্ষের পক্ষ থেকে আমার সবিনয় শ্রদ্ধা ও মোবারকবাদ গ্রহণ করুন এবং আপনাদের সকলকে ডিজিটাল প্ল্যাটফর্মে আয়োজিত ব্যাংকের ৩৭তম বার্ষিক সাধারণ সভায় (AGM) স্বাগত জানাচ্ছি। পরম করুণাময় আল্লাহ তায়ালায় অশেষ মেহেরবাণীতে ব্যাংকের ২০১৯ সালের বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করতে পেরে আমি গর্বিত। সকলের অক্লান্ত পরিশ্রমের ফলে ব্যাংক আরও একটি সফলতম বছর পার করতে পেরেছে।

চলমান সময়ের পরিপ্রেক্ষিতে ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষ প্রতিটি পদক্ষেপে সাবধানতা অবলম্বন করেছে। দক্ষ ব্যবস্থাপনা কর্তৃপক্ষ ঋণ প্রদানের ক্ষেত্রে দূরদর্শিতার পরিচয় রেখেছে। তাদের গতিশীল মার্কেটিং কৌশল অধিক পরিমাণ আমানত সংগ্রহে সহায়তা করেছে। আলোচ্য বছরে নানাবিধ প্রতিকূলতা থাকা সত্ত্বেও যথোপযুক্ত পদক্ষেপ গ্রহণের মাধ্যমে ব্যাংক প্রবৃদ্ধি ধরে রাখতে সক্ষম হয়েছে।

প্রগতিশীল ব্যাংক হিসেবে ব্যাংকের বিভিন্ন কার্যক্রম অত্যন্ত দূরদর্শিতার সাথে বিবেচনা করা হয়েছে। ব্যাংকের বার্ষিক প্রতিবেদন সার্বিক বিবেচনায় সর্বদিক পরিপালিত হিসাবে উপস্থাপন করা হয়েছে। ব্যাংক কোম্পানী আইনের বিধি-বিধান ও সংশ্লিষ্ট ধারা, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধি-বিধান, আন্তর্জাতিক আর্থিক প্রতিবেদন হিসাবমান (International Accounting Standards-IAS), আন্তর্জাতিক আর্থিক প্রতিবেদন হিসাবমান (International Financial Reporting Standards-IFRS), বাংলাদেশ ব্যাংকের সার্কুলার ও গাইডলাইনস এবং অন্যান্য রেগুলেটরী শর্তাবলীর পরিপালন পূর্বক এই প্রতিবেদন প্রস্তুত করা হয়েছে।

## বিশ্ব অর্থনীতি

কোভিড-১৯ মহামারি গুরুত্বপূর্ণ পূর্বে অনেকে চিন্তা করেছিল যে, ২০২০ সাল হবে বিশ্ব অর্থনীতির পুনরুত্থানের বছর। যেহেতু ২০১৯ সালে আন্তর্জাতিক বাণিজ্য ছিল প্রতিবন্ধকতায় পরিপূর্ণ এবং বিস্তৃত পরিসরে গৃহীত পদ্ধতিসমূহ ছিল অনিশ্চিত। সুতরাং ২০১৯ সালে বিশ্ব অর্থনীতিতে অপ্রত্যাশিত কোভিড-১৯ প্রভাব বিস্তারের আগ পর্যন্ত মন্দাভাব বিদ্যমান ছিল।

যদি এই মহামারীর ক্ষতিকারক প্রভাবকে একটি সম্ভাবনা মনে করা হয়, তাহলে বিশ্ব অর্থনীতিতে সামান্য হলেও আর্থিক পুনরুত্থান ঘটবে বলে আশা করা হয়েছিল; অনেকে সতর্ক করছেন যে, অর্থনৈতিক বাধাসমূহ একইভাবে শক্তিশালী থাকবে, রাজনৈতিক বিভক্তির দ্বারা উৎসাহিত হয়ে এবং বহুপাক্ষিকতার প্রভাবে অনিশ্চয়তা দিন দিন বৃদ্ধি পাচ্ছে। এই ঝুঁকিসমূহ অর্থনৈতিক উপাদানসমূহের উপর কঠিন ও দীর্ঘস্থায়ী প্রভাব বিস্তার করতে পারে। তাছাড়া এগুলো নেতিবাচক নীতিমালাসমূহকে উৎসাহিত করে থাকে, যখন বৈশ্বিক অর্থনীতিতে পারস্পরিক সহযোগিতা অত্যন্ত গুরুত্বপূর্ণ।

## বিশ্ব প্রবৃদ্ধি ও সাফল্য

২০২০ সালে বিশ্ব প্রবৃদ্ধি ২.৯% থেকে ৩.৩% উন্নীত হবে এবং ২০২১ সালে ৩.৪% হবে বলে অনুমান করা হয়েছিল, যাহা ২০১৯ ও ২০২০ সালের জন্য ০.১% এবং ২০২১ সাল জন্য ০.২% পয়েন্ট হ্রাস করে পূর্ণ: প্রাক্কলন করা

## Directors' Report

Bismillahir Rahmanir Rahim.

### Dear Shareholders,

Assalamu A'laikum.

Please take my utmost gratitude on behalf of all the Directors and Management team of the Bank and I welcome you all to the 37th Annual General Meeting (AGM) of National Bank Limited organised through digital Platform. By the grace of Almighty Allah, I am blessed to be able to present 2019 Annual Report of the Bank before you. Our relentless hard work achieved another successful year for the Bank.

This time around, our bank management was very careful and took extra precautions on every step they made. Our experienced management team was prudent in giving loans and their dynamic marketing strategy helped us to procure more deposit from the market. Despite various challenges during the year, the bank succeeded to maintain its pace of growth.

As a forward-looking bank, we considered different aspects of the performance of the bank. Our report depicts that we have been compliant throughout. We prepared our report in line with Company Act, Bank Company Act Bangladesh Securities and Exchange Commission Rules, International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), Bangladesh Bank circulars & guidelines and other applicable rules & regulations of the concerned Regulatory Authorities.

## Global Economy

Before COVID19 came in everyone just thought that 2020 would be the year where global economy would see the resurgence. As 2019 was full of trade disputes and wide ranging policy uncertainties. World economy has suffered a significant slowdown in 2019 before it rolled into the history of capricious due to COVID19.

If we just ward off the pernicious effect of the outbreak, the quasi global economy was expected to see a slight uptick in economic forecast for 2020; many warn that economic risks remain strongly tilted to the downside, aggravated by deepening political polarization and increasing skepticism over the benefits of multilateralism. These risks could inflict severe and long-lasting damage on development prospects. They also threaten to encourage a further rise in inward-looking policies, at a point when global cooperation is paramount.

## Global Growth Performance

Global growth is projected to rise from an estimated 2.9 percent to 3.3 percent in 2020 and 3.4 percent for 2021—a downward revision of 0.1 percentage point for 2019 and 2020 and 0.2% for

হয়। কিছু কিছু উদীয়মান বাজার অর্থনীতিতে এই নিম্নগতি প্রাথমিকভাবে নেতিবাচক অর্থনৈতিক কর্মকাণ্ডকে প্রতিফলিত করে, বিশেষ করে ভারতে, যেখানে প্রবৃদ্ধির উপাদানগুলোকে পরবর্তী দুইবছরের হিসেবে পূর্ণমূল্যায়ন করা হয়। খুব কম ক্ষেত্রে এই পূর্ণমূল্যায়ন সামাজিক অস্থিরতা বৃদ্ধির উপর প্রভাব বিস্তার করে।

ইতিবাচক দিক থেকে বিবেচনা করলে দেখা যায় যে, বিশ্ব বাণিজ্যের নিম্নগতি এবং উৎপাদন কার্যক্রমের অনিশ্চিত নির্দেশনাসমূহের দ্বারা বাজার ব্যবস্থার উত্তরণ ঘটেছে, একটি বিস্তৃত ভিত্তি স্থায়ী অর্থনৈতিক পদ্ধতিতে পরিবর্তন, মার্কিন যুক্তরাষ্ট্র-চায়নার বাণিজ্য সমঝোতার অনিয়মিত অনুকূল খবর, Brexit পরিকল্পনা বাস্তবায়িত না হওয়ার ভয় কমে যাওয়া ঝুঁকিবিহীন পরিবেশ কমে যাবার প্রবণতাকে প্রভাবিত করেছে। তদুপরি বৈশ্বিক সামষ্টিক অর্থনীতিতে এখনও ঘুরে দাড়ানোর ইঙ্গিত রয়েছে।

কিন্তু ডিসেম্বর, ২০১৯ এর শেষের দিকে করোনা ভাইরাসের আগমন ঘটায় এটা মনে করা হয় যে, এটা কেবল চীনা অর্থনীতিতে বিরূপ প্রভাব ফেলবে না, বিশ্বব্যাপী এর বিরূপ প্রভাব পড়বে। কোভিড -১৯ এর একেবারে প্রাথমিক পর্যায়ে বিশ্ব অর্থনীতির উত্থাপন দেখা গিয়েছিল। কিন্তু বিদ্যমান এই অবস্থা সাফল্য রেখায় পরিণত হয়, যার ফলশ্রুতিতে বিশ্ব অর্থনীতি একটি মানসম্মত পর্যায়ে উন্নীত হয়। এর প্রভাবে বিশ্ব অর্থনীতিতে এই পরিবর্তন আসে।

## বাংলাদেশের প্রবৃদ্ধি প্রবণতা

এশিয়া প্যাসিফিক দেশসমূহের মধ্যে বাংলাদেশের অর্থনীতি দ্রুত গতিতে সমৃদ্ধি অর্জন করেছে। দেশটি খুব শীঘ্রই মধ্য অর্থনীতির দেশের মর্যাদা লাভ করবে এবং সামাজিক, অর্থনৈতিক ও কৌশলগত উত্তরণের ক্ষেত্রে দেশে ইতিমধ্যে বৃহৎ পদক্ষেপ গ্রহণ করা হয়েছে। ২০১৯ সালে বাংলাদেশের প্রবৃদ্ধির হার ৮.১০% রেকর্ড করা হয়েছে। এই দিকগুলো এটাই নির্দেশ করে যে, বাংলাদেশের মতো একটি প্রবৃদ্ধিশীল অর্থনীতিতে ব্যক্তিগত খাত থেকে উচ্চ প্রবৃদ্ধি, বৃহৎ বিনিয়োগ, প্রাণবন্ত স্টক মার্কেট এবং গতিশীল রাজস্ব নীতি আশা করা যায়; আমরা দুই সংখ্যার প্রবৃদ্ধি অর্জনের দ্বারপ্রান্তে রয়েছি। ২০০৯ সাল থেকে বাংলাদেশের অর্থনীতির আকারে ১৮৮% প্রবৃদ্ধি অর্জন করেছে। আমাদের মাথাপিছু আয় ১,৯০৯ মার্কিন ডলার অতিক্রম করেছে।

বর্তমানে বৈদেশিক বিনিয়োগের আইনী সুরক্ষা, উদার রাজস্ব নীতি, যন্ত্রপাতি আমদানিতে বিশেষ সুবিধা, উন্মুক্ত প্রত্যাবর্তন নীতি, সম্পূর্ণরূপে মূলধন ও শেয়ার প্রত্যাবাসনের সুবিধা প্রভৃতি দিক থেকে দক্ষিণ এশিয়ার মধ্যে বাংলাদেশ সহজ বিনিয়োগ অঞ্চলে পরিণত হয়েছে। সমগ্র বাংলাদেশে ওয়ান স্টপ সার্ভিস সম্বলিত ১০০টি বিশেষ অর্থনৈতিক এলাকা প্রতিষ্ঠার কার্যক্রম অব্যাহত রয়েছে। এগুলোর মধ্যে ১২টি জোন ইতোমধ্যে কার্যক্রম শুরু হয়েছে। ২টি জোন ভারতীয় বিনিয়োগকারীদের জন্য সংরক্ষিত রাখা হয়েছে। প্রকৌশলগত এবং উদ্ভাবক উদ্যোক্তাদের জন্য বেশ কিছু হাই-টেক পার্কও তৈরি করা হয়েছে।

## বাংলাদেশ অর্থনীতি

জাতীয় নির্বাচনের পর দ্রুত উন্নয়নের প্রত্যাশা নিয়ে ২০১৯ সালটি শুরু হয়। যেহেতু বিগত কয়েক বছরের প্রবণতা এ বছরেও বিদ্যমান ছিল, সেহেতু মোট অভ্যন্তরীণ উৎপাদনের হিসেবে বাংলাদেশের অর্থনৈতিক কার্যক্রম উল্লেখ করার মতো। ২০১৮-২০১৯ রাজস্ব বছরে মোট অভ্যন্তরীণ উৎপাদন ৮.১০% ভাগে পৌঁছেছিল, যা দেশকে বিশ্বে সর্বোচ্চ দ্রুত গতির সমৃদ্ধি অর্জনকারী দেশ হিসেবে পরিচিত করে তুলেছে। যেহেতু বছরটা ছিল অগ্রগতির সেহেতু বিভিন্ন সম্ভাবনাময় দিক উন্মোচিত হতে লাগল। ২০১৯ সালের শেষদিকে বিশ্ব অর্থনীতিতে কোভিড - ১৯ এর আগমনের কারণে সমগ্র বিশ্ব দ্বিধা-দ্বন্দ্ব পড়ে যায়। তথাপি এই মহামারী বাংলাদেশের অর্থনীতির জন্য সুসংবাদের

2021. The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years. In a few cases, this reassessment also reflects the impact of increased social unrest.

On the positive side, market sentiment has been boosted by tentative signs that manufacturing activity and global trade are bottoming out, a broad-based shift toward accommodative monetary policy, intermittent favorable news on US-China trade negotiations, and diminished fears of a no-deal Brexit, leading to some retreat from the risk-off environment. However, few signs of turning points are yet visible in global macroeconomic data.

But again, Corona Virus came in the late Dec 2019 and seems that it may have profound impact on not only Chinese economy but also the world. In the wake of COVID19, global economy is curbing, wreckage went on the success trajectory resulting the world economy stranded. Aftermath condition of the world economy may look like this.

## Growth Outlook of Bangladesh

Bangladesh is one of the fastest growing economies in Asia-Pacific. The country is aspiring to gain the status of a middle income country very soon and has been making great strides in terms of social, economic and technological transformation. It recorded a commendable GDP growth rate of 8.10% in 2019. All these being said, a growing economy like Bangladesh is expected to have high private sector credit growth, high investments, a vibrant stock market and a dynamic financial system; We are close to achieving double-digit growth. Since 2009, Bangladesh's economy has grown by 188% in size. Our per-capita income has surpassed \$1,909.

Today, Bangladesh offers the most liberal investment regime in South Asia – in terms of legal protection of foreign investment, generous fiscal incentives, concessions on machinery imports, an unrestricted exit policy, full repatriation of dividends and capital on exit. We are establishing 100 Special Economic Zones with one-stop service across Bangladesh. Twelve of the zones are already functioning. Two zones are reserved for Indian investors. A number of high-tech parks are also ready for technology and innovative enterprises.

## Bangladesh Economy

The year 2019 began with the hope of doing better in economic fronts immediately after National election. As it has been the trend during the last couple of years, the economic performance of Bangladesh in terms of gross domestic product (GDP) has been impressive. In the fiscal year (FY) 2018-2019 too, the GDP growth reached 8.10 percent, making the country one of the fastest growing economy in the world. However, as the year progressed, a number of pressure points started to unfold. At the end of 2019 "COVIC 19" came in the world economy for which the whole world was bewildered. But even this global pandemic may bring some good news for Bangladesh



ইঙ্গিত দেয় কেননা ইউরোপিয়ান ক্রেতারা এখন আগের চেয়ে বেশি সতর্ক এবং তারা চায়নার বাইরেও নতুন বাজার অন্বেষণ করতে চায় এবং তাদের সংক্ষিপ্ত তালিকায় বাংলাদেশ রয়েছে।

## বাংলাদেশে অর্থনৈতিক সুবাতাস

বাংলাদেশে অর্থনৈতিক প্রবৃদ্ধি অর্জনের একটি দীর্ঘ পথ পাড়ি দিয়ে এসেছে। ১৯৭২ সালের ৫.৭০ বিলিয়ন মার্কিন ডলারের যৎসামান্য অবস্থান থেকে বৃদ্ধি পেয়ে ২০১৮ সালে মোট অভ্যন্তরীণ উৎপাদন বা জিডিপি পরিমাণ দাঁড়িয়েছে ২৮৫.৮২ বিলিয়ন মার্কিন ডলার। বিশ্বজুড়ে বৃহৎ অর্থনীতির মধ্যে বাংলাদেশের স্থান ৪২তম এবং ক্রয়ক্ষমতার দিক থেকে ৩১তম। সম্প্রতি বাংলাদেশ স্বল্প উন্নত দেশের অবস্থান থেকে নিম্ন-মধ্য আয়ের দেশে উন্নীত হয়েছে এবং ২০৪১ সালের মধ্যে উন্নত দেশে উন্নীত হবে বলে আশা করা হচ্ছে।

দেশের অর্থনৈতিক যাত্রাপথে বিভিন্ন ধরনের প্রবৃদ্ধির স্তর পরিলক্ষিত হয়েছে। প্রথম স্তরে (১৯৯০-১৯৯৬) অত্যন্ত নিয়ন্ত্রিতভাবে প্রবৃদ্ধি হয়েছে, গড় হিসেবে বার্ষিক ৪.০০% এর নিচে ছিল এবং মাথাপিছু আয় ছিল ৩.০০% এর নিচে। দ্বিতীয় স্তরে (১৯৯৬-২০০৩) প্রবৃদ্ধির হার ৪.০০% থেকে ৫.০০% এর মধ্যে ঠঠানামা করছিল এবং গড় মাথাপিছু আয় ছিল ৪.০০%। তৃতীয় স্তরে (২০০৪-২০১৩) প্রবৃদ্ধির হার ছিল ৬.০০% এর কাছাকাছি এবং মাথাপিছু প্রবৃদ্ধি ছিল ৫.০০% এর কাছাকাছি। চতুর্থ স্তরে (২০১৩-...) প্রবৃদ্ধির হার ৬.০০% এর বেশি এবং বিগত দুই আর্থিক বছরে এই হার ৭.০০% এর উপরে উন্নীত হয়।

## বাংলাদেশের ব্যাংকিং খাত

বাংলাদেশের অর্থনৈতিক উন্নতিতে বাণিজ্যিক ব্যাংকসমূহ গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে। ব্যাংকগুলো সামাজিক এবং বিশেষভাবে বেসরকারী খাতে বিনিয়োগযোগ্য মূলধন সরবরাহ করছে। অধিকন্তু ব্যাংকগুলো বাংলাদেশের অর্থনীতির প্রধান চারটি চালিকাশক্তিকে কার্যকর রাখার ব্যাপারে গুরুত্বপূর্ণ ভূমিকা পালন করেছে।

যাহা হোক, বাংলাদেশের ব্যাংকিং খাত বিভিন্ন ধরনের চ্যালেঞ্জ মোকাবেলা করেছে, যেগুলোর মধ্যে রয়েছে দুর্বল ব্যবস্থাপনা, দুর্বল পরিচালনা, দক্ষ নেতৃত্বের অভাব, এবং অনৈতিক চর্চার কারণে উদ্ভূত বিভিন্ন ধরনের প্রতারণা, যেমন মানি লন্ডারিং এবং মন্দ ঋণ (NPL)।

বাংলাদেশ একটি আমদানি নির্ভর দেশ। পোশাক খাতসহ শিল্প খাতের উন্নতির জন্য কাঁচামাল, যন্ত্রাংশ এবং মূলধনী যন্ত্রপাতি আমদানি করতে হয়। ব্যাংকগুলো এসব খাতে মূল্য পরিশোধ, অর্থায়ন এবং ঝুঁকি ব্যবস্থাপনা সেবা দিয়ে আসছে।

## ব্যাসেল বাস্তবায়ন

ব্যাসেলের লক্ষ্য হলো ঋণের উপর থেকে ঝুঁকি হ্রাস এবং মূলধন কাঠামোকে শক্তিশালী করা। ১৯৮৮ সালে ব্যাংকিং কার্যক্রম তদারকির উপর সুইজারল্যান্ডভিত্তিক ব্যাসেল কমিটি (BCBS) Basel Accord এর প্রথম সংস্করণ চালু করে। এতে বেশ কিছু তদারকি নির্দেশনা রয়েছে যেগুলো সাধারণত কর্তৃপক্ষ সমষ্টিক এবং খুচরা ব্যাংকিংয়ের উপর আরোপ করে।

বাংলাদেশে ২০২০ সালের জানুয়ারি মাস থেকে ব্যাসেল - ৩ পরিপূর্ণভাবে বাস্তবায়ন করা হচ্ছে। বাংলাদেশ ব্যাংকের ব্যবস্থাপনা অনুযায়ী ২০১৫ এবং ২০১৯ এর মধ্যবর্তী সময়ে ২০১৯ সালে ব্যাংক সমূহকে ১২.৫০% Capital to Risk Weighted Assets Ratio (CRAR) বজায় রাখতে হয়। এতে ন্যূনতম ১০% মূলধন অনুপাত এবং ২.৫০% বাফার মূলধন সংরক্ষণ করতে হয়।

## এক নজরে এনবিএল

সমাজের প্রতি দায়িত্ববোধের কথা মনে রেখে ন্যাশনাল ব্যাংক বাংলাদেশের প্রত্যন্ত অঞ্চলসহ সর্বত্র বিদ্যমান শাখাসমূহের মাধ্যমে দক্ষতার সাথে ব্যাংকিং

economy because the European buyers are now more conscious and they want to explore new market out of China, and Bangladesh is in their shortlist.

## Economic upbeat in Bangladesh

Bangladesh has come a long way in its economic growth. From a meager volume of US\$ 5.70 billion in 1972, the gross domestic product (GDP) increased to US\$ 285.82 billion in 2018. The Bangladesh economy is the 42nd largest in the world in nominal terms and 31st largest in terms of Purchasing Power Parity (PPP). Recently, Bangladesh graduated from least developed country (LDC) status to a lower middle income country, and hopes to become a developed country by 2041.

Four distinct growth phases are discernible in the country's economic journey. The first phase (1990-1996), one of subdued growth rate expansion, witnessed less than 4.0 per cent annually in aggregate terms and less than 3.0 per cent in per capita terms. The second phase (1996-2003) witnessed growth rate fluctuating between 4.0 and over 5.0 per cent and around 4.0 per cent per capita. The third phase (2004-13) witnessed growth rate of around 6.0 per cent and per capita growth of around 5.0 per cent. The fourth phase (2013--) witnessed growth rate of over 6.0 per cent, and reached over 7.0 per cent during the last two financial years.

## Banking Sector in Bangladesh

Commercial banks have been playing an important role in the economic development of Bangladesh. They provide investible funds to both the public sector, and specially the private sector. Further, banks have played a significant role in respect of the four major drivers of economic growth in Bangladesh.

The banking sector, however, is faced with various challenges, which include among others, weak management, poor governance, lack of strong leadership, and non-compliance with ethical standards leading to various types of banking scams such as money laundering and Non-Performing Loans (NPLs).

Bangladesh is an import-dependent country. It needs to import raw materials, accessories and machineries to foster development of the industrial sector, including the RMG sector. Banks have been facilitating payment, finance and risk management services to the sector.

## Basel Implementation

The goal of Basel is to minimize the risk from loans and strength of capital framework. Switzerland-based Basel Committee on Bank Supervision (BCBS) introduced the first edition of Basel Accord in 1988 which indicates supervisory guidelines that regulatory authorities impose on both wholesale and retail banks.

Bangladesh is in the process of full implementation of Basel III from January 2020. In the transitional arrangement of Bangladesh Bank, between 2015 and 2019, the banking system had to maintain 12.50 per cent Capital to Risk Weighted Assets Ratio (CRAR) in 2019. This includes 10 per cent minimum total capital ratio and 2.50 per cent capital conservation buffer.

## Overview of NBL

NBL is providing banking services with excellence through its branch network located all over the country, covering even in the neglected

সেবা প্রদান করে আসছে। বর্তমানে ২০৯টি শাখা ও ১৪ উপ-শাখাসহ ব্যাংকটির রয়েছে শক্তিশালি বাজার ব্যবস্থাপনা। পাশাপাশি, ন্যাশনাল ব্যাংক স্থানীয় উদ্যোক্তা এবং বিদেশী বিনিয়োগকারীদের জন্য অফশোর ব্যাংকিং সেবা (Offshore Banking Unit - OBU) চালু করেছে। বিদেশে কর্মরত বাংলাদেশী এবং দেশে বসবাসরত তাদের সুবিধাভোগীদের কথা বিবেচনা করে এবং বিভিন্ন ব্যাংকিং চাহিদা সহজ করার লক্ষ্যে ব্যাংকটি ক্রমান্বয়ে বিশ্বব্যাপী তার সম্পৃক্ততা সম্প্রসারণ করছে। বিশ্বব্যাপী ব্যাংকিং কার্যক্রম পরিচালনার উদ্দেশ্যে ন্যাশনাল ব্যাংক ৬১টি দেশের ৪৮৫টি ব্যাংক ও বিদেশী কারেসপনডেন্টের সাথে Relationship Management Application (RMA) স্থাপন করেছে। অধিকন্তু, প্রবাসী বাংলাদেশীদের অর্থ দেশে পাঠানোর প্রক্রিয়াকে আরো সহজতর করার জন্য ওয়েস্টার্ন ইউনিয়ন ও মানিগ্রামসহ বিশ্বের ৪৪টি মুদ্রা বিনিময় কোম্পানীর সাথে ড্রয়িং এরেঞ্জমেন্ট স্থাপন করেছে। ব্যাংকের সম্পূর্ণ মালিকানাধীন ৫টি মুদ্রা প্রেরণ কোম্পানি মালেশিয়া, সিংগাপুর, গ্রীস, যুক্তরাষ্ট্র ও মালদ্বীপে কার্যক্রম পরিচালনা করে আসছে।

### তথ্য প্রযুক্তি

তথ্য প্রযুক্তি হচ্ছে ব্যাংক ব্যবসায়ের মূল ভিত্তি। পরিবর্তিত প্রযুক্তি ও নতুন উদ্ভাবনীকে গ্রহণ করা ব্যাংক ও গ্রাহক উভয়ের জন্য সুবিধাজনক। তথ্য প্রযুক্তি ব্যাংকিং শিল্পের জন্য নতুন বাজার, নতুন পণ্য, নতুন সেবা ও দক্ষ সেবা প্রদানকারী চ্যানেলের দ্বার উন্মুক্ত করে দিয়েছে।

ব্যাংকিং সেবা পরিপালনের বিচারে আধুনিক, নির্ভরযোগ্য ও পরিষ্কীত প্রযুক্তির মাধ্যমে ন্যাশনাল ব্যাংককে একটি দক্ষ ব্যাংক হিসেবে গড়ে তোলার জন্য আমাদের তথ্য প্রযুক্তি বিভাগ গুরুত্বপূর্ণ ভূমিকা পালন করে যাচ্ছে। পরিবর্তিত প্রযুক্তির সাথে তাল মিলিয়ে চলা ও গ্রাহকদেরকে আধুনিক ব্যাংকিং সেবা প্রদানের লক্ষ্যে ন্যাশনাল ব্যাংক তার দৈনন্দিন কার্যক্রমে বিশ্বব্যাপী প্রচলিত 'Temenos Transact' সফটওয়্যার চালু করেছে।

ন্যাশনাল ব্যাংক তার তথ্যসমূহ সুরক্ষার জন্য সাইবার নিরাপত্তাকে শক্তিশালী করেছে। অত্যাধুনিক প্রযুক্তির সাথে সমন্বয় করে ব্যাংক তার নেটওয়ার্ক কার্যক্রমকে নিয়ন্ত্রণ করার জন্য কঠোর নীতি গ্রহণ করেছে। ব্যাংক তার কার্যক্রমে তথ্য প্রযুক্তির মানসম্মত নিরাপত্তা রক্ষার স্বীকৃতিস্বরূপ ISO/IEC ২৭০০১ সনদ লাভ করেছে।

উন্নয়নশীল অর্থনীতিতে রেমিটেন্স ক্রমবর্ধমানভাবে গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে। আমাদের নিজস্ব উদ্ভাবিত সফটওয়্যার 'এনবিএল কুইক পে' মারফত আমাদের সাবসিডিয়ারি প্রতিষ্ঠানগুলো থেকে প্রেরিত অর্থ সহজ ও দ্রুততম উপায়ে গ্রাহকের হাতে পৌঁছে দেয়ার জন্য বিশেষ গুণসম্পন্ন সেবা ও বৈশিষ্ট্য প্রয়োগ করছে।

বর্তমানে এনবিএল সমগ্র দেশজুড়ে ২০৯টি শাখা ও ১৪টি উপশাখার মাধ্যমে তার কার্যক্রম চালিয়ে যাচ্ছে। এই সেবাকে নিরবচ্ছিন্ন করার জন্য তথ্য প্রযুক্তি বিভাগ ব্যাকআপ লিঙ্ক সংরক্ষণ করছে।

যেহেতু করোনানাভাইরাসের গোষ্ঠীগত সম্প্রসারণ (Community Spread) ঘটছে সেহেতু ব্যাংকিং সেবাকর্মীদের বিকল্প ব্যবস্থা আকর্ষণীয় হয়ে ওঠেছে। কোভিড - ১৯ এর প্রতিক্রিয়ার কথা বিবেচনা করে ব্যাংক তার প্রযুক্তিগত সেবা প্রদান চ্যানেলকে শক্তিশালী করছে, যাতে গ্রাহকরা নিরবচ্ছিন্নভাবে মোবাইল/ইন্টারনেট/এটিএম এর মাধ্যমে সহজে ব্যাংকিং সেবা পেতে পারে।

### পুরস্কার এবং স্বীকৃতি

ব্যাংকিং সেবা প্রদানের ক্ষেত্রে স্বচ্ছতা এবং দায়বদ্ধতার জন্য এনবিএল বিভিন্ন সময় পুরস্কৃত হয়েছে। আর্থিক তথ্যের কাঠামোগত স্বীকৃতি, সুস্ট্রাকচার্ড ব্যাবস্থাপনা, বাৎসরিক রিপোর্ট পর্যালোচনা, কর্পোরেট সুশাসন, মানব

remote rural areas, keeping in mind its responsibilities to the society. Presently the Bank has a strong market-base with total 209 branches and 14 sub branches. Alongside, NBL is extending banking services through Off-shore Banking Unit (OBU) to foreign investors and local entrepreneurs. The Bank has been gradually building up extensive global connections to ease different commercial banking needs and also to facilitate the wage-earners and beneficiaries of homebound foreign remittances. In making global banking transactions the Bank established Relationship Management Application (RMA) with 485 banks and foreign correspondents in 61 countries. Furthermore, to facilitate the expatriate Bangladeshis to ease their home-bound remittances the Bank, by now has made Drawing Arrangements with 44 money transfer agencies included global giants Western Union & Money, Gram. NBL has also five fully owned remittance Company at Malaysia, Singapore, Maldives, Greece and USA operating remittance business.

### Information Technology (IT)

Fintech is an enable of bank business. Adaptation of Technological changes and innovation in banking benefits both bank and customers. Information Technology has opened up new markets, new products, new services and efficient delivery channels for the banking industry.

National Bank IT Division is playing an integral role with a vision to make the bank more efficient in terms of service, quality and compliance with the application of modern, reliable and customer friendly technology. NBL has implemented global leading core banking solution 'Temenos Transact' to keep pace with face changing technology and rendering modern services.

National Bank has strengthened its cyber security to protect Bank's data effectively. Strict policies are in place to manage network infrastructure with cutting edge technologies. Bank is its second anniversary of achieving ISO/IEC 27001 certification as recognition of maintaining IT security standard in its operation.

Remittances play an increasingly large role in the economies of developing countries. "NBL Quick Pay" patented in-house developed software provides high quality features and functionalities for its all fully owned overseas subsidiaries in different countries for remittance channeling with faster delivery of services.

At present, NBL has been carrying on business through 209 branches and 14 sub-branches across the country. IT Division maintained backup link setup for enhancement of smooth services.

As community spread of the coronavirus (COVID-19) proliferates, alternatives to in-person banking and physical exchanges are looking more and more attractive. Considering COVID-19 impact, Bank is strengthening its digital delivery channels to encourage customers to use Mobile Banking/Internet Banking/ATM network frequently and easily.

### Awards & Recognitions

NBL has been rewarded on several occasions for its transparency and accountability in providing banking services. In recognition of framework of financial Information, Core Risk Management,

সম্পদ ব্যবস্থাপনা এবং সামাজিক দায়বদ্ধতার কারণে ন্যাশনাল ব্যাংক ICMAB (Institute of Cost and Management Accounts of Bangladesh) এর কাছ থেকে শ্রেষ্ঠ কর্পোরেট পুরস্কার এবং বিভিন্ন বছর শ্রেষ্ঠ প্রকাশিত হিসাব বিবরণীর জন্য ICAB (Institute of Chartered Accountants of Bangladesh) এর কাছ থেকে শ্রেষ্ঠত্ব সনদ অর্জন করেছে। এসব কিছু এই সাক্ষ্য দেয় যে, আমরা বিনিয়োগকারী ও শেয়ার মালিকদের সকল তথ্য প্রকাশের ক্ষেত্রে সচেতন, যার ফলে বিজ্ঞোচিত সিদ্ধান্ত নেয়া সহজ হয়।

## ঝুঁকি ব্যবস্থাপনা

ঝুঁকি গ্রহণ অর্থনৈতিক পদ্ধতি এবং ব্যাংকিং ব্যবসায়ের একটি অবিচ্ছেদ্য অংশ। ঝুঁকি পরিমাপ এবং নিয়ন্ত্রণে ব্যর্থতা যেকোনো আর্থিক প্রতিষ্ঠানকে বিপদের সম্মুখীন করতে পারে এবং সর্বোপরি সমগ্র আর্থিক ব্যবস্থার স্থিতিস্থাপকতাকে প্রভাবিত করতে পারে।

যথোপযুক্ত কৌশল এবং ঝুঁকি সহনীয় স্তর নির্ধারণ, দক্ষ ঝুঁকি ব্যবস্থাপনা এবং যথোপযুক্ত কর্তৃপক্ষের নিকট রিপোর্ট প্রদান ব্যাংক ব্যবস্থাপনাকে জেনে-বোঝে ঝুঁকি গ্রহণ এবং এটাকে যথাস্থানে প্রয়োগে সমর্থ করে। ব্যাংকের সকল ক্ষেত্রে ঝুঁকি ব্যবস্থাপনা অভ্যন্তরীণ সুশাসনের একটি অংশ। কর্পোরেট সুশাসন এবং সুস্থ ঝুঁকি ব্যবস্থাপনার মধ্যে দৃঢ় যোগাযোগ রয়েছে। উপযুক্ত ঝুঁকি ব্যবস্থাপনা ছাড়া ব্যাংকিং প্রতিষ্ঠানের লক্ষ্য পূরণে বিভিন্ন দিকগুলো একত্রে কাজ করতে পারে না। কোনো কিছু তৈরি এবং এর উন্নতির ধারাবাহিকতা ও স্থিতিস্থাপকতা ধরে রাখার জন্য ব্যাংককে সাহায্য করা অত্যন্ত জরুরী।

ব্যাংকিং কার্যক্রম পরিচালনায় ব্যাংক সর্বদা বিভিন্ন প্রকার ঝুঁকির সম্মুখীন হয়ে থাকে, যেগুলো তার ব্যবসায়ের অবশ্যজ্ঞাবীরূপে নেতিবাচক প্রভাব ফেলে থাকে। ব্যাংকিং কার্যক্রমে ঝুঁকি ব্যবস্থাপনায় ঝুঁকি চিহ্নিতকরণ, ঝুঁকির পরিমাপ এবং মূল্যায়ন অর্ন্তভুক্ত করে থাকে, যার উদ্দেশ্য হচ্ছে নেতিবাচক প্রভাব যথাসম্ভব কমিয়ে আনা। তাই এনবিএল তার প্রধান কার্যালয়ে প্রয়োজনীয় ঝুঁকি ব্যবস্থাপনার জন্য একটি বিশেষ প্রাতিষ্ঠানিক ইউনিট গঠন করেছে।

ন্যাশনাল ব্যাংক লিমিটেডের মূলধন ব্যবস্থাপনার মূল লক্ষ্য হচ্ছে ব্যবসায়িক উন্নতিকে সহায়তা করা, সার্বক্ষণিক মূলধনের প্রয়োজনীয়তা মিটানো এবং মানসম্মত ক্রেডিট রেটিং বজায় রাখার জন্য একটি মজবুত মূলধনের ভিত্তি তৈরি করা। আট বছরের পরিকল্পনাকে সামনে রেখে ব্যাংকের কৌশলভিত্তিক ব্যবসা এবং মূলধনের পরিকল্পনা করা হয় এবং পরিচালনা পর্ষদ থেকে অনুমোদন নেয়া হয়। এই পরিকল্পনা বাস্তবায়নের জন্য মূলধনের পর্যাপ্ত স্তর এবং কৌশলকে সমর্থনকারী মূলধনের বিভিন্ন উপাদানের সর্বোচ্চ সংশ্লেষ নিশ্চিত করে। মূলধন পরিকল্পনার জন্য নিম্নোক্ত বিষয়গুলোকে বিবেচনায় আনা হয় :

Forecast demand for capital to support the credit ratings

Available supply of capital and capital raising options; and

Regulatory capital requirements

Increase in demand for capital due to business growth, market shocks or stresses;

Internal controls and governance for managing the Bank's risk and performance.

Annual Report Review, Corporate Governance, Human Resource Management and Corporate Social Responsibility, NBL won the Best Corporate Award from the Institute of Cost & Management Accountants of Bangladesh (ICMAB) and Certificate of Merit from The Institute of Chartered Accountants of Bangladesh (ICAB) for best published accounts and reports in different years. All these testify that we always care about disclosing all relevant information to investors and shareholders with clarity for making prudent decisions.

## Risk Management

Taking risk is an integral part of financial intermediation and banking business. Failure to assess and manage risks adequately may lead to losses endangering the soundness of individual financial institutions and affecting the stability of the overall financial system.

The setting of an appropriate strategy and risk tolerance/appetite levels, a holistic risk management approach and effective reporting lines to the competent authority in its management and supervisory functions, enables management of banks to take risks knowingly and treat risks where appropriate. Risk management is a part of internal governance involving all areas of banks. There is a strong link between good corporate governance and sound risk management. Without proper risk management, the various functions in a banking institution cannot work together to achieve the bank's objectives. It is an essential part of helping the bank to grow and promote sustainability and resilience.

Risk management in bank operations includes risk identification, measurement and assessment, and its objective is to minimize negative effects risks can have on the financial result and capital of a bank. NBL is therefore required to form a special organizational unit for risk management. Also, NBL needs to prescribe procedures for risk identification, measurement and assessment, as well as procedures for risk management.

National Bank Limited's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirements at all times and to maintain good credit ratings. Strategic business and capital plans are drawn up to cover an eight years horizon and approved by the board. The plan ensures that adequate levels of capital and an optimum mix of the different components of capital are maintained by the Bank to support the strategy. The capital plan takes the following into account:

ন্যাশনাল ব্যাংক লিমিটেড বস্তুগত ঝুঁকির জন্য প্রয়োজনীয় মূলধনের পরিমাণ নির্ধারণ করার লক্ষ্যে একটি "Capital Model" ব্যবহার করে থাকে যা এর অভ্যন্তরীণ মূলধনের প্রাচুর্যতাকে সমর্থন করে। প্রতিটি বস্তুগত ঝুঁকি পরিমাপ করা হয়, কমানো হয় এবং মূলধনের যথোপযুক্ত স্তর নির্ধারণ করা হয়। মূলধন মডেল হচ্ছে ব্যাংক ব্যবস্থাপনায় শৃঙ্খলার মূল চাবিকাঠি।

ব্যাংকিং কার্যক্রম তদারকি সংস্থা ব্যাসেল কমিটি (International Convergence of Capital Measurement and Capital Standard) এর ফ্রেমওয়ার্ক ব্যাসেল-৩ এর নীতি গ্রনয়ণ করেছে। (যেটাকে সাধারণভাবে ব্যাসেল-৩ নামে অভিহিত করা হয়), যা ব্যাসেল-২কে প্রতিস্থাপিত করেছে। তিনটি মূল স্তর নিয়ে ব্যাসেল-৩ গঠিত ঃ মূলধনের পর্যাপ্ততার ব্যবস্থাপনার জন্য বাংলাদেশ ব্যাংক ব্যাসেল - ৩ এর গাইডলাইনসের আলোকে একটি নিয়ন্ত্রণকারী কাঠামো দিয়েছে।

বাংলাদেশ ব্যাংকের চাহিদার সাথে সামঞ্জস্যতা বিধানের জন্য ন্যাশনাল ব্যাংকের পরিচালনা পর্ষদ ২০০৯ সালে ঝুঁকিভিত্তিক মূলধনের পর্যাপ্ততার গাইডলাইনস অনুমোদন করেছেন। যা জানুয়ারি ২০১০ সাল থেকে কার্যকর হয়েছে এবং সময়ে সময়ে হালনাগাদ করা হয়েছে। ন্যূনতম মূলধনের প্রয়োজনীয়তা অনুসারে (MCR)(Pillar-II) ঝুঁকিভিত্তিক সম্পদে (CRAR) মূলধনের পরিমাণ হিসাব করার জন্য ব্যাংক বিভিন্ন পদক্ষেপ গ্রহণ করেছে।

### গ্রীণ ব্যাংকিং

আমরা জানি যে বৈশ্বিক উষ্ণতা এমন একটি ইস্যু যা বৈশ্বিক মনযোগের কেন্দ্রবিন্দু। জলবায়ুর দ্রুত পরিবর্তন অনেক অর্থনৈতিক নীতিমালাকে যথোপযুক্ত ভাবে গ্রহণ করার বড় কারণ জীববৈচিত্র্য, কৃষি, বনায়ন, শুষ্ক ভূমি, পানির উৎস এবং জনস্বাস্থ্যের উপর এই পরিবর্তনের সরাসরি প্রভাব। অনিয়মিত আবহাওয়া, গ্রীণ হাউজ গ্যাস বৃদ্ধি, বাতাসের গুণাগুণ হ্রাস পাওয়া ইত্যাদি কারণে সমাজ দাবী করে যে, এই গ্রহকে নিরাপদ রাখার জন্য ব্যবসায় খাতও দায়িত্ব গ্রহণ করবে। গ্রীণ ব্যাংকিংয়ের অংশ হিসেবে সবুজ অর্থায়ন সম্পদ-দক্ষতা এবং ক্ষুদ্র শিল্প যেমন সাধারণভাবে সবুজ শিল্প ও সবুজ অর্থনীতি পরিবর্তনে গুরুত্বপূর্ণ ভূমিকা রাখতে পারে। গ্রীণ ব্যাংকিং হচ্ছে পরিবেশ রক্ষার লক্ষ্যে একদল বৈশ্বিক ঝুঁকিবহনকারীদের গৃহীত উদ্যোগের একটি উপাদান। বাংলাদেশের পরিবেশ খুব দ্রুত হুমকির মুখে পড়ছে।

National Bank Ltd uses a capital model to assess the capital demand for material risks, and support its internal capital adequacy assessment. Each material risk is assessed, relevant mitigates are considered and appropriate levels of capital are determined. The capital model is a key part of the Bank's management disciplines.

The Basel Committee on Banking Supervision published Basel III, a framework for the International Convergence of Capital Measurement and Capital Standards (commonly referred to as 'Basel III'), which replaced Basel II Accord. Basel III is structured around three 'pillars': Bangladesh Bank has given a regulatory framework for capital adequacy management and has formulated a guideline under Basel-III framework.

In order to comply with the Bangladesh Bank's requirement, NBL's Board of Directors approved a policy on Risk Based Capital Adequacy for National Bank Limited in December, 2009, which become effective since January, 2010 which has updated from time to time. The Bank adopted different approaches to calculate Capital to Risk Weighted Assets Ratio(CRAR) as per requirement of Minimum Capital Requirement [MCR] (Pillar-I)

### Green Banking

We are aware that global warming is an issue that calls for a concerted global response. The rapid change in climate will be too great to allow many eco-systems to suitably adapt, since the change have direct impact on biodiversity, agriculture, forestry, dry land, water resources and human health. Due to unusual weather pattern, rising greenhouse gas, declining air quality etc. society demands that business also take responsibility in safeguarding the planet. Green finance as a part of Green Banking makes great contribution to the transition to resource-efficient and low carbon industries i.e. green industry and green economy in general. Green banking is a component of the global initiative by a group of stakeholders to save environment. The state of environment in Bangladesh is rapidly deteriorating. The key areas of environmental degradation cover



এখানে পরিবেশ দূষণের মূল কারণগুলো হচ্ছে বায়ু দূষণ, পানি দূষণ ও পানির স্বল্পতা, নদী ভরাট, শিল্প-কারখানা এবং গৃহস্থলীর আবর্জনা সঠিকভাবে ধ্বংস না করা, বন নিধন, খোলা জায়গা এবং জীব বৈচিত্র্য নষ্ট হওয়া ইত্যাদি। বাংলাদেশ জলবায়ু পরিবর্তনে সবচেয়ে ঝুঁকিপূর্ণ একটি দেশ। বৈশ্বিক উন্নতি এবং পরিবেশগত অবনতির মোকাবেলা করতে বাংলাদেশের আর্থিক খাত একটি অন্যতম চাবিকাঠি হিসেবে গুরুত্বপূর্ণ ভূমিকা পালন করবে।

ন্যাশনাল ব্যাংক, বাংলাদেশ ব্যাংকের গাইডলাইনস অনুসারে গ্রীণ ব্যাংকিং কার্যক্রম পরিচালনার উদ্দেশ্যে একটি গ্রীণ ব্যাংকিং ইউনিট, একটি গ্রীণ ব্যাংকিং নীতিমালা ও পরিকল্পনা প্রণয়ন করেছে। ব্যাংকের একটি সুনির্দিষ্ট নীতিমালা এবং একটি সবুজ কৌশল পরিকল্পনা শীঘ্রই কার্যকর হচ্ছে। এ উদ্দেশ্যে ব্যাংক অভ্যন্তরীণ পরিবেশগত উন্নয়ন ও গ্রীণ ব্যাংকিং কার্যক্রম ত্বরান্বিত করার উদ্দেশ্যে কর্মচারীদের প্রয়োজনীয় প্রশিক্ষণের জন্য ইতোমধ্যে অর্থ বিনিয়োগ করেছে। গ্রীণ ব্যাংকিংয়ের সার্বিক পরিকল্পনার অংশ হিসেবে ন্যাশনাল ব্যাংক পরিবেশবান্ধব প্রকল্পসমূহকে অর্থায়নের মাধ্যমে গ্রীণ ফাইন্যান্স এর সুযোগ সৃষ্টি করেছে। গ্রাহকদের জন্য প্রচলিত পেমেণ্টের বিভিন্ন পদ্ধতিগুলোকে আরো বিস্তৃত করার লক্ষ্যে সবুজে অর্থায়ন, অনলাইন ব্যাংকিং, এসএমএস ব্যাংকিং এবং ডেবিট কার্ডের মাধ্যমে কার্যক্রম শুরু করেছে।

### ঋণ প্রশাসন

ঋণ প্রশাসন বিভাগ ঋণ সমূহ সঠিক, ব্যাপকতর এবং সময়োচিত তত্ত্বাবধান নিশ্চিত করে। এই বিভাগ সিকিউরিটি ডকুমেন্টস চেক লিস্ট (SDC) ও অন্যান্য গুরুত্বপূর্ণ নথিসমূহ, যেগুলো ঋণ প্রদানের ঝুঁকি ও শর্তের মধ্যে থাকে, শাখাসমূহের নিকট থেকে সেগুলো পরিপালনে নিশ্চয়তা পাওয়া স্বাপেক্ষে মঞ্জুরিকৃত বা মেয়াদ বর্ধিত ঋণ যথাযথ ও সঠিকভাবে উত্তোলনের অনুমোদন প্রদান করে থাকে। এবং এগুলো বিভিন্নভাবে তদারকির ব্যবস্থা গ্রহণ করে থাকে। যেমন : অগ্রিম সতর্কতা, যথাসময়ে ঋণ নবায়ন, ঋণসীমা নিয়ন্ত্রণ, বিভিন্ন মেয়াদী যেমন : মাসিক ত্রৈমাসিক/ষান্মাসিক/বার্ষিকঋণ প্রধান কার্যালয় তথা বাংলাদেশ ব্যাংকে সময়মতো পাঠানো হয়েছে কিনা ইত্যাদি এবং সম্ভাব্য সব উপায়ে SMA ও SS ঋণ হ্রাসকরণে কার্যকর ভূমিকা পালন করে থাকে। তাছাড়া সার্বক্ষণিক নজরদারির মাধ্যমে ঋণ গ্রহীতাদের খেলাপী হবার প্রবণতা রোধ করে ঋণের গুণগত মান বজায় রাখে। ফলে ঋণ প্রদানের স্বাভাবিক লক্ষ্যমাত্রা অর্জন অব্যাহত থাকে, যা ব্যাংকের মুনাফা বৃদ্ধিতে সহায়তা করে থাকে। এছাড়াও ব্যাংকে সমন্বিত ঋণ নিয়ন্ত্রণ পদ্ধতি (Integrated Supervision System- ISS) নামে একটি নতুন সেল গঠন করা হয়েছে এবং যেটি ঋণ প্রশাসন বিভাগের সাথে তত্ত্বাবধানে কার্যক্রম পরিচালনা করে থাকে। অত্র বিভাগের কাজ হচ্ছে বাংলাদেশ ব্যাংক কর্তৃক প্রদত্ত সুনির্দিষ্ট ফরম্যাট অনুযায়ী শাখাসমূহের নিকট থেকে তথ্য সংগ্রহ করা এবং মাসিক ও ত্রৈমাসিক ভিত্তিতে সেগুলো বাংলাদেশ ব্যাংকে প্রেরণ করা। এই সমস্ত তথ্য ব্যবস্থাপনা কর্তৃপক্ষকে ঋণ সংক্রান্ত যে কোনো বিষয়ে যথাযথ সিদ্ধান্ত নিতে সহায়তা করে থাকে। এছাড়া ঋণ প্রশাসন বিভাগে রয়েছে সিআইবি (Credit Administration Bureau- CIB) ইউনিট, যা ঋণ গ্রহীতাদের সমস্ত তথ্য সংগ্রহ করে শাখাসমূহকে সরবরাহ করে থাকে। ঋণ শ্রেণীবিন্যাস (Classified) ও প্রভিশনিং (CL) বিভাগ শাখা থেকে নির্ধারিত ফরম্যাটে মাসিক ভিত্তিতে বিবরণী সংগ্রহ করে এগুলো বাংলাদেশ ব্যাংকে প্রেরণ করে এবং ব্যবস্থাপনা কর্তৃপক্ষের প্রয়োজন অনুসারে শ্রেণীবিন্যাসিত ঋণের এমআইএস (MIS) রিপোর্ট তৈরি করে। এসব কার্যাবলী ছাড়াও গত বছর থেকে সার্ভেয়ার কোম্পানি তালিকাভুক্ত করা/মেয়াদ বৃদ্ধিকরণ কিংবা মেয়াদশেষে তালিকা থেকে অব্যাহতি দেয়ার কাজও ঋণ প্রশাসন বিভাগ করছে।

air pollution, water pollution and scarcity, encroachment of rivers, improper disposal of industrial medical and house-hold waste, deforestation, loss of open space and loss of biodiversity. Bangladesh is one of the most vulnerable countries to climate change. In line with global development and response to the environmental degradation, financial sector in Bangladesh should play important roles as one of the key stake holders.

NBL has adopted comprehensive Green Banking policy in accordance with Bangladesh Bank guidelines. Green Banking Unit has already been formed with the responsibility of designing, evaluating and administering Green Banking issues. A bank specific green banking policy and a green strategic plan are in place. The bank invests in in-house environmental management, provides training to employees continuously as part of accelerating bank's green initiatives. National Bank Limited has also introduced green finance to support environmental friendly projects. Online banking, SMS banking and the debit card are already in place to broaden the payment options for customers.

### Credit Administration

Credit Administration Division (CAD) ensures proper, extensive and timely monitoring of risk assets of the Bank and on time disbursement of sanctioned/enhanced loans and advances on receipt of confirmation of documentation completion as per sanction terms and conditions from branches stipulated by Credit Risk Management Divisions through Security Documentation Checklist (SDC) and copies of important documents. Credit Administration Division constantly monitors loan portfolio performance and supervises the early alert signals of the risk assets, timely renewal of limits, control of credit limits, sample basis surprise verification of credit documentations, prepare and submission of various kinds of returns i.e., monthly quarterly/half yearly/yearly statements to Bangladesh Bank as well as our Top Management. CAD ensures every possible means to reduce SMA & SS portfolio of loans & advances. Due to constant vigilance of CAD default culture of borrowers has substantially reduced resulting of which asset retains its potential yield and ultimately enhances profit of the Bank. Besides, as per Bangladesh Bank's issued circular Integrated Supervision System (ISS) cell has been formed & incorporated with CAD. The main function of ISS is to collect some specific data from all the Branches in prescribed structure (software) provided by Bangladesh Bank and after preparation of data upload the same to the Bangladesh Bank by monthly basis through web portal. These data ensures overall financial and other information activities of the Bank which also helps in taking prudent decision. The Credit Information Bureau (CIB) unit has been included with CAD which collects all data/information of the borrowers and provides on demand CIB report to the Branches. Loan Classification and Provisioning (CL) department has also been included with Credit Administration Division. The prime function of the CL department is to collect monthly and Quarterly CL statements from Branches in a prescribed format and submit the same to the Bangladesh Bank in quarterly basis and also to prepare MIS report on non performing loans for Management. Without above noted functions, in the last year the enlistment of Surveyor Company & its renewal/de-enlistment after fixed expiry date through evaluation is also vested to CAD and that activities are running well.

## অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা

ব্যাংকের লক্ষ্য অর্জনের জন্য একটি সুসংহত নিয়ন্ত্রণ ব্যবস্থা পরিচালনা, আর্থিক প্রতিবেদনের বিশ্বস্ততা ও যথার্থতা, প্রচলিত আইনের সাথে সামঞ্জস্যতা, বিধি-বিধান ও অভ্যন্তরীণ নীতিসমূহ এবং ব্যাংকের সম্পদ তথা গ্রাহকদের বিনিয়োগের সুরক্ষার ব্যাপারে ব্যাংকের পর্ষদ তাদের সার্বিক দায়িত্ব সম্পর্কে ওয়াকিবহাল।

একটি সুষ্ঠু ও কার্যকর নিয়ন্ত্রণ ব্যবস্থা, ঝুঁকিসমূহ চিহ্নিতকরণ, পরিমাপ ও পরিবীক্ষণ করার মাধ্যমে অভ্যন্তরীণ ও বাহ্যিক ঝুঁকি ব্যবস্থাপনা নিশ্চিত করে থাকে। এ লক্ষ্যে ন্যাশনাল ব্যাংক যথাযথ নিয়ন্ত্রণ কাঠামো ও প্রক্রিয়ার উন্নয়নে বাংলাদেশ ব্যাংক ও অন্যান্য নিয়ন্ত্রণ সংস্থার প্রদত্ত নীতি-নির্দেশনা যথাযথভাবে পরিপালন করছে। এ সকল প্রক্রিয়ার কার্যকারিতা ও বাস্তবায়নের পর্যায়ে পরিচালনা পর্ষদ, নিরীক্ষা কমিটি ও ঝুঁকি ব্যবস্থাপনা কমিটি তা নিয়মিতভাবে পর্যালোচনা করে থাকে।

২০১৯ সালে অভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন বিভাগ ২০৯টি শাখা ও প্রধান কার্যালয়ের ২৫টি বিভাগের বিশেষ রপটিন পরিদর্শন সম্পন্ন করেছে। এছাড়াও ২৮টি শাখার উপর ঝুঁকিভিত্তিক নিরীক্ষা, ২৫টি শাখার উপর বিশেষ নিরীক্ষা এবং ১২টি শাখা ও প্রধান কার্যালয়ের ২টি বিভাগের উপর অনুসন্ধান কার্যক্রম পরিচালনা করেছে। তাছাড়া ৪৪টি অথোরাইজড ডিলার শাখা (অফশোর ইউনিটসহ) Online Foreign Exchange Transaction Monitoring System তদন্ত পরিচালনা করেছে এবং AML ও CFT (Anti Money Laundering & Combating Finance for Terrorism) ২১টি শাখায় নিরীক্ষা পরিচালনা করা হয়েছে। এছাড়া বাংলাদেশ ব্যাংক ৩৫টি শাখায় বিশেষ তদন্ত, ৬টি শাখায় আকস্মিক পরিদর্শন এবং ১১টি শাখার উপর বৈদেশিক বাণিজ্য পরিদর্শন কার্যক্রম পরিচালনা করেছে।

এছাড়া নিয়ন্ত্রণ কাঠামোর আনুষঙ্গিক বিষয়ে নির্বাহী স্তরের বিভিন্ন কমিটিসমূহ যেমন ঝুঁকি ব্যবস্থাপনা কমিটি (RMD), সম্পদ-দায় ব্যবস্থাপনা কমিটি (ALCO), ব্যবস্থাপনা কমিটি (MANCOM) এবং সিনিয়র ম্যানেজমেন্ট টিম (SMT) ঝুঁকি নিয়ন্ত্রণ ব্যবস্থার দুর্বলতাসমূহ চিহ্নিত করে শক্তিশালী করার সুপারিশ করে থাকে। বহিঃনিরীক্ষকও বাৎসরিক ভিত্তিতে অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা (ICS) পর্যালোচনা করে থাকে।

এসকল কাঠামোগত প্রক্রিয়ার ফলাফল ও সুপারিশসমূহ নিয়ন্ত্রণ কর্তৃপক্ষের নির্দেশনা অনুযায়ী পরিচালনা পর্ষদ, নিরীক্ষা কমিটি, ঝুঁকি ব্যবস্থাপনা কমিটি ও উর্ধ্বতন ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক যথাযথভাবে মূল্যায়ন ও পরিবীক্ষণ করা হয়। এ সকল ব্যবস্থা ও তার কার্যক্রম প্রক্রিয়া পরিচালনা পর্ষদ ও ব্যবস্থাপনা কর্তৃপক্ষের মাঝে সেতুবন্ধন হিসেবে কাজ করে এবং নিরাপদ, সুষ্ঠু ও সামঞ্জস্যপূর্ণ ব্যাংকিং কার্যক্রম নিশ্চিত করতে প্রহরির ভূমিকা পালন করে থাকে।

## অর্থের দুর্বৃত্তায়ন বা মানি লন্ডারিং এবং সন্ত্রাসী অর্থায়নে ঝুঁকি ব্যবস্থাপনা

ব্যাংকিং জগতের ছয়টি মূল ঝুঁকি উপাদানের একটি হলো অর্থের দুর্বৃত্তায়ন বা মানি লন্ডারিং। মানি লন্ডারিং ও সন্ত্রাসী অর্থায়ন হচ্ছে শান্তিযোগ্য অপরাধ যেগুলো বিশ্বব্যাপী সামাজিক, রাজনৈতিক ও সাংস্কৃতিক উন্নয়নকে বাধাগ্রস্ত করে সমগ্র অর্থনীতিকে ক্ষতিগ্রস্ত করছে। তাই ব্যাংক ব্যবস্থাপনায় মানি লন্ডারিং ও সন্ত্রাসী অর্থায়ন প্রতিরোধকল্পে শক্তিশালী বিধি-বিধান থাকা আবশ্যিক। শুধুমাত্র ব্যাংকিং কার্যক্রমে স্বচ্ছতা ও জবাবদিহিতা বজায় রাখার জন্য নয়, বরং যে কোনো অর্থনৈতিক দুর্যোগ মোকাবেলা করার জন্য জনগণের

## Internal Control System

The Board duly acknowledges its overall responsibility to maintain a sound control system with a view to achieving Bank's objectives in an effective and efficient manner, reliability and timeliness of financial reporting, compliance with applicable laws, regulations & internal policies and safe-guarding the Bank's assets as well as stakeholders investments.

Effective control system results in better internal and external risk management in terms of identification, measurement, monitoring and mitigation of risks that could adversely affect the achievement of Bank's goal. Keeping this in mind, an appropriate control structure and process have been developed and adopted since long in line with the policy guidelines of Bangladesh Bank and other regulatory bodies. The effectiveness and implementation status of the process are reviewed by the Risk Management Committee, Audit Committee and Board.

In 2019, the Internal Control & Compliance Division (ICCD) conducted Comprehensive Routine Inspection at 209 Branches and 25 Divisions at Head Office. They conducted Risk Based Inspection at 28 Branches, Special Inspection at 25 Branches, Investigation at 12 Branches & 02 Divisions at Head Office, Comprehensive Audit on reporting in "Online Foreign Exchange Transactions Monitoring System" at 44 Authorized Dealer (AD) Branches including Offshore Banking Units and Separate Inspection on Anti Money Laundering & Combating the Financing of Terrorism (AML & CFT) at 21 Branches in addition to regular Inspection. Bangladesh Bank carried out Comprehensive Inspection at 35 Branches, Surprise Inspection at 06 Branches and Foreign Exchange Inspection at 11 Branches. They also conducted audit on yearly accounts and Special Inspection on 05 Core Risks.

Besides the above, other key components of control structures like Risk Management Committee, Asset Liability Committee (ALCO), Management Committee (MANCOM), Senior Management Team (SMT) are also contributing in strengthening the risk based control system identifying the weaknesses and recommending solutions. External Auditors also review the functions of internal control system (ICS) on yearly basis.

Outcome of these structured processes with suggestion there against are properly addressed, evaluated and monitored by the Higher Management, Risk Management Committee, Audit committee and Board as per directives of regulatory authorities. It acts as bridge between Management and Board; and also works as watchdog to ensure safe, sound and compliant operations in the Bank.

## Money Laundering and Terrorist Financing Risk Management

Money Laundering Risk is one of the six core risk factors in banking arena. Money laundering and terrorist financing are serious crimes that affect the economy as a whole by impeding the social, economic, political, and cultural development of societies worldwide. It is therefore critically important to have in place strong anti money laundering/combating the financing of terrorism (AML/CFT) oversight mechanisms, not only to protect the integrity of the banking system, but also to ensure that public funds mobilized to address the financial crisis will not be misused or misappropriated.

সম্পদের অপব্যবহার ও অপ্রয়োজনীয় ব্যবহার রোধ করার জন্যও এর প্রয়োজন রয়েছে। মানি লন্ডারিং সম্পর্কে জনসচেতনতা বৃদ্ধি, মানি লন্ডারিং ও সন্ত্রাসী অর্থায়নের ঝুঁকি কমানো, বেআইনীভাবে বিদেশে অর্থ পাঠানো এবং মানি লন্ডারিং প্রতিরোধ আইন, ২০১২ (২০১৫ এর সংশোধনীসহ), সন্ত্রাসবিরোধী আইন, ২০০৯(২০১২ ও ২০১৩ এর সংশোধনীসহ) বাস্তবায়নের লক্ষ্যে ন্যাশনাল ব্যাংক লিমিটেড ইতোমধ্যে বিভিন্ন পদক্ষেপ গ্রহণ করেছে। বিধি-বিধানের অতি সাম্প্রতিক পরিবর্তনের ভিত্তিতে ন্যাশনাল ব্যাংক লিমিটেড মানি লন্ডারিং ও সন্ত্রাসী অর্থায়ন গাইডলাইনস সংশোধন করেছে। যা ২৫ জুলাই ২০১৯ থেকে কার্যকর। মানি লন্ডারিং ও সন্ত্রাসী অর্থায়ন প্রতিরোধের গুরুত্ব ও কর্মকর্তাদের দায়-দায়িত্ব তুলে ধরে প্রতি বছর ব্যবস্থাপনা পরিচালকের কার্যালয় থেকে একটি বার্তা শাখা পর্যায়ের সকল কর্মকর্তাদের বরাবরে প্রেরণ করা হয়। এনবিএল এর প্রধান কার্যালয়ে প্রধান মানি লন্ডারিং প্রতিরোধ পরিপালন কর্মকর্তা এবং শাখা পর্যায়ের শাখা মানি লন্ডারিং প্রতিরোধ পরিপালন কর্মকর্তাবৃন্দ সন্দেহজনক লেনদেনগুলো যাচাই-বাছাই করেন এবং বাংলাদেশ ব্যাংকে রিপোর্ট করেন। দ্রুত এবং সঠিকভাবে মানি লন্ডারিং প্রতিরোধ পরিপালন নিশ্চিত করার জন্য প্রত্যেক শাখায় পাঁচ জন কর্মকর্তার সমন্বয়ে শাখা পরিপালন ইউনিট গঠন করা হয়েছে। ন্যাশনাল ব্যাংক আন্তর্জাতিকভাবে তালিকাভুক্ত সন্ত্রাসী ব্যক্তি, গোষ্ঠী বা প্রতিষ্ঠানের নামে অথবা অনুকূলে সংঘটিত যে কোনো অর্থনৈতিক লেনদেন প্রতিরোধ করার জন্য ইতোমধ্যে AML Sanction Screening Software ব্যবহার করছে। প্রাথমিকভাবে এসব যাচাই-বাছাই শাখা কর্তৃক সম্পন্ন হয়ে থাকে এবং যান্মাসিক ভিত্তিতে শাখা সিসিইউ ও আইসিডি বরাবরে এসব রিপোর্ট প্রেরণ করে থাকে। শাখা থেকে পাওয়া এসব রিপোর্টের ভিত্তিতে একটি মূল রিপোর্ট তৈরি করা হয় এবং সে অনুসারে যথাযথ ব্যবস্থা গ্রহণ করা হয়। ব্যাংকের সকল নির্বাহী ও কর্মকর্তাদের মধ্যে সচেতনতা বৃদ্ধি ও সন্দেহজনক লেনদেন চিহ্নিত করতে দক্ষতা বৃদ্ধির লক্ষ্যে নিয়মিতভাবে প্রশিক্ষণ ও কর্মশালার আয়োজন করা হয়। মানি লন্ডারিং ও সন্ত্রাসী অর্থায়ন প্রতিরোধের প্রশিক্ষণ ছাড়াও ব্যাংক বিভিন্ন বিষয়শাখায় প্রশিক্ষণ যেমনঃ বৈদেশিক বাণিজ্যভিত্তিক মানি লন্ডারিং প্রশিক্ষণ, UNSCR Screening সম্পর্কিত প্রশিক্ষণ এবং ঋণ ও আদায় সম্পর্কিত প্রশিক্ষণ দিয়ে থাকে।

### সাব অর্ডিনেট বন্ড

২০১০ সালে বিশ্ব অর্থনীতিতে বিরূপ অবস্থার পর থেকে বিশ্ব অর্থনীতির নিয়ন্ত্রকগণ ব্যাংকের ঝুঁকি গ্রহণ ক্ষমতাকে শক্তিশালী করার ব্যাপারে অত্যন্ত সতর্ক হয়ে ওঠেছে এবং ব্যাসেল - ৩ নামে অত্যন্ত কার্যকর Capital to Risk Weighted Asset Ratio (CRAR) কাঠামো চালু করেছে। ব্যাংকের মূলধন ভিত্তিকে শক্তিশালী করা এবং ব্যাসেল - ৩ এর সাথে সমন্বয় করে বাংলাদেশ ব্যাংকের নির্দেশনা অনুসারে এবং টিয়ার (Tier-II) কে বৃদ্ধি কল্পে ন্যাশনাল ব্যাংক ইতোমধ্যে ৪,০০০.০০ মিলিয়ন টাকার সাব অর্ডিনেট বন্ড ইস্যু করেছে।

### শেয়ারহোল্ডার ইকুইটি

দূরদর্শী মূলধন কাঠামো বজায় রাখতে ব্যাংকের একটি সামঞ্জস্যপূর্ণ লভ্যাংশ নীতিমালা আছে। এই নীতিমালা অনুযায়ী যখন মূলধনের ভিত শক্তিশালী করার লক্ষ্যে বিভিন্ন সময়ে এনবিএল তার শেয়ার মালিকদের জন্য উচ্চ লভ্যাংশ ঘোষণা করেছে। ডিসেম্বর ৩১, ২০১৯ সালে ব্যাংকের শেয়ারহোল্ডারদের তহবিলের পরিমাণ ছিল ৪৯,০৩৭.৫৬ মিলিয়ন টাকা, যা স্থানীয় বেসরকারী ব্যাংকগুলোর মধ্যে সর্বোচ্চ বলে বিবেচনা করা হয়।

National Bank Limited has taken various steps in order to create consciousness about prevention of Money Laundering, mitigate the risks of ML/TF, prevent the un-authorized transfer of money abroad and to implement Money Laundering Prevention Act, 2012 (as amended in 2015) and Anti Terrorism Act, 2009 (as amended in 2012 & 2013). On the backdrop of the recent change of regulations NBL has revised the Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) Policy Guidelines on 25th July, 2019. Every year a message from the Managing Director's office is given to all employees of the bank reiterating the importance of AML, CFT & responsibilities of bank officials. Central Compliance Committee (CCC) has been formed to formulate organizational strategy and program to prevent money laundering & terrorist financing activities. CCC arranges meetings for at least 4 (four) times in a year to take decision and provide instructions by reviewing the overall condition of bank regarding AML/CFT compliance. A designated Chief Anti Money Laundering Compliance Officer and a Deputy Chief Anti Money Laundering Compliance Officer at Head Office and Branch Anti Money Laundering Compliance Officers at branch level ensure AML/CFT compliance. Besides, Branch compliance unit (BCU) has been created in each branch consisting of 5 (five) members for ensuring prompt and accurate compliance related to AML/CFT. AML Sanction Screening Software is being used for preventing any sort of financial relation establishment or transitions with or in favor of the international sanctioned terrorist individual, group or entities. Self assessment is done by the branches and submitted to Anti Money Laundering Department (AML) and Internal Control and Compliance Division (ICCD) on half yearly basis. A summary report is prepared and necessary actions are taken on the basis of self assessment. Training programs and day long workshops are being arranged for all categories of officers and executives to create awareness for preventing money laundering & terrorist financing and develop skills to identify suspicious transaction/activities. Besides basic AML & CFT training, bank arrange job specific training or focused training i.e., Trade based money laundering training, UNSCR screening related training, credit fraud and ML related training.

### Subordinated Bond

After global economic turmoil in 2010, the global financial regulators are more concerned to enhance risk resilience capacity of the banks and introduced more risk sensitive capital adequacy framework namely Basel III. With the view to strengthen capital base of the bank and subsequently to meet up the capital adequacy ratio as per Bangladesh Bank's instruction in line with BASEL-III Accord, and to support the Tier-II capital NBL has issued Subordinated Bond of BDT 4,000 million.

### Shareholders' equity

In accordance with the prudent capital structure plan, the Bank has a consistent dividend policy. In this direction NBL declared high stock dividend as and when possible to strengthen the capital base. The Bank was able to build up shareholders' funds of BDT 49,037.56 million as at 31 December 2019, which is considered to be the highest among local private Banks.

মিলিয়ন টাকা

বিবরণ	২০১৯	২০১৮	প্রবৃদ্ধি
পরিশোধিত মূলধন	২৯,২০৩.৯৯	২৬,৫৪৯.০৮	১০.০০%
বিধিবদ্ধ সঞ্চিতি	১৫,৮৩৫.৭১	১৪,৩৮০.৮৩	১০.১২%
অন্যান্য সঞ্চিতি	৯৬৫.৯৮	৯০২.১২	৭.০৮%
সংরক্ষিত মুনাফা	৩,০৩১.৮৯	২,৯৭৭.৩২	১.৮৩%
মোট	৪৯,০৩৭.৫৬	৪৪,৮০৯.৩৫	৯.৪৪%

Particulars	Year-2019	Year-2018	Growth
Paid-up Capital	29,203.99	26,549.08	10.00%
Statutory Reserve	15,835.71	14,380.83	10.12%
Other Reserve	965.98	902.12	7.08%
Retained Earnings	3,031.89	2,977.32	1.83%
<b>Total</b>	<b>49,037.57</b>	<b>44,809.35</b>	<b>9.44%</b>

ক্রেডিট রেটিং

ইমার্জিং ক্রেডিট রেটিং লিমিটেড (Emerging Credit Rating Limited -ECRL) কর্তৃক ২০১৯ সালের নির্ণীত ব্যাংকের দীর্ঘমেয়াদী ক্রেডিট রেটিং AA (উচ্চারণ হবে ডাবল এ) এবং স্বল্পমেয়াদী ST-2 যা ২০২১ সালের মে পর্যন্ত বলবৎ থাকবে। নির্ণীত এই রেটিং ধারা ব্যাংকের সুসংহত আর্থিক অবস্থা প্রতিফলিত হয়েছে যা শক্তিশালী ব্যবস্থাপনা টিম, সুদবিহীন আয়ের প্রবৃদ্ধি, আমানত এবং বিনিয়োগ, উচ্চতর টায়ার-১ দ্বারা মূলধন গঠন, সম্পদের মান উন্নয়ন এবং সুনিয়ন্ত্রিত তারল্যের অবস্থান দ্বারা নির্ণয় করা হয়েছে।

Credit Rating

Emerging Credit Rating Limited (ECRL) has rated the Bank based on December 31, 2019 with "AA"(pronounced as Double A) in the Long Term and ST-2 for the Short Term. The maturity date of rating was May, 2021. The outlook of the rating is Stable. The rating reflects the strengths of the bank which is backed by a strong team of management, growth in the non-interest income, deposits and investments, adequate capital coverage with high Tier-1 capital, improved asset quality and well controlled liquidity position.

ব্যবসায়ের আয়তন

ডিসেম্বর ৩১, ২০১৯ পর্যন্ত সময়ে ব্যাংক আমানতের পরিমাণ ৫১,০৯২.৪৮ মিলিয়ন টাকা অর্থাৎ ১৬.২১% বৃদ্ধি পেয়ে ৩৬৬,২৯৮.৫১ মিলিয়ন টাকায় দাঁড়িয়েছে। একটি সংগতিপূর্ণ আমানতের ভিত্তি তৈরি করার জন্য ব্যাংক ব্যবস্থাপনা সুদবিহীন ও নিম্ন সুদের আমানত সংগ্রহের উপর গুরুত্ব প্রদান করেছে। যার কারণে পূর্ববর্তী বছরের তুলনায় ২০১৯ সালে চলতি ও সঞ্চয়ী হিসাবের অনুপাত (CASA Ratio) ব্যাংকের অনুকূলে ছিল। বৎসরের শেষে ব্যাংকের চলতি হিসাব ১৫,৩৭৫.৮৪ মিলিয়ন টাকা এবং সঞ্চয়ী হিসাব ৫১,৫৫০.২৯ মিলিয়ন টাকায় উন্নীত হয়েছে।

Business Volume

The Bank's deposit volume increased by Tk. 51,092.48 million or 16.21%, reaching Tk.366,298.51 million as of December 31, 2019. To build a favorable deposit mix Management of NBL emphasized on increase of low and no cost deposit consequently CASA ratio of the Bank became more favorable in 2019 as compared to previous year. In the year end, Bank's Current Account stood at Tk. 15,375.84 million and Saving Account at Tk. 51,550.29 million.

২০১৯ সনে ঋণ ও অগ্রিম ৪৬,২৬২.৪৭ মিলিয়ন টাকা বা ১৪.৭১% বৃদ্ধি পেয়ে ৩৬০,৭৬৯.৭৪ মিলিয়নে পৌঁছেছে, যা ২০১৮ সালে ছিল ৩১৪,৫০৭.২৬ মিলিয়ন টাকা।

Loans and advances were increased by Tk. 46,262.47 million or 14.71%, reaching Tk. 360,769.74 million by the end of 2019 while it was Tk. 314,507.26 million in 2018.

২০১৯ সালে ব্যাংক মোট ৮,৭৮৪.৪০ মিলিয়ন টাকা মুনাফা অর্জন করেছে, যা ২০১৮ সালে ছিল ৯,২১৯.১৮ মিলিয়ন টাকা। ২০১৯ সালে ব্যাংকের নীট মুনাফা ৪,১৬৪.৩৫ মিলিয়ন টাকায় দাঁড়িয়েছে, যা চলতি বাজারে সর্বোচ্চ।

The Bank made an operating profit of Tk. 8,784.40 million in 2019, which was Tk. 9,219.18 million in 2018. The Net profit in 2019 stood at Tk. 4,164.35 million which is one of top in the banking industry of Bangladesh.

অর্থনৈতিক কর্মকান্ড পর্যালোচনা - ২০১৯

ব্যাংকিং জগতে এনবিএল এর অবস্থান চার দশক ধরে। এই সময়ে ব্যাংকটি তার অর্থনৈতিক শক্তি, মূলধনের শক্তি ভিত্তি, শক্তিশালী শাখা নেটওয়ার্কিং তথা গ্রাহকদের বিশ্বাস ও আস্থা অর্জনের মাধ্যমে একটি প্রতিযোগিতামূলক অবস্থান তৈরি করতে সক্ষম হয়েছে। সুতরাং অসংখ্য বাহ্যিক চ্যালেঞ্জ মোকাবেলা সত্ত্বেও ব্যাংকটি তারল্য এবং স্বনির্ভরতার ভিত্তিতে ২০১৯ সাল সফলভাবে সমাপ্ত করেছে। আমাদের প্রধান দৃষ্টি ছিল সম্পদের গুণগত মান উন্নয়ন, শ্রেণিবিন্যাসিত ও রাইট অফ ঋণ পুনরুদ্ধার, সেবার মান বৃদ্ধিতে গুরুত্ব প্রদান এবং ব্যয় কমানোর উপর। এনবিএল এর ব্যবস্থাপনা কমিটি ব্যাংকের চলমান প্রবৃদ্ধিকে আরো বৃদ্ধি করতে এবং এর সম্পদের যথাযথ প্রয়োগের ব্যাপারে সর্বদা সচেতন ছিল।

Review of Financial Performance – 2019

NBL has been in the banking industry for four decades and privileged to have competitive advantage through its financial strength, strong capital base, strong branch network as well as the customers' trust and loyalty. Therefore despite facing numerous external challenges, the bank still managed to finish 2019 in good standing in terms of liquidity and solvency. Our focus has been on improving asset quality, recovering classified and written off loans, enhancing service excellence, and rationalizing costs. NBL's management has always been careful in upholding for continuous growth and looking for utmost utilization of its assets.

সম্পদ

ব্যবসায় সম্প্রসারণের সাথে সাথে ব্যাংকের সম্পত্তি বৃদ্ধি পেয়েছে। ৩১ ডিসেম্বর ২০১৯ পর্যন্ত সময়ে ব্যাংকের মোট সম্পদ ১৩.৮৪% বৃদ্ধি পেয়ে ৪৬৩,৫৭৪.৭৮ মিলিয়ন টাকায় দাঁড়িয়েছে। ৩১ ডিসেম্বর ২০১৮ সময়ে এই সম্পদের পরিমাণ

Assets

With the expansion of business, asset profile of the Bank has also increased. Total assets of the Bank grew up by 13.84% to BDT 463,574.78 million as at December 31, 2019 as against BDT 407,227.40

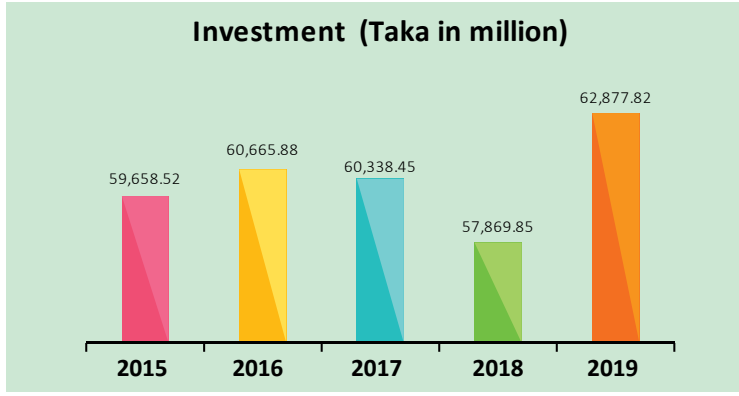


ছিল ৪০৭, ২২৭.৪০ মিলিয়ন টাকা। প্রধানতঃ ঋণ ও অগ্রিম, বিনিয়োগ, নগদ অর্থ লেনদেন এবং অন্যান্য আর্থিক প্রতিষ্ঠানের সাথে লেনদেনের মাত্রা বৃদ্ধি পাওয়ার ফলশ্রুতিতে সম্পদের এই উল্লেখযোগ্য প্রবৃদ্ধি অর্জিত হয়েছে।

২০১০ সাল হতে অন্যতম প্রাইমারী ডিলার হিসাবে কেন্দ্রীয় ব্যাংক কর্তৃক আহৃত সরকারী ট্রেজারি বিল ও বন্ডের নিলামে অংশগ্রহণ করে নির্ধারিত পরিমাণ

বিল ও বন্ড ক্রয়ের বাধ্যবাধকতা রয়েছে। আলোচিত বছর ৫০,২৩১.২০ মিলিয়ন টাকার সরকারী সিকিউরিটিজ ক্রয় করা হয়েছে। এর বিপরীতে ৩১ ডিসেম্বর ২০১৯ পর্যন্ত এনবিএল এর বিনিয়োগের পরিমাণ দাঁড়িয়েছে ৬২,৮৭৭.৮২ মিলিয়ন টাকায় যার মধ্যে সরকারী বিনিয়োগ রয়েছে ৭৯.৮৯%।

আলোচ্য সময়ে ব্যাংকের ঋণ ও অগ্রিমের পরিমাণ বৃদ্ধি পেয়েছে ১৪.৭১%। দেশের সামগ্রিক শিল্পের অবস্থা বিবেচনা করে ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষ গ্রাহকদেরকে সহায়তা করার জন্য তাদের কর্মতৎপরতার উপর ভিত্তি করে বিচক্ষতার সাথে অর্থ বরাদ্দ দিয়েছে। আনুষঙ্গিক ঝুঁকিসমূহের যথার্থ বিশ্লেষণপূর্বক পর্যাপ্ত সহযোগী জামানত গ্রহণের বিপরীতে নতুন গ্রাহকদেরও ঋণ সুবিধা প্রদান করা হয়েছে।

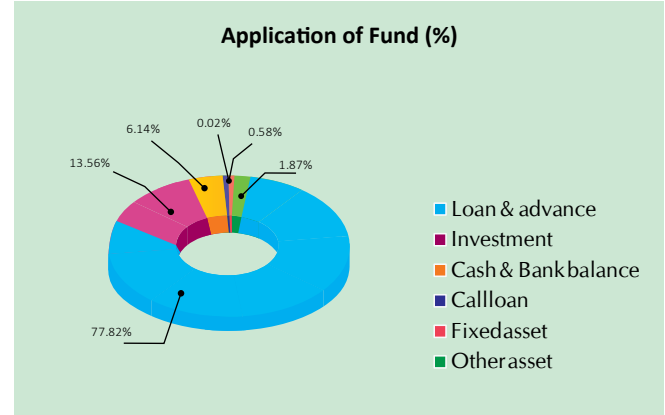
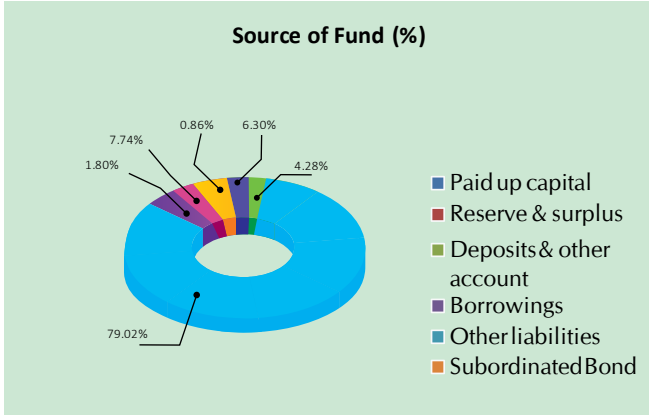


million of December 31, 2018. The significant increase in assets was mainly achieved due to rise in loans and advances, investments, cash and balances with other banks and financial institutions.

As a Primary Dealer since 2010 the Bank has to acquire a certain portion of Government Treasury Bills & Bonds by participating in bids

offered by the central bank. During the year Government Securities of Tk. 50,231.20 million are acquired. Investment portfolio of NBL as on December 31, 2019 stood at 62,877.82 million out of which 79.89% is Government Securities.

The growth of Loans and advances of the Bank during the period under review was 14.71%. Considering the overall industry condition of the country the management of the bank disbursed the advances in prudent manner to support the existing customers based on their performances. New customers were also accommodated with proper scrutiny of associated risks.



## দায়সমূহ

৩১ ডিসেম্বর ২০১৯ এ ব্যাংকের মোট দায় ১৪.৩৮% বৃদ্ধি পেয়ে ৪১৪,৫৩৭.২২ মিলিয়ন টাকায় দাঁড়িয়েছে, যা ৩১ ডিসেম্বর, ২০১৮ পর্যন্ত ছিল ৩৬২,৪১৮.০৫ মিলিয়ন টাকা। মূলত আমানত বৃদ্ধিসহ আয়কর ও ঋণের সংস্থান বৃদ্ধির কারণে দায়ের এই পরিমাণ বৃদ্ধি ঘটেছে।

পূর্ববর্তী বছরের তুলনায় ২০১৯ সালে অন্যান্য ব্যাংক, আর্থিক প্রতিষ্ঠান ও প্রতিনিধিদের নিকট থেকে গৃহীত কর্জের পরিমাণ ৫.৯৯% হ্রাস পেয়ে ৮,৩৩৭.৭২ মিলিয়নে দাঁড়িয়েছে।

## আমানতসমূহ

দেশের মধ্যে গ্রাম ও শহর এলাকায় ব্যাংক শাখার সংখ্যা বৃদ্ধি, বৈদেশিক মুদ্রা অর্জনকারীদের সুবিধা প্রদান, প্রতিযোগিতামূলকভাবে বাণিজ্যিকীকরণ এবং নতুন ডিপোজিট প্রডাক্টস ও গুণসম্পন্ন সেবা প্রদান প্রভৃতি কারণে

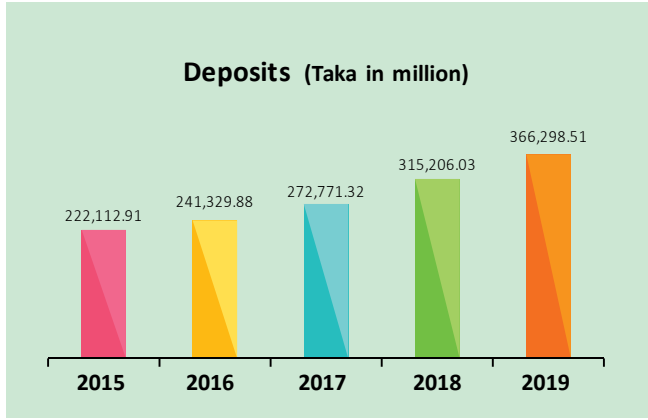
## Liabilities

Total liabilities of the Bank increased to Tk. 414,537.22 million as of 31 December 2019 from BDT 362,418.05 million in 2018 registering a growth of 14.38%. This was mainly due to increase of deposits and making of provision for taxation, loans, advances etc.

Borrowings from other banks, financial institutions and agents have decreased by 5.99% in 2019 in comparison to the previous year.

## Deposits

Deposit grew steadily through expansion of branch network in urban and rural areas within the country and expansion of overseas operations to facilitate the wage-earners. Vigorous marketing of innovative and competitive deposit products and ensuring quality



২০১৯ সমাপনী বছরে ব্যাংকের আমানতের প্রবৃদ্ধি পূর্ববর্তী বছরের তুলনায় ১৬.২১% বৃদ্ধি পেয়ে ৩৬৬,২৯৮.৫১ মিলিয়ন টাকায় দাঁড়িয়েছে।

### পরিচালন ও নীট মুনাফা

অভ্যন্তরীণ ও বাহ্যিক বিভিন্ন প্রতিবন্ধকতার কারণে ২০১৯ সালটি ব্যাংকিং খাতের জন্য ছিল একটা বড় চ্যালেঞ্জস্বরূপ। এ বছর গড় সুদের হার ছিল ১০.৪৮% যা বাজারে বিদ্যমান সুদের হারের সাথে ছিল প্রতিযোগিতামূলক। বিচক্ষণতার সাথে ঝুঁকি ও প্রতিদ্বন্দিতা মোকাবেলা করার ফলে এ বছর অর্থনৈতিক খাতে আমাদের সামগ্রিক কার্যক্রম সন্তোষজনক ছিল।

২০১৯ সালে এনবিএল ৮,৭৮৪.৪০ মিলিয়ন টাকা পরিচালন মুনাফা অর্জন করেছে। ২০১৮ সালে এই মুনাফার পরিমাণ ছিল ৯,২১৯.১৮ মিলিয়ন টাকা। ২০১৯ সালে কর পরবর্তী নীট মুনাফার পরিমাণ ৪,১৬৪.৩৫ মিলিয়ন টাকায় দাঁড়িয়েছে, ২০১৮ সালে যার পরিমাণ ছিল ৪,১০০.৩১ মিলিয়ন টাকা।

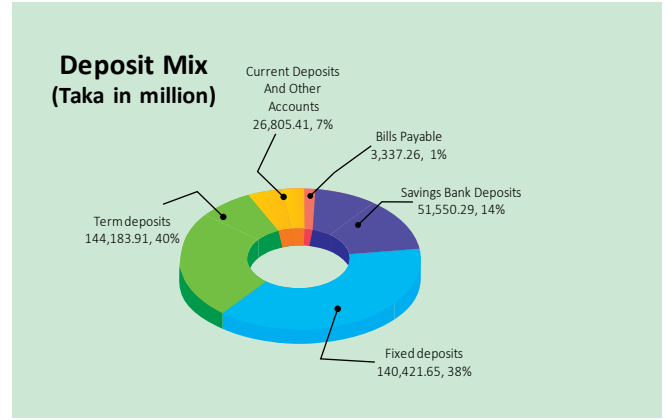
আমানত খরচ কম হওয়া, ঋণের প্রবৃদ্ধি অব্যাহত থাকা, যৌক্তিক পুনঃতফসিল করণের মাধ্যমে অলস ঋণগুলোকে (NPLs) নিয়মিতকরণ এবং সামগ্রিকভাবে পরিচালকমন্ডলী ও ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষের দূরদর্শী সিদ্ধান্তের ফলে ব্যাংক ২০১৯ সালে ৪,১৬৪.৩৫ মিলিয়ন টাকার নীট মুনাফা করেছে, যা ২০১৮ সালে ছিল ৪,১০০.৩১ মিলিয়ন টাকা।

### আয়

মুনাফা অর্জনের পথ প্রশস্ত করার লক্ষ্যে ব্যবসায়ের বহুমুখীকরণ এবং ঝুঁকিসমূহের নিরসন নিশ্চিত করাই ঋণ প্রদান নীতির প্রতিপাদ্য বিষয় হিসেবে বিবেচিত। ন্যাশনাল ব্যাংক লিমিটেড সময়োচিত দূরদর্শী সিদ্ধান্ত গ্রহণের মাধ্যমে ২০১৯ সালে এই চ্যালেঞ্জ মোকাবেলা করতে সক্ষম হয়েছে। ২০১৯ সালে ব্যবসায়ের প্রতিটি শাখার সুখম অবদান এবং তৃণমূল ব্যাংকিং কার্যক্রম থেকে আয় উল্লেখযোগ্যভাবে বৃদ্ধি পেয়েছে। আয়ের প্রধান অনুষ্ঙ্গ হলো অগ্রিমের বিপরীতে পাওয়া সুদ, ট্রেজারি ও অন্যান্য বিনিয়োগ থেকে আয় এবং সেবা খাতের ফি ও কমিশন ভিত্তিক আয়। ২০১৯ সালে ব্যাংকের মোট পরিচালন আয় ১৩.৬১% বৃদ্ধি পেয়ে ৩৯,৯০৪.১০ মিলিয়ন টাকায় দাঁড়িয়েছে, ২০১৮ সালে যার পরিমাণ ছিল ৩৫,১২৪.৬৩ মিলিয়ন টাকা।

### ব্যয়সমূহ

কর ও ঋণের বিপরীতে সংস্থান সংরক্ষণের পাশাপাশি কর্মচারীদের বেতন-ভাতাদি, ভবন ও যন্ত্রপাতি রক্ষণাবেক্ষণ ব্যয়, সংস্থাপন ব্যয়, মুদ্রণ ব্যয়, প্রযুক্তিগত ব্যয়, সামাজিক দায়বদ্ধতা খাতে ব্যয় ও শাখা সম্প্রসারণ জনিত কারণে ব্যয় প্রভৃতি ব্যাংকের মোট পরিচালন ব্যয়ের প্রধান অনুষ্ঙ্গ।



counter services have culminated into continued deposit growth. The deposit registered a growth of 16.21 % in 2019 year over the last year and stood at BDT 366,298.51 million.

### Operating & Net Profit

The year 2019 was another challenging year for the banking sector due to various domestic and external factors beyond the control. During the year average yield was 10.48% which was competitive in the prevailing market yield percentage. Enduring challenges with prudence our overall operating result was satisfactory due to proper balance of deposit mix to minimize the average cost of fund and maintained a stable margin.

NBL generated operating profit of Tk. 8,784.40 million in 2019 which was Tk. 9,219.18 million in 2018. Net Profit after tax stood at Tk. 4,164.35 million in 2019 after making provision for loan loss and taxation, which was Tk. 4,100.31 in 2018.

Decrease of net profit is due to increase in cost of fund, steady credit growth, regularization of NPL through rescheduling arrangement and overall prudent decision of Board of Directors and Bank Management and gain on govt. securities of BDT 4,164.35 million in 2019 which was BDT 4,100.31 million in 2018.

### Income

Diversification of business to augment profitability mitigating risks is the main focal point of our lending policy. Timely prudent decisions contributed to overcome the challenges of 2019. Consistent contribution from each segment of business, earning capability from the core banking operation has increased significantly during 2019. Major contributory segments were interest on advances, Treasury and other Investment income, fee and commission based income. Total operating income of the bank registered a growth of 13.61% and stood at Tk. 39,904.10 million in 2019 which was Tk. 35,124.63 million in 2018.

### Expenses

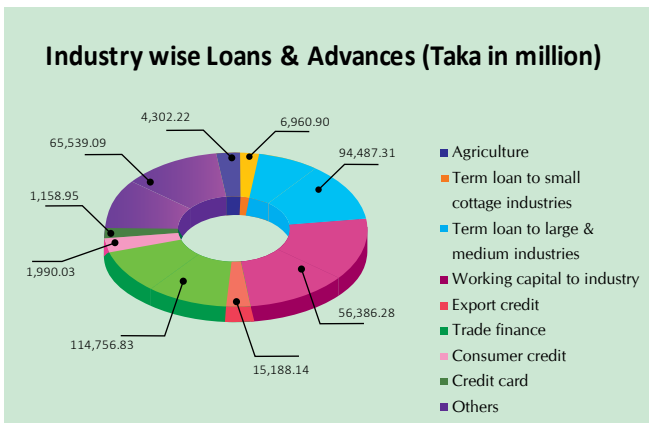
Employee salary & other remunerations, maintenance of premises & equipments, establishment expenses, printing, ITC expenses, CSR activities etc. and expansion of branch network are the main components of operating expenses besides the provisions for Tax & Loan Loss.

ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষ বছরের শুরু থেকেই সুদ বহির্ভূত ব্যয় হ্রাসের উপর গুরুত্ব দিয়ে আসছিল। একইসাথে মুনাফার প্রবৃদ্ধির লক্ষ্যে শ্রেণীকৃত ঋণ ও অবলোপনকৃত ঋণ আদায়েও তৎপর থেকেছে।

২০১৯ সালে ব্যাংকের মোট পরিচালন ব্যয় পূর্ববর্তী বছর অপেক্ষা ৫.৭৫% বৃদ্ধি পেয়ে ৬,৮৭১.৯৯ মিলিয়ন টাকায় দাঁড়িয়েছে, যা ২০১৮ সালে ছিল ৬,৪৯৮.৩৮ মিলিয়ন টাকা।

### ঋণ ও অগ্রিম

২০১৯ সালে আমরা আরেকটি চ্যালেঞ্জিং বছর অতিবাহিত করেছি, যার মূলে ছিল বেসরকারি খাতে ঋণ চাহিদার কমতি, উদ্বৃত্ত তারল্য এবং প্রথম প্রান্তিকে রাজনৈতিক আন্দোলন। একটি প্রতিষ্ঠানের মূল শক্তি তখনই পরিক্ষীত হয় যখন সেই প্রতিষ্ঠান পরিবেশের ছুড়ে দেয়া চ্যালেঞ্জকে মোকাবেলা করতে সক্ষম হয় এবং সেখান থেকে নিজের সুবিধা আদায় করে নিতে পারে। সুদের হারে নিম্নমুখী প্রবণতা এবং বেসরকারী খাতে ঋণের চাহিদা অব্যাহতভাবে কমে যাওয়া সত্ত্বেও আমরা আলোচ্য বছরে সফলতা অর্জনের ক্ষেত্রে ইতিবাচক গতিতে এগিয়েছি। ২০১৯ সালে আমাদের কৌশলগত লক্ষ্য ছিল মুনাফা ও প্রবৃদ্ধি অর্জন এবং সম্পদের গুণাগুণ রক্ষণাবেক্ষণ ও মন্দ ঋণ পুনঃরুদ্ধারের মাধ্যমে ব্যাংকের ভবিষ্যত প্রবৃদ্ধির জন্য একটি শক্তিশালী ভিত্তি গড়ে তোলা। বৃহৎ ও বিভিন্ন শ্রেণীর গ্রাহকদের চাহিদার উপর ভিত্তি করে বিভিন্ন ধরনের ঋণ সুবিধা প্রদান করা হয়েছে। এই ঋণ সুবিধাগুলো হচ্ছে কৃষি, এসএমই, শিল্প, গৃহ নির্মাণ, ক্রেডিট কার্ড, বাণিজ্য সেবা প্রভৃতি। ব্যাংক সর্বদা তার ঋণ ব্যবস্থাপনাকে যৌক্তিক করার জন্য ঋণের গুণগত মানের প্রতি যত্নবান ছিল। ৩১-১২-২০১৯ পর্যন্ত মোট ঋণের পোর্টফোলিও পূর্ববর্তী বছরের তুলনায় ১৪.৭১% বৃদ্ধি পেয়ে ৩৬০,৭৬৯.৭৪ মিলিয়ন টাকায় পৌঁছেছে।



### তৈরি পোশাক শিল্পে ঋণ

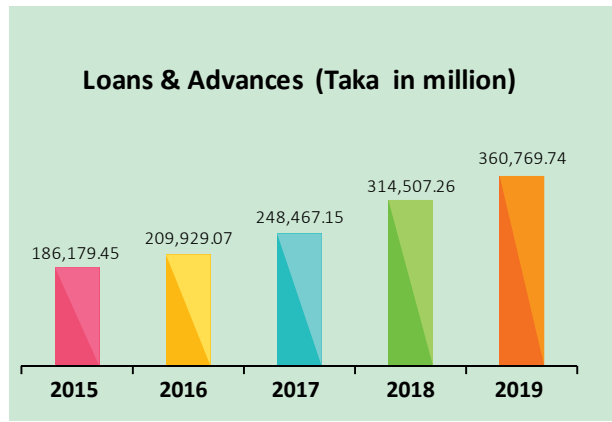
তৈরি পোশাক শিল্প বর্তমানে বাংলাদেশের সবচেয়ে গুরুত্বপূর্ণ খাত, যা দেশের অর্থনৈতিক উন্নয়নে গুরুত্বপূর্ণ ভূমিকা রেখে আসছে। এই শিল্প বাংলাদেশে ব্যাপক কর্মসংস্থান সৃষ্টি, নারীর ক্ষমতায়ন, রপ্তানি আয় বৃদ্ধি, সমৃদ্ধ বৃদ্ধি এবং দারিদ্রতা হ্রাসকরণে ইতিবাচক ভূমিকা রাখছে। বাংলাদেশের অর্থনীতিতে

The management of the Bank gave utmost emphasis to keep the non-interest expenses at minimum level since beginning of the year and also strengthened the recovery drives of classified and written-off loans to augment the profitability.

Total operating expense of the bank was increased by 5.75% and stood at BDT 6,871.99 million in 2019 which was BDT 6,498.38 million in 2018.

### Loans and Advances

We have passed another challenging year in 2019 with moderate growth due to continued low demand for credit by the private sector, surplus liquidity and political ambiguity in the first quarter. The real strength of an organization is tested when it is able to respond to the challenges the environment throws up and turn them into an advantage. Despite the declining trend of interest rate, demand for private sector credit has remained largely low even though we have succeeded to continue the positive pace. Our strategic priorities were growth and profitability whilst maintaining asset quality and recovery of NPL to attain sturdiness during the year of 2019 and strengthening the foundations for future growth. To cater the credit requirements of our large and diversified clientele base, we have wide range of loan products covering the areas of agriculture, SME, industries, housing, consumer durables, credit card and trade services etc. The bank has always focused on the quality aspect of credit while augmenting its credit portfolio. As on 31.12.2019 the total credit portfolio reached to Tk. 360,769.74 million showing a growth of 14.71% over previous year.



Taka in million			
Particulars	Year-2019	Year-2018	Growth
Agriculture	4,302.22	3,964.24	8.53%
Term loan to small cottage industries	6,960.90	4,774.59	45.79%
Term loan to large and medium industries	94,487.31	78,154.26	20.90%
Working capital to industries	56,386.28	71,155.00	-20.76%
Export credit	15,188.14	8,905.31	70.55%
Trade finance	114,756.83	76,196.18	50.61%
Consumer credit	1,990.03	1,955.16	1.78%
Credit cards	1,158.95	1,382.83	-16.19%
Others	65,539.09	68,019.67	-3.65%
<b>Total</b>	<b>360,769.74</b>	<b>248,467.15</b>	<b>14.71%</b>

### Financing RMG

The Ready Made Garments (RMG) industry is currently the most important sector for Bangladesh economy contributing significantly in the stride of economic development of Bangladesh. It has become the most important sector contributing in employment generation, women empowerment, export earnings, savings & poverty

পোশাক শিল্পের গুরুত্বের কথা বিবেচনা করে ন্যাশনাল ব্যাংক প্রথম থেকে এই শিল্পের অর্থায়নে পৃষ্ঠপোষকতা প্রদান করে আসছে। আন্তর্জাতিক মানের সাথে সঙ্গতি রেখে আমরা এই শিল্পের মান ও কাজের পরিবেশ উন্নয়নে ঋণ প্রদান কার্যক্রম অব্যাহত রেখেছি।

তৈরি পোশাক শিল্পের উদ্যোক্তাদের টিকিয়ে রাখার জন্য ও তাদের মধ্যে প্রতিযোগিতা বৃদ্ধি কল্পে এবং একই সাথে বাংলাদেশে লক্ষ লক্ষ বেকার বিশেষ করে নারীদের জন্য কর্মসংস্থানের ব্যবস্থা করে দেশের অর্থনীতিতে একটি শক্তিশালী ভিত তৈরি করার কথা মনে রেখে এই খাতে ২০১৯ সালে ন্যাশনাল ব্যাংক ৬,৭৪৭.৫৮ কোটি টাকা ঋণ প্রদান করেছে।

## গোষ্ঠীগত অর্থসংস্থান

দারিদ্র দূরীকরণ, জীবন যাত্রার মান উন্নয়ন, শিক্ষা ও মাথাপিছু আয় বৃদ্ধি প্রভৃতি ক্ষেত্রে বাংলাদেশের অর্থনীতি দ্রুত গতিতে উন্নয়ন সাধন করেছে। পাশাপাশি ভোগ্যপণ্যের চাহিদা, বিদ্যুৎ, পরিবহন, টেলিযোগাযোগ এবং অবকাঠামোগত উন্নয়নও বৃদ্ধি পেয়েছে। দেশের এই উন্নয়ন ধারাকে অব্যাহত রাখার জন্য এনবিএল বিভিন্ন খাতে অগ্রাধিকার ভিত্তিতে ঋণ সুবিধা প্রদান করেছে।

গুরু থেকে আমরা বিভিন্ন ব্যক্তিগত খাতের উদ্যোক্তাদের উন্নয়নের অংশীদার হিসেবে বিভিন্ন নতুন ও বড় প্রকল্পে বিশেষ করে উৎপাদনশীল ও অর্থনীতি-বান্ধব প্রকল্পে ঋণ দিয়ে আসছি। ২০১৯ সালে আমরা বিভিন্ন প্রকল্পে ২,১৪০.৮৯ কোটি টাকা অর্থায়ন করেছি।

এছাড়া আমরা বিভিন্ন ব্যাংকের সাথে প্রাতিষ্ঠানিক চুক্তির মাধ্যমে বড় বড় প্রকল্পে অর্থায়ন করেছি, যাতে করে উৎপাদনশীল ক্ষেত্রে উদ্যোক্তারা তাদের বৃহৎ তহবিলের প্রয়োজন মেটাতে পারে। এসব প্রকল্পের মধ্যে আছে বস্ত্র শিল্প, বুনন শিল্প, তৈরি পোশাক শিল্প, আবাসন খাতের উন্নয়ন, ঔষধ শিল্প, বিদ্যুৎ উৎপাদন ও খাদ্য প্রক্রিয়াজাত করণ প্রভৃতি।

## কৃষি ও পল্লী ঋণ

কৃষি বাংলাদেশের অর্থনীতিতে গুরুত্বপূর্ণ ভূমিকা পালন করছে এবং বাংলাদেশের উন্নয়ন প্রধানত পল্লী অঞ্চলের উৎপাদনশীলতার উপর নির্ভরশীল। দেশের আর্থ-সামাজিক উন্নয়ন এবং আত্মকর্মসংস্থানে কৃষি খাতের গুরুত্বের কথা বিবেচনা করে ন্যাশনাল ব্যাংক লিমিটেড দেশজুড়ে তার শাখাসমূহের মাধ্যমে প্রতিষ্ঠালগ্ন থেকে কৃষি ঋণ প্রদান করে আসছে। সমাজের সুবিধাবঞ্চিত শ্রেণীকে সহায়তা করার লক্ষ্যে ন্যাশনাল ব্যাংক ভূমিহীন ও প্রান্তিক চাষীদের সরাসরি আর্থিক সুবিধা দিচ্ছে যাতে তারা বীজ, সার, কৃষি ও সেচের যন্ত্রপাতি সংগ্রহ করে কৃষিতে উন্নত মানের পণ্য উৎপাদন করতে পারে, যা প্রকারান্তরে তাদের জীবন যাত্রার মান উন্নয়নে সহায়ক হবে। এছাড়াও এনবিএল একই উদ্দেশ্যে তার নিজস্ব নেটওয়ার্কের মাধ্যমে শস্য উৎপাদন, মৎস্য চাষ, হাঁস, মুরগী ও গরুর খামারে সরাসরি অর্থায়ন করেছে। ২০১৮-২০১৯ অর্থ বছরে ন্যাশনাল ব্যাংক লিমিটেড কৃষি খাতে ৫,৪৪৮ জন নারীসহ মোট ২৭,৭৭৩ জন কৃষকের মধ্যে ৪২৮.৯৯ কোটি টাকার ঋণ বিতরণ করেছে। এরমধ্যে ১.৪৭ কোটি টাকা বিতরণ করা হয়েছে ২৪৫ জন কৃষকের মধ্যে নামমাত্র ৪% সুদে তৈলবীজ, মরিচ এবং ভূট্টা চাষের জন্য। চলমান ২০১৯-২০২০ রাজস্ব বছরের এর ডিসেম্বর ২০১৯ পর্যন্ত ন্যাশনাল ব্যাংক ১,৪০৯ জন নারীসহ ১১,৭৫২ জন কৃষকের মধ্যে ১৩০.২১ কোটি টাকা ঋণ বিতরণ করেছে। এরমধ্যে ১.১৪ কোটি টাকা বিতরণ করা হয়েছে ১৭৩ জন কৃষকের মধ্যে নামমাত্র ৪% সুদে ডাল, তৈলবীজ, মরিচ এবং ভূট্টা চাষের জন্য। ২০১৯-২০২০ অর্থ বছরের ডিসেম্বর ২০১৯ পর্যন্ত সময়ে ন্যাশনাল ব্যাংক লিমিটেড ১,৪০৯ জন মহিলাসহ ১১,৭৫২ জন কৃষকের মধ্যে ১৩০.২১ কোটি টাকার কৃষি ঋণ বিতরণ করেছে, যার মধ্যে ১.১৪ কোটি টাকা নামে মাত্র ৪% সুদে ১৭৩ জন

reduction. Considering its significance in the national economy, NBL has been allocating substantial amount to finance different RMG projects since inception to patronize this most lucrative sector of the economy. We have continued to disburse loans to the entrepreneurs for factory up gradation and improvement of working atmosphere as per international standards.

During the year of 2019, NBL has extended financing for total Tk. 6747.58 crore to support the entrepreneurs of RMG sectors to achieve sustainable growth and competitive edge of the industry as well as to provide perfect working place for the readymade garments sector of Bangladesh which has given our economy a strong footing, create jobs for millions of people, especially for women.

## Project & Syndication Financing

The economy of Bangladesh has grown rapidly in recent years with impressive track record in many areas including poverty alleviation, increased life expectancy, literacy and per capita income. Consequently, the demands for consumption, energy, transport, telecommunications & infrastructural development have increased substantially. In order to support the growth prospects of our country, NBL is always vigilant and extending credit facilities to different priority sectors.

From the very beginning, we are active partner of private sector entrepreneurs to set up new as well as BMRE of long-term infrastructure and industrial projects with special focus on productive, eco-friendly and energy efficient industries. In 2019, we have financed total Tk. 2140.89 crore in different projects.

Besides, we have continued our footprint in financing different large scale project under syndication arrangement with different banks to meet huge funding need of entrepreneurs engaged in productive sectors including Textile, Spinning, RMG, Real-estate development, Pharmaceuticals, Power Plant and Food Processing etc.

## Agriculture & Rural Credit

Agriculture plays a vital role in Bangladesh economy and the development of our country significantly depends on the productivity of rural areas. Realizing the importance of agricultural finance in creating self-employment opportunities and socio-economic development of the country, National Bank Limited has been providing Agriculture credit facilities through its own branches across the country since inception. To support the unprivileged section of the society, the Bank has undertaken direct lending facilities to landless and marginalized farmers to help them acquire seeds, fertilizer, irrigation tools & agri materials etc. for cultivation thereby playing a positive impact of improving their lifestyle. Besides, the Bank has been financing directly by its own network in crops, fishery, poultry and livestock farming sector with the same motto. In the Fiscal year 2018-2019, National Bank Limited disbursed Agriculture loan of Tk.428.99 crore among 27,773 farmers including 5,448 women. Of which, Tk.1.47 crore has been disbursed among 245 farmers for cultivation of Pulse, Oil Seeds, Spices & Maize under concessional rate @4%. Up to December-2019 of the present financial year 2019-2020, National Bank Limited disbursed Agriculture loan of Tk.130.21 crore among 11,752 farmers including 1,409 women. Of which, Tk.1.14 crore has been disbursed among 173 farmers for cultivation of Pulse, Oil Seeds, Spices & Maize

কৃষকের মধ্যে বিতরণ হয়েছে করা ডাল, তৈলবীজ, মরিচ ও ভূট্টা চাষের জন্য। বাংলাদেশকে দুগ্ধ উৎপাদনে স্বয়ংসম্পূর্ণ করার লক্ষ্যে ন্যাশনাল ব্যাংক ২০১৬ সালে ৭১৪ জন নারীসহ ৭৫৯ জন দুগ্ধ খামারির মধ্যে ৫.০০ কোটি টাকা বিতরণ করেছে, যা বাংলাদেশ ব্যাংক সংস্থান করেছিল এবং ২০১৭ সালে বাংলাদেশ ব্যাংকের পুণঃঅর্থায়ন স্কিমের আওতায় ২২১ জন নারীসহ ২৫৯ জন দুগ্ধ খামারির মধ্যে ২.০০ কোটি টাকার ঋণ বিতরণ করেছে।

## দারিদ্র মুক্তি (Daridro Mukti)

ন্যাশনাল ব্যাংক সর্বদা অপেক্ষাকৃত পশ্চাৎপদ খাতে আর্থিক সুবিধা প্রদানে আগ্রহী। বিশেষ করে ব্যাংকিং সুবিধা থেকে বঞ্চিত মানুষের দরজায় আমরা এই সুবিধা পৌঁছে দিতে চাই। প্রতিষ্ঠালগ্ন থেকে ন্যাশনাল ব্যাংক লিমিটেড দেশের আপামর জনগণের ভাগ্য পরিবর্তনের লক্ষ্যে কাজ করে আসছে। ন্যাশনাল ব্যাংক লিমিটেড সব সময় প্রান্তিক, সুবিধাবঞ্চিত ও নিম্ন আয়ের জনগণ এবং প্রাকৃতিক ও মনুষ্যসৃষ্ট দুর্ভোগের শিকার মানুষের দিকে সাহায্যের হাত বাড়িয়ে দেয়।

বাংলাদেশের গ্রামাঞ্চলের সংস্কৃতি ও জীবনযাত্রা প্রণালী থেকে উদ্ভূত অনেক প্রাচীন জীবন ব্যবস্থা বর্তমানে যান্ত্রিক সভ্যতার কারণে হুমকির মুখে পড়ছে। নিম্ন আয়ের ঐসব শ্রেণী-পেশার লোকজনকে জীবনের মূল স্রোতে ফিরিয়ে আনার জন্য ন্যাশনাল ব্যাংক লিমিটেড বীর মুক্তিযোদ্ধা এবং অত্র ব্যাংকের সম্মানিত চেয়ারম্যান জনাব জয়নুল হক সিকদারের নির্দেশে ২০১৬ সালে কোনো জামানত ছাড়া



সহজ শর্তে ও স্বল্প সুদ হারে 'দারিদ্র মুক্তি' নামে একটি নতুন স্কিম চালু করে।

'দারিদ্র মুক্তি' আওতায় প্রধানত ক্ষুদ্র উদ্যোক্তা ও পেশাজীবী শ্রেণী, হস্ত ও কুটির শিল্প এবং প্রান্তিক ও ভূমিহীনদের আর্থিক যোগান দেওয়া হয়। ২০১৯ সালে এই খাতে প্রথম কিস্তি হিসেবে বরাদ্দ ১৫.০০ কোটি টাকা ইতোমধ্যে সফলভাবে বিতরণ করা হয়েছে।

এই কার্যক্রমের অধীনে ৯৩৩ জন মহিলাসহ ২০২০ জন প্রান্তিক ও সুবিধাবঞ্চিত কৃষক, ক্ষুদ্র উদ্যোক্তা ও পেশাজীবীর মাঝে ১৫.০০ কোটি টাকা বিতরণ করা হয়েছে। ৭০টি পাওয়ার টিলার, ১৯৫০টি খামারের জন্য গরু, ফসল চাষ এবং মৎস্যসহ অন্যান্য ক্ষুদ্র আয় উপার্জনকারী খাতে এই ঋণ বিতরণ করা হয়েছে।

সফলভাবে ১৫.০০ কোটি টাকা বিতরণের পর ব্যাংক কর্তৃপক্ষ 'দারিদ্র মুক্তি'কে অব্যাহত রাখার জন্য আরো ২০.০০ কোটি টাকার ঋণ কর্মসূচি ঘোষণা করেছে। কর্তৃপক্ষের সিদ্ধান্ত অনুযায়ী দ্বিতীয় কিস্তিতে বরাদ্দ টাকা দিয়ে দারিদ্র, ক্ষুদ্র ও প্রান্তিক চাষীদের জন্য ট্র্যাক্টর এবং রোটারি টিলার ক্রয়ের অনুমোদন নেয়া হয়েছে। ইতিমধ্যে শরিয়তপুর ও খুলনা অঞ্চলে কিছু সংখ্যক ট্র্যাক্টর কেনার জন্য ঋণের অনুমোদন দেয়া হয়েছে।

বাংলাদেশের বর্তমান প্রেক্ষাপটে অধিকাংশ কৃষক দারিদ্রতার কারণে আধুনিক কৃষি যন্ত্রপাতি ব্যবহারে সমর্থ নয়। এর ফলশ্রুতিতে কৃষকদের অধিক ফসল উৎপাদনের সামর্থ্য থাকা সত্ত্বেও তারা তা করতে পারছে না। সুতরাং কৃষিতে সমৃদ্ধি আনয়নের জন্য ন্যাশনাল ব্যাংকের গৃহীত পদক্ষেপ অন্যদের কাছে উদাহরণ হয়ে থাকবে।

under concessional rate @4%. With a view to make Bangladesh self-dependent in milk production, the Bank has disbursed Tk.5.00 crore among 759 dairy farmers including 714 women as allocated by Bangladesh Bank in 2016 and Tk.2.00 crore among 259 dairy farmers including 221 women as allocated by Bangladesh Bank in 2017 for purchase of Heifer under Refinance Scheme of Bangladesh Bank.

## Daridro Mukti

National Bank Limited has always been eager to streamline credit facilities to the impoverish people. Particularly, the Bank strives to provide banking facilities at the doorsteps of people who have been deprived of such facilities. Since inception, National Bank Limited has been working towards transformation of fortune of the country's mass people. The Bank has been extending its helping hand to the marginal, underprivileged and low income generating people, and the people of areas of natural and man-made disasters.

Many traditional livelihoods that evolve around the culture and lives of rural people of Bangladesh are facing threat of extinction due to the aggressive nature of technology-oriented civilization. To resurrect those occupations of people with low income and make their lives more vibrant, National Bank Limited in 2016 has introduced a loan scheme named 'Daridro Mukti' with low interest rate, with easy terms & conditions and without any collateral security under the direction of Mr. Zainul Haque Sikder,

valiant freedom fighter and the Honorable Chairman of the Bank.

Under 'Daridro Mukti' program, loan is disbursed to small entrepreneurs and professionals, cottage and handicraft industries, and marginal & landless farmers. The first phase of allocation of Tk. 15.00 core has been successfully distributed by 2019.

Under the program Tk.15.00 crore was disbursed among 2020 marginal & underprivileged farmers, small entrepreneurs & professionals including 933 women. The loan has been disbursed for purchasing of 70 Power Tillers, cows for 1950 Farms, cultivation of crops, fish and small business & income generating sectors.

After successful disbursement of Tk 15.00 core, the bank authorities have allocated Tk 20.00 core to continue the "Daridro Mukti" loan program. According to the decision of the authorities, the amount allocated for the second phase has been taken up by the loan approval for the purchase of Tractors and Rotary Tillers of the poor / small / marginal farmers. Meanwhile a number of tractor loan have been sanctioned in Shariatpur and Khulna areas.

In the present condition of Bangladesh, most of the farmers are not able to use advanced agricultural machinery due to their innate poverty. As a result, farmers have the opportunity to produce more crops but they are not able. Therefore, Initiative taken by National Bank Limited may be an example to the others for the prosperity of agricultural sector.

## এসএমই খাত ও নারী উদ্যোক্তাদের অর্থায়ন

কুটির শিল্প, ব্যষ্টিক, ক্ষুদ্র ও মাঝারি উদ্যোগ (CMSME) দেশের অর্থনৈতিক উন্নয়নের চালিকাশক্তি। শ্রমনিবিড় ও স্বল্প সময়সাপেক্ষ হওয়ায় এসএমই খাত বৃহদাকারে কর্মসংস্থানের সুযোগ সৃষ্টি করে অর্থনৈতিক প্রবৃদ্ধিতে অবদান রাখতে পারে।

ন্যাশনাল ব্যাংক লিমিটেড (CMSME) খাতে অর্থায়নের সুযোগ সম্প্রসারিত করায় দেশের বাণিজ্য, শিল্প ও সেবা খাতের অনেক উদ্যোক্তাদের আকর্ষণ করতে সক্ষম হয়েছে। ক্ষুদ্র উদ্যোক্তাদের আর্থিক সহায়তার জন্য ন্যাশনাল ব্যাংক বস্তগত জামানতবিহীন ঋণ সুবিধা চালু করেছে। অধিকন্তু দেশের প্রান্তিক জনগণের জীবন যাত্রার মান উন্নয়নের লক্ষ্যে ন্যাশনাল ব্যাংক লিমিটেড ‘ত্রিমূলউদ্যোগ (TrinamulUddog)’ ঋণ চালু করেছে, যা শাখাসমূহের মাধ্যমে প্রত্যন্ত এলাকায় বিতরণ করা হয়েছে। এই খাতের জন্য এনবিএল বিভিন্ন ধরনের আকর্ষণীয় প্রডাক্টস চালু করেছে। বাংলাদেশ ব্যাংকের পূর্ণভরণ স্কিমের আওতায় আমরা নূন্যতম সুদে সিরাজগঞ্জ, জামালপুর, রাজশাহী এবং শ্রীমঙ্গল জেলার মহিলা উদ্যোক্তাদের মধ্যে ঋণ বিতরণ করা হচ্ছে। তাছাড়া ক্রেডিট গ্যারান্টি স্কিমের আওতায় বাংলাদেশ ব্যাংক ও United Nations Capital Development (UNCDF) এর পাইলট প্রকল্পের মাধ্যমে আমরা রাজশাহী ও যশোর জেলায় ঋণ বিতরণ করেছি। এসব ঋণ পুনরুদ্ধারের হার সন্তোষজনক। ২০১৯ সালে এসএমই খাতে মোট ৩৮,৪৯৩.৫০ মিলিয়ন টাকা বিতরণ করা হয়েছে।

ন্যাশনাল ব্যাংক প্রতিটি ক্ষেত্রে ঋণের গুণগত মান নিশ্চিত করার ব্যাপারে সর্বদা সতর্ক।

## খুচরা ও ভোক্তা ঋণ

সীমিত আয় শ্রেণীর লোক বিশেষ করে চাকুরিজীবী, পেশাজীবী ও অন্যান্যদের ব্যক্তিগত ও পারিবারিক প্রয়োজন মেটানোর লক্ষ্যে ন্যাশনাল ব্যাংক লিমিটেড ভোগ্য পণ্য ক্রয়ের জন্য ভোক্তা ঋণ স্কিম চালু করেছে। এই স্কিমের অধীনে আমরা যে কোনো প্রয়োজনে ঋণ ( NBL Any Purpose Loan), ভোক্তা টেকসই ঋণ (NBL Consumer Durable Loan), শিক্ষা ঋণ (NBL Education Loan) এবং পেশাজীবী ঋণ (NBL Professional Loan) চালু করেছি।

## লিজ ফিন্যান্স

লিজ ফিন্যান্স হচ্ছে ঋণ প্রদানের বিকল্প উপায়। কাজেই এর মাধ্যমে ব্যবসায়িক ও ব্যক্তিগতভাবে অর্থায়নের বিকল্প সুযোগ পাওয়া যায়। ইদানীং সময়ে লিজ ফিন্যান্স অধিকতর প্রয়োজনীয় হয়ে পড়েছে ইজারার সাহায্যে সম্পত্তি ও যানবাহন কেনার ক্ষেত্রে। স্থিতিশীল উৎপাদন নিশ্চিত করার কৌশল হিসেবে এবং শেয়ার মালিকদের শেয়ারমূল্য যোগ করার জন্য ন্যাশনাল ব্যাংক লিজ ফিন্যান্স এর দিকে তার ব্যবসায়কে সম্প্রসারণ করেছে। জনগণের বৃহৎ অংশ বিশেষ করে শিল্পপতি, ব্যবসায়ী সংগঠন বা ব্যক্তি বিশেষকে সাহায্য করার জন্য এই প্রকল্পটিকে কন্টকমুক্ত ও সহজ রাখা হয়েছে। এই প্রকল্পটি মূলধন যন্ত্রপাতি, কলকজা, ডাক্তারী যন্ত্রপাতি, অটোমোবাইল, সিএনজি ভর্তি করার যন্ত্রপাতি পাওয়াকে সহজতর করেছে। তাছাড়া ব্যক্তি ও শিল্প সংগঠকদের ভোক্তা টেকসই চাহিদার উৎপাদন বাড়ানোর লক্ষ্যে বিএমআরই এর মাধ্যমে পুণঃগঠনের জন্য ইজারা অর্থায়নে প্রতি অধিকতর মনযোগ দেয়া হয়েছে। সম্ভাবনাময় শিল্প সংগঠকদের উৎসাহ দেয়ার জন্য এই প্রকল্পের শর্তসমূহ প্রতিযোগিতামূলক ও সহজতর করা হয়েছে।

এনবিএল ডিসেম্বর ৩১, ২০১৯ পর্যন্ত এই প্রকল্পে ১,৫৬২.৬০ মিলিয়ন টাকা বরাদ্দ দিয়েছে, যেখানে মেশিন ও যন্ত্রপাতির জন্য ৪৩২.৩৬ মিলিয়ন টাকা এবং যানবাহনের জন্য ১,১৩০.২৪ মিলিয়ন টাকা বরাদ্দ ছিল।

## গৃহনির্মাণ ঋণ

বাড়ি ভাড়া উপর্ধমুখী খরচের কারণে বাংলাদেশের বড় বড় শহরগুলোতে গৃহ ঋণের চাহিদা দেখা দিয়েছে। গৃহ ঋণ হলো দীর্ঘ মেয়াদী অর্থায়ন, যা কোনো

## CMSME & Women Entrepreneurs Financing

The role of Cottage, Micro, Small and Medium Enterprise (CMSME) in a developing economy is a vital acts as the engine for the growth of the country's economy. Due to labor intensiveness and shorter lead time of production, the CMSME sector can create huge employment opportunities and its' contribution is immense for the economic growth.

NBL expanded its CMSME financing activities through its large network and attracted entrepreneurs in various fields of trade, industry and service. In order to finance small entrepreneurs NBL introduced collateral security free loan. Moreover to develop living standard of marginal people of the country NBL introduced "TrinamulUddog Loan" which is disbursed by the branches in the remote areas. NBL launched different types of new attractive CMSME products for this sector. We are disbursing loan among women entrepreneur at minimum lowest interest under Bangladesh Bank refinance scheme at Sirajgonj, Jamalpur, Rajshahi and Sreemongal districts. We have disbursed loan through pilot project of Bangladesh Bank and United Nations Capital Development Fund (UNCDF) under Credit Guarantee Scheme at Rajshahi and Jessore District. Recovery of these loans is also satisfactory. In 2019 total disbursement in the CMSME sector was BDT 38,493.50 million.

National Bank Limited always aware to ensure quality loan in every step.

## Retail & Consumer Loan

National Bank Limited introduced Retail loans for the fixed income group especially for service holders, professionals and others for meeting their personal and day to day family needs. In this regard, we launched Any Purpose Loan, Consumer Durable Loan, Education Loan and Professional Loan products under Retail Loan Scheme.

## Lease Financing

Lease Financing is a substitute for debt financing and hence expands the range of financing alternatives available to businesses and individuals. It is becoming progressively popular nowadays to lease purchase equipment, assets and vehicles. The scheme facilitates to acquire capital machinery, equipment, medical instrument, automobile, CNG refueling machinery and consumer durable etc. Besides the demand of consumer durables by the individuals, industrial entrepreneurs are showing much interest in Lease Financing to increase production, restructuring through BMRE etc. To encourage potential entrepreneurs, terms and conditions of the scheme have been made competitive and easier.

The Bank has already sanctioned lease finance of Tk.1562.60 million up-to December 31, 2019 comprising machinery & equipment Tk.432.36 million and vehicle Tk.1130.24 million under lease financing scheme.

## House Building Finance

The rising cost of residential accommodation has pushed up the demand for Home Loans in Bangladesh especially in major cities.

ব্যক্তি এপার্টমেন্ট কেনার জন্য অথবা আবাসিক ভবন নির্মাণের জন্য কিংবা বিদ্যমান আবাসনের মেরামত ও সংস্কারের জন্য কোনো ব্যাংক বা কোনো আর্থিক প্রতিষ্ঠান থেকে নিয়ে থাকে।

বাংলাদেশে স্থাবর সম্পত্তির উচ্চ মূল্যের প্রধান কারণ হলো উন্নত মানের আবাসনের চাহিদা ও সরবরাহের মধ্যে বৈষম্য। আমাদের দেশে গৃহ ঋণ বাজারের মূল লক্ষ্য হলো মধ্যম আয় শ্রেণীর লোকজন। স্থাবর সম্পত্তির আকাশচুম্বী মূল্য এই শ্রেণীর লোকদেরকে একটি বাড়ির মালিক হতে অসমর্থ করেছে। তাদের এই স্বপ্ন পূরণের জন্য তাই সহজে বহনযোগ্য একটি দীর্ঘমেয়াদী ঋণের প্রয়োজন। এই দিকটিকে গুরুত্ব দিয়ে এনবিএল ২০০৭ সালে ব্যক্তিশ্রেণির জন্য দুই ধরনের গৃহ ঋণ চালু করেছে।

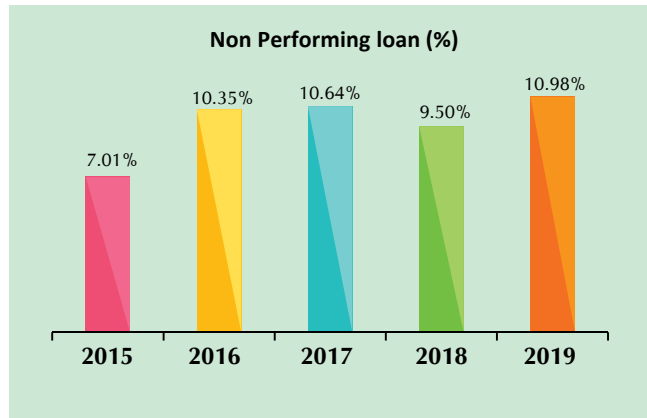
- ক) আবাসিক ভবন নির্মাণ অথবা ক্রয় করার জন্য ‘এনবিএল হাউজিং লোন’ এবং
- খ) বিদ্যমান আবাসনের মেরামত, নতুন রূপ দেওয়া কিংবা বর্ধিত করার জন্য ‘স্মল হাউজিং লোন’।

‘এনবিএল হাউজিং লোন’ এবং ‘স্মল হাউজিং লোন’ এর বাইরে ন্যাশনাল ব্যাংক ডেভেলপার কিংবা কোনো ব্যক্তিকে বাণিজ্যিক ভবন নির্মাণ বা উন্নয়নের জন্য এবং এপার্টমেন্ট ক্রয় করার জন্য আরও দুই ধরনের গৃহ ঋণ প্রদান করে থাকে। এগুলো হলো গৃহ ঋণ (বাণিজ্যিক) ও গৃহ ঋণ (সাধারণ)। প্রকৃত অর্থে গৃহঋণ খাতে এনবিএল এর অংশগ্রহণ ব্যাপক ও বিস্তৃত, যা এর সকল শাখার মাধ্যমে শহর ও গ্রামাঞ্চল উভয় ধরনের গ্রাহকদের চাহিদা মিটিয়ে থাকে।

ডিসেম্বর ৩১, ২০১৯ পর্যন্ত ন্যাশনাল ব্যাংক বিভিন্ন গৃহঋণ খাতে মোট ২২,৫১৮.২৭ মিলিয়ন টাকা বরাদ্দ দিয়েছে।

## শ্রেণী বিন্যাসিত ঋণ ও অগ্রিম

সাম্প্রতিক সময়ে শ্রেণীকৃত ঋণের সুষ্ঠু ব্যবস্থাপনা কঠিন ও চ্যালেঞ্জিং হয়ে পড়েছে। বিশেষত ২০১৪ এবং ২০১৫ সালে বাংলাদেশের ব্যাংকিং খাতকে অনেক উত্থান-পতনের মধ্য দিয়ে এগিয়ে যেতে হয়েছে। এর মধ্যে দেশে আগের বছরের রাজনৈতিক অস্থিরতা, অর্থনৈতিক মন্দা, উৎপাদন প্রক্রিয়ায় নানামুখী প্রতিবন্ধকতা ব্যাংকিং জগতের জন্য একটি অশনি সংকেত নিয়ে এসেছে। অধিকন্তু এই প্রতিযোগিতামূলক পরিবেশে বিনিয়োগকৃত সম্পদ সুসংহত রাখা এবং নতুনভাবে বিনিয়োগ করা ছিল রীতিমতো চ্যালেঞ্জের বিষয়। এই পরিস্থিতিতে ঋণ ও অগ্রিমের সুষ্ঠু ব্যবস্থাপনা ছিল অত্যন্ত কঠিন একটি কাজ। ডিসেম্বর ২০১৯ পর্যন্ত এনবিলের অলস ঋণ বা এনপিএল ছিল ১০.৯৮%। শ্রেণী বিন্যাসিত ঋণ এবং অবলোপনকৃত (Written off) হিসাব থেকে এনবিএল যথাক্রমে গত বছর যথাক্রমে ২,০২০.৭০ মিলিয়ন এবং ১৪৬.৫০ মিলিয়ন টাকা আদায় করতে সক্ষম হয়েছে। শ্রেণীকৃত ঋণ আদায়ে কঠোর পদক্ষেপ এবং প্রয়োজনীয় আইনী প্রক্রিয়া গ্রহণে পরিচালনা পর্যদের নির্দেশনা এবং কর্তৃপক্ষের যথোপযুক্ত এবং দূরদর্শী পদক্ষেপ ভবিষ্যতে শ্রেণীকৃত ঋণ আদায় কার্যক্রমকে আরো কার্যকরী ও সাফল্যমণ্ডিত করার ভিত্তি তৈরি করেছে। আমরা যদি শ্রেণীকৃত ঋণ আদায়ে এই সাফল্য ধরে রাখতে পারি তাহলে ন্যাশনাল ব্যাংক একদিন ব্যাংকিং জগতের শীর্ষ স্থানে পৌঁছতে সক্ষম হবে।



Home loan is the long term finance that any individual obtains from Banks or financial institutions to buy apartments or to construct residential buildings or renovate existing residential houses.

The steep rises in the real estate prices in Bangladesh are mainly due to the disparity in supply and demand of quality residential accommodation. In our country, people belongs to the middle income group are mainly the target market for the housing loans. Sky rocketing cost of real estate makes owning a house unaffordable to this group of people. They require affordable long term finance to own a shelter of their dream. Keeping this reality in mind, National Bank Limited (NBL) in 2007 introduced O2(two) Housing Loan schemes for individuals.

- A) Long Term “NBL Housing Loan” to construct or purchase residential building or apartment and
- B) Medium Term “Small House Loan” for repair, renovation, extension etc of existing building or apartment.

NBL also provides House Building Loan (Commercial) and House Building Loan (General) to Developers/ Individuals for development/ construction/purchase of residential and commercial establishments which do not fall within the purview of NBL Housing Loan or Small House Loan. In fact NBL’s participation in housing sector is more wide and broad as it provides wide range of products to meet the need of the customers both in city and urban areas through its all Branches.

NBL exposure in housing sector is Tk.22,518.27 million up-to December 31, 2019 under its different house building loan Products.

## Classifieds Loans & Advances

NPL management has become increasingly difficult and challenging in recent years for the banks. Especially in 2014 & 2015, banks in Bangladesh went through many ups and downs. Political instability, economic recession, production interruption etc. of previous years have brought in a bad signal in the banking arena. Moreover, in this competitive environment, it has become a challenging task to retain previous investment sound and to invest in new ventures.

Under these circumstances, managing Loan & Advances is considered to be a tough task. NPL as on December 2019 is 10.98%. Recovery of Tk. 2,020.70 million and Tk. 146.50 million from classified and written-off accounts respectively. Following the direction of Board of Directors along with competent and strategic steps of the authority, stepping to hard line recovery policy and taking legal procedures as per requirement has created a ground of possibility for making the recovery more active and successful in the forthcoming years. If we can retain our recovery drive at a successful state, NBL will be able to reach a height of zeal in banking sector.

## বৈদেশিক বাণিজ্য

আমাদানি ও রপ্তানী বাণিজ্যে সমতা বিধান করে একটি সুসংহত সমৃদ্ধি অর্জনের লক্ষ্যে ব্যাংক বিচক্ষণতার সাথে বৈদেশিক বাণিজ্য সম্পাদন করেছে। ঋণপত্র খোলা, রফতানি বিল ক্রয়-বিক্রয়, রফতানি আয় দেশে আনা, বিদেশী রেমিট্যান্স আহরণের মাধ্যমে বৈদেশিক বাণিজ্য বিস্তৃত করার লক্ষ্যে ব্যাংক সম্ভাব্য সকল প্রচেষ্টা অব্যাহত রেখেছে।

## আমাদানী

২০১৯ সালে দেশের আমাদানি বাণিজ্যকে সহযোগিতা করার লক্ষ্যে ব্যাংক ১,১৮৩.৬০ মিলিয়ন মার্কিন ডলার মূল্যের মোট ২৫,৭৩৯টি আমাদানি ঋণপত্র খুলেছে; ২০১৮ সালে যা ছিল ১,০৮২.৭৭ মিলিয়ন মার্কিন ডলার। প্রধান আমাদানি পণ্যগুলো হচ্ছে মূলধনী যন্ত্রপাতি, কাঁচা তুলা, রাসায়নিক দ্রব্য, চাল, গম, ভোজ্য তেল, পেট্রোলিয়ামজাত সামগ্রি, সূতা, কাপড়, পোশাক কারখানার খুচরা যন্ত্রাংশ ও অন্যান্য অনুমোদিত পণ্য।

## রপ্তানী

ন্যাশনাল ব্যাংক জন্মলগ্ন থেকে গুরুত্বের সাথে রপ্তানী বাণিজ্য পরিচালনা করে আসছে।

২০১৯ সালে ব্যাংকটি ৬৫২.৫২ মিলিয়ন মার্কিন ডলার মূল্যের ১৯,১৫০টি রপ্তানী ডকুমেন্টস আদান-প্রদান করেছে; ২০১৮ সালে এর পরিমাণ ছিল ৬০৮.০৯ মিলিয়ন মার্কিন ডলার। ব্যাংকের রপ্তানী অর্থায়ন প্রধানতঃ তৈরি পোশাক, বুন শিল্প, হিমায়িত খাদ্য ও মাছ, প্রক্রিয়াজাত চামড়া, হস্তশিল্প, চা এবং পাটজাত দ্রব্য খাতে করা হয়েছে।

## অফশোর ব্যাংকিং ইউনিট

অফশোর ব্যাংকিং বিশ্ব জুড়ে আন্তর্জাতিক ব্যাংকিং ব্যবস্থায় একটি অদ্বিতীয় ব্যবসায়ের সুযোগ, যেখানে অনিবাসী বৈদেশিক মুদ্রার সম্পদ ও দায়কে ব্যবহার করে নিম্ন অথবা শূন্য শুল্ক সুবিধা গ্রহণের মাধ্যমে বিনিয়োগের উপর অধিকতর মুনাফা অর্জন করা যায়। ন্যাশনাল ব্যাংক ২০০৮ সালে প্রথম ঢাকায় অফশোর ব্যাংকিং শাখার কার্যক্রম শুরু করে এবং দ্বিতীয় শাখা ২০১৬ সালে দিলকুশায় যাত্রা শুরু করে। সৃজনশীল ও গ্রাহক বান্ধব এ উদ্যোগে বিদেশী বিনিয়োগকারী ও দেশীয় উদ্যোক্তাদের শতভাগ রপ্তানী নির্ভর শিল্পের প্রয়োজনে এই পদ্ধতি ব্যাংকিং কার্যক্রমে এক নতুন মাত্রা সংযোজন করেছে।

ডিসেম্বর ৩১, ২০১৯ পর্যন্ত অফশোর ব্যাংকিং ইউনিট ৪৫.২৭ মিলিয়ন মার্কিন ডলার (৩,৮৪৩.১৪ মিলিয়ন টাকা) ঋণ প্রদান করেছে; ২০১৮ সালে এই পরিমাণ ছিল ৬,২৩৫.৪৭ মিলিয়ন টাকা। ২০১৯ সালে অফশোর ব্যাংকিং ইউনিট রফতানি ও আমাদানি ক্ষেত্রে যথাক্রমে ১৫.১১ মিলিয়ন মার্কিন ডলার (১,২৮৩.০০ মিলিয়ন টাকা) ও ৬.৮৭ মিলিয়ন মার্কিন ডলার (৫৮৩.২৬ মিলিয়ন টাকা) বৈদেশিক বাণিজ্য সম্পাদন করেছে। ২০১৮ সালে এর পরিমাণ ছিল যথাক্রমে ১,২৪৪.০০ মিলিয়ন এবং ১,২০৫.০০ মিলিয়ন টাকা। ডিসেম্বর ৩১, ২০১৯ পর্যন্ত সময়ে অফশোর ব্যাংকিং ইউনিট পরিচালন মুনাফা করেছে ১.৫৫ মিলিয়ন মার্কিন ডলার (১৩১.৫২ মিলিয়ন টাকা), যা ডিসেম্বর ৩১, ২০১৮ তে ছিল ১.৩৬ মিলিয়ন মার্কিন ডলার (১১৪.৪৬ মিলিয়ন টাকা)।

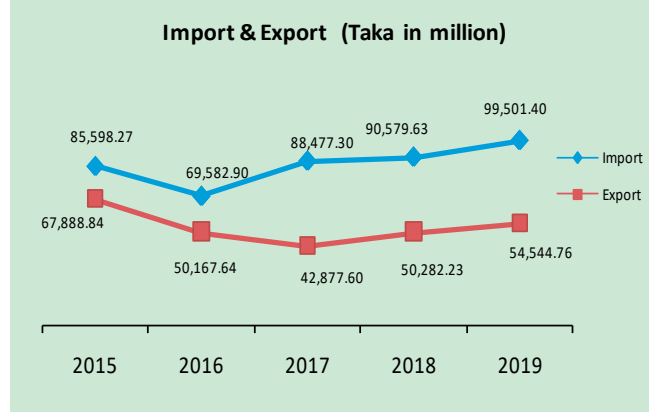
## অন্তর্মুখী বৈদেশিক রেমিট্যান্স

প্রবাসী বাংলাদেশীদের কষ্টার্জিত অর্থ দেশে প্রেরণে নানামুখী প্রতিবন্ধকতা দূরীকরণে ন্যাশনাল ব্যাংক জন্ম লগ্ন থেকেই অত্যন্ত গুরুত্বের সাথে বহুমুখী ব্যবস্থা গ্রহণ করে অর্থ দেশে আনয়নে প্রক্রিয়া সহজতর করেছে। এই উদ্দেশ্যে বিভিন্ন দেশের মুদ্রা বিনিময় কোম্পানির সাথে চুক্তির মাধ্যমে টাকা পাঠানোর ব্যবস্থা গ্রহণ করা হয়েছে এবং যে সমস্ত দেশে অধিক সংখ্যক বাংলাদেশী বাস করছে সে সব দেশে ন্যাশনাল ব্যাংকের নিজস্ব সার্বসিডিয়ারী খোলা হয়েছে।

## Foreign Trade

The Bank participated in foreign trade business in a prudent manner by balancing the import and export business which enabled a consistent growth. The bank put forth every possible attempt to expand its external business by establishing L/C, negotiation of export bills, realization of export proceeds, foreign remittance etc.

## Import



The Bank opened a total number of 25,739 LCs amounting to USD 1183.60 million for facilitating import trade in 2019 which was USD 1,082.77 million in 2018. The main commodities were capital machinery, raw cotton, chemicals, rice, wheat, edible oil, petroleum products, yarn, fabrics, garments accessories and other permissible consumer items.

## Export

The Bank has been handling the export business giving due importance since its inception. In 2019 it handled 19,150 export documents valuing USD 652.52 million which was USD 608.09 million in 2018. Export finances were extended mainly to readymade garments, knitwear, frozen food and fish, tanned leather, handicraft, tea, jute goods etc.

## Offshore Banking Unit

Offshore Banking is a unique solution for banks across the globe to carry out international banking business involving non-resident foreign currency denominated assets and liabilities taking the advantages of low or non-existent taxes/levies and higher return on investment. In 2008 NBL opened its Offshore Banking Unit (OBU) at Mohakhali Branch, Dhaka and Dilkusha Branch started Offshore Banking Unit (OBU) November 02, 2016. This venture added a new dimension in its innovative and customer friendly business activities to the foreign investors and local entrepreneurs invested in 100 percent export based industries.

Total loans and advances made by the OBU is USD 45.27 (BDT 3843.14 million) as on 31 December 2019 whereas BDT 6,235.47 million in 2018. In 2019 the OBU made export and import for USD 15.11 (BDT 1,283 million) and USD 6.87 (BDT 583.26 million) respectively as against (BDT 1,244 million) and (BDT 1,205 million) in 2018. The operating profit of OBU is USD 1.55 (BDT 131.52 million) as on 31 December 2019 whereas USD 1.36 million (BDT 114.46 million) in 2018.

## Homebound Foreign Remittance

Realizing the hurdles that the expatriate Bangladeshis were facing in sending their hard-earned money to their home, NBL, since its inception emphasized on the necessity to take measure to facilitate the home bound money transfer of the wage-earners. With this notion arrangements have been made with exchange houses in different countries and subsidiary exchange houses were established abroad in places with high concentration of Bangladeshi expatriates.



Company & Country	Operating Since	No. of Branches	Inward Remittance Received (in million)		Growth in USD
			31-12-2019	31-12-2018	
Gulf Overseas Exchange Company LLC, Oman	Nov, 1985	14 (Fourteen)	USD 20.05 BDT 4,419.82	USD 33.95 BDT 7,384.75	(40.94%)
NBL Money Transfer Pte Ltd, Singapore	July, 2007	03 (Three)	USD 38.41 BDT 2,416.81	USD 34.73 BDT 2,122.25	10.60%
NBL Money Transfer Sdn Bhd, Malaysia	Oct, 2009	09 (Nine)	USD 35.91 BDT 741.90	USD 36.15 BDT 728.91	(0.66%)
NBL Money Transfer (Maldives) Pvt. Ltd.	Dec, 2011	01 (One)	USD 10.28 BDT 872.77	USD 8.72 BDT 731.61	17.89%
NBL Money Transfer Payment Foundation SA, Greece	June, 2012	02 (Two)	USD 16.06 BDT 1,526.70	USD 15.57 BDT 1,486.73	3.15%
NBL Money Transfer Inc, USA	July, 2014	01 (One)	USD 4.02 BDT 341.30	USD 5.00 BDT 419.50	(19.60%)
<b>Total</b>			<b>USD 124.73</b> <b>BDT 10,319.31</b>	<b>USD 134.12</b> <b>BDT 12,873.74</b>	<b>(7.00%)</b>

১৯৯৩ সালে ব্যাংক ওয়েস্টার্ন ইউনিয়ন মানি ট্রান্সফার তথা পৃথিবীর নেতৃস্থানীয় অর্থ হস্তান্তর সেবার এজেন্ট হয় এবং ২০০২ সন পর্যন্ত একমাত্র এজেন্ট হিসেবে কাজ করে। অধিকন্তু, এনবিএল এর পক্ষে বিদেশ হতে প্রেরিত অর্থ দ্রুত গ্রাহকদের হাতে পৌঁছে দেয়ার লক্ষ্যে ব্যাংক আশা (একটি নেতৃস্থানীয় এনজিও), সোসাল ইসলামী ব্যাংক লিমিটেড এবং ইস্টার্ন ব্যাংক লিমিটেডের সাথে চুক্তিবদ্ধ হয়েছে।

মানি ট্রান্সফার সেবাকে সহজতর করার লক্ষ্যে এনবিএল অক্রান্তভাবে বিভিন্ন প্রযুক্তির উন্নয়ন সাধনে কাজ করে যাচ্ছে। যেমন - এনবিএল কুইক পে, অনলাইন ব্যাংকিং, ইলেকট্রনিক ফান্ড ট্রান্সফার এবং অন্যান্য স্বয়ংক্রিয় পদ্ধতির মাধ্যমে নির্বিঘ্নে দ্রুত টাকা প্রদান। এগুলো হচ্ছে মূল উপাদান যা বৈদেশিক মুদ্রা উপার্জনকারীদের দেশে টাকা পাঠাতে ন্যাশনাল ব্যাংকের চ্যানেল ব্যবহার করতে উৎসাহী করেছে এবং তাদেরকে আমাদের উপর আস্থাশীল করেছে।

এ মুহূর্তে এনবিএল ১৪টি দেশের ৩৮টি মুদ্রা বিনিময় কোম্পানির সাথে ড্রয়িং এরঞ্জমেন্ট চালু রেখেছে। দেশগুলো হচ্ছে কুয়েত, কাতার, সৌদি আরব, সংযুক্ত আরব আমিরাত, সুইজারল্যান্ড, যুক্তরাজ্য, ইতালি, মার্কিন যুক্তরাষ্ট্র এবং ব্যাংকের সম্পূর্ণ মালিকানায় সিঙ্গাপুর, মালয়েশিয়া, মালদ্বীপ, যুক্তরাষ্ট্র, গ্রীসে এনবিএল মানি ট্রান্সফার নামে ৫টি সাবসিডিয়ারী খোলা হয়েছে এবং ২৫% মালিকানায় ওমানেও একটি রেমিটেন্স কোম্পানি রয়েছে।

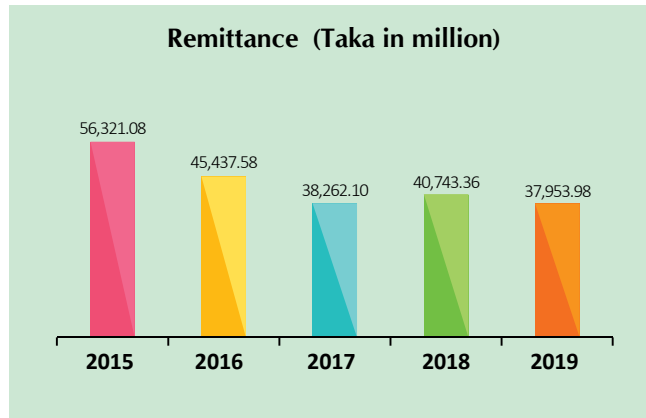
২০১৯ সালে ন্যাশনাল ব্যাংকের এ সমস্ত চ্যানেলের মাধ্যমে বাংলাদেশে ৪৫০.১৬ মিলিয়ন মার্কিন ডলার বৈদেশিক রেমিট্যান্স এসেছে।

### এনবিএল সিকিউরিটিজ লি

গ্রাহকদের ব্রোকারেজ সেবা প্রদানের লক্ষ্যে মার্চ ২০১১ হতে ন্যাশনাল ব্যাংকের একটি পৃথক সাবসিডিয়ারী কোম্পানি হিসেবে এনবিএল সিকিউরিটিজ লিমিটেড যাত্রা শুরু করে। এনবিএল সিকিউরিটিজ ঢাকা স্টক এক্সচেঞ্জ ও চট্টগ্রাম স্টক এক্সচেঞ্জ এর সদস্য। অভিজ্ঞ ও দক্ষ কর্মীবৃন্দ, আধুনিক তথ্য-প্রযুক্তি সম্বলিত অবকাঠামোগত সুবিধা নিয়ে কোম্পানিটি বিও (Beneficial Owners) হিসাব খোলা, শেয়ার ক্রয়-বিক্রয় করা, মার্জিন ঋণ সুবিধা প্রদান এবং বিনিয়োগকারীদের শেয়ার বাজারে বিনিয়োগ সংক্রান্ত পরামর্শ প্রদান করে আসছে।

In 1993 the Bank became the agent of Western Union Money Transfer, a global leader in money transfer services and remained lone agent till 2002. Furthermore, NBL entered into a deal with ASA, a leading NGO, Social Islamic Bank Limited (SIBL) and Eastern Bank Limited (EBL) for making payments of inward remittances on behalf of NBL.

To ease the system for the remitted in abroad and the beneficiary at home, NBL has been working relentlessly upgrading different products and technology including 'NBL QuickPay', Online Banking, EFT and other automated devices for uninterrupted speedy payments of inward foreign remittance with safety. All these were culminated into a breakthrough which encouraged the wage-earners and made them confident to use our channel.



By now, the bank has made drawing arrangements with 38 exchange companies located in 14 countries including Kuwait, Qatar, Saudi Arabia, UAE, Switzerland, UK, Italy, USA and established 5 fully owned subsidiaries in Singapore, Malaysia, Maldives, USA, Greece and one partially (25% equity) owned Exchange Company in Oman.

In 2019, foreign remittance brought through the channels of

National Bank Ltd was USD 450.16 million of which 27.70% is made through NBL's subsidiaries.

### NBL Securities Ltd.

NBL Securities Ltd. started the operation as separate subsidiary company of NBL to provide the service of brokerage house since from 2011. NBL Securities Ltd. is a member of both Dhaka Stock Exchange and Chittagong Stock Exchange. With the efficient and experienced personnel, having latest information technology, infrastructure facilities, the services offered by the NBL Securities Limited includes, opening of BO Accounts, trading in the share market, providing margin facilities, counseling the investors in connection with investment in share market etc.

## এনবিএল ক্যাপিটাল অ্যান্ড ইকুইটি ম্যানেজমেন্ট লিমিটেড

এনবিএল ক্যাপিটাল অ্যান্ড ইকুইটি ম্যানেজমেন্ট লিমিটেড (NBL CEML) ন্যাশনাল ব্যাংকের সম্পূর্ণ মালিকানাধীন একটি সাবসিডিয়ারী এবং বাংলাদেশ ব্যাংক থেকে লাইসেন্স প্রাপ্ত হয়ে এবং সিকিউরিটি ও এক্সচেঞ্জ কমিশনে তালিকাভুক্ত হয়ে জুন ২০১১ থেকে পূর্ণ উদ্যমে কার্যক্রম শুরু করেছে। শুরু থেকে কোম্পানীটি আইপিও কার্যক্রম, পোর্টফোলিও ব্যবস্থাপনা, শেয়ার ইস্যু ব্যবস্থাপনা, আন্ডার রাইটিং, কর্পোরেট পরামর্শ সেবা প্রদান, প্রি-আইপিও প্লসমেন্ট এবং পুঁজি বাজার সংক্রান্ত অন্যান্য সেবা প্রদান করে আসছে। এনবিএল ক্যাপিটাল অ্যান্ড ইকুইটি ম্যানেজমেন্ট লিমিটেডের ২০১৯ সালের আর্থিক বিবরণী এই বার্ষিক প্রতিবেদনে সংযুক্ত করা হয়েছে।

## ক্যাপিটাল মার্কেট ও নিজস্ব পোর্টফোলিও ম্যানেজমেন্ট

ন্যাশনাল ব্যাংক লিমিটেড বাংলাদেশের পুঁজি বাজারের একটি সক্রিয় অংশগ্রহণকারী। প্রাতিষ্ঠানিক বিনিয়োগকারী হিসেবে ব্যাংকটি ২০০৩ সন থেকে পুঁজি বাজারে গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে। ব্যাংকটি তালিকাভুক্ত কোম্পানীগুলোর মধ্যে নিজস্ব পোর্টফোলিওর মাধ্যমে পুঁজি বাজার কার্যক্রমে সক্রিয়ভাবে জড়িত রয়েছে। এছাড়াও তালিকার বাইরের কিছু কিছু কোম্পানীতে এনবিএলের বিনিয়োগ রয়েছে। প্রতি বছর পুঁজি বাজারের বিভিন্ন তালিকাভুক্ত ও তালিকাভিহীন কোম্পানীতে বিনিয়োগের মাধ্যমে এনবিএল উল্লেখযোগ্য পরিমাণ অর্থ আয় করে থাকে।

## কার্ড ব্যবসায়

ইতোমধ্যে ক্রেডিট কার্ড নগদ টাকার বিকল্প হিসেবে এবং অত্যন্ত জনপ্রিয় ও প্রতিষ্ঠিত পদ্ধতি হিসেবে স্বীকৃতি লাভ করেছে। এটা নগদ টাকা পরিবহনের ঝুঁকি কমায় এবং প্রতিদিনের প্রয়োজন মিটানোর জন্য নগদ টাকা হিসেবে ব্যবহার করা যায়।

এদেশে ব্যাংকসমূহের মধ্যে ন্যাশনাল ব্যাংক সর্বপ্রথম ১৯৯৭ সালে মাস্টার কার্ড এবং ২০০৩ সালে ভিসা কার্ড চালু করেছে। যদিও বর্তমানে ক্রেডিট কার্ড অত্যন্ত জনপ্রিয়, তথাপি উল্লেখযোগ্য সংখ্যক মানুষ এই সুবিধার বাইরে রয়েছে। এই সমস্ত মানুষকে ক্রেডিট কার্ডের সুবিধায় আনা ব্যাংকের জন্য একটা বড় চ্যালেঞ্জ। যেহেতু ক্রেডিট কার্ড একটি প্রযুক্তিনির্ভর মাধ্যম সেহেতু কার্ড ব্যবসায়ের সাফল্য নির্ভর করে নিরাপত্তা এবং বিশ্বস্ততার উপর।



ন্যাশনাল ব্যাংক লিমিটেড বিভিন্ন শ্রেণী-পেশার গ্রাহকদের ভিত্তিতে প্লাটিনাম, গোল্ড ও সিলভার (ডেবিট ও ক্রেডিট) কার্ড ইস্যু করেছে। সর্বশেষ ন্যাশনাল ব্যাংক ইএমভি চিপ (EMV Chip) নির্ভর ডেবিট ও ক্রেডিট কার্ডের প্রচলন করেছে, যেগুলো NFC তেও ব্যবহার করা যায়। ইন্টারনেট ব্যাংকিং সেবার মাধ্যমে গ্রাহকগণ ২৪ ঘন্টা একাউন্টের স্থিতি অনুসন্ধান, টাকা ট্রান্সফার, মোবাইল বিল পরিশোধনহ অন্যান্য সুবিধা ভোগ করছে। অনলাইন লেনদেনে আরো নিরাপত্তা নিশ্চিত করার জন্য আমরা সর্বশেষ নিরাপত্তা বৈশিষ্ট্যসহ দ্বৈত অনুমোদন (Dual Authorisation) পদ্ধতি চালু করতে যাচ্ছি। এর শুরুতে গ্রাহক নিবন্ধিত মোবাইলে একটি ওটিপি (OTP-One Time Passward) পাবে, যা ব্যতীত কোনো অনলাইন লেনদেন করা সম্ভব হবে না। ন্যাশনাল ব্যাংক তার কর্মীদের সর্বোত্তম প্রচেষ্টাকে কাজে লাগিয়ে গ্রাহক সেবার মান নিশ্চিত করার মাধ্যমে তার ২০৯টি শাখা ও ৪৭টি এটিএম নেটওয়ার্কের দ্বারা গ্রাহকদেরকে ব্যাংকিং সেবা দানের মাধ্যমে প্রত্যাশিত মুনাফা অর্জনে দৃঢ় প্রতিজ্ঞ।

## মানব সম্পদ

ব্যবসায়িক পরিবেশের দ্রুত ক্রমবর্ধমানতার কথা বিবেচনা করে ন্যাশনাল ব্যাংকের মানবশক্তিকে সাজানো হয়েছে। উদীয়মান আর্থিক নীতির সমর্থনে

## NBL Capital & Equity Management Ltd.

NBL Capital and Equity Management Ltd. (NBL CEML), is a fully owned subsidiary of National Bank Limited and is a full-fledged Merchant Banker licensed by the Bangladesh Securities and Exchange Commission (BSEC) on June 09, 2011. Since the inception NBL CEML provides services of Issue Management, Underwriting, Portfolio Management, Corporate Advisory and other capital market activities. The financial statement of NBL CEML for the year 2019 has furnished in this report.

## Capital Market-Own Portfolio Management

National Bank Limited is an active participant in the capital market of Bangladesh. As an institutional investor the Bank is playing a vital role in development of the capital market since 2003. The Bank is actively engaged with capital market operation through its own portfolio management in listed companies. Besides, NBL has equity investment in different non listed companies. Every year NBL earn a significant amount of profit from its own investment in the capital market and non-listed companies.

## Card Business

Credit Cards have already been well established and very popular as a substitute of Cash. It reduces risk to carry cash and can be used in a safe way to meet everyday needs.

National Bank Ltd. Is the pioneer among Bangladeshi Banks to introduce Mastercard in 1997 and Visa Credit Cards in 2003. Though Credit Cards are very popular now a days, but till now a large number of population are out of this facility. Inclusion of these people is a big challenge for the Banks. As Credit Card is a medium depended on technology, the success of card business depends on security and convenience.

On the basis of customers National Bank Ltd. issue Platinum, Gold and Silver (Debit and Credit) Cards. Recently National Bank has launched latest EMV Chip based Debit and Credit Cards which is also NFC enabled. A customer avails 24 hour Banking facility like account balance enquiry, fund transfer, payment of mobile bills etc. with the service of Internet Banking. To ensure more security in Online Transactions we are going to introduce dual authorization system with latest security features. With its introduction the customer will receive an OTP (One time password) in his/her registered mobile, without which a online transaction will not take place. With the firm conviction of customer service, National Bank Ltd. with its' 209 branches and 47 ATM network, is firmly promised to achieve expected profit through concerted effort of its own officials and employees.

## Human Resources

National Bank's people practices are designed to cater to the rapidly evolving business environment. Aligning organization structure to

সাংগঠনিক কাঠামোকে সুবিন্যস্ত করা, পূর্ণবিবেচনার পদ্ধতি, দক্ষতা নির্মাণ এবং উদ্ভাবন হচ্ছে ব্যাংকের জনশক্তির মূল কৌশল। নিশ্চিত করা হচ্ছে যে, প্রত্যেক কর্মকর্তা/কর্মচারী ব্যাংকের দর্শন/সংস্কৃতিকে শক্তিশালী করতে 'গ্রাহকের প্রতি স্বচ্ছতা', 'ব্যাংকের প্রতি স্বচ্ছতা' প্রদর্শনে নিজেদের নৈতিকতাকে ধারণ করছে।

স্বল্প এবং মধ্যম মেয়াদী - উভয়ক্ষেত্রে ব্যাংকের সাংগঠনিক লক্ষ্য অর্জনের জন্য মানব সম্পদ উন্নয়নের বিষয়ে সর্বাধিক গুরুত্বের সাথে গ্রহণ করা হয়েছে। ২০১৯ সালের ডিসেম্বর পর্যন্ত ন্যাশনাল ব্যাংকের শাখা ও প্রধান কার্যালয়ে ৪,৭৪০ জন নিবেদিতপ্রাণ কর্মকর্তা ও কর্মচারী থাকায় ব্যাংক সত্যিকারভাবে একটি অনন্য প্রতিষ্ঠান হিসেবে গর্ব করতে পারে। কেননা ব্যাংক সত্যিকার অর্থে নতুন প্রতিভা ও অভিজ্ঞ জনশক্তির সমন্বয়ে একটি অপ্রতিদ্বন্দ্বী প্রতিষ্ঠানে পরিণত হয়েছে।

সত্যিকার অর্থে একটি কার্যকর ও দক্ষ কর্ম-পরিবেশ সৃষ্টির জন্য ব্যাংকের রয়েছে পরিপূর্ণ মানব সম্পদ নীতিমালা ও নির্দেশিকা। তাছাড়া ব্যাংকের মানব সম্পদ বিভাগ সর্বদা দেশজুড়ে সর্বোচ্চ মেধাসম্পন্ন কর্মীর খোঁজ করে। নবীন গ্রাজুয়েটদের আইবিএ (IBA), ঢাকা বিশ্ববিদ্যালয় ও বিআইবিএম (BIBM) এর মাধ্যমে শিক্ষানবিশ কর্মকর্তা (Probationary Officer), জুনিয়র অফিসার (General & cash) হিসেবে নিয়োগ দেয়া হয়। এনবিএল অন্য প্রতিষ্ঠানের অভিজ্ঞদেরও কঠোর বিচার-বিশ্লেষণের মাধ্যমে নিয়োগ দিয়ে থাকে। কর্মকর্তাদের দক্ষতা বৃদ্ধির জন্য বিভিন্ন সময়ে মানব সম্পদ বিভাগ বিভিন্ন মৌলিক ও পেশাগত প্রশিক্ষণ দিয়ে থাকে।

কর্মকর্তাদের দক্ষতাকে গতিশীল করার জন্য এবং আগত চ্যালেঞ্জ মোকাবেলায় তাদেরকে আত্মবিশ্বাসী করে তোলার জন্য চাকুরিরত কর্মকর্তারা তাদের দক্ষতা, জ্ঞান ও উৎপাদন ক্ষমতার উন্নয়ন ঘটানো - এটা নিশ্চিত করার জন্য ব্যাংক ১৯৮৭ সালে ন্যাশনাল ব্যাংক ট্রেনিং ইনস্টিটিউশন প্রতিষ্ঠা করে, যেটা বাংলাদেশের ব্যাংকিং খাতে প্রথম ট্রেনিং ইনস্টিটিউট। ২০১০ সালে এটি নিউ ইস্কাটনে আধুনিক সুবিধা সম্বলিত ব্যাংকের নিজস্ব জায়গায় স্থানান্তরিত হয়েছে। কর্মকর্তাদের জ্ঞান ও পেশাভিত্তিক দক্ষতা বৃদ্ধি করার জন্য এটি প্রতিনিয়ত ট্রেনিং, ওয়ার্কশপ, সেমিনারের আয়োজন করছে। অধিকন্তু ব্যাংক তার কর্মকর্তাদের পেশাগত দক্ষতা বৃদ্ধির লক্ষ্যে স্থানীয় পর্যায়ে এবং বিদেশেও প্রশিক্ষণের ব্যবস্থা করে থাকে।

### সামাজিক দায়বদ্ধতা

বাংলাদেশ ব্যাংক কর্তৃক প্রণীত নীতিমালার আলোকে ব্যাংক তার নিট মুনাফা থেকে জনহিতকর কাজে ব্যয় করতে পারে এবং এক্ষেত্রে কোনো সীমাবদ্ধতা নেই। ব্যাংকসমূহ স্বেচ্ছায় এ খাতে অর্থ ব্যয় করে থাকে।



emerging ecosystems, re-imagining processes, building capabilities and innovation are at the center of the Bank's people strategy. Ensuring that every employee upholds the principles of being 'Fair to Customer, Fair to Bank' underpins the ethos of the Bank.

National Bank Limited has taken Human Resource development with utmost importance as it is the most vital element for achieving organizational goals, both short and long term. By the end of 2019 NBL has a group of 4,740 committed employees, serving at the Branches and Head Office, the Bank prides itself on being a truly peerless organization, combining the expertise and endeavor of experienced and fresh talents.

NBL has pragmatic HR policy and guideline in order to create efficient and effective work environment. Also NBL HRD always hunts for the best talent of the country. Fresh graduates are hired as Probationary Officer, Junior Officer (General & cash) through test conducted by IBA (DU) or BIBM. NBL HRD also recruited other professionals through strict scrutiny. HRD also arranged different basic and professional training programs to improve employee productivity.

With a view to speeding-up employee's zeal and to make them confident to face the up-coming challenges, and also to ensure that the existing employees are developing their skills, knowledge and productivity, the Bank established National Bank Training Institute (NBTI) in the year 1987, the first ever training institute among the private banks in Bangladesh. In 2010 it was housed in its own premises at New Eskaton, Dhaka with modern facilities. NBTI organizes Trainings, Workshops, Seminars and Symposiums for officials to enhance and update their professional knowledge. In addition to this, both local and foreign trainings are also provided to on regular basis to improve employee's efficiency and productivity.

### Corporate Social Responsibility

As per the CSR expenditure guideline of the Bangladesh Bank, banks can spend for philanthropic purposes from their net profits and there is no limit on expenditure. The expenditure will be participatory and not mandatory.

দেশের একটি দায়িত্বশীল কর্পোরেট প্রতিষ্ঠান হিসেবে এনবিএল সর্বদা বিভিন্ন সামাজিক ও দাতব্য কাজে ভূমিকা রেখে থাকে। প্রতিষ্ঠান পর থেকে কল্যাণমূলক কাজে এনবিএলের দেয়া অনুদানের পরিমাণ প্রতি বছর বৃদ্ধি পাচ্ছে।

আলোচ্য বছরে এনবিএল সামাজিক সুশাসন প্রতিষ্ঠার অংশ হিসেবে কল্যাণমূলক কাজে তাদের সমষ্টিগত মনযোগের স্বাক্ষর রেখেছে। ব্যাংক সরাসরি বা অন্য কোনো প্রতিষ্ঠানের সাথে যৌথভাবে ও বিস্তৃত পরিসরে দুর্ঘোণ ব্যবস্থাপনা, স্বাস্থ্য, শিক্ষা, খেলাধুলা ও সংস্কৃতিসহ সামাজিক উন্নয়ন খাতে আর্থিক সহায়তা দিয়েছে।

### কর্পোরেট সুশাসন

এনবিএল সর্বদা তার দৈনন্দিন কার্যক্রমের অংশ হিসেবে কর্পোরেট সুশাসন প্রতিষ্ঠা এবং এর সর্বোচ্চ মান বজায় রাখার প্রতি মনযোগী। কর্পোরেট সুশাসন নিয়ন্ত্রণের বিধি-বিধানের প্রতি ব্যাংক কঠোরভাবে যত্নশীল। প্রকৃতপক্ষে ন্যাশনাল ব্যাংক হচ্ছে আর্থিক প্রতিষ্ঠানে কর্পোরেট সুশাসন প্রতিষ্ঠার একটি অন্যতম উদাহরণ।

### বিনিয়োগকারী সম্পর্ক

বোর্ড বিনিয়োগকারীর কার্যকলাপ সম্পর্কে, একই সাথে ক্ষুদ্র শেয়ার মালিকদের মালিকানা পরিবর্তনের বিষয়ে এবং শেয়ারের মূল্য ওঠা-নামার খবর পেয়ে থাকে। বিনিয়োগকারীদের সাথে খোলামেলা আলোচনার পথ উন্মুক্ত রাখতে ব্যাংক সারা বছর ধরে বিভিন্ন অনুষ্ঠানের আয়োজন করে থাকে। এসবের মধ্যে সবচেয়ে গুরুত্বপূর্ণ হচ্ছে বার্ষিক সাধারণ সভা। এছাড়াও আছে বিনিয়োগকারীদের সাথে খোলামেলা মত বিনিময়ের ব্যবস্থা।

তাছাড়া ব্যাংকের ওয়েবসাইট [www.nblbd.com](http://www.nblbd.com) এর মাধ্যমে ব্যাংকের তথ্য ভাঙরে সহজেই প্রবেশ করা যায়। যেখানে শেয়ারহোল্ডার, বিনিয়োগকারী, বাজারে অংশগ্রহণকারী, বিশ্লেষক ও অন্যান্য স্টেকহোল্ডারদের জন্য সম্পদের তথ্য, প্রেস রিলিজ, নিয়ন্ত্রক সংস্থাসমূহের ঘোষণা, ত্রৈমাসিক, অর্ধ-বার্ষিক ও বার্ষিক প্রতিবেদন, ঘটনাপঞ্জি ও তথ্য অনুসন্ধান ভূমিকাসহ আর্কাইভ ও অন্যান্য তথ্য থাকে।

### এনবিএল শেয়ার

৩১ ডিসেম্বর, ২০১৯ পর্যন্ত সময়ে ব্যাংকের অনুমোদিত মূলধন ৩০,০০০.০০ মিলিয়ন টাকা, যেখানে পরিশোধিত মূলধন ২৯,২০৩.৯৯ মিলিয়ন টাকা। ২০০৪ সাল থেকে এনবিএল এর শেয়ার সিডিএস (Central Depository System) পদ্ধতিতে রেকর্ড করা হচ্ছে। এই পদ্ধতিতে ৩১-১২-২০১৯ পর্যন্ত ২,৯১৭.১৮ মিলিয়ন শেয়ার রেকর্ড করা হয়েছে, যেখানে ৩২.১৯ মিলিয়ন শেয়ার এখন পর্যন্ত ক্রীপেট রয়েছে। ভবিষ্যত ব্যবসায়িক সম্প্রসারণের কথা বিবেচনায় পরিচালনা পর্ষদ ব্যাংকের অনুমোদিত মূলধন ৫,০০০ কোটি টাকায় উন্নীত করণের প্রস্তাবনা করছেন।

২০১৯ সালে প্রতি শেয়ারের নীট মূল্য (NAV-net asset value) ছিল ১৬.৭৯ টাকা, যা ২০১৮ সালে ছিল ১৬.৮৮ টাকা। ২০১৯ সালে শেয়ার প্রতি আয় পৌঁছেছে ১.৪৩ টাকায়, যা ২০১৮ সালে ছিল ১.৪০ টাকা। পুঁজি বাজারের উত্থান-পতন সত্ত্বেও এনবিএলের শেয়ার ব্যাংকের অভ্যন্তরীণ শক্তি হিসেবে বিনিয়োগকারীদের নিকট যথেষ্ট প্রশংসিত হয়েছে।

### লভ্যাংশ

৩১ ডিসেম্বর, ২০১৯ এর হিসাবের উপর ভিত্তি করে ব্যাংকের আর্থিক সক্ষমতা, মূলধনের ভিত্তি ও নীট সম্পদ বিবেচনা করে ন্যাশনাল ব্যাংকের পরিচালনা পর্ষদ আনন্দের সাথে শেয়ার মালিকদের জন্য ৫% স্টক ও ৫% নগদ লভ্যাংশ ঘোষণা করেছে। ব্যাংকের বার্ষিক সাধারণ সভায় সম্মানিত শেয়ার মালিকদের দ্বারা তা অনুমোদিত হবে বলে আশা করা হচ্ছে।

### বোর্ড এবং তার কমিটিসমূহ

২০১৯ সালে ব্যাংকের পরিচালকমন্ডলী ১১টি সভায় মিলিত হয়েছিলেন এবং ব্যাংক পরিচালনার জন্য প্রয়োজনীয় নির্দেশনা দিয়েছেন। অন্যদিকে,

NBL being a responsible corporate entity of the country has been playing an important role in implementing various social and charitable works. The amount of its donation towards charitable work has always been increasing since inception.

During the year under review, NBL retained its collective concentration on activities for community welfare through CSR initiatives. The Bank has provided financial support directly or in partnership with others in wider area of social life including disaster management, health Education, Sports & culture, community development etc. at home & abroad.

### Corporate governance

NBL has always strive to have good corporate governance practices put in place and to ensure that the highest standards of business integrity are regular part of its activities. The bank adheres strictly to the regulatory guidelines on corporate governance. National Bank Limited portrays a good example of an excellent corporate governance practice.

### Investors' Relation

The Board receives feedback on investor relations activity, along with regular reports of changes in holdings of substantial shareholders and reports on share price movements. A number of events were held throughout the year to maintain an open dialogue with investors, of which the AGM is the most important. In addition to regular dialogue with investors,

Also Bank's website [www.nblbd.com](http://www.nblbd.com) provides easy access to information, press release, regulatory announcements, new products, quarterly and half yearly financial, annual reports, event calendar and an archive with detailed search interface as well as other information for shareholders, investors, market participants, analyst and others.

### Shares of NBL

The Authorized Capital of the Bank stood at BDT 30,000.00 million while the paid-up capital is BDT 29,203.99 million as of December 31, 2019. NBL's shares are being maintained with Central Depository System since 2004. A total number of 2917.18 million shares have been recorded with the CDS (Central Depository System) while 32.19 million shares remained in script till 31.12.2019. The Board of Directors of the Bank considered to increase the authorized capital of the Bank for future business enhancement. The proposal of the Board for increasing the capital to Tk. 5,000 crore.

The net asset value (NAV) per share was Tk. 16.79 in 2019 which was Tk. 16.88 in 2018. The earnings per share (EPS) reached to Tk. 1.43 in 2019 which was Tk.1.40 in 2018. Though capital market showed ups and downs, NBL shares are still admired by the investors due to the inner financial strength of the Bank.

### Dividend

Board of Directors of National Bank Limited has been pleased to recommend 5.00% Cash and 5.00% Stock dividend to the shareholders based on the accounts for the year ended December 31, 2019 upon considering bank's financial strength, capital base and net worth. The approval of the honorable shareholders regarding dividend is expected to receive at the Annual General Meeting.

### Board and its Committees

The Board of Directors of the Bank met in 11 (Eleven) meetings during 2019 and issued specific directions in conducting affairs of the Bank.

পরিচালনা পর্ষদের নির্বাহী কমিটি, নিরীক্ষা কমিটি এবং রিস্ক ম্যানেজমেন্ট কমিটি যথাক্রমে ৩টি, ৫টি ও ৪টি সভায় মিলিত হয়েছেন এবং বিভিন্ন বিষয়ে মূল্যবান দিক নির্দেশনা দিয়েছেন।

### পরিচালক নির্বাচন

ব্যাংকের আর্টিকেল অব এসোসিয়েশন এর ১০৩ ও ১০৪ ধারা অনুসারে নিম্নবর্ণিত পরিচালকগণ বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন।

১. জনাব জয়নুল হক সিকদার
২. মিস পারভীন হক সিকদার, এমপি
৩. জনাব রিক হক সিকদার

আর্টিকেল অব এসোসিয়েশন এর ১০৫ নং ধারা এবং কোম্পানি আইন, ১৯৯৪ মোতাবেক অবসরপ্রাপ্ত পরিচালকগণ পুনঃনির্বাচন করার যোগ্য বলে বিবেচিত হবেন।

### বহিঃনিরীক্ষক নিয়োগ

আমাদের বর্তমান বহিঃনিরীক্ষক মেসার্স রহমান মোস্তফা আলম গ্র্যান্ড কোঃ, চার্টার্ড একাউন্টেন্ট, বাংলাদেশ ব্যাংকের বিআরপিডি সার্কুলার নম্বর ১২, তারিখ ১১-০৭-২০০১ এবং সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশনের ০৮-০৭-২০১৫ তারিখের আদেশ মোতাবেক তারা শেষ বারের মতো ব্যাংকের ৩১ ডিসেম্বর, ২০১৯ এর নিরীক্ষা সম্পন্ন করেছে।

### উপসংহার

বিগত বছর সমূহে ন্যাশনাল ব্যাংকের কর্মী বাহিনী ব্যাংক এবং এর সাবসিডিয়ারী প্রতিষ্ঠানগুলোর বার্ষিক প্রতিবেদনকে শক্তিশালী করার জন্য এবং লাভজনক ব্যবসায় ব্যাংকের অংশগ্রহণ বৃদ্ধির লক্ষ্যে নিরলসভাবে কাজ করেছে। আমরা বিশ্বাস করি যে, এগুলো পরিচালন মুনাফা প্রবৃদ্ধি, প্রতিশনের উল্লেখযোগ্য বৃদ্ধি এবং NPA বা অলস সম্পদ হ্রাসকে প্রভাবিত করছে। ভবিষ্যতে অর্থনৈতিকভাবে উন্নত একটি দেশের মর্যাদা লাভের জন্য যেহেতু বাংলাদেশ তার যাত্রা অব্যাহত রেখেছে, আমরা এই সুযোগের সর্বোচ্চ ব্যবহারের জন্য সচেষ্ট থাকব। আমাদের উদ্দেশ্য পরিচালন মুনাফার ভিত্তিকে শক্তিশালী করা এবং ঋণখরচ কমিয়ে সহনীয় পর্যায়ে নিয়ে আসা এবং এর মাধ্যমে শেয়ারহোল্ডারদেরকে কাজ্জিত লভ্যাংশ দেয়া।

আমরা জানি যে, কোভিড - ১৯ অর্থনীতির জন্য যথেষ্ট ক্ষতি বয়ে এনেছে; আমাদের সরকার শক্তিশালী এবং সতর্ক নেতৃত্বের মাধ্যমে অর্থনীতিকে সার্বিকভাবে পুনরুদ্ধারের চেষ্টা করছে। এখন আমরা সকলে চেষ্টা করছি নজিরবিহীন প্রভাব সৃষ্টিকারী এই মহামারীর সাথে মানিয়ে নিতে। সরকারী ও বেসরকারী দৃঢ় অংশিদারিত্ব আমাদের অর্থনীতিকে দৌলুয়মান অবস্থা হতে মুক্তি পেতে ও কাজ্জিত প্রবৃদ্ধি অর্জন করতে সহায়তা করবে।

যাহা হোক, আমি এই কোম্পানীকে সঠিকভাবে পরিচালনার ক্ষেত্রে অবদান রাখার জন্য এবং বিরতিহীন সমর্থনের জন্য পরিচালনা পর্ষদের আমার সহকর্মীদের আন্তরিক ধন্যবাদ দিতে চাই। আমি আমার সকল কর্মকর্তা ও কর্মচারীদেরও ধন্যবাদ দিতে চাই, যাদের কঠোর পরিশ্রম ছাড়া এই সাফল্য অর্জন কখনো সম্ভব হতো না। আমি বিশেষভাবে কৃতজ্ঞতা জানাতে চাই বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ, সেন্ট্রাল ডিপোজিট বাংলাদেশ লিমিটেড, ঋণগ্রহীতা, আমানতকারী এবং অন্যান্য সংস্থাকে, যারা প্রত্যক্ষ এবং পরোক্ষভাবে আমাদের ব্যাংকের সাথে যুক্ত এবং সব সময় ব্যাংকের প্রয়োজনে তাদের মূল্যবান উপদেশ, দিক নির্দেশনা ও সহযোগিতা দিয়ে থাকেন। সর্বশেষ আমাদের সম্মানিত শেয়ারহোল্ডার, সর্বদা যারা আমাদের উপর বিশ্বাস ও আস্থা স্থাপন করে আমাদের এই পথচলাকে সমৃদ্ধ করেছেন, তাদেরকে ধন্যবাদ জানাচ্ছি।

আল্লাহ হাফেজ



বোর্ড অফ ডিরেক্টরস এর পক্ষ থেকে  
চেয়ারম্যান

On the other hand, the Executive Committee, Audit Committee and Risk Management Committee of the Board of Directors met in 3(Three), 05(Five) and 04(Four) meetings respectively and gave valuable decisions on various issues during the Period under review.

### Election of Directors

In accordance with clauses 103 and 104 of the Articles of Association of the Company, the following Directors will retire at this Annual General Meeting.

1. Mr. Zainul Haque Sikder
2. Ms. Parveen Haque Sikder, MP
3. Mr. Rick Haque Sikder

As per Article 105 of the Articles of Association of the company and as per companies act, 1994 the retiring Directors are eligible for re-election.

### Appointment of Auditors

Our existing external Auditor Rahman Mostafa Alam & Co., Chartered Accountants has completed audit for the year ended 31-12-2019 as final year of their audit and as per Bangladesh Bank's BRPD Circular Letter No. 12 dated 11 July 2001 and order of Bangladesh Securities and Exchange Commission dated 08 July 2015.

### Conclusion

Over the past years, NBL team has worked relentlessly towards strengthening the Bank's and its subsidiaries financial statements, and increasing the Bank's share of profitable business opportunities. We believe these efforts are reflected in the core operating profit growth, the substantial increase in provisioning coverage and the reduction in net NPAs. As Bangladesh continues its journey to become an economically developed county in the future, we will work towards maximizing our share of the opportunity. Our objective is to grow our core operating profit and to reduce the credit costs to a normalized level, thereby delivering sustainable returns to our shareholders.

We also know COVID19 has brought a ravage in the economy; our government is trying to salvage the overall economy with strong and prudent leadership. We all are now trying to cope with the pandemic which has created an unprecedented scenario. Strong rapport of the public and private will help us to get rid of the tottering economy, springing back into our desired growth trajectory.

Nevertheless, I take this opportunity to thank my colleagues in the board for their continued support and contributions in moving the Company to the right direction. I also convey my thanks to all employees, without their hard work this success would not have been possible. My special gratitude to Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka and Chittagong Stock Exchanges, Central Depository Bangladesh Limited, borrowers, depositors and other stakeholders who are directly or indirectly related to our Bank and always give us their valuable advice, guidance and cooperation as when needed. And let us not forget to thank our shareholders whose trust placed on us at all time in our pursuit for excellence.

Allah Hafez



On behalf of the Board of Directors  
Chairman



# RISK MANAGEMENT

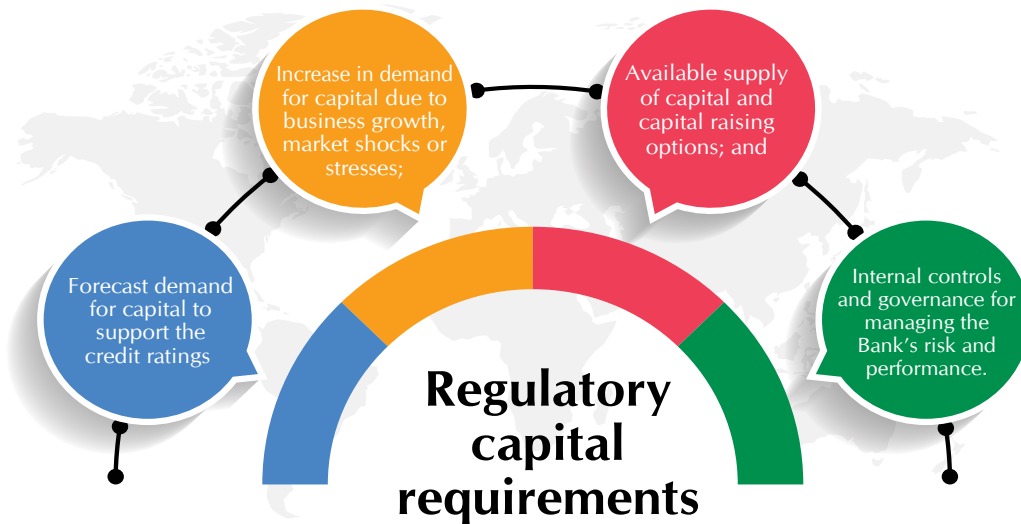
NOT JUST FOR COMPLIANCE BUT FOR IMPROVED PROFITABILITY

## Effective risk management for NBL

Accepting calculative risk is a beauty of the banking business. Effective management of risks is therefore critical for sustainable performance of a Bank. As businesses are changing, which brings new risk horizons, NBL is coping with the changes brought about by an ever evolving economy at the same time. The ability to anticipate threats, respond and continually adapt is as critical a part of the risk management process as it ever has been. In the course of banking operations, banks are invariably faced with different types of risks that may have a potentially negative effect on their business. When banks deal with risks in banking, banks are primarily concerned with the possibilities of loss or decline in asset values from events like economic slowdowns, unfavorable fiscal and trade policy changes, adverse movement in interest rates or exchange rates, or falling equity prices. Risk management in bank operations includes risk identification, measurement and assessment, and its objective is to minimize negative effects risks can have on the financial result and capital of a bank. NBL is therefore required to form a special organizational unit for risk management. Also, NBL needs to prescribe procedures for risk identification, measurement and assessment, as well as procedures for risk management.

## Focusing Capital on the long term

National Bank Ltd's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirements at all times and to maintain good credit ratings. Strategic business and capital plans are drawn up to cover an eight years horizon and approved by the board. The plan ensures that adequate levels of capital and an optimum mix of the different components of capital are maintained by the Bank to support the strategy. The capital plan takes the following into account



National Bank Ltd uses a capital model to assess the capital demand for material risks, and support its internal capital adequacy assessment. Each material risk is assessed, relevant mitigates are considered and appropriate levels of capital are determined. The capital model is a key part of the Bank's management disciplines.

Basel-III, The Basel Committee on Banking Supervision published Basel-III, a framework for the International Convergence of Capital Measurement and Capital Standards (commonly referred to as 'Basel II'), which replaced Basel II Accord. Basel-III is structured around three 'pillars': Bangladesh Bank has given a regulatory framework for capital adequacy management and has formulated a guideline under Basel-III framework.

In order to comply with the Bangladesh Bank's requirement, NBL's Board of Directors approved a policy on Risk Based Capital Adequacy for National Bank Limited in December, 2009, which become effective since January, 2010. The Bank adopted the following approaches to calculate Capital to Risk Weighted Assets Ratio (CRAR) as per requirement of Minimum Capital Requirement [MCR] (Pillar-I)

NBL has taken necessary steps to put in Internal Capital Adequacy Assessment Process (ICAAP) to identify measure, monitor and control risks not captured under Pillar-I of the Basel-III regime. The ICAAP lays down the principal process for risk management of risks other than Credit, Market and Operational risks recognized under pillar one and regulatory capital.

The Bank meanwhile underscored the need for corporate and financial transparency and accordingly approved a Discloser Policy for NBL by the Board of Directors which enabled the bank to comply with the Pillar-III requirement of Basel-III implementation.



## Risk Management

To monitor, manage, and measure various risks, banks are actively engaged in risk management. In NBL, the risk management function contributes to the management of the risks it faces continuously the risk of its current portfolio of assets and other exposures. The degree and types of risk that a bank faces depend upon a number of factors such as its size, complexity business activities, volume technology operations etc. Risks are normally classified within 3 categories:



Every single risk may lead to direct and/or indirect damage to the organization, and business with financial implications that may also be considerable in the short, medium and long term.

## Risk Management Framework

In National Bank Ltd, risk management is a dynamic process interrelated with the philosophy, culture and functionalities of the bank. Risk is clearly identified, measured, mitigated or minimized to shield capital and to maximize value for shareholders. NBL affixes utmost priority to establish, maintain and upgrade risk management infrastructure, systems and procedures. Required resources are allocated in this regard to improve capacity, skills and expertise of relevant resources to enhance their risk management. Different policies and procedures are approved by Board of Directors of NBL. These guidelines are regularly assessed time to time to update them. Recognizing the impacts of internal and potential risk domains, the bank has laid down different risk managements processes consisting of definition, identification, analysis, measurement, acceptance and proper management of risk profile.

## Risk Management Process

The overall risk management process aims to reduce the bank's overall risk level to one that is acceptable to both the bank's senior management and its regulatory supervisor. Following are the components of the Risk Management Process.



Steps	Activity
Identify	-Establish the process for identifying and understanding business-level risks
Assess	-Agree and implement measurement and reporting standards and methodologies.
Control	-Establish key control processes and practices, including limit structures, impairment allowance criteria and reporting requirements
Monitoring	-Monitor the operation of the controls and adherence to risk direction and limits. -Provide early warning of control or appetite breaches -Ensure that risk management practices and conditions are appropriate for the business environment.
Report	-Interpret and report on risk exposures, concentrations and risk-taking outcomes. -Interpret and report on sensitivities and Key Risk Indicators. -Communicate with external parties
Manage Challenge	-Review and challenge all aspects of the risk profile -Assess new risk-return opportunities -Review and challenge risk management practices.



## Capital Adequacy as per Basel -III

As on December 31, 2019

(Figure in crore)

Particulars	Year 2019	
	Solo	Consolidated
<b>A. Eligible Capital</b>		
<b>1. Tier-1 (Core Capital )</b>	<b>4,568.13</b>	<b>4,548.55</b>
2. Common Equity Tier-1 capital (CET-1)	4,568.13	4,548.55
3. Additional Tier- 1 Capital (AT-1)	-	-
<b>4. Tier-2 Capital</b>	<b>904.19</b>	<b>904.19</b>
<b>5. Total Regulatory Capital (1+4)</b>	<b>5,472.32</b>	<b>5,452.74</b>
<b>B. Total Risk Weighted Assets (RWA)</b>	<b>40,885.17</b>	<b>40,876.78</b>
C. Capital to Risk Weighted Assets Ratio (CRAR) (A5 / B)*100	13.38%	13.34%
D. Common Equity Tier-1 to RWA (A2/ B)*100	11.17%	11.13%
E. Tier-1 Capital to RWA (A1/ B)*100	11.17%	11.13%
F. Tier-2 Capital to RWA (A4/B)*100	2.21%	2.21%
<b>G. Minimum Capital Requirement (MCR)</b>	<b>4,088.52</b>	<b>4,087.68</b>
<b>A2. Common Equity Tier-1 (Going Concern Capital)</b>		
1.1 Fully Paid-up Capital	2,920.40	2,920.40
1.2 Non-repayable Share premium account	-	-
1.3 Statutory Reserve	1,583.57	1,583.57
1.4 General Reserve	-	2.98
1.5 Retained Earnings	303.19	266.89
1.6 Dividend Equalization Account	-	-
1.7 Minority interest in Subsidiaries	-	0.01
1.8 Other (if any item approved by Bangladesh Bank))	-	-
<b>1.9 Sub-Total: (1.1 to 1.8)</b>	<b>4,807.16</b>	<b>4,773.85</b>
<b>Regulatory Adjustments:</b>		
1.10 Shortfall in provisions required against Non Performing Loans (NPLs)	-	-
1.11 Shortfall in provisions required against investment in shares	189.83	176.07
1.12 Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.	-	-
1.13 Goodwill and all other intangible assets	4.60	4.60
1.14 Deffered Tax Assets (DTA)	34.14	34.17
1.15 Defined benefit pension fund assets	-	-
1.16 Gain on sale related to securitization transactions	-	-
1.17 Investment in own CET-1 investments/ shares	-	-
1.18 Reciprocal crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities	10.46	10.46
1.19 Any investment exceeding the approved limit under section 26 ka (1) of Bank Company Act 1991 (50% of investment)	-	-
1.20 Investments in subsidiaries which are not consolidated (50% of investment)	-	-
1.21 Other (if any)	-	-
<b>1.22 Sub Total (1.10-1.21)</b>	<b>239.03</b>	<b>225.30</b>
<b>Total Common Equity Tier-1 Capital (1.9-1.22)</b>	<b>4,568.13</b>	<b>4,548.55</b>
<b>A3 Additional Tier-1 Capital</b>		
2.1 Non- cumulative irredeemable preference share	-	-
2.2 Instruments issued by the banks that meet the qualifying criteria for AT1	-	-
2.3 Minority interest	-	-
2.4 Others (if any item approved by Bangladesh Bank)	-	-

## Capital Adequacy as per Basel -III

As on December 31, 2019

(Figure in crore)

Particulars	Year 2019	
	Solo	Consolidated
<b>Regulatory Adjustments:</b>	-	-
2.5 Investment in own AT-1 instrument/ share	-	-
2.6 Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities	-	-
2.7 Others (if any)	-	-
<b>Total Additional Tier-1 Capital Available</b>	-	-
<b>A4 .Tier-2 Capital(Gone Concern Capital)</b>		
3.1 General Provision	504.19	504.19
3.2 All other preference shares	-	-
3.3 Subordinated debt/ instruments issued by the Bank that meet the qualifying criteria for Tier-2 Capital	400.00	400.00
3.4 Minority interest i.e. Tier-2 issued by consolidated subsidiaries to third parties	-	-
3.5 Revaluation Reserve on 31 December 2014 (50% of Fixed Assets & Securities and 10% of Equities)	63.10	63.10
3.6 Other (if any item approved by Bangladesh Bank)	-	-
<b>Regulatory Adjustments:</b>		
3.7 Revaluation Reserve for Fixed Assets, Securities and Equities	63.10	63.10
3.8 Investment in own T-2 instruments/ Shares	-	-
3.9 Reciprocal crossholdings in the Tier-2 Capital of Banking, Financial and Insurance Entities	-	-
3.10 Any investment exceeding the approved limit u/s 26 ka(1) of Bank Company Act 1991	-	-
3.11 Others (if any)	-	-
<b>Total Tier-2 Capital</b>	<b>904.19</b>	<b>904.19</b>
<b>Risk Weighted Assets (RWA) for</b>		
<b>A. Credit Risk</b>	<b>37,225.08</b>	<b>37,050.86</b>
On- Balance sheet	35,614.99	35,463.28
Off-Balance sheet	1,610.08	1,587.58
<b>B. Market Risk</b>	<b>1,312.05</b>	<b>1,440.62</b>
<b>C. Operational Risk</b>	<b>2,348.05</b>	<b>2,385.30</b>
<b>Total RWA (A+B+C)</b>	<b>40,885.17</b>	<b>40,876.78</b>
<b>Credit Risk on Banking Book</b>		
<b>Total Exposures of Credit Risk</b>		
<b>1. Funded</b>		
a) Domestic	44,643.98	44,560.18
b) Overseas	-	-
<b>2. Non Funded</b>		
a) Domestic	2,336.27	2,336.27
b) Overseas	-	-
<b>Distribution of risk exposure by claims</b>		
A. Claims on other Sovereigns & Central Banks	6,005.28	6,005.28
B. Claims on public sector entities	-	-
C. Claims on Banks and NBFIs	955.89	1,010.77
D. Claims on Corporate	21,309.38	21,641.04
E. Claims on SME	3,638.23	3,601.09
F. Claims categorized as retail portfolio	279.75	279.75
G. Claims on Consumer Finance	793.85	793.85
H. Claims fully secured by residential property	290.64	290.64

## Capital Adequacy as per Basel -III

As on December 31, 2019

(Figure in crore)

Particulars	Year 2019	
	Solo	Consolidated
I. Claims fully secured by commercial real estate	2,692.77	2,692.77
J. Others Categories:		
Past Due Claims	6,035.91	6,035.91
Other Assets	2,642.27	2,209.08
Off-balance sheet items	2,336.27	2,336.27
<b>Market Risk on Trading Book</b>		
<b>The capital requirement for :</b>		
Interest Rate Related instruments	25.86	25.86
Equities	95.97	108.82
Foreign Exchange Position	9.38	9.38
Commodities	-	-
<b>Operational Risk</b>		
The capital requirement for operational risk	234.80	238.53
<b>Maintenance of specific provision</b>		
Gross non performing assets (NPAs) (SS, DF, BL)	3,963.71	3,963.71
Non performing assets to outstanding loans and advances.	10.99%	12.60%
<b>Movement of non performing assets</b>		
Opening balance	2,988.15	2,988.15
Addition	1,208.60	1,208.60
Reductions	(233.04)	(233.04)
<b>Closing balance</b>	<b>3,963.71</b>	<b>3,963.71</b>
<b>Movement of specific provision</b>		
Opening balance	966.55	966.55
Release of Provision	11.27	11.27
Transfer from general provision- Unclassified Loan	-	-
Transfer from general provision- Off Balance Sheet	-	-
Recovery of write-off	-	-
Adjustment	-	-
Provision made during the period	150.00	150.00
<b>Closing balance</b>	<b>1,127.82</b>	<b>1,127.82</b>
<b>Maintenance of regulatory capital</b>		
<b>Amount of Tier-1 Capital</b>		
Fully Paid-up Capital	2,920.40	2,920.40
Statutory Reserve	1,583.57	1,583.57
General Reserve	-	2.98
Retained Earnings	303.19	266.89
Minority interest	-	0.01
<b>Total</b>	<b>4,807.16</b>	<b>4,773.85</b>
<b>Regulatory adjustments from Tier - 1 Capital</b>		
Shortfall in provision	189.83	176.07
Goodwill and all intangible assets	4.60	4.60
Deffered Tax Asset (DTA)	34.14	34.17
Reciprocal Crossholding	10.46	10.46

## Capital Adequacy as per Basel -III

As on December 31, 2019

(Figure in crore)

Particulars	Year 2019	
	Solo	Consolidated
	239.03	225.30
<b>Total amount of Tier -2 capital (Net off deduction from Tier -2 Capital)</b>	<b>904.19</b>	<b>904.19</b>
<b>Total eligible capital</b>	<b>5,472.32</b>	<b>5,452.74</b>
<b>Capital Adequacy</b>	<b>13.38%</b>	<b>13.34%</b>
<b>Amount of regulatory capital to meet unforeseen loss</b>		
Amount to meet credit risk	3,722.51	3,705.09
Amount to meet market risk	131.20	144.06
Amount to meet operational risk	234.80	238.53
Some additional capital over MCR maintained by the Bank	1,383.80	1,365.06
<b>A. Banking Book Assets</b>		
<b>1. Cash in hand and balance with BB (excluding FC)</b>	<b>2,251.42</b>	<b>2,251.42</b>
Balance with other banks (excluding FC)	116.59	116.59
<b>2. Money at Call</b>	<b>9.13</b>	<b>9.13</b>
<b>3. Investment (HTM)</b>		
a. Government	3,984.25	3,984.25
b. Qualifying (banks, etc.)	590.03	200.59
c. Others	-	-
<b>4. Loans and advances</b>		
<b>a. Classified (SS, DF &amp; BL to be shown separately):</b>	<b>3,963.71</b>	<b>3,963.71</b>
Substandard (SS)	750.16	750.16
Doubtful (DF)	338.32	338.32
Bad & Loss (BL)	2,875.23	2,875.23
<b>b. Unclassified</b>	<b>32,113.26</b>	<b>32,407.79</b>
<b>Total loans and advances</b>	<b>36,076.97</b>	<b>36,371.50</b>
<b>5. Risk weighted assets</b>		
a. Below 100% RW	19,783.08	19,890.40
b. 100% RW	15,262.51	15,965.21
c. Above 100% RW	10,547.41	10,834.06
<b>6. Rated status</b>		
a. Rated assets	17,319.41	17,319.41
b. Unrated assets	29,038.07	29,051.78
<b>7. Other assets including Fixed Assets</b>	<b>1,463.94</b>	<b>1,432.61</b>
<b>Total Banking Book Assets</b>	<b>44,492.34</b>	<b>44,366.11</b>
<b>B. Trading Book Assets</b>		
1. FC held in hand	3.52	13.81
2. FC held in BB & Nostro account	148.12	180.27
<b>3. Investment (Trading)</b>		
a. Govt. (part of govt. HTM if held above the required SLR amount)	-	-
b. HFT	1,038.87	1,038.87
c. AFS (if any)	674.63	772.14
<b>Total Trading Book Assets (1+2+3)</b>	<b>1,865.14</b>	<b>2,005.08</b>
<b>Total Assets (A+B)</b>	<b>46,357.48</b>	<b>46,371.19</b>

## Risk Management Policy & Procedure

NBL has formulated a risk management policy, keeping in view the resources, expertise, strengths, and weaknesses. The policy document reveals the risk management philosophy and guides the personnel in conducting the bank's operations in conformity with the risk-taking capability. NBL fixes risk limits for different operational areas and activities and defines the boundary of potential loss within which the managers should operate. NBL also frequently revises delegation limits in accordance with changing market conditions.

Policies and procedures covering all the risk areas are essential for ensuring that risks are properly addressed and protected for sustainable development of the bank. National Bank has approved policies and procedures in line with the Bangladesh Bank's Guidelines on managing Core Risks on Credit Risk Management, Foreign Exchange Risk Management, Internal Control and Compliance, Asset and Liability Management, Information Risk Management and Money Laundering Risk Management. At the same time NBL takes into account the challenges in the business environment in which NBL operates, specific needs for particular type of operations or transactions and global best practices. These policies are periodically reviewed and updated to keep pace with the changing operating and business environment, technology and regulatory implications.

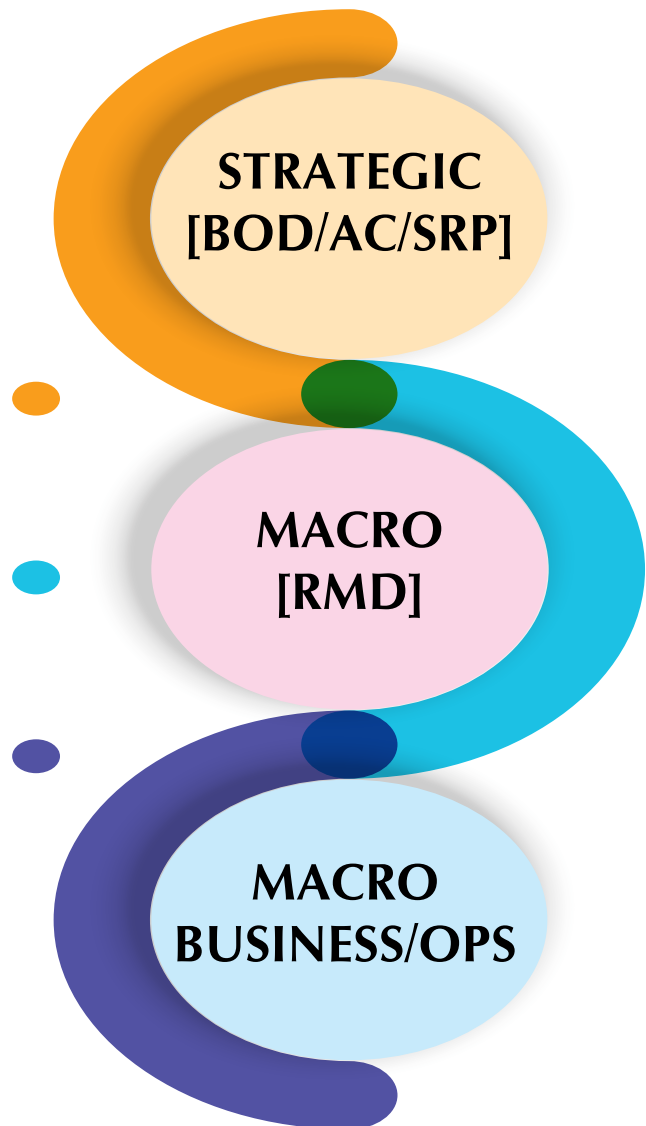
## Risk Management Organization

Risk management performs at various levels in NBL. At the highest level, the Board of Directors determines the risk strategy, policy principles and limits, as per recommendation and suggestion by the Assets and Liabilities Committee (ALCO), Management Committee as well as the Credit Committee. The MANCOM, ALCO regularly review the risk exposure of NBL's activities and portfolio. The MD, who is also a member of the Board, is responsible for the implementation of NBL's risk policy. NBL Risk Management is responsible for the policy regarding interest rate, market, liquidity, currency and operational risk, as well as for the credit risk policy at portfolio level.

In addition, implementation policy for risk management is embedded within the Bank entities, with independent risk control departments monitoring the risks that are relevant for the entity in question.

In NBL, risk is managed in three stages namely: Strategic level; Macro level and Micro Level. Strategic Level consists of Audit Committee and Board of Directors and Supervisory Review Team (SRP); Macro level consists of Risk Management Committee of the Bank.

Risk Management Division collects information from branch and head office level; collects different secondary data from Bangladesh Bank, BIBM, BIDS, BBS, WB, IFC, ADB websites etc, print sources and prepare different risk reports. RMD submits these reports regularly to CEO and periodically to SRP team. Also Risk Report is periodically submitted to Risk Management Committee of the Board of Directors of NBL.



## Principles of Risk Management

The main objective of risk management is the protection of NBL's financial strength. Risk management is based on the following principles:

### Protecting the Bank's financial strength

- NBL controls risks in order to limit the impact of potential adverse events, both on its capital and on its financial results. The risk appetite to be proportional to the available capital.

### Protecting NBL's reputation

- Reputation is essential for the proper performance of a banker's profession and needs to be diligently preserved.

### Risk transparency

- For a good insight into NBL's positions, it is vital to identify all risks. Risks must always be considered as accurately as possible and documented in order to be able to make sound business decisions.

### Management responsibility

- NBL's business entities are individually responsible for their results as well as for their risks associated with their operations. A balance is made between risk and return, while of course duly observing the relevant risk limits.

### Independent risk control

- This is the structured process of identifying, measuring, controlling, monitoring and reporting risks. In order to ensure integrity, the risk control divisions operate independently of the business activities.

To manage different risks, an extensive system, limits, process and controls based on the above principle is in operation at NBL.

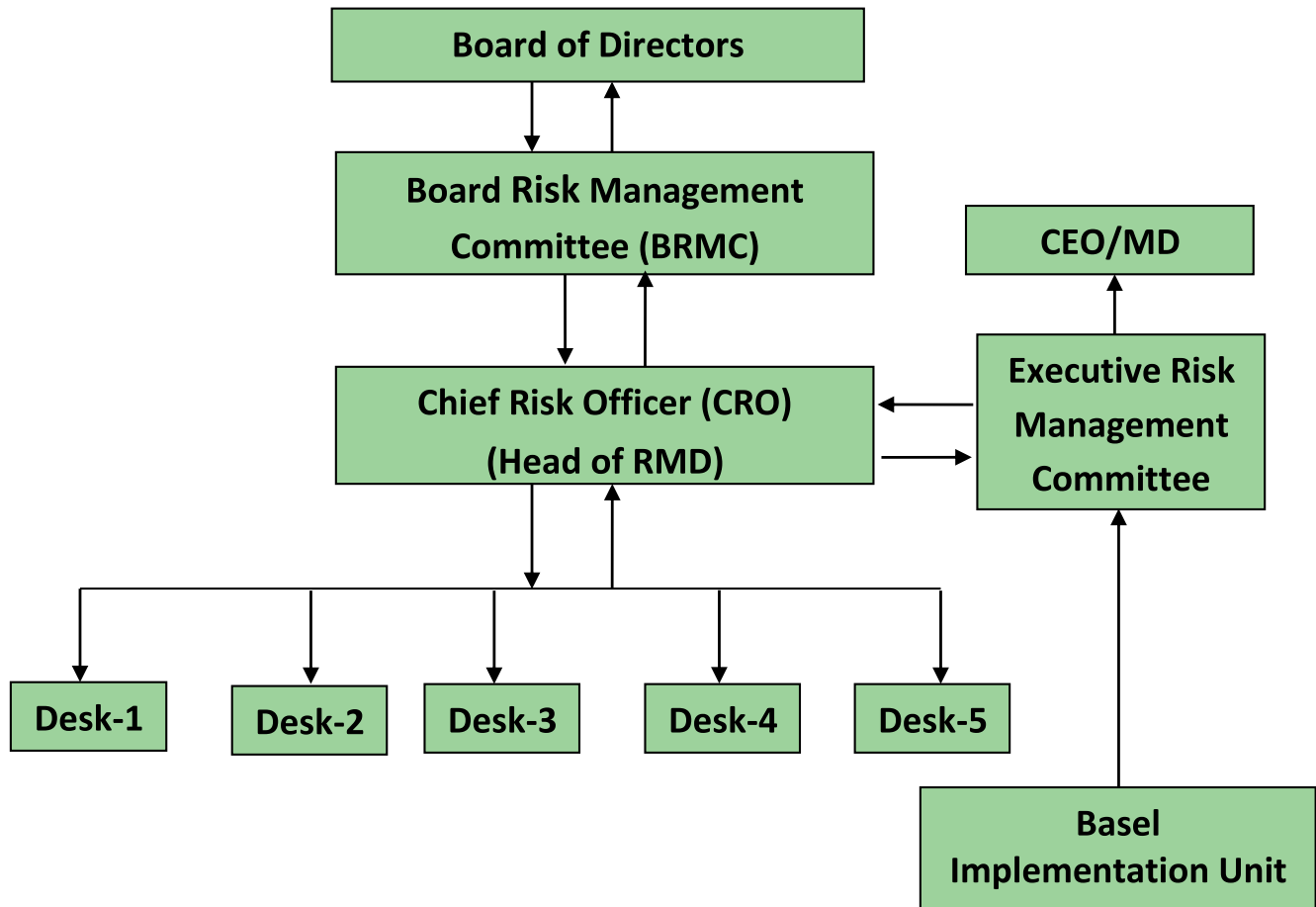
## Risk Management Division

NBL's Organogram has been re-structured with inclusion of a separate Risk Management Division in line with the regulatory requirement to address and supervise the existing and potential business and capital risks. Risk Management Unit (RMU) of NBL has been re-named as Risk Management Division (RMD) duly approved in 338th meeting of the Board of Directors

The Risk Management Division has direct reporting line to the Managing Director and CEO of the Bank with dotted line reporting to the Risk Management Committee of the Board of Directors of the Bank. The Risk Management Division is headed by Deputy Managing Director, Chief Risk Officer (CRO) of the Bank. The Organogram of the RMD is given below which emphasizes on management of different risk profiles of the Bank.

## Organization Structure of Risk Management Division

The Organogram of NBL has been re-structured. The Board approved re-structuring Organogram of Risk Management Division in it's 425th Meeting.



This specialized Division cautions the bank against any financial and operational risk at macro level impacting the micro functionalities. It oversees the management of various core risk management guidelines prescribed by Bangladesh Bank and approved by the bank in different functional areas: credit, foreign exchange, asset and liability management, internal control and compliance, money-laundering and information communication technology risks etc. apart from capital adequacy risk.

#### **Risk Management Division has been established for the following purposes:**

- Ensure quality assets as well as sustainable profit
- Improve compliance culture
- Reduce cost of inefficiency
- Strong risk management due-diligence reduces risk weighted assets under Basel-II framework.
- Strong risk focused risk management means comfortable reputation level.
- Highlight deficiency to the top management in time, and
- Potential problem areas are quickly identified.

The RMD periodically reviews the risk status of the bank based on qualitative and quantitative Key Risk Indicators (KRI) on different risk area; prepare a monthly Risk Management report.

***“Risk analysis and reporting capabilities support the identification of opportunities as well as risks and it provides an aggregate view of the overall risk portfolio. Risk mitigation strategies clearly aligned”***

#### **Risk Report**

To ensure compliance, National Bank Limited prepares Risk Management Report in new format to inform the standing of the bank to Bangladesh Bank in terms of credit risk, market risk, liquidity risk, operational risk, reputation risk, compliance risk, core risk management, capital adequacy, bank’s resilience capacity, money laundering risk etc. The Risk Management Division also supports the operational management decisions

by providing relevant risk analysis. Monthly Risk Management Report are prepared in time and duly submitted to competent authority and Bangladesh Bank. In the year 2019, Monthly Risk Management Reports were prepared and duly submitted to Bangladesh Bank.

Risk Management Report is placed in the monthly meeting of the Risk Management Committee of the Management of the Bank, analyzed and discussed. It is placed to the Chief Executive Officer and senior Management team. The Risk Report is also placed and discussed in the periodical meeting of the Supervisory Review Process Team of the bank where directional inputs are given for the bank.

Detailed update on risk management is also placed to the Risk Management Committee of the Board of Directors / Board of Directors on periodic basis for their information, guidance and direction.

### Risk Management Committee (RMC) of the Board

In accordance with Bank Company (Amendment) Act, 2013 and related BRPD Circular No: 11 dated October 27, 2013, a Risk Management Committee has been formed by the Board of Directors to play an effective role in reducing ensued and potential risks in the process of implementation of bank's strategy and work-plan as devised by the board of directors as well as efficient execution of related responsibilities of the board. Risk Management Committee will oversee whether proper risk mitigation processes/methods are being applied and required capital and provisions are maintained by management after they have duly identified and measured credit risk, foreign exchange risk, internal control & compliance risk, money laundering risk, ICT risk, operating risk, interest risk, liquidity risk and other risks.

Following are the members of Risk Management Committee of Board of the Directors at present.

Sl.	Name	Position in the Committee
1.	Ms. Parveen Haque Sikder, MP	Chairperson
2.	Mr. Rick Haque Sikder	Member
3	Mr. Ron Haque Sikder	Member

Duties and responsibilities of the committee are as follows:

**Risk identification & control policy:** Risk Management Committee will formulate and implement the appropriate strategies for risk assessment and its control, monitor risk management policies & methods and amend it if necessary, review the risk management process to ensure effective prevention and control measures, scrutinize whether appropriate risk management measures are being put in place.

**Construction of organizational structure:** The committee is to ensure adequate organizational structure for managing risk within the bank. The committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.

**Analysis and approval of Risk Management policy:** Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.

**Storage of data & Reporting system:** Adequate record keeping & reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.

**Monitoring the implementation of overall Risk Management Policy:** Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

**Other responsibilities:** Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form. Comply instructions issued time to time by the controlling body. Internal & external auditor will submit respective evaluation report whenever required by the committee.

### All Risk Committee

As per Bangladesh Bank's instructions (DOS circular letter no. 13 dated September 09, 2015), all commercial banks has to establish a separate Risk Management Committee at management level or All Risk Committee consisting of the heads of all core risk management of the bank for stronger and timely/ updated risk management activities. NBL has formulated this Committee with the approval of BOD of NBL. CRO is the Chairman and Head of RMD in the member secretary of the committee. The functions of All Risk Committee are set by the members of Board of Directors. All Risk Committee is responsible for managing the all risks across the bank. All Risk Committee is also responsible for ensuring proper application of sound risk management in banks i.e. for building the necessary infrastructure and taking various steps for identification, assessment, monitoring and mitigating various risks involved with the banks as well as maintaining adequate capital through



reducing provisioning requirement their against. Present All risk Committee consists of following Chairman and Members:-

SL	Name	Designation	Position in the Committee
1.	Mr. A. S. M. Bulbul	AMD & Company Secretary	Member
2.	Mr. Shah Syed Abdul Bari	DMD, CRO, Head of RMD, HRD & Treasury Division	Chairman
3.	Mr. Hossain Akhtar Chowdhury	SEVP & Head of ID	Member
4.	Mr. Kazi Kamal Uddin Ahmed	SEVP & Head of ITD	Member
5.	Mr. Md. Moniruzzaman	SEVP & Head of IC & CD	Member
6.	Mr. Arun Kumar Halder	EVP & Head of CRM-III	Member
7.	Mr. Md. Zahirul Islam	SVP & Head of CAD	Member
8.	Mr. Md. Sohel Faisal	SVP & Head of L&RD	Member
9.	Mr. Md. Rajunur Rashid	SVP & Head of GBD & AMLD	Member
10.	Mr. Krishna Kamal Ghose	SVP & Head of FAD	Member
11.	Mr. Shah Syed Rafiul Bari	VP, RMD	Secretary
12.	Mr. Mohammad Abu Rashed Nowab	VP & Head of CRM-I	Member

### Risk Management Committee at Management Level

Risk Management Committee of RMD holds monthly meeting where risk management initiatives, capital management and risks sensitivities issues are discussed in details on the basis of information and data on the risk profile of the bank. A copy of the Minutes of the Meeting is placed to the regulatory body along with the Monthly Risk Management Report (MRMR). MRMR is also submitted to senior management for information and guidance. During 2019, 12 (twelve) meetings were held in time and reports submitted to all concerned. RMD's Risk Management Committee suggests indicative risk mitigation measures to ensure minimum risk with qualified capital adequacy.

NBL has taken necessary steps to put in Internal Capital Adequacy Assessment Process (ICAAP) to identify measure, monitor and control risks not captured under Pillar-I of the Basel-III regime.

Bank is equipped with SRP Team with necessary input/data and action plan to enter into a dialog with representatives of Bangladesh Bank in order to justify risk management procedure of NBL & maintenance of adequate capital.

### Internal Capital Adequacy Assessment Process (ICAAP)

Internal Capital Adequacy Assessment Process [ICAAP] guideline of NBL was approved by the Board of Directors in its 335<sup>th</sup> meeting held on 14.03.2013. ICAAP Manual-2018 was approved by the Board of Directors in its 416<sup>th</sup> meeting held on 01.08.2018. ICAAP includes regulations of NBL's own supervisory review of capital positions aiming to reveal whether it has prudent risk management and sufficient capital to cover its risk profile.

Besides this, as per instructions of Bangladesh Bank, Risk Management Division of NBL duly submitted the ICAAP statements [Pillar II of Basel-III] of December 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018 & 2019.

### Risk Appetite

Risk appetite is the quantum of risk the bank is willing to accept in the normal course of business in pursuit of its strategic and financial objectives. The capital level, the liquidity profile, the liability structure, the cost of funds, and the targeted return on funds largely influence the risk tolerance capacity of the bank. The market competition and the employee skills and work culture also influence the risk appetite, because inadequate skills and bad ethics will generate higher risks, other things remaining equal. Risk taken within "appetite" may rise to expected losses, but these should be covered by expected earnings. The effectiveness of risk appetite can be mentioned as follows:

- Risk appetite improves management confidence and debate regarding the risk profile;
- It re-balance the risk profile where breaches are indicated, thereby achieving a superior risk-return profile;
- Identifies unused risk capacity, and thus highlight the need to identify further profitable opportunities; and
- Improves executive management control and co-ordination of risk-taking across businesses.
- The risk appetite for NBL for the year 2019 has been approved by the Board of Directors in its 426<sup>th</sup> meeting held on April 21, 2019.

### Capacity Building

The implementation of risk-based regulation i.e. Basel-III means that employees, as well as bank's top management, will need to be educated and trained to recognize risks and how to implement risk management approaches. As part of NBL's Capacity building initiative on risk management issues are being held regularly for executives/officers of NBL in different regions and at National Bank Training Institute (NBTI), Dhaka for strengthening risk management across the bank. RMD plays a pivotal role in liaison with NBTI to enhance risk understanding of all levels of the bank for sustainable banking growth.



In the past years, Risk Management Division had undertaken the following training programs:

- Risk based capital adequacy for banks according to Basel-III, internal capital adequacy assessment process (ICAAP), Stress testing and credit rating
- Risk Management & Related Reporting and capital management
- Risk management in NBL and Credit rating in banking for risk weighted asset management
- Implementation of Basel-III & Risk Management in banks and Environmental Risk Management
- Implementation of Basel-III & Risk Management in banks
- Risk Management in NBL & Credit Rating in Banking for Risk Weighted Asset Management
- Basel-III – Practical Approach and Internal Capital Adequacy Assessment process(ICAAP) in line with Basel-III & Reporting
- Risk Based Capital Adequacy for Banks According to Basel-III and Credit Rating for Risk Weighted Asset Management
- 347 executives/officers of the bank have undergone training in these programs.
- On “Loan sector code & Economic purpose code”

### Capital Planning

Bank’s capital management approach is driven by its desire to maintain a strong capital base to support the development of its business, to meet regulatory capital requirement at all times and to maintain good credit ratings. The purpose of capital planning is to enable the institution to ensure capital adequacy under changing economic conditions, even at times of economic recession. A capital plan of the Bank for eight years from 01 January 2010 to 31 December 2017 has been prepared and approved by the Board of Directors in its 314th meeting held on 2.06.2010. Financial Administration Division of NBL prepared seven years capital growth plan from January, 2014 to December, 2020 which was approved by the board of Directors of NBL in it’s 350th meeting held on 01.10.2014. Financial Administration Division of NBL has reviewed the seven years capital growth plan which was approved by the board of Directors of NBL in it’s 418th meeting held on 01.10.2018.

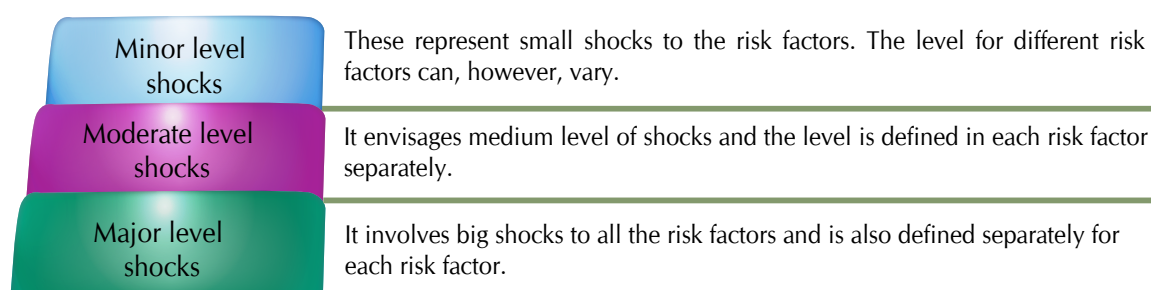
### Stress Testing

The Stress Testing is a technique applied to ascertain the reaction of the bank under a set of exceptional, but plausible assumptions through a series of battery tests.

NBL has undertaken Stress Testing to quantify the impact of change in number of risk factors on the assets and liabilities, economic and financial systems and management. The following different areas are considered to ascertain the magnitude of shock.

- The interest rate
- The categories of Non-Performing Loan (NPL)
- The movement of exchange rate
- The force-sale value of collateral securities mortgaged
- The concentration of large borrowers
- The liquidity position, and
- The capital etc.

Stress testing involves several shock levels.



Stress testing for credit risk assesses the impact of increase in the level of nonperforming loans (NPLs) of the Banks. RMD has conducted stress testing quarterly as per directives of Bangladesh Bank and has presented the status of regulatory capital under different shock level

SRP meeting or all risk committee meeting. NBL has been submitting quarterly reports on Stress testing to senior management / SRP Team/ Risk Management Committee of the Board of Directors and to Bangladesh Bank. Furthermore, RMD has replied the observation on the Stress Testing Report submitted quarterly and has presented the same in the SRP meeting or all risk committee meeting.

### Risks in Banking Sector

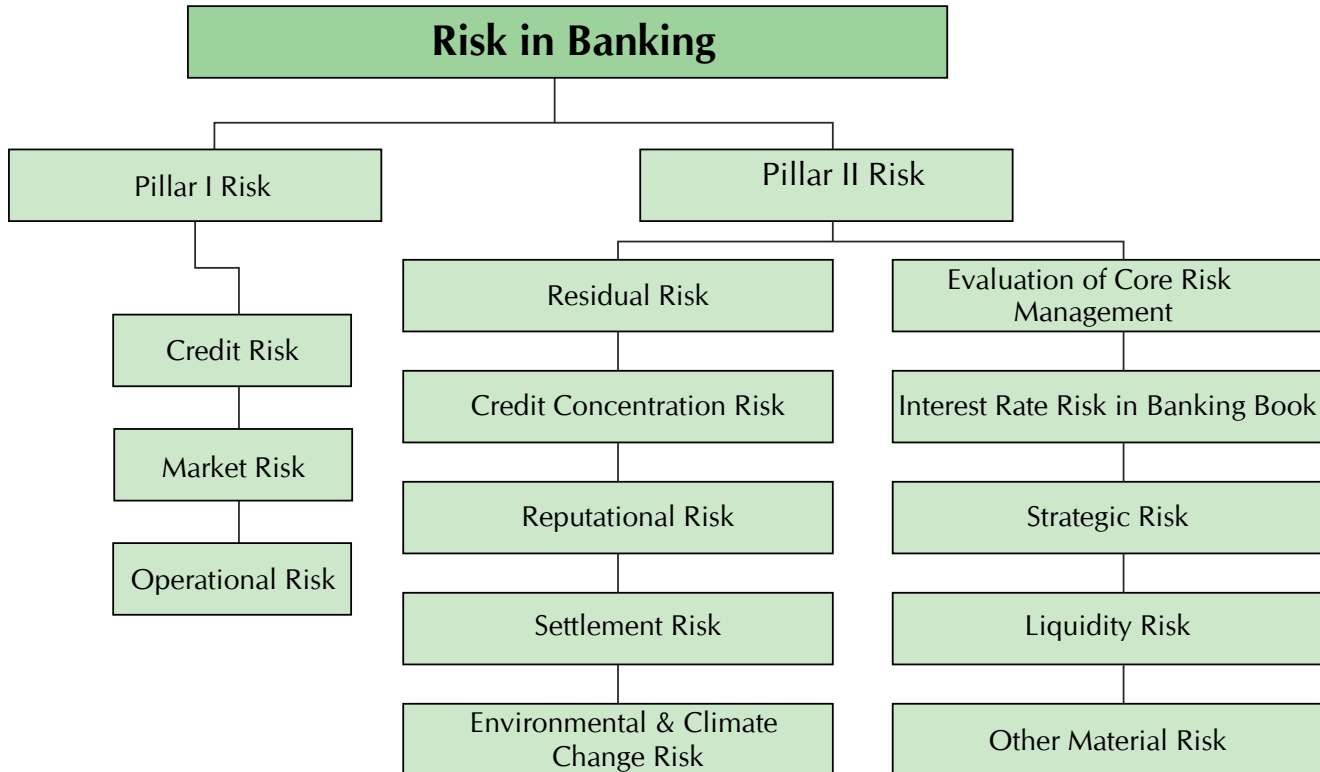
**NBL is subject to various types of risk which are mentioned under the following chart:**

#### Pillar I Risk

The first pillar deals with maintenance of regulatory capital calculated for three major components of risk that a bank faces: credit risk, operational risk, and market risk. Other risks are not considered fully quantifiable at this stage. Capital to Risk Weighted Assets Ratio (CRAR) is maintained as per pillar I risks in line with Risk Based Capital Adequacy Guidelines of NBL.

#### Pillar II Risk

The second pillar deals with the regulatory response to the first pillar. It also provides a framework for dealing with all the other risks a bank may face and gives bank a power to review their risk management system. This includes Residual Risk, Credit Concentration Risk, Reputational Risk, Settlement Risk, Evaluation of Core Risk Management, Interest Rate Risk in Banking Book, Strategic Risk, Liquidity Risk, Environmental & Climate Change Risk, Resilience Risk and other material risks which are not covered under Pillar I risks, but related to NBL’s business, operations and environment.



#### Pillar III Risk

This pillar of Basel-III regime aims to complement the minimum capital requirements and supervisory review process by developing a set of disclosure requirements which allows the market participants to gauge the capital adequacy of an institution.

Market discipline supplements regulation as sharing of information facilitates assessment of the bank by others, including investors, analysts, customers, other banks, and rating agencies, which leads to good corporate governance. The aim of Pillar 3 is to allow market discipline to operate by requiring institutions disclose the financial information including capital, risk exposures, risk assessment processes, and the capital adequacy of the institution. It must be consistent with the way the senior management, including the board, assesses and manages the risks of the institution.

## Credit risk

Credit risk is one of the major risks faced by the Bank. This can be described as potential loss arising from the failure of a counter party to perform according to contractual arrangement with the Bank. The failure may arise due to unwillingness of the counter party or decline in economic condition etc. Bank's risk management has been designed to address all these issues.

The favorable risk profile of NBL's loan portfolio is partly due to the bank's prudent policy for accepting new clients. Approval for any credit applications is decided by committees at different layers of management.

The Board itself decides on the largest financing applications. For any loan, a key concept in NBL's policy for accepting new clients is the 'know your customer' (KYC) principle, meaning that loans are granted only to clients known to NBL compliant to regulatory due diligence.

A detailed credit risk assessment is done before extending loan. The Credit Risk assessment includes borrower risk analysis, industry risk analysis, historical financial analysis, and projected financial performance, the conduct of the account, purpose of loan and security of the proposed loan. The assessment originates from relationship manager/account officer and approved by Credit Committee at different layers of management. Bank's business delegation determines the approval level of any credit proposal. Executive Committee of the Board/ Board of Directors approves the proposals beyond the authority limit of the Management.

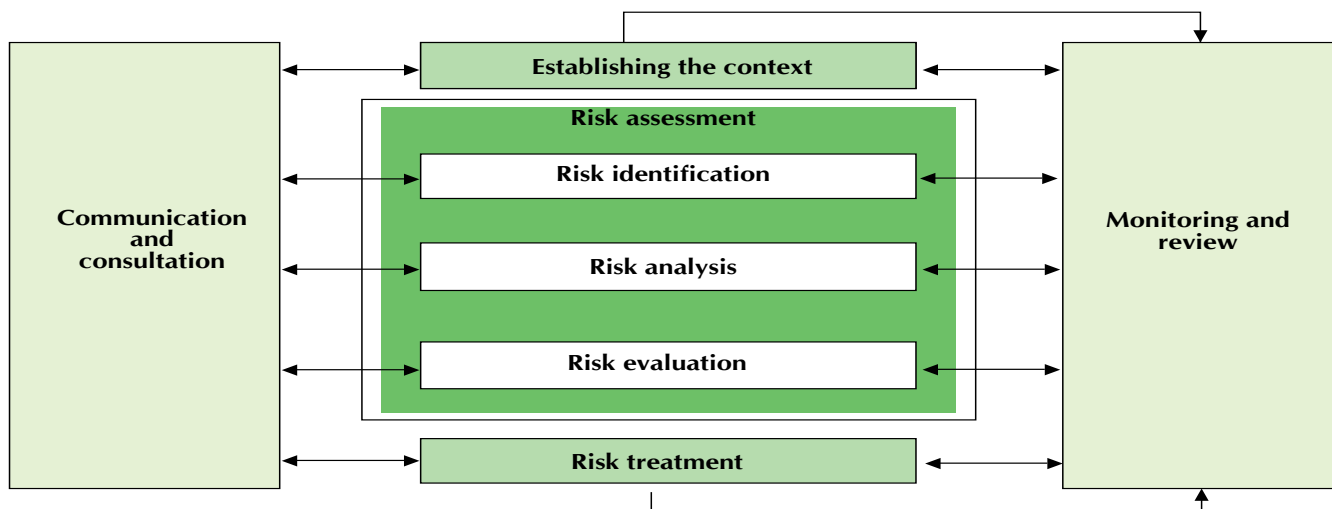
In determining Single borrower/Large Loan limit, the instructions of Bangladesh Bank are strictly followed. Segregation of duties has been established for Credit Approval, Relationship Management and Credit Administration. Internal audit is conducted on periodical interval to ensure compliance of Bank's internal and regulatory policies. Asset qualities of loans are determined as per Bangladesh Bank's guidelines.

Mortgage documents are properly vetted by the Bank's Legal Counsel. He/she certifies that documentation, borrower's legal standing and enforcement of securities are in proper place. Finally, Lawyer's Satisfaction Certificate is obtained regarding documentation of mortgaged properties.

The Bank has segregated duties of the officers/executives involved in credit related activities such as credit approval, administration and monitoring and recovery.

Credit Risk Management Division is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operations.

Risk grading of the accounts are done as per Bangladesh Bank's guidelines. Any credit approval/ sanction is subject to the banking regulations in force or to be imposed by the regulatory body from time to time and to the changes in the Bank's policy. This is specifically mentioned in the sanction letter issued to the customer. Data collection check list and limit utilization format have been prepared for regular assessment. Internal Control and Compliance Division (ICCD) independently reviews the risk grading at the time of auditing the branches.



## Credit Risk Management in NBL

Once a credit is approved, its disbursement and monitoring is done by the Credit Administration Division (independent from Credit Risk Management). CAD looks into the compliance of the sanction of terms based on documentation checklist and other processes and finally issues disbursement authority to the branches for disbursement of facilities. It monitors the asset qualities of different levels of credit performances till they are classified as nonperforming.

All non-performing loans are duly monitored by Law and Recovery Division of the Bank. They follow CRM policy and regulatory guidelines to guard the assets from further quality deterioration. In extreme cases, legal measures are undertaken to protect the interest of the bank.



## Market Risk

Market Risk may occur from the possibility of loss to a bank caused by changes in the market variables. Treasury Division manages the market risk and Asset Liability Committee [ALCO] monitors the activities of Treasury division in managing the risk.

Market Risk occurs due to changes:

- in the market level of interest rates
- prices of securities,
- foreign exchange and equities,
- the volatilities of those changes.

Market risk is analyzed and categorized under three subheadings namely interest rate risk; foreign exchange risk and equity risk.

## Interest Rate Risk

Interest rate risk means that the bank's financial result and/or economic value – given its balance sheet structure – may decline as a result of unfavorable movements in the money and capital markets.

This interest rate risk results mainly from mismatches between maturities of loans and funds available. If interest rates increase, the rate for the liabilities, such as deposits, will be adjusted immediately, whereas the interest rate for the greater part of the assets cannot be adjusted until later. Many assets, such as mortgages, have longer fixed-interest periods and the interest rates for these loans cannot be adjusted until the next interest rate reset date.

Sometimes, client behavior affects the interest rate exposure; clients may repay their loans before contracted maturity or withdraw their deposits earlier than expected/scheduled.

## Foreign Exchange Risk

Foreign exchange risk is defined as the potential 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 Division independently conducts the transactions and the back office of Treasury is responsible for verification of the deals and entries in the book of account. When assets in one currency exceed the liabilities in the same currency then the currency miss-match may add value or erode value depending on the currency movement. Foreign currency positions are recorded and managed on a daily basis by Treasury Division.

NBL is committed to comply with the open position limit on foreign exchange prescribed by the regulatory authority. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month end. Mid Office has been working as per instruction of Head Office. The Treasury Policy & Procedure Guideline has been reviewed and updated in 2017. All nostro accounts are reconciled on monthly basis and outstanding entry beyond 30 days is reviewed by the Management for its settlement. The nostro accounts are verified by the external auditors and reports are submitted to Bangladesh Bank. These positions are placed to ALCO and managed on a daily basis by Treasury Division.

## Equity Risk

Equity risk is defined as loss due to change in market price of equity held. Mark to market valuations of the share investment portfolios are done to measure and identify the risk. Mark to market valuations is done against a predetermined loss limit. Investment account (Margin

Account) where margin loan is allowed is monitored very closely against predetermined margin requirement and margin ratio. Diversification is enforced as per Bank's policy. At the time of providing margin loan following factors are taken into consideration for proper equity risk management.

- Security of investment
- Fundamentals of the securities
- Liquidity of the securities
- Reliability of earnings
- Capital appreciation
- Risk factors
- Implication of taxes

**NBL has significant equity participation in exchange houses and subsidiaries abroad.**

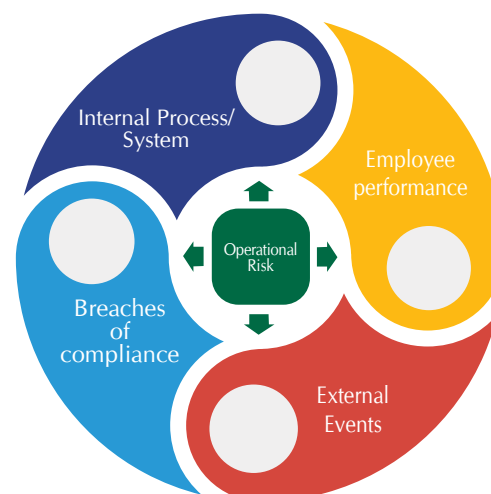
## Operational Risk

Operational risk is NBL's exposure to potential losses that may be caused from inadequate internal processes or systems, inadequate employee performance, external events and may also cause from the breach of compliance, contracts or internal regulation.

### Sources of Operational Risk

**Operational Risk includes:**

- IT (back up), interface, information and other system failures and deficiencies, including viruses.
- confidentiality or security breaches
- human error
- fraud and theft
- weakness in internal controls/supervision
- physical disasters involving people, premises or equipment
- delivery failures
- regulatory/compliance failure



### Residual Risk

Generally, collaterals are held against loans and advances to mitigate risks, but collaterals can pose additional risks (legal, documentation and liquidity risks) which may deteriorate the impact of risk mitigation. For example [1] the liquidation of the collateral is either problematic or time consuming due to error of documentation or delay in legal proceeding [2] collaterals were valued inappropriately [e.g. overvaluation]. These will require the bank to keep aside cushion for capital buffer under Pillar II.

As such, bank takes extra pre-caution through process strengthening, CRM application, fair valuation and legal vetting.

### Credit Concentration Risks

Credit concentration risk arises from distribution of exposures to customers. This risk may arise due to concentration of exposures [assets] due to economic factors [sectoral], size of accounts on account of a single borrower, size of accounts in the name of legally connected group of borrowers, assets distribution by regions [Dhaka, Chittagong, Khulna, Sylhet, Rajshahi, Rangpur and Barisal etc.] assets by type of exposures [business lines: Government, PSE, Corporate, SME, Capital Market, Consumer, Real Estates etc. Adverse impact of the concentration in credit may hamper asset quality and seizure of income. Concentration in credit will require higher amount of capital buffer due to risks in these categories. NBL has strategy to re-distribute credit concentration and borrowers' exposures to reduce capital requirement for these risks.

### Reputation Risk

Reputation risk is the current or prospective risk arising from negative perception of the image/brand of the bank on the part of customers, counterparties, shareholders, investors or regulators. This restricts the bank's ability to establish new relationships or services or continue servicing existing relationships. This risk may expose the institution to litigation, financial loss, or a decline in its customer base and business exposures.

Bank's poor CAMELS rating, regulatory non-compliance, non-payment of bank's commitment, customer complaints and poor service quality, regulatory penalties etc. are factors that cause this risk. Pre-emptive management of these issues is one of the vital responsibilities of the Bank.

Reputation risks are very difficult to measure and thus are difficult to manage. NBL is conscious about any symptomatic indicator.

### Settlement Risk

Settlement risk arises from non-realization of receivables against bills and counterparty's commitments [both local and foreign]. These are NBL's receivables and bank has to ensure strong supervision, monitoring and tracking for realization of receivable in time. This often requires review of counterparty's limit and exposures. The Bank's monitoring and follow-up tracking system address the cause of this risk.

### Environmental and Climate Change Risk

Environmental risk is the uncertainty or probable losses that originate from any adverse environmental or climate change events (natural or manmade) and the non-compliance of the country's environmental regulations. Environment and climate change risk can hamper the business stability of the borrowers in respect of both- i) profitability and ii) reputation. This brings a focus on planning and implementing policies and procedures to mitigate environmental risks. NBL has formulated guideline for addressing risk arising from environment. Environment risk is assessed before sanctioning and disbursing any credit facility to manufacturing concern. NBL encourages financing to alleviate negative environmental impact on business thereby mitigating / avoiding environmental risk.



### Evaluation of Core Risks Management

Bangladesh Bank has introduced various guidelines on core risk areas: Credit Risk Management, Asset & Liability Risk Management, Foreign Exchange Risk Management, Anti-Money Laundering, Internal Control & Compliance and Information Communication & Technology etc. NBL has adopted these best practices and has introduced bank specific core risk guidelines duly approved by the Board of Directors. The bank checks the potential deficiencies of the methods and level of implementation of core risks management models.

These policy and procedural guidelines are followed vigorously by the bank. Any deviation is taken note of as non-compliance. Accordingly, bank makes assessment about due diligence compliance and relevant applications on these core risks guidelines.

### Interest Rate Risk in Banking Book

Interest rate risk is taken to be the current or prospective risk to banking book assets [not readily tradable assets] of the balance sheet of bank arising from adverse movements in interest rates. A significant portion of NBL's balance sheet comprised of banking book assets which is subject to changes in interest rates, differences in maturities within products or markets. Appropriate duration analysis, asset liability management and relevant MIS assist the Bank for addressing this risk.

### Strategic Risk

Strategic risks may result from changes in the business environment and from adverse business decisions, or from the ignorance of changes in the business environment. Indicators of strategic risks include evidence of intervention of Board of Directors in management and administration of the bank, evaluation of credit-deposit ratio, percentage of total operating expenses to total operating income, percentage of classified loan to total outstanding loans/investment, percentage of recovery of classified loan to total classified loan, percentage of written off loan to total classified loans, percentage of interest waiver to total classified loans, weighted average cost of fund, percentage of borrowing from call money market to total deposit, nos. of cases rescheduling [1 time, 2 times, 3 times] etc. as prescribed by the regulatory authority. Strong monitoring and management of classified loans, emphasized application of CRM guidelines, re-visit for strategy of re-scheduling of loans, customer exit policy, realistic business plans, technological development and improvement of information flow proper financial and business analysis assist NBL to manage adverse impact of this risk.



### Liquidity Risk

Liquidity risk is the current or prospective threat to bank's earnings and capital as a result of the possibility that it will face difficulties to honor bank's short-term payment obligations at any point in time.

Such a situation means that the Bank will not be able to meet its obligations as they fall due. It is the risk where both the volume and timing of (potential) cash inflows and outflows are not adequately matched. In such situation, a shortfall arises at any point in time that cannot be

made up by selling assets or by obtaining refinancing because:

- the market for the asset in question has inadequate liquidity;
- the Bank has insufficient (liquid) assets to sell or to pledge in order to obtain refinancing;
- the Bank is insufficiently solvent and as a result has insufficient borrow–ing capacity;
- The Bank has insufficient funding relationships.
- The demand for assets to be sold is absent or declining
- Adverse reputation risks

The mechanism for controlling liquidity risks reflects the nature, size and complexity of the activities that the Bank carries out.

NBL manages its liquidity in such a way that it avoids running into liquidity constraints.

That is asset means, that asset and liability positions, both on- and off- the balance sheet are matched in such a way that the Bank is able to meet its obligations immediately and continuously without adversely affecting its solvency. Mismatches are assumed exclusively in an orderly manner and assets that are held, inter alia, for the purposes of liquidity management must be able to be sold quickly and without significant losses. The Bank continues to diversify its funding sources and maintain balance sheet in such ratios that enable it to raise the necessary funding on an ongoing basis.

To address the liquidity risk the Bank is regularly monitoring the following:

- the overall liquidity of the bank
- payment obligations
- the salability of assets and the liquidity of the various financial mar–kets;
- off-balance sheet commitment and exposures
- the borrowing capacity of the bank;
- concentrations of risk in the funding,
- correlations with other risks, for example credit risks and market risks;
- simulations of earnings and capital under various scenarios.

NBL has an approved Liquidity Contingency Plan(LCP) to address any adverse impact of liquidity risk.

### Information and Communication Technology Risk

Risk in information and communication technology is a threat to business operation

Transformation of business processes in response to technology driven customer’s needs and services brings changes in information technology platform of NBL. Any technology up gradation is a costly value added proposition in the bank to meet the challenge of business competency and service level excellence. NBL has been making sizeable investment in the technological development of the bank and Bank’s Board of Directors lends support to management in this direction. NBL has taken steps to automate its business processes, data management, accounts to reflect real time on line banking through Straight Through Processing (STP) and has implemented Temenous-24, a world class banking solution has been implemented.

The bank recognizes that ICT risks may relate to business continuity, system redundancy, outsourcing and exposure to critical images, operational risks etc. Adequate protection and maintenance of the ICT assets are critical to bank’s sustainability. 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. NBL’s ICT Policy and Procedure Guidelines has been updated in these direction to manage the relevant risks pro-actively.

### Resilience capacity of NBL

Bank’s own resilience capacity indicates the capacity of a bank’s financially strained body to recover its size and shape after deformation caused especially by compressive stress. In short it indicates the total flexibility of the Bank to adapt to any internal or external shock.





Adverse impact on different indicators such as: Capital to Risk Weighted Asset Ratio (CRAR), Non-performing Loan (NPL), Return on Assets (ROA) (Monthly); Return on Equity (ROE) (Monthly), Net Interest Margin (NIM) (Monthly); Advance Deposit Ratio (ADR), Statutory Liquidity Requirement (SLR), Cash Reserve Ratio (CRR) etc. are regarded as imperative indicators of Resilience risk management.

## Asset Liability Management

The Asset Liability Committee (ALCO), a high-level committee of the Bank and chaired by the Managing Director including top management of Senior Executives of the bank, risk faced by a bank due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates. Liquidity is an institution's ability to meet its liabilities either by borrowing or converting assets. It provides standing and exception reports on limit adherence, forecasts capital ratios, proposes respective measures to be taken and implements those according to board decisions. 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 Bank's 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 basis. The Board approves all risk management policies, set limits and reviews compliance on a regular basis in view to provide cost effective funding to finance the asset growth and trade related transactions, optimize the funding cost, increase spread with the lowest possible liquidity.

## Supervisory Review Process Team [SRP Team] of NBL

SRP (Supervisory Review Process) is the senior level of Risk Management in NBL. The team consists of Managing Director and CEO as the head of SRP team, the Additional Managing Directors; all the Deputy Managing Directors; Head of Risk Management; Head of Financial Administration Division; Head of Treasury, Head of IC&CD, and Chief Risk Officer (CRO).

NBL's Supervisory Review Process (SRP) team has been duly approved by the Board of Directors of the Bank.

Following are the members of SRP Team at present.

SL.	Name	Designation	Position in the Committee
1.	Mr. C. M. Ahmed	Managing Director	Chairman
2.	Mr. A S M Bulbul	AMD & Company Secretary	Member
3.	Mr. Shah Syed Abdul Bari	DMD, CRO, Head of RMD, HRD & Treasury Division	Secretary
4.	Mr. Hossain Akhtar Chowdhury	SEVP & Head of ID	Member
5.	Mr. Md. Moniruzzaman	SEVP & Head of IC & CD	Member
6.	Mr. Arun Kumar Halder	EVP & Head of CRM-III	Member
7.	Mr. Md Zahirul Islam	SVP & Head of CAD	Member
8.	Mr. Md. Sohel Faisal	SVP & Head of L&RD	Member
9.	Mr. Krishna Kamal Ghose	SVP & Head of FAD	Member
10.	Mr. Shah Syed Rafiul Bari	VP, RMD	Member
11.	Mr. Mohammad Abu Rashed Nowab	VP & Head of CRM-I	Member

The SRP team is primarily responsible for:

- Board and senior management oversight capital and risk management
- Sound capital assessment through identification of risks
- Comprehensive assessment of risks
- Monitoring and reporting risk exposure and risk profil
- Review of internal control process for risk management and capital assessment.

The SRP team takes up any dialogue on compliance issue with the Bangladesh Bank, as and when called by of Supervisory Review Evaluation Process (SREP) directive of the Bangladesh Bank. The Bank emphasized proper understanding of the risk management process to ensure governance and due diligence in overall risk compliance.

Meetings of SRP Team were held regularly. In the year 2019, six (6) SRP meetings were held. Those SRP meetings discussed the Risk Status of NBL, Capital Adequacy, Risk Management report in line with Bangladesh Bank, Stress Testing, Basel- III implementation, Credit Rating, ICAAP Statement, Capacity Building of NBL and relevant risks and MIS.

All members who attended the SRP Team meetings discussed and reviewed the risk status of NBL in relation to the capital adequacy, risk management paper, stress testing and Bangladesh Bank compliance issues etc.

## Rating of Clients/Obligors of National Bank Ltd.

NBL is consistently pursuing its clients for credit rating as capital requirement increases for the Bank if it holds risky assets. National Bank has nominated eight recognized External Credit Assessment Institutions' (ECAIs) namely (i) Credit Rating Information & Services Ltd. (CRISL) (ii) Credit Rating Agency of Bangladesh (CRAB) (iii) National Credit Rating Ltd (NCRL) (iv) Emerging Credit Rating Ltd (v) ARGUS Credit Rating Services Limited (ACRSL) (vi) ACRL and (vii)WASO Credit Rating Company (BD) Ltd (viii) BDRL ( for SME clients).

### The significance of Credit Rating can be understood from the following reasons

- Credit rating gives an insight on the credit worthiness/ financial status of a business concern.
- It helps to compare a company's credit worthiness against other companies in similar markets or industries nationwide.
- Credit rating is an important tool to rationalize Risk Weighted Assets of the bank.
- Credit rating is a tool to reduce Credit Risk.
- Rating allows constant monitoring of business of the concern and the industry.

For safeguarding the capital of the Bank, credit rating is very crucial. National Bank is placing more emphasis on credit rating for this purpose. All the branches are always recommended to encourage customers for completing credit rating. In credit assessment of the borrower, credit rating has been taken as an important consideration.

### Risk Measurements, Monitoring and Control Functions

NBL has different risk measurement systems that capture all material sources of risks and assess the effect of the relevant risk changes consistent with scope of the activities. The assumptions underlying the system are clearly understood by senior management, risk managers and all others at decision making and operations levels.

The Bank has established and enforced operating limits and other practices that maintain exposures within levels consistent with the internal policies and measures. NBL has Early Alerts Accounts tracking system which calls for monitoring supervision and timely action of all accounts indicating potential material risks. The Policies and Limits are reviewed from time to time.

The bank has information systems for measuring, monitoring, controlling and reporting exposures. Reports are provided periodically to the Bank's Board of Directors, Risk Management Committee of the Board of Directors, SRP team, and senior management.



**Internal control system involves regular independent reviews and evaluations of the effectiveness of the system and, where necessary, ensuring that appropriate revisions or enhancements of internal controls are made. The results of such reviews are available to the relevant supervisory authorities.**

#### Risk Monitoring and Control Measures taken by NBL are as under:

- Policy and Procedural Guidelines have been updated in 2018 and implementation is regularly monitored.
- Regular review of system and network by Management Committee (MANCOM) and Asset & Liability Committee (ALCO), Supervisory Review Process (SRP) Team
- Management through Internal Control and Compliance Division controls operational procedure of the Bank
- Internal Control and Compliance Division also undertakes periodical and special audit of the branches and departments at Head Office for reviewing the operation and compliance of statutory/ internal policy requirement.
- Risk based audit by internal audit division;
- Segregation of duties and multi-tier approval procedure;
- IT Audit is conducted on a regular basis;
- Establishment of a Data Center for backup of data and information
- Regular testing of system's back-up procedure and contingency plan.
- Presence of Liquidity Contingency Plan
- Monthly meeting of the Risk Management Committee
- Periodic Meeting of the Supervisory Review Process Team
- Monthly Risk Management Report (MRMR) and Comprehensive Risk Management Report (CRMR) prepared by the Risk Management Division of the bank highlighting different risks in business and operations as risk mitigating suggestion.

- Periodic review meeting on operational and other risks by Audit Committee of the Board of Directors
- Disaster recovery site for ICT operation
- Stress Testing results presented to Higher Management, SRP Team, Audit Committee and the Board of Directors
- Compliance to regulatory standards and reporting
- Inter- active communication and meeting by Risk Management Division with concerned divisions/hierarchy for risk management compliance.
- Review of capital plan
- Diversification of assets and liabilities portfolio as well as addressing concentration risks.
- Review of all credit and portfolio in lending on regular interval.

### Basel III

The banking regulatory and supervisory authorities are focusing attention on two key issues: implementation of the new capital adequacy framework in banking institutions and transition to a foolproof risk-based bank supervision system. The New Basel Capital Accord i.e. Basel-III is more risk sensitive than the previous Capital Accord. Basel-III (or the Third Basel Accord) is the global regulatory standard on bank capital adequacy, stress testing and market liquidity risk agreed upon by the members of the Basel Committee on Banking Supervision in 2010–11. The third installment of the Basel Accords (after Basel I, Basel II) was developed in response to the deficiencies in financial regulation revealed by the late-2000s financial crisis. Basel-III strengthens bank capital requirements and introduces new regulatory requirements on bank liquidity and bank leverage.

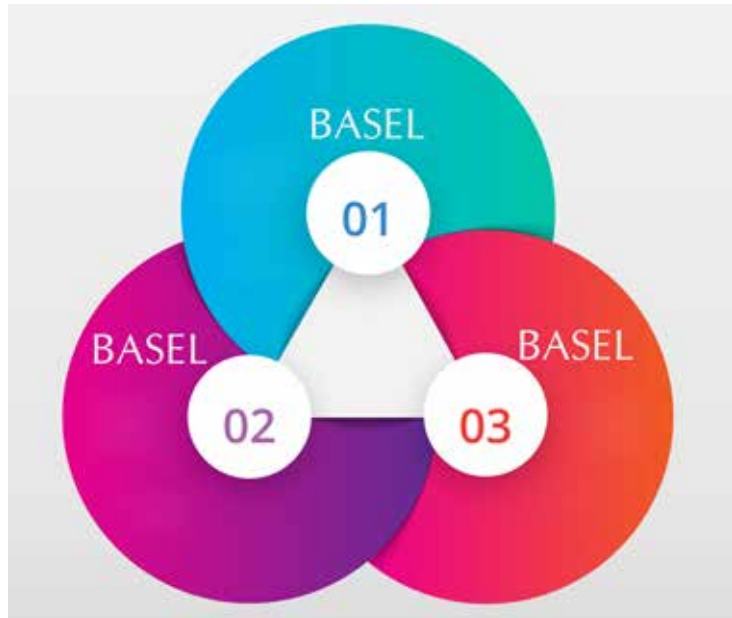
Basel-III will require banks to hold 4.5% of common equity (up from 2% in Basel II) and 6% of Tier I capital (up from 4% in Basel II) of risk-weighted assets (RWA). Basel-III also introduces additional capital buffers, (i) a mandatory capital conservation buffer of 2.5% and (ii) a discretionary countercyclical buffer, which allows national regulators to require up to another 2.5% of capital during periods of high credit growth.

In addition, Basel-III introduces a minimum leverage ratio and two required liquidity ratios. The leverage ratio is calculated by dividing Tier 1 capital by the bank's average total consolidated assets; the banks are expected to maintain the leverage ratio in excess of 3%. The Liquidity Coverage Ratio requires a bank to hold sufficient high-quality liquid assets to cover its total net cash outflows over 30 days; the Net Stable Funding Ratio requires the available amount of stable funding to exceed the required amount of stable funding over a one-year period of extended stress.

Bangladesh Bank has undertaken initiative to implement Basel-III in Bangladesh. In this regard, Bangladesh Bank has issued a circular (No:7) from BRPD dated March 31, 2014 and subsequently it was amended by another circular (No:18) from BRPD dated December 21, 2014 where Bangladesh Bank has given an action plan or roadmap with detail instructions to implement the Basel-III from January 2015 to December 2019 in Bangladesh. Capital Adequacy Ratio requirement will increase phase by phase from 10.00% to 12.50% from the 2015 to 2019.

Bangladesh Bank also issued another circular (No: 01) from DOS dated January 01, 2015 regarding implementation of Basel-III Liquidity Ratios. Two new ratios introduced namely (I) Liquidity Coverage Ratio and (II) Net Stable Funding Ratio for the implementation of Basel-III.

Bangladesh Bank has given following road map related to Basel-III implementation to the entire banking industries operating in Bangladesh which will implement within 2019 phase by phase.



Particulars	2015	2016	2017	2018	2019
Minimum Common Equity Tier-1 (CET-1) Capital Ratio	4.50%	4.50%	4.50%	4.50%	4.50%
Capital Conservation Buffer	-	0.625%	1.25%	1.875%	2.50%
Minimum CET-1 plus Capital Conservation Buffer	4.50%	5.125%	5.75%	6.375%	7.00%
Minimum T-1 Capital Ratio	5.50%	5.50%	6.00%	6.00%	6.00%
Minimum Total Capital Ratio	10.00%	10.00%	10.00%	10.00%	10.00%
Minimum Total Capital plus Capital Conservation Buffer	10.00%	10.625%	11.25%	11.875%	12.50%
<b>Phase-in of deductions from CET1</b>					
Excess Investment over 10% of a bank's equity in the equity of banking, financial and insurance entities.	20%	40%	60%	80%	100%
<b>Phase-in of deductions from Tier 2 Revaluation Reserve (RR)</b>					
RR for Fixed Assets, Securities and Equity Securities	20%	40%	60%	80%	100%
Leverage Ratio	3.00%	3.00%	3% Readjustment	Migration to Pillar1	
Liquidity Coverage Ratio	<u>≥100%</u> (From Sep)	<u>≥100%</u>	<u>≥100%</u>	<u>≥100%</u>	<u>≥100%</u>
Net Stable Funding Ratio	<u>≥100%</u> (From Sep)	<u>≥100%</u>	<u>≥100%</u>	<u>≥100%</u>	<u>≥100%</u>

## Basel Unit

Basel unit has been formed in NBL as per Bangladesh Bank instructions (letter no. DOS (CAMS) 1157/01(II)-A-2015-9344 dated 25/06/2015) to implement the regulatory requirement of Basel-III as per Basel-III road map given by BB in the Basel-III guidelines. In addition to scheduled risk management activities, Executives and officers of Risk Management Division are also acting in Basel Unit with the members of FAD and Treasury Division combined.

## Members of Basel Unit

SL	Name	Designation	Position in the Committee
1.	Mr. Shah Syed Abdul Bari	DMD, CRO, Head of RMD, HRD & Treasury Division	Chairman
2.	Mr. Kazi Kamal Uddin Ahmed	SEVP & Head of ITD	Member
3.	Mr. Md. Moniruzzaman	SEVP & Head of IC & CD	Member
4.	Mr. Md. Sohel Faisal	SVP & Head of L&RD	Member
5.	Mr. Krishna Kamal Ghose	SVP & Head of FAD	Member
6.	Mr. Shah Syed Rafiul Bari	VP, RMD	Member
7.	Mr. Md. Abu Rashed Nowab	VP & Head of CRM-I	Member

### Working Team

1.	Mr. Mohammed Enamul Kaiser	AVP, Financial Administration Division	Member
2.	Mr. Proshanto Kumar Kundu Shaha	PO, Financial Administration Division	Member
3.	Mr. Abu Shamim Al Mamun	PO, Treasury Division	Member
4.	Mr. Md. Hasan Taraq	FEO, Risk Management Division	Member

### As member of Basel Unit, Basel Unit Performed following jobs -

- Prepared action plan for implementation of Basel-III in the bank and reviewed the implementation status according to the requirement;
- Prepared and reviewed capital plan of NBL;
- Communicated the issues related to Basel implementation to the Bank;
- Prepared quantitative impact studies and accountability for the compliance of Basel accords; and
- Arranged customized training program according to the Training Need Assessment

### Basel-III implementation

The transition of Basel-III regulatory standards is monitored on a continuous basis by NBL. The monitoring operation cover the adoption of Basel-III standards relating to leverage, liquidity, and higher loss absorbency requirement through quality capital enhancement. Risk Management Division of NBL has undertaken the following necessary initiatives for the compliance of Bangladesh Bank initiatives.

- NBL had an extensive plan for arranging similar types of workshop and training program in Dhaka and different regional areas like Chittagong, Sylhet, and Khulna etc.
- Communicated Basel-III and related circulars to all Branches, regional offices, Head office level and subsidiaries.
- NBL analyzed the different capital raising options to strengthen capital to cope up with Basel-III regulatory requirement in a planned way.
- NBL is also working to review the Risk Based Capital Adequacy Guideline in line with newly issued Basel-III Guideline of Bangladesh Bank.
- MIS in the bank had been strengthening to cope up the need of Basel-III.
- Policy and procedural guidelines were being amended, aligned and re-adopted for smooth transaction to Basel-III in due course.
- NBL formulated different strategies & techniques related to Basel-III guideline of Bangladesh Bank.
- IT platform is being developed and positioned to take up the challenges ahead.

### Conclusion

The role of risk management has been becoming more important for the banks around the world. Good risk management practices are vital not only for the success of individual banks, but also for the safety and soundness of the banking system. Banks in the process of financial intermediation are confronted with various kinds of financial and non-financial risks. These risks are highly interdependent and one area of risk may affect the other risk categories. This emphasizes the importance of considerable attachment of top management in the process of Risk Management. Risk management in NBL is a prime focus and has been given a priority for strategic development.



# SUSTAINABLE FINANCE

## Sustainable Finance

In order to help the environment and the people of the society as a whole, Bangladesh Bank introduced the concept of Sustainable Finance. Banks have formulated the Sustainable Finance Unit by abolishing CSR Unit & Green Banking Unit. For a sustainable growth of the society and environment, bank's Corporate Social Responsibility & Green Banking activities have a lot to do. Eventually we also have formulated our Sustainable Finance Unit. We also have initiated Sustainable Finance Guidelines and have approval from the Board of Directors. The activities of our CSR Unit & Green Banking Unit fall into this Sustainable Finance Unit.

### Corporate social responsibility

Being a corporate citizen, NBL understands its responsibility towards the society. NBL always strives to act as a partner in the progress of the society as well as the country. The bank has lent a supporting hand in every walk of life of the community in which it operates with special focus on the weaker and the underprivileged sections of the society.

During the year 2019, NBL retained its collective concentration on activities for community welfare through CSR initiatives. The Bank has provided financial support directly or in partnership with others in wider area of social life including disaster management, health Education, Sports & culture, community development etc. at home & abroad.

NBL undertakes CSR not just as charity and compliance issue rather an attempt to respond to all the stake holders' expectations more efficiently and in a responsible manner. NBL conducts its business with the multifaceted approach of creating value for the clients, shareholders and communities responsibly. We strengthened our commitment to the communities where we live and operate by establishing understandable and measurable links between bank's operations and their positive impact upon stakeholders' expectations. Our corporate social responsibility endeavors are rooted into our overall business strategy.

NBL is committed to fulfill its role as a responsible Corporate Citizen and to achieve the goals; the Bank established a foundation in 1989 devoted to the cause of charity, social welfare and other benevolent activities towards the advancement and betterment of the society. The Foundation encourages the active engagement of key stakeholders to facilitate developing and building community ownership by ensuring the sustainability.



### Customer servicing and loyalty

We exist to serve our customers and want to stay at the forefront of banking excellence. Customer satisfaction is the top priority of NBL and cornerstone of the bank's overall business performance. We have widened our product range and operational area for reaching out to the doorstep of masses and achieving their satisfaction. Our aim is to meet up the demand of our customers and earn their loyalty for sustainable growth.

### Employee satisfaction

NBL believes in employee development and career progression. NBL considers empowering the people, invest in their development and reward people according to their contribution to overall corporate performance.

NBL is regularly investing for training and development of its employees. It has training center where various training programs, designed to meet the changing requirements of its employees & organization are conducted. These training programs include orientation sessions for new employees; programs conducted by various skill-enhancing, role specific functional academies, leadership mentoring programs and other management development programs for mid-level and senior executives.

### Environmental stewardship

Environmental protection has got priority around the globe during recent years and we are moving towards responsible lending and integrating social & environmental impact into risk assessment. Recognizing the ecological importance, NBL is introducing internal environment management phase by phase. We are conscious of our usage of resources and working for saving electricity, water & paper consumptions. Besides, the bank introduces environment friendly financing to address the environmental challenges of the country in line with social & regulatory requirements. We have established green banking unit to address the banks' environmental policies, strategies and other related issues as per requirement. While financing any project, we check the supporting documents regarding environmental clearance from concerned Authorities. To ensure environmental protection, we also encourage establishing Effluent Treatment Plants (ETP) of industrial set up to protect the earth from pollution.

## Community Development:

NBL has significant community investments by way of donations to initiatives of Civil Society Organizations (CSOs), NGOs and institutions involved in health, education and culture; for social and environmental improvement including nutrition, health and education in the disadvantaged population segments. NBL has been working consistently to promote Socio Economic development of the country with special focus on following core areas.

## Education:

Education, being one of the building blocks of the nation has got an integral focus in our CSR strategy. Our extensive support towards Community Investment Programs in education and poverty alleviation continued during the year. The Bank has established “**National Bank Public School & College**” at Moghbazar, Dhaka in **1989** with the purpose of expanding total education and serving the nation with dedication. The bank awards crest and monthly scholarship among the children of the bank’s officials every year for excellent academic result in SSC, HSC examinations. The Bank has also been accommodating prospective graduates of recognized universities for completing their internship regularly.



## Establishment of schools at newly abolished enclaves (Chitmahal)

Honorable Governor of Bangladesh Bank inspected to the abolished enclaves (Chitmahal) area on 25th October 2015 with a view to initiate various development programs offered by the scheduled banks through CSR & other Banking service activities for the economic emancipation of the non-privileged people of that area. National Bank Limited had participated in that occasion with a very good grace by offering different CSR activities. NBL has established 2(two) schools namely 1) **NBL Okrabari Haji Lutfor Rahman High School** 2) **NBL Kot Bhajoni Lal High School** and the foundation stone of both the schools were unveiled by the honorable Governor of Bangladesh Bank for the betterment of the non privileged children of the recently abolished Chitmahal area. We have distributed school dress, bags, books & other educational items among the poor students of that area along with the salary of the teachers of those two schools. Beside the above a fund has been allocated to set up a technical institution named as ‘NBL Politechnic Institution’ in Chitmahal area.

## Health

Health is the greatest wealth in this world and key to success of the individual, organizations and the society. Our efforts enable employees and others to live healthier through education and medical services.

The Bank endeavored to enhance employee benefits and rolled out Vaccination Camps in coordination with its healthcare partner. In order to encourage a healthy lifestyle, the Bank continues its efforts.

## Art, Culture & Sports

NBL exclusively recognizes the significance of art, culture and sports in the social life of the peoples of Bangladesh having rich cultural history. In view of that, Bank generously supports the activities towards promoting the Art, culture, sports and heritage in the country. NBL has a long tradition of being associated with the sports. Besides sponsoring different sports events across the country, the Bank also extends financial support to the cultural events at the different areas around the country. In 2019, we have spent about Tk. 20.14 million for promoting and arranging different sports and cultural activities around the country.



## Disaster relief

In response to disasters where healthcare emerges as one of the critical areas of intervention we have responded to the needs of the affected communities to create sustainable solutions. Traditionally, NBL helps peoples and the society during the times of needs. We are regularly contributing to the Prime Ministers Relief Fund for the sake of helping the poor and helpless people at the time of necessity. In 2019, an amount of Tk.67.21 million has been spent for disaster and relief functions along with Tk.98.72 million to Prime Ministers Relief Fund for the help of the victims on different disasters.



## Training project namely 'Industrial Sewing Operation' for underprivileged "Shaontal" tribal people of Rajshahi

The project was undertaken for 1(one) year w. e. f. January to December-2015 with the aim of providing support to the underprivileged people of the society particularly the poor indigenous tribal people under CSR activity of our Bank, we initiated the aforesaid training/employment program by co-operation and 50:50 cost sharing with 'UCEP-Bangladesh' for proving employment of the distressed tribal people particularly the Shaontal ethnic group inhabiting in Rajshahi district. As the program proved to be a grand success, we continued this for the fourth consecutive year.

### Financial Inclusion

NBL is striving to promote Financial Inclusion across of the population having limited or no access to the formal banking system by expanding operational and service area. The aim is to improve the quality of life of people at rural or deeper geography by participating in the socio-economic development of those areas. We have expanded our business around the country by opening new branches including SME & Agri Branches to include the mass people in the economy and improve their quality of life.

### Branch expansion at newly abolished enclaves

With the aim to catering the needs of the unbanked masses of recently abolished enclaves, NBL has opened its 210th branch at Nowdoba under Zazira Thana of Shariatpur district to bring the people there into the financial mainstream and to participate in the socio-economic development of the area in consonance with the govt. policy.

### Promoting Financial Awareness

Besides providing various products and services to the unbanked people, NBL believes that imparting education and training to these target segments is equally essential to ensure transparency and create awareness. We have participated in various banking fair, SME fairs etc. organized by Bangladesh Bank to educate mass people and entrepreneurs about different aspects of banking. Through these programs NBL provides credit counseling and information on savings products, better utilization of savings, credit utilization, income generation program etc .

## Corporate Social Responsibilities (Sector wise)

(BDT in Lakh)

Sector	2018	2019
Education	152.45	237.30
Disaster/Relief	999.80	672.06
Prime Minister Relief Fund	1,500.00	987.16
Health	11.50	49.37
Development of religious institution	26.29	2.64
Environment	-	60.00
Sports & Culture	1,265.28	201.45
Others	298.68	8.55

## Future Plan

NBL remains focused on long term sustainability and strengthening the foundations of future growth. It will continue to advocate and influence positive and affirmative sustainability actions in future. We are planning to envisage the future, looking at economic, regulatory and stakeholder scenarios in order to develop our next vision and action plans.

## Green Banking

The world has seen much focus on economic progress and mankind has made giant steps in its journey through time. The side effects of the development process have, however, also been equally enormous – loss of biodiversity, climatic change, environmental damage, etc. Social issues such as, poverty alleviation have also become more important as the world has progressed economically.

Green Banking is promoting environmental friendly practices through banking activities. A Green bank considers all the social and environmental/ecological factors with an aim to protect the environment and conserve natural resources. It is also called as an ethical bank or a sustainable bank. The promotion of environmental friendly practices comes in many forms; using online banking, paying bills online instead of mailing them, using energy efficient equipments in banking operation and so on.



Banks play an important role in development of the economy. Green Banking is a new initiative throughout the world. The banks should go green and play a pro-active role to take environmental and ecological aspects as part of their lending principle, which would force industries to go for mandated investment for environmental management, use of appropriate technologies and management systems.

### Governance of NBL's Green initiatives

The implementation of Green banking initiatives as per Bangladesh Bank guidelines is continuing. The implementation of process of National Bank Limited is guided by a formal arrangement of the bank as follows:-



### Green Banking Unit to oversee the Green Banking activities of National Bank Limited

As an environmentally cautious bank, NBL has to play due role in mitigating environmental hazards through green banking. As per the guidelines of Bangladesh Bank, a Sustainable Finance Unit (SFU) has been formed, approved by the Board of Directors of the Bank. National Bank's Sustainable Finance Committee consists of the following members:-

SL No.	Name/Position	Designation/Division	Position in the Committee
1	Mr. Md. Ekramul Haque	Deputy Managing Director	Chairman
2	Head of International Division	International Division	Member
3	Head of Law & Recovery Division	Law & Recovery Division	Member
4	Head of Credit Administration Division	Credit Administration Division	Member
5	Head of Internal Control & Compliance Division	Internal Control & Compliance Division	Member
6	Head of Card Division	Card Division	Member
7	Head of Information Technology Division	Information Technology Division	Member
8	Head of CRM-II & Sustainable Finance Unit.	CRM-II & Sustainable Finance Unit.	Member Secretary
9	Head of Financial Administration Division	Financial Administration Division	Member
10	Head of CRM-I	CRM-I	Member
11	Head of CRM-V	CRM-V	Member
12	Head of Marketing Division	Marketing Division	Member
13	Head of System & Operations Division	System & Operations Division	Member

### A Green Banking Policy to systematize NBL's green initiatives

The Green Banking Policy of National Bank Limited has been formulated and approved by the Board of Directors in September 2012. The Green Banking Policy of the bank highlights the NBL's structure as well as the yearly implementation requirement of green banking in the bank. National Bank's Green Banking Policy has been reviewed in September 2014. The revised Green Banking Policy reflected the new changes of economy wide green banking implementation plan.

### Green Strategic Plan to attain green banking objectives

The Green Strategic Plan for the year 2014 and 2015 has been approved by the Board of Directors of NBL in 2014. As per BRPD Circular No.02 dated February 27, 2011, Banks are required to formulate strategic plan for the implementation of green banking. On the basis of this circular, National Bank Limited adopted strategic plan for the year 2014 and 2015 for the implementation of green banking.

The strategic plan of the bank specified detailed goals setting, delegations of responsibility, fixation of start date and completion date as well as midpoint review time. In addition to these, appropriate steps to attain the goals are specified in the plan.



## Green Banking initiatives by National Bank Limited

As per policy guidelines for Green Banking from Bangladesh Bank, National Bank’s environmental activities and performance are outlined.

### Introduction of alternative energy in branches

We invested for improving the energy efficiency of our operations. As part of this, National Bank Limited introduced solar energy in branches. A number of NBL branches introduced solar power as alternative source of energy. The process is continuing.



### Green Finance to facilitate environmental friendly projects

Banks are the facilitating party of business establishment and expansion. Banks support businesses by providing funds and green finance aims to support environmentally supported projects and initiatives. National Bank Limited expands credit for establishing Effluent Treatment Plant in textiles, RMG, tannery, ship breaking etc and jig-jag/HHK/Tunnel in brickfield projects to save environment from probable pollution from the projects’ operations. In addition to these financing facilities, National Bank Limited also provides working capital to support projects having Effluent Treatment Plant and other environmental friendly technology.

Eco friendly  
Projects & Ideas

BDT 337.06 million has been disbursed to the projects having environmental friendly technology and production process in 2019.

As part of  
introducing  
green finance

BDT 9329.40 million has been disbursed to the projects having environmental friendly technology and production process in 2018.

### Implementation of core banking software as a platform for online banking

National Bank Limited has implemented Temenos 24, a globally reputed core banking solution as a core banking software. National Bank Limited is committed to integrate banking products, initiatives and operations towards achievement of green banking initiatives gradually.

### Any branch Banking

The Bank is currently providing any branch banking facilities to all its branches. The bank provides customers the facility to operate different accounts from any branch of the Bank across Bangladesh. Any branch banking facilities brings convenience and ease of banking transactions. As customers can bank from anywhere across the country, energy and resources saved by some extent.

## SMS banking

In addition to any branch banking facilities, National Bank Limited already introduced SMS banking consisting of facilities including account balance enquiry, last transaction enquiry, mini statement, instant transaction notification and cheque clearance as one of the prime initiatives of providing online banking and paperless banking.

## Introduction of debit card & Internet banking

National Bank is going to introduce debit card and internet banking services as part of entering new era in providing financial services. Internet banking services is going to be started within a very short span of time. NBL's internet banking will be a major development toward green banking for the bank.

## Fast and reliable remittance services through NBL Quick Pay







Through NBL Quick Pay National Bank Limited inward remittance and outward transfer becomes much easier. National Bank Limited provides the services with a vast network of NBL's exchange houses around the world.

## Green Office Guide to uphold environment by efficient use of resources

To ensure efficient use of resources in the office and to minimize bank's direct operational impact to the environment, a Green Office Guide has been introduced by the bank. The Green office Guide highlights the efficient use of resources in the office as well as guidelines to train and aware employees and customers. The Green Office Guide has been circulated to branches, regional offices and Head Office Divisions.

## Sustainable Practices

We have the practices of using resources in the responsible ways.

<p><b>To reduce the usage of paper:</b></p> <ul style="list-style-type: none"> <li> We practice double side printing.</li> <li> We send soft copies of statements through email whenever possible rather than sending hard copies.</li> <li> We process documents electronically using scan option on a copier when appropriate rather than printing hard copies.</li> </ul>	<p><b>To reduce energy consumption:</b></p> <ul style="list-style-type: none"> <li> National Bank Limited uses energy efficient bulbs in its offices.</li> <li> NBL ensures sharing of printers and copy machines.</li> <li> NBL uses electronic communication between/ among branches/Head Office by minimizing manual communication.</li> </ul>
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## Programs to aware employees and customers

National Bank Limited regularly arranges programs to aware employees and customers regarding environmental degradation and responsibilities of the people working in banking arena. The Bank arranged 16 training programs for employees covering 782 employees in 2019. It is expected that those employees would contribute in the attainment of bank's Green Banking objectives. This is also a continuous initiative.

- The bank has taken initiatives for green branches. NBL's Green Banking Policy indicates the essential requirement and features of a green branch. NBL has been reporting all the initiatives and status of green banking to the regulatory authority periodically. Bank's strategic level including Board of Directors/ Audit Committee / Risk Management Committee of the Board of Directors is also being informed about the development in green banking.

Green banking has continued to evolve in the recent years and is expected to become an even greater driving force behind banks competitive strategies. As environmental issues gain greater attention, pressure is being placed on all industries, including financial services, to implement "green" initiatives. Banks conduct numerous business processes that can be considered green practices.

## EXTENSIVE **KNOW-HOW, TAILOR-MADE SERVICES** AND **FINANCIAL SOUNDNESS---**

## MAKES NBL A **HIGH PERFORMANCE BANK** IN THE FINANCIAL SECTOR

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### OUR PEOPLE

The human capital policy of National Bank is based on the recognition that its people are its most valuable asset. Prudent development, deployment and management of its human resources have been a key contributor to the Bank's record of success. We have found that sensitivity to the needs and aspirations of individual employees is as conducive to successful human resources management as an accurate assessment of employee Capabilities, potentials and attitudes. Recruitment policy of the Bank is at the initial level and experienced officers or executives. Employees join either as Probationary Officer or as Management Trainees. Midcareer recruitment takes place only in relation to specialized job positions.

Our employees are the bedrock of our success. They bring our products to life, give a face to National Bank and enable our customers to experience our vision and value proposition. That is why NBL's responsibility as an employer is to create the best possible working conditions for its employees. We ensure an atmosphere of respect and appreciation in which our employees can achieve their best possible performance. The Board of Directors firmly believes that actively nurturing corporate culture and common values has a decisive impact on long-term economic success. The values we share and stand for create a sense of identity, while also providing orientation and reliability – which in turn are the prerequisites for activating existing potential and mobilizing inner strengths. An extra boost during periods of growth is one result, but the main outcome is stability and reliability.



### Giving Priority to People

The Bank's Human Capital policy places people at the centre. The Bank's recruitment and career development policies provide equal opportunities for all citizens in the country, irrespective of their race, religion, caste or gender. The Bank's people are its most valuable asset and the manner in which the Bank has managed its people has been a crucial contributor to the Bank's success. The Bank has focused on nurturing and building the skills and competencies of staff at various levels and grades to meet current needs and to create a wealth of knowledge for the future needs of the Bank. The Bank's goal is to aspire at all times to be 'the employer of first choice'. Through the compassionate management of its human capital the Bank would like to create a dedicated team who are passionate about what they do and who on their own initiate, direct and synergies their common creativity towards achieving continuous excellence and greater levels of customer convenience.

### Knowledge Acquisition

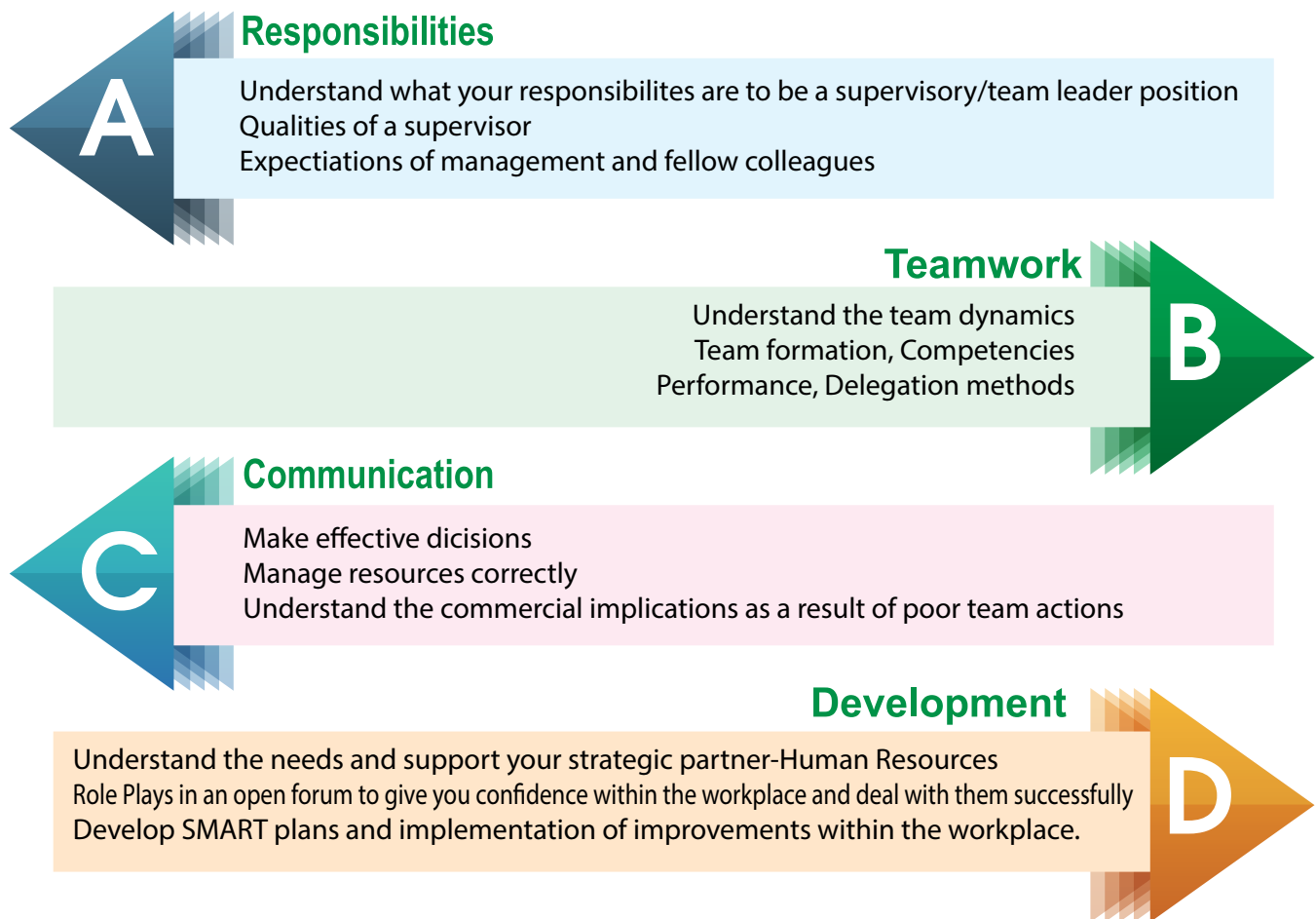
Structured knowledge acquisition is a key aspect of the Bank's knowledge management strategy. The Bank's knowledge acquisition plan for 2018 was formulated keeping in mind the rapid growth of the Bank, the branch expansion, other initiatives and the challenging political context. An exhaustive skills inventory was done early in the year in order to assess skill gaps that exist and to determine concretely the training and developmental interventions that need to be made. The HRM Division interacted closely with the line managers and specifically with the Operations Division to review the Bank's skills inventory. The inventory also included a detailed assessment of knowledge gaps at the branch level and the identification of appropriate.

## Knowledge Enhancement

The Bank has sought to develop skills and competencies at all levels. At the managerial level it has sought to develop a pool of managerial talent that is equipped with the skills to respond to strategic needs, succession challenges, challenging political environments, and to be ready to power organizational changes for the future. The Bank's front-line staff interacts with millions of customers and the Bank has focused on giving them the technical and product knowledge skills so that they are well placed to push the bar of customer convenience higher and higher. The National Bank Training Institute (NBTI) of the Bank provided training in several areas that included technical skills, soft skills, branch manager orientation, IT, back office, structured training for banking trainees, training for management trainees, Junior Executive Officer development programmes.

## Training and Education

All newly recruited employees are inducted through a comprehensive orientation programme prior to their placement. Further, they are provided with on the job training based on standard training modules in addition to customized training programmes as needed.



## 'One Bank One Family'

The Bank consolidated the 'One-Bank One- Family' concept since its inception and sought to create a work culture that excites and motivates staff . The Bank's goal is to make it 'the best place' to work in by creating an exciting, healthy, caring and productive environment for all levels of staff . Feedback was obtained from line managers with a view to enhancing the work environment and to providing prompt and appropriate welfare services. NBL recurrently arranges cultural programs, annual picnics etc for their staffs.



## **Nurturing Our Potential**

The Bank is committed at all times to ensuring that its people develop to their utmost potential and to equip them to face the challenges of the new millennium effectively and with dignity. The Bank constantly seeks to create an environment fully conducive to learning and development and to provide the opportunity for the staff to add value at all times, to each of them individually and to the Bank, collectively. Transparency is practiced in all our activities and regular dialogue is promoted amongst all levels of staff.

## **Diversity and equal opportunity**

The Bank's Goal is to aspire at all times to be the employer of first choice. Through the compassionate management of its human capital the Bank creates a dedicated team who is passionate about what they do. The Bank Management provides diversification in their responsibility and equal opportunity for all level of human capital.



## **Leadership and management capability**

Leaders throughout the organization play a critical role in bringing our values to life for colleagues. NBL has continued its focus on developing and strengthening leadership and management skills with the launch of new Group wide Executive Development and Leadership and Management programmes. Using a shared Leadership language these have placed a particular emphasis on Performance Management and leading during a period of sustained rapid change.

## **Wages Policy and Labour Management Relations**

The policy and regime adopted by the Bank with regard to wages is based on collective bargaining agreements covering specific categories of employees, and on market surveys carried out from time to time.

## **Health Plan**

The physical and mental well-being of our staff is important to us, especially considering the stressful effects of the performance driven culture. Effective counselling for employees plays pivotal role in this respect. Towards achieving the objective of a healthy workforce, the Bank has in place a comprehensive medical scheme for all permanent employees for treatment of severe injury of the staff and his/her family members medical bills at the Bank's expense.

## **Benefits Policy and Regime**

The Bank has short medium and long term benefits policy for the employees in addition to the regular salary and other benefits. The Bank provides various short term benefits to its employees like incentive bonus, medical services, leave fare assistance etc. Long term benefits include Provident Fund, Gratuity, superannuation fund, loan on various schemes at a concessional rate etc.

## **Future Outlook**

HR plans to further improve the Bank's high quality of staff intake by strengthening recruitment processes in the job market generally. The division will also continue addressing the issue of employee and executive retirements, which are expected to spike in the next few years. If not properly monitored and creatively managed, the approaching demographic shift could lead to excessive vacancies in important staff and management positions- and even a possible leadership vacuum in some divisions. HR will continue launching initiatives that enhance managerial skills and fast-track high-potential employees. Having considered the feedback received through the Employee Engagement Survey, another key strategy is to address on a planned way. With expansion of branch network and business experience and fresh officer will be recruited on continuous basis.

## Corporate Governance

**Corporate Governance of National Bank is defined as the framework by which the Bank is directed and controlled and the relationships between the management, the Board of Directors, shareholders and other stakeholders, such as employees, clients and lenders.**

The aim of the Corporate Governance framework is to ensure disclosure and transparency, to define the responsibilities of the Board and the management, to define the rights and role of shareholders and stakeholders, to ensure the equitable treatment of shareholders and to avoid conflicts of interests.

It is the objective of the management and the Board to have transparent and effective internal controls within the organization.

The Bank has a special section on its website for Corporate Governance. Information provided in this section includes the composition of the Board of Directors.

### Statutory bodies

#### Shareholders' meetings

The supreme authority in the Bank's affairs, within the limits established by the Articles of Association and statutory law, rests with legitimate shareholders' meetings. Shareholders' meetings may be attended by shareholders, their proxies and advisors. The Managing Director has full rights to speak and submit motions at shareholders' meetings. Shareholders' meetings are open to representatives of the press and the stock exchanges. The Bank also gives shareholders the opportunity to vote electronically on issues being discussed at a shareholders' meeting.

#### The Board of Directors

The Board of Directors is the supreme authority in the Bank's affairs between shareholders' meetings. It handles the Bank's affairs and ensures that its organisation and operation are at all times in correct and appropriate order. The Board ensures adequate supervision of the accounts and disposal of the Bank's property. The Board is, among other things, responsible for setting business objectives, strategy and business plans, formulating risk policies, confirming key aspects of the Bank's internal organisation and making decisions on the establishment or closure of branches and foreign subsidiaries.

The Board of Directors has established working procedures, setting out in further detail the performance of its duties. These procedures set forth, e.g., the area of responsibility of the Board of Directors and Chairman, Board meetings procedures, Board sub-committees, confidentiality rules, the authorisation of the Board to make decisions on individual transactions, the eligibility criteria for Board members, the handling of information on individual customers by the Board and the participation of Board members in the boards of directors of subsidiaries and associated companies.

The Board has established a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of the Executive Chairman and the Managing Director. No director is involved in deciding his or her own remuneration.

### Board Committees

#### Executive Committee

The Managing Director consults with the Executive Committee on matters of special importance to the Bank.

The Board's Executive Committee makes decisions on credits and exposure to related parties. Seven Board members are members of the Executive Committee. The Managing Director is the Ex-officio and attends meetings of the Executive Committee.

#### Audit Committee

The Audit Committee maintains regular contact with both external and internal auditors and ensures that complaints and observations from the auditors are acted upon.

Furthermore, the Audit Committee discusses accounting principles and changes thereto. The Audit Committee consults and advises the Board on the scope of internal audits. The Committee keeps under review the scope and results of the audit and its cost-effectiveness and the independence and objectivity of the auditors. In the event that the auditors also provide a substantial amount of non-audit services to the Bank, the committee must keep the nature and extent of such services under review.

## **Risk Management Committee**

As per BRPD circular No.11 dated October 10, 2013 a Risk Management Committee has been formed consisting of the three members of the Board. The committee is responsible for analysis of Risk Management process of the Bank and monitoring of implementation of overall risk management policy and report to the Board. The committee also provides necessary suggestions and guidelines to the Management.

## **Management**

The Managing Director and Board of Directors are jointly responsible for the management of the Bank. The Managing Director is responsible for day-to-day operations and in this respect observes the policy and directions of the Board of Directors. The day-to-day operations do not include measures which are unusual or extraordinary. Such measures are only taken by the Managing Director pursuant to special authorization from the Board of Directors unless waiting for a decision from the Board of Directors would seriously disadvantage the operation of the Bank. In such cases the Board of Directors is promptly notified of the measures.

## **Accounts, auditing and internal auditor**

A Chartered Accountant firm enlisted by Bangladesh Bank and BSEC and member of the Institute of Chartered Accountants of Bangladesh (ICAB) is elected as auditor at each Annual General Meeting (AGM) for a term of one year. The auditor examines the books of account and other documents as much as required for providing an independent opinion on Financial Statements. The auditors do not engaged in any other service of the Bank except audit of financial statements.

## **Management Information System(MIS) Committee**

The Management Information System (MIS) Committee is harmonizing all the divisions under the same umbrella. The Sr. Executive Vice President of International Division, Sr. Vice President of Credit Administration, Sr. Executive Vice President of Information Technology Division and Sr. Executive Vice President of Internal Control and Compliance Division and Senior Vice President of Financial Administration Division, are the members of MIS Committee.

## **Management Committee**

The Management Committee is the Bank's permanent collegiate executive body. The members of the Management Committee are the divisional heads. Under the authority of the members, it oversees the day-to-day running of the NBL, prepares decisions for Directors and ensures that these are implemented. The members of the Management Committee are responsible solely to the Bank.

## **Assets and Liabilities Management Committee (ALCO)**

The ALCO maintains an overview of the Bank's Balance Sheet, proposes policies concerning the structure of assets and liabilities and the coordination of risk, capital, funding and liquidity matters.

## **Anti-money laundering Committee**

Money laundering poses a significant risk to the financial sector globally and to society as a whole. The Bank is firmly committed to participating in international efforts to combat money laundering, fraud, or other financial crimes, including the financing of terrorists or terrorist operations. Accordingly, the Bank has implemented a comprehensive anti-money laundering programme to take all reasonable and appropriate steps, which includes, among other things, written policies and procedures, designated anti-money laundering personnel, staff training and special monitoring software.

## Senior Management Team

The Senior Management Team (SMT) of the bank reviews the banks overall activities & provides necessary guidelines for implementation.

## Procurement Committee

The Deputy Managing Director is acting as convener of the committee. The Sr. Executive Vice President of International Division, Senior Vice President of Financial Administration Division and Vice President of Agriculture Division are the members of the Committee. The head of System and Operation Division is working as member Secretary.

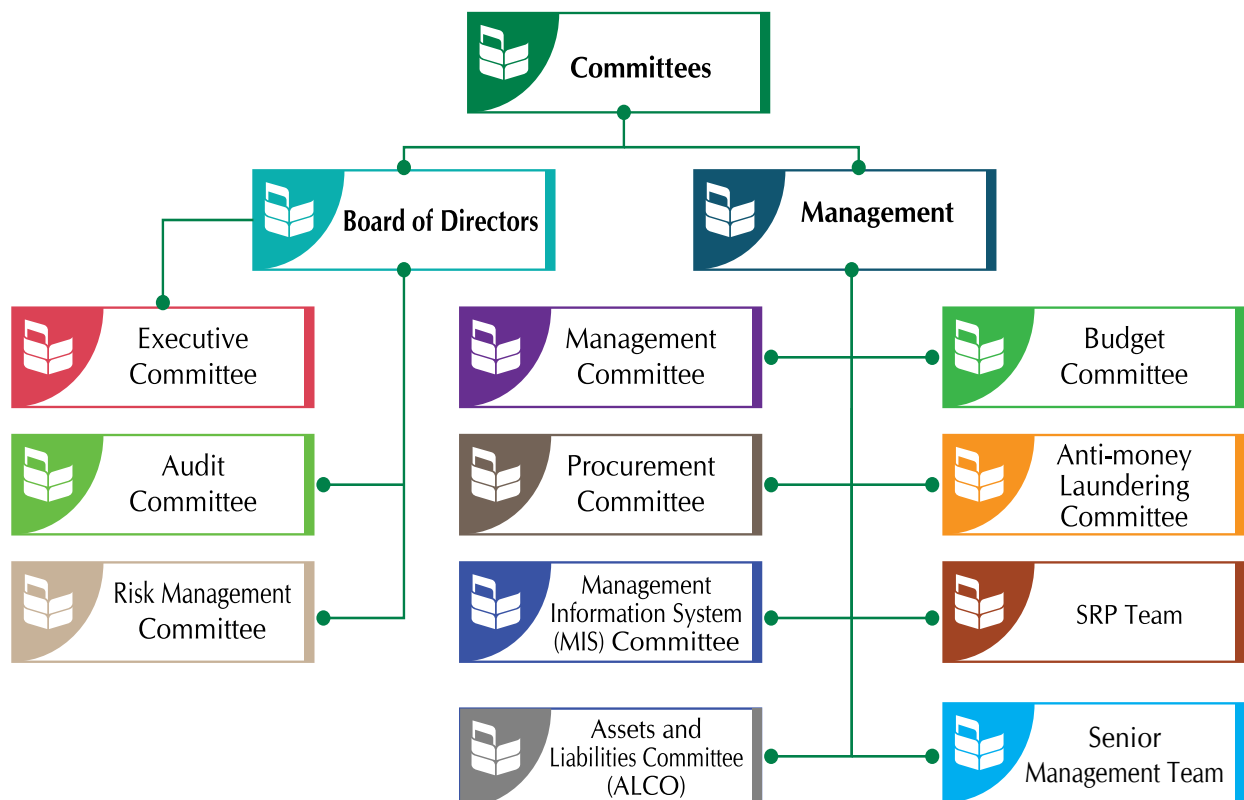
## Budget Committee

The responsibilities of the Budget Committee include, but are not limited to:

- Coordinating the preparation of the capital and operating estimates while the annual capital and operating budgets are being developed;
- Making recommendations on the capital and operating budgets;
- Reviewing other matters that may have a significant impact on a future budget, upon request from the Executive Committee.

## Supervisory Review Team

NBL has a Supervisory Review process team under Basel regime headed by Managing Directors and Senior executives are the members of the team.



## STATEMENT OF INTEGRITY OF FINANCIAL STATEMENTS

We hereby certify that the Financial Statements of National Bank Limited (the Bank) as at and for the year ended December 31, 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS), the “First Schedule” (Sec 38) of the Bank Companies Act 1991 (amended in 2013) and as per BRPD circular No. 14 dated June 25, 2003, other Bangladesh Bank circulars, the Company Act 1994, the Securities & Exchange Rule 1987 other laws and rules applicable in Bangladesh. The accounting policies used in preparation of these Financial Statements are appropriate and consistently applied by the Bank. In the case the provisions and circulars issued by Bangladesh Bank differ with those of other regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail with adequate disclosures. Comparative information has been rearranged wherever necessary to conform to the current year presentation.

The estimate and judgments were made on a prudent and reasonable basis in order that the Financial Statements reflect in a true and fair manner, the form and substance of transactions and present the state of affairs reasonably. To ensure this the Bank has taken proper and sufficient care to introduce a system of internal control and accounting records for safeguarding assets and detecting and preventing frauds as well as irregularities through ongoing review. Operations of all branches and head office are continuously reviewed through on site inspection to ensure compliance of internal and other regulatory issues. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls and accounting.

**We certify to the Board that:**

- i. We have reviewed the Financial Statements of the Bank for the year 2019 and to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards and applicable laws;
- ii. There are, to the best of knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violation of the Company’s code of conduct.



Head of Finance/CFO



Managing Director

**Certificate on Compliance on the Corporate Governance Code**  
**[Issued under condition # 1(5) (xxvii) of Corporate Governance Code of BSEC vide**  
**Notification No. BSEC/CMRRCD/2006-158/ 207/Admin/80 dated 03 June 2018]**

We have examined the compliance status to the Corporate Governance Code by **National Bank Limited** for the year ended on 31 December, 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the Procedures and implementation thereof as adopted by the Management in Ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the Provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted By Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except for inclusion of one independent director of holding company on the Board of Subsidiary company which is under process and formation of nomination and remuneration committee as restricted by Bangladesh Bank and others specify in compliance status checklist;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as Required under the Companies Act, 1994, the securities laws and Other relevant; And
- (d) The Governance of the company is Satisfactory.

Place: Dhaka  
Dated: 27 August, 2020



**Md. Mostain Billah**  
Partner  
Mak & Co. Chartered Accountants

## Compliance report under condition No. 9.00 of BSEC

### Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018

The Bangladesh Securities and Exchange Commission (BSEC) issued a Corporate Governance (CG) Code in 2018 which is being followed by banks on 'Comply' basis. Status of compliance by National Bank Limited With the said CG code issued by BSEC through Notification no. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is as follows:

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
<b>1.</b>	<b>Board of Directors</b>			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		-
<b>1(2)</b>	<b>Independent Directors</b>			
1(2) (a)	At least one fifth (1/5) of the total number of directors in the Company's board of director shall be independent directors.	✓		The Board of Directors consists of 12 (Twelve) members including 2 (Two) independent Directors which is in compliance with Section- 15(9) of Bank Company Act, 1991 (Amended upto 2013)
1(2) (b)	'Independent director' means a director-			
1(2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		-
1(2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		-
1(2) (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		-
1(2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		-
1(2) (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		-
1(2) (b) (vi)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		-
1(2) (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		-
1(2) (b) (viii)	who is not independent director in more than 5 (five) listed companies;	✓		-
1(2) (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		-
1(2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		-
1(2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		-
1(2) (d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days and	✓		-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(2) (e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) tenure only.	✓		-
<b>1(3)</b>	<b>Qualification of Independent Director :-</b>			
1(3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		-
1(3) (b)	Independent Director shall have following Qualification;			-
1(3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		-
1(3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	N/A		-
1(3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in Economics or Commerce or Business or Law; or	N/A		-
1(3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law or not;	N/A		
1(3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	N/A		
1(3) (c)	The Independent Director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3) (d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.	-		No such deviation occurred
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-</b>			
1(4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
<b>1(5)</b>	<b>Directors' Report to Shareholders:-</b>			
1(5) (i)	An industry outlook and possible future developments in the industry;	✓		-
1(5) (ii)	The segment-wise or product-wise performance;	✓		-



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		-
1(5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		-
1(5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		-
1(5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		-
1(5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	N/A		-
1(5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	N/A		-
1(5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		-
1(5) (x)	A statement of remuneration paid to the directors including independent directors;	✓		-
1(5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		-
1(5) (xii)	A statement that proper books of account of the issuer company have been maintained;	✓		-
1(5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		-
1(5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		-
1(5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		-
1(5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		-
1(5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		-
1(5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		-
1(5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		-
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-		N/A
1(5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-		N/A
1(5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
<b>1(5) (xxiii)</b>	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
1(5) (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details);	✓		-
1(5) (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		-
1(5) (xxiii)(c)	Executives; and	✓		-
1(5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		-
<b>1(5) (xxiv)</b>	<b>In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:</b>			
1(5) (xxiv) (a)	a brief resume of the Director;	✓		-
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓		-
1(5) (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		-
<b>1(5) (xxv)</b>	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1(5) (xxv) (a)	accounting policies and estimation for preparation of financial statements;	✓		
1(5) (xxv) (b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5) (xxv) (c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5) (xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5) (xxv) (e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5) (xxv) (f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5) (xxv) (g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
<b>1(6)</b>	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	N/A		As per BRPD Circular No. 11, dated 27 October 2013 (Instruction no. 5) Bank is restricted (by Central Bank) to have more than 3 sub committee of the Board.

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(7) (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and Behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	N/A		-
<b>2</b>	<b><u>Governance of Board of Directors of Subsidiary Company</u></b>			
2 (a)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	✓		-
2 (b)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			Under process
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓		-
2 (d)	The Minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the Subsidiary Company also.	✓		-
2 (e)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.	✓		-
<b>3.0</b>	<b><u>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</u></b>			
<b>3 (1)</b>	<b><u>Appointment</u></b>			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		-
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		-
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		-
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
<b>3(2)</b>	<b><u>Requirement to attend Board of Directors' Meetings:-</u></b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	✓		-
<b>3(3)</b>	<b><u>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</u></b>			
3(3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3) (a) (i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		-
3(3) (a) (ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
3(3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3 (3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee:-</b>			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee.	N/A		As the Bank is restricted (by Central Bank) to have more than 3 sub committee of the Board. But The Board oversees the remuneration process
<b>5</b>	<b>Audit Committee:-</b>			
<b>5 (i)</b>	<b>Responsibility to the Board of Directors.</b>			
5(i) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(i) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(i) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
<b>5 (2)</b>	<b>Constitution of the Audit Committee</b>			
5 (2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5 (2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5 (2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
5(3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
5(3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓		-
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5(4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
<b>5(5)</b>	<b>Role of Audit Committee</b>			
	The audit committee shall:-			
5(5) (a)	Oversee the financial reporting process;	✓		-
5(5) (b)	Monitor choice of accounting policies and principles.	✓		-
5(5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		-
5(5) (d)	Oversee hiring and performance of external auditors;	✓		-
5(5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		-
5(5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5) (g)	Review along with the management, the quarterly and half yearly Financial Statements before submission to the Board for approval;	✓		-
5(5) (h)	Review the adequacy of internal audit function;	✓		-
5(5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5) (j)	Review statement of all related party transactions submitted by the management;	✓		-
5(5) (k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	✓		-
5(5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and results;	✓		-
5(5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.	-		N/A
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a) (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		-
<b>5(6)(a) (ii)</b>	<b>The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-</b>			
5(6)(a)(ii)(a)	Report on conflicts of Interests;	-		No such event occurred
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-		No such event occurred

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-		No such event occurred
5(6)(a)(ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-		No such event occurred
5(6)(b)	<b>Reporting to the Authorities:</b> If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-		No such event occurred
5.(7)	Reporting to the Shareholders and General Investors:- Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		-
<b>6</b>	<b>Nomination and Remuneration Committee (NRC).</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6 (1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	N/A		As per BRPD Circular No. 11, dated 27 October 2013 (Instruction no. 5) Bank is restricted by (Central Bank) to have more than 3 sub committee of the Board.
6 (1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	N/A		-Do-
6 (1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	N/A		-Do-
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	N/A		-Do-
6(2)(b)	All members of the Committee shall be non-executive directors;	N/A		-Do-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	N/A		-Do-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	N/A		-Do-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	N/A		-Do-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	N/A		-Do-
6(2)(g)	The company secretary shall act as the secretary of the Committee;	N/A		-Do-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	N/A		-Do-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	N/A		-Do-
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	N/A		-Do-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	N/A		-Do-
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	N/A		-Do-
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4) (a)	The NRC shall conduct at least one meeting in a financial year;	N/A		-Do-
6(4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	N/A		-Do-
6(4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	N/A		-Do-
6(4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	N/A		-Do-
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	N/A		-Do-
6(5) (b)	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>	N/A		-Do-
6(5) (b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following;	N/A		-Do-
6(5) (b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	N/A		-Do-
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	N/A		-Do-
6(5) (b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	N/A		-Do-
6(5) (b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	N/A		-Do-
6(5) (b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	N/A		-Do-
6(5) (b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	N/A		-Do-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
6(5) (b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	N/A		-Do-
6(5) (b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	N/A		-Do-
6(5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	N/A		-Do-
<b>7</b>	<b>External or Statutory Auditors.</b>			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
<b>8</b>	<b>Maintaining a website by the Company.</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The Company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		-
<b>9</b>	<b>9. Reporting and Compliance of Corporate Governance.</b>			-
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		-
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		-



## Compliance of Section 1.5 (xxii):

Board Meeting held during the year 2019 and attended by each Director:

Sl. No.	Composition of the Board	No. of meetings in 2019		Remarks
		Held	Attended	
01	Mr. Zainul Haque Sikder	11	9	
02	Mrs. Monowara Sikder	11	8	
03	Ms. Parveen Haque Sikder, MP	11	9	
04	Alhaj Khalilur Rahman	11	8	
05	Mr. Moazzam Hossain	11	8	
06	Mr. Rick Haque Sikder	11	4	
07	Mr. Ron Haque Sikder	11	10	
08	Mr. Zakaria Taher	11	4	
09	Mr. Mabroor Hossain	11	5	
10	Mr. Md. Mahbubur Rahman Khan	11	7	
11	Sikder Insurance Company Ltd.	11	2	
12	Mr. Md. Naimuzzaman Bhuiyan Mukta	11	-	

**Note:** Directors who could not attend the meetings were granted leave of absence by the Board.

## Compliance of Section 1.5 (xxiii): The Pattern of Shareholding:

- (i) Parent/ Subsidiary/ Associated companies and other related parties: Yes
- (ii) Directors, Managing Director, Company Secretary, Chief of Financial Administration, Head of Internal Control & Compliance and their Spouses:

01. Directors	Shares held	Name of the Spouses	Shares held
Mr. Zainul Haque Sikder	58,408,192	Mrs. Monowara Sikder	58,408,099
Mrs. Monowara Sikder	58,408,099	Mr. Zainul Haque Sikder	58,408,192
Ms. Parveen Haque Sikder, MP	58,408,201	Mr. Salahuddin Khan	3,032,417
Alhaj Khalilur Rahman	147,664,424	Late Delowara Begum	-
Mr. Moazzam Hossain	102,695,142	Mrs. Ilya R. Hossain	13,180,932
Mr. Rick Haque Sikder	58,408,169	-	-
Mr. Ron Haque Sikder	58,408,169	-	-
Mr. Zakaria Taher	62,657,573	Mrs. Nazneen Ahmed	110,000
Mr. Mabroor Hossain	58,426,035	Mrs. Nadia Munawar Siddique	-
Sikder Insurance Company Ltd.	144,152,903	-	-
Mr. Md. Mahbubur Rahman Khan	-	Mrs. Salina Mahbub	-
02. Managing Director - Mr. Choudhury Moshtaq Ahmed			-
03. Company Secretary - Mr. A S M Bulbul			44
04. Head of Financial Administration - Mr. Krishna Kamal Ghose			2,335
05. Head of Internal Control & Compliance - Mr. Md. Moniruzzaman			-

(iii) Executives (Top five salaried employees of the company other than Directors, Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Control and Compliance):

01. Deputy Managing Director	- Mr. Shah Syed Abdul Bari	Nil
02. Deputy Managing Director	- Mr. Syed Rois Uddin	2,055
03. Deputy Managing Director	- Mr. Arif Md. Shahedul Haque	Nil
04. Deputy Managing Director	- Mr. Md. Ekramul Haque	Nil
05. Senior Executive Vice President	- Mr. Nizam Ahmed	Nil

(iv) Shareholders holding ten percent (10%) or more voting interest in the company: Nil.

## Executive Committee Meeting

SI No.	Composition of the Committee	No. of Meetings held in 2019		Remarks
		Held	Attended	
01.	Ms. Parveen Haque Sikder, MP	03	02	
02.	Mrs. Monowara Sikder	03	02	
03.	Alhaj Khalilur Rahman	03	02	
04.	Mr. Moazzam Hossain	03	02	
05.	Mr. Rick Haque Sikder	03	01	
06.	Mr. Ron Haque Sikder	03	03	

## Audit Committee Meeting

SI No.	Composition of the Committee	No. of Meetings held in 2019		Remarks
		Held	Attended	
01.	Mr. Md. Naimuzzaman Bhuiyan Mukta	-	-	
02.	Mr. Mabroor Hossain	05	05	
03.	Mr. Md. Mahbubur Rahman	05	05	

## Risk Management Committee Meeting

SI No.	Composition of the Committee	No. of Meetings held in 2019		Remarks
		Held	Attended	
01.	Ms. Parveen Haque Sikder, MP	04	04	
02.	Mr. Rick Haque Sikder	-	-	
03.	Mr. Ron Haque Sikder	04	04	

## Status of Compliance of Bangladesh Bank Guideline for Corporate Governance

(BRPD circular no. 16 dated 24.07.2003)

SL. No.	Particulars	Compliance status
1	<b>Responsibilities and authorities of the Board of Directors</b>	Complied
	<b>(a) Work planning and strategic management</b>	
	i) The Board shall determine the objectives and goals and to this end shall chalk out strategies and work plan on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and re-organization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rest the development of implementation of work plan.	
	ii) The Board shall have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work plan and shall apprise the shareholders of its opinions/recommendations on future plan and strategies. It shall set the Key Performance Indicator (KPI) for the CEO and other senior executives and have it evaluated at times.	Complied
	<b>(b) Loan and Risk Management</b>	Complied
	i) The policies, procedures, strategies etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, re-schedulement and write-off thereof shall be made with the Board's approval under the purview of the existing laws, rules and regulations. The Board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interface, directly or indirectly, into the process of loan approval.	
	ii) The Board shall frame policies for risk management and get them complied with and shall at quarterly rest the compliance thereof.	Complied
<b>(c) Internal Control Management</b>	Complied	
i) The Board shall be vigilant on internal control system of the Bank in order to attain and maintain satisfactory qualitative standards of its loans /investments portfolio. It shall review at quarterly rest the report submitted by its audit committee regarding the compliance of recommendations made in internal and external audit report and Bangladesh Bank inspection reports.		
<b>(d) Human Resources Management and Development</b>	Complied	
i) Policies relating recruitment, promotion, transfer, disciplinary and punitive measures human resources development etc. and service rules shall be framed and approved by the Board. The Chairman and the Directors shall in no way involve themselves and interfere into or influence over any administrative affairs including recruitment promotion transfer and disciplinary measures as executed under the set service rules. No member of the Board of Director shall be included in the selection committees for recruitment and promotion to different levels. Recruitment and promotion to the immediate two tiers below the CEO shall, however rest upon the Board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e. policies for recruitment and promotion.		

## Status of Compliance of Bangladesh Bank Guideline for Corporate Governance (BRPD circular no. 16 dated 24.07.2003)

SL. No.	Particulars	Compliance status
	ii) The Board shall focus its special attention to the development of skills of the Bank's staff in different fields of its business activities including prudent appraisal of loan / investment proposals and to the adoption of modern electronic and information technologies and introduction of effective Management Information System (MIS). The Board shall get this programs incorporated in its annual work plan.	Complied
	<b>(e) Financial Management</b>	Complied
	i) The Annual Budget and the statutory Financial Statements shall finally be prepared with the approval of the Board. It shall at quarterly rest review /monitor the positions in respect of the Bank's income, expenditures, liquidity, non-performing assets, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.	
	ii) The Board shall frame the policies and procedures for Bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The Maximum possible delegation of such power rest on the CEO and his sub-ordinates. The decision on matter relating to infrastructure development and purchase of land, building, vehicle etc. for the purpose of Banking business shall however be adopted with the approval of the Board.	Complied
	<b>(f) Formation of supporting committees</b> For decision on urgent matters an executive committee whatever name called, may be formed with the directors. There shall be no committee of the board other than the Executive Committee and the Audit Committee. No alternate director shall be included in these committees.	Complied
	<b>(g) Appointment of CEO</b> The Board shall appoint a competent CEO for the Bank with the approval of Bangladesh Bank.	Complied
<b>2</b>	<b>Responsibilities of the Chairman of the Board</b>	Complied
	(a) As the chairman of the board of directors (or chairman of any committee formed by the board or any director) does not personally possess the jurisdiction to apply policymaking or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the Bank	
	(b) The chairman may conduct on-site inspection of any Bank branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to Bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However any complaint against the CEO shall have to be apprised to Bangladesh through the board along with the statement of the CEO.	Complied
	(c) The chairman may be offered an office-room, a personal secretary/assistant, a telephone at the office and a vehicle in the business-interest of the Bank subject to the approval of the board.	Complied
<b>3</b>	<b>Responsibilities of Adviser</b>	Complied

## Status of Compliance of Bangladesh Bank Guideline for Corporate Governance

(BRPD circular no. 16 dated 24.07.2003)

SL. No.	Particulars	Compliance status
	The adviser whatever name called, shall advise the Board of Directors or the CEO on such issue only for which he is engaged in terms of conditions of his appointment. He shall neither have to access to the process of decision-making nor shall have the scope of effecting executive authority in any matters of the Bank including financial, administrative or operational affairs.	
<b>4</b>	<b>Responsibilities and Authorities of CEO</b>	Complied
	The CEO of the Bank whatever named called, shall discharge the responsibilities and effect the authorities as follows:	
	(a) In terms of financial business and administrative authorities vested upon him by the Board, the CEO shall discharge his own responsibilities. He/She shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.	Complied
	(b) The CEO shall ensure compliance of Bank Companies Act, 1991 or other laws/ regulations and if in discharge of routine function of the Bank.	Complied
	(c) The CEO shall report to the Bangladesh Bank of issues in violation of Bank Companies Act, 1991 or other laws /regulations and if required, may apprise the Board post facto.	Complied
	(d) The recruitment and promotion of all staff of the Bank except those in the two tiers below him/ her shall rest on the CEO. He /She shall act in such cases in accordance with the approved service rules on the basis of human resources policies and approved delegation of employees as approved by the Board. The Board or Chairman of any committee of the Board or any Director shall not get approved of interfere into such affairs. The authorities relating transfer of and disciplinary measures against the staff, except those at one tier below the CEO shall rest on him, which he shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he/she shall nominate officers for training etc.	Complied

## Compliance of International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS)

Name of the standards	Ref.	Status
First-time Adoption of International Financial Reporting Standards	IFRS-1	Not applicable
Share-IASed Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Applied
Insurance Contracts	IFRS-4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied*
Operating Segments	IFRS-8	Applied*
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interests in other Entities	IFRS-12	Applied
Fair Value Measurement	IFRS-13	Applied
Leases	IFRS-16	Applied
Presentation of Financial Statements	IAS-1	Applied*
Inventories	IAS-2	Not applicable
Statement of Cash Flows	IAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Construction Contracts	IAS-11	Not applicable
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Leases	IAS-17	Applied
Revenue	IAS-18	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government	IAS-20	Not applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not applicable
Consolidated and Separate Financial Statements	IAS-27	Applied
Investments in Associates	IAS-28	Not applicable
Interests in Joint Ventures	IAS-31	Not applicable
Financial Instruments: Presentation	IAS-32	Applied*
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied*
Financial Instruments: Recognition and Measurement	IAS-39	Applied*
Investment Property	IAS-40	Not applicable
Agriculture	IAS-41	Not applicable

\*Subject to some departure to comply with local law.

## Report of the Audit Committee of the Board

For the year ended December 31, 2018

(As per Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 on Corporate Governance Code, dated June 03, 2018)

The Audit Committee of the Board was duly constituted by the Board of Directors of the Bank in accordance with the BRPD Circular Number 11 dated October 27, 2013 of Bangladesh Bank.

The objectives of the Audit Committee are to assist the Board of Directors mainly in the following areas:

- Establishing a culture of adequate internal control system to ensure that sufficient risk management system is in place to manage core risk of the Bank and that financial reports disclosed by the Bank are reliable for its users.
- Developing an adequate Information Technology (IT) and MIS System and establishing sufficient control system in IT operation to protect against any inherent risk.
- Ensuring true and fair presentation of financial statements in compliance with Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards and applicable regulatory requirements.
- To review the internal audit procedure of the Bank and to ensure that the internal audit can continue their activities without any limitations. To review the efficiency and effectiveness of internal audit and to review whether management is complying with recommendations made by the internal audit.
- To recommend appointment of external and special auditors, review audit work and reports submitted by external and special auditors and to ensure compliance and regularization of recommendations made by the external and special auditors.
- Reporting to the Board of Directors on mistakes, fraud and forgeries and other irregularities to ensure compliance and regularization.
- Ensure compliance with all applicable legal and regulatory rules and regulations and the directives made by the Board of Directors of the Bank.

In pursuance of its objectives, the Audit Committee of the Board held 5 meetings during the year 2019. The Committee reviewed compliance of policies issues, regulations and applicable laws in general and interim reports submitted by Bank's Internal Control & Compliance Division as well as reports submitted by external and special auditors.

Upon review of reports of Bank's Internal Control & Compliance Division, the Audit Committee issued a number of instructions and provided suggestions/guidelines to improve the state of operation, documentation and loan portfolio/risk management.

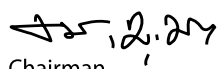
The Committee instructed for immediate compliance of all issues pointed out in the reports and to submit compliance reports by all branches stressing the need on the part of Head of branches to hold periodic reviews to the end. The Committee reviewed:

Loan portfolio/risk management issues.

Policy issues on information technology (IT) and system audit, Anti Money Laundering and internal control.

### The Committee instructed all operational/monitoring units to:

- Follow regulations meticulously in respect of Know Your Customer (KYC) in account opening.
- Intensify recovery of past due loans and initiate early warning reports for loans which show deteriorating conditions.
- The Committee also reviewed the financial statements as of December 31, 2019 audited by Rahman Mostafa Alam & Co., Chartered Accountants.



Chairman  
Audit Committee of the Board

## Statement of Directors' responsibilities in respect of the Annual Report and the Financial Statements

Among other oversight responsibilities, Board of Directors (BoD) has to ensure that the Financial Statements of the Bank and its subsidiaries are prepared in accordance with applicable International Financial Reporting Standards (including International Accounting Standards), relevant provisions of the Companies Act 1994, Bank Company Act 1991, rules and regulations of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), listing rules of relevant stock exchanges and other applicable laws, rules and regulations.

In compliance with section 184 of Companies Act 1994, the Annual Report which is presented in the Annual General Meeting (AGM) has a separate section as 'Directors' Report 2019' that contains, among others, a review of the following issues:.

- **State of the Bank's affairs:** A review of financial performance and position has been presented in the Directors' Report 2019 and Management Discussion and Analysis (MD & A) section with relevant analytics.
- **Any recommended reserve is the balance sheet:** An amount of BDT 1,455 million has been transferred to 'Statutory Reserve' to equalize with the paid up capital as per section 24 of Bank Company Act 1991.
- **Recommended dividend:** The Board has recommended 5% cash dividend & 5% Stock dividend for the completed year 2019.
- Any event after balance sheet date which may affect company's financial condition: None.
- **Any charge in Bank's activities, subsidiaries' activities etc.:** No major change in strategy and actions in the Bank and Subsidiaries experienced in 2019.

In compliance with BSEC Corporate Governance Code dated 03 June 2018 the Directors of the Bank hereby highlights following issues, among others, in their report as prescribed:

- **Industry outlook and possible future developments in the industry:** A brief review in this regard has been presented in the Directors' Report 2019.
- **Segment wise or Product-wise Performance:** Business-wise performance has been presented in the segmental information.
- **Risks and Concerns:** A detailed discussion regarding risks and management of the same has been presented in "Risk Management" section of this Report.
- **Discussion on Operating Performance:** A brief description has been presented in "Financial Performance Highlights of NBL" part of the Directors' Report 2019.

- **Discussion on continuity of any Extra-Ordinary gain or loss:** In last five years NBL has not experienced any extra-ordinary gain or loss. NBL's Five Years Progression presented in the "Stakeholders information" section will provide detailed information to support this.
- **Basis for related party transactions and a statement of all related party transactions:** The basis for related party transactions has been stated in the Corporate Governance Report and a statement of related party transactions has been presented in the note no. 43 of the Financial Statements 2019.
- **Utilization of proceeds from public issues, rights issues and/or through any other instruments:** The Bank issued subordinated bonds valuing BDT 400 crore in 2018. This is eligible for Tier-II capital as per Basel III Guidelines of Bangladesh Bank.
- **Explanation of variances between Quarterly and Annual Financial performance:** No major variances have been occurred between quarterly and annual performance. The changes made as normal business expansion.
- **Remuneration to directors including independent directors:** Remuneration provided to directors has been presented in the Corporate Governance Report and Note 32 and Note 33 to the Financial Statements.
- **The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity:** The financial statements prepared by the management as at and for the year ended 31 December 2019 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity. The external auditors i.e. Rahman Mostafa Alam & Co. Chartered Accountants also provided their opinion on the same by issuing an unqualified audit report.
- **Maintenance of proper books of account:** Proper books of account as required by law have been kept by NBL. The external auditors i.e. Rahman Mostafa Alam & Co., Chartered Accountants also provided their opinion on the same in point (IV) of 'Report on other Legal and Regulatory Requirements' of their audit report.
- **Consistent application of appropriate accounting policies and estimates in preparation of financial statements:** Appropriate accounting policies have been consistently applied in preparation of the financial statements of the Bank and the accounting estimates are based on reasonable and prudent judgment. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to these are recognized in the



period in which the estimate is revised and in any future period affected.

- **Following international Accounting Standards (IAS)/ international Financial Reporting Standards [FRS], as applicable in Bangladesh, in preparation of financial statements and any departure there from has been adequately disclosed:** Details description including disclosure of departures has been presented in Note 2.1 to the Financial Statements 2019.
- **The system of internal control is sound in design and has been effectively implemented and monitored:** A brief description in this regard has been presented in the internal control system' paragraph under Directors' Report 2019.
- **Protection of interest of minority shareholders and elective means of redress:** The Bank is operated in accordance with the Articles of Association and all applicable Laws and regulations of the land to ensure the greater interest of all the shareholders of the Bank. The Bank is committed to sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders. However, any complaint, received at AGM or throughout the year, from any shareholders, is resolved lawfully in time.
- **Significant doubts upon the Bank's ability to continue as a going concern:** Nothing as yet.
- **Explanations to significant deviations from the last year's operating results:** Significant deviations of operating results in 2019 have been adequately discussed in the Directors' Report 2019.
- **Summarization of last five year's key operating and financial data:** Please see 'Five-Years Summary of NBL's Stakeholders' Information.
- **Declaration of dividend or not:** Declared 5% cash dividend & 5% Stock dividend for the year 2019.
- **Declaration of bonus share or stock dividend as interim dividend:** No bonus share or stock dividend was declared as interim dividend in 2019.

- **No. of Board meetings and directors' attendance in 2019:** Please see 'Board meeting and attendance' section under Corporate Governance Report.
- **The patterns of shareholdings:** Please see Corporate Governance Report and note 16.3 of the Notes to the Financial Statements 2019.
- **Brief resume of the directors and nature of their expertise in specific functional areas:** Brief profile of directors and their representation in other companies have been presented in the related party disclosure of the Financial Statements 2019.
- **Management's discussion and analysis signed by CEO/ MD:** Please see 'Managing Director & CEO's Review from the desk of the Managing Director & CEO of this annual report.
- **Certification by the CEO and CFO:** The certification of MD & CEO and CFO has been presented at the beginning of Financial Reports section of this annual report.
- **Certificate of compliance of corporate governance code:** The certificate issued by Mak & Co., Chartered Accountants, has been presented at the end of Corporate Governance Report.

To adhere to good corporate governance practices, the Bank has been complying with the corporate governance code issued by BSEC (Notification No. BSEC/CMRRCDI2006 -1,581207/Admin/80 dated 03 June 2018). NBLs compliance status to the said prescribed practices is presented in Corporate Governance Report.

The Directors, to the best of their knowledge and information, hereby confirm that the Annual Report 2019 together with the Directors' Report and the Financial Statements have been prepared in compliance with applicable governing Acts, rules, regulations, guidelines and Laws of various regulatory bodies including Bangladesh Bank and BSEC.

On behalf of the Board of Directors



**Chairman of the Board of Directors**



# Auditors' Report and Financial Statements

For the year ended December 31, 2019

## 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	
<p>The process for estimating the provision for customer loans and advances associated with credit risk is significant and complex.</p> <p>For the individual analysis these provisions consider the estimates of future business 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>We tested the design and operating effectiveness of key controls focusing on the following:</p> <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) submitted to Bangladesh Bank;</li> </ul> <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>

<b>Valuation of treasury bill and treasury bond</b>	
Refer note no 7.1.1 to the financial statements	
<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>
<b>Measurement of deferred tax assets</b>	
Refer note no 10.1.3 to the financial statements	
<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 recoverability is dependent on forecasts of future profitability over a number of years.</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 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>
<b>IT systems and controls</b>	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>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>
<b>Legal and regulatory matters</b>	
<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

## 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>

## 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	21	14,367,515,122	18,547,717,728
Letters of guarantee		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



## 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		<b>2,661,018,720</b>	<b>3,084,723,413</b>
		<b>6,784,221,037</b>	<b>6,941,398,522</b>

## Consolidated Profit and Loss Statement

For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
<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>	<b>39.02</b>	<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

## 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
<b>Balance on January 01, 2019</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>
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 operation)	-	-	-	-	-	-	-	-
<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

## 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>Net cash from / (used in) operating activities</b>		<b>2,179,510,416</b>	<b>(23,791,553,788)</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

## 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>

## 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	21	14,367,515,122	18,547,717,728
Letters of guarantee		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

## 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>Total operating income</b>		<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)
		<b>(4,109,787,667)</b>	<b>(4,280,379,802)</b>
<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

## Statement of Changes in Equity For the year ended December 31, 2019

Particulars	Paid-up Capital	Statutory Reserve	Amount in BDT			Total
			Other Reserve	Retained Earnings		
<b>Balance at on January 01, 2019</b>	<b>26,549,079,130</b>	<b>14,380,830,197</b>	<b>902,123,990</b>	<b>2,977,319,750</b>	<b>44,809,353,067</b>	
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>29,203,987,040</b>	<b>15,835,709,954</b>	<b>965,975,208</b>	<b>3,031,886,121</b>	<b>49,037,558,323</b>	
<b>Balance at December 31, 2018</b>	<b>26,549,079,130</b>	<b>14,380,830,197</b>	<b>902,123,990</b>	<b>2,977,319,750</b>	<b>44,809,353,067</b>	

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

  
Managing Director

  
Director

  
Director

  
Chairman



## 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

## Liquidity Statement (Analysis of Maturity of Assets and Liabilities)

As at December 31, 2019

Particulars	Amount in BDT						Total
	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term		
<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

## 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/Agri-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 Gadhadoo 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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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 categories, 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.

## Notes to the financial statements

For the year ended December 31, 2019

**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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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 :

<u>Items</u>	<u>Applicable accounting value</u>
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 :

<u>Category of fixed assets</u>	<u>Rate of depreciation</u>
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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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.



## Notes to the financial statements

For the year ended December 31, 2019

### 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		.25%	.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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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 Financial 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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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.

## Notes to the financial statements

For the year ended December 31, 2019

### 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.

## 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:

<b>4.1.1 Cash Reserve Requirement (CRR)</b>				
<b>Average time and demand liabilities (excluding inter-bank deposits)</b>	<b>339,820,961,538</b>	<b>291,428,076,923</b>	<b>339,820,961,538</b>	<b>291,428,076,923</b>
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
Actual reserve maintained	19,383,660,000	16,199,250,207	19,383,660,000	16,199,250,207
<b>Surplus</b>	<b>693,507,115</b>	<b>170,705,976</b>	<b>693,507,115</b>	<b>170,705,976</b>
<b>4.1.2 Statutory Liquidity Ratio (SLR)</b>				
<b>Average time and demand liabilities (excluding inter-bank deposits)</b>	<b>339,820,961,538</b>	<b>291,428,076,923</b>	<b>339,820,961,538</b>	<b>291,428,076,923</b>
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
Actual reserve maintained (excluding CRR)	55,449,577,694	49,559,360,509	55,449,577,694	49,559,360,509
<b>Surplus</b>	<b>11,272,852,694</b>	<b>11,673,710,509</b>	<b>11,272,852,694</b>	<b>11,673,710,509</b>
<b>4.1.3 Composition of SLR maintained*</b>				
Cash in hand	4,052,430,849	3,246,695,596	4,052,430,849	3,246,695,596
Balance with agent bank (Sonali Bank Ltd)	1,165,941,975	1,130,180,913	1,165,941,975	1,130,180,913
"Unencumbered approved securities (HTM, HFT and reverse REPO)"	50,231,204,870	45,182,484,000	50,231,204,870	45,182,484,000
	<b>55,449,577,694</b>	<b>49,559,360,509</b>	<b>55,449,577,694</b>	<b>49,559,360,509</b>

\* As per statement submitted to Bangladesh Bank

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>5. Balance with other banks and financial institutions</b>				
In Bangladesh- in local currencies (note 5.1)	3,473,839,676	3,879,714,515	3,246,661,798	3,775,745,848
Outside Bangladesh (note 5.2) (Annex- B)	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>
<b>5.1 Inside Bangladesh</b>				
<b>5.1.1 Current accounts</b>				
Agrani Bank Ltd.	53,353,132	72,920,587	53,353,132	72,920,587
Janata Bank Ltd.	81,813,505	90,632,617	81,813,505	90,632,617
Rupali Bank Ltd.	2,299	49,529	2,299	49,529
Standard Chartered Bank	6,779,859	3,340,846	6,779,859	3,340,846
Sonali Bank Ltd.	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>
<b>5.1.2 Short-notice deposit accounts</b>				
Eastern Bank Ltd.	156,597	156,488	156,597	156,488
Janata Bank Ltd.	631,001	611,847	631,001	611,847
National Credit and Commercial Bank Ltd.	105,334	104,630	105,334	104,630
First Security Islami Bank Ltd.	84,660	83,504	84,660	83,504
Dhaka Bank Ltd.	201,518	196,333	201,518	196,333
Standard Chartered Bank	1,005,564	1,005,564	1,005,564	1,005,564
Trust Bank Ltd.	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>
<b>5.1.3 Fixed deposit accounts (in local currency)</b>				
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>
<b>5.2 Outside Bangladesh</b>				
<b>5.2.1 Fixed deposits accounts (interest bearing) :</b>				
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>
<b>On demand deposit accounts (non-interest bearing):</b>				
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

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
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>Details are shown in Annex B.</b>	<b>1,259,585,138</b>	<b>927,129,849</b>	<b>938,013,138</b>	<b>749,669,117</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)	91,300,000	91,300,000	91,300,000	91,300,000
With non-banking financial institutions	-	-	-	-
	<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)	50,231,204,874	45,182,483,694	50,231,204,874	45,182,483,694
Others (note 7.2)	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)	49,499,124,924	45,174,159,994	49,499,124,924	45,174,159,994
Bangladesh Govt. Treasury bills	725,396,850	-	725,396,850	-
Prize bonds	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>

#### 7.1.1 Treasury bonds

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>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<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 Transfer Sdn Bhd Malaysia	-	-	20,650,000	20,095,800
NBL Money Transfer Pte. Ltd. (Singapore)	-	-	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
	747,283,828	717,674,635	4,646,047,090	4,614,334,174
	<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>



## Notes to the financial statements

For the year ended December 31, 2019

Amount in BDT			
Group		Bank	
2019	2018	2019	2018

### 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>

### 8. Loans and advances

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>

#### 8.1 Loans, cash credits, overdrafts, etc In Bangladesh

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>

#### 8.2 Bills purchased and discounted In Bangladesh

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>

### 8.3 Maturity wise grouping of loans and advances including bills purchased and discounted repayable

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>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<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)*			176,591,200,000	148,888,600,000
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>
<b>8.5.4 Geographical location-wise grouping</b>				
<b>In Bangladesh</b>				
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>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>

## Notes to the financial statements

For the year ended December 31, 2019

		Amount in BDT			
		Group		Bank	
		2019	2018	2019	2018
<b>8.6</b>	<b>Grouping as per classification rules</b>				
	<b>Unclassified:</b>				
	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>324,077,867,668</b>	<b>287,511,572,581</b>	<b>321,132,599,281</b>	<b>284,625,801,171</b>
	<b>Classified:</b>				
	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>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>
<b>8.7</b>	<b>Particulars of loans and advances</b>				
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>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 advances (note 15.2a)	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

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
x i) 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>
x ii) 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</b>				
<b>(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>
<u>Less: Accumulated depreciation</u>	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

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
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.

### 10.1.1 Suspense account

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>

### 10.1.2 Sundry assets

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>

### 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>

#### Net deferred tax (assets)/liabilities

	<b>128,496,769</b>	<b>138,541,514</b>	<b>129,500,648</b>	<b>139,545,393</b>
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Deferred tax charge/(credit)

	<b>10,044,745</b>	<b>(71,132,887)</b>	<b>10,044,745</b>	<b>(71,132,887)</b>
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### 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.

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>11. Non- banking Assets</b>	299,479,400	335,820,241	299,479,400	335,820,241
	<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:

SI 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	Narayangonj			6,720,000	6,720,000
	<b>Total</b>			<b>299,479,400</b>	<b>335,820,241</b>
<b>12. Borrowings from other banks, financial institutions and agents</b>					
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>8,337,718,474</b>	<b>8,869,136,774</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>	
<b>12.1.1 In Bangladesh</b>					
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>8,244,328,474</b>	<b>8,649,906,493</b>	<b>8,244,328,474</b>	<b>8,649,906,493</b>	
<b>12.1.2 Outside Bangladesh</b>					
Emirates Islami Bank	93,390,000	219,230,281	93,390,000	219,230,281	
	<b>93,390,000</b>	<b>219,230,281</b>	<b>93,390,000</b>	<b>219,230,281</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>	
<b>12.2 Security wise breakup of borrowing from other banks, financial Institutions and agents</b>					
Secured borrowings	-	-	-	-	
Unsecured borrowings	8,337,718,474	8,869,136,774	8,337,718,474	8,869,136,774	
	<b>8,337,718,474</b>	<b>8,869,136,774</b>	<b>8,337,718,474</b>	<b>8,869,136,774</b>	

## Notes to the financial statements

For the year ended December 31, 2019

	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>
<b>13. Deposits and other accounts (note 13.1)</b>				
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 Limited	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>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>C. Term deposit accounts</b>				
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>
<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>



## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<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>				
	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
	<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

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>Total</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>

### 15 Other liabilities

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>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>15.1 Tax liability</b>				
<b>Provision for current tax</b>				
Opening balance	15,605,346,651	12,441,482,047	15,375,498,946	12,225,498,946
Add: 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>
Less: 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>				
Opening balance	12,099,580,089	8,272,397,925	12,068,738,567	8,241,556,403
Add: 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>
Less: 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.

	%	Amount (BDT)
<b>15.1a Reconciliation of effective tax rate</b>		
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>Closing balance</b>	<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>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>(c) General provision against Off Balance Sheet items (including provision for OBU)</b>				
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>
<b>Sub total (a)+ (b)+ (c)</b>	<b>16,307,419,146</b>	<b>14,694,664,190</b>	<b>16,307,419,146</b>	<b>14,694,664,190</b>
<b>(d) Provision for good borrowers</b>				
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.

### 15.3 Interest suspense account

Opening balance	11,493,141,527	9,830,085,612	11,493,141,527	9,830,085,612
Add: 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>
Less: 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>
<b>Closing balance</b>	<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

<b>Provision for fall in market price of shares</b>				
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
Less: Adjusted during the year	-	-	-	-
Add: Addition during the year	45,655,340	-	-	-
<b>Closing balance</b>	<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)
<b>Closing balance</b>	<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
Add: 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>
Less: Transferred to fund account	100,000,000	100,000,000	100,000,000	100,000,000
<b>Closing balance</b>	<b>50,000,000</b>	<b>100,000,000</b>	<b>50,000,000</b>	<b>100,000,000</b>

## Notes to the financial statements

For the year ended December 31, 2019

		Amount in BDT			
		Group		Bank	
		2019	2018	2019	2018
<b>16. Share capital</b>					
<b>16.1 Authorised capital</b>					
	3,000,000,000 ordinary shares of BDT 10 each			<b>30,000,000,000</b>	<b>30,000,000,000</b>
<b>16.2 Issued, subscribed and fully paid-up capital</b>					
		<b>No. of shares</b>		<b>Amount in Taka</b>	
		<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	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>
<b>16.3 Percentage of shareholdings at the closing date</b>					
		<b>2019</b>		<b>2018</b>	
<b>Category</b>		<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
	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>100.00%</b>	<b>2,654,907,913</b>	<b>100.00%</b>
<b>16.4 Statement of slab list as on December 31, 2019</b>					
<b>Group/ type</b>		<b>No. of share holders</b>		<b>No. of shares</b>	<b>% of share holding</b>
	De-materialization	74,134		2,888,623,127	98.91%
	Materialization	4,210		31,775,577	1.09%
		<b>78,344</b>		<b>2,920,398,704</b>	<b>100%</b>
<b>De-materialization</b>					
<b>Range</b>		<b>No. of share holders</b>		<b>No. of shares</b>	<b>% of share holding</b>
	Less than 500	18,178		3,308,070	0.11%
	500 to 5,000	33,170		66,431,309	2.27%
	5,001 to 10,000	8,700		61,642,692	2.11%
	10,001 to 20,000	6,444		89,925,945	3.08%
	20,001 to 30,000	2,475		60,097,305	2.06%
	30,001 to 40,000	1,316		45,372,200	1.55%
	40,001 to 50,000	760		34,243,193	1.17%
	50,001 to 100,000	1,591		110,028,602	3.77%
	100,001 to 1,000,000	1,273		290,868,262	9.96%
	Over 1,000,000	227		2,126,705,549	72.82%
		<b>74,134</b>		<b>2,888,623,127</b>	<b>98.91%</b>
<b>Materialization</b>					
<b>Range</b>		<b>No. of share holders</b>		<b>No. of shares</b>	<b>% of share holding</b>
	Less than 500	2,468		357,700	0.01%
	500 to 5,000	1,362		2,508,526	0.09%
	5,001 to 10,000	174		1,223,343	0.04%
	10,001 to 20,000	95		1,381,333	0.05%
	20,001 to 30,000	47		1,119,397	0.04%
	30,001 to 40,000	15		519,903	0.02%
	40,001 to 50,000	12		527,789	0.02%
	50,001 to 100,000	20		1,358,847	0.05%
	100,001 to 1,000,000	11		3,331,776	0.11%
	Over 1,000,000	6		19,446,963	0.67%
		<b>4,210</b>		<b>31,775,577</b>	<b>1.09%</b>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>16.5 Capital adequacy ratio</b>				
<b>Core capital (Tier - I)</b>				
Paid up capital (note 16.2)	29,203,987,040	26,549,079,130	29,203,987,040	26,549,079,130
Statutory reserve (note 17)	15,835,709,954	14,380,830,197	15,835,709,954	14,380,830,197
General reserve (note 18)	29,809,840	29,468,778	-	-
Non-controlling (minority) interest	125,066	119,352	-	-
Retained earnings (note 20)	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>
<b>Less:</b>				
For short provision against quoted shares	1,760,700,000	1,421,144,232	1,898,300,000	1,395,404,548
For short provision against loans and advances	-	-	-	-
Intangible assets	46,000,000	79,529,926	46,000,000	79,529,926
Deferred tax assets	341,669,005	343,087,021	341,351,331	342,769,347
Reciprocal cross holding of banking and NBFI shares	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>
<b>Supplementary capital (Tier-II)</b>				
General provision maintained against unclassified loan	4,582,393,896	4,576,587,937	4,582,393,896	4,576,587,937
General provision on off-balance sheet exposure	459,510,048	459,510,048	459,510,048	459,510,048
Subordinated bonds	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
Other reserve	630,977,076	630,977,076	630,977,076	630,977,076
<b>Less:</b> Regulatory adjustment for revaluation reserve (60%)	(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>
<b>A) Total capital</b>	<b>54,527,463,117</b>	<b>50,831,601,718</b>	<b>54,723,235,728</b>	<b>51,144,371,976</b>
B) Total risk weighted assets	408,767,800,000	364,390,500,000	408,851,700,000	364,254,800,000
C) Required capital	51,095,975,000	43,271,371,875	51,106,462,500	43,255,257,500
<b>D) (Deficit)/Surplus (A-C)</b>	<b>3,431,488,117</b>	<b>7,560,229,843</b>	<b>3,616,773,228</b>	<b>7,889,114,476</b>
<b>Capital adequacy ratio:</b>				
On core capital- against standard of minimum 6.00%	11.13%	11.44%	11.17%	11.53%
On supplementary capital	2.21%	2.51%	2.21%	2.51%
<b>On total capital-including capital conservation buffer 12.50% and 11.875%</b>	<b>13.34%</b>	<b>13.95%</b>	<b>13.38%</b>	<b>14.04%</b>
<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
<b>Closing balance</b>	<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>	-	-
<b>Less:</b> Adjustment during the year	-	-	-	-
Transferred from general reserve (overseas oper.)	-	(9,214,712)	-	-
	-	<b>(9,214,712)</b>	-	-
<b>Closing balance</b>	<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>
<b>Less:</b> Adjustment during the year	63,485,893	650,657,429	63,485,893	650,657,429
<b>Closing balance</b>	<b>585,151,224</b>	<b>523,746,483</b>	<b>585,151,224</b>	<b>523,746,483</b>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>19.2 Revaluation reserve (foreign investment)</b>				
Opening balance	24,372,492	24,279,896	24,372,492	24,279,896
Add: Addition/(Adjustment) during the year	2,446,477	92,596	2,446,477	92,596
<b>Closing balance</b>	<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
<b>Closing balance</b>	<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 (Bonus share 10% for 2018 and 12% for the year 2017)	2,654,907,910	2,844,544,190	2,654,907,910	2,844,544,190
Transfer to statutory reserve	1,454,879,757	1,435,835,612	1,454,879,757	1,435,835,612
Dividend paid by overseas subsidiaries	5,537,092	-	-	-
	<b>4,115,324,759</b>	<b>4,280,379,802</b>	<b>4,109,787,667</b>	<b>4,280,379,802</b>
<b>Closing balance</b>	<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>
<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>

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<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>	<b>240,561,489</b>	<b>321,692,087</b>	<b>240,561,489</b>	<b>321,692,087</b>
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.

## Notes to the financial statements

For the year ended December 31, 2019

	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>Total (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>



## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<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>
<b>B. Balance at the end of the year</b>				
Un-paid dividend			10,009,092	10,009,092
Provision for bonus			293,523,189	419,861,758
ATM card holders' accounts			28,628,452	25,274,888
Foreign currencies adjustment account			219,489,113	307,076,296
Bills payable account MPS (CCD)			13,248,429	2,960,668
Provision for LFA			96,474,860	91,404,583
Clearing adjusting account			4,737,608	1,623
Lease liabilities			221,682,960	-
Others			151,306,388	194,117,973
			<b>1,039,100,091</b>	<b>1,050,706,881</b>
<b>Net Changes (A-B)</b>			<b>(11,606,790)</b>	<b>283,746,118</b>
<b>39. Calculation of NAV, EPS, NOCF per shares</b>				
<b>39.01 Calculation of Net Asset Value (NAV) per Share</b>				
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>
<b>39.02 Earnings per share (EPS) Restated</b>				
(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.

## Notes to the financial statements

For the year ended December 31, 2019

	Amount in BDT			
	Group		Bank	
	2019	2018	2019	2018
<b>39.03 Calculation of Net Operating Cash Flow Per Share (NOCFPS)</b>				
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>
<b>39.04 Reconciliation of operating cash flow:</b>				
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
	<b>(2,501,795,002)</b>	<b>(4,446,867,486)</b>	<b>(2,491,193,686)</b>	<b>(4,412,735,144)</b>
<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
	<b>813,439,770</b>	<b>1,182,590,641</b>	<b>813,439,770</b>	<b>1,182,590,641</b>
Operating profit before changes in operating assets and liabilities	<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.

#### 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:

- Review of Bank's financial statements and recommended for consideration of the Board.
- Review of draft audited financial statements of subsidiary companies of the Bank.
- Review of internal control and compliance system of the Bank.
- Review of internal audit reports of different branches. Identification of minor/major lapses and compliances there against.
- Guidelines for audit program during the year 2020.
- Review of working of the credit administration division of the Bank.
- 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.

## Notes to the financial statements

For the year ended December 31, 2019

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
<b>Mr. Zainul Haque Sikder</b>	<b>Chairman</b>	<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%
<b>Mrs. Monowara Sikder</b>	<b>Director</b>	<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%
<b>Ms. Parveen Haque Sikder, MP</b>	<b>Director</b>	<b>Chairperson</b> Millennium International School Mandy Dental College & Hospital J & M Builders (Pvt) Ltd. Western Bowling & Fitness Centre Jeffrey Institute of Health Science & Technology Powertech Holdings Ltd. Golden Barn Kingdom (Pvt) Ltd. ISO Tech Group  <b>Vice Chairperson</b> Z H Sikder Women's Medical College & Hospital (Pvt.) Ltd. Sikder Real Estate Ltd.  <b>Director</b> Sikder Pharmaceuticals Ltd.  <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	34.80% 50.00% 100.00% 100.00% 50.00%  9.40% 10.00%  10.00%

## Notes to the financial statements

For the year ended 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
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	<b>Chairman</b>	
		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%
		<b>Managing Director</b>	
		EnergyPrima Ltd.	30.43%
		Hosaf Meter Industry Ltd.	97.89%
		Citi Link Apartment Ltd.	99.98%
		H F Power Limited	0.06%
		<b>Proprietor</b>	
		Hosaf Consultancy	100.00%
		<b>Shareholder</b>	
		United Hospital Ltd.	0.42%
		Pragati Life Insurance Ltd.	0.01%
Pragati Insurance Ltd. (Sponsor)	1.57%		
Mr. Rick Haque Sikder	Director	<b>Chairman</b>	
		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%

## Notes to the financial statements

For the year ended 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
		<b>Director</b> Z H Sikder Women's Medical College & Hospital (pvt) Ltd. Sikder Pharmaceuticals Ltd. Sikder Real Estate Ltd.	9.40% 10.00% 10.00%
		<b>Managing Director</b> R & R Aviation Ltd. BEL Construction SDN BHD Ltd.	81.90% 80.00%
		<b>Managing Partner</b> Power Pac A1 Trade Center	50.00% 50.00%
		<b>Proprietor</b> The River	100.00%
		<b>Member</b> Z H Sikder University of Science & Technology Monowara Sikder Medical College and Hospital. Alhaj Mokforuddin Sikder Foundation Zarina Sikder Trust	
<b>Mr. Ron Haque Sikder</b>	<b>Director</b>	<b>Managing Director</b> R & R Holdings Ltd. PowerPac Holdings Ltd. PowerPac Mutiara Keraniganj Power Plant Ltd. (100 MW) PowerPac Keraniganj-II Power Plant Ltd. (161 MW) PowerPac Mutiara Khulna Power Plant Ltd. (100 MW) PowerPac Mutiara Jamalpur Power Plant Ltd.(100 MW)	50.00% 50.00% 50.00% 50.00% 50.00% 50.00%
		<b>Director</b> Z H Sikder Women's Medical College & Hospital (pvt) Ltd. Sikder Pharmaceuticals Ltd.	9.40% 10.00%
		<b>Vice Chairman</b> Sikder Real Estate Ltd.	10.00%
		<b>Managing Partner</b> Power Pac A1 Trade Center	50.00% 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	
		<b>Shareholder</b> R & R Aviation Ltd.	18.00%

## Notes to the financial statements

For the year ended 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. Zakaria Taher	Director	<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			

## Notes to the financial statements

For the year ended 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. Md. Badiul Alam	Representative Director (Sikder Insurance Company Limited)		
Mr. C. M. Ahmed	Managing Director	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>			<b><u>2,616,641.98</u></b>

- 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

## Schedule of Fixed Assets As at December 31, 2019

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	Charge During the year	Disposal/ adjustment	
Amount in BDT								
Land	693,216,752	-	-	-	-	-	-	693,216,752
Building	1,276,289,796	-	-	2.50%	234,376,461	32,121,740	-	1,009,791,595
Furniture and fixtures	1,058,061,009	80,770,547	5,847,593	10.00%	691,344,121	83,695,217	5,318,540	363,263,165
General equipment	1,069,991,620	77,075,118	14,795,914	20.00%	918,542,854	67,416,485	14,732,248	161,043,733
Computer equipment	1,438,513,270	175,003,632	7,276,234	33.33%	1,283,097,034	141,827,103	7,275,994	188,592,525
Vehicles	276,527,284	41,619,284	10,977,275	20.00%	240,380,757	14,399,176	10,977,268	63,366,628
Right of use assets	-	280,322,323	-	**	-	50,102,418	-	230,219,905
Books	1,939,204	503,310	-	20.00%	1,641,772	316,928	-	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>3,369,382,999</b>	<b>389,879,067</b>	<b>38,304,050</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>2,945,595,282</b>	<b>482,594,513</b>	<b>58,806,796</b>	<b>2,445,155,936</b>

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



## Balance with other Banks and Financial Institutions (Outside Bangladesh)

As at December 31, 2019

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
<i>In fixed deposit accounts (interest bearing) with:</i>							
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>
<i>In demand deposit accounts (non interest bearing) with:</i>							
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 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
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>

## Status of large loan

As at December 31, 2019

(BDT 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>	

## Status on REPO and Reverse REPO

As at December 31, 2019

### A. i) Disclosure regarding outstanding REPO

As per DOS Circular No. 06 dated July 15, 2010.

(BDT 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 PLC	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

(BDT in crore)

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

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

(BDT in crore)

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

## Structural Liquidity Profile

As at December 31, 2019

\*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	<b>2,254.94</b>
Balance with Bangladesh Bank (LCY)	-	-	-	-	-	-	-	-
Balance with Bangladesh Bank (FCY)	-	-	-	-	-	-	-	-
Balance with other banks and financial institutions	141.64	150.00	-	15.00	128.00	-	15.75	<b>450.39</b>
Money at call and on short notice	-	-	-	-	-	-	2,681.42	<b>2,681.42</b>
Investment in G-SEC	-	29.99	-	59.57	408.05	2,074.74	-	<b>2,572.35</b>
Other Investment (Share, Debenture and bond, MFU and others)	0.67	-	105.87	247.03	677.33	75.00	512.33	<b>1,618.23</b>
Loans and advances	1,009.47	18.45	4,127.83	5,570.92	9,256.20	9,729.72	4,561.69	<b>34,274.28</b>
Bills purchased and discounted	8.85	26.55	35.39	97.33	8.85	-	-	<b>176.97</b>
Reverse REPO with Bangladesh Bank	-	-	-	-	-	-	-	-
Reverse REPO with Others	-	-	-	-	-	-	-	-
Fixed assets including premises, furniture and fixtures	-	-	-	-	-	-	247.98	<b>247.98</b>
Other assets	-	-	-	-	-	-	2,242.61	<b>2,242.61</b>
Non-banking assets	-	-	-	-	-	-	29.95	<b>29.95</b>
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	-	-	<b>422.45</b>
REPO/LS with Bangladesh Bank	231.66	-	-	-	-	-	-	<b>231.66</b>
REPO with other banks and fis.	-	-	-	-	-	-	-	-
Borrowing from other banks and fis.	-	-	-	-	-	-	-	-
Money at call and on short notice	385.00	-	-	-	-	-	-	<b>385.00</b>
Demand Deposits	593.27	80.36	82.95	119.24	2,073.68	2,750.21	-	<b>5,699.71</b>
Savings bank deposit	59.85	63.09	62.63	69.59	69.59	4,314.76	-	<b>4,639.51</b>
Fixed Deposit	323.16	642.35	2,782.02	6,153.34	8,277.63	4,314.90	3,425.60	<b>25,919.00</b>
Bills Payable	33.45	167.26	33.57	33.15	66.30	-	-	<b>333.73</b>
Provision and other liabilities	-	-	1.32	137.51	1,910.95	10.21	60.34	<b>2,120.33</b>
Capital and Reserve	-	-	-	-	-	240.29	5,100.37	<b>5,340.66</b>
<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	-	-	<b>2,587.72</b>
Other OBS Items (Net of margin)	57.74	404.18	557.99	1,052.18	-	-	-	<b>2,072.09</b>
Available Balance with BB (FCY)	-	54.31	-	-	-	-	-	<b>54.31</b>
Net Nostro a/c balance	66.31	27.49	-	-	-	-	-	<b>93.80</b>
<b>Net Mismatch</b>	<b>(62.79)</b>	<b>(1,126.35)</b>	<b>510.09</b>	<b>(2,473.33)</b>	<b>(3,706.46)</b>	<b>249.09</b>	<b>3,555.12</b>	<b>(3,054.63)</b>
<b>Cumulative Net Mismatch</b>	<b>(62.79)</b>	<b>(1,189.14)</b>	<b>(679.05)</b>	<b>(3,152.38)</b>	<b>(6,858.84)</b>	<b>(6,609.75)</b>	<b>(3,054.63)</b>	

Medium Term Funding Ratio (MTF):	0.8416
Maximum Cumulative Outflow (MCO):	0.1475

## 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)	5.66	6.78
23	Net Assets Value per shares (Taka)	16.79	16.88



# **OFFSHORE BANKING UNIT** **Bangladesh**

**Financial Statements**  
**For the year ended December 31, 2019**

## Offshore Banking Unit, Bangladesh

### Balance Sheet

As at December 31, 2019

Particulars	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</b>					
<b>(On current and other accounts) :</b>	<b>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 on short notice</b>		-	-	-	-
<b>Investments</b>		-	-	-	-
<b>Loans and advances</b>	<b>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 including premises, furniture and fixtures</b>	<b>5</b>	20.00	1,698	80.04	6,716
<b>Other assets</b>	<b>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>
<b>CAPITAL AND LIABILITIES</b>					
<b>Borrowings from other banks, financial institutions and agents</b>	<b>7</b>				
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>	<b>8</b>				
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>	<b>9</b>	898,594.31	76,290,656	1,104,779.87	92,691,032
<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 and 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>

## Offshore Banking Unit, Bangladesh

### Profit and Loss Statement

For the year ended December 31, 2019

Particulars	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>Total operating expenses</b>		<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>
<u>Less: General Provision against UC Loan</u>	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>
<u>Less: Provision for income tax</u>	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>
<u>Less: Retained earnings transferred to central operation</u>		1,549,124.12	131,520,638	1,364,227.16	114,458,658
		-	-	-	-



## Offshore Banking Unit, Bangladesh

### Cash Flow Statement

For the year ended December 31, 2019

Particulars	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 expenses	(177.55)	(15,074)	(96.68)	(8,111)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>1,549,184.16</b>	<b>131,525,735</b>	<b>1,364,411.64</b>	<b>114,474,136</b>
<b>(Increase)/decrease in operating assets:</b>				
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)
<b>Increase/(decrease) in operating liabilities:</b>				
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 institutions	(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
	<b>(525,986.45)</b>	<b>(40,988,300)</b>	<b>2,093,895.71</b>	<b>177,566,494</b>
<b>Net cash provided from / (used in operating activities)</b>	<b>1,023,197.71</b>	<b>90,537,435</b>	<b>3,458,307.35</b>	<b>292,040,630</b>
<b>B) Cash flows from investing activities</b>				
Changes in fixed assets	-	-	-	-
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>	<b>(525,926.41)</b>	<b>(40,983,203)</b>	<b>2,094,080</b>	<b>177,581,972</b>
<b>E) Opening cash and cash equivalents</b>	<b>3,667,950.05</b>	<b>307,741,010</b>	<b>1,573,869.86</b>	<b>130,159,038</b>
<b>F) Closing cash and cash equivalent (D+E)</b>	<b>3,142,023.64</b>	<b>266,757,807</b>	<b>3,667,950.05</b>	<b>307,741,010</b>
<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	-	-	-	-
	<b>3,142,023.64</b>	<b>266,757,807</b>	<b>3,667,950.05</b>	<b>307,741,010</b>

## Offshore Banking Unit, Bangladesh

### 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

- 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.
- 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.
- 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

- Expenditure for audit fees has not been separately accounted for in the Financial Statements.
- 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)

	2019		2018	
	USD	BDT	USD	BDT
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

	2019		2018	
	USD	BDT	USD	BDT
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>

## Offshore Banking Unit, Bangladesh

### Notes to the Financial Statements

For the year ended December 31, 2019

	2019		2018	
	USD	BDT	USD	BDT
<b>4.2 Bills purchased and discounted</b>				
<b>4.2.1 Inside Bangladesh</b>				
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>
<b>4.2.2 Outside Bangladesh</b>	-	-	-	-
	<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>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>45,266,655.41</b>	<b>3,843,139,044</b>	<b>74,320,298.51</b>	<b>6,235,473,045</b>
<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>

## Offshore Banking Unit, Bangladesh

### Notes to the Financial Statements

For the year ended December 31, 2019

	2019		2018	
	USD	BDT	USD	BDT
<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>
<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 members	-	-	-	-
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 as members	-	-	-	-
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>

## Offshore Banking Unit, Bangladesh

### Notes to the Financial Statements

For the year ended December 31, 2019

	2019		2018	
	USD	BDT	USD	BDT
<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>
<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	-	-	-	-
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>

## Offshore Banking Unit, Bangladesh

### Notes to the Financial Statements

For the year ended December 31, 2019

	2019		2018	
	USD	BDT	USD	BDT
<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>
<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.

## 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
	Amount in 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>

## 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
	Amount in BDT					
<b>ASSETS</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 customers	-	1,319,289,473	2,253,540,767	270,308,804	-	3,843,139,044
Fixed assets	-	-	1,698	-	-	1,698
Other assets	-	-	-	-	-	-
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>LIABILITIES</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>



**NBL Money Transfer Pte. Ltd.**  
**Singapore**  
**Financial Statements**  
**For the year ended December 31, 2019**



## NBL Money Transfer Pte. Ltd., Singapore.

(Incorporated in the Republic of Singapore under the Companies Act, Chapter 50)

Company Registration Number 199607868Z

Date of Incorporation: 1 November 1996

<b>Directors</b>	<b>Date of appointment</b>
Parveen Haque Sikder	19 June 2007
Sohail Hasan	19 June 2007
Choudhury Moshtaq Ahmed	6 August 2018
<b>Shareholder</b>	<b>Number of shares held</b>
National Bank Limited	1,000,000
<b>Company Secretary</b>	<b>Date of appointment</b>
M Sambasivam	1 December 2008
<b>Registered office</b>	<b>Place of business</b>
10A Roberts Lane	<b>Main place of business</b>
Singapore 218289	10A Roberts Lane
	Singapore 218289
	<b>Branch</b>
	Blk 135 Jurong Gateway Road
	#01-323
	Singapore 600135
	70 Tuas South Avenue 1
	Singapore 637285
<b>Auditors</b>	
Asensia Assurance	
Chartered Accountants	
8 Burn Road	
#07-07 Trivex	
Singapore 369977	
<b>Bankers</b>	
Bangladesh Krishi Bank	PT Bank Syariah Mandiri
DBS Bank Limited	Pubali Bank Limited
Dutch-Bangla Bank Limited	Rupali Bank Limited
ICICI Bank Limited	Seylan Bank PLC
Islami Bank Bangladesh Limited	Shahjalal Islami Bank Limited
Janata Bank Limited	Sonali Bank Limited
Mutual Trust Bank Limited	Transcash International Pty. Limited
National Bank Limited	Uttara Bank Limited
NMB Bank Limited	Xpress Money Services Limited

## NBL Money Transfer Pte. Ltd., Singapore.

### Directors' Statement

Annual Report for the year ended December 31, 2019

The directors are pleased to present their statement to the member together with the audited financial statements of **NBL Money Transfer Pte. Ltd.** (the "Company") for the financial year ended **31 December 2019**.

#### OPINION OF THE DIRETORS

In the opinion of the directors;

- the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at **31 December 2019**, and the financial performance, changes in equity and cash flows for the Company for the year then ended; and
- at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

#### DIRECTORS

The directors of the Company in office at the date of this statements are:

Parveen Haque Sikder  
Sohail Hasan  
Choudhury Moshtaq Ahmed

#### ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

#### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

**In the Company: - None**

**In the Holding Company: - National Bank Limited**

Parveen Haque Sikder

Ordinary shares of Tk.10 each fully paid	
At 1 Jan 2019	At 31 Dec 2019
53,098,366	53,098,366

#### SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

#### AUDITOR

Asensia Assurance has expressed its willingness to accept re-appointment as auditor.

On behalf of The Board of Directors



Parveen Haque Sikder

Director



Choudhury Moshtaq Ahmed  
Director

## NBL Money Transfer Pte. Ltd., Singapore

### INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF NBL MONEY TRANSFER PTE. LTD.

(Incorporated in the Republic of Singapore)

Company Registration Number 199607868Z

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **NBL Money Transfer Pte. Ltd.** (the Company), which comprise the statement of financial position as at **31 December 2019**, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at **31 December 2019** and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

Management is responsible for the other information. The other information comprises the Directors' Statement, which are set out on pages 1 to 2.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

#### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The directors' responsibilities include overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

We communicate with the directors 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.

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

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provision of the Companies Act and Money-Changing and Remittance Businesses Act (Chapter 197) and we did not note any exceptions under Money-Changing and Remittance Businesses Act (Chapter 197).



**ASENSIA ASSURANCE**  
Public Accountants and  
Chartered Accountants

## NBL Money Transfer Pte. Ltd., Singapore

### Statement of Financial Position

As at December 31, 2019

	Note	2019 S\$	2018 S\$
<b>ASSETS</b>			
<b>Non-current asset</b>			
Plant and equipment	4	112,629	55,023
<b>Current assets</b>			
Other receivables	5	352,617	352,393
Fixed deposit	6	327,218	320,378
Cash and bank balances	7	1,692,430	1,948,921
		<b>2,372,265</b>	<b>2,621,692</b>
<b>Total assets</b>		<b>2,484,894</b>	<b>2,676,715</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	8	1,000,000	1,000,000
Retained earning		323,370	88,913
		<b>1,323,370</b>	<b>1,088,913</b>
<b>Non-current liability</b>			
Deferred tax liability	12	5,979	7,966
<b>Current liabilities</b>			
Other payables		242,212	24,955
Amount payable to holding company	9	790,320	1,543,620
Accrued operating expenses		10,257	11,261
Lease liabilities	10	78,947	-
Provision for taxation	11	33,809	-
		<b>1,155,545</b>	<b>1,579,836</b>
<b>Total equity and liabilities</b>		<b>2,484,894</b>	<b>2,676,715</b>

## Statement of Comprehensive Income

For the year ended December 31, 2019

	Note	2019 S\$	2018 S\$ <i>reclassified</i>
<b>Revenue</b>	13	899,731	687,238
<b>Less: expenses</b>			
Security charges		80,179	78,939
Employee benefit expenses		293,638	278,711
Depreciation	4	192,507	41,908
Other operating expenses		(27,349)	166,696
Finance cost		6,477	-
		545,452	566,254
<b>Profit before tax</b>	14	354,279	120,984
<b>Income taxes</b>			
Current year	11	(33,809)	-
Deferred tax		1,987	(21,374)
		(31,822)	(21,374)
<b>Net profit for the year - which represent total comprehensive income for the year</b>		<b>322,457</b>	<b>99,610</b>

The notes form an integral part of and should be read in conjunction with this statement.

## NBL Money Transfer Pte. Ltd., Singapore

### Statement of Changes in Equity

For the year ended December 31, 2019

	Note	Share capital	Accumulated (loss)/ retained earnings	Total
		S\$	S\$	S\$
Balance as at 1 January 2018		1,000,000	(10,697)	989,303
Total comprehensive profit for the year		-	99,610	99,610
<b>Balance as at 31 December 2018</b>		<b>1,000,000</b>	<b>88,913</b>	<b>1,088,913</b>
Total comprehensive profit for the year		-	322,457	322,457
Dividend paid	15	-	(88,000)	(88,000)
<b>Balance as at 31 December 2019</b>		<b>1,000,000</b>	<b>323,370</b>	<b>1,323,370</b>

## Statement of Cash Flows

For the year ended December 31, 2019

	Note	2019	2018
		S\$	S\$
<b>Operating activities</b>			
Profit before tax		354,279	120,984
<b>Adjustments for:</b>			
Depreciation	4	192,507	41,908
Lease liabilities interest expense		6,477	-
<b>Operating cash flows before changes in working capital</b>		<b>553,263</b>	<b>162,892</b>
(Increase) / decrease in operating receivables		(7,064)	3,332
(Decrease) / increase in operating payables		(537,047)	103,959
Cash generated from operations		9,152	270,183
Income tax paid		-	-
<b>Net cash generated from operating activities</b>		<b>9,152</b>	<b>270,183</b>
<b>Investing activity</b>			
Purchase of plant and equipment	4	(300)	-
<b>Net cash used in investing activity</b>		<b>(300)</b>	<b>-</b>
<b>Financing activities</b>			
Repayment of lease liabilities		(177,343)	-
Dividend paid	15	(88,000)	-
<b>Net cash used in financing activities</b>		<b>(265,343)</b>	<b>-</b>
Net (decrease) / increase in cash and bank balances		(256,491)	270,183
Cash and bank balances at beginning of year		1,948,921	1,678,738
<b>Cash and bank balances at end of year</b>	7	<b>1,692,430</b>	<b>1,948,921</b>

The notes form an integral part of and should be read in conjunction with this statement.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

#### For the year ended December 31, 2019

These notes form an integral part and should be read in conjunction with the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows.

#### 1. STATEMENT OF COMPLIANCE

The Company has complied in all material respects with applicable Financial Reporting Standards ("FRS") and each applicable Interpretation of a FRS, effective for the financial year in the preparation of the financial statements.

##### Adoption of new and revised standards effective in 2019

In the current financial year, the Company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods *beginning on or after 1 January 2019*. The adoption of these new/revised FRS and INT FRS did not result in changes to the company's accounting policies and had no material effect on the amounts reported for the current or prior years, except the followings.

##### Adoption of FRS 116 Leases

The Company adopted FRS 116 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of retained earnings.

The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying FRS 17 and INT FRS 104 at the date of initial application.

Prior to the adoption of FRS 116, non-cancellable operating lease payments were not recognised as liabilities in the balance sheet. These payments were recognised as rental expenses over the lease term on a straight-line basis.

The Company's accounting policy on leases before and after the adoption of FRS 116 is as disclosed in Note 4.

##### The effect of adopting FRS 116 as at 1 January 2019 was as follows:

Particulars	Bal at 31 Dec 2018 S\$	Adjustment S\$	Bal at 01 Jan 2019 S\$
Plant and equipment	55,023	204,206	259,229
Lease liabilities	-	204,206	204,206

##### The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018, as follows:

	S\$
Operating lease commitments as at 31 December 2018	210,829
Operating lease liabilities before discounting	210,829
Weighted average incremental borrowing rate as at 1 January 2019	5.00%
Discounted operating lease commitments as of 1 January 2019	204,206
Total Lease liabilities recognised as at 1 January 2019	204,206

There were no onerous contracts as at 1 January 2019.

##### For leases previously classified as operating leases on 1 January 2019, the Company has applied the following transition provisions:

- On a lease-by-lease basis, the Company chose to measure its Right-of-use asset ('ROU') assets at a carrying amount as if FRS 116 had been applied since the commencement of the lease but discounted using the incremental borrowing rate at 1 January 2019.
- Recognised its lease liabilities by discounting the remaining lease payments as at 1 January 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonably similar characteristic.
- The difference between the carrying amounts of the ROU assets and lease liabilities as at 1 January 2019 is adjusted directly to opening retained profits, if any. Comparative information is not restated.
- For leases previously classified as finance leases, the carrying amount of the leased asset and finance lease liability as at 1 January 2019 are determined as the carrying amount of the ROU assets and lease liabilities.

The Company also applied the available practical expedients wherein it:

- used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- relied on its assessment of whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review;
- applied the short-term leases exemption to leases with lease term that ends within 12 months of the date of initial application;
- excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

#### For the year ended December 31, 2019

#### FRS and INT FRS issued but not yet effective.

At the date of authorisation of these statements, the following FRS and INT FRS that are relevant to the Company were issued but not effective:

Description	Effective date (annual periods beginning on or after)
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

#### 2. CORPORATE INFORMATION AND PRINCIPAL ACTIVITY

The Company is domiciled and incorporated in Singapore, as a private limited company (Company Registration Number 199607868Z).

The registered office and main place of business is located at 10A Roberts Lane, Singapore 218289. The Company has two branches which are operated at Blk 135 Jurong Gateway Road, #01-323, Singapore 600135 and 70 Tuas South Avenue 1, Singapore 637285.

The principal activity of the Company is that of money remittance agency. There have been no significant changes in the principal activity of the Company.

##### Holding Corporation

The immediate and the ultimate holding company is National Bank Limited, a company incorporated in Bangladesh, which has 100 percent equity interest in the Company.

The directors have authorised the financial statements for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

##### a. Basis of Financial Statements preparation

The financial statements have been drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (FRS) including related Interpretations of FRS (INT FRS).

##### *Basis of measurement*

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

##### *Functional and presentation currency*

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

##### b. Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies.

It also requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The critical accounting estimates and assumptions used and area involving a high degree of judgements are described as below:

##### *Depreciation of plant and equipment*

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of plant and equipment to be within 5 years. The carrying amount of the Company's plant and equipment are disclosed in Note 4.

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

##### *Determination of the lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee.

For leases of premises and plant and equipment, the following factors are normally the most relevant:

- if there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- if any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.



## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

For the year ended December 31, 2019

**c. Plant and equipment and depreciation**

Plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is provided on a straight-line basis so as to write-off the cost or valuation of the assets over their estimated useful lives. The annual rates of depreciation used are:

Furniture and fittings	5 years
Office renovations	5 years
Office equipment	5 years
Computer	5 years
Air conditioners	5 years

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these plant and equipment.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The useful lives and depreciation method are reviewed at each financial year end to ensure that the method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit and loss account in the year the asset is derecognised.

**d. Financial assets**

**Initial recognition and measurement**

Financial assets are recognised when, only when the entity becomes party to the contractual provisions of the instruments. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Amortised cost**

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

**Classification**

Financial assets are classified into the following specified categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL").

The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

The Company does not hold financial assets at FVOCI or FVTPL for the current financial year.

**At subsequent measurement**

The Company classifies the following financial assets as loans and receivables:

- Other receivables;
- Fixed deposits; and
- Cash and bank balances

**Other receivables**

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Receivables with a short duration are not discounted. The amount of the allowance is recognised in the profit or loss.

Bad debts are written off when known and specific provisions are made for those debts considered to be doubtful.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

#### For the year ended December 31, 2019

#### **Cash and bank balances**

Cash and bank balances consist of cash in hand, cash at banks and fixed deposits, which are short-term, highly liquid assets that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **Impairment of financial assets**

The Company recognises a loss allowance for expected credit losses (“ECL”) on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, lease receivables, contract assets, as well as on loan commitments and financial guarantee contracts. Lifetime ECL represents the expected credit losses that will result from a possible default events over the expected life of a financial instrument.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

#### **Write - off policy**

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

#### **Derecognition**

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired or are transferred and substantially all of the risks and rewards of ownership have been transferred.

#### **e. Share capital**

Ordinary shares of the company are classified as equity.

Incremental costs directly attributable to the issuance of new equity instruments are taken to equity as a deduction, net of tax, from the proceeds..

#### **f. Dividends**

Equity dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders.

#### **g. Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are recognised on the Company’s statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

##### **Subsequent measurement**

The Company measures all financial liabilities subsequently at amortised cost, except for those financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

##### **Other payables (consist of amount payable to holding company)**

Other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest rate method, with interest expense recognised on an effective yield basis.

#### **Leases**

##### **(a) The accounting policy for leases before 1 January 2019 are as follows:**

##### **Operating lease**

Operating leases are charged to the profit or loss on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period when termination takes place.

##### **(b) The accounting policy for leases from 1 January 2019 are as follows:**

##### **When the Company is the lessee:**

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

For the year ended December 31, 2019

#### **Right-of-use assets**

The Company recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use.

Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company's right-of-use assets are presented within property, plant and equipment.

Under FRS 116, the cost of a right-of-use asset also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

The Company's lease arrangements do not contain an obligation to dismantle and remove the underlying asset, restore the site on which it is located or restore the underlying asset to a specified condition.

#### **Lease liabilities**

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

Lease liability is measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### **Short term and low value leases**

The Company has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

#### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

#### **h. Revenue recognition**

The Company earns commission from its remittance service provided to customers. Services rendered are considered complete when all agreed funds from customers are collected and the transfer is affected according to customer's instruction or has been accepted by the customer.

Commission fee income is recognised upon the completion of a service transaction.

Other income (cable charges)- Cable charges are recognised when the transaction is performed and completed.

#### **i. Income tax**

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements excepts when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

#### **Deferred income tax is measured:**

- at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and
- based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity.

#### **j. Employee benefit costs**

##### **Pension obligations**

The Company contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to majority of the employees. The contributions are recognised as an expense in the period in which the related service is performed.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

#### For the year ended December 31, 2019

#### **Employee leave entitlements**

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made, if material, for the unconsumed leave as a result of services rendered by employees up to the statement of financial position date, if any.

#### **k. Foreign currency**

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company (“the functional currency”). The financial statements of the Company are presented in Singapore dollars, which is also the functional currency of the Company.

#### **Foreign currency transactions**

Transactions in foreign currencies are recorded in Singapore dollars by applying to the foreign currency amount the exchange rate between the Singapore dollars and the foreign currency at the date of transaction. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

Exchange differences arising on the settlement of monetary items or on reporting the Company’s monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognised as profit or loss in the financial year in which they arise.

#### **l. Impairment of assets**

#### **Impairment of assets**

The carrying amounts of the Company’s assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is defined as the higher of value in use and net-selling price.

#### **Impairment losses are charged to the profit or loss**

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised..

#### **m. Related parties**

A related party is defined as follows:

- (a) A person or a close member of that person’s family is related to the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions apply:
  - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third party.
  - (iv) one entity is a joint venture of a third party and the other entity is an associate of the third party.
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. Is the Company is itself such a plan, the sponsoring employers are also related to the Company.
  - (vi) the entity is controlled or jointly controlled by a person identified in (a).
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

**Key management personnel** are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Related companies in these financial statements refer to companies within the **National Bank Limited** group.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

For the year ended December 31, 2019

#### 4. PLANT AND EQUIPMENT

	Computer	Office equipment	Furniture and fittings	Office renovation	Air conditioner	Right of use of asset Lease of premises	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Cost</b>							
As at 1 Jan 2018	70,084	33,107	39,700	290,074	19,726	-	452,691
As at 31 Dec 2018	70,084	33,107	39,700	290,074	19,726	-	452,691
Effect of adopting FRS 116	-	-	-	-	-	204,206	204,206
Additions	300	-	-	-	-	45,607	45,907
<b>As at 31 Dec 2019</b>	<b>70,384</b>	<b>33,107</b>	<b>39,700</b>	<b>290,074</b>	<b>19,726</b>	<b>249,813</b>	<b>702,804</b>
<b>Accumulated depreciation</b>							
As at 1 Jan 2018	63,159	25,298	37,257	215,640	14,406	-	355,760
Charge for the year	2,256	2,276	1,003	34,713	1,660	-	41,908
<b>As at 31 Dec 2018</b>	<b>65,415</b>	<b>27,574</b>	<b>38,260</b>	<b>250,353</b>	<b>16,066</b>		<b>397,668</b>
Effect of adopting FRS 116	-	-	-	-	-	172,357	172,357
Charge for the year	1,873	2,276	798	13,543	1,660	-	20,150
<b>As at 31 Dec 2019</b>	<b>67,288</b>	<b>29,850</b>	<b>39,058</b>	<b>263,896</b>	<b>17,726</b>	<b>172,357</b>	<b>590,175</b>
<b>Carrying amount</b>							
<b>As at 31 Dec 2019</b>	<b>3,096</b>	<b>3,257</b>	<b>642</b>	<b>26,178</b>	<b>2,000</b>	<b>77,456</b>	<b>112,629</b>
<b>As at 31 Dec 2018</b>	<b>4,669</b>	<b>5,533</b>	<b>1,440</b>	<b>39,721</b>	<b>3,660</b>	<b>-</b>	<b>55,023</b>

Cash payment to right to use assets:-

- Lease of premises

	2019 S\$	2018 S\$
	170,866	-

#### 5. OTHER RECEIVABLES

Refundable rental deposits

Interest receivables

Security deposit for bankers guarantee (refundable)\*

	2019 S\$	2018 S\$
Refundable rental deposits	29,742	30,292
Interest receivables	5,032	5,032
Security deposit for bankers guarantee (refundable)*	317,843	317,069
<b>Total</b>	<b>352,617</b>	<b>352,393</b>

\*Company has placed a security deposit for banker's guarantees issued to Monetary Authority of Singapore for remittance license.

**Other receivables are denominated in the following currencies:**

Denominated in

Singapore dollars

US dollar

**Total**

	2019 S\$	2018 S\$
Singapore dollars	334,774	335,324
US dollar	17,843	17,069
<b>Total</b>	<b>352,617</b>	<b>352,393</b>

#### 6. FIXED DEPOSITS

Fixed deposit amounted to \$309,375 bear interest at an effective interest rate of 1.00% per annum and for tenure of approximately 24 months and is pledged to secure bank guarantee issued by its bank to Monetary Authority of Singapore for remittance licence.

Fixed deposit amounted to \$17,843 bear at an effective interest of 1.20% per annum and for tenure of approximately 12 months and is pledged to secure bank guarantee issued by its bank to Bangladesh bank for remittance purpose.

#### 7. CASH AND BANK BALANCES

**Cash and bank balances comprises of:**

Cash in hand\*

Cash at bank

	2019 S\$	2018 S\$
Cash in hand*	376,122	106,599
Cash at bank	1,316,308	1,842,322
<b>Total</b>	<b>1,692,430</b>	<b>1,948,921</b>

**NBL Money Transfer Pte. Ltd., Singapore**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2019**

**Cash and bank balances are denominated in the following currencies:**

	2019 S\$	2018 S\$
Amount in Singapore Dollars	838,682	1,348,656
Amount in United States Dollars	40,683	80,761
Amount in Taka	620,142	468,702
Amount in Indonesian Rupiah	27,818	17,067
Amount in Indian Rupee	162,421	30,624
Amount in Sri Lanka Rupees	2,684	3,111
	<b>1,692,430</b>	<b>1,948,921</b>

\*Cash in hand represents remittance monies collected from Bangladeshi workers which are subsequently banked into the Company's bank account.

**8. SHARE CAPITAL**

Ordinary shares with no par value  
Issued and fully paid up shares  
1,000,000 ordinary shares

<b>1,000,000</b>	<b>1,000,000</b>
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The holders of ordinary shares are entitled to receive dividend, as and when declared and are entitled to one vote per share at meetings of the Company. The ordinary shares have no par value.

**9. AMOUNT PAYABLE TO HOLDING COMPANY**

Amount payable to Holding Company  
Amount in Taka equivalent

<b>790,320</b>	<b>1,543,620</b>
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The Company collects remittances from customers in Singapore to remit funds to destinations instructed by these customers. The Company will then pass instructions to the holding company to remit funds on its behalf to the beneficiaries of the Company's customers once it confirms the receipt of funds.

This is done to avoid any delay in funds remitted through the normal banking channels and the Company remits the funds within 7 days to its holding company for these payments made on its behalf.

The amount payable to holding company is denominated in Bangladeshi Taka, and is trade in nature, non-interest bearing and repayable within 7 days or on demand.

The carrying amounts of trade and other payables approximate their fair value. The fluctuation in foreign currency exchange rates are mitigated by maintaining foreign currency bank accounts and remitting the funds to holding company when the rates are favorable to the Company.

**10. LEASE LIABILITIES**

The Company has lease contracts for premises. The Company's obligation under these leases are secured by the lessor's title to the leased assets.

**After adoption of FRS 116**

Lease liabilities comprise of:-  
- Lease of premises

<b>78,947</b>	-
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Present value of minimum lease payments  
Within 1 year

<b>78,947</b>	-
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**11. INCOME TAXES**

(a) Major components of income tax expenses

Profit and loss account

**Current income tax:**

Provision for current year

(33,809)	-
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**Deferred income tax:**

current year

1,987	(21,374)
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Income tax expense recognised in the profit or loss

<b>(31,822)</b>	<b>(21,374)</b>
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**NBL Money Transfer Pte. Ltd., Singapore**
**Notes to the Financial Statements**
**For the year ended December 31, 2019**

	2019 S\$	2018 S\$
(b) Relationship between tax expenses and accounting profit		
<b>Profit before tax</b>	<b>354,279</b>	<b>120,984</b>
Tax at the statutory rate of 17%	60,227	20,567
Tax effect of expenses not deductible	3,709	7,262
Tax effect of exempt income	(17,425)	-
CIT rebate	(11,270)	-
Utilisation of capital and tax allowance	(1,432)	(27,829)
Recognition of deferred tax	(1,987)	-
Tax expenses for the year	<b>31,822</b>	<b>-</b>

The tax computation for the current year is yet to be agreed by the Comptroller of Income Tax.

**12. DEFERRED TAX**

	At 31				
	At 1 January 2018	Recognised in profit or loss (Note 11)	December 2018/1 January 2019	Recognised in profit or loss (Note 11)	At December 31, 2019
	S\$	S\$	S\$	S\$	S\$
<b>Deferred tax assets/ (liabilities)</b>					
Difference in depreciation for Tax purposes	(7,966)	-	(7,966)	1,987	(5,979)
Others	-	-	-	-	-
	<b>(7,966)</b>	<b>-</b>	<b>(7,966)</b>	<b>1,987</b>	<b>(5,979)</b>

**13. REVENUE**

The amount of each significant category of revenue recognised during the year is as follows:

	2019 S\$	2018 S\$ (reclassified)
Commission and fees	649,716	500,723
Foreign exchange margin gain	181,336	131,441
Other income (cable charges)	60,053	54,359
Others	8,626	715
	<b>899,731</b>	<b>687,238</b>

**14. PROFIT BEFORE TAX**

This is stated after charging/(crediting)

Depreciation of plant and equipment	20,150	41,908
Depreciation of right-of-use assets	172,357	-
Operating lease rental- office	3,611	176,656
<b>Directors' remuneration</b>		
Directors' fees	9,000	9,000
<b>Employee benefits expense (excluding directors' remuneration)</b>		
Salary, allowance and related costs	160,030	146,389
CPF and SDF	2,803	3,322
<b>Remuneration of other key management personnel</b>		
Salary, allowance and related cost	121,805	120,000
Honorarium	1,000	1,000
<b>Finance cost</b>		
Lease liabilities interest expense and crediting	6,477	-
Exchange gain	(228,017)	(186,820)

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

#### For the year ended December 31, 2019

#### 15. DIVIDEND

During the financial year, the Company paid a one-tier tax-exempt interim dividend of \$0.09 (total dividend \$88,000) per share in respect of the current financial year.

#### 16. OPERATING LEASE COMMITMENTS

At the reporting date, commitments in respect of non-cancellable operating leases for office premises are as follows:

	2019	2018
	S\$	S\$
Within 1 year	-	161,695
Between 1 and 5 years	-	49,134
	-	<b>210,829</b>

Operating lease expense recognised as an expense in profit or loss for the financial year ended 31 December 2019 amounted to \$3,611 (2018: \$176,656).

The Company has adopted FRS116 on 1 January 2019. These lease payments have been recognised as right-of-use assets and lease liabilities on the statement of financial position as at 31 December 2019.

#### 17. TRANSACTIONS WITH HOLDING COMPANY

During the financial year, significant transactions between the Company and Holding Company at terms agreed between both parties were as follows:

	2019	2018
	S\$	S\$
<b><i>Transaction with related parties</i></b>		
Cover fund remitted	<b>131,817,217</b>	<b>87,102,490</b>

#### 18. FINANCIAL RISK MANAGEMENT AND INSTRUMENTS

The Company is exposed to financial risks arising from its operations and the use of financial instruments and has adopted risk management policies that seek to mitigate these risks in a cost-effective manner.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, fair value and market risk (interest rate risk and foreign currency risk) and they are summarised below:

##### Categories of financial instruments

Financial instruments at year end are as follows:

	2019	2018
	S\$	S\$
<b><i>Financial assets</i></b>		
Other receivables	352,617	352,393
Fixed deposits	327,218	320,378
Cash and bank balances	1,692,430	1,948,921
Financial assets at amortised cost	<b>2,372,265</b>	<b>2,621,692</b>
<b><i>Financial liabilities</i></b>		
Other payables	242,212	24,955
Accrued operating expenses	10,257	11,261
Amount payable to holding company	790,320	1,543,620
Lease liabilities	78,947	-
Financial liabilities at amortised cost	<b>1,121,736</b>	<b>1,579,836</b>

##### a. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company has no significant concentrations of credit risk as the cash is held with reputable financial institutions of good standing.



## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

For the year ended December 31, 2019

#### b. Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may also arise from an inability of the Company to sell a financial asset quickly at close to its fair value.

The following table details the expected maturity for non-derivative assets and liabilities which are based on undiscounted outflows figures that requires settlement;

31 Dec 2019	On demand/ within 1 year	1 to 5 years	More than 5 years	Total
	S\$	S\$	S\$	S\$
Other payables	242,212	-	-	242,212
Amount payable to holding company	790,320	-	-	790,320
Accrued operating expenses	10,257	-	-	10,257
Lease liabilities	80,432	-	-	80,432
	<b>1,123,221</b>	-	-	<b>1,123,221</b>

31 Dec 2018	On demand/ within 1 year	1 to 5 years	More than 5 years	Total
	S\$	S\$	S\$	S\$
Other payables	24,955	-	-	24,955
Amount payable to holding company	1,543,620	-	-	1,543,620
Accrued operating expenses	11,261	-	-	11,261
	<b>1,579,836</b>	-	-	<b>1,579,836</b>

The Company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

#### c. Fair values

The carrying amount of cash and bank balances, other current receivables and payables approximate their respective fair values due to the relative short term maturity of these financial instruments.

In view of the above, the company do not anticipate that the carrying amounts recorded at financial position date would be significantly different from the values that would eventual be received or settled.

##### Fair value hierarchy

The Group does not hold financial assets nor liabilities carried at fair value or at valuation. Accordingly, the disclosure requirements of the fair value hierarchy (Level 1, 2 and 3) under FRS 107 Financial Instruments. Disclosure does not apply.

#### d. Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company has no significant exposure to market risk for changes in interest rates because it has no borrowings from any external sources and the loan from holding company is interest free.

The Company's exposure to movements in market interest rates relate primarily to its fixed deposits placed with financial institution. However, the interest rate is fixed over the tenure of the fixed deposits.

#### e. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

In order to manage the risks arising from fluctuations in currency exchange rates, by quoting a favourable exchange (in favour of the company) and remit the funds within a short period of time, usually within 7 days, through its holding company any future variations in exchange rates will not have a material impact on the results of the Company. In this way, it mitigates the foreign exchange currency risk.

## NBL Money Transfer Pte. Ltd., Singapore

### Notes to the Financial Statements

#### For the year ended December 31, 2019

The carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the functional currency at the reporting date are as follows:

Stated in S\$ equivalent	2019		2018	
	US \$	Taka \$	US \$	Taka \$
<b>Monetary assets</b>				
Other receivables	17,843	-	17,069	-
Cash and bank balances	40,683	620,142	80,761	468,702
<b>Monetary liability</b>				
Amount payable to holding company	-	(790,320)	-	(1,543,620)

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rate against the functional currency (SGD) of the Company, with all other variables held constant, on the Company's profit net of tax.

Reasonably possible change	2019	2019	2018	2018
	+5%	-5%	+5%	-5%
<b>Effect on net profit or loss</b>	<b>2,926</b>	<b>(2,926)</b>	<b>4,892</b>	<b>(4,892)</b>

Reasonably possible change	Taka\$ impact		Taka\$ impact	
	2019	2019	2018	2018
	+5%	-5%	+5%	-5%
<b>Effect on net profit or loss</b>	<b>(8,509)</b>	<b>8,509</b>	<b>(53,746)</b>	<b>53,746</b>

#### 19. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital are to safeguard the Company's ability to continue as going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, issue new shares, obtain new borrowings, sell assets to reduce borrowings or exploring for new business.

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as total borrowings divided by total capital and net debts. Net debts is calculated as total borrowings (other payables, amount payable to holding company and accruals excluding income tax payable as shown in the statement of financial position) less cash and bank balances. Total capital is calculated as equity as shown at the end of each reporting period, plus net debts.

	2019 S\$	2018 S\$
Other payables	242,212	24,955
Amount payable to holding company	790,320	1,543,620
Accrued operating expenses	10,257	11,261
Lease liabilities	78,947	-
Total borrowings	1,121,736	1,579,836
Less: Cash and bank balances	1,692,430	1,948,921
Net debts	(570,694)	(369,085)
Total equity	1,323,370	1,088,913
Total capital and net debts	752,676	719,828
<b>Gearing ratio</b>	<b>1.49</b>	<b>2.19</b>

The Company has no requirements to meet with externally imposed capital requirements for the financial year ended 31 December 2019 and 2018. There is no change in capital risk management during the financial year.

#### 20. CAPITAL RISK MANAGEMENT

Certain comparative figures have been reclassified and regrouped, whatever necessary to conform to current period reclassification are as follows:

	2018 Reported	2018 Reclassified
<b>Income Statement</b>		
Revenue	899,479	687,238
Other operating expenses	378,937	166,696

**NBL Money Transfer Pte. Ltd., Singapore**
**Detailed Profit and Loss Statement**
**For the year ended December 31, 2019**

	2019 \$	2018 \$ reclassified
<b>Income</b>		
Commission and fees	649,716	500,723
Foreign exchange margin gain	181,336	131,441
<b>Add: Other income</b>		
Cable charges received	60,053	54,359
Wages credit scheme	350	-
Government paid maternity leave	2,210	-
CPF refund	-	715
Interest income	6,066	-
<b>Total Income</b>	<b>899,731</b>	<b>687,238</b>
<b>Less: expenses</b>		
Security charges	80,179	78,939
<b>Employee benefits expense</b>		
Director fees	9,000	9,000
Salaries and allowances	266,014	257,521
Casual salary	15,200	8,200
CPF and SDF	3,424	3,990
<b>Depreciation</b>	192,507	41,908
<b>Other operating expenses (Schedule 1)</b>	(27,349)	166,696
<b>Finance cost:</b>		
Lease liabilities interest expense	6,477	-
<b>Total operating expenses</b>	<b>545,452</b>	<b>566,254</b>
<b>Net profit for the year</b>	<b>354,279</b>	<b>120,984</b>
<b>Schedule 1</b>		
<b>Other operating expenses</b>		
Audit fee	8,356	7,000
Advertisement and business promotions	8,639	4,775
Bank charges	12,839	11,857
Commission	36,371	39,706
Data entry service charges	22,130	16,745
Entertainment and gifts	176	447
Exchange gain	(228,017)	(186,820)
General expenses	2,256	2,756
Honorarium	1,000	3,000
Insurance	10,008	10,010
Licence fees	-	6,000
Nets charges	18,686	14,942
Office equipment	-	158
Postage	357	98
Printing and stationery	17,729	10,423
Professional charges	5,827	7,206
Refreshment	5,815	4,047
Repair and maintenance	5,826	3,753
Rental of office premises	3,611	176,656
Secretarial fee	900	900
Security alarm system	1,926	963
Tax fee	800	800
Telephone	13,522	12,507
Training fee	-	360
Transportation charges	7,494	4,179
Travelling	1,575	1,455
Utilities	14,825	12,773
<b>Total other operating expenses</b>	<b>(27,349)</b>	<b>166,696</b>

The above statement does not form part of the audited statutory financial statements of the company and is prepared solely for management purposes



**NBL Money Transfer Sdn. Bhd.**  
**Malaysia**

**Financial Statements**  
**For the year ended December 31, 2019**

## NBL Money Transfer Sdn. Bhd., Malaysia

### Directors' Report

For the financial year ended December 31, 2019

The directors hereby submit their report together with the audited financial statements of the Company for the financial year ended 31 December 2019.

#### PRINCIPAL ACTIVITY

The Company is principally engaged in business of currency remittance services. There has been no significant change in the nature of this activity during the financial year.

#### RESULT

**Profit for the financial year**

RM

**393,731**

#### DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year. The directors do not recommend that a dividend to be paid in respect of the current financial year.

#### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

#### SHARES AND DEBENTURES

The Company has not issued any new shares and debentures during the financial year.

#### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and have satisfied themselves that there were no known bad debts and that no provision for doubtful debts is required.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Company.

#### CURRENT ASSETS

Before the financial statements of the Company were prepared, the directors took reasonable steps to ascertain whether any current assets which were unlikely to be realised in the ordinary course of business, their value as shown in the accounting records of the Company and to the extent so ascertained were written down to an amount that they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Company misleading.

#### VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

#### CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Company misleading.

#### CONTINGENT AND OTHER LIABILITIES

**As of the date of this report, there does not exist:**

- (a) any charge on the assets of the Company which has arisen since the end of the financial year and secures the liability of any other person; or
- (b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

## NBL Money Transfer Sdn. Bhd., Malaysia

### Directors' Report

For the financial year ended December 31, 2019

#### ITEM OF MATERIAL AND UNUSUAL NATURE

The results of the operations of the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the financial statements.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company for the succeeding financial year.

#### DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Parveen Haque Sikder

Lisa Fatema Haque

Rabain Bin Hassan

#### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

There were no arrangements during and at the end of the financial year, which had the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

#### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, none of the directors in office at the end of the financial year ended 31 December 2019 held any shares in or debentures of the Company.

#### DIRECTORS' REMUNERATIONS

The amounts of the remunerations of the directors of the Company comprising remunerations received/receivable from the Company during the financial year are as follows:

	2019 RM
<b>Fees</b>	<b>48,000</b>

None of the directors of the Company have received any other benefits otherwise than in cash from the Company during the financial year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company by the directors of the Company during the financial year.

#### INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the Company.

#### ULTIMATE HOLDING COMPANY

The directors regard National Bank Limited, a company incorporated in Bangladesh, as the immediate and ultimate holding company.

#### AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors are as follows:

	2019 RM
<b>Statutory audit</b>	<b>6,800</b>

## NBL Money Transfer Sdn. Bhd., Malaysia

### Directors' Report

For the financial year ended December 31, 2019

#### AUDITORS

The retiring auditors, Messrs. Azman Wong & Co Plt (201906003581 (LLP0022393-LCA)), have indicated their willingness to be re-appointed.

Azman Wong & Co Plt (2019060022393-LCA) & AF 1953) was registered on 28 November 2019 and with effect from that date, Azman Wong & Co (AF 1953), a conventional partnership was converted to a limited liability partnership.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,



**Parveen Haque Sikder**  
Director



**Rabain Bin Hassan**  
Director

### Statement by Directors

Pursuant to Section 251 (2) of the Companies Act, 2016

The directors of NBL Money Transfer Sdn. Bhd. state that, in their opinion, the financial statements set out on pages 10 to 25 are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of Companies Act, 2016 in Malaysia so as to give a true and fair view of the state of affairs of the Company as at 31 December 2019 and of its financial performance and the cash flows of the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,



**Parveen Haque Sikder**  
Director



**Rabain Bin Hassan**  
Director

### Statutory Declaration

Pursuant to Section 251 (1)(b) of the Companies Act, 2016

I, Parveen Haque Sikder, the director primarily responsible for the financial management of NBL Money Transfer Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 10 to 25 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named in Kuala Lumpur on 10 February 2020.



**Parveen Haque Sikder**  
Before me:

## NBL Money Transfer Sdn. Bhd., Malaysia

### Independent Auditors' Report to the members of

NBL Money Transfer Sdn. Bhd. (Company No.: 200801022633 (823952-T))  
(Incorporated in Malaysia)

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of NBL Money Transfer Sdn. Bhd., which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 25.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 2016 in Malaysia.

##### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

##### Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

##### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## **NBL Money Transfer Sdn. Bhd., Malaysia**

### **Independent Auditors' Report to the members of**

NBL Money Transfer Sdn. Bhd. (Company No.: 200801022633 (823952-T))  
(Incorporated in Malaysia)

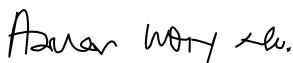
As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with the directors 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.

#### **Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



**AZMAN WONG & CO PLT**  
201906003581 (LLP0022393-LCA) & AF 1953  
Chartered Accountants



**ENG YUH YUN**  
03305/05/2021 J  
Chartered Accountant

**Kuala Lumpur**

10 February 2020

## NBL Money Transfer Sdn. Bhd., Malaysia

### Statement of Financial Position

As at December 31, 2019

	Note	2019 RM	2018 RM
<b>ASSETS</b>			
<b>Non-Current Asset</b>			
Property, plant and equipment	5	653,271	843,566
Intangible asset	6	20,000	-
		<b>673,271</b>	<b>843,566</b>
<b>Current Assets</b>			
Other receivables, deposits and prepayment	7	263,820	263,115
Cash and bank balances		9,694,048	6,243,118
		<b>9,957,868</b>	<b>6,506,233</b>
<b>TOTAL ASSETS</b>		<b>10,631,139</b>	<b>7,349,799</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	8	2,500,000	2,500,000
Retained profits		645,589	251,858
<b>Shareholders' equity</b>		<b>3,145,589</b>	<b>2,751,858</b>
<b>Non-Current Liabilities</b>			
Finance lease payable	9	26,251	47,759
Deferred tax liabilities	10	21,259	21,259
		<b>47,510</b>	<b>69,018</b>
<b>Current Liabilities</b>			
Other payables and accruals	11	7,326,750	4,494,924
Finance lease payable	9	21,508	20,534
Tax liabilities		89,782	13,465
		<b>7,438,040</b>	<b>4,528,923</b>
<b>TOTAL LIABILITIES</b>		<b>7,485,550</b>	<b>4,597,941</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,631,139</b>	<b>7,349,799</b>

## Statement of Comprehensive Income

For the financial year ended December 31, 2019

	Note	2019 RM	2018 RM
Revenue	12	3,457,556	3,306,423
Other income		1,195,057	830,316
Administrative expenses		(3,819,213)	(3,872,183)
Other operating expenses		(248,214)	(246,432)
Finance expenses		(2,638)	3,612
<b>Profit before taxation</b>	13	<b>582,548</b>	<b>14,512</b>
Taxation	14	(188,817)	(13,465)
<b>Profit for the financial year</b>		<b>393,731</b>	<b>1,047</b>
Other comprehensive income, net of tax		-	-
<b>Total comprehensive income for the financial year</b>		<b>393,731</b>	<b>1,047</b>

The notes form an integral part of these financial statements.

## NBL Money Transfer Sdn. Bhd., Malaysia

### Statement of Changes In Equity

For the financial year ended December 31, 2019

	Share Capital RM	Retained Profits RM	Total RM
As at 1 January 2018	2,500,000	250,811	2,750,811
Total comprehensive income for the financial year	-	1,047	1,047
<b>As at 31 December 2018</b>	<b>2,500,000</b>	<b>251,858</b>	<b>2,751,858</b>
Total comprehensive income for the financial year	-	393,731	393,731
<b>As at 31 December 2019</b>	<b>2,500,000</b>	<b>645,589</b>	<b>3,145,589</b>

## Statement of Cash Flows

For the financial year ended December 31, 2019

	2019 RM	2018 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	582,548	14,512
<b>Adjustments for:-</b>		
Depreciation of property, plant and equipment	243,214	246,432
Amortization of intangible asset	5,000	-
Interest expenses	2,638	3,612
Unrealized gain on foreign exchange	-	(142,130)
Operating profit before working capital changes	833,400	122,426
(Increase)/Decrease in deposits and prepayment	(705)	66,947
Increase in other payables and accruals	2,831,826	1,108,446
Cash generated from operations	3,664,521	1,297,819
Tax refund	-	56,664
Tax paid	(112,500)	-
<b>Net cash from operating activities</b>	<b>3,552,021</b>	<b>1,354,483</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(52,919)	(122,600)
Purchase of intangible asset	(25,000)	-
<b>Net cash used in investing activities</b>	<b>(77,919)</b>	<b>(122,600)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of finance lease payable	(20,534)	(19,560)
Interest paid	(2,638)	(3,612)
<b>Net cash used in financing activities</b>	<b>(23,172)</b>	<b>(23,172)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,450,930</b>	<b>1,208,711</b>
Effect of foreign currency translation	-	142,130
Cash and cash equivalents at beginning of financial year	6,243,118	4,892,277
<b>Cash and cash equivalents at end of financial year</b>	<b>9,694,048</b>	<b>6,243,118</b>
<b>Cash and cash equivalents comprise:-</b>		
Cash and bank balances	<b>9,694,048</b>	<b>6,243,118</b>

## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements For the financial year ended December 31, 2019

#### 1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is located at Suite 4.33A, Level 4, Pertama Office Tower, Pertama Complex, Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur.

The principal place of business is located at No. 50G & 50-2, Jalan Tun Tan Liew Sin, 50050 Kuala Lumpur.

The Company is principally engaged in business of currency remittance services. There has been no significant change in the nature of this activity during the financial year.

The directors regard National Bank Limited, a company incorporated in Bangladesh, as the immediate and ultimate holding company.

The financial statements of the Company are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

#### 2. BASIS OF PREPARATION

##### 2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Malaysian Private Entities Reporting Standard ("MPERS") issued by the Malaysian Accounting Standards Board ("MASB") and the requirements of the Companies Act, 2016 in Malaysia.

##### 2.2 Basis of Measurement

The financial statements have been prepared based on the historical cost basis, except as otherwise disclosed in Note 3.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are set out below:

##### 3.1 Property, Plant and Equipment

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. After recognition as an asset, an item of property, plant and equipment are measured at cost:

Depreciation is provided on a straight-line method so as to write off the depreciable amount of the following assets over their estimated useful lives, as follows:

Particulars	Rate
Furnitures and fittings	10%
Computers equipment	20%
Office equipment	10%
Motor Vehicles	20%
Renovation	10%

Depreciation of an asset begins when it is ready for its intended use.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue.

##### 3.2 Intangible asset

Intangible asset is initially measured at cost, which is the fair value of the consideration paid. After initial recognition, the intangible asset is measured at cost less accumulated amortization and accumulated impairment loss, if any.

Application development cost is amortized at straight-line method over the term of 5 years.

##### 3.3 Impairment of Assets

###### (a) Impairment of Financial Assets

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed at each reporting date whether there is any objective evidence of impairment. If there is objective evidence of impairment, impairment loss is recognised in profit or loss immediately.

## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements

For the financial year ended December 31, 2019

**An impairment loss is measured as follows:**

- for a financial asset measured at amortized cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.
- for a financial asset measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the entity would receive for the asset if it were to be sold at the reporting date.

If in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the Company shall reverse the previously recognised impairment loss either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The Company shall recognise the amount of the reversal in profit or loss immediately.

**(b) Impairment of Non-Financial Assets**

The carrying amounts of non-financial assets (except for deferred tax assets, amount due from customers for contract work, assets arising from employee benefits, investment properties measured at fair value and biological assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Company makes an estimate of the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Where the carrying amounts of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously. Such reversal is recognised in profit or loss.

### 3.4 Financial Instruments

Financial instruments are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial instruments are recognised initially the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are subsequently measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction. If the arrangements constitute a financing transaction, the financial asset or financial liability is measured at present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**(a) Subsequent Measurement**

The Company categorises the financial instruments as follows:

**(i) Financial assets**

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely financial assets at fair value through profit or loss and financial assets at amortized costs.

After initial recognition, the Company measures investments in quoted preference shares, quoted ordinary shares and derivatives that are assets at their fair values by reference to the active market prices, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortized cost using the effective interest method. Investment in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 3.2.

**(ii) Financial liabilities**

After initial recognition, the Company measures all financial liabilities at amortised cost using the effective interest method, except for derivatives instruments that are liabilities, which are measured at fair value.

## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements

For the financial year ended December 31, 2019

**(b) Derecognition**

A financial asset, whether as a single item or as a part, is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or are settled; or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset derecognised and the consideration received, including any newly created rights and obligations, is recognised in profit or loss.

A financial liability is derecognised when, and only when, it is extinguished, which is either when the obligation specified in the contract is discharged, canceled or expires. On derecognition of a financial liability, any difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**3.5 Cash and Cash Equivalents**

Cash and cash equivalents in the statement of cash flows comprise cash and bank balances, short-term bank deposits and other short-term, highly liquid investments that have a short maturity of three months or less from the date of acquisition, net of bank overdrafts.

**3.6 Liabilities and Equity**

**(a) Classification of Liabilities and Equity**

Financial liabilities and equity instruments are classified in accordance with the substance of the contractual arrangement, not merely its legal form, and in accordance with the definitions of a financial liability and an equity instrument.

**(b) Equity Instruments**

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

**3.7 Leases**

**(a) Finance Leases**

Leases of property, plant and equipment are classified as finance lease where substantially all the risks and benefits incidental to the ownership of the assets, but not the legal ownership, are transferred to the Company.

The Company initially recognises its rights of use and obligations under finance leases as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments, determined at the inception of the leases. Any initial direct costs are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method. A finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as an expense in the period in which they are incurred.

The depreciation policy for depreciable leased assets is consistent with that of depreciable assets that are owned. If there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the leased assets are fully depreciated over the shorter of the lease terms and their useful life. At each reporting date, the Company assesses whether the assets leased under the finance lease are impaired.

**(b) Operating Leases**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

**3.8 Revenue**

Commissions are recognised upon services rendered and customers' acceptance.

**3.9 Employment Benefits**

**(a) Short-Term Employment Benefits**

Short-term employment benefits, such as wages, salaries and other benefits, are recognised at the undiscounted amount as a liability and an expense when the employees have rendered services to the Company.

**(b) Defined Contribution Plan**

Contributions payable to the defined contribution plan are recognised as a liability and an expense when the employees have rendered services to the Company.

## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements

For the financial year ended December 31, 2019

#### 3.10 Taxation

Taxation is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised in other comprehensive income.

Tax payable on taxable profit for current and past periods is recognised as a current tax liability to the extent unpaid. If the amount paid in respect of the current and past periods exceeds the amount payable for those periods, the excess is recognised as a current tax asset.

Current tax assets and liabilities are measured at the amounts expected to be paid or recovered, using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Current tax liabilities and assets are offset if, and only if the Company has a legally enforceable right to set off the amounts and plan either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is provided in full on temporary differences which are the differences between the carrying amounts in the financial statements and the corresponding tax base of an asset or liability at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all deductible temporary differences that are expected to reduce taxable profit in the future and the carry forward of unused tax losses and unused tax credits.

Deferred tax liabilities and assets are not recognised in respect of the temporary differences associated with the initial recognition of an asset or a liability in a transaction that is not a business combination and at the time of the transactions, affects neither accounting profit nor taxable profit. Deferred tax liabilities are also not recognised for temporary difference associated with the initial recognition of goodwill.

Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amounts of their assets and liabilities and are measured at the tax rates and laws that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the reporting date.

#### 3.11 Translation of Foreign Currency

Foreign currency transactions are translated to the Company's functional currency at the exchange rates prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated using the closing rate.

Non-monetary items carried at revalued amounts or at fair values that are denominated in foreign currencies are translated using the exchange rates at the date when the fair value was determined. Non-monetary items measured at historical cost that are denominated in foreign currencies are translated using the exchange rate at the date of the transaction.

All exchange differences arising on settled transactions and on unsettled monetary items are recognised in profit or loss in the period.

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amount recognised in the financial statements include the following:

##### (a) Depreciation and useful lives of property, plant and equipment and intangible asset

As disclosed in Notes 3.1 and 3.2, the Company reviews the residual values, useful lives and depreciation methods at the end of each reporting period. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of property, plant and equipment and intangible asset may differ from the estimates applied and therefore, future depreciation charges could be revised.

##### (b) Taxation

Judgement is required in determining the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which the outcome is known.

#### 5. PROPERTY, PLANT AND EQUIPMENT

##### Cost:

Computers equipment  
Furniture and fittings  
Office equipment  
Motor vehicle  
Renovation

As at 1 January 2019 RM	Additions RM	As at 31 December 2019 RM
165,060	5,740	170,800
114,889	-	114,889
598,704	47,179	645,883
186,873	-	186,873
1,294,347	-	1,294,347
<b>2,359,873</b>	<b>52,919</b>	<b>2,412,792</b>

## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements For the financial year ended December 31, 2019

#### Accumulated depreciation:

Computers equipment  
 Furniture and fittings  
 Office equipment  
 Motor vehicle  
 Renovation

As at 1 January 2019 RM	Charge for the financial year RM	As at 31 December 2019 RM
154,844	7,240	162,084
69,915	11,303	81,218
315,898	63,266	379,164
149,499	37,374	186,873
826,151	124,031	950,182
<b>1,516,307</b>	<b>243,214</b>	<b>1,759,521</b>

#### Carrying Amount:

Computer equipment  
 Furniture and fittings  
 Office equipment  
 Motor vehicle  
 Renovation

2019 RM	2018 RM
8,716	10,216
33,671	44,974
266,719	282,806
-	37,374
344,165	468,196
<b>653,271</b>	<b>843,566</b>

The carrying amount of the property, plant and equipment under finance lease of the Company are as follows:

Motor vehicle	-	<b>37,374</b>
---------------	---	---------------

#### 6. INTANGIBLE ASSET

##### Cost:

Mobile application

As at 1 January 2019 RM	Additions RM	As at 31 December 2019 RM
-	25,000	25,000

##### Accumulated Amortisation

Mobile application

As at 1 January 2019 RM	Charge for the financial year RM	As at 31 December 2019 RM
-	5,000	5,000

##### Carrying amount

Mobile application

2019 RM	2018 RM
20,000	-

#### 7. DEPOSITS AND PREPAYMENT

Deposits  
 Prepayment

2019 RM	2018 RM
263,115	263,115
705	-
<b>263,820</b>	<b>263,115</b>

#### 8. SHARE CAPITAL

##### Issued and fully paid:

At beginning/end of the financial year

Number of ordinary Shares		Amount	
2019 Units	2018 Units	2019 RM	2018 RM
2,500,000	2,500,000	2,500,000	2,500,000



## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements

For the financial year ended December 31, 2019

#### 9. FINANCE LEASE PAYABLE

##### Minimum lease payments

- Not later than one year
- Later than one year but not later than five years

Less: Future interest charges  
Present value of finance lease

##### Repayable as follows:-

##### Present value of finance lease is analysed as follows:

- Not later than one year
- Later than one year but not later than five years

	2019 RM	2018 RM
	23,172	23,172
	26,962	50,134
	<b>50,134</b>	<b>73,306</b>
	(2,375)	(5,013)
	<b>47,759</b>	<b>68,293</b>
	21,508	20,534
	26,251	47,759
	<b>47,759</b>	<b>68,293</b>

The Company obtains finance lease facilities to finance the acquisition of certain plant and machinery and motor vehicles. The remaining lease term is 2 years as at 31 December 2019. The contractual interest rate of the finance lease of 2.50% per annum is fixed at the date of the agreements, and the amount of lease payments are fixed throughout the lease period. The Company has the option to purchase the assets at the end of the agreements with minimum purchase considerations. There is no significant restriction clauses imposed on the finance lease arrangements.

#### 10. DEFERRED TAX LIABILITY

##### The following are the movements of deferred tax liabilities:-

##### Deferred Tax Liabilities

As at 1 January 2018

Charged to profit or loss

As at 31 December 2018

Charged to profit or loss

**As at 31 December**

	2019 RM	2018 RM
		21,259
		-
		21,259
		-
		<b>21,259</b>

#### 11. OTHER PAYABLES AND ACCRUALS

##### Other payables

Liabilities against remittance transactions:-

- National Bank Limited
- Himalayan Bank Limited
- Bank Syariah Mandiri
- Any Bank account
- Bangladesh Krishi Bank
- TML Remittance Center Sdn. Bhd.
- Mobile Money International Sdn. Bhd.
- Onetransfer Money Sdn. Bhd.

Others

Accruals

	5,160,376	3,662,951
	-	24,587
	572,934	107,178
	965,148	682,292
	63,714	-
	449,034	-
	46,073	-
	56,577	-
	4,594	9,616
	7,318,450	4,486,624
	8,300	8,300
	<b>7,326,750</b>	<b>4,494,924</b>
	<b>3,457,556</b>	<b>3,306,423</b>

#### 12. REVENUE

Commission received

## NBL Money Transfer Sdn. Bhd., Malaysia

### Notes to the Financial Statements

For the financial year ended December 31, 2019

#### 13. PROFIT BEFORE TAXATION

This is stated after charging/(crediting):

	2019 RM	2018 RM
Auditors' remuneration	6,800	6,800
Depreciation of property, plant and equipment	243,214	246,432
Amortisation of intangible asset	5,000	-
Employees' benefits expenses (Note 13.1)	1,763,838	1,750,369
Key management personnel compensation	48,000	48,000
Finance lease interest	2,638	3,612
Rental of premises	667,238	638,095
Realised gain on foreign exchange	(1,162,079)	(655,108)
Unrealised gain on foreign exchange	-	(142,130)

#### 13.1 EMPLOYEES' BENEFITS EXPENSES

The employees' benefits expenses, excluding those for executive directors, are as follows:-

Salaries and wages	1,574,964	1,551,017
Defined contribution plan	81,709	69,493
Other employee benefits	107,165	129,859
	<b>1,763,838</b>	<b>1,750,369</b>

#### 14. TAXATION

##### Current tax expenses

-Current year tax expense	202,282	13,465
-Over provision in prior year	(13,465)	-
Total taxation	<b>188,817</b>	<b>13,465</b>

The taxation is reconciled to the accounting profit at the applicable tax rate as follows:

Profit before taxation	582,548	14,512
Tax at Malaysian statutory tax rate of 24% (2018:24%)	139,812	3,483
Tax effect of non-deductible expenses	62,470	9,982
Over provision of income tax in prior year	(13,465)	-
Tax expenses	<b>188,817</b>	<b>13,465</b>

#### 15. FINANCIAL INSTRUMENTS CLASSIFICATION

Financial assets measured at cost less impairment:-

-Deposits	263,115	263,115
-Cash and bank balances	9,694,048	6,243,118
	<b>9,957,163</b>	<b>6,506,233</b>

Financial liabilities measured at amortised costs:

-Other payables and accruals	7,326,750	4,494,924
-Finance lease payable	47,759	68,293
	<b>7,374,509</b>	<b>4,563,217</b>

#### 16. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements of the Company were authorised for issue by the Board of Directors on 10 February 2020.

## NBL Money Transfer Sdn. Bhd., Malaysia

### Detailed Statement of Comprehensive Income For the Financial Year Ended 31 December 2019

Particulars	2019 RM	2018 RM
<b>REVENUE</b>	<b>3,457,556</b>	<b>3,306,423</b>
Add :		
<b>OTHER INCOME</b>		
Service charges	32,978	33,078
Realised gain on foreign exchange	1,162,079	655,108
Unrealised gain on foreign exchange	-	142,130
	<b>1,195,057</b>	<b>830,316</b>
Less:		
<b>ADMINISTRATIVE EXPENSES</b>		
Auditors' remuneration	6,800	6,800
Allowances	47,424	43,958
Bank charges	423,812	507,990
Bonus	24,737	-
Business promotion	6,838	8,706
Casual labour	523,794	608,856
Consultation fee	7,346	7,626
Cash carrying charges	325,204	281,124
Directors' fees	48,000	48,000
EPF	81,709	69,493
Hotel and accomodation	-	480
Insurance and road tax	10,990	33,318
Internal audit fee	20,875	6,600
Legal fee	-	13,755
License fee	9,110	10,321
Membership fee	500	-
Medical fee	781	-
Overtime	23,756	54,604
Petrol, toll and parking	12,983	13,937
Postage and courier	1,307	1,098
Printing and stationery	60,766	47,581
Rental of premises	667,238	638,095
Refreshment	34,147	36,110
Risk allowance	39,051	-
Salaries	1,051,170	942,161
SOCSO	11,248	9,418
Secretarial fee	2,538	1,271
Service tax	408	-
Staff incentives	-	21,879
Telephone and Internet charges	110,658	119,122
Theft of cash	-	57,674
Traveling & transportation	35,802	38,627
Training	17,096	17,761
Tax fee	1,500	1,500
Upkeep of office	85,544	106,647
Upkeep of motor vehicle	2,746	4,498
Visa charges	10,453	14,600
Water and electricity	112,882	98,573
	<b>(3,819,213)</b>	<b>(3,872,183)</b>
<b>OTHER OPERATING EXPENSES</b>		
Amortisation of intangible asset	5,000	-
Depreciation of property, plant and equipment	243,214	246,432
	<b>(248,214)</b>	<b>(246,432)</b>
<b>FINANCE EXPENSES</b>		
Finance lease interest	(2,638)	(3,612)
<b>PROFIT BEFORE TAXATION</b>	<b>582,548</b>	<b>507,376</b>

This page contains additional information only.



**NBL Money Transfer (Maldives)  
Private Limited**  
**Financial Statements**  
**For the year ended December 31, 2019**

## NBL Money Transfer (Maldives) Private Limited

### Independent auditor's report

To the Shareholders of NBL Money Transfer (Maldives) Private Limited

#### Our opinion

In our opinion, NBL Money Transfer (Maldives) Private Limited's financial statements give true and fair view of the financial position of the Company as at 31 December 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

#### What we have audited

NBL Money Transfer (Maldives) Private Limited's financial statements comprise:

- the statement of financial position as at 31 December 2019;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

#### 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 Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

#### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give true and fair view in accordance with the International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

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

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.

MALE'

Date : 10 June 2020

For PRICEWATERHOUSECOOPERS

Registration No: Fooo5



**Jatindra Bhatray**  
Partner

## NBL Money Transfer (Maldives) Private Limited

### Statement of comprehensive income (All amounts in United States Dollars unless otherwise stated) For the year ended December 31, 2019

	Note	Year ended 31 December	
		2019	2018
Commission income		91,690	79,198
Net foreign exchange income	5	18,808	18,802
Other income	6	2,865	1,980
		113,363	99,980
Operating expenses	7	(166,122)	(199,725)
Finance cost	8	(29,650)	-
<b>Loss before tax</b>		<b>(82,409)</b>	<b>(99,745)</b>
Business profit tax expenses	9	(2,117)	(722)
<b>Net loss for the year: attributable to equity holders of the Company</b>		<b>(84,526)</b>	<b>(100,467)</b>
<b>Loss per share attributable to the equity holders of the Company during the year (expressed in US\$ per share) - basic</b>	10	<b>(13.70)</b>	<b>(16.29)</b>

### Statement of financial position (all amounts in United Dollars unless otherwise stated) As at December 31, 2019

Note	As at 31 December		
	2019	2018	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	3,802	6,229
Right of use asset	13	280,630	-
Deferred tax asset	14	-	2,117
		284,432	8,346
<b>Current assets</b>			
Receivables	15	58,907	59,545
Cash and cash equivalents	16	901,465	824,935
		960,372	884,480
<b>Total assets</b>		<b>1,244,804</b>	<b>892,826</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	17	400,000	400,000
General reserve		343,824	343,824
Accumulated losses		(227,619)	(143,093)
		516,205	600,731
<b>LIABILITIES</b>			
<b>Non Current liabilities</b>			
Lease Liabilities	13	261,854	-
		261,854	-
<b>Current liabilities</b>			
Payables	18	434,770	292,095
Lease liabilities	13	31,975	-
Total liabilities		466,745	292,095
<b>Total equity and liabilities</b>		<b>1,244,804</b>	<b>892,826</b>

These financial statements were approved by the Board of Directors on 16.05.2020

  
Md Hannan Khan Kabir  
Director

  
Choudhury Moshtaq Ahmed  
Director

The notes on pages 8 to 26 are an integral part of these financial statements.

## NBL Money Transfer (Maldives) Private Limited

### Statement of changes in equity (All amounts in United States Dollars unless otherwise stated) For the year ended December 31, 2019

	Note	Share capital	(Accumulated losses)	General reserve	Total
<b>Balance at 1 January 2018</b>	17	400,000	(42,626)	343,824	701,198
Loss for the year		-	(100,467)	-	(100,467)
<b>Balance at 31 December 2018</b>		400,000	(143,093)	343,824	600,731
<b>Balance at 1 January 2019</b>		400,000	(143,093)	343,824	600,731
Loss for the year		-	(84,526)	-	(84,526)
<b>Balance at 31 December 2019</b>		400,000	(227,619)	343,824	516,205

The notes on pages 8 to 26 are an integral part of these financial statements.

## Cash flow statement (all amounts in United Dollars unless otherwise stated)

### For the year ended December 31, 2019

	Note	Year ended 31 December	
		2019	2018
<b>Cash flows from operating activities</b>			
Cash generated from operations	20	133,553	119,041
Interest paid	13	(29,650)	-
<b>Net cash generated from operating activities</b>		<b>103,903</b>	<b>119,041</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	11	(161)	-
<b>Net cash used in investing activities</b>		<b>(161)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Principal elements of lease payment	13	(27,212)	-
<b>Net cash used in financing activities</b>		<b>(27,212)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		76,530	119,041
Cash and cash equivalents at beginning of the year		824,935	705,895
<b>Cash and cash equivalents at end of the year</b>	16	<b>901,465</b>	<b>824,935</b>

The notes on pages 8 to 26 are an integral part of these financial statements.

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

#### For the year ended December 31, 2019

#### 1 General information

NBL Money Transfer (Maldives) Private Limited was incorporated under the Act No. 10/96 in the Republic of Maldives on 29 August 2011. The objective of the Company is to operate money remittance and money exchange businesses. The Company commenced its commercial operations on 23 December 2011.

The Company is a private limited liability company incorporated and domiciled in Maldives. The address of its registered office is situated at Gadhamoo Building (Ground floor), Boduthakurufaanu Magu, Henvairu, Male'.

#### 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

##### 2.1 Basis of preparation

The financial statements of NBL Money Transfer (Maldives) Private Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's financial statements.

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2019: (a) new standards and amendments that are effective for the first time for periods commencing on or after 1 January 2019 (ie year ended December 31, 2019) and (b) forthcoming requirements, being standards and amendments that will become effective on or after 1 January 2019.

##### (a) New accounting standards, amendments and interpretations adopted in 2019

The following amendments to the International Accounting Standards that are relevant for the preparation of the financial statements have been adopted by the Company for the first time with effect from financial year beginning on 1 January 2019.

- IFRS 16 Leases
- Prepayment Features with Negative Compensation – Amendments to IFRS 9
- Annual Improvements to IFRS Standards 2015 – 2017 Cycle
- Interpretation 23 Uncertainty over Income Tax Treatments.

The Company had to change its accounting policies as a result of adopting IFRS 16. The Company elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 January 2019. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

##### (b) New standards, amendments and interpretations but not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

- Amendments to IAS 1 and IAS 8 on the definition of material

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

##### 2.2 Changes in accounting policies

NBL Money Transfer (Maldives) Pvt Ltd has adopted IFRS 16 Leases retrospectively from 1 January 2019, but has not restated comparatives for 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019.

On adoption of IFRS 16, NBL Money Transfer (Maldives) Pvt Ltd recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 9.60%.



## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

(i) *Practical expedients applied*

In applying IFRS 16 for the first time, NBL Money Transfer (Maldives) Pvt Ltd has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics.
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019.
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases.
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

NBL Money Transfer (Maldives) Pvt Ltd has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date NBL Money Transfer (Maldives) Pvt Ltd relied on its assessment made applying IAS 17 and Interpretation 4 Determining whether an Arrangement contains a Lease.

(ii) *Measurement of lease liabilities*

Operating lease commitments disclosed as at 31 December 2018

Lease payments for extended period

Discounted using the lessee's incremental borrowing rate of at the date of initial application

**Lease liability recognised as at 1 January 2019**

Of which are:

Current lease liabilities

Non-current lease liabilities

	2019 USD
Operating lease commitments disclosed as at 31 December 2018	164,675
Lease payments for extended period	294,000
Discounted using the lessee's incremental borrowing rate of at the date of initial application	(137,634)
<b>Lease liability recognised as at 1 January 2019</b>	<b>321,041</b>
Of which are:	
Current lease liabilities	27,212
Non-current lease liabilities	293,829
	<b>321,041</b>

(iii) *Measurement of right-of-use assets*

The right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2018. There was no prepaid and accrual lease payments, due to that, right of use assets are equal to the lease liabilities.

(iv) *Adjustments recognised in the balance sheet on 1 January 2019*

The change in accounting policy affected the following items in the balance sheet on 1 January 2019

Right-of-use assets – increase by USD 321,041 Lease liabilities – increase by USD 321,041

The net impact on retained earnings on 1 January 2019 was nil.

### 2.3 Financial assets

(i) *Classification*

From 1 January 2018, the Company classifies its financial assets in the following measurement category:

- those to be measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) *Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to acquisition of the financial asset.

#### Classification and measurement of financial instruments

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

(iii) *Impairment*

Deposits and receivables consist of deposits kept with lessor of building and department of immigration. There has not been any default in the past when claiming the balances. Accordingly, no provision has been made in the financial statements for expected credit losses.

While cash and cash equivalents are also subject to impairment requirements of IFRS 9, the identified impairment loss was immaterial.

#### 2.4 IFRS 15 Revenue from contracts with customers

A new five-step process has been applied for revenue recognition:

- i. identify contracts with customers
- ii. identify the separate performance obligation
- iii. determine the
- iv. allocate the transaction price to each of the separate performance obligations, and
- v. recognise the revenue as each performance obligation is satisfied.

An evaluation of relevant existing contracts, which fall mainly under commission based income, had been performed by NBL Money Transfer (Maldives) Private Limited in relation to the adoption of IFRS 15. This assessment did not reveal any significant change to Company's revenue recognition pattern.

#### 2.5 Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

(a) *Functional and presentation currency*

The financial statements are presented in United States Dollars, which is the Company's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

#### 2.6 Property, plant and equipment

All property, plant and equipment, which are initially recorded at historical cost, is stated at cost less depreciation. Cost includes the transfer value of the assets, or their purchase cost, or the cost of construction, together with any incidental expenses of acquisition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The provision for depreciation is calculated on straight line method to write off the cost of each asset using the following rates:

Particulars	Rates
Furniture, fixtures and fittings	20%
Office equipment	20%
Computer equipment	20%

The charge for depreciation commences from the date from which the asset is available for use.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

#### 2.7 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

#### 2.8 Share capital

Ordinary shares are classified as equity.

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated) For the year ended December 31, 2019

#### 2.9 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

#### 2.10 Revenue recognition

Commission income- The income mainly comprise commission income on money remittance and foreign exchange trading income. Commission income is recognized as revenue as the services are provided. Foreign exchange gain/loss is recognized as mentioned in Note 2.5.

#### 2.11 Current and deferred business profit tax

The tax expenses for the period comprises current and deferred business profit tax. Tax is recognized in the statement of comprehensive income, except to the extent that it relates to items recognized directly in equity.

The current business profit tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax computation with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The provisions for business profit tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Business Profit Tax Act.

Company is liable to business profit tax at the rate of 15% in Maldives, if the taxable profit of the year exceeds MVR 500,000 (US\$ 32,425).

Deferred business profit tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred business profit tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred business profit tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred business profit tax asset is realized or the deferred business profit tax liability is settled.

Deferred business profit tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

Deferred business profit tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred business profit taxes assets and liabilities relate to business profit taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### 2.12 Critical accounting estimates and judgments

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) *Provisions*

The Company recognizes provisions when it has a present legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at each reporting date and adjusted to reflect the Company's current best estimate.

(b) *Contingent liabilities*

Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency.

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

#### For the year ended December 31, 2019

#### 2.13 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

#### 3.0 Financial risk management

##### 3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and price risk) and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Board of Directors on specific areas such as credit risk and the liquidity risk.

##### (a) Market risk - Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities. The sales and purchases of foreign currency is matched on a daily basis to avoid exposure to foreign exchange risk.

##### (b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Management of the Company aims to maintain liquidity by retaining the profit earned and obtaining funds from the shareholders.

##### 3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders or issue new shares to reduce debt.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (trade and other payables, as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity, as shown in the statement of financial position, plus net debt.

	2019	2018
Trade and other payables	434,770	292,095
Less: Cash and cash equivalents (Note 16)	(901,465)	(824,936)
Net debt	(466,695)	(532,841)
Total equity	516,205	600,731
<b>Total capital</b>	<b>49,510</b>	<b>67,890</b>

The Company does not have net debt as of 31 December 2018 and 31 December 2019.

##### 3.3 Fair value estimation

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

##### 4.0 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

	2019	2018
<b>5.0 Net foreign exchange income</b>		
Foreign exchange gain	18,808	18,802
	<b>18,808</b>	<b>18,802</b>
<b>6.0 Other income</b>		
Postage income	<b>2,865</b>	<b>1,980</b>
<b>7.0 Operating expenses</b>		
Salary	66,586	80,504
Utility charges	3,479	4,035
Insurance	2,554	3,733
Postage and telephone	2,568	3,323
Professional fees	1,007	-
Audit fee	4,000	4,900
Repair and maintenance	4,628	4,976
Printing and stationary	1,689	3,347
Entertainment and refreshment	2,141	1,978
Travelling and transportation	2,824	1,447
Rental expense	-	56,700
Director's remuneration	4,800	4,800
Depreciation ( Note 11)	2,588	2,621
Rates and taxes	300	288
Depreciation on right of use asset ( Note 13)	40,411	-
TT and bank charges	23,367	23,390
Other operating expenses	3,180	3,685
<b>Total</b>	<b>166,122</b>	<b>199,725</b>
Classified as:		
Operating expenses	166,122	199,725
	<b>166,122</b>	<b>199,725</b>
<b>8.0 Finance cost</b>		
Interest and finance charges paid/payable for lease liabilities	29,650	-
	<b>29,650</b>	-
<b>9.0 Taxation</b>		
Current tax	-	-
Deferred tax (Note 14)	-	722
Write-off of deferred tax asset (Note 14)	2,117	-
<b>Business profit tax expense</b>	<b>2,117</b>	<b>722</b>
Reconciliation between taxable profit and accounting profit.		
<b>Accounting profit for the year</b>	(82,409)	(99,745)
Add: Non deductible expenses	79,590	7,421
Less: Allowable expenses	(64,601)	(5,565)
Taxable profit	(67,420)	(97,889)
Basic exemption limit (MVR 500,000)	-	-
Taxable profit	(67,420)	(97,889)
Business profit tax charge (15%)	-	-
Deferred tax (Note 14)	-	722
Write-off of deferred tax asset (Note 14)	2,117	-
<b>Business profit tax expenses</b>	<b>2,117</b>	<b>722</b>
<b>Current business profit tax assets</b>		
At 1 January	34,136	34,136
31 December	<b>34,136</b>	<b>34,136</b>
<b>10 Loss per share</b>		
Loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.		
Loss attributable to equity holders of the Company	(84,526)	(100,467)
Weighted average number of ordinary shares in issue	6,168	6,168
<b>Loss per share (US\$ per share)</b>	<b>(13.70)</b>	<b>(16.29)</b>

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

#### 11 Property, plant and equipment

	Furniture, fixture and fittings	Office equipment	Computer equipment	Total
<b>Year ended 31 December 2018</b>				
Opening net book amount	6,106	2,744	-	8,850
Depreciation charge (Note 7)	(1,831)	(790)	-	(2,621)
<b>Closing net book amount</b>	<b>4,275</b>	<b>1,954</b>	<b>-</b>	<b>6,229</b>
<b>At 31 December 2018</b>				
<b>Cost</b>	<b>47,757</b>	<b>23,724</b>	<b>13,201</b>	<b>84,682</b>
Accumulated depreciation	(43,482)	(21,770)	(13,201)	(78,453)
<b>Net book amount</b>	<b>4,275</b>	<b>1,954</b>	<b>-</b>	<b>6,229</b>
<b>Year ended 31 December 2019</b>				
Opening net book amount	4,275	1,954	-	6,229
Depreciation charge (Note 7)	(1,757)	(831)	-	(2,588)
Addition	-	161	-	161
<b>Closing net book amount</b>	<b>2,518</b>	<b>1,284</b>	<b>-</b>	<b>3,802</b>
<b>At 31 December 2019</b>				
<b>Cost</b>	<b>47,757</b>	<b>23,885</b>	<b>13,201</b>	<b>84,843</b>
Accumulated depreciation	(45,239)	(22,601)	(13,201)	(81,041)
<b>Net book amount</b>	<b>2,518</b>	<b>1,284</b>	<b>-</b>	<b>3,802</b>

(i) Depreciation expenses of US\$ 2,588 (2018: US\$ 2,621) has been included under operating expenses.

(ii) The value of fully depreciated assets as at the reporting date amounted US\$ 77,372 (2018: US\$ 75,516).

#### 12 Financial instruments

##### (a) Financial instrument by category

	Amortized cost	
	2019	2018
<b>Assets per statement of financial position</b>		
Cash and cash equivalents	901,465	824,936
Deposits and other receivables	24,771	25,409
<b>Total</b>	<b>926,236</b>	<b>850,345</b>
<b>Liabilities per statement of financial position</b>		
Trade and other payables excluding non financial	434,770	292,095
<b>Total</b>	<b>434,770</b>	<b>292,095</b>

##### (b) credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counter party default rates:

##### Financial instruments by category

Cash at bank and short- term bank deposits

Name of the bank	2019	2018
Bank of Maldives (US\$)	541,943	480,826
State bank of India	171,655	161,208
	<b>713,598</b>	<b>642,034</b>

The banks in Maldives have not been rated.

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

#### 13 Leases

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

##### Right-of-use assets

Buildings

As at 31 December 2019	As at 1 January 2019
280,630	321,041
<b>280,630</b>	<b>321,041</b>

Additions to the right-of-use assets during the financial year 2019 were US\$ 321,041.

##### Lease liabilities

At beginning of year

Initial application of IFRS 16- as at 1 January

Interest expense of lease liabilities (Note 8)

Payment of interest portion of lease liabilities

Principal element of lease payments

2019	2018
-	-
321,041	-
29,650	-
(29,650)	-
(27,212)	-
<b>293,829</b>	<b>-</b>

Current

Non-current

31 December 2019	1 January 2019
31,975	27,212
261,854	293,829
<b>293,829</b>	<b>321,041</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities.

Maturity analysis of lease liabilities is as follows:

Later than 1 year and not later than 2 years

Later than 2 year and not later than 5 years

Later than 5 years

67,158	59,187
128,184	116,495
98,487	145,359
<b>293,829</b>	<b>321,041</b>

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets

Interest expense on lease liabilities

2019	2018
40,411	-
29,650	-
<b>70,061</b>	<b>-</b>

The total cash outflow for leases in year ended 31 December 2019 was USD 56,862.

(iii) NBL Money Transfer (Maldives) Pvt Ltd leasing activities and how these are accounted for

NBL Money Transfer (Maldives) Pvt Ltd has taken the office premises on leases. Rental contracts are typically made for fixed period of 5 years.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets will not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases. From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by NBL Money Transfer (Maldives) Pvt Ltd.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 9.60%.

To determine the incremental borrowing rate, NBL Money Transfer (Maldives) Pvt Ltd:

## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

where possible, uses recent third-party financing received by NBL Money Transfer (Maldives) Pvt Ltd as a starting point.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

#### (iv) Extension and termination options

Extension and termination options are included leases. These are used to maximise operational flexibility in terms of managing the assets used in the NBL Money Transfer (Maldives) Pvt Ltd's operations. The majority of extension and termination options held are exercisable only by NBL Money Transfer (Maldives) Pvt Ltd and not by the respective lessor.

#### 14 Deferred business profit tax assets

	2019	2018
At 1 January	2,117	2,839
Decelerated tax depreciation (Note 9)	-	(722)
Write-off of deferred tax asset (Note 9)	(2,117)	-
At 31 December	-	2,117

In wake of losses in past three years, deferred tax asset is not recognised in the financial statements for the year ended 31 December 2019.

#### 15 Receivables

Deposits and other receivables	24,771	25,409
Tax receivables	34,136	34,136
	<b>58,907</b>	<b>59,545</b>

#### 16 Cash and cash equivalents

Cash in hand	187,867	182,902
Cash at bank	713,598	642,034
	<b>901,465</b>	<b>824,936</b>

#### 17 Share capital

	Number of shares	Ordinary shares US\$
Balance as at 1 January 2018	6,168	400,000
Balance as at 1 January 2019	6,168	400,000
Balance as at 31 December 2019	<b>6,168</b>	<b>400,000</b>

The total authorized number of ordinary shares is 6168 equity shares with a par value of Maldivian Rufiyaa 1,000 per share translated to United States Dollars at 1 US\$ = MVR 15.42. All of the shares have been issued and fully paid.



## NBL Money Transfer (Maldives) Private Limited

### Notes to the financial statements (all amounts in United Dollars unless otherwise stated)

For the year ended December 31, 2019

	2019	2018
<b>18 Payables</b>		
Other payables	38,557	40,328
Related party payables (Note 21)	396,213	251,767
	<b>434,770</b>	<b>292,095</b>
<b>19 Dividends per share</b>		
No dividend has been declared in the year 2018 and 2019.		
<b>20 Cash generated from operations</b>		
Loss before tax	(82,409)	(99,745)
Adjustments for:		
Depreciation (Note 11)	2,588	2,621
Depreciation on right of use asset (Note 13)	40,411	-
Interest and finance charges paid/payable for lease liabilities	29,650	-
-Decrease in receivables	638	2,093
-Increase in payables	142,675	214,072
Cash generated from operations	<b>133,553</b>	<b>119,041</b>
<b>21 Related party transactions</b>		
National Bank Limited holds 99.99% of the paid up share capital of the Company and therefore is the holding company.		
Outstanding balances arising from transfer of funds :		
Payable to National Bank Limited (Note 18)	<b>396,213</b>	<b>251,766</b>

The amount due to the holding company is unsecured, interest free and has no fixed repayment period. Accordingly, the entire amount has been shown as falling due within one year.

#### 22 Contingencies

##### *Contingent liabilities*

There were no material contingent liabilities outstanding at the reporting date.

##### *Contingent assets*

There were no material contingent assets recognized at the reporting date.

#### 23 Commitments

##### *Capital commitments*

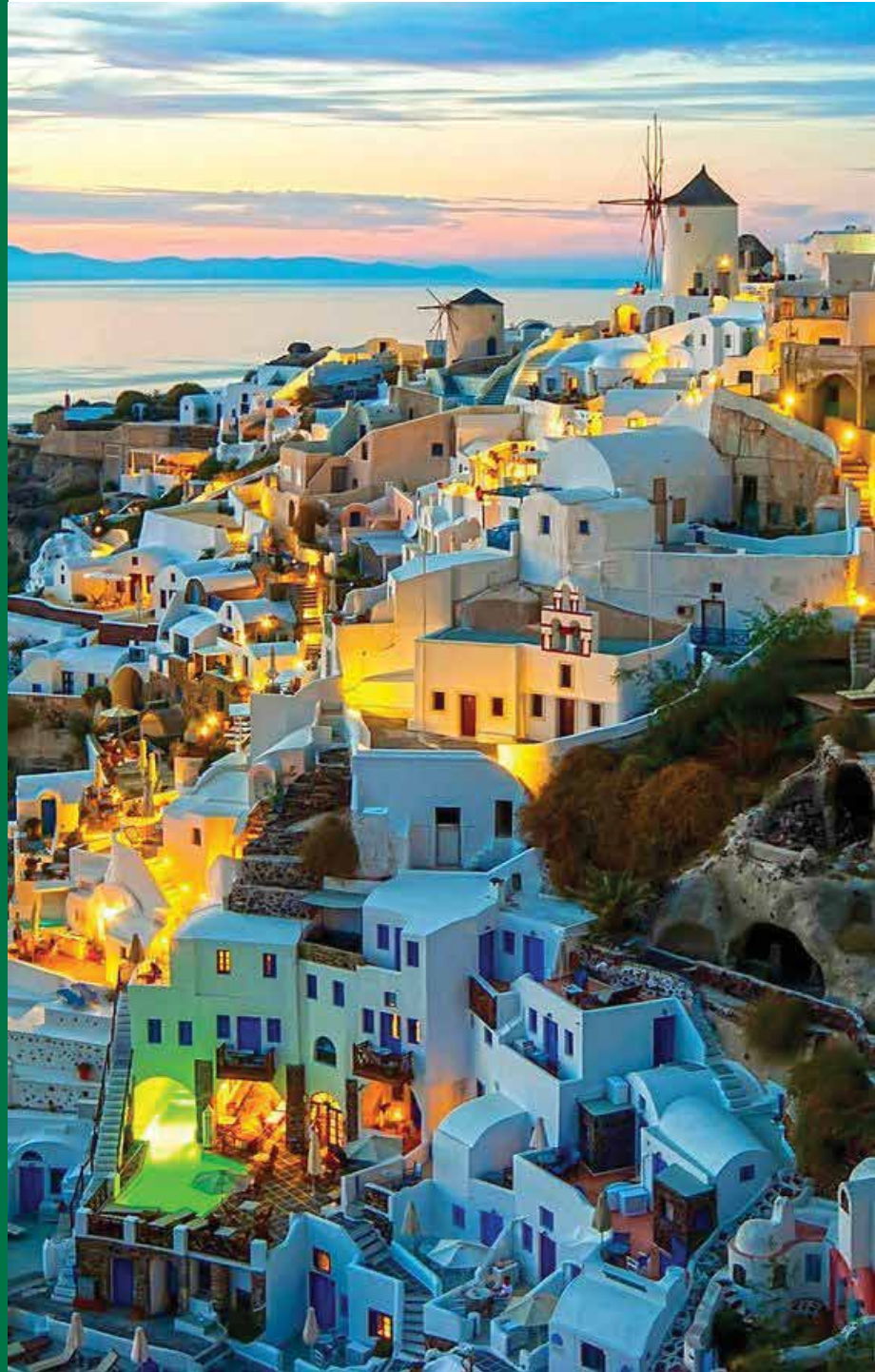
There were no material capital commitments at the reporting date, which were not recognized in the financial statements.

##### *Financial commitments*

There were no material financial commitments outstanding at the reporting date.

#### 24 Events after the reporting date

The existence of novel coronavirus (Covid-19) was confirmed in early 2020 and has spread across the globe and Maldives, causing disruptions to businesses and economic activity. NBL Money Transfer (Maldives) Pvt Ltd considers this outbreak to be a non-adjusting post balance sheet event. As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Corporation.



**NBL Money Transfer Payment  
Foundation (S.A.) Greece**  
**Financial Statements**  
**For the year ended December 31, 2019**

## NBL Money Transfer Payment Foundation (S.A.) Greece

### Independent Auditor's Report

To The Shareholders of "NBL Money Transfer Payment Foundation S.A."  
(Translation of the Greek Report)

#### Report on the Financial Statements

We have audited the accompanying Financial Statements of "NBL MONEY TRANSFER PAYMENT FOUNDATION S.A." (the "Company"), which comprise the Balance Sheet at December 31, 2019, the Profit and Loss Account and the Distribution of the Profits, for the year then ended and the Notes to the Accounts.

#### Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Accounting Standards prescribed by the Greek legislation, as well as for the internal valves that the Management declares as necessary, in order to prepare financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards of Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit in order to obtain a reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal valves relevant to the Company's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal valves. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Reservations

1. Four of the balances included in the position "Cash & Cash Equivalent", are not confirmed. The book balances are higher than those confirmed by 15,953.01 Euro. The position "Cash & Cash Equivalent" and the position "Net Equity" are shown higher by 15,953.01 Euro.
2. One of the balances included in the position "Liabilities", is not confirmed. The book balance is higher than those confirmed by 35,234,20 Euro. The position "Liabilities" is shown higher and the position "Net Equity" is shown lower by 35,234.20 Euro.

#### Opinion

In our opinion, the above Financial Statements present under the reservation of the previous paragraph fairly, in all material aspects, the financial position of the Company at December 31, 2019 and of its financial performance, for the year then ended, in accordance with the Greek Accounting Standards, as they are prescribed by the Greek law.

#### Remarks

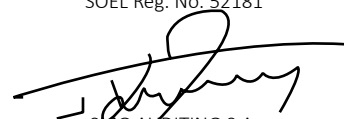
Without making any reservation as to the conclusions of our audit, it is remarked that the company has not been audited by the tax authorities for the business years 2014 — 2019. Consequently the tax obligations are not final. At this stage, it is not possible to make estimation for the final taxation and consequently the company has not made any provision.

#### Report on other legal and regulatory requirements

Taking into account that the administration is responsible for the preparation of the Report of the Board of Directors, pursuant to the provisions of paragraph 5 of Article 2 (Part B) of Law. 4336/2015, we note that:

- a) In our opinion, the Board of Directors' Report has been prepared in accordance with the requirements of Article 150 of the Law 4548/2018 and the content of this corresponds to the accompanying financial statements for the year ended 31.12.2019.
- b) Based on our audit of the Company NBL, MONEY TRANSFER PAYMENT FOUNDATION SA, we have not identified any material misstatements in the Report of the Board of Directors.

Athens, 10.3.2020  
Athanasius A. Gkatzionis  
Certified Public Accountant  
SOEL Reg. No. 52181



SMG AUDITING S.A.  
Certified Public Accountants  
El. Venizelos 12A, 151 27 Melissia  
SOEL Reg. No 179

## NBL Money Transfer Payment Foundation (S.A.) Greece

### Balance sheet

At December 31, 2019

ASSETS	Amount in Euro	
	2019	2018
<b>Intangible Assets</b>		
Formation expenses	3,753.26	3,753.26
Less: Accumulated Depreciation	(2,890.45)	(2,624.98)
	<b>862.81</b>	<b>1,128.28</b>
<b>Fixed Assets</b>		
<b>Tangible assets (a)</b>		
Buildings strictures	77,972.00	64,058.22
Furniture and Fixtures & other equipments	50,412.94	49,488.55
	128,384.94	113,546.77
Less: Accumulated Depreciation	(85,405.66)	(81,918.96)
	<b>42,979.28</b>	<b>31,627.81</b>
<b>Financial Assets (b)</b>		
Guarantees	4,530.25	5,006.61
	<b>4,530.25</b>	<b>5,006.61</b>
<b>Total Fixed Assets (a+b)</b>	<b>47,509.53</b>	<b>36,634.42</b>
<b>Current Assets</b>		
Sundry debtors (c)	84.44	50,118.58
	<b>84.44</b>	<b>50,118.58</b>
Cash and Equivalents (d)	2,160,063.18	1,191,160.81
	<b>2,160,063.18</b>	<b>1,191,160.81</b>
<b>Total Current Assets (c+d)</b>	<b>2,160,147.62</b>	<b>1,241,179.39</b>
<b>TOTAL ASSETS</b>	<b>2,208,519.96</b>	<b>1,279,042.09</b>
<b>LIABILITIES &amp; SHAREHOLDERS EQUITY</b>		
<b>Shareholders Equity</b>		
Share Capital	365,000.00	365,000.00
Reserves	6,513.42	6,513.42
Retained Earnings	(168,525.74)	(240,095.42)
<b>Total Shareholders Equity</b>	<b>202,987.68</b>	<b>131,418.00</b>
<b>Provision for Personnel Compensations</b>	<b>2,558.00</b>	<b>2,558.00</b>
<b>Liabilities</b>		
<b>Short - term liabilities</b>		
Banks	-	-
Suppliers	3,822.46	477.40
Taxes payable	4,036.81	4,543.93
Social Security payable	7,673.50	6,826.95
Amount due to the shareholders	-	-
Dividends payable	-	-
Sundry creditors	1,987,441.51	1,133,217.81
<b>Total Liabilities</b>	<b>2,002,974.28</b>	<b>1,145,066.09</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>2,208,519.96</b>	<b>1,279,042.09</b>

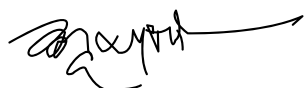
## NBL Money Transfer Payment Foundation (S.A.) Greece

### Profit and Loss Statement

For the period ended December 31, 2019

	Amount in Euro	
	2019	2018
<b>Revenues</b>	<b>312,400.44</b>	<b>207,317.96</b>
Personnel expenses	(154,275.61)	(147,078.15)
Third Party fees	(13,669.80)	(15,143.87)
Rent and other services	(9,994.82)	(12,960.00)
Taxes and other duties	(11,455.66)	(8,857.76)
Other expenses	(25,656.85)	(31,487.44)
	<b>(215,052.74)</b>	<b>(215,527.22)</b>
<b>Ebitda</b>	<b>97,347.70</b>	<b>(8,209.26)</b>
Depreciations	(3,752.17)	(4,453.16)
Financial revenues	562.88	790.60
Financial expenses	(22,186.94)	(13,630.86)
Extraordinary revenues	-	-
Extraordinary expenses	(401.79)	-
	<b>(25,778.02)</b>	<b>(17,293.42)</b>
<b>Result of the year (Net profit or loss)</b>	<b>71,569.68</b>	<b>(25,502.68)</b>
<b>Retained Earnings brought forward</b>	<b>(240,095.42)</b>	<b>(214,592.74)</b>
<b>Retained Earnings Carried forward</b>	<b>(168,525.74)</b>	<b>(240,095.42)</b>

President of the Board



Shawkat Noor Abedi

Member of the Board



Lisa Fatema Haque

Accountant



Angeliki Stamouli

Athens 10 March 2020



**NBL Money Transfer INC.**

**USA**

**Financial Statements**

**For the year ended December 31, 2019**



**NBL Money Transfer INC., USA****UNITED FINANCIAL CPA P.C.****Certified Public Accountants**122 East 42<sup>nd</sup> Street, Suite 2100

New York, NY 10168

Tel. (212) 661 2315; Fax (212) 983 5276

**INDEPENDENT AUDITOR'S REPORT****To the Board of Directors and Stockholders of NBL MONEY TRANSFER INC**

We have audited the accompanying financial statements of NBL Money Transfer Inc., a State of NY corporation, which comprise the balance sheet as of December 31, 2019 and the related statements of income, retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NBL Money Transfer Inc., as of December 31, 2019 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Anowar Hossain, CPA**

January 20, 2020

## NBL Money Transfer INC., USA

(a wholly owned subsidiary of National Bank Ltd.)

### Balance sheet

For the year ended December 31, 2019

(See accompanying auditor's report)

#### Assets:

##### Current assets:

Cash in Bank (note D)  
 Employee advance  
 Withholding taxes  
 Prepaid expenses

##### Total current assets

##### Fixed assets:

Fixed assets, net (note F)  
 Organizational, net (note F)  
 Security deposits

##### Total fixed assets

##### Total assets

#### Liabilities and stockholder's equity

##### Current liabilities:

Remittance payable to National Bank and Beneficiary  
 Direct deposit payable

##### Total current liabilities

##### Long term liability:

Loan from shareholder

##### Total liabilities

Total stockholder's equity

##### Total liabilities & stockholder's equity

	2019 USD
Cash in Bank (note D)	647,721
Employee advance	9,570
Withholding taxes	-
Prepaid expenses	10,312
<b>Total current assets</b>	<b>667,603</b>
Fixed assets, net (note F)	14,198
Organizational, net (note F)	42,551
Security deposits	7,500
<b>Total fixed assets</b>	<b>64,249</b>
<b>Total assets</b>	<b>731,852</b>
Remittance payable to National Bank and Beneficiary	586,774
Direct deposit payable	23,839
<b>Total current liabilities</b>	<b>610,613</b>
Loan from shareholder	75,000
<b>Total liabilities</b>	<b>685,613</b>
Total stockholder's equity	46,239
<b>Total liabilities &amp; stockholder's equity</b>	<b>731,852</b>

## Stockholder's Equity

For the year ended December 31, 2019

(See accompanying auditor's report)

#### Stockholder's equity:

Paid in capital  
 Retained earnings beginning of the year  
 Net income / (loss) for the year ended December 31, 2019  
 Retained earnings at the end of December 31, 2019

##### Total stockholder's equity

	2019 USD
Paid in capital	960,000
Retained earnings beginning of the year	(733,583)
Net income / (loss) for the year ended December 31, 2019	(180,178)
Retained earnings at the end of December 31, 2019	(913,761)
<b>Total stockholder's equity</b>	<b>46,239</b>

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



Anowar Hossain, CPA



Ganesh Biswas, CRO



## NBL Money Transfer INC., USA

(a wholly owned subsidiary of National Bank Ltd.)

### Statements of Income and Retained Earnings

For the year ended December 31, 2019

(See accompanying auditor's report)

**Revenue:**

Commission / Fees Income  
Refunds-Allowances  
Other Income  
Interest Income  
FX Commission / Gain

**Total Revenue**

**Expenses:**

**General and Administrative expenses:**

New York' office expenses  
Depreciation and amortization

**Total expenses**

**Operating income before taxes**

**Income Taxes:**

NYS and NYC

**Net income (loss)**

Retained Earnings at the beginning of the period

**Retained Earnings at the end of the year**

2019 USD
11,425
-
1,937
6,716
20,392
<b>40,470</b>
204,691
13,144
<b>217,835</b>
<b>(177,365)</b>
(2,813)
<b>(180,178)</b>
(733,583)
<b>(913,761)</b>

### Statements of Cash Flow

For the year ended December 31, 2019

(See accompanying auditor's report)

**Cash flow from operating activities:**

Net Income

**Adjustments to reconcile net income to net cash provided by (used in) operating activities:**

Depreciation  
Amortization  
Withholding taxes liabilities  
Remittance payable to NBL  
Due to beneficiary  
Employee advance  
Employee salary / direct deposit  
Prepaid expenses

**Net cash provided by operating activities**

**Cash flow from investing activities:**

Organizational costs  
Fixed assets

**Net cash provided by investing activities**

**Cash flow from financing activities:**

Shareholders loans

**Net cash provided by financing activities**

Net increase (decrease) in cash

Cash at beginning of the period


**Cash at the end of the year**

2019 USD
(180,178)
8,702
4,442
2,888
209,407
13,360
(2,000)
(2,852)
-
<b>53,769</b>
-
-
-
-
53,769
593,952
<b>647,721</b>

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



Anwar Hossain, CPA



Ganesh Biswas, CRO

## NBL Money Transfer INC., USA

### Notes to Financial Statements For the year ended December 31, 2019

#### Note A: Nature of the organization and reports

These financial statements are prepared to the best of management's knowledge, belief and actual transactions as of December 31, 2019.

NBL Money Transfer Inc. is 100% owned by National Bank Ltd, commercial Bank in Bangladesh.

Company was incorporated on March 9, 2011 under the laws of the State of New York. On June 11, 2013 the company received license as an international money transmitter from the State of New York Department of Financial Services.

NBL Money Transfer INC "NBL" maintains its offices in New York. NBL Money Transfer signed paying agent agreement with National Bank Ltd. National Bank distributes all funds to Beneficiaries in Bangladesh.

#### Related Party Transactions and Shareholders

The Company has been operating from 37-14 73<sup>rd</sup> Street Suite 201 Jackson Heights, NEW YORK. 11372.

The Company's principal Shareholder is:

	Owner	Related Party	Correspondent
National Bank Limited	100%	Yes	Yes

#### Note B: Surety Bond/Collateral

The company has signed agreement with NYS Department of Financial Services and provided \$500,000 as collateral, as pledge to Superintendent. This \$500,000 is held at HAB Bank in NY.

#### Note C: Summary of significant Accounting Policies

**Revenue Recognition:** The majority of the company's revenues are comprised of the transaction-based fees, which typically constitute a percentage of dollar volume processed, per transaction processed, or some combination thereof.

#### Revenue is primarily derived from two sources

1. Transaction fees charged to money transfer consumer.
2. The Company generates revenue by acquiring currency at higher rate (wholesale) and sell the currency to consumer at retail exchange rates (lower).

Fees from typical money transfers are generally based on the principal amount of the transaction and the location where the funds are to be transferred. This transaction is sent by the company and is recorded as revenue at the time of sale.

#### Agent Commissions

There are generally two agent locations involved in a money transfer transaction, the agent initiating the transaction (receiving agent) and the correspondent disbursing funds. The receiving agent earns a commission generally based on a percentage of the fee charged to the customer. Receiving Agent commissions are recorded as Expenses.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Fair Value of Financial Instruments & Concentration of Credit Risk

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, due to correspondents, customers transfer payable and debt. The carrying value of such items approximates their fair value at December 31, 2019.

Concentration of credit risk consist of credit and fraud risks of agents, renewal of material agents contracts, loss of business from significant agents, changes in laws and political stability in countries in which the Company has material agent relationship and demand for consumer money transfer transactions. Concentration of Credit risk is limited due to the high volume of individuals comprising the Company's customer base.

#### Accounting Method

The financial statements of the Company are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

## NBL Money Transfer INC., USA

### Notes to Financial Statements

For the year ended December 31, 2019

#### Note D: Cash Balance:

For the purpose of the statement of cash flows, the company considers all highly liquid investments with maturities 6 months or less when purchased to be cash equivalents. Cash includes cash at bank, cash in check amounts, the money market account and Cash held at Company Branch Locations and Restricted Funds.

	2019 USD
Cash at Bank	109,758
Branch Funds	37,963
Restricted CD	500,000
<b>Total</b>	<b>603,041</b>

Cash at Bank  
Branch Funds  
Restricted CD

**Total**

#### Note E: Accounts Receivable

The Company has receivables due from agents for money transfer transactions. These receivables are outstanding from the day of the transfer of the payment instrument until the agent remits the funds to the Company.

	2019 USD
Account Receivable	-
<b>Total</b>	<b>-</b>

Account Receivable

**Total**

#### Note F: Property, Furniture and Equipment

Property and Equipment are stated at cost and depreciated using straight line method over their estimated useful lives ranging 5 to 7 years and Amortization for 15 Years basis.

	2019 USD
Leasehold Improvements	60,914
<b>Total</b>	<b>60,914</b>
Less Accumulated Depreciation	(46,715)
<b>Net Book Value</b>	<b>14,198</b>
<b>Company Organizational Costs</b>	<b>66,690</b>
Amortization	(24,139)
<b>Net Book Value</b>	<b>42,551</b>

Leasehold Improvements

**Total**

Less Accumulated Depreciation

**Net Book Value**

**Company Organizational Costs**

Amortization

**Net Book Value**

#### Note I: Security Deposits

Company made rent security deposits to Landlord for store front office Branch location in the NYC Metro area.:

	2019 USD
Rent Security Deposits	7,500

Rent Security Deposits



Anowar Hossain, CPA



Ganesh Biswas, CRO



**NBL Securities Limited**  
**Financial Statements**  
For the year ended December 31, 2019

## NBL Securities Limited

### Independent Auditor's Report to the Shareholders Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of NBL Securities Limited which comprise the Statement of Financial Position as at December 31, 2019 and the Statement of Profit or Loss and Other Comprehensive Income, and Statement of Cash Flows, Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

**In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).**

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

**We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position, statement of Income and Expenditure dealt with by the report are in agreement with the books of account.
- d) the expenditures incurred and payments were made for the purposes of the Company's business.

Place: Dhaka

Date: March 11, 2020



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**Haider Ahmed Khan FCA**  
**Partner**  
**Ahmed Khan & Co.**  
**Chartered Accountants**

Modhumita Building (1st Floor)  
160 Motijheel C/A, Dhaka-1000, Bangladesh

## NBL Securities Limited

### Statement of Financial Position

As at December 31, 2019

Particulars	Notes	Amount in BDT	
		At Dec 31, 2019	At Dec 31, 2018
<b>I. ASSETS</b>			
<b>A. Non-Current Assets:</b>		<b>529,044,036</b>	<b>525,710,554</b>
Fixed Assets	05.00	5,294,036	1,960,554
Investment in Stock Exchanges Membership	06.00	523,750,000	523,750,000
<b>B. Current Assets:</b>		<b>6,219,893,954</b>	<b>6,142,588,205</b>
Cash & Cash Equivalents	07.00	231,376,483	611,815,031
Investment in Shares	08.00	607,859,988	290,924,996
Receivable from Clients	09.00	5,329,323,373	5,191,873,068
Receivable from Stock Exchanges	10.00	3,773,779	2,813,336
Other Receivable	11.00	3,529	23,980
Advance against Rent	12.00	3,940,912	180,720
Advance Tax	13.00	43,615,891	44,957,074
<b>Total Assets (A+B)</b>		<b>6,748,937,990</b>	<b>6,668,298,759</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>A. Capital and Reserves:</b>		<b>3,584,682,775</b>	<b>3,648,986,961</b>
Share Capital	14.00	4,000,000,000	4,000,000,000
Retained Earnings	15.00	(415,317,225)	(351,013,039)
<b>B. Non-Current Liabilities:</b>		<b>1,750,000,000</b>	<b>1,750,000,000</b>
Loan from National Bank Ltd. (NBL)	16.00	1,750,000,000	1,750,000,000
<b>C. Current Liabilities:</b>		<b>1,414,255,215</b>	<b>1,269,311,798</b>
Payable to National Bank Ltd. (NBL)	17.00	837,410,878	730,207,433
Payable to Clients	18.00	107,898,200	111,114,966
Payable to Stock Exchanges	19.00	97,671	46,324
Liability for Expenses	20.00	1,055,041	2,305,398
Provision for Tax	21.00	43,503,475	48,405,241
Provision for Margin Loan & Investment	22.00	424,289,950	377,232,436
<b>Total Equity and Liabilities (A+B+C)</b>		<b>6,748,937,990</b>	<b>6,668,298,759</b>

The annexed notes form an integral part of these Financial Statements.



Chief Executive Officer



Director



Director

Signed in terms of our annexed report of even date.



Ahmed Khan & Co.  
Chartered Accountants

Place : Dhaka

Date: March 11, 2020

## NBL Securities Limited

### Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		Year Ended Dec 31, 2019	Year Ended Dec 31, 2018
<b>Income:</b>		<b>104,683,458</b>	<b>73,799,560</b>
Brokerage Commission	23.00	55,427,618	35,829,479
CDBL & Other Operating Income	24.00	4,858,046	4,187,057
Interest Income	25.00	44,397,794	33,783,024
<b>Expenses:</b>		<b>127,147,941</b>	<b>267,004,904</b>
Direct Expenses	26.00	3,662,441	2,531,704
Operating Expenses	27.00	123,485,500	264,473,200
<b>Operating Profit before Tax</b>		<b>(22,464,483)</b>	<b>(193,205,345)</b>
<b>Add:</b> Income from Investment in Marketable Securities	28.00	17,672,748	45,930,903
<b>Profit before Tax</b>		<b>(4,791,735)</b>	<b>(147,274,442)</b>
<b>Less:</b> Loss on Sale of Shares (DSE Membership)		-	(88,370,683)
		<b>(4,791,735)</b>	<b>(235,645,125)</b>
<b>Less:</b> Provision for Diminution in Value of Investment		47,057,514	-
		<b>(51,849,249)</b>	<b>(235,645,125)</b>
<b>Less:</b> Provision for Tax		11,691,644	9,716,460
<b>Net Profit/(Loss) after Tax</b>		<b>(63,540,893)</b>	<b>(245,361,585)</b>

## Statement of Changes in Equity

For the year ended December 31, 2019

Particulars	Amount in BDT		
	Paid-Up Capital	Retained Earnings	Total
<b>Balance at January 01, 2019</b>	<b>4,000,000,000</b>	<b>(351,013,039)</b>	<b>3,648,986,961</b>
<b>During the Year:</b>			
Add: Net Profit /(Loss) after Tax	-	(63,540,893)	(63,540,893)
<b>Lees: Adj. of Assessment Year 2017-2018</b>	-	(2,165,467)	(2,165,467)
<b>Less: Adj. of previous year expense</b>	-	1,402,174	1,402,174
<b>Balance at December 31, 2019</b>	<b>4,000,000,000</b>	<b>(415,317,225)</b>	<b>3,584,682,775</b>
<b>Balance at December 31, 2018</b>	<b>4,000,000,000</b>	<b>(351,013,039)</b>	<b>3,648,986,961</b>

The annexed notes form an integral part of these Financial Statements.

  
Chief Executive Officer

  
Director

  
Director

Signed in terms of our annexed report of even date.

Place : Dhaka  
Date: March 11, 2020

  
Ahmed Khan & Co.  
Chartered Accountants



**NBL Securities Limited**
**Statement of Cash Flows**
**For the year ended December 31, 2019**

Particulars	Amount in BDT	
	Year Ended Dec 31, 2019	Year Ended Dec 31, 2018
<b>A. Cash Flows from Operating Activities:</b>	<b>(58,846,565)</b>	<b>(47,477,351)</b>
Brokerage Commission Received	55,427,618	35,829,479
Interest Income Received	44,397,794	33,783,024
Interest Paid	-	(131,279,804)
CDBL and Other Income Received	4,858,046	4,187,057
Income Received from Investment in Marketable Securities	17,672,748	45,930,903
Direct Expenses	(3,662,441)	(2,531,704)
Other Operating Expenses	(44,056,847)	(39,866,744)
Received from Clients Receivable	(137,450,305)	76,110,493
Received from DSE and CSE Receivable	(960,443)	53,464,397
Other Receipts/Payments	20,451	(23,980)
Advance Payment against Rent	(3,760,192)	-
Received from NBL	29,250,117	25,983,213
Payment to Clients	(3,216,766)	(92,459,191)
Payment to DSE & CSE	51,347	(46,206,144)
Advance Income Tax	1,341,183	-
Tax Paid	(18,758,877)	(10,398,349)
<b>B. Cash Flows from Investing Activities:</b>	<b>(321,591,983)</b>	<b>260,783,739</b>
Sale of 25% of DSE Membership	-	37,879,317
Investment in Marketable Securities	(316,934,992)	223,495,322
Property, Plant & Equipment Purchase	(4,656,991)	(590,900)
<b>C. Cash Flows from Financing Activities:</b>	<b>-</b>	<b>-</b>
Share Money Deposit	-	-
Long-Term Loan Payment	-	-
<b>D. Net Cash Flows for the Period (A+B+C)</b>	<b>(380,438,548)</b>	<b>213,306,388</b>
<b>E. Cash and Cash Equivalents at the Beginning of the Period</b>	<b>611,815,031</b>	<b>398,508,643</b>
<b>F. Cash and Cash Equivalents at the End of the Period (D+E)</b>	<b>231,376,483</b>	<b>611,815,031</b>
<b>Cash and Cash Equivalents</b>		
Cash in Hand	29,436	24,306
Cash at Bank	231,347,047	611,790,725
	<b>231,376,483</b>	<b>611,815,031</b>

This is the cash flow statement referred in our report of event date.

  
**Manu Ghose**  
 Chief Executive Officer

  
 Director

Signed in terms of our annexed report of even date.

  
 Director  
  
**Ahmed Khan & Co.**  
 Chartered Accountants

Place : Dhaka  
 Date: March 11, 2020

## NBL Securities Limited

### Notes to the Financial Statements

#### For the year ended December 31, 2019

#### 1.00 Status of the Company:

NBL Securities Limited (NBL SL), a subsidiary company of National Bank Limited, was 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 February 01, 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 & fixed income securities etc. It has Corporate TREC of Dhaka Stock Exchange (DSE) & Chittagong Stock Exchange (CSE) and the license of Depository participants of Central Depository Bangladesh Limited (CDBL).

#### 2.00 Basis of Presenting Financial Statements and Significant Accounting Policies:

##### 2.01 Basis of Presenting Financial Statements:

The Financial Statements, namely Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and relevant notes thereto, of NBL Securities Limited are prepared on a going concern basis under historical cost convention, International Accounting Standard (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other laws and rules applicable thereto. Wherever appropriate, such principles are explained in succeeding notes.

##### 2.02 Accounting Period:

The financial period of the company under review covers 12 (Twelve) months from January 01, 2019 to December 31, 2019.

##### 2.03 Date of Authorization:

The Board of Directors has authorized these financial statements for issue on March 11, 2020.

##### Components of the Financial Statements:

- a) Statement of Financial Position;
- b) Statement of Profit or Loss & Other Comprehensive Income;
- c) Statement of Cash Flows;
- d) Statement of Changes in Equity; and
- e) Notes to the Financial Statements.

##### 2.04 Statement of Compliance:

The financial statements have been prepared on going concern basis following accrual basis of accounting except cash flows in accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Listing Rules of Dhaka and Chittagong Stock Exchange, International Accounting Standard (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh.

##### 2.05 Presentation and Functional Currency and Level of Precision:

The functional currency of the company is BDT. All financial information are presented in BDT and rounded off to the nearest integer.

##### 2.06 Use of Estimates and Adjustments:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provisions and expenses are recognized in the financial statements in line with the International Accounting standard (IAS) 37 "Provision, Contingent Liabilities and Contingent Assets" when – The company has legal or constructive obligation as a result of past event. It is probable that an outflow of economic benefit will be required to settle the obligation. A reliable estimate can be made of the amount of the obligation.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other source. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

##### 2.07 Going Concern:

The company has adequate resources to continue its operation for the foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provide sufficient funds to meet the present requirements of its existing business and operations.

##### 2.08 Materiality and Aggregation:

Each material item as considered significant by management has been presented separately in financial statements. No amount has been set off unless the company has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

##### 2.09 Fixed Asset:

Except the items as mentioned in Annexure A- Schedule of Fixed Assets, NBL Securities Limited has been using the Fixed assets like furniture, fixtures & fittings, general equipment, computer equipment, inherited from National Bank Limited since its incorporation without making payment to National Bank Limited.

## NBL Securities Limited

### Notes to the Financial Statements

For the year ended December 31, 2019

**2.10 Investment in Stock Exchanges for Membership:**

Investment for membership is initially recognized at cost (which includes transaction costs) and is subsequently re-measured at fair value based on quoted bid price. Surplus arising from changes in the fair value of investment for membership is transferred to fair value measurement reserve.

**2.11 Investment in Securities:**

Investment in marketable ordinary shares has been shown at cost on an aggregate portfolio basis. Investment in non-marketable shares has been valued at cost.

**2.12 Loans to Customers:**

Loans to customers have been shown/stated in the Statement of Financial Position net off Interest Suspense A/C.

**2.13 Cash and Cash Equivalents:**

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial institutions and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

Statement of Cash flows has been prepared using Direct Method in accordance with the **International Accounting Standards (IAS) 7, "Cash Flow Statements"**.

**2.14 Provision for Taxation:**

Income tax represents the sum of the Current Tax and Deferred Tax.

**a) Current Tax:**

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Provision for current income tax has been made as per Income Tax Laws after considering taxable allowances and disallowances.

**b) Deferred Tax:**

Deferred tax is calculated in accordance with the provision of **International Accounting Standards (IAS)-12 "Income Tax"** based on taxable temporary difference arising due to difference in the carrying amount of the assets and liabilities in the Statement of Financial Position and its tax base.

**2.15 Revenue Recognition:**

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise as required by **International Accounting Standards (IAS)- 18 "Revenue Recognition"**.

**a. Brokerage Commission:**

Brokerage commission is recognized as income when selling or buying order executed.

**b. Interest Income from Margin Loan:**

Interest income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on quarterly basis.

**c. Dividend Income and Profit/(Loss) on Sale of Marketable Securities:**

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

**2.16 Related Party Disclosure:**

As per International Accounting Standard (IAS) 24 "Related Party Disclosure", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions during the year under audit. In this company, the related party transactions are the "Loan taken from National Bank Limited (NBL)" (detail is shown in Note: 16.00) and "Payable to National Bank Limited (NBL)" (detail is shown in Note: 17.00).

**2.17 Reclassification:**

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/restated/reclassified wherever considered necessary to conform to current year's presentation.

**2.18 Events after the Balance Sheet Date:**

Events after the balance sheet date that provide additional information about the company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are non-adjusting events are disclosed in notes. There are no as such events during the year under audit.

**2.19 Branch Accounting:**

The company has 06 (six) branch offices (excluding head office) with no overseas branch as on December 31, 2019. Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

**3.00 Directors' Responsibility Statement:**

The board of directors takes the responsibility for the preparation and presentation of these financial statements.

**4.00 General**

Figures appearing in these Financial Statements have been rounded off to the nearest BDT.

## NBL Securities Limited

### Notes to the Financial Statements

For the year ended December 31, 2019

		Amount in BDT	
		At Dec 31, 2019	At Dec 31, 2018
<b>05.00</b>	<b>Fixed Assets:</b>		
	At Cost	9,282,170	4,625,179
	<b>Less:</b> Accumulated Depreciation	3,988,134	2,664,625
	<b>Written Down Value</b>	<b>5,294,036</b>	<b>1,960,554</b>
	<b>A Schedule of Fixed Asset is given in Annexure- A.</b>		
<b>06.00</b>	<b>Investment in Stock Exchanges Membership:</b>		
	Dhaka Stock Exchange Ltd. (DSE) (Note 06.01)	378,750,000	378,750,000
	Chittagong Stock Exchange Ltd. (CSE)	145,000,000	145,000,000
	<b>Total</b>	<b>523,750,000</b>	<b>523,750,000</b>
<b>06.01</b>	<b>Investment in Dhaka Stock Exchange Ltd. (DSE) Membership:</b>		
	Opening Balance	378,750,000	505,000,000
	<b>Less:</b> Sale of 25% Shares (18,03,777 out of 72,15,106)	-	126,250,000
	<b>Total</b>	<b>378,750,000</b>	<b>378,750,000</b>
<b>7.00</b>	<b>Cash &amp; Cash Equivalents:</b>		
	Cash in Hand	29,436	24,306
	Cash at Bank ( <b>Note 07.01</b> )	231,347,047	611,790,725
	<b>Total</b>	<b>231,376,483</b>	<b>611,815,031</b>
<b>7.01</b>	<b>Cash at Bank:</b>		
	National Bank Limited (A/c # 099936003404)	145,074,890	410,750,106
	National Bank Limited (A/c # 099936003354)	2,679,967	40,122,374
	National Bank Limited (A/c # 099936003197)	84,963	81,624
	National Bank Limited (A/c # 099936003412)	3,368,258	20,056,255
	National Bank Limited (A/c # 099936003437)	7,624,571	29,989,402
	National Bank Limited (A/c # 099936003668)	328,284	264,630
	Dutch Bangla Bank Limited (A/c # 1711200002074)	5,460,531	815,436
	One Bank Limited (A/c # 0010025366018)	587,793	47,981,965
	One Bank Limited (A/c # 0010025366026)	26,263,395	61,728,933
	National Bank Limited (A/c # 1206003585768)	39,874,395	-
	<b>Total</b>	<b>231,347,047</b>	<b>611,790,725</b>
<b>8.00</b>	<b>Investment in Shares:</b>		
	<b><u>Name of Company</u></b>		
	AFTABAUTO-A	3,855,597	3,855,597
	AL-HAJTEX-Z	11,600,290	-
	ALIF-A	-	4,837,548
	ACIFORMULA-A	2,263,742	2,263,742
	APOLOISPAT-Z	15,390,436	7,053,346
	BANKASIA-A	69,134,502	-
	BATASHOE-A	380,478	-
	BATBC-A	3,649,670	-
	BDCOM-A	7,681,405	-
	BSCCL-B	-	1,253,957
	BENGALWTL	5,816,759	5,816,759
	COPPERTECH-N	47,410	-
	CITY BANK-A	9,951,465	5,505,925
	DESCO-A	7,553,158	7,553,158
	EHL-A	3,230,442	-
	EXIMBANK-A	6,001,504	6,001,504

## NBL Securities Limited

### Notes to the Financial Statements

For the year ended December 31, 2019

	Amount in BDT	
	At Dec 31, 2019	At Dec 31, 2018
ESQUIRE KNIT-N	938,700	1,877,355
FAMILYTEX-Z	5,865,623	5,865,623
FIRSTSBANK	-	6,222,946
FUWANGFOOD-B	5,410,858	-
GENEXIL-N	3,409	-
HEIDELBCEM-A	2,974,425	2,711,227
IBP-A	1,377,127	2,673
INTECH-Z	14,218,863	13,377,869
IPDC-A	-	4,902,532
INTRACO-N	-	2,534
KTL-A	2,920,711	109,785
LHBL-A	30,082,877	30,082,877
MERCINS-A	49,448,810	-
MHSML-B	1,628,308	1,628,308
MLDYEING-N	-	2,344,151
NEWLIN-N	40,023	-
OAL-B	7,758,104	7,758,104
ONEBANKLTD-A	7,013,737	7,013,737
PROVATIINS-A	946,793	-
PRIMEBANK-A	142,807,002	142,807,002
QUASEMIND-A	11,517,034	2,046,752
RUNNERAUTO-N	540,450	1,080,825
RAKCEREMIC-A	3,598,582	3,598,582
RINGSHINE-N	1,096,688	-
SAPORTL-A	4,114,356	4,114,356
SKTRIMS-N	-	258,540
SILVAPHL-N	-	91,930
SILCOPHL-N	154,916,362	-
SSSTEEL-N	3,064	-
SUMITPOWER	-	233,699
SEAPEARL-N	37,300	-
TITASGAS-A	8,613,665	8,613,665
UNIONCAP-B	3,430,260	-
VFSTDL-N	-	38,386
<b>Total</b>	<b>607,859,988</b>	<b>290,924,996</b>

The cost of investment is Tk. 607,859,988 & market value of which is Tk. 419,629,932 as at December 31, 2019. The Unrealized loss stood at Tk. 188,230,056 on that date against which provision has been kept. If the market price of shares goes up in future, the above equity erosion will be reduced. It may be mentioned here that the Bangladesh Securities and Exchange Commission vide its Directives no. SEC/CMRRCD/220-193/196 dated December 28, 2016 allowed the Stock Dealers to create provision against the loss on investment in securities beginning from December 2015 to December 2016. BSEC has further extended this time period upto December 31, 2022 vide BSEC/SRI/Policy/3/2020/68 dated January 12, 2020.

#### 09.00 Receivable from Clients:

Receivable from Clients	5,329,323,373	5,191,873,068
<b>Total</b>	<b>5,329,323,373</b>	<b>5,191,873,068</b>

#### 10.00 Receivable from Stock Exchanges:

Receivable from Dhaka Stock Exchange (DSE)	3,358,170	2,813,336
Receivable from Chittagong Stock Exchange (CSE)	415,609	-
<b>Total</b>	<b>3,773,779</b>	<b>2,813,336</b>



## NBL Securities Limited

### Notes to the Financial Statements

For the year ended December 31, 2019

		Amount in BDT	
		At Dec 31, 2019	At Dec 31, 2018
<b>18.00</b>	<b>Payable to Clients:</b>		
	Payable to Clients	107,848,200	111,114,966
	IPO A/c- Block (Customer)	50,000	-
	<b>Total</b>	<b>107,898,200</b>	<b>111,114,966</b>
<b>19.00</b>	<b>Payable to Stock Exchanges:</b>		
	Payable to Dhaka Stock Exchange (DSE)	97,671	46,324
	Payable to Chittagong Stock Exchange (CSE)	-	-
	<b>Total</b>	<b>97,671</b>	<b>46,324</b>
<b>20.00</b>	<b>Liability for Expenses:</b>		
	Audit Fee	66,667	66,667
	Electricity Bill	14,559	10,562
	Review & Other Charges (DSE & CSE)	4,000	8,000
	Network Bill	96,575	96,575
	Consultancy Fee	-	200,000
	Office Rent	532,245	1,608,611
	Settlement & CDS Bill	172,728	86,588
	Stationery	-	25,903
	Software & Maintenance Charges	50,000	50,000
	Repair & Maintenance	3,575	7,150
	VAT & Tax	111,372	139,602
	Water Bill	3,320	5,740
	<b>Total</b>	<b>1,055,041</b>	<b>2,305,398</b>
<b>21.00</b>	<b>Provision for Tax:</b>		
	Opening Balance	48,405,241	48,386,300
	<b>Add:</b> Provision for Tax During the Year (Note: 21.01)	11,691,644	9,716,460
		<b>60,096,885</b>	<b>58,102,760</b>
	<b>Less:</b> Adjustment of Assessment Year 2016-2017	-	9,697,519
	<b>Less:</b> Adjustment for the Assessment Year 2017-2018	16,593,410	-
	<b>Total</b>	<b>43,503,475</b>	<b>48,405,241</b>
<b>21.01</b>	<b>Provision for Tax During the Year:</b>		
	Provision for Operating Income	-	-
	Provision for Turnover	8,330,564	5,423,169
	Provision for Capital Gain	299,125	-
	Provision for Dividend Income	2,936,300	4,201,980
	Provision for Bank Interest	125,655	91,311
	<b>Total</b>	<b>11,691,644</b>	<b>9,716,460</b>
<b>22.00</b>	<b>Provision for Margin Loan &amp; Investment:</b>		
	Opening Balance	377,232,436	377,232,436
	<b>Add:</b> Provision made During the Year	47,057,514	-
	<b>Total</b>	<b>424,289,950</b>	<b>377,232,436</b>
<p>As per BSEC Circular no. BSEC/SRI/Policy/3/2020/68 dated January 12, 2020, Total Tk. 47,057,514/- provision has been made from the current year's profit, for unrealized loss arising out against diminution in value of investment.</p>			
<b>23.00</b>	<b>Brokerage Commission:</b>		
	Brokerage Commission (against DSE & CSE operation)	55,427,618	35,829,479
	<b>Total</b>	<b>55,427,618</b>	<b>35,829,479</b>
<b>24.00</b>	<b>CDBL &amp; Other Operating Income:</b>		
	Service Charge from Clients against CDBL	2,908,096	2,143,797
	IPO Income	30,800	61,310
	BO Account, Annual Maintenance Fee	1,919,150	1,981,950
	<b>Total</b>	<b>4,858,046</b>	<b>4,187,057</b>

## NBL Securities Limited

### Notes to the Financial Statements

For the year ended December 31, 2019

		Amount in BDT	
		At Dec 31, 2019	At Dec 31, 2018
<b>25.00</b>	<b>Interest Income:</b>		
	Interest Received from Bank	1,256,549	913,113
	Interest Income from Customers against Margin Loan	43,141,245	32,869,911
	<b>Total</b>	<b>44,397,794</b>	<b>33,783,024</b>
<b>26.00</b>	<b>Direct Expenses:</b>		
	Howla Charge	6,802	2,940
	Laga Charge	3,655,639	2,528,764
	<b>Total</b>	<b>3,662,441</b>	<b>2,531,704</b>
<b>27.00</b>	<b>Operating Expenses:</b>		
	Salaries and Allowances	29,250,117	25,983,213
	Directors' Fee	69,333	60,333
	Advertisement	17,250	11,500
	AR License Fee	4,000	9,000
	Audit Fee	66,667	66,667
	Bank Charge	94,573	96,180
	Consultancy Fee	250,000	511,110
	CSE Charge	263,536	115,978
	Conveyance	154,164	79,568
	Entertainment	471,615	467,232
	Interest Expenses on Loan	77,953,328	224,192,091
	IPO Application Charge	15,000	43,000
	Legal and Other Charge	-	24,815
	Monthly Review & Other Charges (DSE & CSE)	14,258	17,332
	Network Expenses	1,163,900	1,198,625
	Postage & Courier	4,783	4,880
	Office Rent	5,494,565	4,371,454
	Renewal Fee	402,000	371,622
	Repair & Maintenance	338,151	379,871
	Satellite Charge	31,350	35,250
	Settlement & CDS Fee	3,965,279	3,292,994
	Software Maintenance Fee	600,000	600,000
	Water Bill	73,169	88,106
	Cleaning Expense/ Wages	774,020	940,880
	Electricity Bill	241,952	196,383
	Mobile Bill	-	310,800
	Newspaper Bill	19,255	20,670
	Stationery Bill	218,788	378,480
	Telephone Bill	79,423	90,738
	Training & Other Expenses	14,400	-
	Staff Uniform	10,700	13,090
	Misc. Expenses	633	11,200
	Depreciation	1,323,509	490,138
	Insurance Premium	105,783	-
	<b>Total</b>	<b>123,485,500</b>	<b>264,473,200</b>
<b>28.00</b>	<b>Income from Investment in Marketable Securities:</b>		
	Capital Gain	2,991,246	24,921,003
	Dividend from DSE & CSE	4,849,330	9,787,503
	Dividend from Marketable Securities	9,832,172	11,222,397
	<b>Total</b>	<b>17,672,748</b>	<b>45,930,903</b>



**NBL Securities Limited**  
**Schedule of Fixed Assets**  
**As at December 31, 2019**

SL. NO.	Particulars	Cost			Rate of Depreciation	Depreciation			Written Down Value
		Balance as at 01.01.19	Addition During the Year	Balance as at 31.12.19		Balance as at 01.01.19	Charged During the Year	Balance as at 31.12.19	
1	Computer Equipment	1,275,057	148,941	1,423,998	20%	512,746	182,250	694,996	729,002
2	General Equipment	3,350,122	4,508,050	7,858,172	20%	2,151,879	1,141,259	3,293,138	4,565,034
	<b>Total</b>	<b>4,625,179</b>	<b>4,656,991</b>	<b>9,282,170</b>		<b>2,664,625</b>	<b>1,323,509</b>	<b>3,988,134</b>	<b>5,294,036</b>

• Depreciation has been Charged on Diminishing Balance Method. Full Depreciation has been charged on Addition During the Year.



**NBL Capital and Equity  
Management Ltd.**

**Financial Statements  
For the year ended December 31, 2019**



## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of NBL Capital and Equity Management Ltd.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **NBL Capital and Equity Management Ltd.** which comprise the Statement of Financial Position as at December 31, 2019 and the Statement of Profit or Loss and Other Comprehensive Income, and Statement of Cash Flows, Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

**In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).**

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

**We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.** 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 judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information Other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position, statement of Income and Expenditure dealt with by the report are in agreement with the books of account.
- d) the expenditures incurred and payments were made for the purposes of the Company's business.



**Haider Ahmed Khan FCA**  
Partner

**Ahmed Khan & Co.**  
Chartered Accountants

Modhumita Building (1st Floor)  
160 Motijheel C/A, Dhaka-1000, Bangladesh

Dhaka  
Date: March 11, 2020

## NBL Capital and Equity Management Ltd.

### Statement of Financial Position

As at December 31, 2019

Particulars	Notes	As at	As at
		Dec 31, 2019	Dec 31, 2018
		BDT	BDT
<b>I. ASSETS:</b>			
<b>A. Non-Current Assets:</b>		<b>123,123</b>	<b>182,436</b>
Property, Plant & Equipment	06.00	123,123	182,436
<b>B. Current Assets:</b>		<b>408,885,136</b>	<b>391,360,069</b>
Investment in Shares	07.00	371,626,937	371,853,858
Receivable from NBL Securities Ltd.	08.00	13,697,093	406,360
Advance, Deposit & Prepayments	09.00	4,468,432	1,834,287
Cash and Cash Equivalents	10.00	19,092,674	17,265,564
<b>Total Assets (A+B)</b>		<b>409,008,259</b>	<b>391,542,505</b>
<b>II. EQUITY AND LIABILITIES:</b>			
<b>C. Share holders' Equity:</b>		<b>282,167,966</b>	<b>269,800,344</b>
Share Capital	11.00	250,000,000	250,000,000
Retained Earnings	12.00	32,167,966	19,800,344
<b>D. Current Liabilities:</b>		<b>126,840,293</b>	<b>121,742,161</b>
Accounts Payable		23,782,575	20,920,546
Liability for Expenses	13.00	153,217	208,792
Provision for Tax	14.00	6,541,252	4,249,574
Provision for Diminution in Value of Investments	15.00	96,363,249	96,363,249
<b>Total Equity and Liabilities (C+D)</b>		<b>409,008,259</b>	<b>391,542,505</b>

The annexed notes form an integral part of the Financial Statements.



Chief Executive Officer



Director



Director

Signed in terms of our separate report of even date.

Dhaka

Date: March 11, 2020



**Ahmed Khan & Co.**  
Chartered Accountants

## NBL Capital and Equity Management Ltd.

### Statement of Profit or Loss and Other Comprehensive Income For the year ended December 31, 2019

Particulars	Notes	As at	As at
		Dec 31, 2019	Dec 31, 2018
		BDT	BDT
<b>A. Income:</b>		<b>18,589,381</b>	<b>18,542,267</b>
Gain on Sale of Shares		9,006,484	10,229,994
Dividend on Investment in Shares		9,351,647	7,031,022
Issue Management Fee		-	1,000,000
Underwriting Commission	16.00	231,250	281,250
<b>B. Administrative &amp; Other Expenses:</b>		<b>3,500,154</b>	<b>3,369,735</b>
Administrative Expenses	17.00	3,182,936	3,017,935
Other Expenses	18.00	317,218	351,800
<b>C. Operating Profit before Financial Expenses (A-B)</b>		<b>15,089,227</b>	<b>15,172,531</b>
Less: Financial Expenses	19.00	-	3,222
<b>D. Profit before non operating income</b>		<b>15,089,227</b>	<b>15,169,309</b>
Add: Non Operating Income	20.00	75,959	-
<b>E. Profit/(Loss) before Provision for Tax</b>		<b>15,165,186</b>	<b>15,169,309</b>
Less: Provision for Tax		2,797,564	2,557,329
<b>Net Profit/(Loss) after Tax</b>		<b>12,367,622</b>	<b>12,611,980</b>
<b>Earning Per Share (EPS)</b>	21.00	<b>4.95</b>	<b>5.04</b>

## Statement of Changes in Equity

For the year ended December 31, 2019

Particulars	Amount in BDT		
	Paid-Up Capital	Retained Earnings	Total
Balance as at January 01, 2019	250,000,000	19,800,344	269,800,344
<b>During the Year:</b>			
Net Profit/(Loss) after Tax	-	12,367,622	12,367,622
<b>Balance as at December 31, 2019</b>	<b>250,000,000</b>	<b>32,167,966</b>	<b>282,167,966</b>
<b>Balance as at December 31, 2018</b>	<b>250,000,000</b>	<b>19,800,344</b>	<b>269,800,344</b>

The annexed notes form an integral part of the Financial Statements.

  
Chief Executive Officer

  
Director

  
Director

Signed in terms of our separate report of even date.

Dhaka  
Date: March 11, 2020

  
Ahmed Khan & Co.  
Chartered Accountants

## NBL Capital and Equity Management Ltd.

### Statement of Cash Flows

For the year ended December 31, 2019

Particulars	Year Ended	Year Ended
	Dec 31, 2019	Dec 31, 2018
	BDT	BDT
<b>A. NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1,600,189</b>	<b>26,127,912</b>
	<b>14,718,612</b>	<b>10,493,282</b>
Net Profit/(Loss) before Tax	15,165,186	15,169,309
<b>Adjustments for :</b>		
Tax Paid During the Year	(505,886)	(4,764,432)
Depreciation	59,312	88,404
	<b>(13,118,424)</b>	<b>15,634,631</b>
<b>Changes in Working Capital:</b>		
(Increase)/Decrease in Receivable from NBL Securities Ltd.	(13,290,733)	14,821,812
(Increase)/Decrease in Advance, Deposit & Pre-Payment	(2,634,145)	(1,834,287)
Increase/(Decrease) in Accounts Payable	2,862,029	2,609,544
Increase/(Decrease) in Liabilities for Expense	(55,575)	37,562
	<b>226,921</b>	<b>(28,737,459)</b>
<b>B. NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>226,921</b>	<b>(28,737,459)</b>
Investment in Shares	226,921	(28,737,459)
	-	-
<b>C. NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
	<b>1,827,110</b>	<b>(2,609,547)</b>
<b>D. Net Cash Flow During the Year (A+B+C)</b>	<b>1,827,110</b>	<b>(2,609,547)</b>
<b>E. Opening Balance of Cash &amp; Cash Equivalents</b>	<b>17,265,564</b>	<b>19,875,111</b>
<b>Closing Balance of Cash &amp; Cash Equivalents (D+E)</b>	<b>19,092,674</b>	<b>17,265,564</b>
<b>Cash &amp; Cash Equivalents:</b>		
Cash in Hand	24,651	58,129
Cash at Bank	19,068,023	17,207,435
	<b>19,092,674</b>	<b>17,265,564</b>

  
Chief Executive Officer

  
Director

  
Director

Signed in terms of our separate report of even date.

Dhaka  
Date: March 11, 2020

  
**Ahmed Khan & Co.**  
Chartered Accountants

## NBL Capital and Equity Management Ltd.

### Notes to the Financial Statements

For the year ended December 31, 2019

#### 01.00 Reporting Entity:

**01.01** NBL Capital & Equity Management Ltd. is a fully owned subsidiary company of National Bank Limited incorporated as a private limited company with the Registrar of Joint Stock Companies, Dhaka, Bangladesh vide Certificate of Incorporation No-C-82157/10 Dated February 01, 2010 under the Companies Act, 1994. The functions of Merchant Bank were separated from National Bank Limited by forming a subsidiary company namely NBL Capital & Equity Management Ltd. as per Bangladesh Bank's BRPD Circular no. 12 dated 14.10.2009. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued a full-fledged Merchant Banker Certificate bearing No. MB-66/2011 dated June 09, 2011 in favor of NBL Capital & Equity Management Ltd. with effect from the same. Meanwhile the company is registered as a custody Depository Participant by the Bangladesh Securities and Exchange Commission (BSEC) bearing Registration Certificate No. SEC/Registration/CDBL-DP-357 dated on September 15, 2011.

#### 01.02 Principal Activities:

The main objectives of the company are to carry out the activities of a full-fledged Merchant Banker like Issue Management, Portfolio Management, Underwriting, Corporate Advisory Service etc. as per Bangladesh Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Regulation, 1996.

#### 02.00 Basis of Preparation:

##### 02.01 Statement of Compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS)/International Accounting Standards (IAS), The Companies Act 1994, BSEC Rules 1987 and other applicable laws in Bangladesh.

##### 02.02 Basis of Presentation of Financial Statements:

The financial statements are prepared on a going concern basis under historical cost convention.

##### 02.03 Components of the Financial Statement:

- (i) Statement of Financial Position (Balance Sheet)
- (ii) Statement of Profit or Loss and Other Comprehensive Income (Statement of Financial Performance)
- (iii) Statement of Cash Flows
- (iv) Statement of Changes in Equity
- (v) Accounting Policies and Explanatory Notes to the Financial Statements
- (vi) Comparative information prescribed by the standard.

##### 02.04 Reporting Period:

The financial period of the company under review covers 12 (Twelve) months from January 01, 2019 to December 31, 2019.

#### 03.00 Property, Plant & Equipment:

Except the items as mentioned in **Annexure A - Schedule of Fixed Assets**, NBL Securities Limited has been using the Fixed assets like furniture, fixtures & fittings, general equipment, computer equipment, inherited from National Bank Limited since its incorporation without making payment to National Bank Limited.

##### 03.01 Depreciation:

Depreciation is recognized in the Statement of Profit or Loss and Other Comprehensive Income on monthly basis at Diminishing Balance Method over the estimated useful lives of each item of Property, Plant & Equipment. Items of Property, Plant & Equipment are depreciated when these are acquired or are capitalized. In case of disposal, no depreciation is charged in the year of disposal.

Rate of depreciation on various items of Property, Plant and Equipment considering the useful lives of assets are as follows:

Asset Category	Rate of Depreciation (%)
Electric Equipment	20%
Computer & Accessories	33.33%

##### 03.02 Advance, Deposit & Prepayments:

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions adjustments or charges to other account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to Statements of Profit or Loss and Other Comprehensive Income.



## NBL Capital and Equity Management Ltd.

### Notes to the Financial Statements

For the year ended December 31, 2019

**03.03 Cash and Cash Equivalents:**

Cash & Cash Equivalent comprises Cash in Hand and Cash at Bank balances, which were held and available for use of the Company without any restriction.

**03.04 Statement of Cash Flows:**

Statement of Cash Flows has been prepared in accordance with the International Accounting Standard (IAS) 07 "Statement of Cash Flows" under indirect method.

**03.05 Investments:**

**Recognition and Measurement:**

In accordance with IFRS-39 "Financial Instruments Recognition and Measurement" all investment in securities are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investments.

**Investment in Listed Securities:**

These are acquired and held primarily for the purpose of selling them in future or held for dividend income and are reported at cost. Unrealized gains are not recognized in the Statement of Profit or Loss and Comprehensive Income. Provision for Diminution in Value of Investment is provided in the financial statements on those securities whose market price is below than the cost of investment.

**03.06 Receivables:**

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

**03.07 Share Capital:**

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

**03.08 Borrowing Funds:**

Borrowing funds include borrowings from National Bank Limited, which is stated in the Statement of Financial Position as Accounts Payable.

**03.09 Provision for Liabilities:**

A provision is recognized in the Statement of Financial Position when the Company 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 the International Accounting Standard (IAS)-37 "Provisions, Contingent Liabilities and Contingent Assets".

**04.00 Revenue Recognition:**

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise during the year and in accordance with the International Accounting Standard (IAS)-18 "Revenue Recognition".

**04.01 Earnings Per Share (EPS):**

The company calculates Earning Per Share (EPS) in accordance with International Accounting Standard (IAS) 33 "Earnings Per Share" which has been shown in the face of the Statement of Profit or Loss and Other Comprehensive Income. This has been calculated by dividing the Net Profit after Tax by the Weighted Average number of Ordinary Shares outstanding during the year.

**04.02 Events after the Reporting Period:**

Events after the Financial Position date that provide additional information about the company's position at the Financial Position date are reflected in the financial statements. There are no such events.

**04.03 Directors' Responsibility on Financial Statements:**

The Board of directors of the company is responsible for the preparation and presentation of these financial statements.

**04.04 Related Party Disclosures:**

As per International Accounting Standard (IAS) 24 "Related Party Disclosure," parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. In this company, the related parties are, National Bank Limited with which have a transaction as accounts payable & NBL Securities Ltd with which have a transaction of Accounts Receivables.

**05.00 General:**

Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka. These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith. Previous year's figures have been rearranged to conform to the presentation adopted in these financial statements.

## NBL Capital and Equity Management Ltd.

### Notes to the Financial Statements

For the year ended December 31, 2019

	As at Dec 31, 2019	As at Dec 31, 2018
	BDT	BDT
<b>06.00 Property, Plant &amp; Equipment:</b>		
At Cost	2,132,739	2,132,739
<b>Less:</b> Accumulated Depreciation	2,009,616	1,950,303
<b>Written Down Value</b>	<b>123,123</b>	<b>182,436</b>
<b>A Schedule of Property, Plant &amp; Equipment is given in Annexure-A</b>		
<b>07.00 Investment in Shares:</b>		
Quoted (Publicly Traded)	370,824,247	368,087,058
Primary Share	802,690	3,766,800
<b>Total</b>	<b>371,626,937</b>	<b>371,853,858</b>

The cost of investment is Tk. 371,626,937 & market value of which is Tk. 224,097,099 as at December 31, 2019. The Unrealized loss stood at Tk. 147,529,838 on that date against which provision has been kept. If the market price of shares goes up in future, the above equity erosion will be reduced. It may be mentioned here that the Bangladesh Securities and Exchange Commission vide its Directives no. SEC/CMRRCD/220-193/196 dated December 28, 2016 allowed the Stock Dealers to create provision against the loss on investment in securities beginning from December 2015 to December 2016. BSEC has further extended this time period upto December 31, 2022 vide BSEC/SRI/Policy/3/2020/68 dated January 12, 2020.

<b>08.00 Receivable from NBL Securities Ltd:</b>		
Receivable from NBL Securities Ltd.	1,826,911,731	1,726,518,102
<b>Less:</b> Payable to NBL Securities Ltd.	1,813,214,638	1,726,111,741
<b>Total</b>	<b>13,697,093</b>	<b>406,360</b>
<b>09.00 Advance, Deposit &amp; Prepayments:</b>		
Advance Income Tax ( <b>Note: 09.01</b> )	4,468,432	1,834,287
<b>Total</b>	<b>4,468,432</b>	<b>1,834,287</b>
<b>09.01 Advance Income Tax:</b>		
Opening Balance	1,834,287	-
<b>Add:</b> During the Year	2,634,145	1,834,287
	<b>4,468,432</b>	<b>1,834,287</b>
<b>Less:</b> Adjustment During the Year	-	-
<b>Total</b>	<b>4,468,432</b>	<b>1,834,287</b>
<b>10.00 Cash and Cash Equivalents:</b>		
Cash in Hand	24,651	58,129
Cash at Bank ( <b>Note: 10.01</b> )	19,068,023	17,207,435
<b>Total</b>	<b>19,092,674</b>	<b>17,265,564</b>
<b>10.01 Cash at Bank:</b>		
NBL Dilkusha BR ( <b>SND A/C No. 0999-36003362</b> )	19,068,023	17,207,435
<b>Total</b>	<b>19,068,023</b>	<b>17,207,435</b>
<b>11.00 Share Capital:</b>		
<b>Authorized Capital:</b>	250,000,000	250,000,000
<b>Total</b>	<b>250,000,000</b>	<b>250,000,000</b>

#### Issued, Subscribed and Paid-up Capital:

This represents amount received from National Bank Ltd. as well as sponsor-directors which were subsequently transferred to the Company's Bank Account.

	No. of Shares	Percentage (%)	Amount	Amount
National Bank Limited	2,498,650	99.94%	249,865,000	249,865,000
Individuals ( <b>Note: 11.01</b> )	1,350	0.06%	135,000	135,000
2,500,000 Ordinary Shares of Taka 100.00 each	<b>2,500,000</b>	<b>100.00%</b>	<b>250,000,000</b>	<b>250,000,000</b>

## NBL Capital and Equity Management Ltd.

### Notes to the Financial Statements

For the year ended December 31, 2019

			As at Dec 31, 2019	As at Dec 31, 2018
			BDT	BDT
<b>11.01</b>	<b>Individuals:</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>Amount</b>
	Ms. Parveen Haque Sikder	250	25,000	25,000
	Mr. Nick Haque	250	25,000	25,000
	Mrs. Nasim Sikder	250	25,000	25,000
	Mr. Mohtasim Billah Khan	250	25,000	25,000
	Mr. Salahuddin Khan	100	10,000	10,000
	Mr. Mamtazul Haque	250	25,000	25,000
	<b>Total</b>	<b>1,350</b>	<b>135,000</b>	<b>135,000</b>
<b>12.00</b>	<b>Retained Earnings:</b>			
	Opening Balance		19,800,344	7,188,364
	<b>Add:</b> Net Profit /(Loss) During the Year		12,367,622	12,611,980
	<b>Total</b>		<b>32,167,966</b>	<b>19,800,344</b>
<b>13.00</b>	<b>Liability for Expenses:</b>			
	MB License Fee		50,000	50,000
	Connectivity Charge		17,230	31,780
	CDBL Charge		2,000	2,000
	Audit Fee		36,000	36,000
	AIT ( <b>Note: 13.01</b> )		4,500	6,736
	VAT ( <b>Note: 13.02</b> )		6,750	17,142
	Directors' Attendance Fee		-	56,000
	Office Stationary		-	7,211
	Trade License		16,300	-
	RJSC Expenses		20,000	-
	Water Bill		437	1,923
	<b>Total</b>		<b>153,217</b>	<b>208,792</b>
<b>13.01</b>	<b>AIT:</b>			
	AIT on Audit Fee		4,000	4,000
	AIT on Directors' Attendance Fee ( <b>Note : 13.01.01</b> )		-	2,000
	AIT on Consultancy Fee		500	500
	AIT on Office Stationary		-	236
	<b>Total</b>		<b>4,500</b>	<b>6,736</b>
<b>13.01.01</b>	<b>AIT on Director's Attendance Fee:</b>			
	Opening Balance		2,000	400
	<b>Add:</b> During the Year		4,800	6,400
			<b>6,800</b>	<b>6,800</b>
	<b>Less:</b> Paid During the Year		6,800	4,800
	<b>Total</b>		<b>-</b>	<b>2,000</b>
<b>13.02</b>	<b>VAT:</b>			
	VAT on Directors' Attendance Fee ( <b>Note : 13.02.01</b> )		-	10,000
	VAT on Audit Fee		6,000	6,000
	VAT on Consultancy Fee (RJSC)		750	750
	VAT on Office Stationery		-	392
	<b>Total</b>		<b>6,750</b>	<b>17,142</b>
<b>13.02.01</b>	<b>VAT on Directors' Attendance Fee:</b>			
	Opening Balance		10,000	7,600
	<b>Add:</b> During the Year		6,000	9,600
			<b>16,000</b>	<b>17,200</b>
	<b>Less:</b> Paid During the Year		16,000	7,200
	<b>Total</b>		<b>-</b>	<b>10,000</b>

## NBL Capital and Equity Management Ltd.

### Notes to the Financial Statements

For the year ended December 31, 2019

		As at Dec 31, 2019	As at Dec 31, 2018
		BDT	BDT
<b>14.00</b>	<b>Provision for Tax:</b>		
	Opening Balance	4,249,574	6,456,677
	<b>Add:</b> Provision for Tax ( <b>Note : 14.01</b> )	2,797,564	2,557,329
		<b>7,047,138</b>	<b>9,014,006</b>
	<b>Less:</b> Paid During the Year	505,886	4,764,432
	<b>Total</b>	<b>6,541,252</b>	<b>4,249,574</b>
<b>14.01</b>	<b>Provision for Tax on Operating Income:</b>		
	Gain on Sale of Shares	900,648	1,022,999
	Dividend on Investment in Shares	1,870,330	1,406,204
	Issue Management Fee	-	100,000
	Non-Operating Income	26,586	-
	Underwriting Commission	-	28,125
	<b>Total</b>	<b>2,797,564</b>	<b>2,557,329</b>
<b>15.00</b>	<b>Provision for Diminution in Value of Investment:</b>		
	Opening Balance	96,363,249	96,363,249
	<b>Add:</b> During the Year	-	-
	<b>Total</b>	<b>96,363,249</b>	<b>96,363,249</b>
<b>16.00</b>	<b>Underwriting Commission:</b>	Year Ended Dec 31, 2019 BDT	Year Ended Dec 31, 2018 BDT
	Esquire Knit Ltd.	100,000	-
	Ring Shine Textiles Ltd.	131,250	-
	Oimex Electrode Limited	-	43,750
	Indo- Bangla Pharmaceuticals Ltd.	-	87,500
	M. L. Dyeing	-	150,000
	<b>Total</b>	<b>231,250</b>	<b>281,250</b>
<b>17.00</b>	<b>Administrative Expenses:</b>		
	Salary & Allowance ( <b>Note : 17.01</b> )	2,862,029	2,609,544
	Settlement and Others Fees ( <b>Note : 17.02</b> )	6,450	6,450
	Legal Fees & Renewals ( <b>Note : 17.03</b> )	86,300	101,785
	Directors' Attendance Fee	58,800	80,000
	Office Stationery	28,375	49,197
	Web Development Fee	5,000	5,000
	Audit Fee	46,000	46,000
	Repair & Maintenance	3,100	7,200
	Water Bill	27,570	24,355
	Depreciation	59,312	88,404
	<b>Total</b>	<b>3,182,936</b>	<b>3,017,935</b>
<b>17.01</b>	<b>Salary &amp; Allowance:</b>		
	Salary	2,536,893	2,408,604
	Festival Bonus	222,866	200,940
	Incentive Bonus	102,270	-
	<b>Total</b>	<b>2,862,029</b>	<b>2,609,544</b>
<b>17.02</b>	<b>Settlement and Others Fees:</b>		
	CDBL Charge	6,000	6,000
	BO Charge	450	450
	<b>Total</b>	<b>6,450</b>	<b>6,450</b>
<b>17.03</b>	<b>Legal Fees &amp; Renewals:</b>		
	MB License Fee	50,000	50,000
	RJSC Expenditure	20,000	36,285
	Trade License	16,300	15,500
	<b>Total</b>	<b>86,300</b>	<b>101,785</b>

## NBL Capital and Equity Management Ltd.

### Notes to the Financial Statements

For the year ended December 31, 2019

		As at Dec 31, 2019	As at Dec 31, 2018
		BDT	BDT
<b>18.00</b>	<b>Other Expenses:</b>		
	BMBA Annual Fee	100,000	100,000
	Consultancy Fee	127,778	138,000
	Miscellaneous	6,240	7,600
	IPO Application Fee	15,000	48,000
	Training and Internship	10,000	-
	Connectivity Charges	58,200	58,200
	<b>Total</b>	<b>317,218</b>	<b>351,800</b>
<b>19.00</b>	<b>Financial Expenses:</b>		
	Interest Expense	-	2,747
	Bank Charges	-	475
	<b>Total</b>	<b>-</b>	<b>3,222</b>
<b>20.00</b>	<b>Non Operating Income:</b>		
	Bank Interest	75,459	-
	Old News paper Sold	500	-
	<b>Total</b>	<b>75,959</b>	<b>-</b>
<b>21.00</b>	<b>Earning Per Share (EPS):</b>		
	Net Profit after Tax	12,367,622	12,611,980
	Weighted Average Number of Shares	2,500,000	2,500,000
	<b>EPS</b>	<b>4.95</b>	<b>5.04</b>

Earning per share (EPS) have been computed by dividing the basic earnings by the number of ordinary shares outstanding as on December 31, 2019 in accordance with International Accounting Standard (IAS) 33 "Earnings Per Share".

Annexure - A

## Schedule of Property, Plant & Equipment

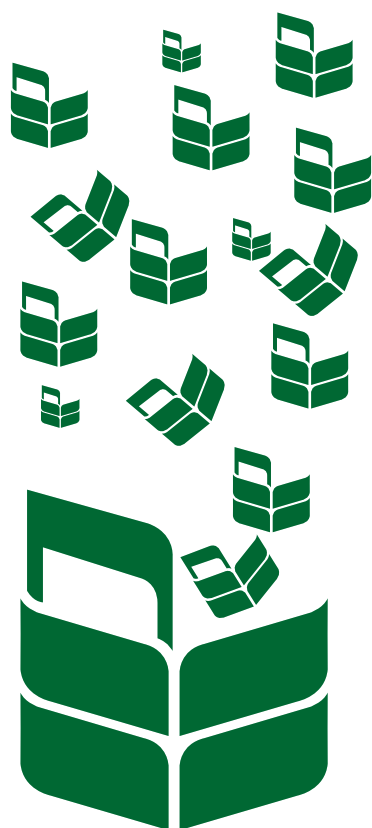
As at December 31, 2019

Amount in BDT

SL. NO.	Particulars	Cost			Rate of Depreciation	Depreciation			Written Down Value
		Balance as at 01.01.2019	Addition During the Year	Balance as at 31.12.19		Balance as at 01.01.19	Charged During the Year	Balance as at 31.12.19	
1	Electric Equipment	51,600	-	51,600	20%	40,397	2,241	42,637	8,963
2	Computer & Accessories	2,081,139	-	2,081,139	33.33%	1,909,906	57,072	1,966,978	114,161
	<b>Total</b>	<b>2,132,739</b>	<b>-</b>	<b>2,132,739</b>		<b>1,950,303</b>	<b>59,312</b>	<b>2,009,616</b>	<b>123,123</b>

Notes: Depreciation has been Charged under Diminishing Balance Method.

## Corporate Information



<b>1</b>	Incorporation of the Bank	15.03.1983
	Certificate of Commencement of Business	20.03.1983
<b>9</b>	Licensed issued by Bangladesh Bank	22.02.1983
<b>8</b>	Licensed issued for opening the first branch, Dilkusha Branch	22.03.1983
	Formal launching of the Bank	23.03.1983
<b>3</b>	Commencement of Business of Dilkusha Branch	23.03.1983
<b>1984</b>	Listed with Dhaka Stock Exchange Ltd.	20.12.1984
	Publication of Prospectus	30.12.1984
<b>1985</b>	Initial Public Offering (IPO) of shares	14.01.1985
	Trading of shares in DSE	21.04.1985
	Association with Gulf Overseas Exchange Co Pte Ltd	26.11.1985
<b>1993</b>	Signing of agreement with Western Union Money Transfer	16.05.1993
<b>1995</b>	Listed with Chittagong Stock Exchange Ltd.	06.11.1995
	Trading of shares in CSE	06.11.1995
<b>2004</b>	Listed with CDBL	29.09.2004
<b>2007</b>	Inauguration of NBL Money Transfer Pte Ltd, Singapore	08.07.2007
	Registration as DSE Stock Broker	24.10.2007
<b>2008</b>	Registration as DSE Stock Dealer	13.03.2008
<b>2009</b>	Inauguration of NBL Money Transfer Sdn Bhd, Malaysia	04.10.2009
<b>2010</b>	Primary Dealer for trading of Government Securities	01.01.2010
	Incorporation of NBL Securities Limited	01.02.2010
	Incorporation of NBL Capital & Equity Management Limited	01.02.2010
<b>2011</b>	Inauguration of NBL Money Transfer (Maldives) Pvt. Ltd.	23.12.2011
<b>2012</b>	Inauguration of NBL Money Transfer Payment Foundation S.A., Greece	15.06.2012
<b>2014</b>	Inauguration of NBL Money Transfer INC., USA	02.07.2014

Company Secretary	Legal Advisers	Auditors
ASM Bulbul, AMD	Barrister Ziaur Rahman Khan	Rahman Mostofa Alam & Co.
	Advocate Rafiuddin Ahmed	Chartered Accountants
	Advocate Rais Uddin Ahmed	

## REGIONAL OFFICES & BRANCH NETWORK

### Regional Offices

<b>Chittagong</b> 13/A (New), Sk. Mujib Road, Agrabad, Chittagong Fax: 88-031-2853885 Tel : 031-2853884 E-mail: ro.chittagong@nblbd.com	<b>Rajshahi</b> Regional Office 106-109, Shaheb Bazar (2nd Floor), Rajshahi, Fax: 880-721-776360 Tel : 0721-770416, 771701 E-mail: ro.rajshahi@nblbd.com	<b>Khulna</b> National Bank Bhaban 4-b Khan-a-sabur Road, Khulna Fax: 88-041-725046 Regional Head Tel : 041-720046 E-mail: ro.khulna@nblbd.com
<b>Shariatpur</b> Z.H. Sikder University of Science & Technology, Modhupur, Kartikpur, Bhedergonj, Shariatpur, Tel: 01755551387 E-mail : ro.shariatpur@nblbd.com	<b>Sylhet</b> Sikder Tower, 847, Mirabazar, Tamabil Road, Mirabazar, Sylhet, Fax: 880-821-760110 Tel : 0821-760624, 760943 E-mail: ro.sylhet@nblbd.com	

### Branches Under Dhaka Region

<b>Abdullahpur Branch</b> Minnat Plaza (1st Floor) Abdullahpur Bazar, Dhaka Maowa Road, P.O. : Abdullahpur Bazar P.S. : Keranigonj, Dist: Dhaka Manager Tel : 01730 329689 E-mail : abduallahpur@nblbd.com	<b>Baluchar Branch</b> Moyuree Mollah Shopping Centre Baluchar, Sirajdikhan, Munshigonj, Tel: 01713190853 E-mail: baluchar@nblbd.com	<b>Dhanmondi Branch</b> Safura Green (1st Floor) 761 Satmasjid Road Dhanmondi R/A, Dhaka-1205 Fax : 880-2-9123596 Manager Tel : 9123596, 9139638, 01713438576 E-mail : dhanmondi@nblbd.com	<b>Gazaria Branch</b> Mohammad Ali Proddhan Plaza Bhabarchar Bus Station, Gazaria, Munshiganj Manager, Mob: 01713-378967, 01713-190868 E-mail : gazaria@nblbd.com
<b>Aganagar Branch</b> Sadhin Tower, AC Masjid Road Union :Aganagar, P.S. South Keraniganj, Dist. Dhaka. Tel :+8801713-106682 E-mail : aganagar@nblbd.com	<b>Banani Branch</b> House # Sw 71, Road # 11 Block # D, Banani, Dhaka Fax : 88-02-8837176, Manager Tel : 8831962, 01713370652 E-mail : banani@nblbd.com	<b>Dhanmondi Extension Branch</b> 265/1, West Dhanmondi Road#15 (Old), New #8/A, P.S. Hazaribagh, Dist. Dhaka Tel :+8801701-215243 E-mail : dhanmondiextn@nblbd.com	<b>Gazipur Branch</b> Tanvir Plaza (1st Floor) Bus Stand Road, Gazipur Fax : 88-02-9261066, Tel : 9256548, 9261066, 9262559 E-mail: gazipur@nblbd.com Manager : 01713388917
<b>Asad Gate Branch</b> Plot No. 2/2, Block-A Mohammadpur Housing Estate, Mirpur Road, Mohammadpur, Dhaka, Manager Tel : 01755538437 E-mail : asadgate@nblbd.com	<b>Bandura Branch</b> Saimon Super Market Bandura Bazar, P.O.: Hasnabad, P.S: Nawabgonj, Dhaka-1321 Tel: 01819 412042, 01730-007347 Email: bandura@nblbd.com	<b>Dilkusha Branch</b> 48 Dilkusha Commercial Area, Dhaka-1000, Fax: 88-02-9564356, SWIFT: NBLBDDH001 Ext. 351 Tel : 9552610, 9558307, 01713186989 E-mail : dilkusha@nblbd.com	<b>Gopalpur SME/Krishi Branch</b> Konabari Bazar P.S. : Gopalpur, Dist : Tangail Tel: 01730318850 09226-75188 E-mail : gopalpur@nblbd.com
<b>Ati Bazar Branch</b> Upazilla Parishad Market, Union: Shakta, Mouza: Ati, P.S. Keranigonj Dist. Dhaka, Tel : 01713-335858 E-mail : atibazar@nblbd.com	<b>Bangshal Road Branch</b> 22 Bangshal Road, Dhaka-1100 Fax : 880-2-9565877 SWIFT: NBLBDDH012 Manager Tel : 9565878, 01713388871 Email : bangshal@nblbd.com	<b>Elenga Branch</b> Holding No. 1374 Pourashava-Elenga P.S. & Upazilla-Kalihati Dis. Tangail, Ph: 01730339964 Email: elenga@nblbd.com	<b>Gulshan Branch</b> 97/1 Gulshan Avenue, Gulshan, Dhaka, Fax : 88-02- 8855813, SWIFT : NBLBDDH067 Tel : 9889913-14, 9840590 E-mail : gulshan@nblbd.com Manager : 01713388878
<b>Ashulia Branch</b> Sandwip Plaza, 1st floor, DEPZ Ashulia Road, Modha Gazir Chot, Ashulia, Upzilla: Savar, Mouza: Baipail, P.S: Ashulai, Dhaka Manager: 01701215202 Email: ashulia@nblbd.com	<b>Bhagyakul Branch</b> Alam Plaza (1st Floor) Balashur Chowrasta, Bhagyakul, Sreenagar, Munshigonj Manager Tel : 01755546440-1 E-mail : bhagyakul@nblbd.com	<b>Elephant Road Branch</b> 3 Elephant Road , Dhaka-1205, Fax : 88-02-9669218, SWIFT: NBLBDDH015 Tel : 9669218, 8621867, 8620846 Email: elephantroad@nblbd.com Manager : 01713388873	<b>Gulshan Corporate Branch</b> Cityscape Tower (1st Floor), 53, Gulshan Avenue, P.S: Gulshan, Dist: Dhaka Tel: 8802-55068955-7, Manager: 01708803310, 01635112233 Email: gulshancorporate@nblbd.com
<b>Babu Bazar Branch</b> 4 Azizullah Road, Babu Bazar, Dhaka-1100, Fax: 88-02- 7313298, SWIFT: NBLBDDH031, Manager Tel : 7318975, 01755538437 E-mail : babubazar@nblbd.com	<b>Bhairab Bazar Branch</b> 81, East Bhairab Bazar (1st Floor) Pourashava : Bhairab Mouza: Bhairabpur P.S. Bhairab, Dist. Kishoregonj Tel: 01716437367, 01730339955 E-mail : Bhairab@nblbd.com	<b>Foreign Exchange Branch</b> Taranga Complex,19, Rajuk, Avenue, Dhaka-1000 Fax : 88-02-9563225 SWIFT: NBLBDDH021 Tel : 7162665, 9558484, Ext.12 E-mail : f.exchange@nblbd.com	<b>Imamganj Branch</b> 1 Moulvi Bazar, Dhaka-1100 Fax : 88-02-7319766 SWIFT: NBLBDDH003 Tel : 7314853, 7317649, 01713170705 E-mail : imamganj@nblbd.com
<b>Baghrabazar SME/Krishi Branch</b> Nahar Plaza(1st Floor), P. O : Baghrabazar, P.S. : Sreenagar, Dist : Munshigonj Tel : 01730 318851 E-mail : baghrabazar@nblbd.com	<b>Bhaluka Branch</b> 214/8 Asad Market, Bazar Road, Bhaluka, Mymensingh Fax : 09022-56077 Tel : 09022-56077, 56244, 01713425942 E-mail : bhaluka@nblbd.com	<b>Gachihata SME/Krishi Branch</b> Gachihata Bazar, P.O. Gachihata, P.S. Katiadi Dist. Kishoregonj Tel: 01730700080 E-mail: gachihata@nblbd.com	<b>Isapura SME/Krishi Branch</b> Abul Kashem Super Market (1st Floor), Po: Isapura, Ps: Sirajdikhan Dist: Munshigonj, Tel: 01730-738364, 06924-63366, 63360, Fax: 88-06924-63350 E-mail : isapura@nblbd.com

## Branches Under Dhaka Region

<p><b>Islampur Branch</b> 15-16 Islampur Road, (1st Floor), Dhaka, Tel : 7390609, 7395246, 7391017 Fax : 88-02-7390609, SWIFT: NBLBDDH054 E-mail : islampur@nblbd.com Manager : 01713388877</p>	<p><b>Kawran Bazar Branch</b> BTMC Bhaban, 7-9 Kawran Bazar, Dhaka-1215, Fax : 88-02-8127223 SWIFT: NBLBDDH048 Manager Tel : 8127223 E-mail : kawranbazar@nblbd.com</p>	<p><b>Meghula Branch</b> Meghula Bazar, P.S. : Dohar Dhaka, Tel : 01730-303587, 03894-681044 E-mail : meghula@nblbd.com</p>	<p><b>Muktagacha Branch</b> 593, Muktagacha, Mymensingh Tel : 0175542428-9 E-mail : muktagacha@nblbd.com</p>
<p><b>Jamalpur Branch</b> Mokaddes Mansion, House # 161, Road # 1, Doyamoyee Road, Jamalpur, Manager Tel : 0981-62718-9 Fax : 88-0981-62718/ Tel: 01713330622 E-mail : jamalpur@nblbd.com</p>	<p><b>Kholamora Branch</b> Shughanda Shopping Mal Kholamora Bazar, Karanigonj, Dhaka, Fax : 88-02-7766652 Tel : 02-776651, 01755-547992-3 E-mail : kholamora@nblbd.com</p>	<p><b>Mirhazirbagh Branch</b> 285 Mirhazirbagh, Jatrabari, Dhaka-1204, Manager : 7445463, 7445456, Mobile : 01713 190840 E-mail: mirhazirbagh@nblbd.com</p>	<p><b>Mymensingh Branch</b> 29/1 Nishikantha Ghosh Road Mymensingh, Fax : 88-091-66013 Manager Tel : 091-65759, 65803 E-mail : mymensingh@nblbd.com</p>
<p><b>Jatrabari Branch</b> Samiullah Plaza (2nd Floor), 40/2, Shaheed Faruk Road, Jatrabari, Dhaka-1204, Fax : 88-02-7554761 Tel : 7554761-62, 01714166174 E-mail : jatrabari@nblbd.com</p>	<p><b>Kishoregonj Branch</b> 1158 Hajee Akkas Market, Barabazar, Kishoregonj Manager Tel : 0941-62509, 62060 Fax : 88-0941-61389 E-mail : kishoregonj@nblbd.com</p>	<p><b>Mirpur Branch, Dhaka</b> Plot # 4, Block # Ka, Section # 6, Mirpur Main Road No.1, Dhaka. Fax : 88-02-9013216 Manager Tel : 9013216, 9014480 E-mail : mirpur@nblbd.com</p>	<p><b>Mawa Branch</b> Vill. West Kumarvog, P.O. Kumarvog Union: Kumarvog, P.S. Lauhajong Disi. Munshigonj. Tel :+8801701-215256 E-mail : mawa@nblbd.com</p>
<p><b>Joina Bazar Branch</b> Noich Towar, Sreepur, Gazipur. Tel: 01713190881 E-mail: joinabazar@nblbd.com</p>	<p><b>Lauhajong Branch</b> Dawlat Khan Complex P.S. Lauhajong, Munshigonj Manager Tel : 01755546442-3 E-mail : lauhajong@nblbd.com</p>	<p><b>Mirzapur SME/Krishi Branch</b> Holding No. 188, Word No. 3, Main Road, Mirzapur, Tangail Manager Tel : 0229-56595 Tel :+8801730-727774 E-mail : mirzapur@nblbd.com</p>	<p><b>Mohila Branch</b> Sikder Tower, Holding No. 209 Hazaribagh, Dhaka. Phone: +8802-9181120-21 Tel :+8801701-215244 E-mail : mohila@nblbd.com</p>
<p><b>Jurain Branch</b> Amir Tower (1st &amp; 2nd Floor) 169 /1/a/2, Dholairpar, Jurain Shyampur, Dhaka, Tel : 7443056 ,01713190724 E-mail : jurain@nblbd.com</p>	<p><b>Lake Circus Branch</b> 156 Mirpur Road, Lake Circus Kalabagan, Dhaka-1205 Tel : 9133275, 9111524 Tel : 01713335828 E-mail : lakecircus@nblbd.com</p>	<p><b>Mazar Road Branch</b> Plot No # 8-B/A, 1st Colony, Mazar Road, Mirpur-1, P.S: Darussalam, Mirpur Housing Estate, Dhaka-1216 Tel : + 8801701215229 E-mail : mazar_road@nblbd.com</p>	<p><b>Narayangonj Branch</b> Rahat Plaza, 53/3 S M Maleh Road, Tanbazar, Narayangonj Fax: 88-02-7630441 SWIFT: NBLBDDH010 Manager Tel: 7646211,01713388884 E-mail : narayangonj@nblbd.com</p>
<p><b>Kadamtoli Branch, Dhaka</b> 1024, Mohammadbag, Meraj Nagar, Kadamtoli, Dahak-1362. Te: 7553860, 7553830 Tel : 01730330476 E-mail: kadamtoli@nblbd.com</p>	<p><b>Madhabdi Branch</b> Hajee Mobarak Plaza 335 Madhadi, Narshingdi Manager Tel : 01755547990 E-mail : madhabdi@nblbd.com</p>	<p><b>Mohakhali Branch</b> 9 Bir Uttam Ak Khandaker Sarak, Mohakhali C/A, Dhaka-1212 Fax : 88-02-8821390 SWIFT : NBLBDDH043 Manager Tel : 8821059, ext. 102 E-mail : mohakhali@nblbd.com</p>	<p><b>Narsingdi Branch</b> 155 Sutapatty Main Road, Narsingdi-1600 Fax : 88-02-9462378 Tel : 9462378, 01713388918 E-mail : narsingdi@nblbd.com</p>
<p><b>Kaliakoir Branch</b> Plot # 39, Kaliakoir Bazar, Kaliakoir, Gazipur, Tel : 06822-52131-2 Fax : 88-06822-52132 Tel : 01713425865 E-mail : kaliakoir@nblbd.com</p>	<p><b>Madhupur Branch</b> Tara Complex, 354-Mymensingh Road, Madhupur, Tangail Tel : 09228-56124, 01713336382 E-mail : madhupur@nblbd.com</p>	<p><b>Mohammadpur Branch</b> Industrial Plot # 9, Block # C Tajmohal Road, Mohammadpur Dhaka-1207 Manager Tel : 9139409, 9114015 Tel :01713335824 E-mail : mohammadpur@nblbd.com</p>	<p><b>Netaigonj Branch</b> 2 Banga Bandhu Road Netaigonj, Narayangonj Tel : 01730 318561, 7633665 E-mail : netaigonj@nblbd.com</p>
<p><b>Kalihati Branch</b> Boga Super Market P.O. : Kalihati, P.S. : Kalihati, Tangail, Fax : 88-09227-74212 Tel : 09227-74303, 01730326246 E-mail : kalihati@nblbd.com</p>	<p><b>Malibagh Branch</b> 68/69/B, DIT Road, Malibagh Chowdhury Para, Dhaka Fax : 88-02-9330159 SWIFT : NBLBDDH032 Manager Tel : 9330159, 9357075 Tel :+01713388875 E-mail : malibagh@nblbd.com</p>	<p><b>Motijheel Branch</b> 3 Rajuk Avenue, Motijheel C/A, Dhaka-1000, Fax : 88-02-9567559, SWIFT : NBLBDDH058 Manager Tel : 9553569, 9567559 Tel :+01713388876 E-mail : motijheel@nblbd.com</p>	<p><b>Netrokona Branch</b> 212, Chotobazar, East Netrokona, Netrokona, Tel : 0175542426-7 E-mail : netrokona@nblbd.com</p>
<p><b>Kapasia Branch</b> Ekata Plaza, Kapasia Bazar Kapasia, Gazipur. Tel: Tel :01713378962 E-mail: kapasia@nblbd.com</p>	<p><b>Manikgonj Branch</b> Pourashava- Manikgonj Ward No.06, Holding No.53, Mouza- Dashra, P.S. Manikgonj, Dist. Manikgonj, Tel: 01730-339088 E-mail : manikgonj@nblbd.com</p>	<p><b>Munshigonj Branch</b> Shamsuddin Plaza, 179/C, Jubilee Road, Pourashava- Munshigonj, Ward No.02, Mouza: Munshigonj, Dist. Munshigonj, Tel: 01730-339944 E-mail : munshigonj@nblbd.com</p>	<p><b>Nimtola Branch</b> Sikder Shopping Complex Nimtola Bazar, Dhaka-Maowa Road, Sirajdikhan, Munsiganj Manager Moible : 01730-339077 E-mail : nimtola@nblbd.com</p>



## Branches Under Dhaka Region

<b>New Eskaton Branch</b> Queen's Garden Point 208 (15) New Eskaton Road Ramna, Dhaka Tel: 9355957, 8321814-5 Tel: 01730313008 E-mail: eskaton@nblbd.com	<b>Rokeya Sarani Branch</b> 218/3/A West K Afrul, Taitola Shere-bangla Nagar, Dhaka. Tel : 01730 318563, 9129649 E-mail: rokeyasarani@nblbd.com	<b>Sreenagar Branch</b> Chawkbazar, Sreenagar, Munshigonj Manage Tel : 038942-88290-1 Tel:01713336380 E-mail : sreenagar@nblbd.com	<b>Tongi Branch</b> Haque Asha Complex, Anarkali Road, Tongi Bazar, Tongi, Gazipur Tel : 01730 706758, 02-9817381-2 E-mail : tongi@nblbd.com
<b>North Brook Hall Road Branch</b> 20/21 North Brook Hall Road Bangla Bazar, Dhaka-1100 Fax: 88-02-7113829, SWIFT: NBLBDDH049 Tel: 7113829, 7116806, 01713388879 E-mail: nbhr@nblbd.com	<b>Saturia Branch</b> Anwara Plaza (2nd floor) Saturia Bus Stand, Dhamrai, Dhaka. Tel: 01730-330414 Fax: 88-02-7743920 E-mail: saver@nblbd.com	<b>Shakhipur Branch</b> Holding No-658, 659, Shakipur Bazar, Shakipur, Tangail Manager Tel :01730-738366 E-mail : shakhipur@nblbd.com	<b>Tongibari Branch</b> Kazi Market (1st Flr), Tongibari Musnshigonj, Tel : 06926-74048-9 Tel: 01713425866 E-mail : tongibari@nblbd.com
<b>Pagla Bazar Branch</b> Al-haj Afsar Karim Bhaban D N Road, Pagla,Narayanganj Manager Tel : 7682631,7682162 Tel: 01713388880 E-mail : paglabazar@nblbd.com	<b>Savar Bazar Branch</b> Quraishi Super Market Savar Bazar Road, Savar, Dhaka Manager Tel : 7745661, 7745521 Tel: 01713019285 E-mail : savar@nblbd.com	<b>Sonargaon Janapath Branch</b> Sonargaon Janapath Road, House No.36, Sector-12, Ward No.07, Mouza: Uttara Model Town Union: Harirampur, P.S. Uttara West, Dist. Dhaka, Tel : 01730-339930 E-mail : sjanapath@nblbd.com	<b>Trishal Branch</b> Nazrul College Market, Holding No.15, Pourashava : Trishal, Ward No.07, P.S. Trishal, District. Mymensingh Tel : 01730339863 E-mail : trishal@nblbd.com
<b>Pakundia SME/Krishi Branch</b> Hapania, Pakundia Pouroshova Pakundia, Kishoregonj Tel : 01730-729176, 09433-56190 E-mail : pakundia@nblbd.com	<b>Shafipur Branch</b> Mowchak Union Parishad P.S. Kaliakoir, Upa-Zilla: Kaliakoir, Dist. Gazipur Manager: 01701215213 Email- shafipur@nblbd.com	<b>Sherpur Branch</b> 87 College Road, Tinani Bazar, Sherpur, Fax: 88-0931-61028 Manager Tel :0931-61028, 61048 Tel: 01713330623 E-mail : sherpur@nblbd.com	<b>Uttara Branch</b> Plot # 103, Sector # 7, Dhaka-mymensingh Road Uttara C/A, Dhaka-1230 Fax : 88-02-8918014 Manager Tel : 8958749, 8958444 Tel:01713388881 E-mail : uftara@nblbd.com
<b>Phulpur Branch</b> Holding-28, Phulpur Bus Stand Phulpur, Mymensingh Tel: 01713-425996 E-mail: phulpur@nblbd.com	<b>Singair SME/Krishi Branch</b> Shahid Rafique Sarani Road, Singair Bazar, Manikgonj, Tel : 01730 318853, 0652-771261 E-mail : singair@nblbd.com	<b>Shimanto Square Branch</b> Shimanto Square (4th Floor) Holding No. 80, Pilkhana P.S. Dhanmondi, Dist. Dhaka Tel : 01713-186986, 9614567-8 E-mail : shimantosquare@nblbd.com	<b>West Dhanmondi Branch</b> Z H Sikder Women's Medical College, Monica Estate, West Dhanmondi, Dhaka Manager Tel : 9111160, 8116005 Tel: 01713388883 E-mail : zhswmc@nblbd.com
<b>Pragati Sarani Branch</b> Ka-216 Hakim Plaza, Kuril, Badda, Dhaka-1229, Fax : 88-02-8413798, Tel : 8413797, 01844097356 E-mail : pragatisarani@nblbd.com	<b>Sirajdikhan Branch</b> Z H Sikder Shopping Complex-2 (1st Floor), Union: Rashunia, Ward:07, P.S-Sirajdikhan, Dist. Munshigonj, Tel: 01730-339009 E-mail : sirajdikhan@nblbd.com	<b>Tangail Branch</b> 209 Victoria Road, Tangail Tel : 0921-55014, 54222, 53608 Tel: 01713330625 E-mail : tangail@nblbd.com	

## Branches Under Chattagram Region

<b>Agrabad Branch</b> 13/A (New), Sk. Mujib Road, Agrabad, Chattagram Fax : 88-031-710472 SWIFT: NBLBDDH004 Manager Tel : 031-716285, Ext. 111 Tel : 01713388903 E-mail : agrabad@nblbd.com	<b>Bashurhat Branch</b> City Plaza, Main Road Bashurhat, Companigonj, Nohakhali Manager Tel : 03223-56245, 56248, 01713335825 E-mail : bashurat@nblbd.com	<b>CDA Avenue Branch</b> 1002 CDA Avenue, East Nasirabad, P.S. : Panchlaish, Dist : Chittagong, Tel : 01730 318560, 031-654722 E-mail : cdaavenue@nblbd.com	<b>Chawkbazar Branch</b> Fortune Tower, 112/113, Karpashgola Road Chawkbazar, Chittagong Ph : 031-2857320, 01730-303589 E-mail : chawkbazar@nblbd.com
<b>Anderkilla Branch</b> K B Aman Ali Tower, 30 Anderkilla, Chattagram Tel : 031-2854513, 2854514 01714166173 E-mail : anderkilla@nblbd.com	<b>Bhatiary Branch</b> Bhatiary Dakshin Bazar, Bhatiary, Sitakunda, Chittagong. Tel : 031-2780890-92, 01730 333628 E-mail : bhatiary@nblbd.com	<b>Chaktai Branch</b> 134 New Chaktai, Kotwali, Chittagong, Fax : 88-031-619035 Manager Tel : 031-619035,619327 E-mail : chaktai@nblbd.com	<b>Chouddagram Branch</b> Hajee Sharafat Ali Mansion Chouddogram, Comilla. Manager Tel : 08020-56207-8 Tel: 01713388887 E-mail : chouddagram@nblbd.com
<b>Barura Branch</b> Barura Pourashava Patway Shopping Complex P.O. +P.S. : Barura, Dist : Comilla, Tel : 01730 318564, 08027-52592-1 E-mail : barura@nblbd.com	<b>Brahmanbaria Branch</b> 58-60 Kalasreepara, New Cinema Hall Road, Brahmanbaria. Fax : 880-851-58010 Manager Tel : 0851-58600, 58010 E-mail : brahmanbaria@nblbd.com	<b>Chandpur Natun Bazar Branch</b> 116/108 Sk Mansion, Comilla Road, Natun Bazar, Chandpur. Fax : 88-0841-63723 Tel : 0841-63309, 65527 Tel: 01713330627 m E-mail : chandpur@nblbd.co	<b>Chhyafullah Kandi Bazar Branch</b> Banchrampur, Brahmanbaria Tel: 01730339962 E.mail: chhyafullahkandi@nblbd.com
<b>Chowmuhani Branch</b> Pore Super Market Chowmuhani, Noakhali Tel : 0321-52353, 51045,52409 Tel: 01713330628 E-mail : chowmuhani@nblbd.com	<b>Comilla Branch</b> Rajganj, Comilla, Fax : 88-081-76420 Tel : 081- 76420, 71101 Tel: 07173105057 E-mail : comilla@nblbd.com	<b>Cox's Bazar Branch</b> Main Road, Cox's Bazar Fax : 88-0341-51184 Manager Tel : 0341-64666, 63714 Tel: 01713388919 E-mail : coxsbazar@nblbd.com	<b>Daganbhuiyan Branch</b> Daganbhuiyan Bazar, Feni Manager Tel : 03323-79047, 79094 Tel: 01713330629 E-mail : daganbhuiyan@nblbd.com

## Branches Under Chattogram Region

<p><b>Feni Branch</b> Maisa A.M. Ahmed Tower 192, SSK Road, Feni S S K Road, Feni, Fax : 88-0331-74344 Manager Tel : 0331-74344, 73188 Tel : 01713103051 E-mail : feni@nblbd.com</p>	<p><b>Jubilee Road Branch</b> Niaz Manjil, 922 Jubilee Road, Chittagong, Fax : 880-31-637969 SWIFT: NBLBDDH016 Manager Tel :031-637969, 630925 Tel : 01713388905 E-mail : jubileeroad@nblbd.com</p>	<p><b>Muradpur Branch</b> 95 Muradpur, P.S Panchlaish, Chittagong Fax : 88-031-2551448, Tel : 031-2551448-49, 01713 335826 E-mail : muradpur@nblbd.com</p>	<p><b>Sandwip Branch</b> Haramia Upazilla Complex Boktarhat, P.S: Sandwip District: Chittagong Tel : 01713 388909, 01713388885 E-mail : sandwip@nblbd.com</p>
<p><b>Gouripur Branch</b> Gouripur Bazar, Union : Gouripur, P.O. : Gouripur P.S.: Daudkandi, Dist : Comilla Manager Tel : 0173 0329691 E-mail : gouripur@nblbd.com</p>	<p><b>Khatungonj Branch</b> 34 Chand Meah Lane, Khatungonj, Chittagong, Fax : 88-031-610806 SWIFT : NBLBDDH002 Manager Tel : 031-611155 Tel : 01713190804 E-mail : khatungonj@nblbd.com</p>	<p><b>Pahartali Branch</b> 2153 DT Road, Pahartali, Chittagong Fax : 88-031-2770826, 031-2770826, 751120 Mobile : 01713 388908, Res: 031-2556402 E-mail : pahartali@nblbd.com</p>	<p><b>Sonagazi Branch</b> Manik Plaza (2nd Floor) P.O. Sonagazi, P.S. : Sonagazi Dist : Feni Tel : 01730 329687, 03325-76344 E-mail : sonagazi@nblbd.com</p>
<p><b>Hajigonj Branch</b> Mirza Complex (1st Floor), Amin Road, P.O. Hajigonj, P.S. : Hajigonj, Dist : Chandpur, Tel : 01730 329685 E-mail : hajigonj@nblbd.com</p>	<p><b>Maizdi Court Branch</b> 632/A/B/C Main Road, Maizdi Court, Suddaram, Noahkhali Manager Tel : 01713 425884 E-mail : Maizdicourt@nblbd.com</p>	<p><b>Patiya Branch</b> Samadia Super Market (1st Floor), Thanar More Patiya, Chittagong. 03035-56509 Tel :01713388909 E-mail : patiya@nblbd.com</p>	<p><b>Shahrashiti Branch</b> Holding No.58/1, Municipal Main Road Thakurbazar, P.S:Shahrashiti, District:Chandpur. Phone: 08427-56144 (Chamber), 08427-56155(Floor) Tel :+8801701-215245 E-mail : shahrasti@nblbd.com</p>
<p><b>Halishahar Branch</b> Plot # 12/A, Road # 2, Block # G, Ashian Highway Halishahar Housing Estate Halishahar, Chittagong, Manager Tel : 01730-727772 E-mail : hajigonj@nblbd.com</p>	<p><b>Mirersharai Branch</b> D.T. Road, Mirersharai, Chittagong. Manager Tel: 03024-56229-56230 Tel :01713438595 E-mail: mirersharai@nblbd.com</p>	<p><b>Rangunia Branch</b> Khaza Gawsia Market Roazarhat, Chittagong Manager: 03035-56036, 56035 Mobile : 01730-313900 E-mail: rangunia@nblbd.com</p>	
<p><b>Hathazari SME / Krishi Branch</b> Foyex Shopping Centre Rangor Road, Hathazari Bazar P.S. : Hathazari, Dist : Chittagong Manager Tel : 031-2601862-3 Tel: 01730318854 E-mail : hathazari@nblbd.com</p>	<p><b>Mudaffargonj Branch</b> Sazzad Super Market P.O. Mudaffargonj, P.S. Laksham, Comilla, Tel: 01730-303588, 01730373728 E-mail : mudaffargonj@nblbd.com</p>	<p><b>Sheikh Mujib Road Branch</b> 546 Sheikh Mujib Road, Chittagong Fax : 88-031-714648 SWIFT: NBLBDDH060 Tel : 031-714648, 714647 Tel :01713388906 E-mail : sheikhmujib@nblbd.com</p>	

## Branches Under Rajshahi Region

<p><b>Belkuchi SME/Krishi Branch</b> Amin Razzak Plaza Union + P. O. + P. S. : Belkuchi, Dist : Sirajgonj, Fax : 88-0751-56377 Tel : 07522-5637, 01713258790 E-mail : belkuchi@nblbd.com</p>	<p><b>Burimari Branch</b> Union: Burimari, P.S. Patgram, Mouza: Islampur, Dist. Lalmonirhat Tel: 01730-330444 E-mail: burimari@nblbd.com</p>	<p><b>Dinajpur Branch</b> Goneshtola Road (West Of Modern Cinema Hall), Dinajpur. Fax : 88-0531-64744 Manager Tel :0531-64744, 51651 Tel: 01713330608 E-mail : dinajpur@nblbd.com</p>	<p><b>Ishwardi Branch</b> Station Road, Ishwardi, Pabna Fax : 88-07326-63835 Manager Tel : 07326-63835, 63695 Tel: 01713330610 E-mail : ishwardi@nblbd.com</p>
<p><b>Bogra Branch</b> Barogola Bazar, Bogura Fax : 88-051-51540, SWIFT: NBLBDDH014 Manager Tel : 051-51540, 67983 Tel: 01713330607 E-mail : bogra@nblbd.com</p>	<p><b>Bhawlaganj Branch</b> Union: No.1 Chilahati, P.S. Debigonj, Mouza: Bhawlaganj Dist. Panchagarh, Tel: 01730-339033 E-mail: burimari@nblbd.com</p>	<p><b>Gaibandha Branch</b> Pran Gobinda Plaza, (1st Floor) Park Road, Gaibandha Fax : 88-0541-62531 Manager Tel : 0541-62531, 62532 Tel: 017134259444 E-mail : gaibandha@nblbd.com</p>	<p><b>Joypurhat Branch</b> Golam Aftab Supper Market, Sadar Road, Joypurhat Fax : 88-0571-62647, SWIFT: NBL BBDDH062 Manager Tel : 0571-62251, 63555 Tel: 01713330612 E-mail : joypurhat@nblbd.com</p>
<p><b>Birampur Branch</b> Mizan Market (1st floor) Birampur, Dinajpur. Tel: 05322-56507, 56407 Fax: 88-05322-56507 E-mail: birampur@nblbd.com</p>	<p><b>Chapainawabganj Branch</b> Kabir Bhaban, Thana Road, Chapainawabganj , Fax : 88-0781-55054 SWIFT: NBLBDDH053 Manager Tel : 0781-61470, 56417 E-mail : chapai@nblbd.com</p>	<p><b>Godagari Branch</b> 366 Dying Para (Bus Stand), Chapainawabganj Road,Rajshahi Fax : 88-07225-56287 Manager Tel : 07225-56286, 56287 E-mail : godagari@nblbd.com</p>	<p><b>Kazirhat Branch</b> Rajshahi City Corporation, Ward no: 8, House No: 634, P.S: Rajpara, Dis: Rajshahi Manager: 01721-773011, 01701215201 Email- kazirhat@nblbd.com</p>

## Branches Under Rajshahi Region

<b>Hili Branch</b> Holding No# 0090-00, Charmatha, Bangla Hili, Pourashava- Hakimpur, Ward No# 02, P.O:Hakimpur, P.S.Hakimpur, District: Dinajpur. Tel : +8801701215231 E-mail : hili@nblbd.com	<b>Neamotpur SME/Krishi Branch</b> Balahoir, Neamotpur Naogaon Manager Tel : 01730-729174 E-mail : neamotpur@nblbd.com	<b>Rangpur Branch</b> Chamber Haban (1st Floor). Glory Road, Rangpur Fax : 88-0521-65749, SWIFT: NBLBDDH006 Tel : 0521-65312, 63583 Tel : 01713330603 E-mail : rangpur@nblbd.com	<b>Shajadpur Branch</b> 493 Solaiman Shopping Complex, Bscic Road, Dariapur Bazar, Shajadpur, Sirajgonj Fax : 88-07527-64560 Manager Tel : 07527-64560, 64640 Tel : 01713425867 E-mail : shajdpur@nblbd.com
<b>Kurigram Branch</b> Holding No. 2313, College Road, Pourahova: Kurigram, (Ward No. 05) P.S: Kurigram Manager: 01701215211 Tel: 0581-51065 0581-51066 Email-kurigram@nblbd.com	<b>Pabna Branch</b> Haque Supper Market (1st Floor) Abdul Hamid Road, Pabna. Fax : 88-0731-51837, SWIFT : NBLBDDH036 Manager Tel :0731-64499, 51837 Tel : 01713330604 E-mail : pabna@nblbd.com	<b>Roumari Branch</b> Union-Roumari, Ward No.2 P.S. Roumari, Dist.Kurigram Tel: 01730339051 E-mail : roumari@nblbd.com	<b>Sathibary SME/Krishi Branch</b> Union : Durgapur, P. O. : Durgapur P.S. : Mithapukur, Dist : Rangpur Manager Tel : 0173 0326245 E-mail : sathibary@nblbd.com
<b>Naogaon Branch</b> 405 Sadar Road, Municipal Area, Naogaon Fax : 88-0741-61786 SWIFT: NBLBDDH039 Tel : 0741-61786, 62725, 62376 Tel : 01713330609 E-mail : naogaon@nblbd.com	<b>Panchagarh Branch</b> Holding No-51, Islambag Teltulia Road, Word No- 3, Panchagarh Sadar, Panchagarh Manager Tel : 01730-727770 E-mail : panchagarh@nblbd.com	<b>Saidpur Branch</b> 1/B Shaheed Dr. Zohrul Haque Road, Saidpur, Nilphamari Fax : 88-05526-72490 Manager Tel : 05526-72490 Tel : 01713330605 E-mail : saidpur@nblbd.com	<b>Thakurgaon Branch</b> Town Plaza, North Circular Road, Thakurgaon Fax : 88-0561-52217 Manager Tel : 0561-61999, 52687 Tel : 01713330611 E-mail : thakurgaon@nblbd.com
<b>Natore Branch</b> 570 Zahurul Orket Kanaikhal, Dhaka Road Natore, Fax : 88-0771-61108 Manager Tel : 0771-61108, 61109 Tel : 01713336387 E-mail : natore@nblbd.com	<b>Rajshahi Branch</b> 106-109 Shaheb Bazar, Rajshahi Fax : 88-0721-774870, SWIFT: NBLBDDH005 Manager Tel : 0721-772563 E-mail : rajshahi@nblbd.com	<b>Sirajganj Branch</b> S S Road (Darbesh Complex), Sirajganj, Fax : 88-0751-62428 Tel : 0751-62372, 01711816771 E-mail : sirajganj@nblbd.com	

## Branches Under Khulna Region

<b>Alipur Branch</b> Karim Musulli Tower, Sadar Road, Alipur, Kuakata, Kolapara, Patuakhali, Fax : 88 04428 56228 Manager, Tel : 04428-56228, 56227 Mobile : 01730 701643, 01713- 378965 E-mail: alipur@nblbd.com	<b>Boalmari SME/Krishi Branch</b> Boalmari Bazar, P.S. : Boalmari, Dist : Faridpur Tel : 06324-56393, 01730-319994 E-mail : boalmari@nblbd.com	<b>Gopalganj Branch</b> Nafco Shopping Complex 37, D.C. Road, Gopalganj, Tel: 02-6681730, 6681728 Tel: 01730330362 E-mail: gopalganj@nblbd.com	<b>Kanaipur Bazar SME/Krishi Branch</b> K B Super Market, Kanaipur Bazar, Faridpur, Tel : 01730 326249 E-mail : kanaipur@nblbd.com
<b>Barisal Branch</b> 100 Sadar Road, Barisal-8200 Fax : 88-0431-64166 Tel : 0431-64166, 64588, 69392 Tel : 01713330616 E-mail : barisal@nblbd.com	<b>Chowgacha Branch</b> High School Road, Chowgacha Bazar, Jessore, Fax : 88-04224-56566, Manager Tel : 04224-56466,56566 Tel : 01713336386 E-mail : chowgacha@nblbd.com	<b>Jessore Branch</b> 11-12 Garikhana Main Road Jessore, Fax : 88-0421-63652 SWIFT: NBLBDDH029 Manager Tel :0421-68684, 68481 Tel : 01713330618 E-mail : jessore@nblbd.com	<b>KDA Branch, Khulna</b> KDA Commercial Area, BHBFC Bhaban (Ground Floor) 15-16 Khan A Sabur Road, Khulna Fax : 88-041-731866 Manager Tel : 041-731866, 731877 Tel : 01713330621 E-mail : kda@nblbd.com
<b>Benapole Branch</b> 2nd floor, 490, Rahman Chamber benapole Bazar, Jeshore. Tel : +8801701215230 E-mail :benapole@nblbd.com	<b>Charfassion Branch</b> Sadar Raod, Charfassion, Bhola Fax : 88-04923-74103 Manager Tel : 04923-74103-4 Tel : 01713335827 E-mail : charfassion@nblbd.com	<b>Jhenaidah Branch</b> Jafor Tower, 20, Sher-E-Bangla Road, Jhenaidah Manager: 01713-425981 Tel: 0451-63881, 0451-63882 Email-jhenaidah@nblbd.com	<b>Khulna Branch</b> 2 Sir Iqbal Road, Khulna Fax : 88-041-722051, SWIFT: NBLBDDH007 Manager Tel : 041-721757, 720607 Tel : 01713330613 E-mail : khulna@nblbd.com
<b>Bhanga Branch</b> Bhanga Bazar, Faridpur Manager Tel : 06323-56512, 56513 Tel : 01713336384 E-mail : bhanga@nblbd.com	<b>Faridpur Branch</b> Al-haj Abdul Hamid Building 83 Chawkbazar, Faridpur. Fax: 880-0631-63446 Manager Tel : 0631-62542, 62577 Tel : 01713330614 E-mail : faridpur@nblbd.com	<b>Jhalakathi Branch</b> 354 Fariapatty, Jhalakhati Fax : 88-0498-63147 Manager Tel : 0498- 62795, 63464 Tel : 01713330617 E-mail : jhalakathi@nblbd.com	<b>Kuakata Branch</b> Ward No.06, Nilanjana Road, Mouza-Lata Chapli Paurashava: Kuakata, PS & Upa Zilla-Kalapara, District. Patuakhali Tel : 01912217763, 01714161210 E-mail : kuakata@nblbd.com
<b>Bhola Branch</b> K. Jahan Shopping Complex 677 Sadar Road, Bhola. Fax : 88-0491-61667 Manager Tel : 0491- 61827 Tel : 01713330615 E-mail : bhola@nblbd.com	<b>Goalchamat Branch</b> 31/D, Hotel Raffles Inn (2nd Floor), Goalchamat, Faridpur Fax : 88 0631 67302 Tel: 0631-67302-3, 01714 161201 E-mail: goalchamat@nblbd.com	<b>Kaligonj SME/Krishi Branch</b> Kaligonj Bhushan High School Road Madhugonj Bazar, P.S. : Kaligonj, Dist : Jhenaidah Tel : 01730 318852, 04523-56668-9 E-mail : kaligonj@nblbd.com	<b>Kushtia Branch</b> 18 Nawab Sirajuddoula Road Razzak Super Market, Kushtia Fax : 88-071-61109 Manager Tel : 071-61844, 73614 Tel : 01713330620 E-mail : kushtia@nblbd.com

## Branches Under Khulna Region

<b>Madaripur Branch</b> Madaripur Main Road, Holding No.66 Madaripur Pourashava P.S. Madaripur, Tel : 01713-190808 E-mail : madaripur@nblbd.com	<b>Pangsha Branch</b> Abdul Malaque Plaza, College Road, Pangsha, Rajbari Tel: 06424-75092-93, 01730-330356 Email: pangsha@nblbd.com	<b>Rajbari Branch</b> Rajbari, Faridpur, Manager : 01730034912 E-mail: rajbari@nblbd.com	<b>Shibchar Branch</b> Molla New Supper Market, 1216 Sadar Road, Shibchar, Madaripur Fax : 88-06624-56376 Manager Tel : 06624-56376-7  E-mail : shibchar@nblbd.com
<b>Patuakhali Branch</b> 120 Natun Bazar, Sadar Road, Patuakhali, Tel : 01755 547994-5 E-mail : patuakhali@nblbd.com	<b>Rahmatpur Bazar Branch</b> Union : Rahmatpur, P.S. Biman Bandar Upa-Zilla: Babugonj, Dist. Barisal. Manager : +8801701215216 Email:rahmatpur@nblbd.com	<b>Satkhira Branch</b> 32-33 Old College Road, Sultanpur Bazar, Satkhira Fax: 88-0471-64716, SWIFT: NBLBDDH024 Manager Tel : 0471-63427, 62107 Tel : 01713330619 E-mail : satkhira@nblbd.com	<b>Torkibandar Branch</b> 445 Sadar Road, Torki Bandar Gournadi, Dist : Barisal Tel : 0432-256442, 01730 318562 E-mail : torkibandar@nblbd.com

## Branches Under Shariatpur Region

<b>Angaria Branch</b> Dhali Plaza, Angaria Bazar, Union: Angaria, P.S Palong, Dist. Shariatpur, Tel : 01730-330300 E-mail : angaria@nblbd.com	<b>Gharishar Branch</b> Baroipara, Gharishar, Naria, Shariatpur. Manager Tel : 01730729107 E-mail : gharishar@nblbd.com	<b>Kazirhat Branch</b> P.O. : Dubisaibor, P.S. : Jajira, Dist : Shariatpur Manager Tel : 01755538434-5 E-mail : kazirhat@nblbd.com	<b>Shakhipur Branch</b> Solainman Plaza, Sakhipur Bazar, P.S: Sakhipur, Upazilla: Bhedergonj District: Shariatpur. Manager : 01701215212 Email - sakhipur_shariatpur@nblbd.com
<b>Bhedergonj Branch</b> Holding No. 801-802 Bhedergonj, Shariatpur Manager Tel : 01730-729172 E-mail : bhedergonj@nblbd.com	<b>Golar Bazar Branch</b> Union: Dingamanik Upazilla: Naria, District: Shariatpur. Manager :01701215215 Email- golarbazar@nblbd.com	<b>Naria Branch</b> New Market, Naria Bazar, Naria Shariatpur Fax : 88-0601-59182, Manager Tel : 0601-59182 Tel: 01713336385 E-mail : naria@nblbd.com	<b>Z.H. Sikder University of Science &amp; Technology Branch</b> Modhupur, Kartikpur, Bhedergonj, Shariatpur Manager : Tel: 01730-339807, 01749-416862 Tel: 01730339807 E-mail : zhsust@nblbd.com
<b>Bhojeshwar SME/Krishi Branch</b> Bhojeshwar Bazar, Bhojeshwar, P.S. : Naria, Dist : Shariatpur, Tel : 01755582859 E-mail : bhojeshwar@nblbd.com	<b>Goshairhat Branch</b> Goshairhat, Shariatpur Phone : 06024 75051, 06024 75055, 01730014046 E-mail: goshairhat@nblbd.com	<b>Naodoba Branch</b> Naodoba Bazar Road, Vill. Ahmed Chakdankandi, Union: Noadoba(Word No.01), P.S. Zajira, Dist. Shariatpur Tel :+8801701-215260 E-mail : naodoba@nblbd.com	
<b>Ganganagar Branch</b> Matin Super Market, Ganganagar Bazar, Village: Goyghar, P.O: Goyghar, Union: Shoulpara, Word No: 01, P.S: Palong Sadar, District: Shariatpur. Tel :+8801701215228 E-mail : ganganagar@nblbd.com	<b>Kartikpur Branch</b> P.O. : Kartikpur, P.S. : Bhedergonj, Dist : Shariatpur, Manager Tel : 01730 329007 E-mail : kartikpur@nblbd.com	<b>Shariatpur Branch</b> S R Plaza (1st Floor), Main Road, P.S. Palong, Shariatpur Fax : 88-0601-51235 Tel : 0601-51236, 01730-738362 E-mail : shariatpur@nblbd.com	

## Branches Under Sylhet Region

<b>Beanibazar Branch</b> Shohrab Mansion, Beanibazar, Sylhet Tel : 08223- 56010-11, 03799-288343 Tel: 01713388916 E-mail : beanibazar@nblbd.com	<b>Habiganj Branch</b> Ashraf Jahan Complex Kalibari Road, Habiganj Manager Tel : 0831-61411, 53191 E-mail : habiganj@nblbd.com	<b>Mirpur Bazar Branch</b> Chand Ali Shopping Center (1st Flr), Jagannathpur, Sunamganj Tel : 0821-4443325, 01711923075 E-mail : mirpurbazar@nblbd.com	<b>Sylhet Branch</b> Laldighir Par, Sylhet Fax : 88-0821-724908 SWIFT: NBLBDDH008 Manager Tel : 0821-715982, E-mail : sylhet@nblbd.com
<b>Biswanath Branch</b> Al-hera Shopping City (1st Floor), Biswanath, Sylhet Manager Tel : 08224-56024 Tel: 01711923074 E-mail : biswanath@nblbd.com	<b>Kadamtoli Branch</b> Al Ferdous Shopping Complex (1st Floor), Kadamtoli, Sylhet Manager Tel : 0821-841818-19 Tel: 01713431475 E-mail : kadamtoli@nblbd.com	<b>Moulvibazar Branch</b> 95 Court Road, Moulvibazar Fax : 88-0861-52454 Manager Tel : 0861-61371, 52681 Tel: 01711922952 E-mail : moulvibazar@nblbd.com	<b>Sunamgonj Branch</b> Khalekabad Bhaban Station Road, Sunamgonj Fax : 88-0871-61550 Manager Tel : 0871-61550, 61551 Tel: 01713335823 E-mail : sunamgonj@nblbd.com
<b>Chattak Branch</b> Taher Center, Chattak Bazar P.O. & P.S. Chattak Dist. Sunamgonj. Tel : 01730-341388, 08723-56240, 56243	<b>Kulaura Branch</b> Haji Cherag Ali Shopping Centre 190 Moulvibazar Road P.O. & P.S. : Kulaura Dist : Moulvibazar Manager Tel : 0173 0326248 E-mail : kulaura@nblbd.com	<b>Shibganj Branch</b> Bonorupa, (1st Floor) House # 42, Road # 15, Bolck-b, Main Road, Shahjalal Upasahar, Sylhet Manager Tel : 0821-760575 Tel: 01711923073 E-mail : shibganj@nblbd.com	<b>Tajpur Branch</b> Po : Tajpur, P.S. : Osmaninagar, Sylhet, Tel : 08242-56024, 56655 Tel: 01711922951 E-mail: tajpur@nblbd.com
<b>Fenchugonj Branch</b> Fenchugonj Bazar, P.O. : & P.S. : Fenchugonj, Dist: Sylhet Manager Tel : 0173 0326247, 08226-56299, 56303 E-mail : fenchugonj@nblbd.com	<b>Kanaighat Branch</b> Soudia Market, Pourashava- Kanaighat, Ward No.03, Mouza: Dalaichar, P.S. Kanaighat, Dist. Sylhet, Tel : 01713-335859 E-mail : kanaighat@nblbd.com	<b>Sree Mongal Branch</b> SK. Roy Shopping Complex 162, Moulvibazar Road, Sreemongal, Moulvibazar Fax : 88-08626-71778 Tel : 08626-71778, 71367, 88135 Tel: 01711922605 E-mail : sreemongal@nblbd.com	<b>Zindabazar Branch</b> West World Shopping City Jallarpur Road West Zindabazar, Sylhet Fax : 88-0821-711566 Manager Tel : 0821-71157, 712227 Tel: 01711922538 E-mail : zindabazar@nblbd.com
<b>Golapgonj Branch</b> 78/1 Ranoping Square Golapgonj, Chowmuhani, Sylhet Manager Tel : 08227-56220, 56221 Tel: 01713336381 E-mail : golapgonj@nblbd.com	<b>Sikder Tower Branch</b> Sikder Tower, 847, Mirabazar Tamabil Road, Mirabazar, Sylhet 0821-728867, 728868 Tel: 01730 339992 E-mail : mirabazar@nblbd.com	<b>Subidbazar Branch</b> Sylhet-Sunamganj Road Subidbazar, Sylhet, Manager Tel : 88-0821-712955 Tel: 01711923062 E-mail : subidbazar@nblbd.com	

## NBL SUB BRANCHES

### **Paglapir Bazar**

Controlling Branch : **Rangpur**  
Saidpur Road Paglapir Bazar  
Union : 02 No. Horidebpur  
(Ward No.08) P.S. Sadar  
Dist. Rangpur,  
Tel : 01701-215247  
E-mail : paglapir@nbl.com.bd

### **Chakdha Bazar**

Controlling Branch : **Naria**  
Showkat Plaza, Union-Bhumkhara  
(Ward No. 02), Vill: Chakdha,  
P.S. Naria, Dist. Shariatpur.  
Tel : 01701-215249  
E-mail : chakdha@nbl.com.bd

### **Kaharole Bazar**

Controlling Branch : **Dinajpur**  
T & T Road, Union : 03 No. Mukundapur  
(Ward No.01) P.S. Kaharol, Dist.Dinajpur  
Tel : 01701- 215251  
E-mail : kaharole@nbl.com.bd

### **Mohasthanarh**

Controlling Branch : **Bogura**  
Raninagar Bazar, Vill: Bodla, Union  
Raynagar (Ward No.08),  
P.S. Shibgonj, Dist. Bogura  
Tel : 01701- 215252  
E-mail : mohasthanarh@nbl.com.bd

### **Puran Bazar**

Controlling Branch : **Patuakhali Branch**  
Ambia Bhaban, Holding No. 208  
Pourashava-Patuakhali (Ward No. 01)  
P.S. Patuakhali, Dist.Patuakhali  
Tel : 01701-215254  
E-mail : puranbazar@nbl.com.bd

### **Rupatali**

Controlling Branch : **Barisal**  
Road No.7, Barisal City Corporation  
(Ward No.24) P.S. Barisal Sadar, Dist. Barisal  
Tel : 01701-215257  
E-mail : rupatali@nbl.com.bd

### **Boyra Bazar**

Controlling Branch : **Khulna**  
Abdur Rouf Market, Boyra Main Road,  
Holding No.4812, Khulna City Corporation,  
(Ward No.16 ) P.S Sonadanga, Dist.Khulna  
Tel : 01701- 215262  
E-mail : boyra@nbl.com.bd

### **Pachchar Bazar**

Controlling Branch : **Shibchar**  
Saidpur Road Paglapir Bazar  
Kundu Market,Pachchar Bazar  
Union: Pachchar (Ward No.04),  
P.S. Shibchar, Dist. Madaripur  
Tel : 01701-215250  
E-mail : pachchar@nbl.com.bd

### **Dogri Bazar**

Controlling Branch : **Bhojeshwar SME/Krishi**  
Dogri, Madbor Mansion, Vill: Dogri Madbor Kandi  
Union: Nasahon- 8020, (Ward No.02)  
P.S. Naria Dist. Shariatpur  
Tel : 01701- 215248  
E-mail : dogri@nbl.com.bd

### **Raninagar Bazar**

Controlling Branch : **Naogaon**  
Raninagar Bazar, Vill: Bodla, Union  
Raninagar,(Ward No.02),  
P.O. & P.S. Raninagar, Dist. Naogaon  
Tel : 01701- 215253  
E-mail : raninagar@nbl.com.bd

### **Gorai Bazar**

Controlling Branch : **Kaliakoir**  
Rowshan Monzil, Nazirpara  
Union: Gorai, P.S. Mirzapur, Dist. Tangail.  
Tel : 01701215259  
E-mail : gori@nbl.com.bd

### **Lalmohan**

Controlling Branch : **Charfassion**  
Shopna Plaza (1st Floor), Pourashava-Lalmohan  
(Ward No.08), Najirpur Road, Western Para,  
P.S. Lalmohan, District-Bhola  
Tel : 01701-215258  
E-mail : lalmohan@nbl.com.bd

### **Katakhali Bazar**

Controlling Branch : **Rajshahi**  
Holding No.2732, Pourashava- Katakhali (Ward  
No.03) P.S. Katakhali, Dist. Rajshahi.  
Tel : 01701- 215261  
E-mail : katakhali@nbl.com.bd

### **Katiadi**

Controlling Branch : **Kishoregonj**  
Engr. A B Siddique Plaza,  
Katiadi BazarHolding No#2730/1, Katiadi  
PourashavaWard No#03,P.S. Katiadi  
District-Kishoregonj  
Tel : 01701-215263  
E-mail : katiadi@nbl.com.bd

## গ্রাহক লেনদেন সহজীকরণে ন্যাশনাল ব্যাংক-এর শাখা সম্প্রসারণ কার্যক্রম





ন্যাশনাল ব্যাংক লিমিটেড-এর বিভিন্ন কার্যক্রম



## অর্থনৈতিক মুক্তির লক্ষ্যে এনবিএল'র 'দারিদ্র মুক্তি' ঋণ প্রকল্প





দ্রুত গতিতে এগিয়ে চলছে এনবিএল টুইন টাওয়ার নির্মাণ কাজ



সম্মানিত গ্রাহকদের  
আস্থাই আমাদের অনুপ্রেরণা

গ্রাহক সেবায় আমাদের  
আকর্ষণীয় ক্ষমতাসমূহ

স্বল্প কালীন আমানত রেখে,  
মন ভরে যায় আয় দেখে।

সোনাল  
বাংলা  
আমানত



জাতির জনকের জন্মশতবার্ষিকী 'মুজিব বর্ষ' উপলক্ষে বছরব্যাপী ন্যাশনাল ব্যাংকের বিশেষ আমানত ক্ষিম।

- ৪৫ দিন মেয়াদের বিশেষ আমানত। ● আকর্ষণীয় মুনাফায় ৪৫ দিনের সুদ পাওয়া যায়। ● মেয়াদান্তে স্বয়ংক্রিয়ভাবে হিসাব নবায়নযোগ্য। ● সুদের জন্য সংযুক্ত হিসাব ন্যাশনাল ব্যাংকের যেকোন শাখায় করা যায়। ● ৫০,০০০/- টাকা বা এর অধিক যেকোন অংকের টাকা জমা রাখা যায়। ● সঞ্চয়ের বিপরীতে ৮০% পর্যন্ত ঋণ সুবিধা। ● একই ব্যক্তি একাধিক হিসাব খুলতে পারেন। ● অভিভাবকের সাথে ১৮ বছরের কম বয়সীরাও হিসাব খুলতে পারে। ● এই হিসাব খোলা যাবে ৩১ ডিসেম্বর ২০২০ পর্যন্ত।

\*গড় টাকার/লেন্ডি প্রযোজ্য

দু'মাস পরপর লাভ পাবেন  
সঞ্চয় তুলবেন?  
যেকোন সময়

এন বি এল স্বাধীনতা,  
ভাবনার্থীন আয়ের বারতা।

স্বাধীনতা  
একটি দুই মাস অন্তর আয় প্রকল্প

- কোন প্রকার নিজস্ব চার্জ বা কর্তন ব্যতিরেকে মেয়াদ শেষ হওয়ার পূর্বেই প্রয়োজনে সম্পূর্ণ সঞ্চয় জোলা যায়।
- সঞ্চয়ের বিপরীতে ৮০% পর্যন্ত ঋণ সুবিধা পাওয়া যাবে।
- ন্যূনতম ৫০,০০০/- (পঞ্চাশ হাজার) টাকা সঞ্চয়ে প্রতি ২ মাস পর পর প্রদেয় মুনাফার পরিমাণ ৬৭৫/- (ছয়শত পঁচাত্তর টাকা)।
- ৫০,০০০/- (পঞ্চাশ হাজার) টাকার গুণিতক যেকোন অংকের টাকা ২ বছরের জন্য বিনিয়োগ করে এই সুবিধা ভোগ করা যায়।

জমার পরিমাণ	আকর্ষণীয় মুনাফায় * ২ মাস অন্তর প্রদেয় টাকা
৫০,০০০.০০	৬৭৫.০০
১০০,০০০.০০	১,৩৫০.০০
১৫০,০০০.০০	২,০২৫.০০
২০০,০০০.০০	২,৭০০.০০
২৫০,০০০.০০	৩,৩৭৫.০০
৩০০,০০০.০০	৪,০৫০.০০
৩৫০,০০০.০০	৪,৭২৫.০০
৪০০,০০০.০০	৫,৪০০.০০
৪৫০,০০০.০০	৬,০৭৫.০০
৫০০,০০০.০০	৬,৭৫০.০০
৫৫০,০০০.০০	৭,৪২৫.০০
৬০০,০০০.০০	৮,১০০.০০
৬৫০,০০০.০০	৮,৭৭৫.০০
৭০০,০০০.০০	৯,৪৫০.০০
৭৫০,০০০.০০	১০,১২৫.০০
৮০০,০০০.০০	১০,৮০০.০০
৮৫০,০০০.০০	১১,৪৭৫.০০
৯০০,০০০.০০	১২,১৫০.০০
৯৫০,০০০.০০	১২,৮২৫.০০
১০,০০০,০০০.০০	১,৩৫,০০০.০০

\*গড় টাকার/লেন্ডি প্রযোজ্য

সেধুরী আমানত প্রকল্প

১০০ দিনের করব সঞ্চয়,  
হবেনা আর অযথা অপচয়।

- ১০০ দিন মেয়াদের আমানত প্রকল্প। ● আকর্ষণীয় মুনাফায় ১০০ দিনের সুদ পাওয়া যায়। ● ৫০,০০০/- টাকা বা এর অধিক যেকোন অংকের টাকা জমা রাখা যায়। ● সঞ্চয়ের বিপরীতে ৮০% পর্যন্ত ঋণ সুবিধা। ● মেয়াদান্তে স্বয়ংক্রিয়ভাবে হিসাব নবায়নযোগ্য। ● সুদের জন্য সংযুক্ত হিসাব ন্যাশনাল ব্যাংকের যেকোন শাখায় করা যায়।

\*গড় টাকার/লেন্ডি প্রযোজ্য

মাসিক আর্নিং ক্ষিম

মাসে মাসে আয়,  
দিন নির্ভরনায় যায়।



- এক, তিন বা পাঁচ বছর মেয়াদের জন্য সর্বনিম্ন ১,০০,০০০/- টাকা অথবা এর গুণিতক যে কোন অংকের টাকা। ● এক সঙ্গে জমা দিয়ে প্রতি মাসে লাখ প্রতি ৬৭৫/- টাকা মুনাফা পাওয়ার এক আকর্ষণীয় সুযোগ। ● সঞ্চয়ের বিপরীতে ৮০% পর্যন্ত ঋণ সুবিধা পাওয়া যাবে।

এককালীন জমা	আকর্ষণীয় মুনাফায় * মাসিক মুনাফা	
	মাসিক মুনাফা	মাসিক মুনাফা
১,০০,০০০.০০	৬৭৫.০০	৬৭৫.০০
৫,০০,০০০.০০	৩,৩৭৫.০০	৩,৩৭৫.০০
১০,০০,০০০.০০	৬,৭৫০.০০	৬,৭৫০.০০
১৫,০০,০০০.০০	১০,১২৫.০০	১০,১২৫.০০
২০,০০,০০০.০০	১৩,৫০০.০০	১৩,৫০০.০০
৩০,০০,০০০.০০	২০,২৫০.০০	২০,২৫০.০০
৫০,০০,০০০.০০	৩৩,৭৫০.০০	৩৩,৭৫০.০০
১০০,০০,০০০.০০	৬৭,৫০০.০০	৬৭,৫০০.০০

\*গড় টাকার/লেন্ডি প্রযোজ্য

বিস্তারিত তথ্যের জন্য ন্যাশনাল ব্যাংকের যেকোনো শাখায় যোগাযোগ করুন

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